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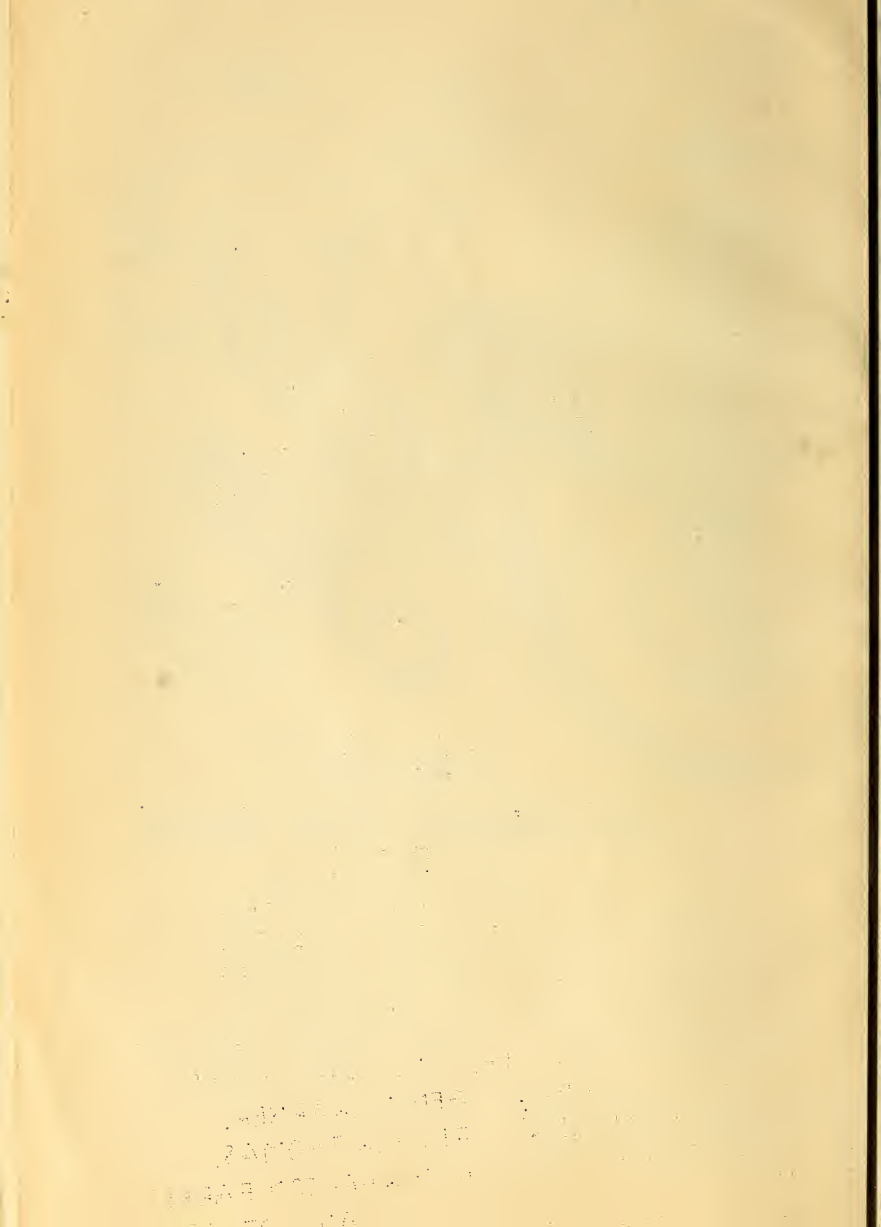


1900  
AUG 14 1897  
CAMPAIGN TEXT BOOK

by COL. D. M. FOX, —

GEN. JAMES B. WEAVER, HON. HORACE BOIES,  
HON. JOHN W. DANIEL, GEN. A. J. WARNER,  
HON. R. F. PETTIGREW, REV. H. W. THOMAS,  
J. E. NUGENT, L. L. D., HON. WHARTON BARKER,  
AND OTHERS.

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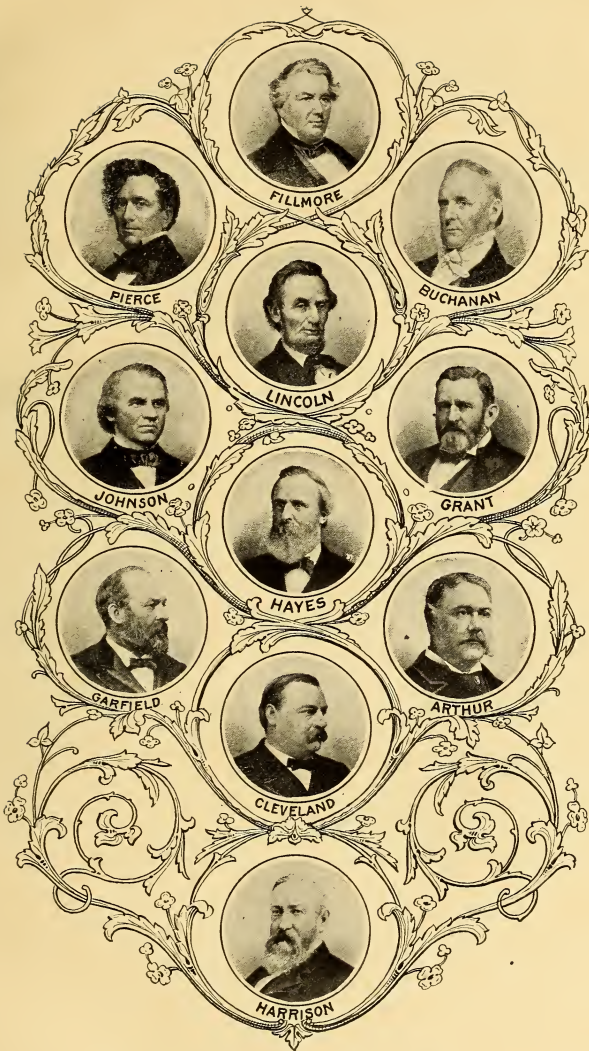






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# THE SILVER SIDE, 1900 CAMPAIGN TEXT-BOOK

A Symposium Constituting a Bimetallic  
Educational Treatise,

With a Review of the 1896 Campaign.

CONTAINING

CONTRIBUTIONS FROM MANY OF THE ABLEST WRITERS  
ON BIMETALLISM

WITH

Cabinet Sized Engraved Portraits of Prominent Workers.

By COL. DORUS M. FOX,

Author of "Political Parties," "National Reminiscences," Etc.

Including Special Articles by Gen. James B. Weaver, Hon. Horace Boies, Hon. John W. Daniel,  
Gen. A. J. Warner, Hon. R. F. Pettigrew, J. B. Smiley, Rev. H. W. Thomas,  
Joseph F. Nugent, L. L. D., Hon. Wharton Barker, and others.

CHICAGO—NEW YORK  
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## DEDICATION.

To the

*Six Millions, Five Hundred and Eight Thousand, Six Hundred and Eighty-one American Citizens, Who, Disregarding Former Party Affiliations, in the Presidential Campaign of 1896, Voted for the Free Coinage and Use of Silver on Equal Terms with Gold, and Especially to the Hon. William J. Bryan, the Chosen Leader of the Bimetallic Forces, Making the Most Remarkable Campaign in the Country's History, "THE SILVER SIDE, 1900 CAMPAIGN TEXT-BOOK" is Respectfully Dedicated.*

THE AUTHOR.

*Des Moines, Iowa, Feb. 22  
(Noted Day in American History), 1897.*

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## PREFACE.

---

*My Fellow Citizens of the United States:*

IMMEDIATELY after the close of the 1896 presidential campaign, the author commenced the preparation of "The Silver Side, 1900, Campaign Text-Book," the purpose being to produce a work that should, as its title indicates, be a guide or reference book for the consideration and better elucidation of present issues, and perhaps others to become more or less prominent in the coming four years' contest. The following important subjects that were to some extent discussed in the last contest will be brought more prominently before the people from 1897 to 1900.

First, The principles, declarations and commendations of the Chicago convention platform, adopted July 9, 1896. All are endorsed by "The Silver Side," and should be kept prominently before the public, especially the remonetization of silver, and the free coinage of both silver and gold at the ratio of 16 to 1, and the maintenance of the double standard under which this nation enjoyed its greatest prosperity.

Second, An income tax. The fact that the rich men of the nation determinedly oppose it, millionaires the most vehemently of all, is a strong argument in its favor. Men who have accumulated vast estates and great railroads by the issuing of watered stocks, and, not least in numbers, savings bankers, by rich failures, pocketing poor men's deposits, thereby providing for their own incomes, all from the labor of the people, and now, having annual dividends amounting to many thousands, stubbornly refusing to pay an income tax, and, finally, through the supreme court, obtaining a verdict of unconstitutionality by a majority of one, with one of the justices absent; had he been present the result would have been favorable, thus saving \$60,000,000 annually for the people. Immediate action is demanded, and if properly applied, will do more to level and distribute business and industrial enterprises than anything else. *Further*, this decision clearly conflicts with past decisions of same court.

Is it right, is it just, that the stockholder, living sumptuously, receiving half a million on his railroad stock semi-annually,

should pay no more personal tax than the hard-working trackman of his railway, working for \$1.25 per day, his only means of support for himself and family?

Third, The nation should provide an ample volume of currency for the payment of laborers unable to procure work elsewhere, to be employed on public improvements, thus opening the way for the employment of men, when at times like the present they are forced into idleness, pauperism, and too often, rather than starve, incited to the commission of crime.

Fourth, Arbitration for the settlement of all labor difficulties.

Fifth, The establishment by the government of postal savings banks. This is a very important question, directly in the interest of the people, one of the topics to be earnestly advocated. It is specially considered and lucidly presented in a chapter of this work by Hon. Frank L. Strong. In connection therewith, special attention is called to that section of English postal bank laws providing a permanent fund, guaranteeing to the depositor a fund as sure and safe as the government itself for advanced age, or in case of adversity, and in striking contrast for cheapness with the life insurance, monopolistic, existing companies; as now conducted, one of the greatest money monopolies we have, and, like other financial combinations, bribing and corrupting legislatures.

The recent failure of many so-called savings (?) banks, and the immense losses of thousands of poor people, ought to arouse to action. Banks and bankers oppose postal savings banks, of course they do! Their opposition has hitherto prevented congressional action, but it is coming.

Sixth, Banks should be confined to the business of discount and exchange, wholly divorced from government.

Seventh, Let the tariff be on a revenue basis, except as regards nations or dependencies which refuse reciprocity in exchange of products with the United States.

Trusts and combines should be crushed and national competitive opportunities restored.

Eighth, Election of United States senators by the people. The patriotic citizens of this country, irrespective of party, who have hitherto questioned the propriety of changing from the present mode of electing, after witnessing the almost open, corrupt bargainings and schemings in so many state legislatures, where senatorial elections were held during the winter of 1896-97, certainly can doubt no longer the absolute necessity of change, and will demand that the constitution be so changed as to permit the election to come directly from the people. The prevailing system was perhaps best in the early years of the republic, when representatives in state legislatures could be trusted; a time when they could not be bought

as now by millionaires and by corrupt insurance, railroad, banking and other plutocratic monopolies, combinations and trusts, now sapping the very foundations of the government.

The foregoing subjects, and topics germane to them, are herein ably presented by highly esteemed contributors, by men who have carefully investigated, and are now able to give practical thoughts on these vital political questions now before the American people.

The remonetization of silver, adjustment of the conflict between labor and capital, the establishment of postal savings banks, and, above and beyond all, the utter condemnation of the plutocratic methods of controlling legislative bodies and laboring men by the use of money at the polls, and by coercion in many ways, more in 1896 than ever before, should be questions pushed to the front in the great contest before the people; they must be settled right in 1900, if not before.

Friends, the author submits the promised work, hoping it will be approved; that it will be an aid, and of value to the party I cannot doubt. Herein will be found articles on live subjects by the very ablest writers, and from the most devoted friends of the party that is seeking to restore the country to the prosperity it enjoyed before the practical adoption of the gold standard, and the demonetization of half our money.

It is fully as important that the congressional elections of 1898 should be won by the friends of bimetallism as the presidential election of 1900. Should the gold standard party get control of the next congress, victory in 1900 would be comparatively a barren one. Let this be fully understood and every man should work accordingly.

Herein the reader will find facts, and able arguments from Democrats, Silver Republicans, Populists, advocates of change in our social and educational system that cannot fail to favorably impress all who attentively read them. For all we bespeak an unprejudiced, careful consideration.

To the young voter the author makes special appeal. In the production of this work, particular attention has been had to the giving of facts in the political history of the nation, that, with this text-book in hand, and familiarized with its contents, will enable him to become an active and efficient worker in the overthrow of wrongs and the uplifting of humanity. The writer's fourscore years, and an active life, with its varied experiences, he trusts will excuse this assuming to give advice.

If unremitting labor and an earnest desire to produce a truly useful book could bespeak for the author the unqualified favor of the public, he would feel some degree of confidence that a fair portion of that favor would come to him; but the labor of an

author or compiler and his good intentions are seldom appreciated; the author of "The Silver Side," therefore, must rely wholly upon the merits of the work for the approbation of those whose favor he seeks.

A few who promised help financially and otherwise have failed, but to all who have contributed to its columns so eminently satisfactorily the author's most sincere thanks are given. He has no expectations of living to witness the success of the reforms herein advocated; he does, however, desire to live to see the cause of the present distressed condition of the people removed, the consequent sufferings somewhat ameliorated, and measures inaugurated to prevent further plutocratic encroachments upon the political and social rights of the people. He is compelled, however, to say, from the present national administration no help can come; that the president with his banking and millionaire cabinet will be controlled by the money power there is hardly a doubt; every citizen setting aside partisan feelings wishes it were otherwise, but hope too long deferred maketh the heart sick.

Nevertheless, if present sufferings and deprivations shall inspire the weary laborer in field or shop to work as American voting free-men are capable of working, the correction of existing evils, social and political, will be easy.

What can we not endure,  
When pains are lessened by the hope of cure?

*Kindly, Yours Etc.*  
*Louis M. Foy,*

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Kinelly  
Yours. Etc. Sonu. M. Fox.





## CHAPTER I.

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### THE PARTY ISSUES OF 1897-98-99 AND 1900.

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BY THE AUTHOR.

The bimetallic question, the immense aggregations of individual wealth, its investments in trusts, banking, railroad monopolies and the many combinations seeking to control legislation, national and state, and so shape financial conditions as to give capital the full command of labor on the farm, in shop and manufactory, are the live political issues of the present. The American people in this crisis in the life of the republic are called upon to consider and settle these questions, not for this country alone, but for the world of humanity. All would have been decided ere this in favor of capital, and the laboring classes held in greater subjection than now, but for the organization of workingmen into associations for self-protection, commenced twenty years ago. Their combined efforts have partially averted the wrong intended. The manifest benefits of these associations to the laborers have become so apparent that the chief work of greedy corporations now and for several years past, through the courts and by legislation, has been to counteract and if possible destroy the power and influence of all protective unions. In proof of this last statement, only one case will be referred to, whereas thousands could be. January 30, 1897, the day before this writing, the miners of Rutland, Ill., having been obliged, by the cutting of their wages some time previous, to strike, after many weeks of deprivation, finally with complete starvation staring them in the face, again failing to get work, were forced to sign an ironclad contract, which practically makes slaves of the underground toilers. The miner must agree to leave the Miners' Union, to take no part in any strike, such action on his part forfeiting all pay that may be due him from the mine owner, and he must on all occasions follow the dictation of his boss and accept whatever wages may be paid him.

The workmen are disheartened, crushed, and many of them signed the contracts to keep their families from starvation.

#### **Present Conditions.**

The author beholds three million of American citizens down in poverty and despair, homeless, suffering for food, wandering from

city to city and from county to county among the farmers of every state seeking employment; finding none, many die of starvation, many more by their own hands. City and country journals are filled with accounts of men and women seeking release from the sufferings of a life in which they see no ray of hope for the future. Of the number of deaths by suicide the present has never been equaled in this or any other country. Readers of daily papers turn from their recitals with feelings of horror, and ask, what is the cause? The above truthful, far from overdrawn, portrayal gives the answer.

#### Suicide and Insanity.

The official statistical report of crimes and casualties in the United States for 1896 shows the number of suicides to be 6,520. Causes: Despondency, 2,993; insanity, 428; cause "unknown," 2,442. Doubtless, could the truth be revealed about the "unknown," the great majority would be found to come from disappointment in business caused by depreciation in values, and loss of property in consequence; the 428 insane, largely to the same source. In 1890 deaths from suicide were 2,040; 1891, 3,531; 1892, 3,861; 1894, 4,912; 1895, 5,759. The increase is in almost exact ratio with the decrease in employments, decline in prices and failures in business.

#### Crimes Increase.

Another, perhaps the most lamentable, result of the enforced idleness of the millions, is the great increase of crime. If the reader will consult the census report of crimes for 1870, he will learn there were confined in the prisons of the United States 3,291 persons, including white and colored native population, and foreigners. The inmates were sentenced for murder, robbery, larceny, etc. This was three years before the demonetization of silver. In 1896 11,652 were confined for one crime, murder—more than three times the number of 1870, including all offenses. Add to these the number of suicides, 6,520, and the result gives one-half of the number for all kinds of crime committed in 1870 and preceding years. Think of it! In 1896, the year just closed, an army of murderers and suicides of nearly 20,000! All this in Columbia, the land of Washington and Lincoln; free, happy America! where a few years ago there existed the least deprivation, suffering and crime, with more happy homes, and the most prosperous, contented people to be found in any nation of the globe. Must the sadly changed conditions continue? Some of the causes producing these calamitous times have been alluded to, others will be named by eminent writers for this work, and remedies suggested. Surely in view of these facts every patriotic citizen will realize the necessity for immediate action.

### Reason for the Publication of This Work.

The foregoing paragraphs indicate in part the purpose and scope of *The Silver Side*, and some of the causes that call for its publication. By the adoption of the name it is not intended to convey the idea that the contents of its over 400 pages are to be limited to a discussion of the 16 to 1 issue, so prominent in the presidential campaign of 1896.

The revelations of the last six months make sure the now undisputed fact that the recent election in its result was procured by the use of money to the amount of \$15,000,000. The people in consequence are alarmed; the issues have broadened; it is now more than the financial problem. Our free institutions are involved in the outcome of the vital questions now pending. Nevertheless, that plank of the Chicago platform, the full restoration of silver, will be herein persistently advocated.

That the chief dangers now threatening to undermine and possibly destroy the basic principle upon which the public rests, "A government of the people, by the people, and for the people," had their origin in, and the calamities that followed have been principally caused by, the demonetization of the silver half of our constitutional money by the act of 1873, and the practical adoption of the single gold standard, cannot be gainsaid. That act gave opportunity for the enrichment of thousands, and caused the impoverishment of millions. From that time to the present the disparity of the two classes has been increasing, until we have millionaires almost as numerous, and our plutocratic classes with lines of demarkation drawn between them and the great mass of American voters as distinct, as in the single gold standard nations of Europe.

### Wage and Property Depreciation.

In other directions effects of the legislation of 1873 have been no less pernicious. Under the scorching rays of the gold dollar, the value of the farm and its products have shriveled and shrunken as do grasses and leaves in the hot breath of sirocco winds. The right to live is inherent in every man. The system that takes opportunity away from those willing to work is not only wrong, it is infamous. There would be no pauper class in this great country if crafty individuals had not built up unreasonably large fortunes by questionable methods, and then combining with others of the same ilk perpetrated the greater wrong, creating trusts for the purpose of enhancing the price of all products necessary to supply the wants of the people. The effect is that in the midst of plenty thousands are in want. No power on earth equals starvation to make men desperate. In one of the histories of the United States the author says:

"It is the mission of the United States to ennoble toil and honor the toiler. In other lands, to labor has been considered the lot of serfs and peasants; to gather the fruits and consume them in luxury, the business of the great."

Under the single gold standard are we not approaching very near that condition? Does it not tend directly to renew, as in European society, the old order of lord and laborer? It has always been considered the genius of American institutions to wipe out these distinctions. Let it be their pride and boast still.

#### A Timely Warning.

If plutocrats cannot see in this annually increasing number of mendicants and unemployed, that the day of reckoning must come to society and themselves, it shall not be the fault of The Silver Side or its contributors.

In the people's hands this republic is safe, but when American voters, such large numbers of the middle class are sinking into poverty, and money becomes the controlling power, thoughts of the future become truly alarming. No one can deny or doubt the statement, differ as they may about the cause, that the impoverished class has been increased by millions since 1873. Must this increasing number of the unemployed and destitute continue? Yes, just as long as finance laws and conditions favor classes by special legislation, millionaires will multiply. The overaccumulation of one man means that a hundred thousand others have in some way been deprived of a portion of what justly belongs to them. Laboring men have learned by recent experiences of not a few of the peculiar methods resorted to by the capitalistic politician to get the control of votes.

Will employers having money to invest in the labor of their fellow-citizens take timely warning; yield the unholy advantage that scarcity of money gives them over their employes, and divide the earnings of labor more equitably? Give the producer of wealth a larger share of the profits?

#### The Greater Evils.

Poverty of the people, deplorable as it is, and wrongful as have been the causes that have produced it in this fair land of plenty, is not the greatest evil; the one most to be dreaded for the future of the republic, and its free institutions, lies in the well-known fact that money, the accumulation of capital made easy by the favorable legislation of the congress of 1873, has been used not only to corruptly influence state and national legislation, but to control party conventions.

For evidence the reader need go no further back than the St.

Louis convention of the Republican party of 1896. No intelligent citizen who attended that convention, or read the public journals giving account of its proceedings; of the immense attendance of wealthy men of the nation, of the hundreds of managers of trusts and combinations there assembled, and the efforts, finally successful, to place Mr. McKinley upon a gold standard platform, will question the statement that money interests ruled the convention, and controlled the nominations. There the party made its gigantic mistake. It ignored the prevailing sentiment in favor of the use of silver, disregarded its action of 1888 and 1892, in fact all its past party history, the previous and oft repeated declarations of its leaders, and adopted the single gold standard. On that platform the convention placed William McKinley as its candidate, who in 1890 said:

I am for the largest use of silver in the currency of the country. I would not dishonor it. I would give it equal credit and value with gold. I would make no discrimination. I would utilize both metals as money and discredit neither. I want the double standard.

This declaration was supplemented by his vote for the free coinage of silver, which plainly indicates what his preference would be, if at liberty to choose between the single gold standard and the free coinage of silver.

Other candidates and their friends were present, but were too late to succeed; it had been decided by Mr. Hanna and other millionaires with whom he had been in close consultation for several months. The 150 palatial cars that brought these gold magnates from the east stood on the side-track, awaiting the return of their owners.

#### The Men Who Won the Victory of 1896.

Mark Hanna, to accomplish his purpose in the convention and subsequently in the campaign, made use of the Union League committee. A majority of its capitalistic members were in attendance as delegates or in the lobby. That readers may be assured of the correctness of the statement the names of nearly half a hundred are given, their wealth ranging from \$2,000,000 to \$125,000,000, aggregating \$552,250,000. We will not pause to consider, except in one instance, how these men accumulated these vast, almost incomprehensible amounts. Citizens generally know of the great Standard Oil Company monopolist, John D. Rockefeller. His multi-millions came in small amounts, largely from the poor people, able to purchase only in small quantities. The wealthy could purchase by the barrel, hence cheaper; nevertheless, all classes have contributed. Mr. Rockefeller, through the Standard Oil Company, fixes the price all over the United States, Canada, and largely in Europe and the



business world. He crushes all opposition. This is only one of the thousand trusts and combinations of wealth grinding the poor.

John D. Rockefeller, \$125,000,000; Cornelius Vanderbilt, \$100,000,000; C. P. Huntington, \$60,000,000; J. Pierpont Morgan, \$25,000,000; Joseph Milbank, \$20,000,000; Andrew Carnegie, \$20,000,000; William D. Sloane, \$15,000,000; John Sloane, \$15,000,000; David Dows, \$12,000,000; Herman O. Armour, \$12,000,000; Brayton Ives, \$10,000,000; John H. Starin, \$10,000,000; George Bliss, \$8,000,000; Samuel Thomas, \$7,500,000; Charles L. Tiffany, \$7,000,000; LeGrand B. Cannon, \$6,500,000; Henry H. Cook, \$6,500,000; Seth M. Miliken, \$6,000,000; James A. Burden, \$5,000,000; John G. Moore, \$5,000,000; Edward D. Adams, \$5,000,000; George F. Baker, \$4,500,000; Cornelius N. Bliss, \$4,500,000; M. C. D. Borden, \$4,000,000; William Brookfield, \$3,750,000; William C. Browning, \$3,500,000; Charles T. Cook, \$3,500,000; John H. Davis, \$3,250,000; James H. Harper, \$3,250,000; Charles D. Fosdick, \$3,250,000; Marcellus Hartley, \$3,250,000; Augustus D. Juilliard, \$3,000,000; Charles Lanier, \$3,000,000; Edward H. Perkins, Jr., \$3,000,000; Frederick D. Tappen, \$3,000,000; William H. Webb, \$3,000,000; Alfred Van Santvoord, \$3,000,000; Charles A. Peabody, \$2,500,000; James A. Garland, \$2,500,000; Woodbury Langdon, \$2,250,000; Thomas L. James, \$2,000,000; Joseph H. Choate, \$2,000,000; William S. Hawk, \$2,000,000; Whitelaw Reid, \$2,000,000; Washington E. Connor, \$2,000,000. Total, \$552,250,000.

#### Methods of Men and Parties to Defeat the People.

Here we might perhaps profitably pause to contrast this convention and its members with the convention that nominated Abraham Lincoln, the first Republican president. No! the contrast is too great, the thought painful. The party was organized to effect a great, noble purpose; it was indeed a party of the people, for the people. Among its scores of patriotic leaders, besides Abraham Lincoln, were Charles Sumner, Thaddeus Stevens, Governor Morton, Zachariah Chandler and a host that could be named, men who would have scorned and angrily resisted the intimation to swerve from public duty. Millions could not buy, no earthly power intimidate. Under the controlling influence of gold the government has become a "government of trusts, by the trusts, and for the trusts."

In direct connection with this subject attention is called to the chapter of this work, written by Dr. H. W. Thomas, of Chicago, "Shall the Republic be Governed by Men or Money?" Equally appropriate is the contribution of Hon. R. F. Pettigrew, South Dakota United States Senator, "The Distribution of Wealth."

It has been charged, and not denied, that the cost of the cam-

paigned under the management of Mr. Hanna was \$15,000,000. A larger amount than was expended in 1884, 1888, and 1892, the three most desperately fought and expensive contests of the party; all this to obtain power to permanently establish the single gold standard. However good may be the intention of Major McKinley, his administration born of such influence as it has been, cannot, will not, be in the interests of the people.

During the campaign, William J. Bryan, the chosen leader of the people, and all who participated with him in the contest, were charged with being anarchists, repudiationists, destructionists, etc. With the facts herein given it will not be difficult for the honest American voter to decide to which of the two parties these epithets most justly belong.

#### Dissatisfaction of Workingmen—The Cause.

In view of the evidence presented, should any one be surprised because of complaints from the working classes, farmers, artisans and daily laborers, in factory and field? Is not the dissatisfaction chiefly due and justly chargeable to the overbearing dictation and oppression of capitalists?

The inquietude among working men may, in part, be rightly attributed to other causes. From the press and other sources now so cheaply brought to the homes of American working men, voters have learned that they alone are the producers of all the wealth; and furthermore, have become fully informed of the methods that have been devised through legislative acts that mainly cause its unequal distribution. They realize that the vast fortunes of men now controlling business interests have been accumulated in the last thirty years. Now they witness the efforts being made by this aristocratic element of the two great political parties joining hands to make the present dominancy of wealth perpetual, tending to still further depress labor and control the laborer.

#### The Unpatriotic Gold Party Union.

In proof of this statement, reference need only be made to the course of the gold standard Democrats and Republicans in the campaign of 1896. To consummate their union both yielded long cherished party dogmas. Leading Republican speakers were advised not to press a tariff for protection. Orders to this effect came from headquarters and were obeyed. If protection was made prominent, anti-protection Democrats might take offense and the recently formed union, hanging on a very slender thread, was liable to be inopportunately broken. To kindly reciprocate, the Democratic orators, Lehman, Irish, Wilson, et al., theretofore so voluble and declamatory against protection, were silent, hoping thus to preserve

the golden union intact. Since the election and the assembling of congress the golden link seems to have been broken. Time will tell of the final result.

Mr. Bryan was defeated as shown by the face of the returns. Unquestionably the bolting gold Democrats, allies of the Republicans, added to the strength of the party the force necessary to accomplish that result. In view of the true condition of the country made manifest by subsequent events, and the fact that Mr. Bryan, the defeated, since the election has been more generally honored by the people than the victorious gold candidate; his supporters are reconciled for the time to disappointment, confident that in view of all the circumstances the party had been strengthened by the splendid manner in which the campaign was conducted and Mr. Bryan more popular than ever before, assuring victory in 1900.

#### False Prophets and Promises.

The gold party prophesied that the defeat of Mr. Bryan would end the "silver craze," bury it beyond hope of resurrection; and *further*, the day that Mr. McKinley's election became known, confidence would be restored, money would come out of its hiding places, new manufactories would be started, the unemployed find employment, and the prosperity of the country be assured. Such were the pre-election promises. These boastings all proved false. In the first sixty days following the election, there were more bank and business failures than ever before in the same length of time. Wages were reduced, workmen in many places discharged, and instead of an increase of manufactories many were closed. Statistics show that more wages were cut in the two months immediately following the election than in the same time in any past year.

#### Campaign of 1900—Prospectively.

Spontaneous gatherings that have occurred in many states, composed of the friends of bimetallism, Democrats, Populists and Silver Republicans, make assurance doubly sure that no backward steps are to be taken. The fight for silver is to be continued, its restoration sure to come and that, too, without waiting for the consent of any other nation. Realizing that the fulfillment of these bright anticipations can only be made sure by earnest work, unity of effort and the hearty co-operation of the forces so nearly successful in 1896, the organization of clubs in every state is advised. The power of the opposition, however, must not be underestimated. Combinations, trusts, railroad, banking and all other monopolies will be arrayed against the Silver party. The Democratic party's absolutely refusing to recognize the bolting Democrats of 1896 will probably cause many of that party to unite permanently with the Republicans,



their love of gold, when put in the balance, outweighing their hatred of protection. This is the situation of the two armies as they stand confronting each other at the opening of the four years' campaign.

Advocates of bimetallism see nothing to discourage, but everything in the present situation promising victory for the people. One of their most effective arguments will be the ante-election promises made by the allied forces of opponents, and their utter non-fulfillment. Thousands of honest Republicans and doubtless many Democrats, because of the failure of these promises, will be found hereafter with the party of the people. McKinley was loudly heralded as the "Advance Agent of Prosperity," and encouragement that during his administration, international bimetallism would be accomplished. Relying with considerable confidence upon this promise, known by its authors to be impossible of fulfillment, many Republicans favorable to the use of silver on terms of equality with gold voted with their party, but will not again. Not a few Democrats led out of their party by the leaders they had followed for years, finding themselves deceived, will return to their first love, the Democratic party, and unite with the great mass of the people in their holy crusade against the money power fighting for the gold standard.

In "The Silver Side," the cause of the evils that have come to the nation and the people, and the remedies, will be discussed by many able men; some have been referred to in this prefatory chapter. The second battle between the money power and the people is on. That it will result in victory for the right we have abiding confidence. This "Bimetallic Campaign Text-Book," is purposed to be an efficient helper throughout the contest. Its chapters of silver axioms and aphorisms will be interesting, and in them will be found texts appropriate for illustration, convenient for reference by speakers and in discussions.

#### The Young Politician

Will be pleased with the engraved frontispiece giving correct engraved portraits of the presidents from Washington to McKinley and the time in our country's history when they served. One chapter, not exceeding fifteen pages in all, will be devoted to prominent occurrences during their administrations. Only three are noted in which the events have special relation to the present, Washington, Monroe and Lincoln. Incidents in the lives of others may be referred to. To young men just entering the arena of political life the purpose is to make this text-book not only interesting and instructive but useful as a hand-book for reference. The recent political campaign presents evidence of the necessity for every voter to study the political questions of the day. An educated people is

necessary for the perpetuation of government, especially a republic. Cuba today is suffering from a long and devastating war caused by ignorance and corresponding tyranny. With their increasing knowledge the Cubans have learned their rights and are determined to maintain them. The amicable settlement of the Venezuelan affair goes far to show that with increasing intelligence the war spirit is declining and a higher value is placed on human life.

It cannot be denied that because of the misdoings of pseudo politicians and the disrepute into which legislatures—and congress, too, we are sorry to say—of late years have fallen, the word politician has with some become disreputable; and many, too many, ignore their duty as citizens. A young man twenty-six years old, native born, recently in the hearing of the writer, rather boastingly said: "I have never voted." Asked for the reason he replied: "Politicians do nothing but quarrel. I cannot believe what I read in the party papers; they plainly and continuously contradict each other; so I keep out of the muss and attend to my own business." This young man had some reason to speak as he did, but not sufficient to excuse a young American citizen from the discharge of his duty as one on whom rests the responsibility of maintaining a government won for him at a great cost of blood and treasure.

#### Is the Campaign of 1900 to be Decisive?

The author cannot banish the thought that the presidential and congressional campaign of 1900, to a large extent, is to be decisive in the contest now pending between the money power and the people, either for the uplifting of the middle class, the working men and women, or their further degradation; for the weal or woe of the republic, and whether men or money shall control the government. Should there be division and contention among the liberal organizations, aspirations of individuals for place and power, instead of self sacrifice and devotion to the principles demanding liberty, fraternity and equality, the result may prove, indeed, a Waterloo defeat to the party of the people of peace and progress.

On the other hand, if the unity that was manifest in the campaign of 1896, so nearly successful, can be continued, the result will be a permanent victory over the plutocratic-aristocratic forces combined, evidently desiring to make void the great declaration, "All just governments derive their power from the consent of the governed," and, as in the election of 1896, permit millions of money to turn the balance against the demands for relief of the suffering millions of unemployed. Citizens, consider, and so act, that the result in 1900 may indeed prove to be for the silver-labor army a second Appomattox.

Further, the author rejoices that in manhood's prime he was

permitted to participate in the conflict against armed treason, and although a deep sufferer in common with thousands of his fellow citizens, finally came off victorious. He is exceedingly glad, that having survived the war of 1861-5, and the intervening years, now in advanced age he is permitted to be a participant in a war no less important to the future, no less relentless; the wresting from the money power the control of the government, and its restoration to the hands of the people.

The war of the present is bloodless, it is true, but all along its devastating pathway, as the past few months have terribly demonstrated, are heard the wails of the suffering, the groans of the dying by starvation, and a thousand forms of deprivation; better, indeed, it would have been that the slave-holding power, involving the freedom of a few millions of blacks, should have succeeded, than to permit the plutocratic armies now threatening the subversion of the government of the great republic to become successful in the enslavement to capital of millions of citizens, white as well as black; and more, far above all, possibly blasting the last hope of the world of humanity, for many centuries cherishing the thought, that here on this western continent, freedom had finally found a resting place for man.

No! No! It must not be! Man's capability of self-government has stood the test, the trials of more than a hundred years. With confidence in man's capacity for self-government, abounding trust in the God of the founders of the government of the people, and the immortal words of Jefferson in the great declaration sent out to enlighten the world, we adopt the beautiful language of America's favorite poet:

"Sail on, sail on, oh ship of state!  
Sail on, oh Union, strong and great;  
Humanity, with all its fears,  
With all its hopes of future years,  
Is hanging breathless on thy fate!

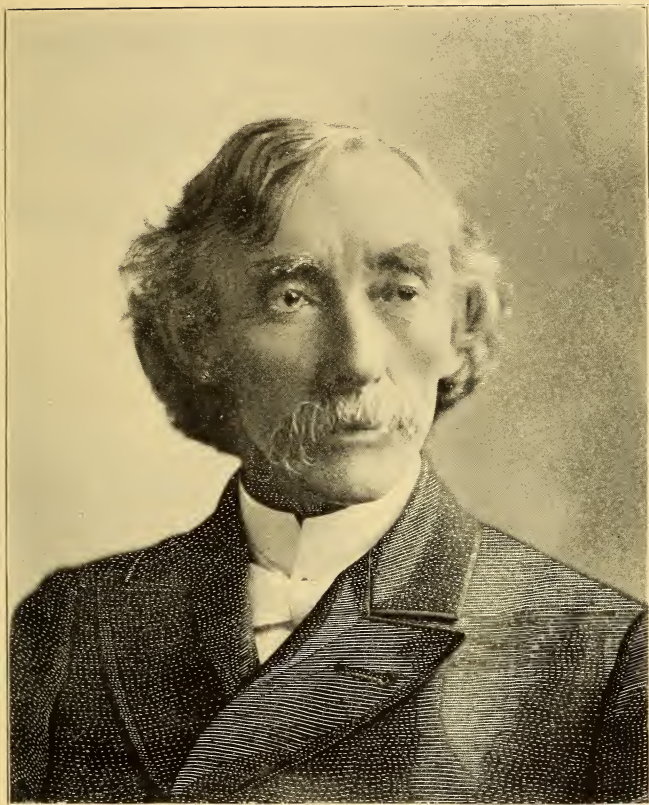
"We know what master laid thy keel,  
What workman wrought thy ribs of steel,  
Who made each mast and sail and rope,  
What anvils rang, what hammers beat,  
In what a forge and what a heat  
Were shaped the anchors of thy hope!

"Fear not each sudden sound and shock,  
'Tis of the wave and not the rock,  
'Tis but the flapping of the sail,

And not a rent made by the gale.  
In spite of rock and tempest's roar,  
In spite of false lights on the shore,  
Sail on, nor fear to breast the sea,  
Our hearts, our hopes are all with thee;  
    Our hearts, our hopes, our prayers, our tears,  
    Our faith triumphant o'er our fears,  
Are all with the, are all with thee."

That the "Silver Side Text-Book" may go forth into the great open field before it and therein prove a useful instrumentality for good, become an efficient helper in restoring the country to prosperity, is the ardent wish of each and all of its able corps of contributors. To the many who have thus favored the author, his sincere thanks are cordially and respectfully tendered.





REV. H. W. THOMAS, LL. D., a native of Virginia, born April 29, 1832. Worked on a farm until his eighteenth year. Studied under private teachers, and at Berlin, Pa. Joined Pittsburg M. E. Conference in 1852. Joined the Iowa Conference in 1855, and transferred to the R. R. Conference, Illinois, in 1856. Stationed in Chicago in 1859. Since 1880 has been pastor of the People's Church, Chicago.

*C. H. W. Thomas.*





## CHAPTER II.

### SHALL THE REPUBLIC BE RULED BY MEN OR MONEY?

#### Of Government in General.

BY REV. DR. H. W. THOMAS.

Some form of government is a necessity; without it, civilization is not possible. The uncivilized peoples have their traditional customs and social forms; when nomadic or wandering tribes become settled, and with local habitations arise ownership of property and divisions of labor, there must be laws by which these rights and relationships can be determined and enforced.

The earlier forms of government were tribal, paternal; and when in tribal wars, the weaker were overcome by the stronger, the heads of the conquering tribes became kings over the larger aggregations. In this way despotisms arose; and with these lines of royal descent, or perpetuation through inheritance.

In these forms of ultra monarchical rule, the power of the king was supreme. Among millions, only one mind was free to will and do; all the others were subjects; had to obey the one, and his authority was arbitrary; he could do as he willed and no one had the right to question, much less to resist. The social order rested upon, depended upon force; hence the king always had an army; government was military, rather than civil; and all this may have been necessary, best, in the early ages of civilization.

But in these despotic forms of government there was, had to be, limited distributions of authority; the will of the one could become effective only as that will was entrusted to others, to generals in the army and their subordinates, to heads of departments of industry and business, and to rulers over provinces. It is true the king could make or unmake them at will, but he had to have them; and in this way the powers of government were enlarged, though subject to the one mind that was arbitrarily free.

#### Evolution of the Ethical Sense.

Surrounded by an army, the owner of a country and a people, the king possessed absolute, arbitrary authority, he could command men to wall a city, to build a temple or a tomb, to fight his battles,



and they had to obey; he could levy contributions that had to be paid; he could send to homes and take away the fairest daughters, and no one dared oppose; he held the right of life or death over any one and every one of the millions.

But this arbitrary rule could not always last; the sense of right began to awaken; the oppressed millions began to ask, by what right the one ruled over the many? And with such questions arose, dimly at first, some conceptions of right as a principle; and with this came the thought that the principle was universal, that it bound the king, as well as his subjects, and hence, that there was and could be no such thing as arbitrary right, that right is a something above the will of man; that to will a wrong thing does not, cannot, make it right; that right as a principle is eternal; and, at last, binds God as well as man; that God is principle, right, justice; "the principle of principles;" that a thing is not right because God wills it, but that he wills it, commands it, because it is right.

The higher thinking could not, of course, come all at once; it had to be an evolution, a growth; but the germ was in man, because of his "heredity from God"; and once quickened, called into action, it became, had to become, a new power in the world. It applied to rulers, as well as to subjects; at last it must govern God as well as man. And with this slowly came the thought that the greater the authority, the higher the position and trust, the larger the responsibility; the greater the wrong, if done by one exalted to place and power.

Philosophically, it is to the nature of this ethical sense in man and its correlations in God, that we must look for the source of the rights of man, as man. Historically, the cause of liberty, both civil and religious, has grown with the growth of this inner life. The outer life, or objectivized forms of government, has been the expression of the subjective; the thought, the feeling of liberty, has sought to create its corresponding body in constitutional monarchies, and at last in democracies.

#### The Long Struggle.

Here has been the long, hard world-battle of liberty. Naturally, the families and forces enthroned have sought to hold their places; and, having the governments and the armies on their side, the struggle for the rights of man has been against great odds. But the conflict has been inevitable, irresistible; for the thought, the sentiment of liberty, of right, once in the minds and hearts of men, can never be put out, and for the reason that it finds its correlations in the Infinite; it is a great faith, courage, hope, that appeals to God, to the universal justice. And added to this is the fact of wrongs, oppressions, that have to be endured, and against which the noblest manhood of the ages has revolted. It is not our purpose, nor is it

possible here, to trace the scenes of this long battle for the rights of man; this battle of the democracy of government and religion against the claims of royalty and ecclesiasticism. The "Holy Roman Empire" sought to place all Europe under one supreme power; to have over all one king, one pope. Against this the liberty-loving German states protested; the Reformation of the sixteenth century, and the long civil and religious wars followed; the noble Hollanders, the Dutch republic, fought the battles of liberty for a world; the "pilgrims" fled to this new land; the revolutions of the eighteenth century followed; and as a result of all, the governments of Europe have largely been modified, have become constitutional monarchies, and over here has been lifted up the "Flag of the Free."

#### The Present Conditions.

Limiting our vision now more particularly to our own country; the fact should be accentuated that in the Declaration of Independence the appeal for the rights of man was based upon a new and higher claim. It was asked, not as a concession from royalty, or a favor, but as a right, the right of man, as man; and the appeal was made to this sense of right, of justice in the growing consciousness of a world; to the universal right, to the God of right; nor was it made in vain. And this deep sense of right, of justice, of the brotherhood of right, has been the mighty, the noble, patriotic impulse of the people of this land. It not only fought the long battles of the Revolution, but in our own day rose up to fight the battles for the Union, and against slavery, and in this hard contest of arms was triumphant.

But somehow, the work of this strange life and world seems never to be finished. When one task is completed, another appears; when one danger is past, another arises; it seems to be the destiny of progress that one stress-point after another has to be overcome; and the stress, the strain of power, seems to be the only condition under which the higher gains and growths are possible.

And so, we had hardly passed beyond the dangers of the Union, and the blight and danger of slavery, when another danger arose; another form of threatened slavery. It was the danger, the slavery of money, of wealth. Not the chains of iron that bound the dark race; but the chains of gold that threatened, and more than ever threatens now, to bind in a worse slavery the feet and hands, the brains and heart of the white man, as well as the black man.

Great leaders, patriots, are often inspired; have the gift of pre-science, of foreseeing events. Washington, in his "Farewell Address" to his country, foresaw the dangers of slavery, and the troubles that would arise, and that we of this generation had to

face and fight out on fields of blood. In the midst of that great struggle, and as the hour of victory drew near, the immortal Lincoln looked ahead and foresaw another and greater danger arising in the power and slavery of money.

#### Lincoln's Prophecy.

Near the close of the war, in reply to a letter from a friend in Illinois, President Lincoln said:

Yes, we may all congratulate ourselves that this cruel war is nearing its close. It has cost a vast amount of treasure and blood. The best blood of the flower of American youth has been freely offered upon our country's altar that the nation might live. It has been indeed a trying hour for the republic; but I see in the near future a crisis approaching that unnerves me and causes me to tremble for the safety of my country.

As a result of the war, corporations have been enthroned and an era of corruption in high places will follow, and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until all wealth is aggregated in a few hands, and the republic is destroyed. I feel at this moment more anxiety for the safety of my country than ever before, even in the midst of war. God grant that my suspicions may prove groundless.

#### Martyred President's Prophecy Fulfilled.

That which Lincoln foresaw and feared as a near and dreaded danger has come to pass; the centralization of wealth and power has steadily gone forward until both are now largely in the hands of the few, and not of the many. I can well remember when there were only a very few millionaires in the whole country; as far back as 1860 there were but few large fortunes, but in 1890 "ten per cent of the people owned as much wealth as the other ninety per cent."

This strange and threatening state of affairs has been made possible, not alone through the increase of power through machinery, but by the legislation that looked more to the interests of property, than to the welfare of the people; by the legislation for money rather than for men.

The late Judge Lyman Trumbull, one of the ablest jurists and statesmen and noblest patriots of this or any other age or country, felt very deeply on this subject; like Lincoln, Judge Trumbull foresaw the danger of this rapid accumulation of wealth by the few, and near the close of his long, pure and noble life, speaking of the growth of this money power in our land, he said:

It is chiefly the laws of property which have enabled the few to accumulate vast wealth, while the masses live in poverty. For many generations our laws have been framed with a view to the

claims of property, rather than the rights of man. For ages the money power has controlled legislation the world over, and, I am sorry to say, has exercised a controlling influence in our own land for many years.

In Great Britain, whence we have derived most of our laws of property, the policy is to build up great estates. Hence, by the laws of that country, land descends to the eldest son, to the exclusion of the other children. The effect of this is to limit the ownership of land to a few persons. Thirty-four persons in that country own six million two hundred eleven thousand acres of land. The Duke of Sutherland is said to own one million three hundred fifty-eight thousand acres, and a few other dukes and earls own a great proportion of the land of the United Kingdom.

In this country we have abolished the laws of primogeniture, by which the eldest son inherited the landed estate of his ancestor, but here vast estates are being rapidly accumulated in few hands, and this is especially true during and since the war of the Rebellion. In 1860 there were few millionaires and few large fortunes in this country, but since that a rich class has sprung up, so that in 1890, according to reliable statistics, ten per cent. of the people owned as much wealth as the other ninety per cent.

#### How the Corporations Accumulated Their Vast Wealth.

The richest corporations and persons on earth are probably in the United States. How have they accumulated their vast fortunes? Surely not by their own industry and thrift, but by the aid of statutes regulating the rights of property, generally statutes providing for the transmission of property by descent or by will, or the creation of monopolies. It is only by virtue of statutory law that man is permitted to make disposition of his property by will, and it is only by virtue of statutory law that one person is permitted to inherit property from another, and it is by virtue of statute law that great corporate monopolies have been built up. No man has a natural right to dispose of property after death, nor has one person a natural right to inherit property from another. As Blackstone says: "There is no foundation in nature or in natural law why the son should have the right to exclude his fellow creatures from a determinate spot of land because his father had done so before him, or why the occupier of a particular field or of a jewel when lying on his death-bed, and no longer able to maintain possession, should be able to tell the rest of the world which of them should enjoy it after him."

The money power has governed legislation in all civilized countries for generations. It matters not what party is in power in the national or state governments of our own country, the money



power has exercised a controlling influence in many instances in the shaping and administration of our laws. If the accumulation of vast fortunes goes on another generation with the same accelerated rapidity as during the present, the wealth of this country will soon be consolidated in the hands of a few corporations and individuals to as great an extent as the landed interests of Great Britain now are.

#### The Remedy.

What is the remedy for this state of things, which, if permitted to continue, will make the masses of the people dependent upon the generosity of the few for means to live? So far as concerns corporations of a public or quasi public character—and none other should exist—the remedy is simple. They are completely under the control of the legislatures, whence they derive all their powers. It is entirely competent for a legislature to provide the manner in which the business of a corporation shall be conducted. Under the powers inherent in every sovereignty, government may regulate the conduct of its citizens toward each other, and, when necessary for the public good, the manner in which each shall use his own property. I do not undertake to specify all the provisions which it would be necessary to incorporate in a charter, to secure labor its just reward. All I attempt is to indicate the power which the legislature has in creating and controlling corporations.

Formerly, corporations having special privileges were created by special acts, which the courts construed to be contracts between the granting power and the corporators, which once granted could not be repealed or varied by the granting power. This granting of charters to favored individuals, conferring upon them privileges not possessed by the general public, became obnoxious to public sentiment, and, as a consequence, general laws have been passed in many states, under which any three persons may become incorporated for any private purpose. This has become a worse evil than the old system of granting special charters. Under the general laws enacted in the state of Illinois twenty years ago, I am informed, twenty-seven thousand two hundred corporations have been created. Seventy-eight per cent. of the great fortunes of the United States are said to be derived from permanent monopoly privileges which ought never to have been granted.

Neither strikes of the laboring classes, which array against them the money power and the governmental power which it controls, nor the governmental control of the great railroads and other corporations will remove the existing conflict between labor and capital, which has its foundations in unjust laws, enabling the few to accumulate vast estates and live in luxurious ease, while

the great masses are doomed to incessant toil, penury and want. What is needed is the removal of the cause which permits the accumulation of the wealth of the country in few hands, and this can only be peaceably brought about by a change of the laws of property.

#### *The Feudal Age of Money.*

In the centuries after the fall of the Roman Empire, when the kings could not make government effective; there arose the rule of the feudal lords, who built castles upon the most inaccessible heights along the Rhine and other rivers, and protected the serfs who toiled for them in the valleys below, and in this way came to practically own both the lands and the people.

This, in the United States, is the feudal age of money; the rule of right, of justice, not being yet able to assert its authority; the feudal lords have rushed into the fields, and by taking advantage of steam and electricity have very largely taken possession of the business of the country; they control its vast industries; and hence in a large sense control, and almost own the people; and, of course, all this is undemocratic; it is plutocratic; it means that our country is coming to be governed by wealth; and as wealth is in the hands of the few, it means not only a plutocracy, but an oligarchy; or government by the few.

The *Commonwealth* says editorially:

The process by which a republic is transformed into a despotism is by a few absorbing the property of the many. That process is going on in this country with fatal rapidity. In 1860 the total amount of the wealth of the country was \$16,000,000,000; of this the workers got 43½ per cent. and capital 56½ per cent. In 1890 the total wealth had increased to \$61,000,000,000, of which the workers' share was 17 per cent. and the capitalists' 83 per cent.

It is not pleasant to dwell upon the dark side of things, nor is it wise to refuse to look upon things as they are; and we should not be unwilling to face the facts that endanger the liberties of the millions in this once free land. I say once free; but if we are to confess the facts as they are no longer free, no longer in the largest and best sense ruled by the people. We are not only in danger of being ruled by money; to an alarming extent, we are already ruled by it.

It is hardly too much to say, that almost without exception the city councils of this country can be bought; have been bought; that the municipal governments of the land are controlled by money, and in many ways practically owned by city railway, gas, and other corporations. Nor is it too much to say that, as a rule, legislatures can be bought; have been bought; and that the national Congress can be bought; has been bought. It is not meant to say that there



are not in the legislative bodies honorable men, men above price; for there are many such; nor meant that the buying is open, as in boards of trade; so much offered for votes to carry certain measures.

#### How it is Accomplished.

It is not done in that open way; but by lobbies, by indirection and circumvention. Pliable men are approached, cautiously worked with, given to understand that certain measures are so desirable and valuable that corporations can afford to in some way make it an object worth working for, and deserving of reward by those who work and vote for them; and in this way, as these purchasable persons come in a general way to be secretly known to each other, rings are formed, and these men work together to secure privileges for the few, at the expense of the many. Boodlers they are called; and is it not a fact that they are known to exist in city councils and legislatures? And is it not known, or at least understood, that these are the tools of corporations and trusts, and are rewarded for their work?

And the corporations and trusts that desire and depend and fatten upon privileges, rather than rights, look to the make up of the legislative bodies from which they expect these favors; they work for the nomination and election of those whom they control. They get them into city councils and legislatures. It is brought about that a bright young attorney in some country town is nominated for Congress; is elected; and in time he may be approached by a few gentlemen who compliment him upon his successful career, and especially upon his ability as a constitutional lawyer. They have a matter upon which they would like his opinion; do not offer to pay for it, but for his time and labor and great ability will gladly make him a present of say, \$5,000. The money is an object; he examines the subject, and, naturally, reports as favorably as he can. Months after, it may be, a measure is proposed in Congress that involves this very question; naturally the young lawyer feels under some obligation to support it; and others also have given opinions, and have been rewarded for them; and this bill becomes a law; the few gain privileges at the expense of the many; and so wisely, delicately had it all been managed, that these Congressmen hardly know that they have been bought. But the money power has gained its point.

#### Legalized Wrong.

By corrupting legislation, the money powers have succeeded in so legalizing unjust or discriminating measures and methods, that the very laws that are intended to protect the people in their rights may be used, and are used, to protect their oppressors. Nor is this all. It is not impossible, and may be even feared, that consti-

tutions have been so shaped as to possibly favor the privileges of the few, rather than the rights of the many. Upon this delicate and difficult question, Prof. Ely says:

"We, in our distrust of legislative bodies, have enlarged our constitutions unduly, and thus have restricted more and more the sphere of the legislature. At the same time, as our constitutions can be changed with difficulty, we have placed an increasing number of things entirely beyond our control, and have thus weakened ourselves in the conflict with powerful private interests not similarly hampered. But this is not all. The result of the excessive development of constitutionalism has been to enlarge unduly the functions of the judiciary; and this has been enlarged by the fact that our judges have so generally been honest, upright, and able men. But it is not the function of the judges to represent the progressive element in society. They are rather a restraining force, and it is unfortunate for society to entrust to judges what are, in reality, legislative functions. The provisions of constitutions are more or less general, and it devolves upon the judges to say what they mean in concrete cases. The result is that the popular will is often thwarted. People, when voting upon a constitution, do not understand the full purport of its provisions, and some of the provisions may have been inserted at the suggestion of special but powerful private interests, whose skilled attorneys have seen at once their true import. If the masses wish an effective control over government, they must be able to decide upon concrete cases as they arrive. Government in accordance with general provisions, to be interpreted by a few selected individuals, is unfortunate for the development of popular rights, and a protection of public interests." Prof. Richard T. Ely, in "Socialism and Social Reform," page 345.

#### The Supreme Court.

The government of the United States is peculiar, unique, in this; that it has a power superior to congress. When the parliament of England passes a law, the highest courts can only interpret and enforce its provisions; but in this country, the supreme court can pass upon and pronounce as unconstitutional a law passed by the national congress; and the supreme courts can also pass upon the constitutionality of state laws. And somehow it has been, that many of these decisions, all the way from the Dred Scott case, to the late income tax case, have been in favor of the wealthy and ruling classes. The legislature of Illinois passed a labor law two years ago; a law shaped after the plan of the English law, and looking to the protection of women and children; but the supreme court of the state pronounced it unconstitutional. This is not to say that these decisions were not legally correct; but if so, then, that in so far,

the constitutions are faulty and need amending; and even the decisions of the supreme court should not be above criticism. As a loyal people we should, and do obey them; but they are not necessarily infallible, nor irreversible.

To resist or rebel against the laws of our country is anarchy; to reform and improve them is the wisest, noblest loyalty. Nor will the cry of "anarchists" quiet the deep discontent and distrust of many minds. In the great world-order of the good, nothing is settled till it is settled right.

The Twentieth Century, of December 24, 1896, says editorially upon this general subject:

The organized labor of the country is fully alive to the menace to its liberties embodied in the federal judiciary. At the convention of the Federation of Labor on Friday, a resolution was introduced reciting the fact that the nullification of laws duly enacted by the representatives of the people is not in accordance with the spirit of popular government, and that, consequently, the federal judiciary should be deprived of their despotic power. \* \* \* There seemed to be a unanimous feeling that the constitutions of the national and state governments are antagonistic to labor, which is certainly true. In England, no judge has the power to declare an act of parliament null and void. In fact, no country in the world permits its duly enacted laws to be pronounced null and void by judges. This judicial despotism of ours is a very great anomaly, and ought to have been done away with long ago. A few years ago congress passed a law against the practice of granting sums of money to the English government for shipping allowances. The British premier at once caused suits to be brought in the federal courts against the constitutionality of the law and won the case. The labor element is at last aroused to a serious peril.

Of all injustice, that which is possible under the forms of law, and is protected by the laws, is hardest to reach and correct. And when to this is added the fact that the judiciary is sometimes financially interested in the combinations against which complaints are made, the difficulty is increased. Such a case has recently come to light in the efforts of the national government to deal with the railroads of New York; and here again, the editorial of the same number of the Twentieth Century is expressive. It says:

#### **An Amazing Scandal!**

Certain more or less serious efforts were lately made by a few public officials to dissolve the railway combination known as the Joint Traffic Association. These efforts have come to nothing, and the senate has appointed a committee to investigate the matter. This committee put Wallace Macfarlane, a district attorney for the government in this state, on the witness stand. After much asking and answering of questions, Mr. Mac-

farlane was compelled to fix the responsibility for failure to break up the railway combine, and he fixed it upon the federal judiciary. Not only do they decide against the people and in favor of the railway monopoly, but it even appears that Mr. Macfarlane could not risk his case before most of the federal judges, because they are stockholders in the very railway monopoly which the government is attempting to destroy.

This is a very amazing scandal. Accustomed as we are to the corruption of the federal judiciary, it is still a source of astonishment that the most dangerous monopoly in the land, with perhaps one exception, and the monopoly against which congress has time and again enacted laws which are broken down in the courts, should be the very one which cannot be proceeded against before the members of the federal judiciary for the reason that they are stockholders in it. The evidence on this point is very clear and convincing. Mr. Macfarlane is not prejudiced against the federal judiciary, and is in favor with the Cleveland administration. Senator Cullom and Senator Chandler both spoke of the unsatisfactory results of the prosecution before the federal judiciary, whereupon Mr. Macfarlane made his astonishing revelation, adding that of the eight judges, circuit and district, in the jurisdiction where the suit was brought against the monopoly, only one was not a stockholder in it.

As we have observed, this is a very startling state of things. There is no way of breaking down the railroad monopoly but through the judiciary, and the judiciary are financially interested in the monopoly. It appears that every law directed against the railroads must be submitted to their stockholders, the federal judiciary. This fact may explain the curious prosperity of railway trusts in spite of the many laws aimed against them. It is very desirable that the trail opened by Mr. Macfarlane be followed up. We should learn how many federal judges are railroad stockholders, how they manage to afford themselves such investments, why they feel competent to decide railroad cases when they have a pecuniary interest in the result, and other similar facts. Nor need we be surprised any longer at the injunctions issued against workingmen and labor unions in view of the investments of the federal judiciary in railroad corporations.

It is not putting the case too strongly to say that of all the scandals which today disgrace the corrupted federal judiciary, this fresh one is the most flagrant and astounding. Here we have a combination declared by our laws to be criminal, a combination formed in direct violation of the penal statutes, and yet an officer of the government confesses that he cannot proceed against it because the federal judiciary are implicated in the crime to be tried before them! Many people cannot understand why our federal judiciary should be so corrupt, and they hesitate to believe many of the facts alleged against them. It is argued that the federal judiciary are in office for life at a fair salary, and that they have no temptation to be corrupt. Such reasoning is based upon only partial consideration of

the facts in the case. If you give a man unlimited riches and assure him that he is under no responsibility whatever for the use to which he puts them, he will insensibly fall into evil. It is the sense of responsibility that is our best guide. The fact is the same when a man is given unlimited power without responsibility. The federal judiciary are responsible to nobody whatever. They never resign and rarely die. The president cannot interfere with them. Congress will not. The president and congress combined have not as much power as the humblest federal judge, because the judge can pronounce their acts null and void. He can issue a writ making that a crime which was no crime before. He has the power to send any citizen to jail for life without trial, whether the citizen has violated the law or not. If you wish to give up your job on a railroad and a federal judge orders you to remain at work, and you refuse to remain at work, you will go to jail for a year, and will get no trial either.

If these things be so, it follows that enormous powers are lodged in the federal judiciary. The evil might not be so great if the federal judiciary were held to some responsibility for their acts. But they are not. There is no power anywhere that dare interfere with the federal judiciary. The judges are not responsible to the people. Their salaries cannot be reduced. They can pronounce any law null and void, and they themselves define the limits of their own powers. Under such conditions, the saints would become corrupt.

#### Trusts and Syndicates.

When two men agree to enlarge their business by forming a partnership, there should be no complaint; nor is it wrong for a number of business men to form a company; nor wrong to become corporations. The large industries of our new age can be carried on in no other way; they are too great for the individual; and if justly managed, are a public good. But when a number of these corporations combine in a trust or syndicate, and become a monopoly that crushes out competition, and levies tax upon the people at will; it is a very great wrong. And when these unlawful combinations can and do defy the laws, and can and do corrupt legislation, it is an evil, a danger that threatens the very existence of our free institutions.

It is hardly possible to estimate the power of money; nor is it easy to trace out all the sinuous ways in which it seeks to control the people. It is not only a near appeal, a power of fear held over the laborer and the dependent poor, but it is brought to bear upon the institutionalized life of the country. More than is generally known or suspected, that power controls the policy of the denominational colleges of this land, and especially in the field of political economy. It is the effort and the pride of these to have large endowments; for these they naturally look to the men of



large wealth; but many, most of these wealthy men have become such through the advantages of some of these large combinations of wealth, and their secured privileges.

The first Napoleon did not allow political economy taught; he was the state, and permitted no theories of social justice to stand in the way of plans of empire. The money power of our time does not forbid the teaching, but seeks to control it; says what may and may not be taught. The trustees and presidents of colleges and universities dare not offend the money power; to this they look for money, for endowments; and the men who give money to endow institutions are careful that nothing be taught that can conflict with their forms of business. The whole great field of thought, of social, political and economic study and truth, dare not be opened; but only such views and authors as are in accord with the money power.

And this is one of the worst and most dangerous evils of this dreaded power of wealth. It is worse than the old slavery of the body that held the dark race; it assaults the intellect; seeks to enslave the minds of the rising generations, to corrupt these minds by filling them with false theories of public justice and the rights of man. Claiming to be Christian, as the denominational institutions do, they are no longer free; cannot trust the truth to make men free; but are themselves dependent upon and slaves to the rich. We have all along expected, and accepted the fact, that in questions of theology these institutions should be denominational; but that money should dictate and control the sociology of our land, is a new and far-reaching danger of our social order.

I should be glad to be mistaken, but somehow cannot put away the thought and fear that there is a deeply laid and persistent plan upon the part of the money power in this land to make it a government of the rich, a plutocracy, and hence an oligarchy, or a government of the few. I fear that there is an effort to Europeanize our great America; to draw the line between the masses and the classes; and that the demonetization of silver is a part of this plan; to enthrone money as king, and make the people slaves. If we are to have an aristocracy, and not a democracy in this new world, far better have one of blood, than of money; but we should have neither; this should be the land of the free, "a government of the people, by the people, and for the people"; and while we should honor those who by industry, economy and ability rise to honest wealth, manhood should be greater than money.

#### The Last Battle.

The struggle for liberty has been long and hard. The rights of reason and conscience in religion have been largely conceded; political liberty has been enlarged from the one to the few, and

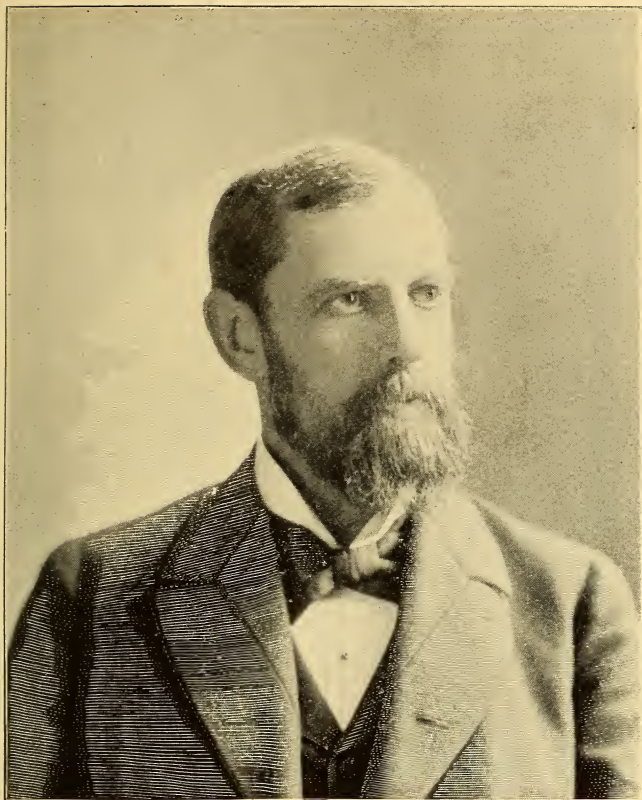


from the few to the many, and in this land to all. The last great battle is with the money power. In a country where all are free, the few, through the centralization of wealth and power, are seeking to control the many; to make this a land of hired men and women; tenants, not owners of farms; laborers for large establishments and corporations, and not proprietors in some smaller business. Machinery has much to do in bringing about this new order of things; nor would it be wise to go back to the old methods of industry; we must go forward; but to save the people from industrial slavery, there must come some form of co-operation, or profit sharing.

The people of this great republic have to face again the stern facts of duty and danger. We are in a great transitional period; a stress-period, that if passed through successfully means a new age of liberty, of peace and prosperity. The people, the great industrial middle classes, the farmers, mechanics and business men, should unite upon essential questions and principles of liberty and justice, and not divide or weaken their forces in party debates about little things. As a rule, the press is on the side of wealth; the effort will more and more be to use the pressure of party power to support the rule of the few. Something of this was seen in the last election; the attempt was made to array the pulpit on one side of party politics; it was all right to speak on one side, but all wrong to speak on the other; and that was only the beginning of what we shall see if oligarchy and plutocracy are enthroned. It will be a sad day for this land if it come to pass that liberty of speech is limited to only one side of great political issues.

That the last election was carried by money is not doubted; that in many cases, pressure, amounting to little less than coercion, was used, will not be denied. That the next national election will be carried on upon the same plan is to be expected, feared, and should the party now in power perpetuate its rule by these means, the slavery of money will be still more firmly established.

By all its sacred memories, by its sufferings, its victories and hopes has this land been consecrated to liberty, to the rights of man; if it become a plutocracy, an oligarchy, ruled by the wealthy few, and if in no other way that power can be broken, then, the twentieth century, like the eighteenth, will be one of revolution; for the cause of liberty is rooted in the eternal world-order of the good; its conditions are in the Infinite; it appeals to all that is noblest, greatest, divinest in man; and hence cannot fail. The people of this land have fought and won too many battles for the rights of man, as man, to submit to the slavery of a money power, even if the chains be made of gold. We should believe and hope and work for the peaceful victory of reason and right.



RICHARD F. PETTIGREW was born at Ludlow, Vt., July, 1848. Went with his parents to Wisconsin in 1854. Educated at Evansville Academy, and Beloit College. Went to Dakota in 1869 and located at Sioux Falls. He opened a law office in 1872. He was elected to the Dakota legislative council in 1877, and re-elected in 1879. Was elected to the South Dakota constitutional convention of 1883 and to the United States Senate October 16, 1889; was re-elected in 1895. His term of service will expire March 3, 1901.

*R. F. Pettigrew*



## CHAPTER III.

### THE DISTRIBUTION OF WEALTH.

BY HON. R. F. PETTIGREW, UNITED STATES SENATOR.

The existing tendency of wealth to concentrate itself in the hands of a few is not the result of natural law, but rather the result of a policy dictated by selfishness and promoted by legislation.

Wealth consists of comforts and luxuries of life and it must be created by human toil. Wealth, then, is a product of human sacrifice and self denial, by which the crude elements of nature are utilized and consigned to the steady flowing stream of life's comforts and luxuries. Wealth makes civilization possible. There can be, then, no great accumulation of wealth by one person, except as he profits by the toil of others. If a person should save of his earnings, after supplying his wants, one dollar per day for thirty years, his pecuniary accumulation would be less than ten thousand dollars. How, then, to account for, and how to remedy the evils arising from, the accumulation of from one million up to one hundred million dollars by individuals in this new country, is the great problem the people of the United States are called upon to solve. Examples of the maximum fortune, or approximating thereto, are far too numerous. How has such vast concentration of wealth been brought about? First, by a system which places the burdens of government upon the individual, rather than upon the property of the country. Second, by a system of currency and finance devised for the purpose of plundering those who toil in the interest of men who do not. Third, by the control of the means of transportation through legislation which has put our highways of travel and traffic into the hands of the unscrupulous and dishonest and allows them to levy upon the producing masses such tribute as they choose. Human experience has established the fact that as civilization advances, capital accumulates.

Those who have possessed themselves of great accumulations of capital strive to increase the value of their holdings through legislation. In the past, one of the most simple and effective methods of accomplishing this result has been to contract the volume of money and make it scarce and dear. The easiest way to double the debts of the world is to double the purchasing power

of the dollars in which they are to be paid. All economists agree that this can be done. All agree that quantity regulates the value of the unit of money, rather than the substance of which it is made.

Great accumulation of capital occurs; the enterprising borrow from accumulated capital, and the owners of evidences of debt secure such legislation as serves to double the purchasing power of the unit of money in which those debts are to be paid—double the value of the dollar as measured in the products of human toil. This is just what has occurred during the last twenty years. It has had the same effect upon the producers of wealth and the debtor class throughout the world that the doubling of the length of the yard measure would have had upon the manufacturer who, twenty years ago, agreed to deliver a million yards of cloth at this time, and in the interval the man who was to receive the million yards of cloth had secured legislation by which the yard stick was still thirty-six inches in length, but each inch was twice as long as it was when he made the contract. Of course the manufacturer would have to deliver the million yards, because he had contracted to deliver so many yards, but he would be obliged to deliver exactly twice the quantity of cloth he had contracted to deliver. So it is with the debtor. He contracted to deliver so many dollars, but after the debt was contracted, and by legislation the volume of money had been reduced, the demand confined to one metal by the demonetization of silver, and the value, or purchasing power, of the dollar doubled so that the debtor is obliged to deliver twice the quantity of the products of his toil that he would have been called upon to deliver when the debt was contracted. Yet the representatives of wealth tell us this is sound money, and they call us repudiators because we demand that it shall take no more of the products of toil, no more of the products of the farm, to pay a debt when due than it would have taken when the debt was contracted.

Rome with her legions robbed the world. When the Roman Empire was founded most of the people owned twelve acres apiece—twelve acres per family, indicating a dense rural population. No foreign foe could march through that compact mass of land owners to the wall of Rome. They were successful farmers and prosperous, and they made mighty soldiers. Cincinnatus left the plow and led legions on to victory. But during the first century of the Christian era, centralization had accomplished its work. The lands had been absorbed by the usurer and gathered into vast estates, cultivated by tenants and often by slaves. The mines of gold and silver in Spain and Greece had been worked out. No more money came from conquests of other nations. The currency was sent to India for precious stones and to China for silks, and with the consequent decrease in the volume of metallic money, prices of farm product fell



to a point below the cost of production, and the ruin of agriculture was made complete. Pliny thus described the condition of the farming classes during his time:

A large estate adjoining his own was for sale, and he was tempted to buy, "for the land was fertile, rich and well watered," the fields produced vines and wood which promised a fair return, and yet this natural fruitfulness was marred by the misery of the husbandman. He found that the former owner "had often seized the pignora, or pledges (that is, all the property the tenants possessed), and though by so doing he had temporarily reduced their arrears, he had left them without the means of tilling the soil." These tenants were free men, who had been unable to meet their rents because of falling prices, and who, when they had lost tools, cattle and household effects were left paupers on the farms they could neither cultivate nor abandon. Consequently the property had suffered, the rent had declined, and for these reasons and the "general hardness of the times," its value had fallen from five million to three million sesterces.

\*According to Pliny, a collection of a rent in money had become impossible in the reign of Trojan. The reason was that with a contracting currency, prices of produce fell and each year's crop netted less than that of the year before; therefore, a rent moderate in one decade was extortionate in the next. But taxes did not fall in values; on the contrary, the tendency of centralization is always towards a more costly administration. Under Augustus, one emperor with a moderate household sufficed; but in the third century Diocletian found it necessary to reorganize the government under four Caesars, and everything became specialized in the same proportion. The evolution of this centralized society was as logical as every other work of nature. When force reached a state where it expressed itself exclusively through money, the governing class ceased to be chosen, because they were valiant or eloquent, artistic, learned or devout, and were selected solely because they had the faculty of acquiring and keeping wealth. As long as the weak retained enough vitality to produce something which could be absorbed, this oligarchy was invincible.

#### Warnings from Rome; Will This Republic Give Heed?

In 360 A. D., Rome demonetized silver and the usurer made all contracts payable by weight in gold, just as our usurers are now doing in requiring every contract to be made payable in gold dollars of the present weight and fineness. From this period the decline of Rome was very rapid. The city ceased to be the seat of empire and fell an easy prey to the barbarous hordes who, in the time of the legions of rural land owners, would have been scattered like chaff before they could have reached the walls of Rome.

\*Brooks Adams' "Civilization and Decay."



Within the last few years, under the powerful forces of concentration, the expenses of the government of the United States have grown to half a billion a year, and have even exceeded that amount. The reader will remember how the country was startled when, for the first time, the congressional appropriation amounted to half a billion dollars. Yet now we have come to consider such an allowance of public funds as a matter of course. Even though prices have gone down and our people have ceased to prosper, the cost of administration mounts up and up as the years go by, and increases, instead of decreases, as it did in the Roman Empire during the days of its decay.

Are we not reaching the same point when men attain power through their ability to acquire and retain wealth, rather than because of their great intellect and virtue? The public has often heard about the millionaires' club of the United States senate. Such abnormal combinations are the breeding places of destructive legislation. We have come to regard corruption with indifference. Every nation that has disappeared from the stage has disappeared from the same cause. It was so with the Byzantine empire, with Venice and Spain, and so it will be with us.

The usurer has no sense. He comfortably calculates that the day of reckoning will not arrive in his lifetime and that other generations may reap the destruction the seeds of which he has sown. He endeavors to satisfy himself that he may escape, and clings to the delusion that time will postpone the inevitable until some chance shall furnish relief. Thus he trifles with fate, rather than release his greed and grasp. And so he goes on and on while national decay and ruin set in and his country as a free nation disappears.

The gold of the world is cornered by the world's great creditors. England has thousands of millions of dollars loaned in other countries. The Rothschild family has made loans to the borrowing classes of the world amounting to forty thousand millions, a sum equal to two-thirds of the wealth of the people of the United States, all under the control of this one house of European bankers. Think of it! An amount equal to two-thirds of all the wealth of our seventy millions of people is under the control of a single family of European bankers!

In December, 1891, the European banks held one thousand, one hundred and thirty-five million dollars in gold. Let us see where they got this additional five hundred millions, for with the increased hoard in the treasury of Russia, the gold deposit growth has been five hundred and thirteen millions since 1891. During this time there has been taken from the mines of the world eight hundred and forty-five million dollars' worth of gold. There has been consumed in the arts in these five years three hundred and twenty-five million,

and the loss by abrasion of coin in circulation amounts to one hundred million. These are the figures of the Statistical Society of France, and they show that the total consumption in the arts and through recoinage was four hundred and twenty-five million dollars. The total product during the period referred to was eight hundred and forty-five millions. The balance of the four hundred and twenty millions was left for currency purposes, according to these statistics. But the European banks had accumulated five hundred and thirteen millions of dollars, or ninety-three millions more than the total product from the mines during all those five years. They laid this vast sum away and withdrew it from circulation and thus contracted the currency. We were foolish enough, in 1893, to contribute to the world-wide policy of currency contraction by completing the demonetization of silver in the United States, thus accelerating the downward course of prices.

We exported in 1890 five million, eight hundred thousand dollars in gold; in 1891, forty-four million dollars; in 1892, sixty-two million, seven hundred thousand; in 1893, ten million, six hundred thousand. Then we repealed the Sherman law, and it was said gold would cease to leave the country and confidence would be restored. And in 1894 we exported seventy-four million, eight hundred thousand; in 1895 seventy-one million, seven hundred thousand, and up to the last of July, or the end of the fiscal year in 1896, we exported eighty million dollars more than we imported. We have lost, then, three hundred and forty-nine million to the syndicates of European bankers. Thus by insisting upon the single gold standard we have placed the price of everything we sell in Europe in the hands of the people who want to buy our products. Yet those who control the financial policy of this country tell us we must continue gold monometallism until the shylocks of Europe are willing to make a change.

I am quite certain that these figures in relation to the consumption of gold are incorrect, and am convinced that the gold produced each year is used in the arts and that not a single dollar of it is used to augment the currency volume—that instead of an increase in the quantity of gold in circulation from the annual output of mines, all that the mines have produced during the last five years has been consumed. It follows that the hoarding of gold by the European banks has contracted the volume of gold in circulation five hundred and thirteen million in the last five years. I find as my authority for this conclusion the statistician of the London Statistical Society, Giffin, who makes the following statement in his book, "The Case Against Bimetallism":

"The demand for non-monetary purposes on the annual production is also preponderant in the case of gold, and very large in the case of silver. About two-thirds of the gold annually produced is taken for the arts, and if the consumption of India is included, as

being either for simple hoarding or for the arts, and in no case for the purposes of circulating money, then the demand for gold for non-monetary purposes appears almost equal to the entire annual production."

It seems to me that these figures are alarming—that these facts ought to startle the American people. Those who control with their ballots the destinies of the United States should turn their backs upon the monied combination which maintains a financial system satisfactory to the people of Europe, who are plundering the people of this country of the products of their toil.

And are we to continue the suicidal policy of our recent past until civilization ceases and the republic fades from existence? That is the vital question in this controversy. It is not a question of who holds the offices. It is a broader and mightier question. It is a question of civilization itself. More than all other things combined has this doubling of the purchasing power of the measure of value, this lengthening of the yard stick, been the cause of the accumulation of the wealth of this country practically in the hands of two hundred and fifty thousand men. How easy it is for wealth to marshal its forces. How easy to send forth an order that the patriotic young man should be defeated who had declared that he would use the power of his office, if elected, to drive every trust from existence. We derive this lesson from a result that has become a part of our political history.

Having won the victory which pledges this country to a continuation of the policy that has produced disaster, we are urged to cease to discuss questions involved in the late election campaign, so that confidence may be restored. If our country possesses a financial system so weak that it totters before the breath of discussion, that system ought to be destroyed.

#### The Railroad Monopoly.

The monopoly of the money of the gold-using world, which has been a means in all past time most potent in the concentration of wealth, has been wonderfully strengthened in the United States by a monopoly of the highways of the nation through an unscrupulous control of all means of transportation.

Prior to the invention and use of railroads, the people of this country, from the very foundation of the government, regarded inland transportation as something which the nation and the states should provide and control, as the numerous highways and canals built by the general government and by the state, throughout all our history, amply demonstrate.

But with the use of steam it became the province of corporations to construct and operate railroads, and then as a peo-

ple, as a government, as a nation, we surrendered one of the most important functions of government. These transportation highways are infested with robbers, who plunder at will the persons upon whose patronage they subsist and thrive, and levy toll upon commerce that is equal to the confiscation of the property that passes over their lines. When protest is made, they declare that their operations are under the guise of, and protected by, law; and when we appeal to the legislative branch of the government, we are met by bribery and other forms of corruption. If we appeal to the courts, we ascertain that their judges were railroad lawyers before they donned the ermine, and that their fortunes are invested in the railroad stocks of the corporations they serve. In support of these allegations, a brief extract from the public records will prove interesting to all advocates of reform, even though it discloses a humiliating condition of our affairs. Mr. Macfarlane, United States District Attorney for the southern district of New York, began an action by injunction, on the 17th of January, 1896, to restrain the Joint Traffic Association, composed of thirty-two railroad companies, from fulfilling the terms of an agreement entered into by the representatives of the various companies comprising the association. At a hearing, upon the subject of this appeal to the courts, before the committee on Interstate Commerce of the United States senate, on the 17th of December, 1896, Mr. Macfarlane testified as follows:

Mr. McFarlane. The motion for an injunction was noticed for the first motion day thereafter, which was the 17th day of January. That was the first motion calendar after the notice had been served. That calendar is called commonly by Circuit Judge Lacombe in the southern district.

When it came up, Judge Lacombe stated that in his opinion he was disqualified to hear the case, or any proceedings in it, as at that time he owned bonds or stocks in some of these railroads; and he also stated that he understood that most, if not all, of the judges of that circuit were under the same disqualifications.

It was finally found that Judge Wheeler, the district judge of the Vermont district, was apparently the only judge in the circuit who was not under a disqualification similar to that which Judge Lacombe had stated he was under, namely, the holding of bonds or stocks in one of the defendant railroads. It was eventually arranged that the case should be heard before Judge Wheeler, as it finally was.

Let us briefly examine the methods of the corporations. The mileage of the railroads in the United States is about 175,000.



Capitalized for 1895.....	\$10,963,000,000
Stocks .....	4,961,000,000
Bonds .....	5,385,000,000
Other obligations .....	616,000,000
	<hr/>
Total .....	\$10,962,000,000
Actual cost .....	4,375,000,000
	<hr/>

Capitalized (in excess of cost) for \$6,588,000,000

Every dollar paid as interest upon this capitalization in excess of the cost of the railroads is legalized robbery, and, in the name of good morals, it is as dishonest to compel the public to pay interest on that which it never borrowed as it is to refuse to pay on that which it has borrowed. It will be observed that our railroads were not built from the sale of the capital stock. The stock was all issued without consideration, and a large per cent. of the bonds also represent no investment whatever.

As all wealth is the result of human toil, the creation of this stock, the issue of these bonds, and the collection of interest upon the same, is but a method by which to plunder the man who produces by toil. This stock and these bonds represent no wealth, because they represent no toil. If a dividend is paid upon such securities, those who toil are plundered to the extent of the money thus extorted. No corporation should be allowed to issue one dollar of stock or of bonds without payment in full, and it should be further required that the money be honestly expended for the purpose for which it is paid.

There are no innocent purchasers of that railroad stock living today. They have taken it for what they could get it for, believing that the methods were such that they could compel the producing population of this country to pay interest and dividends on the bonds and stocks. Investors all knew the stock was issued without consideration, and nothing was paid for it. They are therefore entitled to no consideration whatever. The stock of every corporation should be pared down to represent the actual cost of the property, and nothing more, or else the government should build and own railroads with which to protect the people of this country.

#### Revelation of Facts that Should Arouse the Nation.

Now let us see what has been the result of our financial legislation and our laws in relation to corporations. The United States has produced more wealth in the last thirty years than any other nation on the globe. With marvelous energy, with wonderful enterprise, the boys who came home from the war engaged in the

productive industries of this country. They built railroads, and cities, opened up the farms, and what is the result? By doubling the worth of the measure of value they have been plundered of the legitimate results of their efforts. Today fifty-two per cent. of our people live in rented houses, and fifty-four per cent. of the people of this country secured as the result of their toil, in the year 1890, incomes of but \$600 per family, or \$120 per capita.

Less than five per cent. of the population were the recipients of over one-third of the total wealth produced by this nation in 1890. Twelve millions and sixty-three thousand families existed under incomes aggregating \$9,006,000,000, while 626,000 families lived in the luxurious enjoyment of incomes amounting to a total of \$4,504,000,000.

The first exposition of the distribution of wealth in this country was made by Thomas G. Shearman, in *The Forum* for November, 1889. His method was to ascertain the aggregate wealth of the very rich and then deduct it from the total wealth of the nation, thus arriving at the amount of property owned by the middle class and those classified as poor. The value of property owned by each of the latter two classes was procured from assessors' returns and from other sources.

Shearman's Table of the Distribution of Wealth in the United States.

Class.	Families.	Per Cent.	Average Wealth.	Aggregate Wealth.	Per Cent.
Rich .....	182,000	1.4	\$237,143	\$43,367,000,000	70
Middle .....	1,200,000	9.2	6,250	7,500,000,000	12
Working .....	11,620,000	89.4	965	11,215,000,000	18
Total .....	13,002,000	100.	\$4,775	\$62,082,000,000	100

Commenting on this, Mr. Shearman says:

The United States of America are practically owned by less than 250,000 persons, constituting less than one in sixty of its adult male population. Within thirty years, the present methods of taxation being continued, the United States of America will be substantially owned by less than 50,000 persons, constituting less than one in 500 of the male population.

He says that this is an underestimate, and in the second article adds:

If this system continues, the coming of the billionaire on the one hand, and of the million paupers on the other, is inevitable.

The conclusions arrived at by Shearman are corroborated and confirmed by the evidence of the census taken in 1890 and compiled by George K. Holmes. The method of ascertaining the distribution of wealth adopted by Holmes was the opposite of that employed by Shearman. Holmes gathered from the data furnished by the cen-



sus the aggregate value of property owned by the poor, and then found the wealth belonging to the rich by the process of subtraction.

**Holmes Table of the Distribution of Wealth in the United States.**

Class.	Families.	Per Cent.	Average Wealth.	Aggregate Wealth.	Per Cent.
Millionaires .....	4,000	.03	\$3,000,000	\$12,000,000,000	20
Rich .....	1,139,000	8.97	26,866	30,600,000,000	51
Total rich .....	1,143,000	9.	\$37,358	\$42,600,000,000	71
Class 1 .....	3,556,000	28.	\$3,374	\$12,000,000,000	20
Class 2.....	1,397,000	11.	1,718	2,400,000,000	4
Class 3.....	6,604,000	52.	454	3,000,000,000	5
Total poor.....	11,557,000	91.	\$1,514	\$17,400,000,000	29
Grand total....	12,700,000	100.	\$4,725	\$60,000,000,000	100

Class 1 are the families owning farms or homes without incumbrances. Class 2 are those owning them with incumbrances, and Class 3 are tenants of farms or homes owned by others.

Charles B. Spahr, one of the editors of *The Outlook*, has also investigated this subject through an examination of the probate records of several states, and from these he has drawn the following conclusions regarding the distribution of the wealth of the whole country:

**Spahr's Table of the Distribution of Wealth in the United States.**

Class.	Families.	Per Cent.	Average Wealth.	Aggregate Wealth.	Per Cent.
Rich .....	125,000	1.	\$263,040	\$32,880,000,000	54.8
Middle .....	1,362,500	10.9	14,180	19,320,000,000	32.2
Poor .....	4,762,500	38.1	1,639	7,800,000,000	13.
Very poor.....	6,250,000	50.	.....	.....	...
Total .....	13,500,000	100.	\$4,800	\$60,000,000,000	100.

Mr. Spahr, commenting on this, says:

Whatever error there is in this table is demonstrably on the side of understanding the present concentration of wealth, for in the returns made to the surrogates the debts are not yet deducted from the value of the estates, and it is the small house owners and shopkeepers and farmers whose debts cover the most considerable portion of their holdings. We must recognize, therefore, that the nation's vast wealth does not bring comfort and independence to the rank and file of the people. If the nation's wealth is to mean the nation's well-being, the rank and file of the people must reverse the policies which the rich, and the tools of the rich, have thrust upon them.

These investigations show that not more than 250,000 people own forty-four billion dollars (\$44,000,000,000) of the wealth of this

country, or much more than two-thirds of the total. They own or control the banks and money of this country. They own or control the railroads, and their property escapes taxation. They own or control the great daily papers and magazines. Even the pulpit, subsidized by their liberality, is at their command and heralds their wishes and enunciates their decrees.

With a knowledge of all these startling facts in our possession concerning the direction in which we are drifting as a people, can any person doubt that the United States is rapidly becoming, if it has not already become, a plutocracy of artificial persons, rather than a free republic? To check, without revolution, the onward course of these forces, to bring about a fair distribution of existing wealth, to enact laws that will accord to each citizen his just share of the fruits of his toil in the future, are the problems to be met in the next political contest in this country.



## CHAPTER IV.

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### USURPATION OF PLUTOCRACY.

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BY GENERAL JAMES B. WEAVER.

It is not the intention in this short chapter to enter into a thorough presentation of the subject mentioned in our title, but simply to suggest to the reader a line of investigation of great importance to all who cherish a love for free government.

The American people believe that government derives its just powers from the consent of the governed. We asserted this sacred tenet amid the throes of revolution and made it the chief stone in the structure of the great republic. Thousands of men have willingly laid down their lives and scores of thousands poured out their precious blood to force reluctant despots and purse-proud aristocrats to recognize this elementary truth in human association. The so-called divine right of kings was at last forced to give way to the divine right of the people. The world was taught that man's natural rights are inalienable and cannot be rightfully or safely withheld at the pleasure of a monarch. The sword set these doctrines at rest, and the constitution and appropriate legislation which immediately followed the ratification of that instrument was thought to be sufficient to guard the people against the usurpation of power for all time. But it must be remembered that every important declaration in the charter of our liberties had its determined foes at the time that document was given to the world—foes at home and unnumbered enemies abroad. Through all the century they have been sleepless and insidious in their determination and methods to undermine popular authority. Like other dangerous maladies they always make war at the point of least resistance. If there is an obscure niche or nook along the line where the people are off guard, there the enemies of free government mass their forces and work their deadliest purposes. The intervals of peace following our four great wars have been so brief, and the structures of states, increase of population and extension of settlement so rapid that the people of the United States have not had time to study the whole curriculum of freedom. Some of the most important safeguards of liberty have been almost entirely neglected.



GENERAL JAMES B. WEAVER, a native of Dayton, Ohio, was born in 1833. Graduated at Cincinnati Law School; practiced law for twenty years. Elected four years district attorney, Second judicial district, Iowa. Elected to Congress in 1878, having left the Republican party previous year because of its financial policy; candidate of the Greenback party for president in 1880. Elected to Congress in 1884. Nominated for president by People's party in 1892, and polled 1,000,000 votes, receiving twenty-two electoral votes. He has lectured for twenty years in every state and territory—now, and for years past, working for the restoration of silver.





**Parties Have Suppressed the Individual.**

Meanwhile parties have sprung into existence which have largely suppressed the individual and forbidden him to entertain opinions which are to control him beyond the meeting of the next state or national convention. The plutocracy captures a great party, it makes it the best training school for despotism ever invented. Parties have come to occupy the same position in the realm of opinion that the trust octopus sustains to the domain of trade. The individual must retire or be crushed. The moment a man is so presumptuous as to think for himself and to give expression to his opinions, he is placed under ban and marked for discipline. The autocrats who control the machine never take the rank and file into their confidence nor explain the real purposes and policies which they have in view. These are carefully kept in the background. When the opposition spell out the concealed and obnoxious purposes and lay them before the people, campaign orators flatly deny the charge and declare the inferences unwarranted. They at once shift the discussion to other lines and by a wave of the hand and a nod of the head inspire their followers to confide once more in their integrity of purpose. They divide up their policy and reveal but little of it at a time. They think out their designs as a harmonious whole and then advance step at a time. To attempt all at once would arouse the people and defeat their purposes. So, borrowing a point from military tactics, they advance by gradual approaches.

**Retrospective View of Their Work.**

The contraction act of 1866, the credit strengthening act of 1869, funding act of 1870, the act of 1873, which struck down silver, the concealed and vicious provisions of the resumption act, the exception clauses in the legal tender and in the Bland-Allison acts, and the dead-falls in the Sherman act of 1890 were all parts of one villainous scheme, and yet their enactment came by piecemeal through a stretch of twenty-seven years.

Free government cannot long survive when in the hands of vicious legislators, whose policy is one of cunning and who use the gun and the dollar to subjugate and overawe the people. When the state is armed and the people disarmed and impoverished, liberty is gone and repression is substituted for the golden rule.

**The Power that Controls the Volume of Money Absolute.**

The power which controls the issue and volume of money in any and every nation is absolute master of the people and of their military strength. It determines the degree of civilization. It fixes the volume of business, shapes the lives of the people, determines their income, sets bounds to moral, intellectual and material prog-



ress and the growth of liberty among men. Our money lords, everywhere, know this, and being full of "the root of all evil," they feed upon the poison and blossom readily into full-fledged plutocrats. When party leaders ask for power on one line of public policy and then as soon as they are in office proceed to legislate upon another and more important function of government upon which public judgment has not spoken, no intelligent man needs to be told that their motives are selfish and bad. If a neighbor has been given permission to come upon your premises in the spring time and take a few designated shrubs, you would consider him an outlaw and a vandal if he passed by the shrubs and proceeded to tear up your orchard or cut down the dear old shade trees which sheltered the family.

#### Political Campaigns of Duplicity.

A glance at the stealthy manner in which they have conducted their campaigns of subjugation in their country since the close of our late war will assist the reader to understand the source of the inspiration and the motives which underlie their movements. The act of 1866 which clothed the secretary of the treasury with power to contract the currency just when millions of our penniless brethren in the South had returned to the Union and needed succor, was never mentioned in the campaign in which the congress that passed this cruel law was chosen nor was the public consulted in any manner concerning the matter. So of the credit strengthening act of 1869, the funding act of 1870, the act demonetizing silver in 1873, and the hidden and baleful provisions of the resumption act of 1873. John Sherman declared in his report to the senate on the funding bill that the object was to prevent the payment of the bonds in anything but coin, which he feared might be done in obedience to public clamor if reliance was placed upon the credit strengthening alone—the people might demand the repeal of this act. There is no estimate that can be placed upon the injury inflicted upon the country by the acts above mentioned. They robbed the people, precipitated the panic of 1873 and the unnumbered evils which followed like a plague for six long years. The scars of these accursed acts will continue to mar our civilization to the latest generation. The tree of liberty can never have the symmetrical growth or sheltering power which it would have had if these baneful laws had never been passed. No congress was ever bidden by the people to enact these iniquitous statutes. They were conceived by English investors and their Wall street allies and rushed through by their pliant tools in congress. Hatred and distrust of the South was made the slogan in all the campaigns which covered the period of the land grant frauds, the contraction, funding, credit strengthening, silver de-

monetizing, national bank extension and kindred acts. When the Southern bogymen failed to draw, the old spavined tariff question was sprung to divert public attention from the real issues. At no time in all these dark years and disastrous campaigns were the people, prior to the closing of administrations and congresses, ever informed of the legislation which followed and the consequences which would ensue. Clothed with power upon an issue of imaginary importance and of secondary nature, they proceeded, uncommissioned by their constituency, to legislate upon other matters which they dared not to disclose before election and to which public attention has never been directed. We cannot conceive of a grosser usurpation. If it is to be continued and tolerated, human liberty and republican government are mere phantoms to lure us to destruction.

#### **The True and Only Remedy, the Referendum.**

One and all of the accursed laws mentioned above and others of equal importance and the crafty interpretation thereof, came upon the people like a cloudburst and without warning. They were not foreshadowed in party platforms nor aroused from the hustings in campaigns which preceded their enactment. They are without moral sanction because enacted by stolen authority. They are about as valid from a moral standpoint as the title which the thief conveys to the purchaser of stolen property. The rightful owner can follow his property anywhere and recover it. The people should resent the rape of their liberties by rallying to the repeal of these laws, the enactment of just ones in their stead and by then enacting the safeguard of the referendum to forever prevent the recurrence of such outrages.

## CHAPTER V.

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### CURSE OF A MONSTROUS CRIME IS UPON US.

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BY GOV. HORACE BOIES.

Col. D. M. Fox: Your kind request that I prepare for "The Silver Side" an article on the currency question has lain upon my table many days while I have been trying to convince myself that anything I can say will aid in the least degree the cause of bimetallism, or interest to any extent the readers of your forthcoming book.

It is probably fair to conclude that my duty is not different from that of others, and that I ought to contribute as opportunity occurs the mite of my own views to a cause that so vitally affects the whole brotherhood of man.

To me the miracle of the 19th century is the fact that in an age marvelous beyond all its predecessors for the advancement in human knowledge for the discovery of innumerable methods by which the comfort of man may be promoted, for the multiplied human wants which the customs of recent years have created, and consequent necessity for an increase of the means through which alone they can be supplied, an influence could have been molded and set in motion wide enough and strong enough to practically destroy one of the money metals that from the dawn of civilization until the early years of the present century had ministered to the necessities of men, and supplied the luxuries which human nature in every condition of life so eagerly craves.

I cannot believe the sober judgment of the present age in this free republic of ours commends the acts through which this has been accomplished.

I know the inevitable result has been an exorbitant increase in the intrinsic value of the metal that is left, and consequent cruel depression in the selling price of everything it measures.

I know, too, that a demand for a perpetual gold standard, that four short years ago no political party in this nation dared to make, that even in our last campaign was smothered under the specious plea that a return to the use of both metals as standard money should come through the united action of nations over whose



HON. HORACE BOIES, a native of New York, born December 7, 1827. Worked on the farm until sixteen, then went to Wisconsin. Worked on a farm summers and taught school winters the next four years; then returned to New York, and entered a law office. Subsequently admitted to the bar, and practiced until 1867. Served one year in the legislature. Came to Iowa in 1867, practiced law in Waterloo until inaugurated governor, in 1890; re-elected in 1892. Was a prominent candidate for president in 1896, earnestly supported by his own state and a large following in others; but the money power was for McKinley. At the time of this writing, he is being urged by thousands to become a candidate for governor against the gold candidate.



financial policies we have no control, is already brazenly heralded by a venal press and openly and publicly asserted by millions of selfish men as an accomplished fact from which there is no appeal, no hope of relief.

And I know, also, that the curse of a monstrous crime is upon us today. That here in this land of the free its victim is a prostrate nation, whose granaries are bursting with food, while millions of men, gaunt with hunger, go forth from homes where famine reigns and wander up and down its streets pleading for work they cannot obtain, begging for bread they cannot earn, because everywhere the wheels of industry are clogged and all the arteries of trade are congested by this hypocritical cry for gold, for gold enough to sustain the monetary systems of all the nations, a cry that cannot be favorably answered, that those who utter do not want so answered because to give to the world what they ask would cheapen that they already have.

#### **Currency that Saved the Nation to be Destroyed.**

I have heard the imperious demand that a currency to the existence of which this nation owes its very life, without which through years of agonizing strife it could not have survived a single day, shall be utterly destroyed, cut up root and branch alike and cast out forever from the monetary system of the government it preserved to make way for rags that bear upon their faces a mere promise of some puny corporation to pay, that are not money, that do not purport to be money, that cannot be made money under the constitution of this republic, and yet that are to float out from thousands of incorporated banks that have not behind them a tithe of the security that accompanies every United States note, and sail an unruffled sea so long as its waters are undisturbed, and be hustled back into the iron vaults from which they emerge at the first signal of danger that darkens the financial sky, and leaves a helpless people to struggle with the waves as they come, and I wait and watch for the reply a great nation is to give to this infamous demand of shameless, unblushing greed.

#### **Statement that National Debt Contracted Upon Gold Basis False.**

I have listened to the stale falsehood that the debts of this nation have been contracted upon a gold basis, and hence to change our monetary system to a double standard would be partial repudiation of existing obligations, when I knew that those who made the statement were not ignorant of the fact that from the foundation of this government until 1893, for every practical purpose, a double standard prevailed in this nation, because the mints of the country in every year when either metal was in use as a circu-



lating medium were pouring into the channels of trade a silver stream great enough and good enough to preserve in fact the double standard provided for in the highest law a nation can make, the constitution itself, upon which the whole fabric of our institutions must rest or finally crumble to inevitable decay, and I know, too, that in stopping the flow of that stream but four short years ago congress heartlessly increased the burden of every debt in existence, and as greatly enhanced the intrinsic value of every security held for the same.

There are no words in the English language at my command that express my utter abhorrence of a financial policy that I believe was designed to enrich a limited few at the expense of the toiling millions of the world, that is doubling the value of a single form of property and cutting in twain the price of every other species of the earthly possessions of men, that is reducing the laborer to a serf, the debtor to a slave, the world to contending classes that forbid the long continued existence of republics like our own.

I must be pardoned, therefore, if in the midst of surroundings such as the present seem to me, I stop to inquire if the great party to which it is my privilege to belong should renew the battle of the future upon lines that led it down to defeat in the contest just closed.

To determine this, an impartial survey of the past is certainly essential.

Is it possible to point out a single particular in which the friends of silver will be more favorably situated in the future than they were in their last campaign? I cannot conceive of one. I know they entered that contest with the zeal and determination of new born converts to a great, an overshadowing reform. I know they were led by an able captain, who drew to his support conflicting political elements that no other man in America could have so thoroughly united in a single cause. I know the ablest of lieutenants, the most devoted of disciples, stood bravely by him through the long weeks of his heroic struggle, and yet truth compels me to admit that from the opening of the campaign to its close, the ranks of the silver forces were continuously decimated instead of increased, and I know, as all others know, that the victory of their enemies has inspired them with a confidence they never knew before, and dampened, if it has done no more, the hopes of millions of men who believed in the righteous justice of their cause.

Ordinary prudence, therefore, requires that before the contest is renewed, as it necessarily will be in our next congressional election, a reasonable effort should be made to discover the predomi-

nant force that accomplished our defeat, and reasonable caution observed to avoid another like disaster from the same cause.

Let us, therefore, candidly inquire what constituted the impregnable wall against which the silver forces were constantly hurled, and from which they were beaten back in spite of the herculean efforts of the most determined of their leaders.

Was it anything less than a belief that continuously grew in the public mind as the canvass progressed that the practical effect of success by the friends of silver would be the substitution of one of the money metals for the other, of silver monometallism for gold monometallism, and that such a change would increase instead of diminish the misfortunes we attribute to a single standard of gold?

To my own mind there is but one possible answer to this question. That was the rock upon which our good ship foundered. It is still in the way. It matters not how thoroughly we convince the American people that a gold standard is wrong unless we can go farther and convince them also that what we offer in its place is better instead of worse. This we did not succeed in doing. There is no argument that can be used in the future to accomplish that end that was not thoroughly exhausted in the contest we lost.

The issue as we made it furnished a cover for our foes under which they were not slow to take refuge. They did not assail bimetallism as a fundamental principle in our financial system. Instead of this they profess to favor it. They simply said of our plan, it means silver monometallism, no more, no less. A great majority of our people believed them. Defeat was the consequence, and it will follow as often as the issue is so made that they can fight us behind a breastwork that conceals their real purpose.

Before we can hope for success this rampart of theirs must be razed to the ground. They must be driven from every cover and compelled to fight in the open field under a jag that reveals the full measure of their intentions.

Their pretense of devotion to the cause of genuine bimetallism is a falsehood. Their plan to secure it an intentional fraud. Gold is their god. To lessen the demand for it by the use of silver as redemption money upon any terms, under any conditions, would cheapen it, and correspondingly increase the price of everything it measures. This they know, and this is the whole secret of efforts by the craftiest of leaders to maintain a single standard of gold.

The friends of silver, although once defeated, are not yet demoralized. This will not be true after a second defeat. In our next great battle we must win or our cause is lost.

How can we win? This is the one overshadowing question

that should be pressed home to the heart, the conscience, the intelligence of every friend of silver. For one, I do not believe it possible to succeed upon a platform that demands the unqualified free coinage of silver at the ratio of 16 to 1 with gold. We have fought that battle, and it is lost. We can never fight it over under circumstances more favorable to ourselves.

If we hope to succeed we must abandon this extreme demand. We must frame our platform so that success will insure bimetallism, so that no man can say it will not, so that our enemies will be compelled to fight the principle of bimetallism and openly defend gold monometallism as the one sole basis of our financial system. We must drive them from their covers, array them where they belong, against the constitution of their country, the traditions of our people, the history of every age in all the world until a hellish greed, born in the present century and nursed at the breast of monarchy, drove silver from the place for which an omnipotent God designed it, and spread in its departing wake the seeds of universal decay.

To do this we must make silver for monetary uses the exact equal of gold, not its equal upon terms that made it such before it was assassinated, but its equal as it is today. We must stifle forever this terrifying shout of an unsound dollar of silver monometallism by which we have been once overwhelmed.

To accomplish this it is not necessary that we advocate the minting of silver at its present commercial value with gold. We ought not to do so, for that would fix its value so that no appreciation could result from its more extended use as a money metal. What we should do is to open the treasury of the nation to every ounce of silver that will come to it and issue in lieu thereof a paper representative bearing the solemn promise of the government that it shall be redeemed in silver or gold at its full market price in the great centers of trade whenever presented for redemption.

We can so frame the details of such a plan as to attract to the treasury of the nation every grain of silver mined within the United States that can be spared for monetary purposes until the last dollar of paper currency now in use in this country has been supplanted by treasury notes backed to their full face value by silver or gold.

Long before this is accomplished silver will have regained much if not all it has lost by adverse legislation on the part of so many nations of the world.

Ours is the great silver producing country of the globe. Confine the entire output of our mines to our own country, withhold every ounce of it from the markets of the world, and a few brief years will solve the problem for all time to come.

Silver will go up in value; gold will come down; our financial system will be built upon a rock that no power on earth can shake. Prices will advance; labor find employment; justice will be done,

and the withering curse of a nation will be lifted from the shoulders of a people which has already paid the penalty of its one great sin.

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### KINDLY RESPONSE.

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BY THE AUTHOR.

Gov. Boies was requested by the author to contribute an article for "The Silver Side." After extending the invitation, he learned that the governor had somewhat modified his views on the silver question as to ratio; nevertheless his communication is presented, dissenting with due respect from his proposed methods in the use of gold and silver. Most emphatically and righteously he condemns the Republican party's action at St. Louis for its adoption of the single gold standard, and he has no sympathy with Democrats who left their time honored party to join hands with their theretofore bitter opponents in ignoring silver, one of our most precious metals, the one nearest to the people. Notwithstanding this difference of opinion, many bimetalists will doubtless read the spirited article from Governor Boies with interest, although very few indeed, we trow, will be likely to agree with his views on the use of silver.

The suggestion that the government should issue certificates for silver bullion, redeemable at the market price of silver, is not quite clear. As understood, the certificate is given for a specified number of ounces of standard silver, the sum paid being specified, such sum being the then market price at the mint of that number of ounces. When such certificate is presented for redemption, the government pays the holder *in silver* a sum equivalent to the market value of the number of ounces of silver specified in said certificate. If this conclusion is right, would he make these certificates a legal tender? If so, for what sum? The probable answer will be, for a sum equivalent to the market value of that number of ounces of silver on that day. If so, by whom or how would the market value be shown at that or at any specified time? If the certificate were not a legal tender, would they be of any practical value?

It is suggested by the governor that silver monometallism would be productive of as great evils as gold monometallism and that the fear of silver monometallism contributed to the defeat of Mr. Bryan. No one intends the establishment of silver monometallism by law, but on the contrary the restoration of a double standard in law.

But coming down to facts, the doctrine set forth in the silver part of Gov. Boies' article is certainly not the doctrine of the Chicago platform, nor is it bimetalism at all. The governor does not propose to endow silver with the money function as gold is, but to receive all the silver that is offered and for it issue paper representatives, to be redeemed in silver and gold at their full mar-

ket price at the great centers of trade, which can only mean that the paper representatives shall be redeemed in silver bullion at *its market value in gold*, which is the same thing as redeeming it in gold. The silver bullion so redeemed would go back on the bullion market. Is not this virtually the gold standard?

Monometallism is the endowment of *one metal* with the money function. That is, the metal itself becomes potentially money. The quantity of money is then determined by the quantity of metal and the weight of coins. Bimetallism is the endowment of two metals, gold and silver, with the money function, that is, making *both* money metals; in that case the quantity of money is determined by the quantity of both metals devoted to monetary use. The relative weight of the coins of each metal, of the same denomination, expresses the ratio at which the two metals go into use as money. We now have gold monometallism, that is, one metal only being endowed with the money function. We will have bimetallism when both metals, silver and gold, are alike endowed with the money function.

It has been with no little hesitancy that the author has entered this criticism of the good governor's statements of his present position on silver; but believing his position to be untenable, directly in conflict with the most essential demand of the Chicago platform of principles, and believing, as we most sincerely do, that the woes of the American people are largely due to the demonitization of silver, no expedients, nothing short of absolute and positive re-monetization, should be accepted.

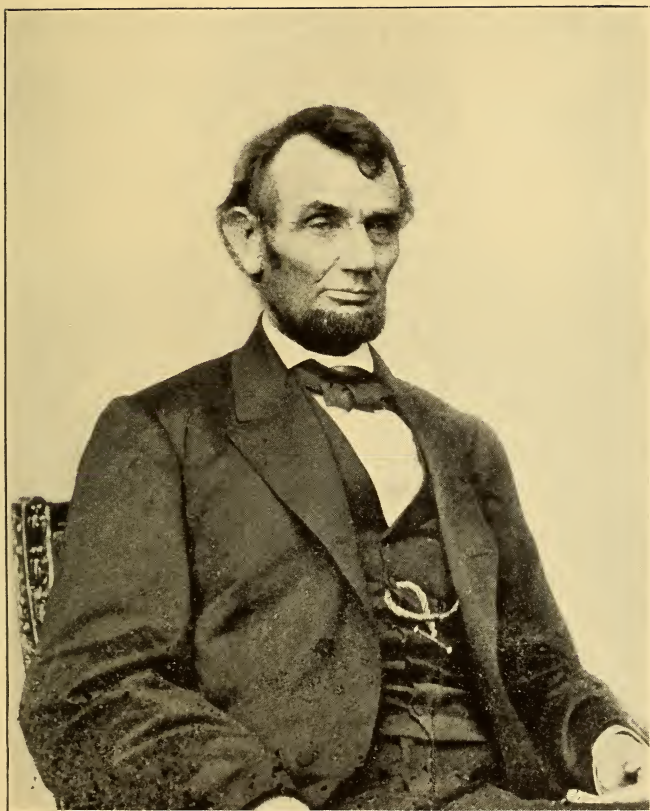
The governor mistakes in attributing the defeat of Mr. Bryan to the demand for silver restoration at the ratio of 16 to 1. It is true that demand caused the union of Gold Democrats and Gold Republicans; nevertheless, the victory would have been for the right, had there not been the greatest frauds, the grossest deception, practiced, and the corrupt use of the largest amount of money expended ever known in the history of any party. This is fully demonstrated in other chapters of this work.

The people have since 1895 been studying this question; thousands then opposed, now favor, because better understood, and they sorrowfully witness the failure of all the brilliant promises of better times, and are now certain, if the gold standard is continued, of a further decline in property values, and a nearer approach of the agriculturist and laboring classes to European conditions.

No, no! It would be the very height of folly to commence, or even think of, a retreat from the field with the battle half won and the foe dividing. Let there be no attempt to change front on the battle field.

“The combat deepens, on ye brave!”





ABRAHAM LINCOLN.

The author, desirous of having absolutely correct portraits, applied to Hon. Robt. T. Lincoln for a portrait of his father, the one most satisfactory to his family. He kindly replied, sending photograph that the family consider the best. Readers of "The Silver Side" may therefore rest assured that the above is a truthful likeness of the great emancipator.





## CHAPTER VI.

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### THE BUSINESS MAN AFFECTED BY THE SINGLE GOLD STANDARD.

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BY JUDGE WM. CONNOR.

The writer proposes to discuss two propositions, having reference more particularly to the conditions which now prevail or which are likely to arise in the near future in the United States. These propositions are:

First, that the single gold standard implies under ordinary conditions a low and gradually declining level of wages and of prices for farm products and manufactured articles; and, second, that low wages and prices will, all things considered, diminish profits, sharpen competition, and finally concentrate business in a few great trusts or combinations.

It should perhaps be suggested that the term "business man" is here employed as more appropriately describing the manufacturer and merchant and those immediately associated with them in the production and sale of commodities. No doubt the banker, the farmer, the railroad or insurance agent, and others engaged in industrial pursuits are business men also, but for the purpose of this article the term business man will be used in the narrow sense indicated above.

If it should be conceded that the adoption of the single gold standard had caused a reduction in wages and in the prices of products, it would hardly be denied that such reduction had injuriously affected business interests in this country. American manufacturers and merchants rely largely upon the home market; and if the purchasing power of the great mass of consumers, the farmers and wage-earners, is seriously impaired, how can the business man prosper? It may be assumed that nearly all the money received by wage-earners and farmers is spent in supplying their wants; any sums remaining would go ordinarily to the payment of debts or be deposited in the banks. If in a given year the aggregate receipts for farm products and for wages are reduced one-half, practically the receipts of the manufacturers and merchants for the same period must suffer a like diminution. The world lives from hand to

mouth, and in cases like this the economic cause and effect follow close upon each other. If the business man desires to prosper in his own field of industry he must support a financial policy that will not operate disastrously upon the consumers of the products which he manufactures or sells. This conclusion will not be denied; but, it will be asked, is it true that the adoption of the single gold standard has reduced the general level of prices and wages? Has that policy impaired the purchasing power of the agricultural and wage-earning classes? In answering these questions it will be the aim of the writer to seek the testimony of experts who have not been concerned in party strife or advocates of special interests.

In 1876, before the "silver question" had become the subject of party contention, a commission of nine members was appointed by congress to inquire and report "into the change which has taken place in the relative value of gold and silver; the causes thereof, whether permanent or otherwise; the effects thereof upon trade, commerce, finance, and the productive interests of the country, and upon the standard of value in this and foreign countries." A majority of the commission reached this conclusion as to the effect of the single gold standard on prices:

In all commercial countries the same phenomena are simultaneously presented, of falling prices of commodities and real estate, diminishing public revenues, starving, poorly paid and unemployed laborers, and rapidly multiplying bankruptcies. \* \* \* What the world has witnessed immediately following a concentrated movement to demonetize silver is that fall in prices, ruin of productive interests, and increasing in the absorbing power of moneyed capital which could not fail to attend a sudden narrowing of the measure of values. Prior to 1873 prices were regulated by the general existence of a measure of values consisting of the two metals of about equal proportions in the world's stock. To annihilate the monetary function of one must greatly increase the purchasing power of the other, and greatly reduce prices.

Senator Boutwell, of Massachusetts, filed a minority report, but agreed with the majority as to the point here in question, saying:

It is no doubt true, also, that the demonetization of either metal adds to the purchasing power of the metal retained for use, by diminishing the price of every article of merchandise, while it increases the burden of debts both public and private.

#### **Brussels Monetary Conference of 1892.**

At the Brussels monetary conference in 1892, this question was fully considered. Prof. Andrews, one of the delegates from this country, made this statement:

A second powerful consideration urges the thoughtful people of the United States to try and rehabilitate silver as money of full debt-paying

power. It is this. They wish to stay that baneful, blighting, deadly fall of prices, which for nearly thirty years has infected with miasma the economic life-blood of the whole world.

One of the delegates from Belgium, M. Allard, referring to the results of silver demonetization, expressed this opinion:

That crisis, which has been carefully observed by you for so many years, shows itself more particularly in the fall of prices, which acts upon agriculture, the manufactures, and the commerce of all nations.

The British delegates to the Brussels conference were divided in opinion, the views of the single gold standard party being presented chiefly by Mr. Bertram Currie, a director of the Bank of England. His view was thus stated:

As far as can be ascertained, we are met here to endeavor to raise the price of commodities. Such an object is entirely opposed to the economic doctrines which are accepted in the country from which I come. Cheap goods and not dear goods, plenty and not scarcity, have always been held to be the conditions of profitable trade.

The representative of a great creditor nation, which buys three-fourths of its food products and its raw materials for manufactures, may support this position with persuasive arguments; but such arguments would not be applicable to the conditions prevailing in this country, as will be shown further on. Even in Great Britain, the views of the industrial and trading classes as opposed to the money lending class, were set forth by Sir W. Houldsworth, as follows:

In the first place, I am, from my position and antecedents, more peculiarly identified with industrial and commercial life than any of my honorable colleagues, and I need scarcely stay to remark that it is industry and commerce in their widest aspects which are most vitally interested in and will be most profoundly affected by the decisions at which this conference arrives.

After thus defining his own position and the special interests with which he was identified, he replied to Mr. Currie in these words:

Now, my honorable colleague, Mr. Bertram Currie, has told you that "cheap goods, not dear goods," have always been held to be the condition of profitable trade. How, then, does he account for the fact that during the last eighteen years an unprecedented fall in prices has taken place (not less than 30 per cent., as measured by seven sets of index numbers), and yet there never was a time when, by the testimony of all engaged in agriculture, manufacturing, and other trades, confirmed by the reports of two royal commissions in England and by investigations elsewhere, the profit-earning power of every industry had more seriously

and persistently declined, leading, as such a state of things must inevitably and ultimately lead, to irregularity of employment, serious reduction in the rate of wages in every department of industry, accompanied by strikes and lock-outs and short time?

The opinions cited are not exceptional, but are generally held and expressed by leading European economists. Advocates of the single gold standard have not, it is true, conceded that the persistent fall in prices (which is not denied) is due to silver demonetization alone. They have contented themselves with declaring that the proposition was not proved, or with pointing out specific products the price of which had been reduced by cheaper processes of manufacture, or by sharper competition. Making due allowance for all cases of that character, the conclusion stands that since 1873 there has been a gradual but marked decline in the general level of prices, caused by the adoption of the single gold standard. This tendency has shown itself more clearly since 1893, when silver coinage on private account ceased in India and the "Sherman law" of 1890 was repealed in the United States. It has been suggested that the decline in wages up to 1893 was not so great as in farm or manufactured products. If this be conceded, the record of wage reductions subsequently to 1893, and especially in 1896-7, will justify all that has been said on that point. It has not been possible in the limits allotted to this article to present tables or figures, but they are accessible to every intelligent man who cares to know the facts. Indeed, the decline of the general level of wages and of prices in the last four years has been so obvious and so marked that denial is useless. President McKinley summed the matter up in trenchant phrase when he said in 1891, referring to ex-President Cleveland:

He would have increased the value of money and diminished the value of everything else—money the master, everything else its servant.  
\* \* \* Cheap coats, cheap labor, and dear money; the sponsor and promoter of these professing to stand guard over the welfare of the poor and lowly.

The fact that the prices of products and of real estate were low and were continuing to decline may have had in 1891 a special interest for the "poor and lowly"; but in 1897 that ugly circumstance is a menace to thousands of business men who have invested their fortunes in real estate or in industrial enterprises. If it has been shown that the single gold standard, in its general operation and effect in a debtor nation like ours, necessitates low wages, low prices of products and low real estate values, it must be evident to business men that a radical readjustment of business relations is impending if the single gold

standard is to be maintained. In the cities and towns of this country a very large share of the real estate is owned by business men.

#### Losses Caused by Decline in Prices.

It is no exaggeration to say that in the central and western states, between 1892 and 1897, city and town property has declined in price from 25 to 50 per cent. If that reduction is permanent, what will the aggregate loss amount to? And what will be the ultimate effect on savings banks, loan companies and other corporations whose funds are largely invested in real estate and whose stocks are held to a considerable extent by business men? No account is taken here of real estate speculators—they are marked as the certain victims of the prevailing low prices. The comparison made is between what town real estate actually cost in 1892 and prior years as compared with what it will now sell for or avail its owner as security for loans or debts.

It may be said that low prices for food products and lower rates of wages will cheapen the cost of manufactures; that the farmer and wage-earner will recoup their losses by supplying their own wants at less expense; and that the usual margin of profit to the business man will be worked out in either case. The question is, from the standpoint of the business man, can he, under these circumstances, work out his usual margin of profit?

Suppose the aggregate amount realized from the sale of boots and shoes in the United States in 1895 amounted to a little more than two dollars per capita, or \$150,000,000, and that the total cost of the manufactured goods was 50 per cent., or \$75,000,000. There would remain \$75,000,000 to cover expense of handling and transportation and the profits of manufacturers and dealers. Suppose, also, that in 1896 and 1897 the total sales in each year had declined to \$75,000,000, the cost of the manufactured goods being \$37,500,000, leaving \$37,500,000 for expenses and profits. What would be the effect on the men carrying on that business? This may be an extreme case, but it fairly illustrates the general effect of impaired purchasing power of great masses of people covering a considerable period of time, as from 1893 to 1897.

The first effect would be sharper competition between manufacturers and between dealers, lower prices, and decreased profits to all except perhaps the transportation companies. The second would probably be the bankruptcy of the weaker concerns whether engaged in the manufacture or sale of the products affected. It may be assumed that in the struggle for existence the strongest would survive; and, according to modern business usages, these survivors would combine, organize a trust, limit production to the



needs of trade and fix the selling price so as to realize some profit. Trusts and combinations are the legitimate children of the single gold standard, and appear to be unavoidable if existing business conditions are to continue. It may be said, therefore, that a third effect upon the business now under discussion would be that from one-third to one-half (perhaps even a larger number) of those engaged in the manufacture and sale of boots and shoes in 1895, would be forced out of business during 1896-7, and with them would go their clerks and other employes. The business man who favors this policy should have reasonable assurance that he will be one of the survivors.

What has been said as to a particular line of trade is applicable in a large measure to others—it is only a question of degree. When for any reason there is a large and continued decline in the consumption of products, all those engaged in their manufacture or sale are certain to suffer loss, and many will be forced into bankruptcy. If the bill now pending in the senate of the United States, authorizing involuntary bankruptcy, should become a law, the way will be made clear to eliminate all the weaker business concerns and concentrate the trade of the country in the hands of the few which may be able to survive the crisis.

It may be said, however, that the reduced consumption of manufactured products, so marked during the last three years, is only temporary, and that normal conditions will soon be restored. This suggests the inquiry: Who are the great mass of consumers? In this country, at least, the answer is obvious: the farmers and wage-earners: The measure of the farmer's ability to purchase is the sum realized from the sale of his products, less taxes, wages paid, and other fixed charges. The measure of the wage-earner's ability to purchase is the amount of his wages. The total of both is what gave life and stability to business in years gone by. That total, reduced perhaps from 25 to 50 per cent. in the last four years, finds expression in stagnant trade, loss of profits to nearly all business men and bankruptcy to many.

From a business point of view, therefore, the problems of the future are: How can we restore and maintain a higher level of prices for agricultural products? How restore wages even to the level of four or five years ago? How furnish employment to the hundreds of thousands now seeking it at almost any wages? The only answers seem to be, by returning to bimetallism and by restoring that policy the former level of prices and wages. Practically all the money paid out for wages or received for agricultural products returns at once into the channels of trade—it is the life blood of business. The interests of the business man are so closely related to those of the farmer and wage-earner that dis-

aster to the latter will surely react upon the former; and this is especially true where, as in this country, the business man relies almost wholly upon the home market.

It has been already shown (and the proof could have been multiplied a hundredfold) that the demonetization of silver in 1873 caused a fall in prices and in wages in all gold standard nations. This tendency was arrested in the United States to some extent by the two acts of congress providing for a limited coinage of silver and the use of silver notes and certificates. With the repeal of the "Sherman law" of 1890, in the fall of 1893, the people of this country began more directly to adjust values, prices and business to the single gold standard. This adjustment has been going on since 1893, with the same results here which were noted long before in European nations. The adjustment of values and business in Australia to the single gold standard had culminated in 1893 in almost universal bankruptcy. Australia and its people had been large borrowers; it was a debtor nation, and the increased purchasing power of gold money, or (stating the same fact in another way), the depressed value of all kinds of property, wrought most disastrous consequences.

It will not be claimed that real estate values, the prices of products, or that rates of wages even, have yet been fully adjusted to the single gold standard. A lower level remains to be reached, but just what that level will be, no one can tell. In the meantime, if employment is furnished at all, it is at lower wages. This result seems unavoidable, and the employe must accept it or go idle. With cheaper labor the manufacturer can produce cheaper goods; but the depressed market and sharpened competition eliminate any substantial profit. The merchant buys his goods at lower prices, pays his employes less wages and perhaps lowers his rent charge; but he pays the same amount of taxes, the same rate of interest on borrowed money, and the same charges for transportation; while the total of his sales is greatly diminished, he is pressed by active competition into accepting a small margin of profit, with a larger percentage of loss in case credit is given. At the same time, investments in real estate, or stocks in savings banks and loan companies, which a few years ago served as a basis for commercial credit, are no longer useful for that purpose.

#### **Great Britain's Prosperity.**

It has been said by business men: Great Britain prospers under the single gold standard; why may not we do likewise? The assertion is true only in a qualified sense. The money-lending, bond-holding and banking class prosper, but how is it with the

industrial and wage-earning classes? No one will deny that in the United Kingdom agriculture has been practically ruined. Can we afford to destroy or even cripple the agricultural class in the United States? Does any one propose to reduce wages in this country to the level prevailing in Great Britain? And, if such reduction should be accomplished, what would be the effect upon business? If, as in England, nearly all business is to be concentrated in the hands of a few great corporations or groups of capitalists, what will be the fate of the thousands of manufacturers and merchants who have heretofore conducted an independent business? Is the "department store" one of the results which the ordinary merchant is seeking to accomplish?

In the late presidential campaign a large majority of business men supported the single gold standard, or supported candidates pledged to maintain it for an indefinite time. This policy will not be acquiesced in by its opponents, and no doubt the business man will again be the decisive factor. A question of such vital importance may well be re-examined by every patriotic citizen in the light of current events.





WM. MCKINLEY, president of the United States, elected in 1896. He was born at Niles, Ohio, January 20, 1843. In June, 1861, he enlisted in the Twenty-third Ohio volunteer infantry, as a private. He was promoted to a lieutenant, captain, and breveted major for meritorious services. After the war he studied law and was admitted to the bar. In 1876 he was elected to Congress and was continued as representative from his Ohio district until 1891. He was elected governor in 1891 and re-elected in 1893.



## CHAPTER VII.

### THE COMING STRUGGLE.

BY JAMES B. SMILEY.

The effort to remonetize silver is only a part of the great Democratic movement of our time. That movement is not confined to any one nation, for we see it sweeping on in England, France, Germany, Belgium, Switzerland, Australia, New Zealand, and in every civilized country. The most impressive sight in the world today is the steady, irresistible growth of this Democratic movement. The wisest men are most anxious to know its meaning and tendency. It is working like leaven among the people and it cannot be suppressed. It will not be satisfied with overthrowing the aristocracy of birth to put the aristocracy of wealth in its place.

#### Concentration of Wealth.

The marked tendency of the present time to the concentration of wealth in the hands of the few is arresting the attention of thoughtful men. W. H. Mallock has said that\* "The ultimate end of government is to secure or provide for the greatest possible number, not indeed happiness, as is often inadequately said, but the external conditions that make happiness possible." M. De Laveleye says,† "Democracies which fail to preserve equality of conditions, and in which two hostile classes, the rich and the poor, find themselves face to face, are doomed to anarchy and subsequent despotism." The efforts of the wealthy classes to strengthen their power by legislation attracted the attention of that great friend of the people, Abraham Lincoln, and he said:‡ "I affirm it as my conviction, that class laws, placing capital above labor, are more dangerous to the republic at this hour than chattel slavery in its haughtiest supremacy. Labor is prior to and above capital, and deserves a much higher consideration."

The greatest force at the present time working for the concentration of the wealth of the country in the hands of a few is that of special privileges conferred by law on certain men. In 1892

\* "Labor and the Popular Welfare," p. 8.

† "Primitive Property," p. 42.

‡ See R. T. Ely in "The Labor Movement," p. 147.



the New York Tribune compiled a list of 4,047 millionaires, giving as nearly as possible the method by which they acquired their wealth. Prof. John R. Commons, of Indiana university, has made a most careful and admirable analysis of this list, and he has thus summarized his conclusions:\*

About 78 per cent. of the fortunes were derived from the permanent monopoly privileges, and only 21 per cent. from competitive industries unaided by natural and artificial monopolies. \* \* \* If the size (aggregate amount) of these fortunes is taken into account, it will be found that perhaps 95 per cent. of the total value represented by these millionaire fortunes is due to those investments classed as natural monopolies, and to competitive industries aided by such monopolies.

By natural monopolies Prof. Commons means those enterprises based on franchises, like street railways, gas works, electric light plants, etc., patents, and ownership of real estate. An illustration of the way in which certain "competitive" industries are aided by these natural monopolies is given by Mr. A. B. Stickney in his book on "The Railway Problem," and he says that the "big four" meat packers of Chicago owe their success mainly to the fact that the railroad managers gave them *special rates* on freight, and *rebates* denied to their competitors. He comments on the effect of this rebate system, saying:†

It takes from the poor and gives to the rich; from the many and gives to the few. It does not permit men in the ordinary walks of life fairly to compete with one another. At the command of the favorite, it drives multitudes of men from their chosen vocations and independent business pursuits, thereafter to occupy positions as clerks and employes; while the favorite becomes rich they become poor.

If the railroads were run as the postoffice now is, and the same rates were given to all, without giving rebates or showing favoritism to any, the power of many of our great monopolies, like the Standard Oil Company, would be broken at once, never to be regained.

Now, as the result of the operation of these forces tending to concentrate the wealth of the nation in the hands of the favored few, Mr. Chas. B. Spahr has shown‡ that in the United States "the wealthiest 1 per cent. of the families own more than half of the property of the nation." Elsewhere he shows that the richest 1 per cent. of the people receive about 25 per cent. of the annual national income, and 10 per cent. of the families receive about *half* the aggregate national income.

\*"Distribution of Wealth," pp. 252-3.

†"The Railway Problem," p. 225.

‡"Distribution of Property," p. 158.

### The Dangerous Class.

The men who have amassed their fortunes by means of special privileges conferred on them by law understand perfectly the source of their power, and they are to-day the really dangerous class. They are the most demoralizing force to-day at work in American politics, for these are the men who *bribe* our city councils, our state legislatures and our national congress, seeking by the most corrupt use of their wealth to not only retain their present advantages but also to acquire still others of a like nature. Now, how can this corruption of our politics, which today threatens the perpetuity of our institutions, be stopped? One method that is proposed by some is to curtail the ballot, and impose a property or other qualification on the voters. This plan, however, will only aggravate the evil. It will still further strengthen the power of the proprietary class, which is already too great, and it will deprive a large class of citizens of the greatest protection they at present have, viz., the ballot. One of the most hopeful signs of our time is the tendency in all civilized nations to extend the ballot to a larger and larger proportion of their citizens. To attempt to deprive any large class of the ballot (to exclude a few will do no good) will be a decided step backward.

It has been said that "the cure for the evils of Democracy is more Democracy," and relief must come from going forward and not backward. It is comparatively easy to corrupt a few legislators and so control a legislature, but no one can corrupt the whole people, or a majority of them, and instead of curtailing the power of the voters the *true* and *effective* remedy is to curtail the power of the legislatures and increase that of the voters. The best method yet devised for doing that is by introducing the Swiss *initiative* and *referendum*.

### Initiative and Referendum.

No other reform which can be introduced will do more for the people as a whole than the adoption of the referendum. It will take the control of the affairs of state away from the privileged few, and place where it belongs—that is with the mass of the people. It will check the corruption of our legislators, for when they have no power to sell special privileges all motive for *bribing* them will be gone. Another great benefit will come from the educational influence on the citizens as a whole. The wonderful intellectual development of the Greeks at the time of Pericles is often spoken of, and historians like Grote and E. A. Freeman say that, taken as a whole, their intellectual condition averaged higher than that of any other people the world has seen, before or since, and they attribute

the result largely to the fact that the Greeks so generally took part in the discussions of all public affairs. John Stuart Mill says:\*

As between one form of government and another the advantage lies with that which most widely diffuses the exercise of public functions; on the one hand, by excluding fewest from the suffrage; on the other, by opening to all classes of private citizens the widest participation in the details of judicial and administrative business; and above all by the utmost possible publicity and liberty of discussion, whereby not merely a few individuals in succession, but the whole public are made, to a certain extent, participants in the government, and sharers in the instruction and mental exercise derivable from it.

Certain classes of "business men" cry out against the unsettling effects of a general election, but there is one evil far greater than that; beyond question it is general and widespread servitude. A government run by "business men" would probably be as disastrous a failure as the world has ever seen, and it would soon run into the worst kind of plutocracy. No struggle for liberty or the rights of men was ever led by "business men." One reason is because they place capital above manhood, and "capital" is proverbially timid.

#### The Struggle for Freedom.

The great struggle in which the people are now engaged, and which must be fought out in the near future, is between the "masses" and the "privileged classes." As the Rev. H. W. Thomas has well said, the struggle for freedom may be divided into three phases. First, came the struggle for intellectual freedom. The story of that struggle is now a part of history, and all are familiar with it. All know how men were confined in dungeons, tortured on the rack and burned at the stake, but the battle was finally won, and now in the civilized nations of the world thought is free.

The second phase was the struggle for political freedom. That struggle is also part of history, for in democratic countries like the United States and Switzerland, where all men have the ballot, the battle is practically won, for, in theory at least, all men are equal in the eyes of the law. By the use of the ballot the people are free to express their will, and direct the policy of their government. Some reforms are yet needed before our government will be a complete democracy. We now have a *representative* government, instead of a complete democracy, and the powers of the representatives must be curtailed and the people must have a more direct voice in controlling their affairs, by introducing the Swiss initiative and referendum, before we shall have complete political freedom; the temper of the people will soon force the granting of these reforms.

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\*"Representative Government," pp. 109-10.

The third phase of the struggle will be the battle for industrial freedom, and that battle is yet to be fought. So far as the welfare of the people is concerned this last great struggle will be of inestimable importance. The first skirmishes in that tremendous struggle are now taking place, and the battle for the coinage of silver is one of them. The cry has been raised of "equal rights for all, and special privileges for none." Nothing less than this will satisfy the demands of justice, and as it has been said that "reforms never go backward," the battle can never stop until this is attained. There may be—will be—lulls in the fight, and the center of action may shift from point to point, but the war will go on, and the struggle will never stop until the victory rests with the people. The masses of the people have had a taste of freedom, and they will not be satisfied—they ought not to be—until perfect freedom is attained. The call now is for those who desire to establish a really "free" government, to combine their forces and work unitedly, intelligently and persistently for that end. By corrupting legislatures the will of the people may be defeated. When we get "direct legislation" through the initiative and referendum, that can not be done.

#### The Great "Special Privilege."

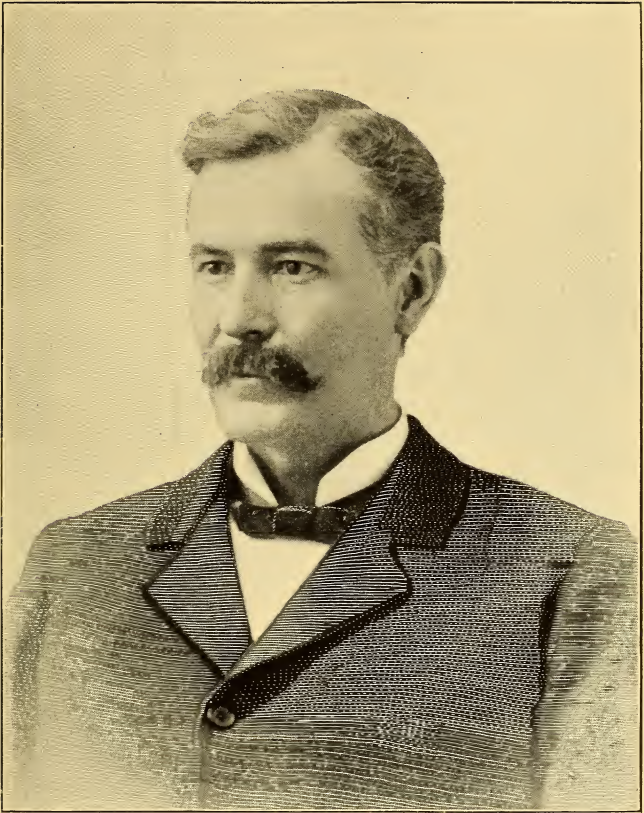
The one who controls the money of the people to a large extent controls the welfare of the people. The effort to make "the government go out of the banking business," as it is called, and confer on the banks the privilege of issuing the money for the people, is only another attempt to confer on a *favoured class* a "special privilege" of inestimable value. If that privilege is once granted it will further increase the power of the "privileged classes," and some day another great struggle will inevitably occur to recover for the people the right unwisely given away. It is time the policy of conferring these special privileges on favored classes was stopped, and the sooner it is stopped the better it will be for the masses of the people. The government must regain and retain the right to issue all the money used by the people. The battle to do that has begun, and here the struggle must go on. The victory may be postponed, and temporary defeats there may be, but great questions of justice like this, when once raised in the world, are never settled so that they will stay settled, until they are settled right. The power of the monied class is tremendous, and its resources are almost without limit, but the issue must be faced, and the people should know where their true interest lies. The legislative power has always been largely in the hands of the aristocracy and the wealthy classes, and they have always used that power to *enrich themselves*, and to place heavy burdens on the backs of the people. Speaking of the poverty of the English laborers, Prof. Thorold Rogers says:

The pauperism and degradation of the English laborers were the result of a series of acts of parliament and acts of government, which were designed and adopted with the express purpose of compelling the laborer to work at the lowest rate of wages possible, and which succeeded at last in effecting that purpose.

The ruling classes are always much the same, and the struggle today is the same as that which has been going on for centuries. "Eternal vigilance is the price of liberty," said Patrick Henry, and "vigilance" was never more urgently needed than today. Voters, what will you do? Fight for the liberties of yourselves and your children, or submit to the imposition of grievous burdens which are hard to bear? The time to act is coming. Give us your answers at the polls. No man deserves freedom who will not strive for it.







E. M. CARR, secretary Iowa Democratic State Committee, and one of the most effective state workers, was born in Cattaraugus County, New York, in 1850. When six years old he came with his parents to Iowa. He graduated from the law department of the Iowa State University before attaining his majority, and located in Manchester, where he has since been successfully engaged in practice. He has been active in politics, identified with the Democratic party. Young, active, aggressive, earnest, intelligent, honest and faithful, he is admirably equipped to aid in carrying the four years' presidential campaign through a successful issue in 1900.





## CHAPTER VIII.

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### THE TREND OF PRESENT CONDITIONS.

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BY HON. E. M. CARR, SEC'Y STATE DEMOCRATIC COMMITTEE OF IOWA.

It is my purpose to dwell chiefly upon the objectionable features of my subject, but in so doing I trust that what I may say will not induce any one to think that I am naturally inclined to look only at the dark side of affairs. The contrary comes much nearer being true, for I am inclined to believe that most all events are ordered for the best, and that the sufferings of humanity in the past were permitted so that great object lessons might not be wanting to guide the race to a brighter and better future. I shall refer to the failures and sufferings of humanity under the feudal system, and ask you to use them as guides to lead you away from the dangers of the present.

Almost every one, who has any business or avocation at all, is either a producer of wealth, a dealer in wealth, or a gambler in wealth.

At the head of the wealth producing class stands the farmer and stock raiser. He not only makes two spears of grass grow where but one grew before, but in nearly everything that he does he adds to the world's permanent store of wealth.

The mechanics and artisans come next. They are great wealth producers. They take raw materials and work upon them until in some instances their values are increased a thousandfold.

The miner who delves in the earth and forces it to yield up its hidden treasures is also entitled to a front rank in the wealth producing class. And, if knowledge is property as well as power, the thinkers and students are, in the truest sense of the term, wealth producers. And so are the teachers, and every one engaged in the spreading of knowledge, for what's the good of unknown good?

#### Gamblers in Wealth.

I have no fault to find with legitimate dealers in wealth, like merchants and bankers. They pursue very necessary and laudable callings, but they cannot rightfully claim precedence over the country's wealth producers. The class that adds to the country's wealth in times of peace, and is its chief defender in times of war,

should stand first in every proper calculation. It was the hardy frontiersman of Kentucky and Tennessee who went down to New Orleans with Jackson in 1815, and on the battle field at Chalmette defeated the best army that Europe ever produced.

And again, a half a century later, armies composed mostly of this same class of men carried our starry banner from Cairo to New Orleans and from Atlanta to the sea.

Can a government prosper as it should when the rights and interests of this great wealth producing class are subordinated to the schemes of the gamblers in wealth?

The gamblers in wealth produce nothing of value. They speculate, and corner, and squeeze and fleece, but there is no more property in the country when they finish their operations than there was before they commenced. On places called boards of trade they go through the fiction of buying and selling things they never owned. They call each other bulls and bears; they thrive most when people generally are in want, or when some public calamity unsettles business; they often devise schemes to bring about panics and hard times that their opportunities may thereby be increased. They are organizers of the modern conspiracies against legitimate trade, called trusts, but they, themselves, are not new in the world's history. They are the modern representatives of the men who were driven out of the temple nearly 1900 years ago.

I say frankly that, as a class, they come pretty near being public enemies, and their influence in public affairs is increasing at an altogether too rapid rate.

Perhaps you may think that it is not right for me to make this attack, but I feel morally justified in saying all that I have said. There is no merit in their contention that the man who attacks their practices is arraying class against class. The man who writes a history of the struggles between the classes comes pretty near writing a history of the world.

What class brought forth from the wild bosom of the woods and prairies, in less time than the life of a single human being, this empire of the Central West? There is no good reason why the sons and daughters of these men should not be as independent and self-reliant as their parents were.

Nations prosper while the independence of their wealth producers is maintained. Nations die when their wealth producers become serfs and vassals, the fruits of whose labor pass into the hands of a rich and favored few.

#### **Against the Wealth Producer.**

The trend of present conditions is against the wealth producer. He is losing his proper influence in public affairs; little by little his individual independence is being crushed out, and little by little the

development of his individual faculties and human character is being circumscribed.

Not many years ago the great majority of wealth producers owned their own homes and were their own masters. The farmer may then have cut his grain with a cradle made in the shop at the cross roads, and his wife and daughters may have spun the yarn and made the cloth with which the family was clothed, but all hands were independent and all felt a keen interest in public affairs. They owed allegiance to their government only.

A half century ago, probably a majority of the common carriers of the country were proprietors of stage coaches, or wagons of some kind used for the conveyance of goods and passengers. These men owned the business in which they were engaged, and did not have to depend upon any master for employment.

What a great change a few years have wrought! Today hundreds of thousands of men are employed by a few corporations. The men are like cogs in a great machine. Free will is being crushed out by these conditions, and passive obedience, with little hope of rising in the scale of responsibility, is the lot of a rapidly increasing number.

In the large factories the employes are not taught how to make and finish any completed article. Each man makes some particular piece, and others assemble these pieces. The men are like the machines with which they work, valuable in the manufacture of a particular thing, but not able to do anything else, except, possibly, to enlist in the army of tramps.

Conditions bode evil when their trend places a few in positions of authority over very many. In this connection just think of the army of railroad men subject to the direction of a score of railroad presidents. It is doubtful whether an equal number of feudal lords ever held in their hands the destinies of an equal number of homes.

The student of history who is familiar with the human suffering caused by the domination of the few over the many can find much in our changing conditions not calculated to benefit the nation or the masses of its people.

Of course no one should find any fault with the legitimate business of railroading, because it is one of the grandest features of our country's development. The trouble with our railroads is their Wall street attachment, or connection. In some way the baneful influence of the gamblers in wealth predominates in the management of many railway corporations, and in that way tens of thousands of wealth producers are made dependent for their daily bread upon the will of a few heartless speculators. The trend of present conditions in that direction is anything but reassuring to the thoughtful citizen.

Under the feudal system, with its law of primogeniture, its entailment of estates, its attainder of blood and other schemes, the few were enabled to lord it over the many. When the founders of this government drafted our organic laws they guarded, as well as they could, against the evils of feudalism. The unjust privilege of giving the entire estate to the eldest son was generally abolished. In Iowa the law prohibits the entailment of estates for a longer period than the life of persons living at the time of the grant and twenty-one years thereafter. And the federal constitution prohibits the attainder of blood, the depriving of children of any of their rights on account of the crimes of their ancestors. But, while these old schemes for the enslavement of the masses have been carefully guarded against, our changing conditions are opening new doors for the accomplishment of similar results, results fraught with just as great powers for evil as the feudal schemes ever possessed.

Let me briefly describe the feudal system which prevailed in nearly every country in Europe for several centuries, and is not yet wholly extinct.

#### The Feudal System.

The first or primary thought was the founding of a system of government upon land. The king owned all the land, and he built his government in this way: He divided his country into certain parts, the same as a general would divide an army into divisions. In fact, the feudal system was more like a great military organization than a system of civil government. If feudalism prevailed here, the king would quite likely give each state to a feudal lord, and bind his several lords to furnish him with a certain sum of money each year, and with a certain number of men for his army in the event of war. These lords, by virtue of their positions, would become the division commanders of the king's army, and, also, the civil governors of the states. They, in turn, would follow the example of their king and give the districts of their states to their dukes, or brigadier generals, in return for certain annual rents, and the services of a brigade of soldiers whenever called for by the lord. This feature would be carried down through the several smaller geographical subdivisions of the country, as far as military or civil officers were required.

Now you can understand what gave rise to the law of primogeniture, why the eldest son inherited the whole estate. Suppose there was a captain required for every township, then some certain captain would own the land of each township, not own it exactly as we own our lands, but be entitled to its use as his pay or salary for the office or position he held. On his death the office of captain could not be divided up among his several sons, for only



one captain was required. The eldest son, being able most likely to fill his father's place, inherited the office and estate to the entire exclusion of the other children.

Under this system the great mass of wealth producers became dependent upon others, and the darkness of what is known as the middle ages settled down upon Europe. The people were chained to the land like chattels, and oppression of the masses, human suffering and terrible want were the results of the system. Some of the injunctions issued by inferior federal courts against railway employes during the past few years had almost exact counterparts in the first stages of feudalism.

In feudal times the learned barrister sought the patronage of the feudal lord, and assisted in the creation of that legal juggernaut of the middle ages. The lord's patronage gave him wealth and a sort of social standing which many seemed to desire. Today a certain class of men, learned in the law, are following in the footsteps of the barristers of old. They are anxious to become the salaried employes of trusts and gambling corporations, willing, for a certain consideration, to help build up in this country a worse system of vassalage than ever cursed humanity in any age.

Under the feudal system the rich and favored few were constantly striving to secure exemption from governmental burdens. Again history is repeating itself. Only a short time ago the highest tribunal in the land reversed itself and its precedents of one hundred years to exempt from income taxation the wealth of the fortunate few.

But there is another feature of our changing conditions of which I wish to speak. It is the growing disposition of our metropolitan press to belittle and ridicule the wealth producing class. I have no recollection of seeing a decent picture of a farmer in one of these publications in recent years. The farmer is generally referred to as a "hayseed," and pictured as an uncouth individual, with long whiskers, and numerous patches on his wearing apparel.

Many of the writing vassals of these rich newspaper corporations never possessed a tithe of the true manhood of a stalwart farmer or mechanic. Too often do they fawn at the feet of wealth and power, and betray the best interests of their country for their daily bread.

Wealth producers could well afford to let the ridicule of the city press pass unnoticed were it not tending to build up a public sentiment, in some parts of the country, adverse to their substantial rights. But when speculating pew holders of fashionable churches begin to proclaim their superiority, and even ministers of the gospel join in the attack, it is time to protest. I do not know when I have

heard anything that affected my feelings like the utterances of an Omaha bishop during the recent campaign, who said:

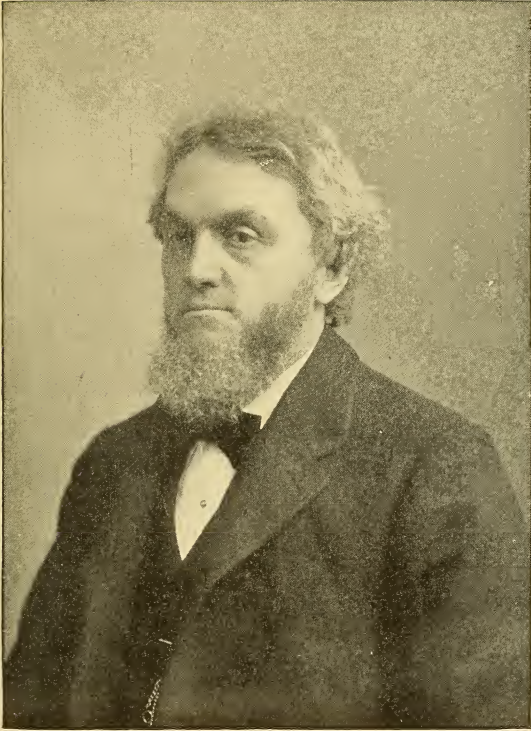
The trouble with the farmer, in my judgment, is that we have carried our free educational system too far. \* \* \* The farmers' sons—a great many of them—who have absolutely no ability to rise, get a taste of education and follow it up. \* \* \* They become dissatisfied to follow in the walk of life that God intended they should, and drift into our cities.

When I considered the full meaning of these cold-blooded statements, and then thought of the little farm away back in New York state where I was born, of the kinspeople I left upon the farms among those hills, of my brothers and sisters still working on farms, I confess that it made the blood run down through my arms like boiling hot water.

Just think of it, a minister of a fashionable church talking about God's intention to keep farmers in certain walks of life, and that education was unfitting them for their intended sphere! Can just complaint and discontent be allayed by abolishing our public school system? In this age of changing conditions, wealth producers must maintain their rights or they will be overborne.

Our changing conditions have given designing men their opportunities, and I blame the conservatism of the law, or rather its incompetency, for the trend of present affairs. Courts and legislatures stand nerveless before the operator who seizes in some new diabolical way a million that never belonged to him, but they know all about how to deal with the poor unfortunate who happens to purloin a few shillings.

But I have faith that the American people will not allow their conservatism to give the gamblers in wealth much more of a start than they now have. Thus far the gambling class has defied nearly every restraining law that has been enacted. But the people who produce the country's wealth are yet vastly in the majority, and, while many of them are already in the dependent list, I feel confident that a halt will soon be called to the present trend of changing conditions.



WHARTON BARKER, of Philadelphia, is the editor of *The American*, which, if not the best, is one of the very strongest and best weekly papers opposing the single gold standard. In 1896 he published that splendid work, "Bimetallism," unequalled by any other treatise on the subject. The author has no data that enable him to give Mr. Barker's personal history, but we know him to be a live hardworking man, trying to make the world better. He is also the author of some of the best of the many good things found in "The Silver Side."



## CHAPTER IX.

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### INDUSTRIAL SLAVERY AND THE SALE OF THE REPUBLIC—THE ROAD TO EMANCIPATION AND REDEMPTION.

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BY WHARTON BARKER.

On the 3d of November, 1896, gold triumphed. The power of money proved itself to be greater than the power of men and the American people submitted to the dictation of aliens and those with alien interests as to our financial policy, they surrendered their claim to freedom from foreign subserviency and to independence of action, they suffered the welding around their necks of the yoke of gold that needs must grind them down to poverty, stamp out the spirit of enterprise and enchain them as the slaves of poverty to an oligarchy of wealth. That the submission of the American people to the money cliques is final, that the spirit of independence will be so crushed out by poverty during the coming four years as to make further resistance to the encroachments of the moneyed oligarchy that is now being built up on the impoverishment of our producing classes out of the question, patriotism, love of humanity and implicit trust in the goodness of the Infinite bid us deny.

Therefore we cannot regard the recorded verdict of the American people as final. It is at least the duty of all those who see the encroachments of centralized capital to strive to bring about a reversal of that verdict and make every possible sacrifice to defeat the ultimate enslaving of our producing classes to a moneyed oligarchy. The possibility of success in those efforts may seem slim, the history of the rise and fall of empires may hold out little promise of victory, the position of those who are striving to enslave the toiling millions for their own enrichment may appear to be impregnable, the emancipation of our producing classes from the thralldom of industrial slavery that confronts them may seem impossible of attainment, but where duty calls, men must follow.

That the money cliques have been more firmly entrenched than ever by their victory we are bound to admit. What the future has in store for our people we cannot venture to predict. But one point stands out clearly. It is the manifest duty of all who believe that the



welfare of our producing classes, their very existence as men of independent thought and action, and the preservation of individual liberty, and our republic is imperiled by adherence to the appreciating gold standard and general submission to the dictates of a rapidly growing moneyed oligarchy, to strive strenuously, and without thought of personal sacrifice, to bring about a reversal of that recorded verdict which decrees the impoverishment and ultimate enslavement of our producing classes to a moneyed aristocracy.

Our republic rests upon the independence of the individual. Deprive that individual of liberty of thought and action, make that thought and action subservient to another's will, and the republic falls. Reduce our producing classes by the path of poverty to subserviency to a moneyed oligarchy and the republic may for a time continue to exist in form, but its existence as a reality will have passed forever. And it is along this high road to destruction of our grand republic that our producing classes are rapidly passing. Wedded by the success of Mr. McKinley to a continued adherence to the policy of gold-monometallism, that must needs grind down to poverty all those engaged in the production of wealth, our steps are directed for, perhaps, four years to come, towards the enslavement of our producing classes, the destruction of individual liberty and the overthrow of our republic. The salvation of the republic, aye, of western civilization, depends upon the retracing of those steps which we are now consigned to take. To a retracing of those steps at the earliest possible moment we must direct our energies.

#### Enslavement of the Wage Earner.

Poverty causes the wage-earner to lose independence of political action. We witnessed it in the last campaign. We have seen the wage-earner constrained by poverty to do the bidding of the employer beyond the walls of the workshop, as well as within, and when the wage-earner becomes a mere tool of centralized capital, even to the extent of voting an increased tribute laid by such organized capital on labor, the republic is lost.

When industry yields remunerative profits, the employer of labor finds incentive to enlarge production; he has every need of additional hands to extend the output of mill and factory, and the wage-earner finds no difficulty in securing work. With the knowledge that, if dismissed, he can readily secure work elsewhere, the wage-earner is his own master, he will surrender neither liberty of thought or political action at the dictation of his employer, he will defend and preserve his freedom and independence. But possessed with the knowledge that dismissal means enforced idleness, such as must needs, in the absence of savings, bring him face to face with privation and suffering, he becomes the tool of his employer, at whose mercy he

is placed. Just to the degree that work grows slack, the fear of dismissal grows upon the wage-earner, and, as this fear grows, he becomes more and more subservient to the dictation of his employer.

#### **Threatens the Overthrow of Our Republic.**

Thus it is that, as industry grows unprofitable and production is curtailed, the wage-earner is thrown into the power of centralized capital and loses his independence of thought and political action, for when production is curtailed the difficulty of securing a job grows greater, and the wage-earner, knowing that dismissal will bring him face to face with starvation, fears to move counter to the dictates of centralized capital as expressed by the employer of labor, who, himself in the clutches of centralized capital, is a mere task-master driven by a higher power. So it is that the appreciating gold standard, undermining as it does the profits of industry, and driving producers into combines and trusts designed to restrict production, is leading irresistibly to the enslavement of our producing classes and the overthrow of our republic.

#### **Rome as a Warning.**

Through the centralization of wealth in a few hands and the impoverishment and ultimate enslaving of the many, the Roman republic fell and Roman civilization was destroyed. Along the paths that led to Rome's downfall we are passing with rapid strides. It was an appreciating measure of value that made it possible for the few to enjoy the fruits of the toil of the many, and led to the centralization of wealth in Rome twenty centuries ago. It is an appreciating measure of value that makes it possible for the few to enjoy the fruits of the toil of the many and wax fat on the impoverishment of our producing classes today. This transference of wealth from the producers of wealth to those who live in idleness and luxury, an idleness made possible by the appreciation of gold and the enjoyment of unearned gains, is undermining the manhood of our producing classes, destroying the spirit of enterprise and resistance to encroachments on the rights of our people and imperiling the existence of our republic and civilization in the same way as similar causes imperiled the existence and finally destroyed the Roman Empire and Roman civilization during the early centuries of the Christian era.

#### **The Party of Property Rights and Human Slavery.**

The Republican party was born as the party of human rights; it has degenerated into the party of property rights and human slavery. Called into being in response to the irrepressible growth of the belief that human rights are superior to vested rights of property, it has fallen from its high ideal. In pursuit of this high ideal,

with the advancement of which is bound up liberty and human progress, the Republican party broke the shackles that bound four millions of negro slaves; it is now engaged, unseen but not unfelt, in welding the chains of industrial slavery around seventy millions of people—freemen in name, but fast becoming the slaves of poverty.

As we have said, a man dependent on his employer for his daily bread, without savings to fall back upon and fearing dismissal, knowing not where to find his sustenance if deprived of the pittance proffered by his employer, is a freeman only in name. Face to face with the unwelcome truth that dismissal means privation and suffering, not alone for self but for all those dearest to the godly man, the heart of the stoutest toiler sinks within him. And as this appalling truth dawns upon the wage-earner, fear of dismissal grows, and as this fear grows the erstwhile freeman, independent in thought and action, the bulwark of liberty and republican institutions, bows down before his employer—impelled by the fear of losing the only opportunity open to him to earn his daily bread, to serve his employer as an abject slave.

#### The Slave of Poverty.

This is the slave of poverty that the Republican party, in pursuit of policies, aimed wittingly and unwittingly at the aggrandizement of the few at the expense of the many, now calls into being. And the hardships before this slave of poverty are infinitely greater than the hardships of the negro slave whose emancipation the Republican party, in its youth, bent all its energies to achieve. The master of the negro slave had a regard at least for his bodily weal. The task-master of the slave of poverty ministers not to his bodily sufferings. The slave owner coming in close touch with his slaves, seeing their discomforts, unable to close his eyes to their sufferings, was prompted by motives of humanity to promote their weal and happiness. Slave drivers there were in whose natures feelings of compassion had no place, but even their cruelty toward their slaves was tempered by the knowledge that to get work and profit from their slaves they had to keep in a condition of physical well-being the men whom they regarded as mere human tools.

But the task-master of the slave of poverty knows no motives of humanity, acknowledges no motives of self-interest such as would prompt him to minister to the weal of the slaves he drives. The employer of today comes in touch with his workmen, he feels with them in their trials, he would alleviate their trials in many cases if he could, but how often is this quite beyond his power! In few instances is the employer of today who comes in contact with the wage-earner and sees and understands his sufferings the real em-

ployer. He is too often the mere employer hired by the true employer, the mere task-master employed by those who neither see nor care for the sufferings of the human tools being used for their enrichment. So it is that the task-master of the slave of poverty can know no motives of humanity in dealing with what not he, but his employer, regards not as human beings, but as mere tools to be used in the accumulation of wealth. For this hired task-master to take into account the sufferings of those he is hired to drive, for him to be guided by a desire to promote their weal, is to earn his dismissal. So the motives of humanity do not enter into the relations between the modern task-master and the slave of poverty.

And if we turn to the motive of self-interest that prompted the owner of the chattel slave to look after the comfort, health and strength of the slave as adding to the value of his property, we find such motive lacking in the task-master of the industrial slave of today. If from want of sufficient sustenance the negro slave was unable to fulfill his allotted task the slave owner was the loser, but if from want of sufficient nutriment the industrial slave of today is unable to keep up with his task, the task-master of today stands no loser, he merely withholds the pittance doled out to the slave of poverty fallen by the wayside and gives it to another slave to poverty only too ready to run the same hopeless race. In a word, the place of the industrial slave who has fallen is filled by another, and the task-master of today gives no further thought to the slave of poverty who has fallen a victim to the hardships entailed by industrial slavery.

Nor is the home of the slave of poverty freer from danger of disruption than the home of the chattel slave. Poverty disrupts family ties no less surely than the auction block. In truth the slavery that confronts our producing classes is blacker than chattel slavery in its darkest form. It has yet to fall on our industrial classes with full intensity as it fell on the tillers of the soil during the decline of the Roman Empire. The sufferings of our producing classes in the first step toward industrial slavery are but an inkling of what may come, and what will surely come unless we overthrow those causes which are grinding down our toiling millions to poverty and building up an oligarchy of wealth on the impoverishment of our producing classes and upon the property of which they are being despoiled.

#### Republican Party as the Tool of Oligarchy.

To overthrow these conditions is the duty of the party of liberty. The party that had its birth in the triumph of human over property rights and that rested its claim to suffrage on perception of the great fundamental truth that republican institutions rest on the liberty of

the individual, in thought and action, should have made the overthrow of those conditions that grind down the industrious to poverty and ultimate slavery its duty. If it had done so, the Republican party would have been fulfilling a career of usefulness; it would have been worthy of the martyred president under whose leadership the party's power for good was crystallized. But we find no longer in the Republican party the champion of human rights. It has become the tool of the task-masters of the slaves of poverty; it has become the instrument of the fastening upon our industrial classes of policies dictated by those interested advocates of property rights who have lost sight of human rights, and it is responsible for the resulting conditions, that, through steps of industrial stagnation, have built up the idle army of unemployed that hangs ever before the employed as a warning to do the bidding of capital under penalty of the loss of daily bread, together with the chance of earning it.

#### Growth of the Army of Unemployed.

The loss of the receipt of daily bread from one employer has no terror to the wage-earner unless the loss of the chance to earn daily bread from other employers goes with it. So in times of prosperity, when business is active and employers seeking additional hands, the wage-earner fears not dismissal, for if he loses the chance to earn his daily bread at one place he can readily get a chance to earn it at another. But when he sees an army of unemployed seeking work he fears dismissal, for an army of worthy toilers unable to find work is unmistakable evidence to the employed that the chance to earn daily bread does not stand open to those who seek it.

What, then, is it that has made employment slack and caused the formation of an army of unemployed? It is the existence of this army of unemployed that takes the courage from the employed, that breaks the spirit of the wage-earner, that causes him to throw over liberty of thought and action when he fears avowal of such independence will cause him loss of place.

In the conditions that have brought about the formation of this idle army we find the seeds of industrial slavery. So it is of primary importance to ferret out these conditions and discover and remedy the causes of such conditions. The immediate cause of the building up of the idle army is clear enough. It is lack of employment. The cause of the lack of employment is equally clear. It is the unprofitableness of industry, the want of profits to manufacturer in running his mill, to farmer in cultivating his fields, to miner in developing his mines, and, consequently, the lack of incentive to extend production.

And if we ask any producer, whether farmer, manufacturer, or miner, the reason for the falling away of profits in production, we



will get the answer: falling prices, falling prices due to a curtailed market or to crushing competition.

#### **Silver Demonetization the Cause of Falling Prices.**

So we come back to falling prices as the reason for the existence of the idle army. But we are not yet back far enough. We must go back until we discover the cause of the disastrous and continuous fall in prices and the remedy. This fall we find not in the lessening in the labor cost of production, but in dear money, in a lengthening of the monetary yardstick in which we measure prices. So we have got a dear dollar to deal with. What has made it dear, what has caused our monetary yardstick to grow dishonestly long? Evidently one of two things must have happened. The demand for money must have increased, or the supply of money fallen off. And if we look into the monetary history of the past quarter of a century we will see each of these causes has had something to do in making the dollar dearer. We have restricted the supply of money by discarding silver, while with the growth of population and the development of the world—a development checked in all gold using countries by the growing dearness of money, as evidenced by comparison with silver using countries—the demand for money has gone on increasing, so that relations between the supply of and demand for money, which to the western world has been gold, have been changed in the direction of the demand outrunning the supply, and, just as is the case with any exchangeable thing, such change has resulted in causing gold to grow dearer.

So we come down to the ultimate cause of falling prices, the restriction of the western world's supply of money to gold to the exclusion of silver, an exclusion brought about by legislation closing the mints of silver coinage save on government account. Having thus found the cause for the existence of the idle army, we have not far to look for the remedy that will remove it. Obviously, that remedy is the restoration of silver to its place as money.

#### **Must we Wait on Great Britain.**

But we are told we cannot get bimetallism without the assistance of those who directly profit from falling prices, that we must maintain the gold standard until we can get the aid of those who profit from falling prices in the overthrow of that system from which they reap unearned gains. In short we are to wait for the consent of Great Britain, the great creditor nation of the world, ere we take any steps toward restoring bimetallism. The one purpose of restoring silver to its place as money is to cheapen gold, thereby check the fall in prices and inaugurate a rise, and, to a rise in prices, the creditor classes of Great Britain are steadfastly opposed.



In falling prices they see their direct gain. Holding the debts of other peoples to immense amounts they have striven persistently to enhance the value of gold and depress prices in order that the purchasing power of the moneys they receive as interest and principal may be increased. The farther prices fall, they reason, the greater will be our command over the products of other's labor the greater will be the share of the products of labor, which the producers of wealth will have to surrender to us in satisfaction of our claims, and consequently the greater will be our enjoyment of the fruits of others' toil.

Reasoning thus, the British creditor classes see no reason why they should aid in the re-establishment of bimetallism with a view to raising prices. Far from taking steps to raise prices, their selfish interests prompt them to force down the prices of those things which their debtors send them in payment.

The interests of the creditor classes of Great Britain are immense, and these classes have shown themselves again and again, of late years, to be the power behind the throne. The agricultural classes of England have been ruined, the cotton spinners of Lancashire have suffered grievous losses, the Cornish tin miners have been impoverished by the steady fall in prices. But the creditor classes have remained serenely inactive, waxing fat and prosperous, even as the material prosperity of the British people has been undermined, and steadfastly put down their foot on any action on the part of the British government that has even so much as squinted at the restoration of bimetallism, for bimetallism has in view a check to the fall in prices, and a check to falling prices is the thing farthest from their wish. The more bushels of wheat and pounds of cotton they can buy with the dollars and rupees and pesos due them by their debtors, the better satisfied they are. To the sufferings of the British producing classes they pay no heed, it is sufficient to them that they find themselves growing richer as prices fall, and that they are powerful enough to direct the policy of the British Government so as to best promote their interests.

#### **Why Great Britain Champions Gold.**

Considering the immensity of their interests and the sum at stake, it is not surprising that the creditor classes of Great Britain should be all powerful in directing the policy of that nation. The rest of the world is in their debt to a sum variously estimated at between ten and twenty billion dollars. At just what figure to place it, whether at the minimum of ten billion, or the maximum of twenty billion, it is hard to say. There is no means by which we can tell with definiteness. But we have one guide which enables us to approximate the vastness of this indebtedness.

For several years the imports of merchandise into Great Britain have exceeded exports by close to £125,000,000 per annum. For the year 1895 the merchandise balance of trade was against Great Britain by £130,547,693—very nearly \$650,000,000. She bought this immense sum more than she sold, and this large adverse balance was nothing unusual. Yet she was not called on to pay in gold for this great excess of imports over exports. On the contrary, she imported £14,736,715 sterling more of gold than she exported, and her net imports of silver came to £302,246. So we see Great Britain received of merchandise, gold and silver in the neighborhood of \$725,000,000 in excess of what she paid for with merchandise. Of course, this excess was paid for, but how? Evidently by the return on British investments in foreign countries, together with the earnings of British ships in the service of foreigners. And an annual return of \$725,000,000 represents at 4 per cent. an investment abroad or in British ships doing service abroad of a capital of \$18,125,000,000. This, then, we may put down as the indebtedness of the rest of the world to the creditor classes of Great Britain. It may be urged that much of the debt of \$725,000,000 owing by Great Britain last year for produce bought in excess of produce sold was paid for by a reduction of the principal of the indebtedness due by the world at large to Great Britain, but when we recall that the British trade returns depict for years the same picture, this is seen to be impossible.

#### Our Loss Great Britain's Gain.

Clearly, if one dollar a bushel is obtained for wheat by those countries from which Great Britain buys, the British creditor would get but one bushel of wheat for every dollar due as interest, but if by inducing the nations of the western world to discard silver and thereby enhance the value of gold, he succeeds in forcing down the price of wheat to fifty cents a bushel, it is quite evident that he will get two bushels of wheat for every dollar of interest due. As a matter of fact, this is just what the British creditor classes have succeeded in doing, not alone with wheat, but with cotton and other produce. The effect has been virtually to double the tribute which the world is under to London. The creditor classes get twice the quantity of produce in settlement of interest charges that their debtors bargained to give them, and the effect is not one whit different than if, prices remaining the same, the annual tribute of the world to London of \$725,000,000 had been doubled to \$1,450,000,000. Of this tribute we bear not less than \$200,000,000, and by demonetizing silver and aiding the creditor classes of Great Britain to enhance the value of gold, we have in effect consented to have this tribute doubled to \$400,000,000.

And now we are told that we must wait before we attempt to undo this folly, which has virtually doubled our indebtedness until such time as the creditor classes of Great Britain may see fit to surrender, not alone to us, but to the whole world, the extra tribute which, through the enhancement of gold, they have cajoled the world into paying them. They are getting today for the \$725,000,000 of annual tribute, produce that would have been worth \$1,450,000,000 twenty years ago. Are they likely to surrender this increase of annual tribute, an increased tribute of produce of the value, at 1873 prices, of \$725,000,000? If they are not likely to surrender voluntarily this tribute, they are not likely to enter into an agreement to restore bimetallism.

Clearly, he who would wait for such voluntary action on the part of the creditor classes of Great Britain would wait forever, for, as we have said, we cannot hope for much to come of begging those who enjoy the growing tribute, under which the gold standard has placed us, to relinquish part of that tribute. And, as we have said, this, in effect, is what we do when we approach the creditor classes of Great Britain and Germany on the subject of an international conference, to be called with the avowed purpose of cheapening money and raising prices. We cannot expect the assistance in raising prices of those who welcome lower prices.

#### The United States Can Force Bimetallism.

By taking the step that we are told is fraught with peril, we can force bimetallism. During the last three years, Great Britain has taken over \$90,000,000 of our silver. Now why is it they are willing to take this silver? What use do they put it to that makes it so desirable?

Do they keep it? No. They take the silver they purchase from us, or rather take in part settlement of interest charges, and send it to the east, to silver standard countries, to countries where it will purchase just as much of commodities as ever. It is for this use that they wish our silver, and it is because the purchasing power of silver has remained unchanged in half the globe, that, just as the gold price of silver has fallen, the British trader has been more and more anxious to get our silver, for just as silver has fallen, as measured in gold, the farther has the British trader been able to make his pound sterling go by exchanging it for silver and sending the silver to silver standard countries—to countries where the ounce of silver will buy as much wheat and cotton as ever, and there exchange it for these and other commodities.

**England's Profit in Cheap Silver.**

As the purchasing power of silver has remained unchanged in one-half the globe, it is quite clear that just as silver has fallen, so the price to the Englishman of everything he can buy in silver-using countries has fallen likewise. Bearing in mind it is readily explicable why he finds his interest in forcing down the price of silver and purchasing just as much silver at the lowest price he possibly can.

With our silver, which we part with at one-half the old mint price, the British trader has been enabled to force down the prices of the agricultural products which he buys from us by one-half. Such being the case, our interest lies in making a market for our own silver, and thus depriving the British trader of the lever by means of which he has forced our producers, our farmers and planters, to cut prices in half. Evidently, therefore, it is our interest to open the mints to silver and thus make a market for our silver. Our mints open to silver and coining 100 ounces of silver, free of charge, into 129 silver dollars, just as they now coin 100 ounces of gold into \$2,067 of gold, it is evident no one would part with an ounce of silver for less than \$1.29 in silver coin. So the price of silver to the British trader would be raised, and, as the price of silver was raised, the cost of cotton and wheat bought from silver standard countries would be raised in equal degree.

So the prices obtained by our producers would rise, and continue to rise, until they reached the level where it would be profitable for the British trader to buy our silver at \$1.29 an ounce, and spend it in silver countries. That prices would rise to this point cannot be questioned, for until they did, America would be the cheapest market for the British trader to buy in, and the increased demand would force up prices. In a word, the opening of our mints to silver would restrict that area from which the British trader could advantageously draw his supplies, and competition with our silver-using competitors, from which we have suffered so grievously, would be eliminated until the gold price of wheat and cotton in England had risen equally with the gold price of silver. The British trader would have to pay us \$1.29 an ounce for our silver, or stop buying wheat and cotton of silver-using countries. In this way, the needs of the British consumer would lead to the restoration of the parity between gold and silver. Great Britain would be forced to aid us in restoring bimetallism, in spite of herself.

### **Our Ability to Maintain the Parity Between Gold and Silver.**

Besides, the perils that rise up to haunt the international bi-metallists are much magnified. Population is no gauge to the demand of a nation for money. The demand is measured not alone by the numbers, but by the industrial activities of the people, by the volume of goods that is produced to be exchanged through the medium of money. The greater this volume of goods, the greater the demand for money. And when we come to compare the industrial activities of the American people with those of their European brethren, and to measure the volume of goods we produce and that must be exchanged, we find that the American people outrank their European neighbors two to one in volume of exchanges. In other words, the 70,000,000 of American people having, owing to their greater diversification of industries and industrial activities, to effect double the volume of exchanges as are carried on by an equal number of average Europeans, the United States, by opening her mints to silver, can create as great a demand for silver as would be created by giving free coinage to 140,000,000 of Europeans, a population greater than all the nations of Europe it is deemed necessary to bring into accord with us in order to make it safe for us to establish bimetallism. So the ability of America to make a demand for silver sufficient to restore its old price, as measured by gold, is much underrated. Our domestic exchanges equal in volume those of all continental Europe save Russia. Consequently the opening of our mints to silver would be equivalent to the opening of all mints of western Europe under an international agreement and by opening our mints to free coinage we could accomplish as much toward restoring the parity between gold and silver as could be accomplished by the joint action under international agreement of France and Germany, Austro-Hungary and Italy, Spain and Belgium, Switzerland and Greece, in fact of all the nations of continental Europe, save Russia. There is little doubt, then, that the opening of our mints to silver would so increase the demand for silver and decrease the demand for gold as to restore the parity of the two metals at the ratio established at our mints.

### **Nothing to Fear from a Premium on Gold.**

But suppose the parity between gold and silver was not at once restored on opening our mints to silver. What would be the result? The immediate effect would be to confer on our producers that bounty on exports to gold-using countries, and protection against imports in the shape of a premium on gold, such as our silver competitors now enjoy.

The export trade of all gold standard to silver-using countries



is being destroyed, while the export trade from silver-using to gold-using countries is being wonderfully stimulated by the premium on gold. The reason for this is no enigma. The purchasing power of silver in silver-using countries has not decreased in the least with the divergence in the values of gold and silver. Consequently, the cost to silver-using peoples—the labor-cost, the cost as measured by the sacrifice of their products, of everything purchased from gold-using countries and the gold-price of silver—has increased by the difference between the fall in the gold-price of the article, and the depreciation of silver as measured by gold. And as the cost of production in gold-using countries has fallen in no such degree as the gold price of silver, it has been quite impossible for producers in gold-using countries to sell their produce for the same old silver price.

Though selling for a smaller gold price, they are constrained to ask a higher silver price, and this enhancement of price to silver-using peoples of everything bought from gold-using countries has acted as the most unbending of protective tariffs and driven such people to the manufacture of such goods as they formerly bought abroad.

And this premium on gold, that acts on the one hand as a protective tariff on imports, acts on the other as a bounty on all exports from silver-using to gold-using countries; for, selling for gold, which is worth double the old price in silver, and as the silver cost of production has not increased at all, it is clear such peoples can cut gold prices in half, to the infinite injury of producers in gold standard countries, without diminishing in the least the price they receive in silver or their profit on production.

Now the opening of our mints to silver would immediately put our people in touch with such people. No longer would there be any automatic tariff against exports from the United States to such countries, in the shape of a premium on gold; and, if the parity between gold and silver was not at once restored, we would have an incalculable advantage over our competitors producing on a gold basis. If such parity was not restored, Great Britain would have the same sort of a protective tariff in the shape of a premium on gold to contend with as now, but we would not. The result to trade would be the same as if silver-using countries laid a discriminating duty against imports from Great Britain and other gold countries, and in our favor, equal to the premium on gold.

So, if the opening of our mints to silver did not at once restore the parity of gold and silver, Great Britain would see her trade with silver-using countries slipping away, her manufacturers would see their goods displaced by goods of American manufacture, and



the trade from which she has so greatly profited in the past would pass into our hands. Then no longer would we be required to buy British manufactured goods, by export of wheat and cotton, with which to pay for our imports from South America and the orient, for we would pay for such goods directly by the export of our own manufactured goods. No longer would London be the clearing house of the world. The trade which Britain controls would slip from her grasp, the profits she derives from laying the world under financial vassalage and commercial tribute would vanish, and it would at once become a question how the great trading nation, unprepared to feed herself, would find the means to provide the food for her thousands of idle workers; for America's markets would be closed against her, while the competition of our agriculturists with the British farmer would, under the incentive of a bounty on export, become absolutely destructive.

For Great Britain there would be only one escape. Only by restoring bimetallism could she save her trade and commerce from destruction and her people from abject poverty. The fortunes of her trading classes would be dissipated no less surely than the savings of the poor.

#### *Free Coinage the Remedy.*

So it is that by opening our mints to silver we can surely restore bimetallism. An independent course will free us from financial vassalage to Great Britain, and from such a course our producing classes have nothing to lose.

The question is then simply, can our people free themselves from the oligarchy that is being built up on their impoverishment, and do that which will save them? The Republican party has sold itself for gold, it must be repudiated. It is assumed by those who made contributions to the Republican campaign fund that the making of their princely contributions was equivalent to a purchase of governmental policies and favors. Thus we have brought home to us the sale of the republic.

#### *Selling the Republic for Gold.*

The moneyed interests subscribed liberally to the McKinley campaign fund; they regarded their contributions as the purchase money, the price demanded for the maintenance of the gold standard and the right to exact an ever-increasing tribute from the producing classes; and having paid highly, they demand the delivery of the goods.

So, when some time since some Republican senators stood up in the senate and urged international bimetallism, urged the overthrow of the gold standard by international agreement, and thus threatened to deprive the speculative cliques of the power to tax

the community through the means of an appreciating dollar, the moneyed interests rose in arms. They cried fraud. They regarded this effort on the part of Republican senators to attain bimetallism through international agreement as a breach of contract, and they wanted to know if those who solicited their contributions are going to permit Republican senators to go back on the bargain that they—the moneyed interests—supposed they had sealed with the Republican party, when they handed over their contributions. A condition that they made precedent to the giving of their contributions was that the Republican party should bind itself to the maintenance of the gold standard without alteration or addition, and it was on this understanding that the contributions were given and received. This is what the *New York Nation*, in its issue of February 4, 1897, told us, and when it found those who represented the party that profited from the contributions, that was bought to take its position in advocacy of the gold standard by the promise of contributions, actually urging international bimetallism, it warmed up to denounce such action as “a scandalous, almost a criminal, violation of political faith.”

True, the Republican platform of 1896 recognized bimetallism, if it could be attained by international agreement, as desirable; so also it is true that in accepting the presidential nomination on that platform Mr. McKinley pledged himself to strive after such an agreement. But all this goes for naught because campaign contributions were given on condition that the Republican party should wed itself irretrievably to the maintenance of the existing gold standard. What was paid for with money must be delivered; what was declared to be the policy of the party in the platform, but which those who contributed to the campaign fund demanded should be eliminated in the practical reading of the platform and considered as a dead letter put in the platform to catch votes, must be ignored.

#### Campaign Contributions.

It is natural that men should contribute of their earnings to carry on a campaign in advocacy of a policy that they believe will promote their well being. It is right that they should do so, and so long as the money they contribute out of their own earnings is used legitimately no one has the right to object. But when they take not of their own earnings, not out of their own money, but of the moneys of corporations, of financial institutions, of banks and trust companies, of even savings funds, take of moneys entrusted to their care, and use such moneys to corrupt a party, to purchase the policy of a party, to cause the leaders of a great party to betray it, and lead it into an abandonment of its principles, it is time to call a halt.

When the principles of parties can be bought and sold, when

policies calculated to enrich the few and impoverish the many can be purchased, we have a rule of money, not of men; an oligarchy of wealth, not a republic. And it is to this estate that our republic has been brought by the victory of the Republican party, a victory gained after the sale of its principles for gold, after it had turned on its proud record as the champion of human rights, and, in consideration of campaign contributions, become the champion of property rights.

Whether our people can throw off the oligarchy that rules through money, and the republic, with renewed vigor and purity, be built up anew, remains to be seen. The hope of the country lies in the probity, justice and intelligence of the great majority of our people. The danger lies in their impoverishment. It is impoverishment of our producing classes that has undermined the republic; it is the enslavement of our toiling millions, through growing impoverishment, that threatens its complete overthrow. An impoverished man, living from hand to mouth, and knowing that loss of employment will bring him face to face with starvation, grows to fear the frown of his employer, he loses his independence and does the bidding of his employer without the workshop as well as within. We knew intimidation of voters on a large scale during the last campaign, intimidation through fear of dismissal, and the more impoverished the wage-earner becomes the more potent must the power of the employer over his employe become, until at last the latter becomes his mere slave. So it is that the impoverishment of our productive classes insidiously undermines the republic, for, destroying the independence of men, it enables money to rule.

#### Hope of Redemption.

But born in the cradle of liberty, blessed with a birthright that is that of no other people, strong, despite the increased burdensomeness of mortgages and taxes, in the ownership of their homes to a degree enjoyed by no other people, and practiced to think for themselves, our producing classes are in a better position than those of any other country to discern, and discerning, throw off the insidious weight that is grinding them down to the abject slavery of poverty. In this lies the hope of the disenfranchisement of our people from the yoke of the moneyed oligarchy that is growing up on their own impoverishment.

Our producing classes have the power to effect their own emancipation, for they have it in their power to remove the cause of their impoverishment and threatened enslavement. It rests with them to discern this cause, apply the remedy, and, from the groundwork of a prosperous and independent working population, free

the country from the dictation of the moneyed oligarchy, and build up anew the republic where men will be of more power than money.

#### Pitfalls and Dangers.

But to accomplish this there must be unity among those who suffer from the rule of money. Without this unity, nothing can be accomplished. It will not do for those who suffer to follow those leaders, who, as tried politicians, are content to follow. They must seep out and follow leaders who have the courage and discernment to lead; who are ready and capable to take the responsibility of leadership. They must follow men who are ready and anxious to go forward; they must not wait for men who must be pushed forward.

There must be no uncertainty in the attack on entrenched oligarchy, or it will fail. The attack must be made with vigor, and must be directed by those who know the vulnerable points and who can make it effective. Therefore the need of leaders who will lead, for strength must not be wasted in a blind struggle, such as the struggle against the encroachments of oligarchy must become if directed by men who, waiting to see which way the tide runs, must ever hesitate. Those who aim at self-preferment and hesitate to lead through fear of jeopardizing their political future cannot successfully lead in the struggle with oligarchy. Men who are prompted by love of country, and humanity, not of self, men who are ready to sacrifice their political future, must be found for leaders, or oligarchy will triumph. The man fitted to lead is not the one who, through fear of jeopardizing his own position, clings to one issue, and endeavors to check the movement against oligarchy along lines that are, as yet, less clearly defined.

The campaign of emancipation must be made against the monopolization of our currency and railroads as untiringly as it is made for the remonetization of silver.

Let the campaign of the people be fought on these lines, and the republic that has been sold will be redeemed; the leaders of the Republican party who, in consideration of campaign contributions, caused the party to abandon its principles, will be repudiated, and a new party, whether it go by the name of Democratic, Populist, or something else, a party having taken the abandoned position of the Republican party as the champion of human rights, will triumph over the party that money has bought, our producing classes will be emancipated from the poverty of slavery and our republic redeemed.

## CHAPTER X.

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### THE EFFECT ON LABORING MEN OF DEMONETIZING SILVER.

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BY J. B. SMILEY.

A man who is somewhat of a leader among the laboring men said to me some months ago that the silver question was one which principally concerned debtors and creditors, and to laboring men, as such, it was a subject of minor importance. This is a very unwise position to assume. To no class in the community is the silver question of more importance than to laboring men. What laboring men want and need is (1) short hours to allow them time for intellectual and social development, whence comes the philosophy of the eight-hour movement; (2) wages as high as possible, to enable them to improve the condition of their families, and (3) steadiness of employment. The fall in prices caused by adopting gold as the standard is detrimental to all these interests. This century laboring men have been trying to combine—to form labor unions, to protect themselves against the aggressions of organized capital, and to enable them to raise their wages and get a larger share of the advantages accruing to the community from the progress of invention and scientific discovery.

#### **Effect of the Gold Standard on Labor.**

The establishment of the single gold standard will check the advance of the laboring men, and set their cause back for years.

The old theory of political economists, which was current for many years, and which is now often advanced by writers on the capitalist side, was that there was a fund of capital, called "the wage fund," out of which all wages were paid. The theory was that the rate of wages which could be paid depended "upon the ratio between the amount of labor seeking employment, and the amount of capital devoted to its employment." The late Gen. Francis A. Walker and others have assisted in demolishing this old theory, and it is no longer held by the best political economists.

#### **The Modern and Better Theory.**

The new and true theory is that labor is paid out of the amount received for its product. That is, if goods are made which sell





JOHN W. DANIEL, United States Senator from Virginia, was born September 5, 1842, in Lynchburg; educated at its college and at Gessner Harrison's university school; served in the Confederate army; studied law in the Virginia University; served several years in the state senate; was an elector at large on the Tilden and Hendricks ticket, 1876; was a member of the Forty-ninth Congress, elected to United States Senate March 4, 1887, and re-elected in December, 1891. Of his splendid work opposing the gold power in the Democratic National Convention and since, space will only permit mere mention; of this splendid man and his work, the nation will hear yet more emphatically in the not distant future.



readily for \$100, out of the amount received for them a part will go to pay for the raw materials used; another part to pay the expenses, like rent, interest, insurance, etc.; another part to pay the laborers; another part for profits to the managers, and so on. Now this being so it would seem that any permanent fall in the prices received for commodities would necessitate a corresponding fall in the amount paid for wages. Thus it would be impossible for farmers, if they sell their wheat for fifty cents a bushel, to (in the long run) pay their laborers as high wages as they can if their wheat sells for \$1 a bushel. The lower price will cut into their receipts so that, to save themselves, they *must* cut down the wages of their laborers. And no amount of protesting, struggling and striking on the part of the laborers can possibly prevent the reduction. That which would be true of wheat, in the case supposed above, is equally true in principle of all other things. And that which reasoning would lead us to expect is shown by experience to have happened.

Mr. Edward Atkinson and other defenders of the gold standard attempt to show that the condition of laboring men has steadily improved for many years, and that the demonetization of silver has not injured them in any way. To prove this point it is customary to quote from the United States Senate Report on Wages, commonly called "The Aldrich Report." This report shows that from 1860 to 1891 there was a large increase in the average wages of laboring men. The report does not include any date later than 1891. That report was prepared by men who wished to show the highest possible level of wages in recent years, but an examination of the tables shows that 97 per cent. of the rise in wages occurred from 1861 to 1873, while from 1873 to 1891 only 3 per cent. of the rise took place.

#### Miners Lose Under the Gold Standard.

Mr. Charles E. Spaler, however, in his excellent work on "The Distribution of Wealth," pp. 103-109, has shown these much quoted tables to be almost worthless. A much more painstaking and reliable report is that on the wages of miners, prepared by Mr. Joseph D. Weeks. This report shows the average daily wages of miners to have been as follows (in gold): In 1860, \$1.05; in 1873, \$1.90; in 1891, \$1.58. Since 1891 there has been a very marked further decline. An evidence of the general decline of wages in recent years is furnished by the statistics compiled by the Ohio State Labor Commissioner Mr. Rueherwein, showing that in 1,388 industrial establishments reporting to him from various parts of the country, 52,488 less hands were employed in July, 1896, than in July, 1892, and that in those establishments \$19,214,448 less was being paid in wages annually. The fall in wages in the opening months of 1897

is widespread and general, as shown by the daily reports in all the newspapers, and although no exact statistics are available at present, it is a matter of common observation. The idea that laboring men as a class can profit by a general fall in prices is a sad delusion.

#### **Irregular Employment a Result.**

Another result of falling prices is the uncertainty and irregularity of employment which it produces. It is not altogether the rate of wages which the laboring man receives per day which counts with him. If the price remains the same while employment becomes irregular, and, through lack of work, much time is lost, the result is the same as though wages were reduced. The important thing is the total income received each year. Even in good times the average laboring man does not by any means have steady employment. The Illinois Labor Report for 1886 gave returns from 85,000 wage-earners, including railroad men, coal miners, 45,000 trade unionists, etc., and the report shows that these men only averaged about 37 weeks' work in a year, or 70 per cent. of full time. The increasing number of bankruptcies caused by falling prices throws a vast number of laborers out of work, and it makes it very much more difficult for them to find new situations. This operates in two ways. First it causes a direct loss to those thrown out of work, as they will lose much time before they can find new situations; and, second, these idle men seeking employment have a tendency to pull down the wages of those who are employed. The labor unions, when strong and well organized, can partially protect their members, but the great body of unorganized laboring men have no protection, and the majority of laboring men do not belong to any union. It makes a world of difference to working men whether there are two men seeking one job, or two employers seeking one laborer. When factories are finding it difficult to market their goods, and so are running short time or shutting down, there always appears an excess of workers, and a struggle begins by those employed to prevent wages from falling. When prices are advancing and trade is brisk, well managed strikes may succeed, or, as often happens, the employer may accede to the demands of the men rather than incur the losses a strike is sure to cause; but when prices are falling and business is demoralized the proportion of strikes which succeed is very much smaller. The laboring men, therefore, find this weapon of defense powerless, or very much weakened. But at a time when the help of the unions is most needed they can render least assistance, because statistics show that during hard times the membership of the unions falls off, as it is difficult for the men to keep up their dues, etc., while in good times the unions increase most rapidly in membership and power. Any influence, therefore, which causes a fall in

prices, and so reduces the amount which is received for the products of the factories and farms will fall with crushing weight on the laboring men.

#### Laborers Warned.

Laboring men should not be deceived by any catch phrases about "opening the mills to laboring men, instead of the mints to the silver of the world." The mills will not open, and *stay open*, until a market can be found for the goods they produce. The first thing to do is to improve the market, and this can best be done by a general rise of prices. When prices of farm produce and other things rise it will increase the incomes of the people. These increased incomes will be spent buying goods to satisfy the wants of the people, and this increased expenditure will itself make a market for the products of our factories. Then they can and will open, and their employes will be set at work.

#### Not Over-Production, but Under-Consumption the Trouble.

The trouble now is under-consumption. The self-denial the people are forced to practice is causing them to go without the goods they want, and this destroys the market for merchandise. The workers in our factories will not prosper until the masses of the people are rendered prosperous by a change in the monetary system. When general prosperity returns, the factories will get their share, but not before.

The disasters and misfortunes which the producers of the world are now suffering from were foreseen and foretold as a result of the effort to discard silver and bring the civilized nations to the use of gold alone. At the monetary conference held at Brussels in 1892, Baron Alfred de Rothschild, one of the delegates from Great Britain, used these words:

If this conference were to break up without arriving at any definite result, there would be a depreciation in the value of that commodity (i. e. silver) which it would be frightful to contemplate, and out of which a monetary panic would ensue, the far-spreading effects of which it would be impossible to foretell.

As all know the conference *did* break up without accomplishing anything. It failed as all previous attempts at international action have failed, and as, in all probability, all future attempts of a similar nature will also fail. In 1893 the disastrous fall in silver occurred which Baron de Rothschild had foreseen, and we are today suffering from the "far-spreading effects" of that fall, which he then thought it was so "frightful to contemplate." And the workmen may as well realize that the end is not yet.



In an address read before the National Club in England on the 27th of March, 1895, Prof. Foxwell spoke as follows:

Nothing is more instructive than to compare the forecasts of such men as Ernest Seyd, Wolowski, Baron Alphonse de Rothschild, and the bimetallists generally, with those of even the ablest monometallists, such as Jevons and Bagehot. The loss of the par of exchange, the depreciation of property, the ruin of agriculture, the depression of trade—all this was accurately foretold by Ernest Seyd and other bimetallists before the demonetization began; while Bagehot held in 1876 that the Indian exchange difficulty would soon correct itself, and Jevons, in 1875, thought the price of silver need not fall further, and gold was not likely to rise. As for the city editors, I do not know how many scores of times they have assured us that "prices had touched bottom," and that silver would "shortly find its natural value," whatever that may mean. If prevision is the test of science, the bimetallist explanation easily holds its own.

#### **Confidence to be Restored on Repeal of the Sherman Law.**

These remarks of Prof. Foxwell apply equally well to America today. In 1893 the great daily newspapers, almost without exception, assured the people that if the "Sherman Law" was only repealed and the coinage of silver stopped, "confidence" would be restored, business would at once revive, the factories would open, and the workingmen find steady employment at good wages. Their advice was taken and the Sherman law was repealed, but instead of improving, business got steadily worse. Again in the campaign of 1896 our great city newspapers continued day after day to sing the same old song, oblivious of the fact that their previous predictions had all proven false. They assured the people that "confidence" was all that was needed, and if the silver cause was defeated "confidence" would be restored at once, business would immediately revive, and a great wave of prosperity would sweep over the country. And so it has gone. Over and over again the "city editors" have assured the workingmen that the "worst was over," and that, if we would be true to the gold standard, business would speedily revive, factories would open, idle men would find ready employment, and prosperity would return. Over and over again their predictions have been falsified by the results. Prices have continued to fall, wages have been cut, factories run on short time, and the earnestly desired "prosperity" does not come. All the predictions of the silver men, however, have so far been verified. How much longer will the workingmen continue to be deluded by these false prophets of the single gold standard?

#### **Fearful Forebodings for the Future of the Workingmen.**

If it once becomes clear that gold alone is to be the standard money of the civilized nations of the world, steps will soon be taken

to put Japan and India and other nations also on the gold basis. And every nation which enters the lists and takes part in the great scramble for gold adds just that much more to the fearful strain already upon it, and will cause a still further decline in prices. Before the process is over the working men of all the gold standard nations will inevitably be forced to a lower level. One cut of wages will follow another, the hours of labor will be lengthened, and the workingmen will lose nearly all that they have gained by the struggles of the last half century. At first they may try to resist the process, and some of them will take part in strikes, but the great numbers out of work, and forced by dire necessity to apply for their places, will surely defeat the strikers, and in the end they will fail. As Baron Rothschild said, it is "frightful to contemplate" the further disasters and suffering through which the laboring men must pass if this process is continued. They have it in their power, through the use of the ballot, to reverse the process whenever they choose to do so. And the result lies largely with the workingmen, for they have votes enough to turn the scale one way or the other, as they decide to cast them.

#### Use of Machinery as Affecting Wages.

Entirely aside from the effect of money of any kind (gold, silver or paper) there ought to be a general and very considerable rise in the wages of workingmen resulting from the constantly increasing use of machinery.

The idea that the *use of machinery* injures laboring men will not bear investigation. Men are learning to harness the forces of nature and utilize them. This is largely increasing the amount of commodities produced, and some one is getting the benefit of it. The belief that they are not getting the share they are entitled to is gaining with the workingmen, and justly so. The productive power of the community as a whole is rapidly increasing and laboring men ought to get their full share of the benefits resulting therefrom. This should accrue to them in increased wages, and if they do not get it they have a right to ask where it has gone. As Gen. Francis A. Walker has well said, even if it was shown that there has been some rise in wages since silver was demonetized, it would still be in order to ask if the rise has been as large as it *ought* to have been; and if the fall in prices and demoralization of business have prevented as great a rise as would otherwise have occurred, it has been a vast injury to the laboring men as a whole. This we think has unquestionably happened.

Sir Robert Giffin in his "Essays" (vol. 2, p. 23), speaking of the increased production of commodities which has taken place in recent years, through the use of machinery, etc., says that if the pro-

duction of gold had increased in a corresponding ratio, "commodities would be more abundant, but the abundance would make itself felt in a *rise of money wages*, salaries, rents and profits, and *not in lower prices.*"

This is admirably stated, and it is the fact that the standard money is not increasing in a ratio corresponding with other things which is causing the disastrous fall in prices, and not the increased use of machinery, as is often asserted.

If all artificial or legal restrictions were removed and the people were allowed to enjoy the full benefit of the opening of new mines and the resulting increase in the money of the world (which would not at best more than keep pace with the increase of other things), a stimulus would be given to all productive enterprises, and the laboring men would be among those most benefited.

#### Labor Vastly Benefited by Abundance of Money.

The remarkable output of the precious metals which followed as one of the results of the discovery of America by Columbus, is thus commented on by David Hume:

It is certain that, since the discovery of the mines in America, industry has increased in all the nations of Europe. \* \* \* In every kingdom into which money begins to flow in greater abundance than formerly, everything takes a new face; *labor and industry* gain life; the merchant becomes more enterprising, the manufacturer more diligent and skillful.

The same thing occurred after the discovery of the new gold mines in California and Australia, and Mr. William Newmarch, writing in 1853, said:

We are justified in describing the effects of the new gold as almost wholly beneficial. \* \* \* *It has already elevated the condition of the working and poorer classes*; it has quickened and extended trade, and exerted an influence which, thus far, is beneficial wherever it is felt.

Prof. Cairnes regarded the rapid *rise in wages* which followed the opening of the new gold mines as one of its happiest results. A large increase in the metallic money of the world has always been beneficial in the past, and it will be so again when the world is allowed to enjoy the full benefits it is entitled to reap from the opening of new mines. And it will happen again, as it has in the past, that the laboring men will get a *large increase of wages*, find *more steady employment* and be greatly benefited in every way.

#### History's Warning to America.

While the laborers who produce the wealth are harassed to know how to get the bare necessities of life, the favored few roll in wealth. Such exhibitions as the recent giving of a fancy ball on

which three hundred thousand dollars was spent, may well cause laboring men to ask how these things can be.

When Rome fell, eighteen hundred men owned practically all the land of the empire, and the great concentration of the wealth of the country in the hands of a few was one of the signs that preceded its downfall. A similar concentration of wealth is taking place to-day in America. One per cent. of the families now own one-half of the property, and ten per cent. of the families receive about *half the yearly income* of the nation. This tendency to the concentration of wealth is one of the ominous signs of our times and the adoption of gold alone as the standard of value, by increasing the power of money, is one of the strong forces tending in that direction. Silently, like the operation of one of the forces of nature, it absorbs the wealth of others. It tends to make millionaires and paupers, and to widen the gulf between the "masses" and the "classes," which is so dangerous a thing in a republic. The laboring men are among those most injured by this process, and it is to their interest to do all in their power to check it. And hence they should use every effort to prevent the adoption of gold as the only standard money of the world.



## CHAPTER XI.

### STARVATION IN THE MIDST OF PLENTY.

BY THE AUTHOR.

It is reported that Mark Hanna, chairman of the National Republican Committee, in an interview reported in a Chicago paper January 25, 1897, advised against the press publishing instances of deprivation, starvation and death; giving as a reason "that it was demoralizing, excited the people, and might lead to riot and bloodshed, possibly to revolution." The most prominent Republican papers, especially in the larger cities, quite generally conformed to the Hanna behest. The sufferings, however, became so appalling in New York, Chicago and other large towns, the party press could not remain wholly silent. Nevertheless, probably not one case in a hundred became known; a few did, notwithstanding the edict of the Republican committee manager, the multi-millionaire.

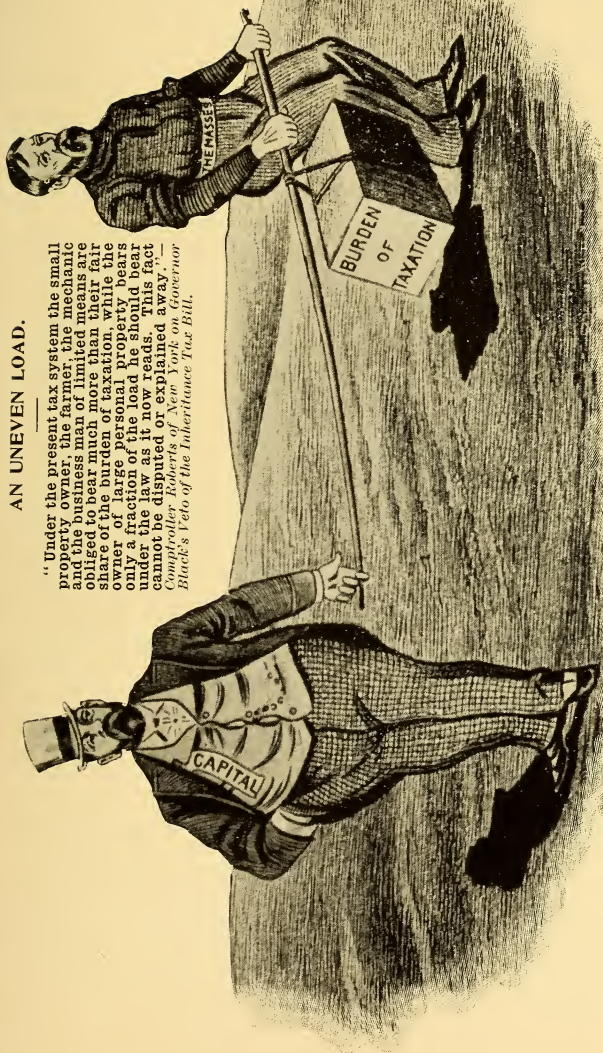
The author of "The Silver Side," for the good it may do hereafter, and believing that all should be made fully cognizant of the calamities that have befallen the people, their own fellow-citizens, herein makes permanent record of the conditions of the people in the winter of '96-97, and of the producing causes. Attention is called to the fact, and emphasized, that the trouble does not come by the dispensation of an overruling Providence, to whom famines and pestilences are sometimes attributed. Never were the people blessed with more bountiful harvests than in the years in which these calamities have occurred. The most intense and widespread suffering has been witnessed during the past winter, notwithstanding the crops of 1896 were never more abundant; but from every point of the compass comes word that the people have not enough to eat. So far as many persons are concerned, they might as well have lived in famine-stricken India, as in prolific Ohio, Iowa and Illinois; they perished by starvation in a land flowing with milk and honey.

What is written upon this subject and the instance of individual sufferings hereafter noticed, are not recorded to subserve partisan interests, but to truthfully state the cause, that future generations of American citizens, warned by the mistakes of the present, may have wisdom to avoid like calamities. In some localities so intense was the cry for food that revolution, the last resort of a suffering



## AN UNEVEN LOAD.

"Under the present tax system the small property owner, the farmer, the mechanic and the business man of limited means are obliged to bear much more than their fair share of the burden of taxation, while the owner of large personal property bears only a fraction of the load he should bear under the law as it now reads. This fact cannot be disputed or explained away." — *Comptroller Roberts of New York on Governor Black's Veto of the Inheritance Tax Bill.*



A picture that requires no key to explain. Millions upon millions of property in the business marts of the United States escape taxation. Special efforts made by the tax commissioners of New York have made revelations that have astonished even those who have known something of the frauds practiced. What is true of New York City and State is only true in less degree of the entire country. The masses have been so spurred into action, that in Tarrytown, the home of the Rockefellers, they have placed on record \$12,000,000 of hidden wealth. In Long Island City \$48,000,000, against \$17,000,000 heretofore. The great increase is in cities and towns where rich men dwell. The author gladly presents this truth-telling picture to the public. "Man is unjust, but God is just; and finally justice triumphs."



people, was advocated, thus threatening the very life of our beloved ship of state.

*Financial System, Trusts and Combines the Cause.*

The duty of making the record is an unpleasant one; no philanthropist can peruse the recitals that follow without cherishing a feeling of hostility to the financial system that caused it. If the selfish and self-aggrandizing associations of men who have been the cause of all this woe, could by any lawful means be made to bear the consequences of their own wrong doings, few would sorrow, but alas! it is far otherwise. The laboring classes, least able to bear it, have been the chief sufferers, as shown by the few recitals herein published, only a few instances of the many thousands.

Why did Mr. Hanna, chairman and chief financial manager of the Republican party, advise silence, the non-publication of individual instances of suffering? It is no mystery to those who will consider in connection therewith the facts that Mr. Hanna expended millions of money to insure the election of Mr. McKinley. The expenditure of his own million devoted to the unrighteous cause, probably does not cause him any unhappiness, for he is still a multi-millionaire. The great shadow that lowers over him and the Republican party, and will continue to overshadow them throughout the 1900 campaign, is caused by the brilliant Republican ante-election promises made to working men in shops, on the farm, and railroad employes. They were assured that "Mr. McKinley was the advance agent of prosperity," that the very day of his election "confidence," the favorite word so continuously and confidentially used by Republicans, constituting their capital in trade the last four years, would be restored, and general prosperity immediately follow.

The conditions have come to pass, but all the promises have failed of fulfillment. The people find they have been deceived. The promises have not, cannot, be kept so long as the party adheres to the St. Louis gold standard. Since the election distress has increased, and now as if in mockery of the calamities of the long time sufferers, while this chapter is being written, arrangements, under the chief management of Mr. Hanna, are being made for the grandest display of wealth ever seen in America; the ceremonies attending the inauguration of Wm. McKinley. It will be witnessed by millionaires and billionaires. Let it be here noticed, and the statement emphasized, that in the great crowd beholding that grand display there will be thousands, and tens of thousands of American citizen voters. There will be present men who will recall the history of the past; they will call to mind the names of Washington, Jefferson, Jackson, and Lincoln; they will

contrast the genuine Democratic-Republican governmental consistency of those times with the folly, inconsistency, and absurdity of the present, in the attempts being made to ape the monarchical customs of the effete governments of Europe.

#### A Golden Opportunity Lost.

Had Mr. McKinley possessed the heart of a Lincoln and been his own controller, here was his golden opportunity; with a stroke of his pen he could have prevented the proposed display and thus manifested his sympathy with the masses; he could have waived aside the ostentatious show of wealth that was to have made his inauguration specially famous, and in this way could have helped to banish the bitter feeling of the masses engendered by existing destitutions. Unquestionably, such lavish displays as contemplated, at such enormous expenditure, are wholly out of place in a republic; it is unprecedented in the nation's history, and laying a foundation for trouble in the future.

It has been gratifying to note that in several states their newly elected governors have absolutely forbidden all displays, on like occasions. That of Governor Pingree of Michigan is especially noted for its quiet republican simplicity, wholly devoid of sensational features, reminding citizens of the statesmen, and of the democratic customs of earlier times.

Undoubtedly, many of the onlookers of this vast expenditure will at the time be suffering the pangs of hunger, others beholding the lavish display being fed at the time by charity. Will this "grandest exhibition of the country's history," as the Republican leaders and press are boastfully promising, encourage famishing men and women, and their destitute families? Will the unemployed be satisfied?

Is it not obvious to all that the mere discussion of physical resentment by the poor against the social function of the rich, a la Kimball-Martin, three-hundred-million-dollar affair, is portentous? Such a state of affairs would have been impossible twenty years ago. We repeat that, under the English methods adopted, this country is becoming a nation of few very rich, and if continued, many very poor and dissatisfied people.

Costly inauguration and fancy dress balls, costing half a million dollars, will perhaps do some good by arousing the masses to assert their rights, peaceably, at the polls. An oppressed people will patiently suffer for awhile, but not for many years will they endure starvation; plutocracy may as well know it and take warning. The great middle class will rise up to remedy the wrongs.

For several years movements have been making to teach patriotism in the schools, to inculcate a high and lofty sense of citizenship, to implant a love of country in the young. But we ask,

what in the United States has the houseless man who sees his children in a state of destitution, to enthuse over? Why should a person who has been deprived of the opportunity to live, "rally round" any flag?

Plutocracy is killing patriotism among the common people, and manhood among the rich. Starvation at one end of the line, and dissipation at the other, will sooner or later do their work.

All this extravagance on the one hand and suffering on the other has occurred under the direct control of the man, to quote the language of Mr. Bryan in his admirable Jackson Day address: "who had debauched a continent."

#### The Bitter Fruits of Silver Demonetization.

The deprivations and sufferings of the unemployed have been quite well understood by the public through the past three years. It has been known they were increasing, but not until the coldest weather of the past winter came on was it fully realized. The last ten days of January proved to be the most disastrous. The following we clip from the daily papers of five principal cities. In country places and towns of less note, cases of suffering are not so marked, and more promptly relieved:

#### Object Lessons.

"Yes, your honor, I broke the big plate-glass window at 165 Randolph street and stole a box of cigars," said Charles Smith, as he stood before Judge Tuley yesterday, accused of burglary.

"There were many boxes of cigars in the window," the prisoner continued, "but I only took one. I went around the corner and met a policeman and offered him a cigar from the box. He asked me where I got the cigars. I knew he would. That was what I wanted. I led him around to the window and showed him where I got the cigars. He said he would lock me up. I told him that was just what I wanted.

"I had tramped this town from one end to another looking for work, which I could not get. I smashed that window purposely, so I would be locked up. I got tired of freezing and starving."

"Mr. Ramsey, can you find this man a place to work?" inquired Judge Tuley.

"I am afraid not, your honor, just now," answered Assistant State's Attorney Ramsey.

"Well, I am not going to find him guilty of burglary," said Judge Tuley. "I will find him guilty of malicious mischief and sentence him to the county jail for ninety days. The order may be that Smith shall serve ninety days in jail, or be released at the discretion of the court before the expiration of the term of sentence."

Smith walked away with a smile upon his lips.



Within the shadow of the magnificent Presbyterian church of Austin the family of C. Tuft was until last evening slowly starving to death.

Until a week ago the family consisted of a wife and five children, but black diphtheria has invaded the home and, adding terror to the hunger and the cold, has taken two from its number. Charlie, 4, and Frank, 3 years old, died on Saturday night, and the little girl, Inez, 11 years old, is not expected to live.

The family has resided at its present home, 412 South Central avenue, for more than a year. During that time the father has been employed by the Cicero Paving Company and the Cicero Lumber Company as a teamster, but since November he has been given only an occasional day's work. The small sum that had been saved for the family wants during the winter soon gave out, and when the 4-year-old boy was taken with diphtheria two weeks ago, neither nourishing food nor a doctor's care could be procured.

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Five hundred men were crowded into one police station that could not comfortably hold 100, but the poor, unfortunate men were glad to stand up all night and thus escape the cold. One man said: "I'll go out and rob somebody and then I'll get sent to prison. I'll get enough to eat there and I won't be frozen to death."

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D. D. Wilson, editor of the Machinists' Journal, reported a pitiable case of destitution today. He said.

"A man whom I have known for a long time called on me today for assistance. He had been employed as a clerk in a large department store on State street at a salary of \$8 per week. With a wife and two children to support, it is not to be wondered at that when he lost his position several weeks ago, he had no money saved. Every effort was made by him to secure employment. He even went from house to house asking for any kind of work.

"During the past few days the cold weather has increased the sufferings of his family, which were added to by the fact that none of them had eaten anything for two days.

"This morning he was forced to break up two kitchen chairs and use the pieces for fuel in order to keep his wife and children from freezing. He then grew desperate and, telling his wife and little ones to go to bed until he returned, he came to my office and told his story. I investigated his statement and found it only too true.

"I cannot give you his name. If it were published he could never obtain employment at any store, as he would always be pointed to as a pauper. There are too many cases of this kind, where whole families suffer the greatest agony from cold and hunger rather than make their condition public."

In the rear of the same number lives Jacob Bolstein, wife and three children. The furniture in the three rooms could be carried on the shoul-

ders of a boy, and it was so broken and damaged that it could not be sold, or it would also be gone. There was no food in the house.

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New York, Jan. 28.—A tall, thin old man staggered into the pawnshop of Arthur W. Heaney, on Atlantic avenue, near Court street, Brooklyn, today, and with trembling hands presented to the clerk a plain gold baby's ring and a pair of gold earrings.

"How much do you want on these?" asked the clerk.

"Want!" he exclaimed. "Want isn't the word. My God!" And then he grabbed the jewelry from the clerk's hand, and, kissing the ring, fell back dead.

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In the rear of 93 West Jackson street lives a Mrs. Merrich with four children, aged from 9 to 14 years. Her husband was killed last fall while in the employ of the South Side Railway Company, and since then she has struggled to support the family. Recently she was taken ill and was cared for by Dr. Ryan, who charged her nothing for his services and also gave her the necessary medicine. Recently one of the children was also taken ill because of starvation and cold, and the destinies of the family are now in the hands of the eldest child, a boy of 14, who has been unable to secure employment.

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A sad case of hunger and weakness was discovered at Salvation Army relief headquarters Friday afternoon. Mrs. Minnie Piepenburg, who lives in a tenement structure at 369 Wesson avenue, went to the Salvation Army to get food for herself and her family. She was weak from actual starvation. Walking the four miles from her poor little home to seek aid, she was worn out and exhausted and not able to fight her way through the throng of other seekers for help. For three hours she stood before the doors waiting a chance to get into the rooms, and at last, unable to stand any longer, she fainted. Her fall was noticed by two of the cadets, and she was carried into the rooms, where her wants were attended to. Help will be extended to the poor family.

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Chicago, Jan. 23.—Police stations sheltered 1,429 unfortunates last night, a larger number than ever before sought protection from the elements. The Maxwell street station headed the list with a total of 310 men; Harrison street was a close second, 300 unemployed and homeless being huddled together on the floor in the cell rooms and corridors, telling a tale of suffering in the city.

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Aldrich Marsh of 548 West Fifteenth street committed suicide last night while in a fit of despondency. He had been out of work for months and was at one time well off, but reverses in fortune had ruined him and he had been almost a year without a home.

He came home early last evening and remarked to his wife: "I can-

not stand this much longer." Then he went to his bedroom, where he was found about 12 o'clock with his throat cut from ear to ear.

To the thousands of homeless unfortunates in New York the slight rise in the temperature today meant little. As on yesterday, they crowded in the relief stations, distracted with hopelessness and shivering with cold. Every charitable organization that sets hands on helping them was overtaxed, and in some quarters there was a cry for aid more pressing than any other winter has brought. How much suffering there is in the city is in a measure shown by the statement that the Association for Improving the Condition of the Poor is investigating 10,000 cases.

Richard Grisen is only a laborer. He was formerly employed as a brickyard worker, but during the past eighteen months he has been able to earn very little. He has a family, consisting of a wife and six children, the youngest of whom is an infant 18 months old. Yesterday he was charged with horse stealing, but he has not been arrested, because he stole the animal that he might have food to keep his family from starving.

Yesterday there was nothing to eat in the house. For days the family have been almost without food. His youngest child was sick. A year and a half ago Grisen was hurt and laid up for more than six months, and he has had little work to do during the past year. He was without a cent and could get no relief. He simply took the horse, brought him into his scanty yard, killed him and quartered the animal for food. He was engaged in cooking a portion of the horse when the detectives came to arrest him, and here is what Grisen said:

"Yes, take me. I stole the horse and killed it so that my children might eat. There was nothing else for me to do except to see them starve, and I couldn't do that. I was determined that they should eat, if I had to die for it." The officers did not arrest the man, but reported his case for relief, which he has not yet received.

"We have fed 3,500 people in the last three days," said Captain Wheeler of the Maxwell street station. "In those three days we have done more genuine good than the county agent's office will do in a month."

Men, women and children are starving in Chicago in sight of relief because the county commissioners, blind and deaf, do not allow the county agent enough help to distribute supplies.

There are twenty-six assistants where there should be fifty in the agent's office.

Hundreds of these applications are more than two weeks old. Heads of families were discouraged then, and as a last resort appealed to the county for aid. They have seen their wives and children grow weaker and colder, and no aid has come—no bread and no coal. These men are desperate now.

The county agent is helpless to save these famine-stricken men, women and babes. He has the relief on hand, but he has no way to distribute it. The county commissioners have tied his hands and are deaf to the cries of the hungry.

Not until after several days had passed did the people of Chicago and other cities awake to the magnitude of the deplorable situation and in a daily paper of that city, it is said the saloons manifested more sympathy and extended greater relief than the churches, except one or two of those known as liberal. The same paper, the *Dispatch*, said:

In the work of relief, the once despised Salvation Army is easily in the lead. It has faced the situation nobly, bravely and heroically. It does not ask whether a shivering and starving wretch is a sober mechanic out of work or a drunken tramp. A human life is at stake and rescue is its mission.

In this sad emergency, the most serious in the history of Chicago, with the exception of the great fire, the so called charity societies seem to have disappeared. "Organized philanthropy" has again demonstrated its utter uselessness. At a meeting of ministers held yesterday a committee was appointed to consider ways and means and make a report to a meeting to be held next week. Comment is unnecessary.

The foregoing records of suffering, crime and death are extracts taken from the papers of Chicago, Detroit, Cleveland, St. Louis, New York and Boston, all occurring within the last ten days of January, 1897, three months after the election of Wm. McKinley president. One hundred pages would not suffice for space to publish all. The few noticed are purposely taken from the papers of the cities named, that the reader may know the trouble is not local, but general, extending over the whole country and evidently from the same cause; not as in India, caused by famine, but because of the non-employment of three millions of men, willing, yea, anxious, to work, but forced into idleness by the men who so control the finances that money is placed beyond the reach and use of the middle classes. The money we have is congested in the great cities, as fatal to the people and business interests as is congestion of brain or lungs to human lives. The sad experiences of 1893-96, it is hoped, may never be repeated.

"Experience wounded is the school  
Where man learns piercing wisdom, out of smart."

## CHAPTER XII.

### NERO DANCED AND REJOICED WHILE ROME BURNED.

BY THE AUTHOR.

“Do not insult calamity  
It is barbarous grossness to lay on  
The weight of scorn, when heavy misery  
Too much already weighs men's fortunes down.”

During the scenes of woe caused by the acts of the moneyed men and financial combines of our chief money marts, as shown by the preceding chapter, “Starvation in the Midst of Plenty,” the millionaires of New York City were more interested in arranging for magnificent displays of dress parties, fancy dress balls, and for a larger expenditure of money than ever before at the then nearby time of the inauguration of President-elect McKinley. So marked has been the contrast, that for once the occupants of some of the wealthiest churches became alarmed and have spoken as never before. Among the first to see approaching danger and warn against it was Rev. Dr. Rainsford, of St. George's Church, New York City. Attention is called to his warning words:

#### **Pulpit Denunciation of Plutocratic Ways.**

I believe that the giving of lavish entertainments by the rich at this time is politically, socially and ethically unwise. I do not wish to be understood as condemning any persons or warning against any particular entertainment. I speak generally and because I believe that those who have wealth should not at this time aid in spreading the feeling of discontent among the poor.

The political importance of New York is threatened by the attacks which have been made upon her in the west, and ostentatious entertainments and extravagance would furnish fresh texts for further attacks.

I think the commanding political importance of New York has decreased in the last fifteen years, and I think the time has come for something to be done that will check, instead of increasing, this loss of influence. A large part of the country's population is crying out against existing conditions, and ostentatious display here in the east would only widen the breach between this section and the west.

Never were the lines between the two classes—those who have wealth





GENERAL ULYSSES S. GRANT.

THE CITIZEN.

THE GENERAL.

THE PRESIDENT.

The recent dedication of the magnificent tomb where have been deposited the remains of him who rose to the zenith of civil and military honor and power possible in the United States, and the eloquent speeches made on that occasion, giving historically the events of his life, render an elaborate biographical sketch herein unnecessary. The portrait was obtained from Col. Fred Grant, being regarded by the family as the best.



and those who envy them—more distinctly drawn. No longer ago than November 3, more than 6,000,000 persons expressed their conviction that the existing conditions were unsatisfactory. Whether we like it or not, it is an incontrovertible fact that a large portion of our population is discontented, and does not hesitate to express its feelings. Extravagant entertainments draw attention to and accentuate existing social differences and to the widening chasm between the rich and the poor.

I believe in social entertainments; but there should be a reasonable limit to display and a reasonable time chosen for it. Money is not the root of evil; the love of money is. That text is directed against the envious poor man, as well as against the selfish rich man. To gratuitously increase discontent by accentuating the poverty of the unfortunate in such days as these is an action greatly to be deplored.

This plain speech stirred up the church; its members had not usually heard that kind of practical religion talked; aristocratic members, as was to be expected, condemned, and a flurry followed. Other ministers talked. Mr. Moody was in the city of New York at the time; he too spoke on the side of the people. Philanthropic members of the church saw the bright star of hope for the poor; the hope that the teachings of Him whom they professed to follow were to become a practical part of their worship. "In so much as ye have done it unto one of these, ye have done it unto Me." An American poetess beloved by all the people, said:

If riches were consigned to me,  
No griping hand should clutch the pelf;  
For valueless the gold would be,  
If hoarded only for myself."

Rev. Moody and Rev. Dr. Strong spoke bravely:

"Things look bad," said the revivalist. "All these great fortunes have been accumulated in the last thirty or forty years, and the world has never known anything like it. The poor and helpless seem to be increasing all the time. The moderately well-off are falling among the poor and the very rich are growing richer every day. Something is wrong and it is time for the churches to find out what it is and to apply the remedies. The churches of this country have the numbers and the wealth to do it, but the trouble seems to be that the religion is dominated by the wealth instead of the wealth by the religion."

The author of that famous book, "Our Country," the Rev. Dr. Josiah Strong, said that he was disappointed that Dr. Rainsford did not give a wider scope to his denunciation. "It is the height of folly for any one to say that the extravagance of the rich is good for the poor," said Dr. Strong. "As Ruskin has said, 'So long as there are cold and nakedness in the land around you, so long there can be no question that splendor of dress is a crime.' And this passage from Ruskin's 'True and Beautiful' expresses the

entire thought as no other has expressed it: 'Do not cheat yourself into thinking that all the finery you can wear is so much put into the hungry mouths of those beneath you. It is not so. It is what you, yourselves, whether you will or no, must some time instinctively feel it to be—it is what those who stand shivering in the streets, forming a line to watch you as you step out of your carriages—know it to be. Those fine dresses do not mean that so much has been put into their mouths, but that so much has been taken out of their mouths.'

Dr. Peters, another New York City pastor, was advertised to speak on the "Extravagances of the Wealthy." It was generally understood that he was to speak on the Bradley-Martin ball. Consequently the wealthier element was absent. Nevertheless the speaker gave the following plain gospel truths:

In all seriousness, I ask, are we not falling back into the reckless and sensual prodigalities of heathenism? Expenditures on balls, banqueting and indecent entertainments are growing vulgarly lavish and ostentatious, while tens of thousands of our citizens are clothed in rags, shivering in the cold, crying for food. In our ostentatious display of wealth, in the gradual cultivation of taste and the ever-widening chasm between the rich and the poor, I see peril to our republic.

That a man can do as he pleases with his money is the eternal falsehood that mothers all our woes. Sacrifice, and not selfishness, is life's law. The life which is not self-sacrificed in the service of others is an immoral life. Our men and our women can solve our social problems by the right use of wealth, as many of them do, but wasteful, luxuriant extravagance, uniformly corrupts good manners and lowers public morals. Are the times not evil? Look at the picture. Appalling poverty throughout this rich country; billions in brawn and earnings to be expended before the people recover; gaunt and hideous starvation; freezings; an epidemic of suicides among the weak and hopeless; pastors of New York churches begging their affluent parishioners not to make too ostentatious display of their wealth; \$300,000 suppers and balls; millions to be spent by partisans in the pomp and display of the inauguration; millions of wealth piling up; on every hand sumptuousness, comfort, extravagance, while the people are steadily sinking lower in the scale of equal rights.

The foregoing sentiments of the few pulpit orators who had the courage thus to face their popular congregations are gladly recorded. Few, indeed, they were compared with the greater number of churches of our chief cities that remained silent. It will be noticed that their appeal to the wealthy is largely based on the argument of threatened danger to themselves, and their vast possessions, if oppression of the masses continued. It is hoped that these brave utterances may not cease with the temporary passing away of the present unusually severe deprivations. Let the pulpits all over the

land now as bravely strike at the producing causes. If these ministers, and others like unto them, will follow in the footsteps of Him they profess to serve, they will not cease their good work of ministering to the suffering victims of greed, but they will visit every temple of the money changers, and with the lash of public disapprobation drive out these oppressors of the poor, they who have made the temple of religion like unto a den of thieves. Especially could immense good be accomplished by appeals and a statement of facts to their wealthy New York and English parishioners, who by the potency of their gold, have procured legislation that has resulted in the destruction of half of the country's constitutional money.

#### Contest Between the Money Power and the People.

Verily this is, indeed, a contest between the money power and the people. It is a struggle for humanity, for the purity, the integrity of the government. Lovers of country and home are greatly encouraged to hope for the best results when passing events arouse to action such men, and to the utterance of such inspiring sentiments as are herein given. Those who are thus inspired should go among the people and awaken them to the peril of the country. Never was there a better opening to a field of usefulness for the young men of the United States than the present. Perhaps no presidential campaign in the history of the country has been of greater importance. The year 1860 witnessed a civil war; the union's destruction or preservation was at stake; thousands of young and middle aged men from every state rushed to the front, to do or die for the right as each viewed, differing largely according to their education and surroundings. That great national peril passed; now the contest is no less important. The contending forces are not now as then organized and divided on local lines; the contest is one of ballots, not bullets. Nevertheless, there are opportunities for young American voters to distinguish themselves in work less dangerous, but no less honorable. The questions at issue require but little study to understand sufficiently well to vote intelligently, and by keeping posted on passing events of imparting instruction to others. To the man thus desiring to be useful in directing public sentiment, it is believed "The Silver Side, 1900 Campaign Text-book," with its facts and arguments in favor of the restoration of silver, will be an almost indispensable, certainly an efficient, assistant.



## CHAPTER XIII.

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### EDUCATIONAL ENDOWMENTS AND INDUSTRIAL BONDAGE.

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BY WALTER THOMAS MILLS, A. M.

Educational endowments are funds given to the schools, not for the purpose of paying current expenses, the construction of buildings, or for providing the apparatus. Endowments are funds given to the schools, the interest on which, only, is to be used for the payment of current expenses, such as teachers' salaries, fuel and the like. It is the purpose of this communication to call attention to the relation of these funds to the question of the higher education, but especially their relations to the industrial classes, who by their poverty are excluded from the advantages of the schools, and who by the system of endowments are required, through payments of interest on college funds, to support the schools, of the benefits of which they can have no share.

I am ready to admit that when these endowments were first undertaken, say a thousand years ago, there were good reasons, inherent in the industrial situation, for their existence. It was then very difficult to make a living. I mean, the processes by which the necessities of life were provided were difficult, and the hours of labor necessary to provide for one's comfortable existence were necessarily long and toilsome. Then a woman working twelve hours a day could weave but eighteen yards of cloth in a week. The soil was turned with a wooden plow, or more frequently a spade. The planting, cultivating and harvesting were all done with the rudest tools. The grain was gathered with a sickle, it was threshed with a flail, it was winnowed with a fan, it was ground with a hand mill. A fairly comfortable provision for one's physical existence involved a heavy task upon his physical endurance. If the higher education was to be undertaken, if the benefits of society to be secured by at least a portion of the community having the opportunities for study were to be obtained, then the leisure of the few could only be provided by the longer hours of labor by the many.

But there was another reason more potent, and for which no generous impulse can find a possible apology. When the schools

were established, when the ancient university, which has grown to be a modern university, first came into being, the feudal system was in force. When the parish school, or the cathedral school grew into an institution for the higher learning there was the castle, the drawbridge, the knight errant, the arrogance of the nobility, the humiliation of the toiler. Toil was the badge of submission, the mark of degradation, while the profession of the warrior, the function of government, the right to be at leisure, carried with it the privileges of learning. Now, it occasionally happened in those days, as now, that when the Lord put a genius to living in the world he did not always confine his attention to the wealthy and to the privileged classes. These endowments, born out of the heart of the eternal, struck the hovel of the peasant, and through the ancient church even the lowly were sometimes the beneficiaries of learning. But if the power to see the true, and the beautiful, and the good, and to make these speak in verse, in philosophy, and to live in canvas had been given to the poor out of the hand of his Maker, if God made him a genius, society proceeded at once to make him a gentleman. In other words, in days of old, as sometimes happens now, the possessor of wealth arrogated to himself not only the earth, but insisted upon a first claim on the genius which could understand its mysteries and reveal its secrets. The ancient gentleman lived by toil, but like the modern gentleman, he lived not by his own toil, but by the toil of others. If the genius born in a hovel was to rank with the aristocrat who claimed for himself not only the products of his brother's toil, but the fruits of his brother's genius, then he too must be provided an opportunity to live with his hands unstained by toil. Hence, the endowment, first, in order that leisure for learning might be possible, and secondly, in order that the disgrace of labor might not attach to the scholar who was to be the associate of the despoiler of labor.

But then the occasion for the endowment, whether for reasons worthy or reasons unworthy, or as I believe for a mixture of both, whatever services the endowment may have rendered in the past, it is no longer necessary, because leisure is now within the easy and certain reach of all. The endowment could never be justified, except that the light of learning could not come except by the toiler's sacrifice that the student might study. It is no longer necessary for one man to sacrifice the intellectual life which is the right of all, in order that another may follow a scholarly career.

#### **Hours of Labor Required to Provide Necessaries of Life Lessened.**

Each man of us, if we will, may now produce our living with a few hours of labor, and we may every one of us belong to the leisure classes, not because we live from the products of our over-

worked brothers, but because providing for ourselves we may still have long hours of leisure, which wise men will devote to intellectual and social purposes. Never in the history of the world was it so easy to produce a living as now. I believe that it is also true that it has rarely been so hard to get a living after it was produced. But the getting of what we produce is no fault of productive processes, it is the fault of distribution. Endowments will not help the unjust and faulty system by which we undertake to get our living after our toil has produced it. The remedy is not more endowments, it is in better organization. In the olden time a weaver wove eighteen yards of cloth in a week. Now she weaves two thousand and with new machinery not yet in place, which it is said will displace one-half of all the weavers in the country, a single weaver may produce in a single week four thousand eight hundred yards of cloth. The average of wheat production for the workers employed on the great farms makes a single worker in a single summer produce wheat enough, which, if ground into flour and baked into bread, would furnish bread for a family of five people for a period of one hundred and fifty years. Why should we go ragged and hungry when it is so easy to produce food and clothing? Why should one man toil to feed and clothe another when the processes of production are so simple, so easy, so fruitful? Why not each man as a factor in a more perfect organization of industry first feed himself, clothe himself, and then let the others who have been riding on his back despoiling him of the products of his labor, take a turn of feeding and clothing themselves also? Then no endowments will be necessary.

#### **Endowments Pernicious, Undesirable.**

But the more serious indictment is not that these endowments can be disposed of, but that they ought to be disposed of, that their presence and their influence are directly pernicious. These endowments still encourage the vulgarity of wealth in its attempt to monopolize learning, to claim for the well-to-do only the advantages of high thinking and worthy living. The Omaha bishop who declared during the presidential campaign of 1896 that the source of our discontent was in the overeducation of the farmers' boys is a fair illustration. He said the farmers' boys were becoming ambitious to be gentlemen, while they ought to be toilers, ought to be left on the farm, to be suited with the lot to which God has called them. The new civilization gives a new meaning to the old term gentleman. It is not because the farmers' boys are too anxious to cease toil in order that they may be gentlemen. It is because the bishop and his associates err in their arrogant and unseemly assumption that to be learned means to be idle, to be intel-

ligent means to be a robber, to know something means to do nothing. This idea of the dignity of fortunate indolence and the wrong of ambitious poverty is inseparably connected with the spirit that lives and breathes in the atmosphere of educational endowments.

The dignity of labor demands that all shall toil, that the wisest and the best, the greatest of all shall be the servant of all. To be idle must cease to be the badge of learning. To be industrious must become the mark of a gentleman. Indolence for men and women, for any human life, is discreditable. No gentleman should consent that another shall do for him the toilsome and disagreeable things incident to his living on God's earth and in the midst of his Father's children.

Again, the endowments are not desirable, because they make the opportunity to teach at all in the great institutions of learning conditioned on keeping the peace with the enemies of society. The real enemies of society are not the ill-formed, ragged, homeless people. They are not even the corporations, the trusts, and combines, whose existence necessarily involves the hungry and ragged multitude. The real enemies of society are forces which have outgrown any occasion for their existence. Forces which make the trust and the combination inevitable, and which make the harvest of disaster as certain as is the coming of the seasons. These enemies of society through forms which the laws justify, with authorities which the courts enforce, organize their life, manage their affairs for the purpose of securing through stocks or bonds or mortgages what the old slave system secured through the stinging lash. The old slave system fed its victim while he was able to toil, and then sometimes turned him out to die. But this modern system anticipates the infirmities of age, and cuts off the toiler from the opportunity of living in the midst of his years.

How shall an educational institution realize on farm mortgages and not justify the whole system by which the mortgage shark, the bond holder, and the oppressor—not that these men are bad, but that the system is infamous—how shall the educational institution be itself a leech on the body politic, and at the same time strive in any way or to any degree to relieve society from the forces which are sapping its life blood? Wisdom must make its peace with greed. Genius must harness itself to plunder. The interests of the Rockefellers who give the endowments and the Harpers who realize on the investments are one. Great learning in the schools and great infamy in the market join hands. And when the teacher refuses to give his hand he can no longer take, even if forgetting his self-respect he were willing to take the fruits of commercial plunder.

**Colleges Silent on Economics Directly Affecting Industrial Subjects.**

As a result of the conditions under which instruction is given on economic topics in this country notice the silence of the great schools, except when they speak in defense of their great benefactors, regarding every question which affects the industrial interests of society. Where is Professor Bemis? Why did he lose his place in the Chicago university? How does it happen that in the political campaign of 1896 the teachers of economics in the great institutions of learning said nothing, or said that the gold standard was wise? How does it happen that in the great university of the city of Chicago the pages of the daily press rang with their words of approval for the present order? Why did Henry Wade Rogers of the Northwestern university ask the good people to vote for the gold standard? Because it was wise? Because it was just? Because it was fair to those of us the prices of whose products were cut in two by its operation, while debts, taxes, fixed charges, and interest payments on university endowments remained unchanged? You can find no other answer than the one I give you, than the reason Mr. Rogers himself affirmed. It would affect—unfortunately for the university—the purchasing power of the interest payments on the university endowment. So could every man who holds a mortgage, so could every man who has a fixed salary, so could every man who gets more than his right while the toiler gets less than is just, continue the defense of the gold standard infamy for the sake of his private income. There is another answer, these are the scholars of the country. They are wise. They understand. They are for the gold standard because they know better than we. If they do, let them come into the open, let them meet us on the platform. Let them measure up in joint debate with those of us claimed to be their intellectual inferiors.

**Self-Reliance, Independence—Better than Endowments.**

But again, the endowment is undesirable because self-support is better. Shall we try longer to teach men to be self-respecting, self-reliant, by putting the atmosphere of chronic beggary around them during the years of their education? No lessons that come out of the dead past, no authority that can be gotten by any diploma ever written, can add so much to the manliness and strength of a human character as a fixed determination on the part of a boy to be his own master, to carry his own burdens, to earn his own living. And this the endowment policy makes impossible. They set a boy to work learning things out of books and then they build a gymnasium in order to make his blood circulate, in order to give him a strong body, where the young fellow may work a little while



each day without the particular disgrace of having done something useful while engaged at his task. The exercise necessary to keep one's body strong, if organized and equipped, is sufficient to feed and clothe and house him. But if it is not, by what possible right, by what principle of ethics, by what sentiment in religion shall you continue to compel the many to forego the opportunity to live on rational lines the full intellectual and social life of a man, in order that a few may have more than a man's chance, more than a fair opportunity in the same field? If the endowment funds of the Chicago university were invested in farm mortgages it would place a mortgage of at least \$500 on each of the farms of not fewer than twenty thousand farmers. If each farmer's family averaged five members, for each student now in the university there would be somewhere near one hundred men, woman and children, toiling through all the years to meet the coming interest payment in order that one young man, a stalwart, able-bodied fellow, a master of baseball, a leader in the football gang, a toiler in the gymnasium, may have the advantages which might be within the reach of everyone of us.

#### **The Better Way.**

The educational problem is no longer how to realize on endowments for the benefit of the few who are inside the schools. The educational problem means reaching the darkened and deserted lives of the penniless and helpless, overborne through the very mortgage system which robs the toiler and leaves him in his ruin. Then for the sake of manliness, for the sake of fair play, for the sake of an opportunity for those excluded from the benefits of society, for the sake of the dignity of labor, for the sake of freedom of instruction in the schools, this is what we ask for, extending the equipment, and for abandoning the endowments of the great educational institutions. I am giving my time to such a school. We are few in number. In March last we commenced our work, almost penniless. Our equipment was very scanty, our resources were very few. But no one can visit the farm school, no one can study the work we are undertaking, where teachers and students alike toil for their living, and teach and study for the love of it, neither seeking for any reward in leisure and learning, save the reward which leisure and learning itself can offer, without being convinced that the plan is a wise one. The objection to our proposition more frequently urged than any other is, that teachers will not come to us, but they are coming. The objection urged is that only large salaries can employ the best teachers. Our answer is, large salaries can only employ such teachers as can be bought. There are men who teach who are no longer in the market. The an-

swer is again, teachers are not only coming, but only the best will come.

And finally, the answer which is absolute. No new thought ever came to the world, no inspiration ever moved its heart, no new ideal was ever wrought into form and being except the teacher who taught the new lesson, the builder who built the new temple, the reformer who wrought out the new life gladly and freely gave himself for the joy of his undertaking. The great teachers of the world have taught without reward. The great students of history have wrought out their lessons, maybe in penury, but never in greed. Socrates was a teacher. St. Paul was a teacher. Jesus of Nazareth was a teacher. His church was a school. Then, and now, for those who love wisest and best the glory of the humanity which they serve is the only and sufficient reward for their priceless services.



## CHAPTER XIV.

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### LABOR NOTES.

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#### **Working Men, Consider and Act.**

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#### COMPILATIONS BY THE AUTHOR.

To the more forcibly impress upon minds of the producers of all the wealth of the world the relation they hold to capital, under the present unwise system, especially in the proportion of their share of the profits, and their disproportionate burden of taxation, we have caused the drafting of a very good illustration of the subject, published in the *Chicago Dispatch*, a paper devoted to the interests of the people, the working classes particularly. The object lesson is so good, a half-tone electrotype was made and the picture appears on the preceding page. It needs no words of explanation; the children in the homes of the working men and women quickly comprehend the meaning, and it is hoped the laborers will so profit by its teachings that, when next exercising their citizenship right, they will permit no threat from employer or by corporate body to restrain them from casting a ballot in favor of the right against the wrong.

#### **Compliment by the Editor.**

The cardinal principle in labor reform is the partnership of labor and capital, absolutely essential to the growth of civilization and the unity of capital and labor in all occupations. The improved conditions of existence flowing from this would soon give us a new world.

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Whatever the nominal wage rate may be, it is very certain that for several years past there has been more of idleness and more of actual suffering among the poor than ever before. But the nominal wage rate is not a true criterion. In the main, wages have been kept up by labor organization, as everybody ought to know. But while the *rate* has been kept up fairly well in some callings, there are multitudes of unorganized laborers working at starvation rates, and multitudes more who have no work at all.

Still again: If organized labor has succeeded in protecting itself moderately well during the last twenty years, is it not reasonable to believe that under prosperous conditions it could have done still better.

It is simply impossible to improve the condition of the wage-worker,

by lowering the prices of the things out of which all wages must be paid. That wages must be paid out of the products of labor should be clear to any one who stops for a moment and thinks.

But again: It must be remembered that there are vast numbers of working people who have no regular wages.

For example: No man, as a rule, works harder or longer hours than the farmer. His "wages" are what he can get for his crops over and above expense of production. If their prices fall, it is nothing less than a "cut" in his wages.

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Considerable interest is being manifested throughout the country in the new idea of holding revival meetings in the interest of organized labor. They are usually protracted for a week or ten days, and each union takes the full responsibility for at least one night, securing the speakers and making all necessary arrangements. Not to be behind the times, the Trades and Labor Assembly is to take steps to bring about the holding of a series of meetings in New York city the coming spring, either in some hall or in the open air. Wherever the system has been adopted the results have been most satisfactory.

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In New York an average of about six men are sent to the workhouse each day at their own request in order that they may not suffer and starve on the streets.

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It is proposed in Kansas to solve the convict labor problem by putting convicts to work at building roads and irrigating canals and raising farm products for the state institutions.

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One of the most promising signs of the times in the world of organized labor is the evident disposition of the different trades organizations to come closer together to assist one another in righting a wrong, or to secure better conditions of labor, says the Philadelphia *Ledger*. This is evident by the remarkable increase in the number of central labor unions within the last few years. In nearly every city and town in the country such an organization exists, and they are becoming powerful factors in determining the right or wrong of the question or grievances brought before them. The influence of such organizations for good cannot be overestimated. The fact that the central labor unions are composed of representatives from all the different organized crafts, who submit to the central body for consideration or advice all the various grievances needing adjustment, and which by this means can be impartially judged, serves to lessen the number of ill-advised conflicts with employers. Nearly every enactment in recent years of labor legislation, either municipal or state, can be credited to the influence of the central labor unions.

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Attacked and denounced as scarcely any other institution ever has been, the unions have thriven and grown in the face of opposition. This

healthy vitality has been due to the fact that they were a genuine product for social needs—indispensable as a protest and a struggle against the abuses of industrial government, and inevitable as a consequence of that consciousness of strength inspired by the concentration of numbers under the new conditions of industry. They have been, as it is now admitted by all candid minds, instruments of progress. Not to speak of the material advantage they have gained for workingmen, they have developed powerful sympathies among them, and taught them the lesson of self-sacrifice in the interest of their brethren, and, still more, of their successors. They have brought some of the best men to the front, and given them the ascendancy due to their personal qualities and desirable in the interests of society.

*J. K. Ingram, LL. D.*

Give me the horny-handed clasp  
Of some good, honest neighbor,  
Who finds within the words I speak  
A strength for earnest labor.

Give me the lifted, grateful smile  
Of some poor, fainting woman,  
Who knows that I regard her soul  
As something dear and human.

Give me the fervent, heartfelt prayer  
Of just the toiling masses;  
To be remembered with their love  
Your boasting art surpasses.

And this be mine, whate'er the fault  
Of manner, not of matter,  
Along the rocky ways of life  
Some living truths to scatter.

**“Labor, and Labor Only, Creates the Wealth of the Country.”**

“Go till the ground,” said God to man,  
“Subdue the earth, it shall be thine;”  
How grand, how glorious was the plan!  
How wise the law divine!  
And none of Adam’s race can draw  
A title save beneath this law,  
To hold the world in trust;  
Earth is the Lord’s, and He hath sworn  
That ere old Time has reached his bourne,  
It shall *reward the just!*

Two thousand capitalists own more than all the rest of the sixty-five millions of our population. Two hundred and fifty thousand rich men con-



trol seventy-five per cent. of the national wealth. The American republic is, therefore, practically owned by less than one quarter of a million of persons. If present causes which produce concentration of capital continue, the republic will soon be owned by less than fifty thousand men.

*Rev. Joseph Cook, in Tremont Temple, Boston, February 3, 1890.*

There will dawn ere long in our politics, on our modes of living, a nobler morning in the sentiment of love. Our age and history of these thousand years has not been the history of kindness, but of selfishness. Our distrust is very expensive. The money spent for courts and prisons is ill-laid out. We make by distrust the thief, the burglar, and incendiary, and by our courts and jails we keep him so. An acceptance of the sentiment of love throughout Christendom for a season would bring the felon and outcast to our side in tears and the devotion of his faculties to our service. Let our affection flow out to our fellows; it would operate in a day the greatest of all revolutions. The state must consider the poor man and all voices must speak for him. Every child born must have a just chance (with work) for his bread.

*Emerson.*

#### Nature's Lesson.

Mark the working of the bee, fittest type of industry,  
 How according to fixed plan (learn a lesson here, O man!)  
 Does she build her waxen cell, and she builds the structure well.  
 Now is Nature's lesson taught in the work the bee has wrought;  
 Thus within the human hive, all alike may build and thrive—  
 None be rich and none be poor.

#### Lack of Interest is Inexcusable.

Every workingman should be a member of a labor organization, and should diligently strive for its good and welfare. Agitation on this line should be general. Lack of interest is inexcusable. One member manifesting an inclination to shirk the duties imposed on him by his union creates a like desire on the part of other members. This state of affairs, from a small beginning, gradually extends throughout the entire membership.

Each member should take up and faithfully perform his allotted task in an alert and businesslike manner. Such an example causes others to become more energetic, and when the general membership consists of hustling, hardworking individuals the organization will thrive. Union meetings usually last from two to three hours, according to the amount of business to be transacted. Members should take part in deliberations. They should arrange their affairs so as to attend regularly. Keeping away from meetings is a sure method of demonstrating disinterestedness in the workings of the organization.

**Honor Due Governor Hastings.**

A great victory has been obtained by labor over monopolistic incorporations by the Pennsylvania law just enacted and approved. The day for labor's emancipation is dawning. Governor Hastings, of Pennsylvania, Friday signed the Weyler bill to protect the employes of corporations in their rights to belong to labor organizations. The bill provides for a fine of not less than \$1,000 or more than \$2,000, and imprisonment not exceeding one year, for any officer or agent of any corporation to discharge any employe for being a member of a labor organization, or seek to dissuade him from joining or belonging to any such organization, or to accept from any applicant for employment any agreement or promise not to join or belong to such organization.



## CHAPTER XV.

### SILVER DEMONETIZATION—HISTORICAL COMPILATION.

BY THE AUTHOR.

(For the statistical facts and much valuable matter connected with silver demonetization, as given in this chapter, the author is indebted to the *National Bimetallist*.)

At the beginning of the year 1873, the total mass of gold and silver money in the world was not far from \$7,000,000,000—about \$3,500,000,000 of each. Leaving out of consideration the paper money circulating in certain countries, this amount of gold and silver constituted the world's stock of money. In every sale of goods for cash, some of it had to be used. In every sale on credit, the person trusted had to look forward to the time when he could get a sufficient amount of money to pay the debt.

As early as 1867 the project had been mooted of establishing the gold standard in the United States, and from that time on it was quietly talked at the treasury department, by a few senators and representatives, and possibly in the highest banking circles. But it was never discussed in public, and the people were never consulted with reference to their wishes.

In 1853 the weight of the half dollars, quarters and dimes had been reduced from  $8\frac{1}{2}$  per cent., their legal tender limited to \$5.00 and their coinage on private account stopped. This was intended to prevent their shipment abroad, the effect of which had been to make these small coins scarce, causing inconvenience to those needing change.

But, Director Preston to the contrary notwithstanding, it was in no sense a demonetization of silver. The "dollar" remained a full legal tender, and its coinage was unlimited. Although a private individual could no longer have his bullion coined into half dollars, quarters and dimes, he could still have it coined into "dollars," and these dollars were lawful money the same as the gold dollar.

But on the 12th day of February, 1873, the mint law was revised, and the standard silver dollar was dropped from the list of coins. A trade dollar  $7\frac{1}{2}$  grains heavier was substituted.

As there were but few standard silver dollars in the country, this amounted practically to the demonetization of silver. The trade



CHAS. A. TOWNE, of Minnesota, was born in Michigan, November 21, 1858. He was educated in the public schools and university of that state. Admitted to the bar in 1886, and removed to Duluth in 1870. Took active part in all campaigns, but never ran for office until elected to the Fifty-fourth Congress as a Republican. The St. Louis gold platform drove him, with other thousands, into a Silver Republican party. He is now Chairman of the National committee, and no one man is doing more effective work than he against the single gold standard and the wily schemes of the money power.





dollar was not intended to be legal tender at all, but when the general revision of the statutes took place early in 1874, the legal tender of *all* silver coins was fixed at \$5. This made the demonetization of silver complete in the United States.

Silver was no longer available, except in small sums not exceeding \$5, and our vast debt, public and private, instead of being payable in "coin" of either metal, became payable in gold alone.

In 1786 the United States, then merely a confederation, adopted the double or bimetallic standard, providing for both gold and silver coins of full legal tender, but without any actual coinage, the country having no mint.

In 1792 a mint was established, and the coinage of both gold and silver was authorized at the ratio of 15 ounces of silver to one of gold.

The reader will carefully note the difference between this American ratio and that of France. At the French mint, an ounce of gold coined into the same amount of money as  $15\frac{1}{2}$  ounces of silver. At our mint an ounce of gold was only equal to 15 ounces of silver. Compared with the French mint rate, gold was worth 3 per cent. less for coinage purposes in this country than in France, while silver was worth 3 per cent. more.

Partly owing to this fact and partly owing to trade conditions, our coinage of gold was quite small, but with the exception of the years 1816-1817, we coined some each year, also coining considerable amounts of silver.

But the gold did not remain in circulation here very long. Being worth 3 per cent. more for coinage in France, it was naturally attracted to that country. When we had to make a specie payment in Europe, we sent gold in preference to silver, because it would go 3 per cent. farther in buying goods or paying debts.

This made gold scarce in our currency. To remedy it, in 1834 our ratio was changed; but, instead of adopting the French ratio,  $15\frac{1}{2}$  to 1, we jumped over it to 16, or, more accurately, 15.988 to 1. Sixteen to 1 is near enough for general discussion, and that term will be used hereafter.

The conditions of coinage were now reversed. Instead of gold being worth 3 per cent. *less* in our mint than in France, it was worth 3 per cent. more. An ounce of gold in our coinage was equal to 16 of silver, while in French coin it was only equal to  $15\frac{1}{2}$ .

The movements of specie were modified accordingly. Silver was now the more desirable metal for export, because it would make 3 per cent. more money at the French mint rate than it would here.

But, as formerly with gold, there was always some silver coined and some in circulation; so the United States was, in the fullest sense,

a bimetallic country. The American people at all times had a right to the free coinage and full use of both metals as money. The amount of the coinage was immaterial as affecting the principle.

*We had the right to coin it and use it after it was coined. This is the essential principle of bimetallicism.*

*The right existing, both metals will necessarily be used to the best possible advantage. If silver is better for export, that metal will be exported. If gold is better for export, that is the metal which will go. But whichever is exported the most largely, it will always be for FULL VALUE in return, and that which remains at home will be good and honest money for the transaction of our business.*

#### How and Why Silver Was Demonetized.

The demonetization of silver in the United States has never been satisfactorily explained.

It has been repeatedly charged that it was done fraudulently, and by criminal tampering with the official records of the United States senate. This has been just as positively denied, which was natural enough. If demonetization was accomplished by a trick, of course, those engaged in it will stoutly protest their innocence, and those who were not in the senate at the time do not know whether there was any trick or not, except as they may draw their conclusions from the *Congressional Record*.

Three things, however, are perfectly plain. First, at the time the bill passed the senate there was not a single word of debate on the subject of demonetizing silver. What discussion took place was upon other features of the bill. Second, when the bill was returned to the house with the standard dollar left out, it was concurred in without any debate whatever. Third, the daily press of that period made no mention of silver having been demonetized by the bill, and, fourth, Senator Sherman appears to be about the only prominent participant in the work who admits a knowledge that silver was being demonetized.

Senator Beck of Kentucky said on the 10th day of January, 1878:

It was never understood by either house of congress. I say this with a full knowledge of the facts.

Mr. Kelly of Pennsylvania said on the 9th of March, 1878:

Though chairman of the committee on coinage, I was ignorant of the fact that it would demonetize the silver dollar.

Senator Thurman said in 1878:

When the bill was pending in the senate we thought it was simply a bill to reform the mint, etc., and there was not a single man in the senate, I think, unless a member of the committee from which the bill came, who had the slightest idea that it was even a squint towards demonetization.

Mr. Cannon of Illinois said in 1876:

It was not discussed as shown by the *Record*, and neither members of congress nor the people understood the scope of the legislation.

And so, instance after instance might be given of prominent Republicans, Senator Allison among the number, and prominent Democrats, who were in congress at the time, disclaiming all knowledge of intentional demonetization.

At that time there was no sneering talk of "cheap," "debased" silver. The gold dollar was then the cheaper one, being worth three cents less than the silver dollar. Indeed, the only excuse that any one offers for the act is that silver was *too valuable to be coined*.

Mr. Sherman gives that as his reason, saying that the silver dollar was then worth about 3 per cent. more than the gold dollar.

In 1868, the coinage of silver dollars was 182,700; in 1869, 424,300; in 1870, 445,462; in 1871, 1,117,136; in 1872, 1,118,600, and for the first 43 days of 1873, 296,600, which rate, if continued, would have made a coinage for the year of considerably over 2,000,000.

There was absolutely *no* reason for the demonetization of silver in the United States. The small coinage of previous years was well known to be owing to the difference between our ratio and that of France.

Instead of destroying one of the metals entirely as money, the ratio should have been changed to conform to that of France, and the right of the people to the full use of both metals as money should have been preserved.

This matter, says the editor of the *Bimetallist*, is referred to at this point, not because the particular circumstances of silver demonetization are themselves so important, but because of the character of the objections now made for its restoration.

It is boldly assumed that silver was demonetized because it was "superabundant and cheap," when in fact it was then the dearer metal. *The demonetization has made it cheap—that is, compared with gold.*

In relation to other things, silver is not cheap, as will be shown further on. Nor was it superabundant, for in the year 1872 the production of gold was \$34,000,000 greater than that of silver.

The gold standardists have created the conditions adverse to silver, and now they have the hardihood to urge those conditions as a reason why it should not be restored. Figuratively, they have knocked silver down, and now kick it for falling.

However, silver was demonetized, whether openly or surreptitiously, honestly or dishonestly, its consequences were full of injustice to the American people and injury to the country.

### The Effect of Demonetizing Silver.

The effect of thus closing our mint to silver was not immediately apparent. Specie payments had been suspended since 1862, and except on the Pacific coast neither gold nor silver was in circulation.

The people were not thinking about coinage. It scarcely attracted the attention even of silver miners until a year or two later. This was because the mints of France and the other states of the Latin union remained open to the coinage of silver until about the close of the year 1873. Consequently the value of the metal was fairly sustained. For the entire year 1873 the value of the silver in a silver dollar averaged a small fraction over 100 cents.

There would probably have been no decline at all, but for the fact that the output of the mines, together with that which Germany was throwing upon the market, crowded the mints of the Latin Union beyond their capacity, causing a delay in getting returns.

But in 1874-5-6 there was a general limitation of the coinage in those countries, and silver dropped more rapidly. In 1874 the bullion value of the dollar went as low as 97 cents, the average being 98.9. In 1875 it dropped to 94, the average being 96.4, while in 1876 it went down much more rapidly, reaching 79 and averaging for the year about 89.

This heavy loss of value naturally aroused those who were engaged in producing silver; but during those years so marked and extraordinary a change in general business conditions occurred as to arrest the attention of economists, monetary writers, and business men throughout the whole civilized world.

This was nothing less than a sudden and extraordinary fall in the prices of staple commodities, accompanied by a business depression so widespread and long continued as to be characterized as "phenomenal."

During the 20 years preceding 1873 prices had risen 18 or 20 per cent.—say 1 per cent. a year. It was a period of general industrial activity, marked by many new inventions, railroad building, improvements in ocean travel, and greatly increased production. Still prices rose steadily, and take it all in all, it can be fairly said to have been the most prosperous 20 years in the world's history.

Suddenly everything was changed. Instead of continuing to rise or even to remain stationary, prices turned the other way, and descended the incline more rapidly than they had risen.

There is no higher authority living on the general course of production and the rise and fall of prices than Augustus Sauer-

beck of London. His figures are universally accepted by gold standardists and bimetallicists alike.

*Average Gold Prices of Commodities and Silver Forty-Nine Years.*

Calculated by Augustus Sauerbeck, Esq., of 3 Moorgate St. Building, London, and published in the journal of the Royal Statistical Society, London, September, 1886, March, 1892, and March, 1895. The commodities are the 45 leading articles of commerce. His work shows the greatest care and is accepted as reliable by all others who have undertaken the same work. The table is by index numbers. The 100 or index number, with which the average is compared for each year, is arrived at by taking the average prices for twenty-five years (1853-1877). With 100 thus used to represent this average price (1853 to 1877), the price of each year is compared. His calculation is on the ratio of  $15\frac{1}{2}$  silver to 1 of gold.

An examination of the table shows that the average of prices for 1871-74 was about 105. By 1879 they had fallen to 83. Thus we see that in five years prices lost more than they had gained in the previous twenty.

The prices given are English, which represents a fair average of the prices in civilized countries, except as they may be individually affected by tariffs and purely local causes.

Nothing is more common than for statesmen (?) and newspapers to assume that business conditions were all right until about the spring of 1893, when the panic of that year struck the country. Republicans generally ascribed that panic to the threatened change in our tariff policy, by the advent of the Democracy to power. Gold standard Democrats claimed that our silver legislation was the prime cause. At the present time it is claimed by gold standardists, quite generally, that "times would be good," if the "silver lunatics would stop their infernal agitation."

Hence the reader will do well to carefully note the fact that the business depression set in away back in 1873, closely following the demonetization of silver. Then it was that prices began to fall, business enterprise received a sharp check, and for the first time in our history America was filled with tramps.

The condition was so abnormal that it was observed with anxiety on both sides of the Atlantic. It is always wise to quote an opponent when it can be done to advantage; and, therefore, the following statement made in 1879, by Robert Giffin, one of the most eminent gold champions in England, and author of the work entitled "The Case Against Bimetallism," is worthy of careful consideration by gold standardists particularly.

There is a general agreement that during the last few years there has been a heavy fall in prices. The fall in cotton and iron and the various



manufactures in cotton and iron is notorious, and for the rest, the losses in trade in almost every description of business have been such as to leave no doubt of a fall in price. It is usually a fall in price which cripples the weaker borrowers and causes bad debts, and this makes a beginning of losses by which the stronger borrowers are in turn crippled, farther fall in prices ensues, and more bad debts and losses are produced. When we see so many failures as are now declared, therefore, we may be sure that they are preceded and accompanied by a heavy fall in price.

But the question for statisticians in such matter is not the fact of a general fall, but whether it can be measured and compared with other facts of a similar kind, and whether there is anything to show the fall to be of a more or less permanent character and not merely a temporary fluctuation which will be corrected by an immediate rebound; in other words, whether the average of two or three years, including the present, will or will not exhibit a decline when a comparison is made with a date two or three years back.

Looking at the matter in this more definite way, I have come to the conclusion that not only is there a decline of prices at the present time from the high level established a few years ago, but that this decline is more serious than the downward fluctuation of prices usually exhibited in dull times, and that it may be partly of a permanent character unless some great change in the condition of business should occur at an early date. I think this can be shown without difficulty with the help of some well-known figures which have been published lately, and which I propose to analyze and sum up, after which I shall proceed to discuss the causes of this apparently serious decline of prices and some of the probable consequences.

As Mr. Giffin states, a fall in prices, by reducing or destroying profits, always cripples trade and leads to business depression. Whatever the cause may have been, it is absolutely certain that the troubles began with the demonetization of silver in 1873. It was in consequence of these troubles that the movement for its restoration was initiated.

#### The Appreciation of Gold.

Keeping in mind what has been said with reference to the quantity of money, it will be easy to see why the demonetization of silver would naturally cause a fall in prices. It operated as a limitation of the money supply. Prior to that time both silver and gold had been freely coined in Europe and America. Suddenly the mints were closed to silver and nothing but gold was coined. So much gold was being used in the arts that certainly not more than one-half, and probably not more than one-third of the annual product of the mines, was left for monetary use.

Thus the supply of money was limited, while the supply of other things continued to increase.

Theretofore the only exclusively gold standard countries had been Great Britain and Portugal, with about 50,000,000 of people. When the mints of Germany, and United States and the Latin Union were closed to silver, nearly 200,000,000 more people began to put forth a demand exclusively for gold that had previously been divided between gold and silver.

The result was a sharp rise in the value of gold. That is, its purchasing power increased. It took more of other things to *buy* a given amount of gold.

*In short, prices fell.*

#### Bland-Allison Act of 1878.

This fall of prices affected the producers, and also the debtors of America most keenly. The attention of the people was directed to the fact that silver had been demonetized, and an agitation began for its restoration.

As a result, the Bland bill, providing for the free coinage of silver, passed the house of representatives. In the senate Mr. Allison offered an amendment, striking out the free coinage clause and providing that the government should buy and coin not less than two million dollars' worth, nor more than four million dollars' worth of silver bullion each month, and that the dollars thus coined should be full legal tender, "*except where otherwise expressly stipulated in the contract.*"

In this form, the bill passed, was vetoed by the president, but passed again over his veto.

The execution of this law was entrusted to an unfriendly administration. It was treated as an unwise and dangerous measure. Instead of coining the maximum of \$4,000,000 worth per month, or even \$3,000,000, which would have been the average of the extremes, only the smallest amount mentioned by the law was ever purchased and coined.

Senator Sherman, then secretary of the treasury, now secretary of state under the McKinley Republican administration, expressed the opinion that no more than 50,000,000 silver dollars could safely be coined. The New York bankers combined against it, and the silver dollar was excluded from the clearing house. It was characterized as a "dishonest," "degraded," "debased" dollar, and it was discredited in every possible way. Doubtless Mr. Sherman will now be even more subservient to the gold power than before.

Then, as now, the money power, and its subservient allies, denounced the friends of silver restoration as "cranks," "lunatics," and "knaves," "seeking to swindle honest men with cheap money."

The idea that money can be made too "dear" never enters the head of a "sound money" champion.

But in spite of all opposition the coinage went on, and the effect was beneficial.

The years 1880-82 saw a substantial reaction in business, with a slight upward movement of prices.

But the measure was not big enough to permanently relieve the situation. The purchases of silver being limited, a surplus was left upon the market, and the price of silver bullion continued to fall.

The Bland-Allison act failed to restore silver as a standard money metal. That is, the value of the bullion remained below the value of the coin. As a result, the coin was not available for export, except as bullion at a loss, and being generally rejected by the banks as a part of their specie reserve, it operated just the same as an addition of so much paper money to the currency.

About the year 1882, the national banks began to contract their circulation, which neutralized the effect of the Bland law. Prices began to drop again, and an unfavorable reaction again set in. Depression became general, both in Europe and America. By 1886 it became so acute as to arouse the concern of the British government.

#### Royal Commissions of 1886 and 1887.

In the first named year, a commission was appointed to investigate the business depression alleged to exist throughout the United Kingdom. The commission did its work with the greatest care and reported that depression was almost universal throughout Europe and America, and extraordinary in degree.

It fixed the beginning of the trouble at about the year 1873, the date of silver demonetization. It did not investigate the silver question itself, but advised the appointment of another commission for that purpose.

Accordingly, in 1887, the Royal Gold and Silver Commission was created for the purpose of investigating the causes which had led to the divergence in value of gold and silver. This commission also found widespread business stagnation, beginning about the year 1873, and that prices had fallen on an average 30 per cent.

Mr. Sauerbeck stated in his testimony that in the United States wholesale prices had fallen 29 per cent.

*It reported that the main cause for the separation of the two metals was the demonetization of silver in that year.*

But the commission, consisting of half gold men and half silver men, made no definite recommendations.

In 1886 the United States commissioner of labor, in his annual report, stated that business depression existed to an extraordinary

extent all over the civilized world, naming England as the greatest sufferer, and placing the United States second on the list.

In 1890, David A. Wells, a gold standardist, published his celebrated work, entitled, "Recent Economic Changes." The basis of the entire work was the unusual and long-continued depression existing throughout Europe and America.

He begins his book with these striking words:

The existence of the most curious, and, in many respects, unprecedented disturbance and depression of trade, commerce and industry, which, first manifesting itself in a marked degree in 1873, has prevailed with fluctuations of intensity up to the present time (1889), is an economic and social phenomenon that has been everywhere recognized.

Commenting upon the phenomena of the industrial depression subsequent to the early months of 1882, the director of the United States bureau of labor, in his report for 1886, considers the nations involved in respect to their relations to each other, and to severity of experience to stand in the following order: Great Britain, the *United States*, Germany, France, Belgium.

So, while special industries may have done fairly well, while individuals continued to get rich, as some will, under almost any circumstances, and while peculiarly favored localities have flourished (that is, the moneyed classes in them have), there can be no reasonable doubt that from the year 1873 down to 1890 general business conditions were unfavorable, and that both in Europe and America the producing and debtor classes were most seriously injured by the continuous and heavy fall of prices, cutting down profits and crippling them in their debt-paying power.

#### Competition of Silver-Using Countries.

Constituted, as the Royal Gold and Silver Commission was, no valuable recommendations of policy were to be expected. But the testimony and reports are, nevertheless, a perfect mine of valuable information.

They conclusively prove that up to the close of 1886, prices had fallen upon an average 30 per cent., and that silver measured in gold had declined at a rate almost exactly equal.

Thus it appeared that the exchange value of silver had remained almost constant, for if commodities had fallen 30 per cent. (from the gold base) and silver had done the same, it follows as a mathematical conclusion that silver and commodities had not changed in their relations to each other. That is to say, an ounce of silver would exchange for the same quantity of goods as formerly.

From this it necessarily follows that in silver standard countries prices had not fallen. The purchasing power of silver was unaffected in those countries, but gold was at a high premium.

Another fact of very great importance was developed, namely, that while the farmers and manufacturers of England and America were in distress, complaining of falling prices and hard times, the export trade of India had greatly increased, and cotton manufacturing in that country was assuming proportions of surprising magnitude.

In 1873 the total number of spindles at Bombay was 450,000. In 1886 they had increased to nearly 1,700,000.

In 1874, India had exported to China and Japan about 3,000 bales of cotton yarn. In 1886 it was 220,000 bales. And while this marvelous increase was going on, the exports of England to those countries were practically stationary. Incidentally it may be added that this extraordinary increase of cotton factories continues.

At the close of 1894, the number of spindles operating in India was nearly 4,000,000.

These Indian cotton mills supply markets formerly dependent upon England, and obtain their raw cotton exclusively at home, while the English mills exported theirs chiefly from America.

Besides, partly in England and partly on the continent of Europe, India was selling about 1,000,000 bales of cotton annually, and continues to do so, even while supplying her own rapidly increasing home demand.

The result was that the American cotton planter was brought into sharp and keen competition with the cotton grower of India, while the English factory was competing with the Indian factory.

#### Wheat from Silver Countries.

The enlarged exports of wheat from India to England also command attention.

In 1873 the amount was less than 1,000,000 bushels. In 1886 it had swollen to nearly 40,000,000, and since then it has reached 50,000,000 bushels. Every bushel of this wheat was sold in competition with American, and both in wheat and cotton the competition was on a *silver basis*.

When silver began to drop in the London market it was to the advantage of the English importer to buy in India rather than the United States. With a certain number of pounds sterling he could buy more rupees than formerly, and with each rupee he could get as much wheat or anything else in India as he could before silver was demonetized. He could therefore afford to sell a little more cheaply than the importer from America could. The lower silver went in the market, the more rupees a pound sterling would buy, and consequently the more wheat it would buy.

The stimulus to East Indian manufacturing was the same in



principle, but the process was somewhat different. When the East Indian made purchases in England, he had to convert his silver into gold at a loss. In some cases he could keep even by getting the goods at lower prices, but in others he could not. In the latter class of cases, rather than suffer the loss, he began to manufacture for himself.

The same considerations also induced the investment of English capital in East Indian cotton mills, because a given number of sovereigns would buy a greater number of rupees, and each rupee would do as much work as it ever would in India.

Thus we see that the demonetization of silver had a double effect so far as the United States was concerned. First, it lowered prices generally, by diminishing the volume of primary money in Europe and America, and second, it brought the country into direct competition with silver using nations.

#### **Producers and Non-Producers, Debtors and Creditors.**

The great fall in prices referred to not only depressed business, but it worked such a destruction of equities that it cannot be defended by any person understanding the question, who also knows the difference between right and wrong.

It injured the producer for the benefit of the non-producer, and it fell with especial severity upon the agricultural classes and other producers of raw material.

The manufacturer could generally recoup, and in a measure save himself by getting his raw material at lower rates. But the farmer, the miner, and other producers had no one behind them to whom the loss could be transferred.

At the same time the burden of the debtor was increased for the benefit of the creditor.

Every debt must be paid out of the price received for the products of labor. If the prices fall, it is the same thing as an addition to the debt.

If a man have a mortgage upon his property and the price of his product fall one-half, it takes just twice as much of it to pay the debt. In effect the debt is doubled. It may, however, result in something a great deal worse than this statement indicates.

Debts are necessarily paid out of profits. Expenses must be met before the debt can be paid, and if the price be cut below the point of profit the debtor cannot pay at all.

Take the case of a farmer with a \$5,000 mortgage on his farm. With wheat at \$1, corn at 50 cents, potatoes at 50 cents, and other things in proportion, his crop might be worth, say, \$3,000. If we suppose his total expenditures to be \$2,000, he has \$1,000 left to apply on the mortgage. He can pay the debt in five years. If

prices are cut to one-half his crop falls to \$1,500 and his expenditures to \$1,000, leaving him only \$500 to pay on his debt. Instead of paying it in five years, it will take him ten.

But as a rule it does not work so favorably for him as that. There are some things which fall very little and others which do not come down any. Taxes, interest and many other things are practically stationary.

So it may very easily happen that the value of the stock will fall below the cost of producing it, and as a result nothing can be paid on the debt. As the value of the product falls, the value of the farm itself declines, and upon foreclosure the creditor takes it all.

The predominant characteristic of the situation during the last twenty-two years has been the distress of the producing and debtor classes, *while the non-producing, money-lending and fixed-income classes have grown richer and richer, until the accumulation of wealth at the great money centers stands without parallel in the history of the world.*

One class of persons in the United States has been unaffected by the fall in prices, that is the office holders. Their salaries remain. Grover Cleveland has been getting \$50,000 annually, but in view of the appreciation of the gold dollars, paid him quarterly, now \$100,000. With this appreciated dollar he can and has bought real estate at the present depreciated price; result, when elected president a poor man, now a millionaire. The same can be said of many members of congress, etc. The laborers and agriculturists have been the chief sufferers.

#### The "Sherman Law."

On the 4th of March, 1889, the administration of General Harrison began.

All over the country there was a very general complaint of dull times, and, except in the extreme east, a strong demand for silver legislation.

When the fifty-first congress assembled on the first Monday in December, 1889, there is no doubt that a clear majority of both houses were in favor of free coinage. But the administration, Speaker Reed and a majority of the Republicans in both houses were opposed to such a measure. The senate promptly passed a free coinage bill, and sent it to the house.

But the administration had its pet scheme known as the "Windom bill." The anti-Silver Republicans being in control of the house, blocked silver legislation until sufficient pressure had been brought to bear upon the less determined silver men in the Republican party to induce them to accept the Windom bill as a substitute for free coinage.

That measure passed the house by about 30 majority, the pronounced free coinage men voting against it.

The bill provided for the purchase of four and one-half million ounces of silver bullion each month, to be paid for in treasury notes created for the purpose. These notes were to be legal tender except where otherwise stipulated in the contract, and were made redeemable in *gold*, at the option of the government, in *silver dollars*, or in *silver bullion*, at the option of the holder of the notes.

Before passing it had, however, been amended so as to admit of free coinage when the bullion was at par; that is, worth \$1.29 per ounce.

The importance of this amendment was overlooked by many people at the time.

The senate refused to concur, and the matter went to a conference committee. There the four and one-half million dollars was stricken out, and the same number of "ounces" substituted; the provision for free coinage when parity was reached was also dropped, and the notes were made redeemable simply in "coin," which, of course, means either gold or silver. In the latter form the bill passed both houses and became a law.

It received the name of "the Sherman law," from the circumstance that Senator Sherman was a prominent member of the conference committee.

If the free coinage clause had been retained and the law had been fairly executed, it is not unreasonable to believe that it might have settled the silver question. Under its operation, as it was, silver rose to \$1.20 per ounce. With free coinage in prospect, the owner of the bullion would naturally have held it back, hoping thereby to raise the market price to \$1.29, when free coinage would have taken effect, and in all probability held it at that point.

But the gold men opposed it for the same reason. Professing a desire to raise silver to a parity with gold, they were afraid of having the market "bulled." And yet almost every market quotation of *anything* in Wall street is the result of the manipulations of the "bulls" and "bears."

#### The Baring Failure.

For a time the beneficial effects of the Sherman law were quite apparent. The monetary stringency then existing in Wall street was relieved by the monthly issues of treasury notes, and business improved. But in the latter part of 1890 the great banking house of Baring Bros. in London failed, threatening disaster to the entire commercial world. The Bank of England was hard pressed and borrowed \$15,000,000 in gold from the Bank of France.

Large blocks of American securities were returned to this coun-

try and thrown upon the market, and during 1891 about \$68,000,000 of gold were exported in excess of imports. Still business moved along smoothly. As gold was exported the Sherman notes took its place, and while financial storms were raging in Europe and even away off in far Australia, in America all was serene. And so matters stood until Mr. Cleveland was elected, in the fall of 1892.

#### The Repeal of the Purchase Clause of the Sherman Law.

The gold standardists have always at heart been opposed to "the Sherman law," and had intended to force its repeal at the earliest possible day.

Mr. Cleveland was a strong friend of the gold standard, and immediately upon his election an effort was made to bring about its repeal. In the 52d congress this effort was made, and failed.

But early in 1893 trouble began to brew. The great banks of New York demanded the repeal of the Sherman law, and exerted all of their influence to that end. They refused to extend credit, alleging that they could not safely do so until that law was out of the way. In many cases they called in their loans, forcing a large number of banks into liquidation, and thousands of business houses went down in ruin. No impartial reader can peruse these truthful and undeniable statements without admitting our present and previous averments, that the money powers through the banks was and is the party responsible for the panic of 1894, and all the troublesome times that have followed. The Republican members of congress joined hands with the Democrats in the work of repeal.

The greatest panic of history struck the country, and idleness, poverty and suffering cast their blackest shadows into every quarter of the land.

It is one of the marvels of the age that it was seriously claimed, and by many good people honestly believed, that a law which up to the spring of 1893 had been undeniably beneficial in its working, which had stood as a breakwater when the tides of financial trouble were running high in gold standard countries, was the cause of the disturbance which finally reached our shores.

The McKinley law was upon the statute books during that same period, and yet life-long advocates of "tariff reform" suddenly forgot for a time their apathy to protection, and insisted that the "Sherman law" was the "Jonah." Republicans, some of whom claimed to be genuine bimetalists, joined in the hue and cry against the silver law, apparently hoping to thus protect the McKinley law.

Mr. Cleveland was elected upon the tariff reform issue, and yet he at once became imbued with the frenzied idea that the repeal of the "Sherman law" was the one great and overshadowing issue before the people.

Here we were in the midst of a "money famine," and it was actually claimed that the "Sherman law," which was giving us about \$4,000,000 of *new money* each month, was the cause of the famine. It might just as reasonably have been said, in the midst of a food famine, that food was scarce because there was too much of it.

But it was argued in all seriousness, and we were solemnly assured, that if we only cut off the supply of "Sherman notes" money would be again abundant, and business would boom.

Mr. Cleveland called congress together in extra session for the sole purpose of repealing the purchase clause of that act.

After a desperate struggle, in which the whole power of the administration was exerted to that end, the Democratic party was literally broken in two upon the question. The Republicans generally voting for repeal, the measure was finally carried on the 1st day of November, 1893.

Yes, the Democratic party was broken in two, hence the assembling in Chicago in the next national convention of the real Jeffersonian, Jackson democracy, the ignoring of the gold standard leaders, and the nomination of Wm. J. Bryan, the brave, uncompromising leader of the Free Silver party. Possibly the final result may cause the awakening of the patriotic members of all parties to this question, paramount to all others; all progress comes through sufferings, the lessons and experiences in this eventful period of our country's history have been costly.

#### The Closing of the East Indian Mint.

In the month of June, 1893, the East Indian mint was closed to the coinage of silver on private account. Within three days silver dropped from 82 cents an ounce to 63. Then it rallied back to 70 or 72 and there it stood until the "Sherman law" was repealed.

This was done mainly for the purpose of keeping up the gold value of the rupee. As the gold value of the rupee (silver coin) fell, the East Indian government, heavily in debt to England, had to turn over more and more rupees to pay a given amount in gold. It was certain that the Sherman law would be repealed, and that silver would fall heavily in consequence, carrying the rupee down with it, and injuring the East Indian government greatly in its remittances to England. So time was taken by the forelock and the mint of that country closed in the hope that the rupee, by the limitation of its coinage, would retain the value which it then had—about 16 pence in gold; with silver at par, the rupee is worth 24 pence.

This action was used as an argument in favor of a repeal, and as an additional leverage the treasury department for the months of July, August, September and October, 1893, only bought about



two-thirds the amount of silver that the law required to be purchased. The total amount bought was less than 12,000,000 ounces. It should have been 18,000,000. The excuse given for not buying more was that silver "speculators" had the market "cornered" and were charging too much. When the reader considers that all of this time the market price was hovering closely about the 70 cent mark and further that as a rule there was only a small fraction of a cent difference between the silver accepted and that rejected, the absurdity, and even the falsity, of the claim becomes apparent.

Speculation is always rife in Wall street and the "market price" of anything is what it can be bought for, when as, in this case, the purchase is compulsory. The secretary had no more right to refuse to buy silver, because he thought it was too high, than he had to enter the market as a "bear," and attempt to force the price down. "Bulling" a market is just as legitimate as "bearing" it.

This action was intended to keep the price of silver depressed and make its repeal come the easier. It was a plain violation of a mandatory provision of the law, and was as plainly impeachable as any official dereliction that ever occurred in the United States. It should also be borne in mind that there was at that time about 140,000,000 ounces of silver bullion in the treasury. It was always claimed by the gold standardists that the "market price" was the true measure of the value of that bullion. Therefore, it was to the interest of the government to "bull" the market (i. e., raise the price) rather than "bear" it, and force the price down.

If the price fell one cent, and a million ounces were bought, the government saved \$10,000 on the purchase, but the 140,000,000 ounces already in the treasury also dropped a cent an ounce, amounting to \$1,400,000. Truly that was great financiering. Save \$10,000 and lose \$1,400,000 by the same act.

All this time the law declared it to be the policy of the government to maintain the parity of the *two metals*—which could only be done by raising the market price of silver bullion.

#### The Repeal Did Not Restore Prosperity.

When the repealing act was under consideration, it was loudly proclaimed that prosperity would return within ten days after the "Sherman law" was out of the way. This was the cry of the goldite Republicans, the cuckoo Democrats and the "big" business men at the money centers.

But ten days and ten months and twice ten months passed, with prosperity still away off in the future. The fever heat of the panic had abated, but the country had settled down into a comatose state, and business was apparently dead. "It is doubtful if ever in the history of our country any *five* previous years had

shown as much of actual destitution and suffering as was crowded into the year 1894."

When that sentence was written in the *National Bimetallist*, it was correct, but the year 1896 and thus far in 1897 has far surpassed it, resulting from the same cause. If this was all, the country could possibly conform to the terrible ordeal through which it is passing; but alas! there is no rising star of hope for the future; only this to encourage, that the pressure is becoming so terrible, the bonds fastened upon the people by the gold power will finally become so oppressive, even beyond human endurance, that American citizens will rise in power and at the ballot box overthrow the plutocratic authors of all their woes.

#### Bond Issues.

Very soon after the repeal the discovery was made that something more than a mere stopping of the money supply was needed to bring prosperity. Wall street was clamorous for bonds. If issued, they would serve a double purpose. They would furnish an investment for idle capital, and when issued, would stand as a basis for national bank circulation.

So the cry was raised (at the money centers, of course,) that bonds must be issued, and then we would have "sure enough" prosperity. With an administration entirely agreed, this was easily accomplished.

In previous years the banks had furnished the most of the gold required for export. This they now refused to do, and the "endless chain" was set at work to drag the treasury.

For years it had been declared by the gold advocates that it would be "dangerous" to allow the gold reserve in the treasury to fall below \$100,000,000. But immediately after Mr. Cleveland's advent to power in March, 1893, it dropped below that figure. It kept getting lower and lower until about the 1st of February, 1894, when it was down to about \$65,000,000. Then \$50,000,000 in bonds were issued for about \$58,000,000 in gold. This gold was rapidly drawn out again, and in November, 1894, another issue of \$50,000,000 was made, and again about \$58,000,000 in gold was realized. The run upon the treasury continued, and in a little more than two months the reserve was down to \$41,000,000. Then came the never-to-be-forgotten "syndicate deal." Mr. Cleveland entered into a secret contract with Morgan, Rothschilds and others, by which they were to take \$62,000,000 in bonds at about 104½ in gold. At this time the bonds were worth 117 in the market, and a little later they were up to 120. The syndicate, therefore, got the bonds for about \$10,000,000 less than their average value in the market.

Finally came the famous popular (?) loan. Congress refused to pass a bond bill. The reserve was getting low again, and the air was full of whisperings of another "syndicate deal." An outburst of popular indignation followed and a call for popular subscriptions was made.

Mr. Cleveland rushed into print to say that there had been no second agreement with the Morgan combine, while Morgan published a letter showing that he had been invited to consult with Cleveland and Carlisle, and that some sort of an arrangement was certainly contemplated, as a result of which he had formed a second syndicate.

In the end the popular loan was a success (?). The gold was obtained. Thus far by these bond issues \$262,000,000 has been added to our interest-bearing debt. The first \$100,000,000 run ten years at 5 per cent. The remaining \$162,000,000 run thirty years with one year off, and the rate is 4 per cent. The aggregate interest on the whole \$262,000,000 will be about \$238,000,000, making a grand total that the people will have to pay of just about \$500,000,000. And the "endless chain" is still at work. Greenbacks and Sherman notes are presented at the treasury and gold demanded. The notes are paid out again and again presented for redemption.

#### Purpose of the Bond Issues.

The "Sherman Law" contained a clause declaring it to be the "established policy of the United States to maintain the two *metals* on a parity with each other upon the present legal ratio, or such ratio as may be provided by law."

In the act by which the purchase clause of the statute was repealed, it was declared to be—

The policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement, or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar in the market and in the payment of debts. And it is hereby further declared that the efforts of the government should steadily be directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States in the markets, and in the payment of debts."

The purchase clause of the Sherman law had been repealed, but the secretary still had authority to coin the silver bullion already in the treasury into dollars for the redemption of "Sherman notes."

It is declared to be the policy of the United States by *international agreement, or by legislation, to establish a "safe system of bimetallism."*

The question then naturally arises: What has been done toward carrying out that declaration?

During the 53d congress, a resolution passed both houses for a commission of nine to take part in any international conference that might be called, three to be appointed by the senate, three by the house, and three by the president. The senate and house at once named their members. The president has not named his three yet, although about two years have passed. Neither has he ever given the slightest intimation that he desires such a conference to be held.

When the author wrote this sentence, it was correct, but quite recently President McKinley, realizing that something must be done toward carrying out the action of the St. Louis convention and the pre-election promises of the party, and to hold Republicans who are really in favor of silver, has appointed a commission of three, Walcott, Stevenson and Paine. These gentlemen have sailed for Europe, and at this writing are enjoying the hospitalities of the Hotel Vendome, Paris, France, "waiting for something to turn up."

It is well understood by all the best informed money men of Europe that there is hardly a possibility, certainly not a probability, of their success, even of getting a monetary conference agreed upon. It is doubtful if one in ten of the leading Republicans of this country really believe it is possible to obtain international bimetallism; but the action of the St. Louis convention, and the promises there made, place the party in a position demanding a show favoring it. The French premier is quoted as saying that there is not the remotest likelihood that France will take the initiative in calling a monetary conference until Great Britain agrees to take a part therein if it is called. Great Britain consults her own interests only, and will maintain her present position of antagonism to silver, and for the gold standard in accord with the wishes of the money lords of Europe. The United States can play it alone if she will, and it will come to that ere long.

The same congress passed a bill for the coinage of the seigniorage—that is, the government profit on the silver bullion that had been purchased. This silver was lying idle and useless in the treasury. The revenue was beginning to fall off, and there was reason to believe that the government might need the money to meet expenses.

In no possible aspect of the question from an economical or "bimetallic" standpoint could the coinage of that silver have done

any harm. The government being already the owner of the silver, it was simply common sense to use it, and in the form of bullion nothing could be done with it.

Mr. Cleveland vetoed the bill. Why?

But one reason can be found. The bill leaned toward the restoration of silver to its place as "standard" money. The more silver we coined, the harder it would be to make it a complete outcast, and the greater would be the difficulty of landing the country absolutely upon the gold standard.

If any further proof were needed that the administration is not in favor of bimetallism in any form, we have it in its positive refusal to use silver as redemption money, and in the strenuous efforts which it has made to induce congress to retire the greenbacks, in order that the *gold reserve* might be the more easily maintained.

In pursuance of the declared policy of establishing a safe system of bimetallism, by international agreement or legislation, we have had no attempt by the administration of Grover Cleveland to secure such an agreement, although the senate and house both acted; no suggestion of *any legislation* on bimetallic lines, but, on the contrary, a veto of the bill to coin silver already in the treasury.

In fact, the only step toward "safe bimetallism" has been an addition of about \$500,000,000 to the debt of the people, coupled with a proposition to destroy national paper currency to about the same amount, and the placing of our currency system absolutely in the hands of the banks.

It is entirely within bounds to say that the fall of prices and destruction of property values, consequent upon the establishment of the gold standard in 1873, have cost the United States forty thousand million dollars. That is, at the prices of 1873, the United States would be richer today by that amount. Still this destruction of values is deemed so good a thing that, in order to continue the system under which it has occurred, the people must be plunged into debt at the rate of \$250,000,000 a year.

The bond issues are, in brief, a part of the general policy of destroying silver, retiring the national currency, and making gold the sole standard of values. This, now, as demonstrated by the union of gold standard Republicans and Democrats, in the election of 1896, is as much the policy of the *two old parties*, as it was of Cleveland. Republicans bitterly condemned him at the time, but the money power of the St. Louis convention brought the old leaders of both parties to his feet, and by his presidential official patronage, the people were conquered.



Yes, a most notorious villain;  
To see the suffering of my fellow creatures,  
And own myself a man: to see our senators  
Cheat the deluded people with a show  
Of liberty, which yet they ne'er must taste of.  
They say, by them our hands are free from fetters;  
Yet whom they please they lay in basest bonds;  
Bring whom they please to infamy and sorrow;  
Drive us like wrecks down the rough tide of power,  
Whilst no hold's left to save us from destruction:  
All that bear this are villains, and I one,  
Not to rouse up at the great call of nature,  
And check the growth of these domestic spoilers,  
That make us slaves, and tell us 'tis our charter.



## CHAPTER XVI.

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### "THE HARD TIMES."—THE CAUSE AND THE REMEDY.

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BY HON. FRANK W. EVANS.

For some time past people have been complaining of increasingly hard times. It is universally admitted that the farmers are the wealth producing portion of the people, and that prosperity in all classes of ordinary business depends largely on the success of the farmers. It was formerly thought that good crops would bring "good times," and that a failure of crops would bring a "tightening up of the times." But this rule which in the past was regarded as invariable does not hold good now. The barns and storehouses of the nation are filled to overflowing with grain and all kinds of food the farmer produces. Cattle and sheep and stock of all kinds roam in pastures or are kept in sheds and stalls. There is plenty produced by the farmer to supply all the families of our land and to spare. Yet, in the midst of all this abundance, thousands of families are unable to secure the necessities of life and have to depend on charity. It is estimated that three millions of workmen are out of employment, and are, in consequence, unable to support those who are dependent on them for a living. Many of them have in the better days of the past been able to lay up something for the future, but are now drawing upon their resources, which if conditions remain as they are will soon be exhausted. Many who have nothing but their homes, which they have secured by honest toil, and some of which are very humble, will soon see them sold for the taxes they are unable to pay, because of the want of employment. Thousands of skilled laborers are willing and anxious to exchange their labor for the food their families need, but find no demand for their services. Farmers would be glad to exchange their products for the money these men might earn that they might successfully carry on their business. But they can scarcely get enough for what they have to sell to pay for its production. Thousands of farmers, who have had to go in debt for their land and the necessary improvements, do not realize enough from their labor to pay their taxes and the interest on their mortgages. With these lamentable facts before us the people are asking "what is the cause, and what is the remedy for these hard times?" To these questions different answers

are given by different classes of advocates, Republicans, "Gold Democrats," and a class composed of "Silver Republicans," Democrats and Populists.

#### The Tariff Theory.

The Republicans who favor a high tariff claim that public confidence was largely destroyed by the substitution of the Wilson tariff bill for the McKinley bill. They say that, influenced by this loss of confidence, capitalists refused to invest their money or loan it for business enterprises, thereby restricting the circulation and producing a stagnation in business. They claim that if a tariff similar to the McKinley bill is passed confidence will be restored, factories and mills will be opened up, and thousands of men now idle will be employed and become increased consumers of farmers' products, thereby increasing the market for and prices of such products, that business will become active and prosperity be again restored. If it can be shown that a protective tariff will produce these results it will be the duty of every lover of his country to give it a cordial support. But a careful and candid investigation of the question and the facts of experience will not support this theory.

Any theory that will allow the expenditures of a nation to exceed its receipts cannot be depended on for the restoration of good times. The records of the department show that the excess of receipts over the expenditures of the government continued to decline from the time of the passage of the McKinley bill until in 1894 the expenditures exceeded the receipts by \$69,803,260, although that year the expenses were \$16,752,676 less than the year before. The expenditures under the Wilson bill exceeded the receipts in 1896 only \$26,000,000, this was \$43,803,260 less than under the McKinley bill in 1894. The revenue collected in 1896 under the Wilson bill was \$28,467,206 more than under the McKinley bill in 1894. That which was a failure in providing for the expenses of the nation cannot surely recommend itself as a means of restoring prosperity. The McKinley bill was in force in 1893; if it would be such a factor in doing away with our financial depression why did it not prevent the panic that spread over the country that year involving 15,242 failures, with \$346,779,889 liabilities?

The people of all gold standard countries are suffering with a like financial depression to ours. A high or low tariff with us certainly cannot be the cause of their hard times. We now have more manufactured goods than we have a market for. Dealers in many instances to get rid of their goods and realize the money for them are offering them at or below cost. This is not because the people do not need the goods and are not willing to buy, but because they have not the money to pay for them. It would be difficult to con-

ceive how good times could be restored by throwing an additional amount of goods on an already overstocked market.

**The Theory that the Agitation for Silver is the Cause of Hard Times.**

Republicans and Gold Democrats have claimed that one of the causes of the hard times is the agitation for silver, exciting distrust in the minds of the capitalists and causing them to withhold their money from circulation. But this assumption will not stand the test of fair criticism. When prices are falling confidence declines and money is hoarded. Men who wish to buy to sell again know that if they buy when prices are falling they can sell again only at a loss. When prices are rising confidence is restored and capital seeks investment, for men know that if they sell again on rising prices they will reap the profit that comes from a rise in prices. "That which grows dearer it is profitable to buy or hoard," as the more the price goes up the more valuable it will become. But it is not profitable to buy or hoard that which grows cheaper, for the more prices go down the less valuable it will become. When prices go up and money goes down men invest their money expecting to get the benefit of the rise in prices. But when prices are going down and money is going up they hoard their money, expecting when they do buy to get the benefit of the fall in prices.

At the commencement of 1873 there was a condition of public confidence. Business was on a sound cash basis. "Employment was abundant, wages were liberal." Farmers were getting fairly good prices for their products. They received \$1.15 a bushel for their wheat, 40 cents for their corn, 37 cents for their oats, and for other products in proportion. There was no agitation for silver, for neither silver nor gold was then in circulation. February 12th of that year silver was demonetized and the mints closed to free coinage. This was followed the same year by a panic that spread over the whole country involving 5,183 failures with \$228,499,900. From 1874 to 1878 (when the Bland-Allison bill was passed) there were 47,195 failures, with \$1,200,945,900 liabilities. This was 38 more failures in these six years than in the sixteen years preceding, and \$68,543,054 more of liabilities than in the previous years. Average prices went up from 95, as the index number in 1853, to 111 in 1873, and falling 30 from 1873 to 1878. In six years after the closing of the mints to free coinage prices lost more than they had gained in the 20 previous years.

**Prices and Confidence Under the Gold Standard.**

The fall in prices under the gold standard caused a decline in confidence and seriously affected the producers and debtors of the country. The attention of the people was called to the fact that

the silver dollar was demonetized and its free coinage stopped, and an agitation began for its restoration. As a result, the Bland-Allison bill was passed February 28, 1878. But it was defective in that it allowed the silver dollar to be discriminated against in contracts, limited the amount of money invested in silver bullion at any one time to \$5,000,000, and left it optional with the secretary of the treasury to coin the minimum amount of \$2,000,000 or the maximum of \$4,000,000. As the administration was unfriendly to silver he limited the coinage to the minimum. Yet as the amount of silver was increased confidence partially increased and times to some extent improved. But the measure was not thorough enough, many drawbacks were thrown in the way, and the purchase and coinage of silver being limited, a surplus accumulated on the market and the price of silver went down and the prices of products with it. Confidence again lapsed under the gold standard, and there was a general complaint of dull times. July 14, 1890, a compromise measure was passed, providing for the purchase of 4,500,000 ounces of gold each month, and for the coinage of \$2,000,000 each month until the 1st of July, 1891. The secretary was authorized to redeem the treasury notes issued for this silver in gold or silver at his discretion. The secretary stopped the coinage of silver as soon as the terms of the law would allow, and redeemed the notes, at least some of them, in gold instead of silver. This neutralized to a considerable extent the beneficial effects expected from the law. Yet silver went up within a month after the passage of the act to \$1.21 in New York and to \$1.19 even in London. Confidence was partially restored, the money stringency was relieved, and business to some extent revived. Cleveland took his seat as president in 1893.

Soon after his inauguration there were many press comments on the frequent conferences held by Cleveland and Carlisle with leading bankers of New York. In the latter part of April the banks for some reason that has never been explained suddenly called in their loans, and refused their usual business credits, thereby causing a panic to spread through the whole country, causing that year 15,242 failures, with liabilities of \$346,779,889. There was no visible or natural cause for this panic. Cleveland in his call said:

Our unfortunate financial plight is not the result of untoward events, nor of conditions related to our natural resources, nor is it traceable to any of the afflictions which frequently check national growth and prosperity. With plenteous crops, with abundant promise of remunerative production, and manufacture, with unusual invitations for safe investment and with satisfactory assurance of business enterprise, financial distrust and fear have sprung up on every side.

All the circumstances indicate that this panic was artificially brought about for a specific purpose, and that purpose was the



repeal of the Sherman law, as it is called, for they immediately set up a howl for its repeal, assuring us that good times would at once follow.

#### Repeal of the Sherman Law Failed to Bring Prosperity.

The following facts taken from a valuable little pamphlet entitled "Objections to Free Coinage Answered," consisting of extracts from the Dubuque *Daily Telegraph*, will show that a silver standard does not cause the confidence of capitalists to decline. Capital has sought investment in different enterprises in Japan. "A manufacturing establishment in Connecticut recently dismantled its works and shipped its machinery to Japan." Europeans and Americans are starting factories and banks in Mexico. "The Bank of London has lately doubled its capital in the city of Mexico, and the Bank of Berlin has applied for a charter in that city." The fact that capital is going to Mexico and building factories and railroads and establishing banks, causing that country to prosper as never before, and more than any state in our Union, is an ample refutation that free coinage will impair confidence in capital and prevent investment in business enterprises. Confidence depends on stable or advancing prices, and experience proves that prices must be unstable and fall where the gold standard is maintained, for in all gold standard countries prices are in that condition.

#### The Over-Production Theory.

Both Republicans and Gold Democrats attribute the ruinously low prices of farm and other products, and the consequent hard times, to overproduction. They say India, Russia, and the Argentine Republic have entered into competition with us in raising and marketing wheat, and as the price of labor is so much cheaper in those countries, they can sell at lower prices than we can. In a little book entitled "Why Times Are Hard, No. 8," is a table on page 95, taken from the reports of the secretary of agriculture and other official sources, showing that less wheat was produced in the world in 1893 than in years preceding up to 1879, and that the price was lower then than in any of these previous years. On page 96 is a table showing that the largest product of wheat in India was in 1886-7, at which time prices were much higher than 1893. It is claimed that farmers' products have overcrowded the market more than have the products of factories and mills. The reason that farmers and manufacturers cannot sell their products at remunerative prices is not because there is no demand for them, but because the people have not the money to satisfy the demand; they would buy if they could. There can be no overproduction when thousands of people are suffering for the want of the things produced. "It is not from choice that poor men and women patronize soup

houses" and other places where meals are provided out of charity. Much has been said of improved methods making products cheaper. M. Laveleye, professor of political economy in the University of Liege, Belgium, one of the best informed writers on economic science in Europe, says:

It is very easy to prove beyond a doubt that the marked and universal fall in prices is not due solely to an increase of production and to improved methods of transport. Between 1850 and 1870 the railroad development and the application of steam made greater progress than during the last ten years, new inventions of all kinds in the industrial world rapidly succeeded each other, and yet during that time production immensely increased and prices rose. 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  $2\frac{3}{4}$  per cent. per annum, and between 1870 and 1885 1 1-6 only, while prices rose during the first mentioned period from 18 to 20 per cent., and fell during the second period 30 per cent. There has been no increased production outrunning the increase of population since 1875 when prices were rising. There has been no overproduction of land, yet the price of land has materially fallen. As to the cost of transportation it has decreased because the prices of products have become so low that at the old rates dealers could not afford to ship them. Between 1873 and 1887 freight on wheat from Chicago to Liverpool was reduced about 26 cents, yet the price of wheat in that city fell more than 70 cents, showing that it was more than cheap transportation that lowered the price.

#### Money Has no Intrinsic Value.

The theory of overproduction is upon the very face of it absurd. Money is a medium of exchange for what people want. It has no intrinsic value. It is valuable only for what it can be exchanged for. The words price, cheap and dear when used in business transactions are only relative terms. When wheat is selling for one dollar a bushel, one dollar is the price in money of a bushel of wheat, and a bushel of wheat is the price in wheat of a dollar in money. When it takes two dollars to buy a bushel of wheat, we say the price of wheat is gone up, and wheat is dear. But it is equally true that the price of money in relation to wheat has gone down, and money in relation to wheat is cheap. When it takes two bushels of wheat to buy a dollar, we say that the price of wheat has gone down, and that wheat is cheap. But it is equally true that money in relation to wheat has gone up, and is dear, and so with all things for which money is exchanged. Money and whatever is exchanged for it may be compared to two

buckets in an old fashioned well, as one goes up the other goes down. When the price of what we exchange money for goes down, the price of money goes up. If increased production of commodities lowers the price of commodities, increased production of money should lower the price of money. The difficulties encountered by business men in making collections, and that thousands experience in getting sufficient money to purchase the necessities of life, indicate that money is scarce. If the theory of overproduction is true (which we deny), we have two causes for the fall of prices. First, overproduction of what we exchange for money. Second, underproduction of the money we exchange for products. The only way, then, to get rid of the hard times produced by the low prices of what money is exchanged for is to remove one of these causes. First, lessen the producing of these commodities we exchange for money. Second, or increase the producing of money. If we lessen the producing of commodities, we throw men out of employment who are now engaged in the work of producing, we will cause farms to grow up in weeds, additional factories and mills to be closed, add to the number of men unable to purchase at the stores and groceries, and compel more merchants and grocerymen to go out of business. Business will become more and more depressed, poverty and wretchedness will be immensely increased. It follows, then, that the hard times cannot be done away with, and prices restored to their normal state by lessening the production. The only way to do this will be, then, to remove the other cause by an increase in the production of money. "Oh," says the gold men, "that would be inflation; we are opposed to inflation." We now have, according to their theory, an inflation of products. Physicians use one kind of poison to neutralize another kind of poison taken into the human system. Why not, on the same principle, use one kind of inflation to neutralize another kind of inflation? Abundance of products with abundance of money to buy them would make it easier for those who are destitute to obtain the comforts of life than abundance of products with little or no money to exchange for them. An increase of the amount of money to a sufficiency to successfully transact the business of the country would not be inflation, in the common acceptation of the term. But facts show that we have not an overproduction of the necessities of life, hence the theory of overproduction is an unproved assumption.

**Patriotic (?) Bankers 1860-65.**

All the facts connected with our financial system indicate that the real cause of our hard times is the contraction of our currency until there is not enough real money in the country to supply the

demand. We propose to examine as briefly as possible the principal facts in our financial history. December, 1860, congress, to replenish an exhausted treasury, authorized the secretary to issue treasury notes to the amount of \$10,000,000, to be disposed of at the rate of interest offered by the lowest bidder. The New York banks received \$4,500,000 of these notes, and took advantage of the necessities of the government by charging 12 per cent. February 8, 1861, congress authorized a loan of \$25,000,000 bearing 6 per cent. interest. The New York banks took \$18,415,000 at a shave of \$2,019,776, or 17 per cent., besides the regular rate of interest, which was 6 per cent. July 17, 1861, after Lincoln became president, congress authorized the issue of \$50,000,000 of treasury notes not bearing interest on a less denomination than \$50, and paid them out to the employes and creditors of the government. The banks protested against their issue in the payment of taxes and public debts, and refused to receive them except as special deposits. Geo. S. Coe, president of the American Exchange Bank of New York, gave in the *Bankers' Magazine*, January, 1876, an account of the negotiations between Secretary Chase and the associated banks of New York, Philadelphia, and Boston, for a loan of \$150,000,000, to be furnished the government in three installments, sixty days apart. According to his statements they had on hand as deposits, \$125,335,838; they had in circulation (their own notes, of course), \$16,964,749, making liabilities of \$142,581,956. Their assets in coin were \$63,156,039. This was \$79,415,417 less than their liabilities. He says that August 17th, before the first payment, the New York banks had \$49,733,990; they paid their proportion, over \$80,000,000, to the government, and before the time for the third payment they had \$42,318,670, a reduction of only \$7,415,380. The last payment was not made in specie, but in demand notes, the very notes they at first refused to receive except as special deposits. Thaddeus Stevens, in a speech in congress, February 5, 1862, said:

Before the banks had paid much of the last loan they broke down under it, and suspended specie payment. They have continued to pay that loan, not in coin, but *demand notes* of the government.—*Cong. Globe*, part 1, 1861-2, p. 679.

He said in a speech February 20, 1862:

The banks took \$50,000,000 of 6 per cent. bonds and shaved the government \$5,500,000 on them. They paid for the \$50,000,000 in demand notes, not in specie.—*Cong. Globe*, part 1, 1861-2, p. 200.

#### Conduct of the Money Power, When the Government Was Struggling for Life.

Mr. Coe admits that the banks suspended specie payment because the secretary persisted in paying the notes out directly to the peo-



ple. They probably paid in the notes received for the first two payments. If they had disposed of those notes and paid the gold for new notes, instead of paying them back into the treasury, it would have kept more money in circulation, but they preferred to keep the government money contracted as much as possible. These notes were as good as gold, because they were receivable for all public dues. Sherman, in a speech in the senate July 4, 1862, admitted this, and said: "They are now far above par." John J. Knox, in "United States Notes," p. 89, also admits that they were as good as gold. He says: "They were quoted at times at about the same premium as gold." January 1, 1862, a bill authorizing the issue of \$50,000,000 not bearing interest, and which should be legal tender for all purposes, was introduced into the lower house, and the committee on ways and means, after raising the amount from fifty to one hundred millions, recommended that the bill be passed. Thaddeus Stevens, in a speech in the house, February 20, 1862, said that boards of trade, merchants, manufacturers, traders, mechanics and laborers from all parts of the country, sent up expressions of approval, and a desire to have it passed. He also said that bullion brokers and associated bankers sent their cashiers and agents to prevent its passage in the senate. Influenced by the efforts brought to bear upon it, the senate sent back the bill, as Stevens said: "So disfigured and deformed, that its very father would not know it." The act, as amended by the senate, made the notes provide for a legal tender for everything "except duties on imports," and "interest upon bonds and notes which *shall be paid in coin.*" This act discriminated against the notes in favor of coin, which the act creating the original greenbacks did not do. This act provided that \$50,000,000 of the demand notes, or original greenbacks, which were as good as gold, should be *taken up*, and the notes, with the exception clause *substituted* for them as *rapidly as possible*. This act of the senate, influenced by the bankers and bullion brokers, as all can see, tended to contract the circulation of full legal tender money and substitute for it a currency which the very terms of the act creating it depreciated. The soldiers were paid, not in the original greenbacks as good as gold, but in this depreciated currency, when gold was at a premium of \$1.81, and one dollar in gold was worth \$2.85 of these notes. The soldiers who endured the privations and hardships and suffering on the fatiguing march, on the bloody field of battle, and in gloomy prisons, received in depreciated currency \$13 a month, worth about \$4.56 in coin, while the bankers, living in luxury at home and out of danger, and speculating on the necessities of the government, were realizing immense profits. A resolution offered by General Weaver in congress to make good to the soldier what he had lost in depreciated



currency was by the men who had been laboring for the contraction of the circulation of full legal tender currency, and afterwards succeeded in establishing the gold standard, "laughed to scorn."

**The Country's Financial Condition in 1865: Contraction Recommended.**

Hugh McCulloch, formerly a bank president, was made secretary of the treasury, March 7, 1865. The country was then in a prosperous financial condition, as Secretary McCulloch admitted in his report in 1865. He said: "So far as individual indebtedness is regarded, it may be remarked that the people of the United States are much less in debt than in previous years." He seemed to think the people had too much money, and that it was his business to see that they should have less. So, in his report of 1865, he said: "There is an immense volume of paper money in circulation, and it must be contracted." He recommended that "the secretary be authorized at his discretion to sell bonds of the United States, bearing interest at a rate not exceeding 6 per cent. for the purpose of retiring not only the compound interest notes, but the United States notes." He says: "The first thing to be done is to establish the policy of contraction." December 18, 1865, congress passed a resolution endorsing the views of the secretary, and April 12, 1866, passed a law authorizing the secretary to sell bonds and with the proceeds retire treasury notes and other obligations.—*14 Statutes at Large, 37*. On pages 28-9, "Messages and Documents," Secretary McCulloch says: "Thus the condition of the country and the treasury determined the policy of the secretary, which has been to convert the interest bearing bonds, notes, etc., to *gold bearing bonds*, and to *contract* the paper circulation by the redemption of United States notes." There was no money in circulation but paper money, and this he persistently contracted by converting it into gold bearing bonds. From September 1, 1865, to September 1, 1867, he says the reduction in the circulation was \$797,725,317.39. The official records (Financial Report of 1869) show that there had been retired, counted and destroyed of the people's money, \$1,778,987,091. The effect of McCulloch's policy of contraction will appear from the following in Bolles' Financial History, p. 278: "And when congress convened in December (1867), a considerable stringency existed in the money market. The price of commodities had declined, and opposition to further contraction was loud and general." An "act to suspend the further reduction of the currency," became a law February 4, 1868.

**Silver Free Coinage.**

In 1873, while we had not resumed specie payment, we had a law which had never been repealed, providing for the free coinage

of gold and silver. The legal value of a dollar in gold and a dollar in silver was the same, but the commercial value of a silver dollar was about three or four cents more than the gold dollar. The bankers, bond holders and speculators in gold determined to keep up the policy of contraction by demonetizing the silver dollar and closing the mints to the free coinage of silver. Through their influence a bill was passed in congress, February 12, 1873, specifying the gold and silver coins authorized to be used, and omitting the standard dollar and forbidding the coinage of any money not provided for in the bill. The bill was surreptitiously, hence fraudulently, passed, for Judge Kelley, chairman of the committee on coinage, said: "I was ignorant of the fact that it would demonetize the silver dollar, or of its dropping the silver dollar from our system of coins." He would certainly have known if the bill contained anything demonetizing silver, otherwise he would have been unfit to be chairman of so important a committee. Blaine, Conklin, Thurman, and a host of congressmen say they were entirely ignorant of the demonetization of silver. The ever wide-awake, watchful reporters never mentioned it in any of the papers published in that year. Allison said: "The bill was doctored, if I may use the term. "It was changed after the discussion, and the dollar of 420 grains was substituted for it." Holman, of Indiana, stigmatized it as "a colossal swindle." He said: "I assert that the measure never had the sanction of the house, and it does not possess the moral force of law." Nevertheless, it has been accepted as law, and no one can be found except a gold standard man who will say that it was legitimately passed, or give any expression in its favor. In 1878 silver was demonetized and made a legal tender, "*except where otherwise expressly stipulated in the contract.*"

Carlisle, in Circular 123, page 54, puts our per capita circulation at \$21.10. On page 54 he represents the amount of money in the country to be per capita: Gold, \$8.41; silver, \$8.47; paper, \$5.37; total, \$22.55. As gold is all the money we have against which no stipulation can be made in the contract, it follows that our per capita amount of full legal tender is only \$8.41. In 1867 and 1872 our money was all paper, but it was full legal tender, as no stipulation against it could be made in any contract. In 1867 our per capita circulation of full legal tender was \$18.28, in 1872 it was \$18.19. We had then in 1872, \$9.28 more per capita of full legal tender money than we had in 1896. Money is the standard of measure of value. If we say a horse is worth \$100, we measure his value in dollars or money. Money, then, is the standard by which we measure the value of the horse. We have adopted the gold standard of measurement; the law of 1873 says that the gold

dollar shall be the unit of value. The gold dollar is then the standard of value under all circumstances and must be accepted as the value promised in any contract whatever the thing stipulated for in the contract may be. The silver dollar is not the measure of value; while in the form of a dollar it only represents the value of a gold dollar. Products of all kinds measured in silver are probably as high now as they ever were, but measured in gold they are not. As we have, according to Carlisle, only \$8.41 in gold, we have only \$8.41 in real money by which the value of all property is measured. Supply and demand must always regulate prices, money has its price as well as other things. When one dollar is the price of a bushel of wheat, a bushel of wheat is the price of a dollar. In this case, we exchange a bushel of wheat for a dollar, and a dollar for a bushel of wheat. When that which we exchange for money is contracted below the demand, the price of it in money must rise, and the price of the money exchanged for it must fall. When the money we exchange for other things is contracted below the demand for it, the price of it must rise and the price of the things exchanged for it must fall. That is the condition of affairs in this and all other gold standard countries now. The circulation of money has gone far down below the demand, and the price has gone up in proportion, and in the same proportion what we exchange for it has gone down. Money is hard to get, and the products of farmers and others have gone down so low that little or no profit is derived from them, and this is what has brought about the hard times. The cause of the hard times, then, is not, first, the substitution of the Wilson for the McKinley bill. Second, nor the agitation for silver. Third, nor over-production. The real cause is the contraction of the currency by making gold the only real money or measure of value. The remedy then is to put silver on an equality with gold, by making it a full legal tender against which no stipulation can be made in any contract, and giving to it the same freedom of coinage that is given to gold.

## CHAPTER XVII.

### WHAT IS MONEY?

BY LEONARD BROWN.

Whatever is declared by law an equivalent for indebtedness both to the state and to individuals is the money of civilization. Its redemption is its acceptance by the state and by individuals in obedience to the mandate of law; as the redemption of a car ticket is its acceptance on the part of the corporation by the conductor for what it is legally, not intrinsically, worth. Law is the essence of both. There is between "money" and "medium of exchange" an important distinction. Money is only a debt and tax paying token, check or ticket, while "medium of exchange" is whatever by common consent passes current. But a legal tender bill or coin forms an unexceptional medium of exchange; and a good government will see to it that no necessity exist for any other currency but legal tender. The obligation of the citizen to the state is as binding as that of the state to the citizen. We offer our lives on the altar of our country. Is the money we pay the state too poor for our acceptance from the state? Then let the state make it full money in law. It will then be full money in fact.

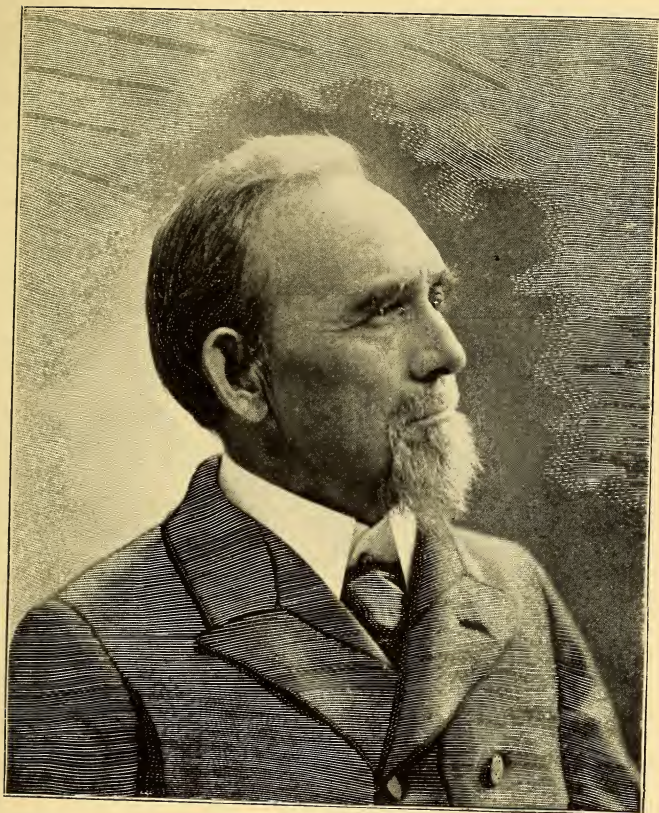
Not because either the commonwealth or individuals want metal, is coin accepted; but because the law declares it "legal tender," or "receivable." Otherwise it would not be legally accepted, and presumably not at all. No man can legally pay taxes or debts with uncoined gold or uncoined silver, because the legal value of the metals and their commercial value are not necessarily and always the same. But we can pay with legal tender paper, a money purely and distinctively, and void of every other quality, as all money should be.

#### **Uncoined Gold and Silver not Money.**

Gold and silver uncoined are not money, nor coined unless according to law by our own mints. Money is accepted for what it will legally do, not for the metal. By the decisions of the highest courts, as well as by the teachings of the greatest philosophers, from Aristotle to Benjamin Franklin, it has been settled that "money exists only in law."

The political economy that demands a metal basis for money





LEONARD BROWN, a native of Indiana, was born in 1837, and removed to Iowa in 1853. He enlisted in the Union army and discharged his duty as a soldier, serving in the Forty-seventh Iowa infantry until October, 1864, when he was then honorably discharged. He had ever taken an active part in politics. Campaigned in 1888 for Harrison, in New York, New Jersey, Connecticut, Indiana, Michigan, Illinois and Wisconsin. He is the author of several works, political, social and reformatory; in all eleven volumes.





is wrong. It would not be so bad if one people had one metal basis, another another, and no two the same. The one great and all important truth in reference to money is, that it ought always to stay at home. Not one dollar ought ever leave America. It ought to be a crime of equal heinousness in law to take a coined American dollar out of our country to a foreign land to be sold as bullion, as to counterfeit a dollar. Every dollar withdrawn increases the purchasing power of every dollar that remains—*lessens the selling price of every commodity.*

Of course it is gratifying to the cupidity of speculators in money and bullion to have what is theirs become the equivalent for more and more of what belongs to others. But to the people who toil and produce the essentials of life and happiness of mankind it is a great wrong. They see the selling price of their products and labor and their ability to meet their debt obligations constantly lessening. The money class have always fattened by taking advantage of the ignorance of the laboring class to overreach and defraud them.

#### **Monetary Conditions Should be Fixed by Law.**

If monetary conditions were fixed by law, as they ought to be, so that no artificial advantages could be created in their favor by bullion brokers and money speculators, their occupation would be gone. By means of artificial conditions they themselves designedly prepare in their own interest their immense power over the people is obtained. How heightened and intensified when government becomes their pliant tool. The following press dispatch is an illustration in point:

London, June 27.—In the House of Commons today Mr. Robert Lacy Everett asked the government whether now the value of the rupee having been artificially raised by the closing of the Indian mints to the free coinage of silver, compensation would be given to those persons in India who had entered into contracts to pay rupees without knowing that free coinage would be stopped and the value of the rupee raised. Mr. Gladstone replied that all measures modifying state currency may affect pecuniary values and influence currency transactions, but he was not aware that it had ever been the usage to make alterations subject to compensation, and he could not see how such a usage could be beneficial."

#### **Increase of Money for the General Welfare.**

The increase of money incident to the abandonment of the gold standard will operate only to establish justice, promote the general welfare and secure the blessings of liberty and prosperity to all; because the demand for labor and products of labor increases with the increase of money. The soldiers' pensions paid directly all over the Union in standard silver dollars would relieve the national

treasury of silver congestion and distribute widely the coin, greatly to the country's benefit. The more money abroad among the people the more general will be the distribution of the surplus product. The few barred the monopoly of the money will be barred the monopoly of the common product.

How little knowledge the people have of their real monetary wants is evidenced by the fact that they have acquiesced in the appointment of a commission to settle the "comparative ratio of legal value of silver to gold" the world over. All nations ought to have a different money; and that of one country ought not to be good in another. Money is a tool of internal trade only, and never of external. Foreign trade is essentially barter—product for product, and balances settled with gold and silver sold as products at their commercial price. "Money," that the constitution of the United States empowers congress to "coin," is not money outside of the boundary lines of our own great republic. The money of a country is only the tool of internal trade. To "keep it at home" is as essential as to keep the agricultural and mechanical tools at home. Money is a tool that one nation cannot supply another independent nation with unless declared by its laws "legal tender"—as, at one time, our laws did declare certain foreign coins. But no foreign coin is legal tender in the United States now.

#### **Not Desirable to Have the Money of the World the Same.**

If the money of all the world were the same and legal everywhere—a metal money limited in supply, as gold coin must necessarily be—its distribution would not be equitable; but a constant flux from one country to another, back and forth, would occur, produced by sordid "speculators on 'change"—gamblers on the common prosperity. How uncertain would be the results of plowing and sowing. How changeable the prices of all products, as the money came and went to and from the shores in obedience to the demands of speculators! The evils we now suffer from shipments of gold abroad would be intensified by the world's having a common money or metal. Of course it would be better of two or many metals than of one alone, because more plentiful, and more difficult for speculators to "corner," as is now done with gold. So vast is the wealth and power of the bullion brokers of the old world that they hold all the world's gold in the hollow of their hands. Alexander and Napoleon were pigmies in power compared with the executive of an international gold trust. All mankind under the yoke of this terrible despotism—a greater tyranny than history has any record of—the despotism of the money power!

A demand from over the sea—not for our money itself (for there is never a foreign demand for our money), but only for the

metal our money is made of, because its speculative price has reached a point in Europe above the legal value of the coin at home. is disastrous to us. Money, the value of which is fixed by law, ought not to be, at the same time, a commodity of speculation of uncertain and changeable value—commodity fluctuating, money fixed. Here in one are united two natures, distinct, different and antagonistic to each other—water and fire bottled up together—the one destructive to the other. Commodity, on which the stamp of legal value has been placed, selling for more in a foreign market than is its legal price at home, smothers the money quality as Genevra was smothered in the old chest.

Our government bonds rising and falling in price in the foreign market mark the rise and fall of the value of gold. With "green-backs" our only money of debt payment foreign holders of our bonds, mortgage notes, etc., would not ship our money, but our products abroad. It might be admissible to have metal money if it could not be transformed into the money of any other country and withdrawn from circulation in our own. Instead of the precious metals the ancient Spartans received pieces of iron which had been heated red in the fire and afterwards quenched in vinegar in order to render them brittle and useless for every other purpose but that of serving as the current specie. (See Gillies' History of Greece, page 32.)

#### **Abundance of Money Always Brings Good Times.**

It is the highest requirement of real money to be always plentiful. It is from its scarcity that hard times always come. An abundance of money was never the cause of hard times. It always brings good times and no bankruptcies. Plenty of money helps the many; scarcity of money helps the few. Plenty of money brings plenty to all; scarcity of money brings poverty to all but a few, to whom it turns over the many bound and gagged, to be scourged by them with a whip of scorpions and robbed of their all. A plentifulness of money distributed by the government, its creator, at a cost for its use of not above 1 per cent. per annum, paid by the states to the general government, of 2 per cent. paid by the counties to the states, and of 3 per cent. paid by the people to the counties on loans secured—as in Pennsylvania in 1723—only government savings banks receiving deposits—is what the age demands.

I am astonished that any thinker should propose a per capita amount. Let all the money the people want and can make the government secure for, paying only a light yearly tax into the national treasury for its use, be let out. If any one have any more at any time in his possession than he can profitably invest, he will

return it to the government, either as a deposit in the governmental savings bank or as payment on a loan. Then it will not be afloat. It will be in the coffers of Uncle Sam; and no more can be in circulation than the people think they need; and that much ought to be.

#### **Bankers Should Not be Allowed to Fix the Supply.**

We want no conclave of speculators to fix the amount. The people are king. We might as well submit to a congress of quack doctors to say how much each shall eat, leaving them to serve us like Sancho Panza, the governor of the island, was served. Let no limit be arbitrarily fixed for the money supply any more than for the food supply. Let it equal the demand; and let not the avaricious usurers longer portion it out on mortgage loans. An abundance of money is the supreme want of civilization. It will stimulate industry and increase production, that none may want for bread. A governmental savings bank in every postoffice will always keep the amount down below the inflation mark, though the government pour out money like a cloud-burst pours out water. It will be a mighty river carrying all that the land does not need back to the ocean of supply whence it came.

It is preposterous to talk of a "fixed and staple amount of money," as conditions now are. There is no certain amount of "money of final payment" in the United States today. It is accident, anarchy, uncertainty, chance, nothing determined. There is and can be no fixed amount of specie. Positively we have no provision for any money of payment at all. All the gold may be withheld from coinage by the bullion brokers, or withdrawn by them and sent abroad after being coined, and so become bullion again. And the natural sources of gold supply are uncertain, and the world's consumption of that metal is great and increasing. Besides, the gold trust owns and controls all the gold mines. Positive requirements of state and national laws compel the payment of debt (individual and public) in money; yet there exists no provision of law or institution that, with certainty, any "money of payment" shall be in existence when demanded by the necessities of government and of a debt-burdened people.

#### **The Power of the European Gold Trust.**

It is within the prerogative of the gold trust, with headquarters in Europe, to place the United States treasury in the condition of a broken bank in a moment's time by depleting it of gold coin.

We are by law made dependent on the bullion speculators of the old world for the material substance of the only money of final payment. The power to destroy all the industries and bankrupt every citizen of the United States in a second's time by the click



of the telegraph instrument is theirs. We have enthroned the bullion speculators of Europe king of America. The power they have over us is absolute; their power for good nil! Who can deny it? They say how much gold coin we may have or whether any at all. Let them speak the word, and every dollar of gold coin will be taken from us, as at the beginning of the civil war, every cent of specie, both gold and silver, was withdrawn. They will speak, and that loudly, too, when we cease to obey them and pay them tribute.

If we must have specie basis money, silver evidently is better than gold. It will "stay at home," as matters now are. Gold, freed from legal value, may become the money of foreign commerce, bringing what it will in the "markets of the world," like other metals, and "settling trade balances." Our duty is not to abandon silver, but to hold fast to it, and let there be no increase in the amount of silver metal in a dollar; for, as with all other tools, or instruments, the less the cost of the material of which it is made the better.



## CHAPTER XVIII.

### BIMETALLISM—MONOMETALLISM.

BY A. J. WARNER, PRESIDENT AMERICAN BIMETALLIC UNION.

M. Henri Cernuschi, with whom the term bimetallism originated, in an introductory note to his pamphlet entitled "Bimetallic Money," published in 1876, says:

In recommending the simultaneous employment of gold and silver as money, we do not mean either to recommend a double valuation, or a double standard; we recommend two metals, wherewith to constitute a single paying and valuating money. The nature of this money is exactly described by the term "bimetallic."

Monometallism is the use of one metal as money. In that case the one metal, gold for instance, is set apart from everything else and endowed with the money function. The number of money units then depends upon the quantity of metal devoted to monetary use. Bimetallism is the conjoint use of two metals, gold and silver, as money, at a prescribed ratio for the coins of each. In that case the number of money units that can be made from both metals depends upon the quantity of both used as money. In other words, the metals themselves are set apart as money substances with the right given to everybody to have them coined into money with full legal tender power. In the one case the mass of one metal becomes potentially the standard, in the other the mass of the two metals conjointly. Under bimetallism the standard is not, in any proper sense, a double standard, but a standard *composed of two metals instead of one.*

Up to this point there is no complication and no difficulty in the way of a clear understanding of the use of one or both metals as money. But at this point confusion in the use of terms, and especially in the idea of value, often enters. The first and most common error is in assuming that the value of either gold or silver resides in the metal itself and is independent of its use as money, instead of growing out of their uses, or the demand for them, not solely, but chiefly, for money. The idea that the metals have an independent commercial value, at which they must be taken as money, is perhaps the most common error connected with metallic money. The truth is, there is not and never has been such a thing as commercial value



GENERAL A. J. WARNER was born in 1834; served through the war, and three terms in Congress. In 1874, when on a visit to England, he there first learned that silver had been demonetized in the United States. Foreseeing the consequences that must follow, he began immediately on his return to agitate for its remonetization; although having no interest in silver mines, has continued the advocacy of the cause. He has been president of the bimetallic union since its organization.



in, or attaching to, metals, or either of them, independent of, or separable from, their money value. It is rather their money value, or money use, that determines their commercial value. In fact, the law determining the value of the precious metals is the same as that governing the value of everything else—the law of supply and demand. It is not contended that all the gold or all the silver in the world is used for money. Nor is all, or even the larger part, of either used in the arts. To claim then that the value of either metal is determined entirely by that part of it used in the arts, would be equivalent to saying that the value of a whole was determined by the use of or demand for a part only. This would be as absurd as to claim that the outflow of the Mississippi river was determined entirely by what entered the channel from the Ohio and not at all by what entered from other tributaries. The value of the whole and of every part of everything is determined by the total demand acting upon the total supply, and as the greatest demand for either metal has always been, and still is, for money, the chief source of value necessarily comes from this demand. To propose, therefore, that silver shall have the same value without the right of coinage or employment as money, as it would have with this right fully restored, is to propose what is impossible.

#### **Source of Value in Metallic Money.**

Let us go a step further in our analysis of the source of value in metallic money. The advocates of so-called "sound money" claim that value, as to gold at any rate, resides in the substance, is intrinsic, and does not depend on law or any extraneous conditions. The same was formerly held to be true as to silver, but this metal, with gold monometallists, has lately undergone a marvelous change in this respect. But the truth that the value of money does not reside in the substance in which money units are embodied, or on which the insignia of money is impressed, but in the law that bestows on them the power of legal tender—that is, makes them money—is as old as Aristotle and the Pandects.

Starting then with the axiom that it is the total demand acting upon the total supply of the metals, one or both, that determines their value, it is plain that if no gold, for instance, were used in the arts, there would be more for money, and more dollars or units of money would in that case be made, and the value of each unit would fall. On the other hand, if the law everywhere which gives to gold the power of legal tender, or that makes it potentially money, were annulled, the supply for the arts would be enormously increased and its value correspondingly diminished. The same would be true of silver if treated in the same way; and it is the withdrawal from silver of the right to coinage by a large part of the world, and thus



augmenting the demand for gold, and nothing else, that has changed the relative value of gold and silver. For if everywhere, either metal at the will of any one having payments to make, could be substituted for the other, the demand for one for money would be as great as for the other, and by this force they would be held together as one metal. In that case gold and silver would no more separate than one part of gold can separate from another part. If only the gold produced in Africa were monetized, and all other gold excluded from monetary use, there would at once arise a difference in the value of the gold produced in different quarters of the world. It is by giving the same money function to both gold and silver, and thus equalizing the demand for them, that bimetallism is made not only possible but entirely practicable. But in no other way can we have true bimetallic money.

#### Inevitable Conclusions.

The following general conclusions may therefore be stated:

First. It is not the substance on which the money function, or power of legal tender is impressed, or in which it is embodied, that determines the value of money, *but its quantity* as compared with things to be bought and sold, debts to be paid, etc.

Secondly. Nothing is money till made so by law, statutory or custom.

Thirdly. When the metals are used for money without restriction, then the number of dollars or units of money that can be made depends upon the supply of the metals and the proportion devoted to monetary use. The supply embraces, first, the stock now in the hands of man, and, second, the annual production. Deduct from this total the loss by wear and otherwise, and what remains constitutes the total stock for the time being. The annual production, when largest, amounts to but a small proportion of the total in hand, and consequently has less effect on the value of the metal, or on the supply of money, than is generally supposed. A close analysis of the law governing the value of metallic money therefore shows that it does not differ from the law governing the value of money in general. That is, if the same number of money units were embodied in or impressed upon any other material, and given the same legal tender power and use, the value of each unit and of the whole would be the same. This is but another form of statement of the law as given by Aristotle, Paulus, and Locke, that the value of money *does not depend upon the substance used but upon its quantity.*

Nor is it at all necessary that the material used for money should be used for any other purpose than for money; nor does the use of any part of the material used as money, for any other use, affect its value in any other way than by lessening the quantity that may go

into use as money. It is not necessary in order to give value to wheat for bread that it should be used for any other purpose, but if it is used for other purposes, that affects the value of wheat for bread only to the extent that it reduces the supply for bread; so with gold and silver or anything else.

When gold and silver are used for money, if their use be unrestricted, there is a natural limitation to the quantity of money through the limitation of the supply of the metals; and thus in a general way, and approximately, the supply is left to the same kind of regulation which governs the supply of everything else.

It goes without saying that the supply of both gold and silver is greater than the supply of either alone. It is generally conceded, too, that the aggregate supply of both is steadier and more permanent than the supply of either alone, and therefore that the total variation in the supply, and consequently in the value of both, is less than in either alone. The experience of all the past shows too that there never has been an excess of both metals for money, but on the other hand, that the supply of one alone has never been sufficient to answer the demands for it and prevent its appreciation.

With gold monometallism there is no other outcome than a *continual increase in the value of gold and fall in prices*. With bimetallicism, the conjoint use of both metals, the supply can probably be relied upon for a considerable time, at least, to keep pace with population and wealth, and thereby maintain fairly stable relations between money and property. For, at bottom, the question of monometallism or bimetallicism is one of money supply and upon an adequate money supply depend the prices of all property, the prosperity of the industrial world and the welfare of mankind.

## CHAPTER XIX.

### WILL BIMETALLISM BE RESTORED UNDER M'KINLEY.

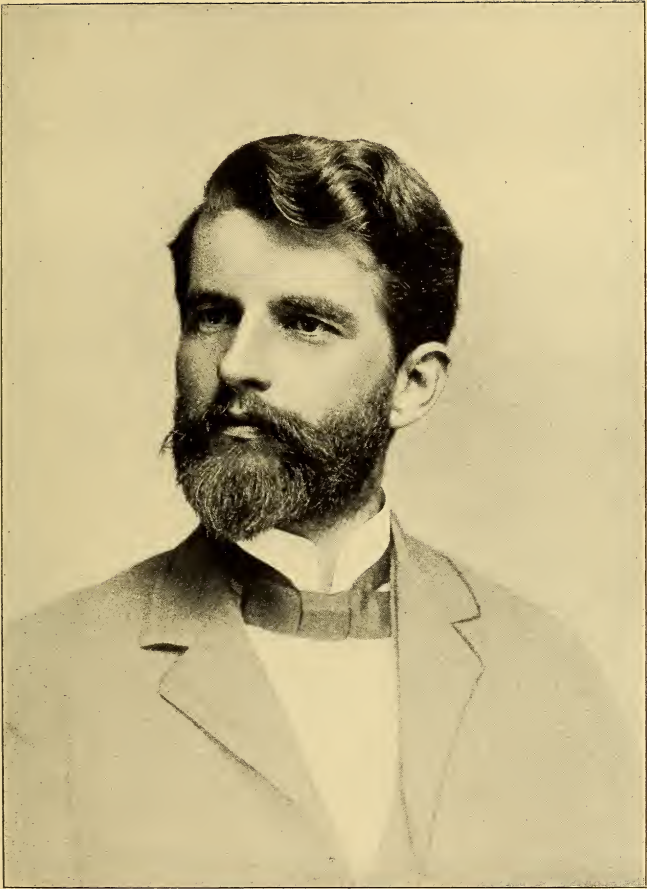
BY THE AUTHOR.

This sincere and earnest inquiry is made by thousands who voted against Mr. McKinley and the single gold standard last November, and now by many who voted for him. His opponents, laying aside all partisan feeling, would be glad to see the restoration of bimetallism from whatever party or source it may come. The men who thus voted against the Republican party have since, even more carefully than before, studied the subject, and believing the demonetization of silver, and the adoption of the gold standard, to be a ruinous system, against the interest of the citizen and the nation, and realizing that there can be no permanent relief from the present deplorable conditions, no prosperity so long as the existing financial system is adhered to, they would gladly see the party in power, though not of their choice, do the best thing for the prosperity of all the people. Prosperity is the name of a state of business activity. It is that condition in which money is seeking investments in other forms of wealth, because of the greater prospects of profits in having one's wealth than in money. This is a sufficient answer to those who think there can be better times under the present financial system.

One encouraging indication for the future comes from the fact that thousands who voted for Mr. McKinley and the single standard under the flattering promise of better times, finding all promises failures, and having had time to study the subject for themselves, now declare their intention to vote for a return to the use of both metals on terms of equality, but for the reasons hereafter stated, they have no hope from the present administration.

This is the apparent condition at the opening of the campaign of 1900. All admit the main issue to be on the financial question, very little, comparatively, being said or written upon any other topic. The question then resolves itself into this, which of the two forces, the money power or the people, will win?

If there were no extraneous conditions or circumstances to be considered, the majority would answer, as a despondent citizen did to the writer this date: "No use fighting money, it will win, just as it did last year; money rules the world."



MARION BUTLER, a native of North Carolina, was born May 20, 1863. Graduated from the North Carolina University, 1885, and elected to the state senate in 1890. In 1892 he commenced the work of organizing the People's party. As chairman of the executive committee he has made a remarkable success in the building up of that party. He was elected United States Senator in 1895. His term of service will expire March 3, 1901.





The friend was answered that the changed conditions from 1896 indicated hope, in fact, almost certainty that 1900 would show a great change and secure success. He was reminded of the sufferings condition of the country, far more intense than at the time of the November election, and to the fact that many Republicans voted with their party then, under the promises of better times to follow immediately; they had been grievously disappointed; further, that the people of all parties were studying the money question, and having looked over the history of their country from the time of the adoption of the constitution, authorizing congress to *coin* money and regulate the value thereof, also of foreign *coin*, and that the first congress, in conformity with that authority, adopted *silver and gold* as money, enacting the monetary unit to consist of  $371\frac{1}{4}$  grains of pure silver; gold at the same time made money, the dollar to contain 23.2 grains of the pure metal.

In view of the changed condition above referred to, if the party in power adhere to the single gold standard as proclaimed at St. Louis, victory is sure for the constitutional money party, the party of the people in 1900, if not before. In answer to the inquiry, "Will bimetallism be restored under McKinley?" the writer regretfully answers in the negative, and for the following reasons:

#### President McKinley in the Hands of the Money Power.

The power that forced the gold standard upon the party at St. Louis, having now obtained complete control of that party, is just as anxious to perpetuate the system, and for the same reasons. It had persistently, though quietly, for many years worked for its adoption.

#### McKinley for Silver in 1893.

It is said in reply by Republicans yet of that party, but favorable to the use of silver: "The president has declared that he will exert all his influence in favor of the use of silver." Admitted, and possibly if McKinley could act independently he would redeem that promise, and the fact is called to mind that Mr. McKinley, in a speech made in Toledo, O., in 1893, speaking of President Cleveland, said:

During all of Grover Cleveland's years at the head of the government he was dishonoring one of the precious metals, one of our great products, discrediting silver and enhancing the price of gold. He endeavored, even before his inauguration to office, to stop the coinage of silver dollars, and afterwards, and to the end of his administration, persistently used his power to that end. He was determined to contract the circulating medium and demonetize one of the coins of commerce, limit the volume of money among the people, make money scarce, therefore

dear. He would have increased the value of money and diminished the value of everything else, money the master, everything else the servant.

These are noble sentiments, worthy an American citizen. Many like expressions came from Mr. McKinley while in congress, and he is generally credited with being at that time, and up to the assembling of the St. Louis convention, a friend of bimetallism. He then claimed, and yet claims, to be friendly to silver, but his hands are tied, because of the proviso of the St. Louis platform. England, being a creditor nation, will not adopt a bimetallic policy, believed to be, and probably is, against its interests.

If, in 1893, discrediting silver by Mr. Cleveland had such a baneful effect; if demonetizing one of the coins of commerce made money scarce and dear, thus diminishing the value of everything else, then what is there to prevent the same cause producing the same effect in 1897? Mr. McKinley is placed in an unfortunate position, claiming to be friendly to silver and also claiming by his protective policy to be "an American of Americans," with his hands tied by the platform on which he was elected, and which he unreservedly accepted, he therein endorsed the gold standard, repeating his adherence to it in his inaugural.

As the chosen representative of the Republican party, we ask, if the demonetization of silver did no harm, why should he ask the co-operation of other nations to remonetize it?

If the restoration of silver will do no good, why say to other nations remonetize it and we will?

If the demand for free coinage is merely a dishonest attempt on the part of silver miners to get a dollar for 50 cents' worth of silver, why should this proposal of dishonesty be endorsed by international agreement?

Mr. McKinley has widened the gulf between himself and the people, and added to the chains that bind him to the money power, contradicting the sentiments he uttered in 1893 in congress and before the people by choosing for his cabinet none but bankers and millionaires, possibly excepting one. Can any friend of bimetalism, be he Republican, Democrat, Populist or Silver Republican, cherish the most distant hope for the restoration of silver, or for any better times, during the presidency of Mr. McKinley? The president's counselors are all able men, but their interests are all for the continuance of the present money system, the making of the rich richer.

Who can doubt where McKinley's secretary of state, John Sherman, will stand on all monetary questions involving the interests of capital. There need be no doubt, he will stand where he has for the last thirty-five years or more—for the capitalists, and against the people. It is indeed not in evidence that a philanthropic thought

ever entered the brain of John Sherman, or a humanitarian emotion his gold hardened heart.

The new secretary of the treasury is an honest man, but a devoted, earnest supporter of the gold standard, a banker with all his sympathies with the money interests. So it may be said of other members of Mr. McKinley's cabinet. *All* are expected to work in accord with the Republican party platform and its interests.

When it came time for the president to speak, the people had been assured that relief measures would be proposed, and, further, that relative to foreign matters, the unsympathetic Cleveland silence would be condemned. Encouraging words for the patriots of Cuba and Hawaii were confidently promised. Alas! all in vain; McKinley has in that respect out-Clevelanded Cleveland, greatly to the disappointment of all sympathizers with and for people struggling for the boon of self-government.

The relief measures promised, where, oh, where are they? As in the past, in promise only. No change recommended from the Cleveland administrative measures. Bonds, "payable in coin," are to be paid in gold, thus continuing its enhancement in value, and the continued depreciation of all American products, requiring twice and thrice in quantity to pay the appreciating value of the gold dollar.

With all these unwelcome but truthful statements before them, if any Republican has cherished a hope that bimetallism will be restored by the McKinley administration, the expectation may as well be banished. Every movement by that party, in congress and out, confirms the position of the bimetallic party, that the only hope for a return to bimetallism is in the election of a congress in 1898 that will, as far as possible, stop farther mischief by the present administration, and the election of the candidate of the bimetallic party for president in 1900.

## CHAPTER XX.

### A COMPOUND UNIT OF VALUE.

BY THE AUTHOR.

Many economic writers of prominence have in the past century laid stress on a compound unit of value, to be used as a medium of exchange instead of a metal coin of either gold or silver. The idea has been popularized in this country mainly by the writings of Hon. E. B. Andrews, president of Brown university, Providence, R. I. President Brown's high standing among economic students was recognized when he was appointed by President Harrison as an American delegate to the international monetary conference which met in Brussels in 1892. He is opposed to the single gold standard.

He has presented with singular clearness, in Par. 87 of his *Institutes of Economics* (Boston, 1889), the proposition that an ideal monetary system would be one based upon the compound standard unit; because, with that unit maintained, general prices would neither rise nor fall. According to this theory, the operation of keeping to the compound standard unit would be by the critical summation, at intervals, of the prices of definite quantities and qualities of numerous articles, each having prominence in the result, according to the amount of it consumed. If the sum as reckoned today exceeded the sum at the last reckoning, prices have risen, the purchasing power of the monetary unit has fallen. A lessened sum at the second reckoning would mean falling prices, dearer money. Rising prices could, by this system, so its advocates claim, be checked by a judicious contraction in the circulation, as falling prices could by the proper expansion of the circulation. President Andrews believes, however, that bimetallism would for a very long time render quite unnecessary any artificial contraction or expansion, and would of itself continue general prices quite steady.

#### Gold and Silver of the World.

The monetary systems of different nations, and of our own have enlisted more of public attention, and are now more closely studied by intelligent American citizens, than ever before. "The Silver Side Text-Book" will not be expected to give an exhaustive



HENRY RIEGELMAN, the efficient faithful treasurer of the Iowa State Democratic Committee, was born in Marion, Ind., April 15, 1854. He was educated in the public schools of that state and graduated from the Terre Haute academy, one of the finest educational institutions of the United States. He came with his father's family to Iowa in 1870, and has since resided in Des Moines, now one of the leading business men. He was elected treasurer, his present official position in the Democratic party, in 1892, and re-elected in 1896.





analysis of the subject. Nevertheless, every one interested would like to have the following questions answered: How much of the metals denominated precious have been produced since the discovery of America? How much in the United States? How much has been coined in the United States, and the proportion of each? What quantities have been exported and imported? What is the ratio in value in gold and silver in the leading nations of the world? What was the amount of money in the country *per capita* from 1860 to 1894? These questions are answered from reports made by the secretary of the United States treasury, carefully studied by the author and may be relied upon as strictly accurate.

In responding to the question, "What is the ratio in value of gold and silver in the leading nations of the world?" the following table, taken from the annual report of the secretary of the treasury for 1893, makes full and clear answer, to which is added the population and per capita ratio of every country named:

MONETARY SYSTEMS OF THE WORLD.

FROM THE ANNUAL REPORT OF THE SECRETARY OF THE TREASURY FOR 1893.

COUNTRIES.	Monetary system.	Ratio between gold and full legal tender silver.	Population	Stock of gold.	STOCK OF SILVER.	PER CAPITA.	
					Total.	Gold.	Silver.
United States.	Gold and silver.	1 to 15.98	68,900,000	\$626,600,000	\$625,300,000	\$ 9.09	\$ 9.08
United Kingdom . . .	Gold . . . . .		38,800,000	550,000,000	112,000,000	14.18	2.88
France . . . . .	Gold and silver.	1 to 15½	38,800,000	825,000,000	492,200,000	21.54	12.85
Germany . . . . .	Gold . . . . .		49,400,000	625,000,000	215,000,000	12.65	4.35
Belgium . . . . .	Gold and silver.	1 to 15½	6,200,000	55,000,000	54,900,000	8.87	8.85
Italy . . . . .	Gold and silver.	1 to 15½	80,500,000	96,000,000	30,000,000	3.15	0.98
Switzerland . . . . .	Gold and silver.	1 to 15½	2,900,000	15,000,000	15,000,000	5.17	5.17
Greece . . . . .	Gold and silver.	1 to 15½	2,200,000	500,000	3,000,000	0.23	1.36
Spain . . . . .	Gold and silver.	1 to 15½	17,500,000	40,000,000	166,000,000	2.29	9.48
Portugal . . . . .	Gold . . . . .		4,700,000	38,900,000	24,800,000	8.27	5.28
Roumania . . . . .	Gold and silver.		5,800,000	15,000,000	8,500,000	2.59	1.46
Servia . . . . .	Gold and silver.		2,200,000	3,000,000	1,900,000	1.36	0.86
Austria-Hungary . . . . .	Gold . . . . .		43,200,000	130,000,000	121,000,000	3.00	2.81
Netherlands . . . . .	Gold and silver.	1 to 15½	4,700,000	27,600,000	56,500,000	5.87	12.02
Norway . . . . .	Gold . . . . .		2,000,000	7,300,000	1,900,000	3.65	0.95
Sweden . . . . .	Gold . . . . .		4,800,000	6,500,000	4,800,000	1.85	1.00
Denmark . . . . .	Gold . . . . .		2,200,000	14,200,000	5,400,000	6.46	2.45
Russia and Finland . . . . .	Silver . . . . .	1 to 15½	124,000,000	455,000,000	48,000,000	3.67	0.38
Turkey . . . . .	Gold and silver.	1 to 15½	89,200,000	50,000,000	40,000,000	1.27	1.02
Australia . . . . .	Gold . . . . .		4,700,000	105,000,000	7,000,000	22.34	1.49
Egypt . . . . .	Gold . . . . .		6,800,000	120,000,000	15,000,000	17.65	2.20
Mexico . . . . .	Silver . . . . .	1 to 16½	12,100,000	5,000,000	50,000,000	0.41	4.13
Central Am. States . . . . .	Silver . . . . .	1 to 15½	3,800,000	500,000	8,000,000	0.15	2.42
South Am. States . . . . .	Silver . . . . .	1 to 15½	36,000,000	40,000,000	30,000,000	1.11	0.83
Japan . . . . .	Gold and silver.	1 to 16.18	41,000,000	80,000,000	88,300,000	1.95	2.14
India . . . . .	Gold and silver.	1 to 15	296,000,000	.....	950,000,000	.....	8.21
China . . . . .	Silver . . . . .		360,000,000	.....	750,000,000	.....	2.08
Straits Settlements . . . . .	Gold and silver.		3,800,000	.....	115,000,000	.....	3.26
Canada . . . . .	Gold . . . . .		4,800,000	14,000,000	5,000,000	2.92	1.04
Cuba . . . . .	Gold and silver.	1 to 15½	1,600,000	18,000,000	1,500,000	11.25	0.94
Hayti . . . . .	Gold and silver.	1 to 15½	1,000,000	2,000,000	2,900,000	2.00	2.90
Bulgaria . . . . .	Gold and silver.	1 to 15½	4,300,000	800,000	6,800,000	0.18	1.58
Total . . . . .	.....	.....	.....	\$3,965,900,000	\$4,055,700,000	.....	.....

The total of the gold product of the world, 1493 to 1893, was 406,306,476 ounces, value \$9,399,181,000. Of silver in the same time, 7,664,023,716, value \$9,909,041,000. From this statement it will be learned how nearly equal these vast quantities of the two metals have been in total value.

#### Product of Gold and Silver of the United States.

In 1792 gold had been produced to the value of \$14,000,000, amount of silver "insignificant." July 31, 1834, to Dec. 31, the value was of gold \$7,500,000, of silver \$250,000. In 1860, the production of gold amounted to \$46,000,000 and silver only \$150,000. In 1870 California's rich mines had commenced adding their rich treasures to the wealth of the country and there was added that year in gold \$50,000,000 and in silver \$16,000,000. In 1880 the tide had turned in favor of silver, gold products \$36,000,000, silver, \$39,200,000. In 1893, gold \$35,955,000, silver \$77,576,000. Total product of gold from 1792 to 1893, \$1,973,836,769, of silver total, same time, \$1,232,849,000. Add the mint reports for 1894 \$39,500,000 gold, silver, coinage value, \$64,000,000, and we have a grand total of the world's production in value, gold \$8,579,876,300, and of silver value \$10,129,129,000, the two precious metals produced in our own country amounting to \$3,206,685,769; again showing during the nineteenth century, how nearly equal, and companionable in interest, the two had traveled together the one hundred years. The making of these two metals to constitute our standard dollars displayed the wisdom of the founders of the government, notwithstanding the base attempt of some of their degenerate posterity in 1873 to gratify their greed by debasing one of these metals, the one nearest the people, being the cheapest, hence their ordinary and most useful medium of exchange.

#### Coinage of the United States Mints.

From the organization of the mints in 1792 to 1894 there had been coined in pieces of all denominations gold to the value of \$1,711,886,288; silver coinage, \$675,954,221.30. Add to this amount nickel, bronze and copper pieces \$26,248,117.33 and we have the total—gold coinage, \$2,944,058,465, and of silver and other metals, \$2,414,082,626.63.

#### IMPORTS AND EXPORTS OF GOLD AND SILVER.

##### Why we used and legalized foreign silver.

From 1864 to 1894 .....	gold imports, \$765,719,950	exports, \$1,317,240,101
From 1895 to .....	gold imports, 35,146,784	exports, 76,978,061
Total of gold .....	\$800,866,634	\$1,394,218,162
From 1864 to 1894 .....	silver imports, \$430,240,690	exports, \$811,379,453
From 1895 to .....	silver imports, 9,552,520	exports, 47,227,379
Total of silver .....	\$439,793,210	\$858,606,770

## MONEY IN THE COUNTRY AND IN CIRCULATION.

JUNE 30, 1895.	General stock, coined or issued.	In treasury.	Amount in circulation July 1, 1895.
Gold coin.....	\$579,422,971 00	\$ 99,147,914 00	\$480,275,057 00
Standard silver dollars.....	423,289,219 00	371,306,057 00	51,983,162 00
Subsidiary silver.....	76,772,563 00	16,552,845 00	60,219,718 00
Gold certificates.....	48,469,959 00	88,390 00	48,381,569 00
Silver certificates.....	328,894,504 00	9,162,752 00	319,731,752 00
Treasury notes, Act July 14, 1890.....	146,088,400 00	30,109,692 00	115,978,708 00
United States notes.....	346,681,016 00	81,571,560 00	265,109,456 00
Currency certificates, Act June 8, 1872..	55,755,000 00	350,000 00	55,405,000 00
National bank notes.....	211,691,035 00	4,643,489 00	207,047,546 00
Totals.....	\$2,217,064,667 00	\$612,932,699 00	\$1,604,131,968 00

The amount of money in the country, per capita, was \$31.73, and the amount in circulation, per capita, \$22.96.

Previous to 1860, our silver was all foreign, largely Spanish, Mexican and Canadian; *we wanted silver coin for use and congress made all foreign coins legal tender.* Jefferson and Jackson both recommended that because of the scarcity of silver it would be better to coin dimes, quarters and halves, hence only eight millions were coined into dollars previous to 1873. Opponents of silver have designedly perverted this circumstance, asserting that these two prominent democrats were opposed to the use of the silver dollar.

This statement, obtained from official sources, shows the important part our coinage system has contributed toward the marvelous growth and prosperity of the country. Wherefore the desired change from the gold and silver standard, from bimetallism, to the single gold standard, was partially effected, unbeknown to the people, in 1873, and the nefarious scheme was fully accomplished by the now dominant party in 1896.

In other chapters of this work will be found a complete history of the demonetization of silver, giving its origin and the motives of the prime movers. In a sentence it can be said, it is an attempt of the money power to get entire legislative as well as business control of national interests. The closing political presidential campaign of the century will decide the question.

Reader! rejoice that you are permitted to participate in this conflict between right and wrong. True, you are not called upon as were your ancestors in the closing years of the 18th century with musket and bayonet to meet British bayonets and bullets, to fight for liberty from England's crowned king, but you are called to a battle field no less important in its results, with the ballot to fight British gold, and overthrow a plutocratic power, seeking to make this like unto those countries where money has already

gained the control, and the people are subject to aristocratic class rule.

To fight,

In a just cause, and our country's glory,  
Is the best office of the best men;  
And to decline where these motives urge,  
Is infamy beneath a coward's baseness.





## CHAPTER XXI.

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### AMERICAN BIMETALLIC UNION.

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#### Its Address to the People.

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BY GEN. A. J. WARNER.

Every bimetallist should know of the existence of this efficient organization, and through a local auxiliary union put himself in connection with it. In the campaign of 1896, probably no organization exceeded it in usefulness. Its history can be briefly given. A conference of well-known bimetallists was held in Washington, D. C., January 22, 1896, which resulted in the formation of the union, and the election of Gen. A. J. Warner, president; R. C. Chambers, Henry G. Miller, vice-president; Thos. G. Merrill, treasurer; Edw. B. Light, secretary. A committee was appointed to issue an address; Senator John P. Jones, chairman. The address was reported and read by the chairman, and although one year has passed and the campaign of 1896 fought on the principles therein set forth, no bimetallist would change a sentiment enunciated. Its principles as set forth are as sacredly truthful today as then, and are here repeated, for the very good reason that the issues are the same, and cannot be better stated. There is not a word of change necessary to adopt it to the necessities of the great 1900 campaign.

#### Resolutions and Address to the People of the United States.

The paramount issue at this time in the United States is indisputably the money question. It is between the gold standard, gold bonds and bank currency on one side, and bimetallic standard, no bonds, and government currency on the other.

On this issue we declare ourselves to be in favor of a distinctively American financial system. We are unalterably opposed to the single gold standard, and demand the immediate return to the constitutional standard of gold and silver by the restoration by this government, independently of any foreign power, of the unrestricted coinage of both gold and silver into standard money, at the ratio of 16 to 1, and upon terms of exact equity, as they existed prior to 1873; the silver coin to be of full legal tender, equally with gold, for all debts and dues, public and private.

We hold that the power to control and regulate a paper currency

is inseparable from the power to coin money; and hence that all currency intended to circulate as money should be issued, and its volume controlled, by the general government only, and should be legal tender.

We are unalterably opposed to the issue by the United States of interest bearing bonds in time of peace, and we denounce as a blunder worse than crime the present treasury policy, concurred in by a Republican house, of plunging the country in debt by hundreds of millions, in the vain attempt to maintain the gold standard by borrowing gold; and we demand the payment of all coin obligations of the United States, as provided by existing laws, in either gold or silver coin, at the option of the government, and not at the option of the creditor.

Whereas, The demonetization of silver in 1873 enormously increased the demand for gold, enhancing its purchasing power and lowering all prices measured by that standard; and

Whereas, Since that unjust and indefensible act the prices of American products have fallen upon an average nearly fifty per cent., carrying down with them proportionately the money value of all other forms of property, except in peculiarly favored localities; and

Whereas, Such fall of prices has destroyed the profits of legitimate industry, injuring the producer for the benefit of the non-producer, increasing the burden of the debtor and swelling the gains of the creditor, paralyzing the productive energies of the American people, relegating to idleness vast numbers of willing workers, sending the shadows of despair into the home of the honest toiler, filling the land with tramps and paupers, and building up colossal fortunes at the money centers; and

Whereas, In the effort to maintain the gold standard the country within the last two years, in a time of profound peace and plenty, has been loaded down with \$162,000,000 of additional interest bearing debt under such circumstances as to allow a syndicate of native and foreign bankers to realize a net profit of \$10,000,000 on a single deal; and

Whereas, Another call is pending for a future gold loan of \$100,000,000, which, but for an outburst of popular indignation, would also have been negotiated in the same secret manner and through the same syndicate; and

Whereas, It stands confessed that the gold standard can only be held by so depleting our paper currency as to force the prices of our products below the European and even below the Asiatic level, in order that we may sell in foreign markets, thus aggravating the very evils of which our people so bitterly complain, degrading American labor, and striking at the foundations of our civilization itself; and

Whereas, The advocates of the gold standard persistently claim that the reason of our distress is overproduction—that we have produced so much that it has made us poor, which implies that the true remedy is to close the factory, abandon the farm and throw multitudes more out of employment—a doctrine that leaves us absolutely without hope for the future; and

Whereas, The difference of exchange between silver standard countries

and gold standard countries is equivalent to a bounty, equal to the difference between the value of gold and silver, in favor of the products of the silver standard countries exported to silver using countries; and

Whereas, The cost of production otherwise in the old world, and particularly in China and Japan, is far less than the cost at which similar products can be produced or manufactured in this country by American labor without reducing our farmers, miners, mechanics, manufacturers, and other industrial workers to the level of Chinese coolies;

Therefore, be it resolved, That over and above all other questions of policy, we are in favor of restoring to the people of the United States the time honored money of the constitution—gold and silver, not one but both—the money of Washington and Hamilton and Jefferson and Monroe and Jackson and Lincoln, to the end that American people may receive honest pay for an honest product; the American debtor pay his just obligations in an honest standard and not in a standard that is appreciated 100 per cent. above all the great staples of our country; and to the end further that silver standard countries may be deprived of the unjust advantage they now enjoy in the difference between gold and silver—an advantage which tariff legislation alone cannot overcome.

We therefore confidently appeal to the people of the United States to leave in abeyance for the moment all other questions, however important, and even momentous, they may appear, to sunder if need be all party ties and affiliations, and unite in one supreme effort to free themselves and their children from the domination of the money power—a power more destructive than any which has ever been fastened upon the civilized men of any race in any age. And upon the consummation of our desires and efforts we invoke the gracious favor of Divine Providence.

November 7, 1896, after it was known that the bimetallic forces had been defeated, the following address was issued. Possibly before "The Silver Side" goes to press, General Warner writes the author, that a later appeal may be sent out, if so it will appear. Nothing can be better, however, than the following, coming directly to the great question at issue, and to be decided in the campaign of 1897-1900, either for the weal or woe of the people. For full information of the work, organizing local unions, etc., address any of the officers, care American Bimetallic Union, Washington, D. C.:

#### **To the Silver Leagues and Bimetallic Unions of the United States.**

Silver has lost in this election, but the battle for the overthrow of the gold standard has not ended. The disastrous consequence that must attend upon the continuance of this standard makes it impossible to relinquish the struggle against it until it is finally overthrown.

The gold standard cannot be maintained by increasing revenues, because revenues are not paid in gold. The attempt to maintain the gold standard by perpetual loans must also sooner or later fail. The only other

way is by contracting the currency and forcing down prices so low that gold will come here of itself in such quantities as to constitute, in part at least, the currency with which revenues are paid, and no debtor nation can long maintain such a policy. Either course, therefore, leads to inevitable ruin; the one by bankrupting the government, and the other by bankrupting the people. Either policy will subject the United States absolutely to British domination, and hence the rejoicing of the British press over the defeat of silver here.

The victory for gold is a victory of trusts and syndicate wealth, brought by corruption and coercion, and not a victory of the people or for the people, and it cannot last. There must be an end to the issue of bonds in the time of peace. There must also be an end to the constant appreciation of money and fall of prices. The appreciation of money alone, if allowed to go on at the rate it has gone on for the last 20 years, will, in half a generation more, transfer the bulk of all the wealth of this country from those who have created it to the hands of the few who control the money and own the debts. No power can be conceived so potent to gather wealth into few hands as the ceaseless, all pervading power of the appreciating money standard. No civilization can stand against it. It must end or the foundation upon which free institutions rest will be broken up.

The battle, therefore, for the restoration of silver must go on without abatement, and I urge all silver and bimetallic leagues and unions to keep up their organization and to continue the fight till victory for the people is finally won.

The noble fight made by our intrepid leader in the campaign just ended endears him to all who believe in the righteousness of our cause, and under his leadership we believe victory will be won in 1900.

A. J. WARNER, President American Bimetallic Union.

## CHAPTER XXII.

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### UNITED STATES SENATORS' SILVER ADDRESS.

It is generally well known that the withdrawal from the St. Louis National Republican convention of Senators Teller, Dubois, Cannon, Pettigrew, Mantle and Jones, and Members of the House Towne, Hartman, Shafroth and Allen, all Republicans, was the initiatory movement for the organization of the Silver Republican party. It is equally as well understood that the abandonment of their Republican associates was caused wholly because of the adoption by that convention of the single gold standard. On nearly all other questions they were in harmony with the party, but, regarding this as paramount to all others, their patriotic devotion to the country's interest overcame all partisan attachments. Tens of thousands of their fellow Republicans sympathized with them in opposition to the demonetization of silver, with the result that they became an important factor in the organization of the silver party of 1896, composed of Democrats, Silver Republicans and Populists, polling 6,508,691 votes, a protest against the single gold standard.

The gentlemen above named have just issued an address, recommending a provisional committee and the calling of a national convention. The address is as follows. As it contains important statements and suggestions that will be appropriate for use throughout the campaign, we give it entire:

#### An Address to the Silver Republicans of the United States.

There could not be a better illustration of the great law by which in free government the rise, progress and decline of parties are determined than that afforded by recent and present political developments in the United States. Political parties are practical instruments for executing the will of the people in respect to principles and policies of government. They therefore should represent and respond to public opinion in its attitude toward the problems which the experience of the nation, from time to time, brings forward for solution. It is not parties that make issues, but it is issues that make parties.

For years events have been forcing upon the country with ever increasing definiteness and emphasis, the necessity of reform in our monetary system, as respects both the coinage of metallic money and the regulation and control of credit currency. Under stress of experience and consequent investigation, opinions have been gradually crystallizing. In this



process, the line of cleavage has paid little regard to previously existing party demarcations, and today the most careless observer cannot fail to see that the genius of the nation is approaching a settlement of this momentous controversy through the agency of political instruments now being fashioned to its hand.

Now, in the history of these formative events, the so-called Silver Republicans have taken an important part and discharged a necessary function. In doing so they have not surrendered their convictions on certain other great principles of political economy and government, but they realize that those principles are not capable of successful application under present monetary conditions. They believe, therefore, that the adequate treatment of all other issues must await the correct decision of the dominant one thus presented.

In this spirit they co-operated with the organized forces of bimetalism in the last campaign. Every consideration of patriotism and expediency seems to counsel a continuation of that policy. Silver Republicans believe themselves to be in harmony with the original spirit of the old Republican party, and they claim a property in its great name and glorious traditions, justified by the splendid services and sanctified by the sacred memories of the time when that party embodied the aspirations and spoke the purposes of the great masses of the American people.

Circumstances have sometimes in the past thrust upon the undersigned responsibilities on behalf of Silver Republicans which, in the absence of formal organization, we have felt warranted in assuming. Recently, moreover, we have been receiving a vast number of anxious inquiries from various parts of the country upon the question of party polity and requesting us to give some definite direction thereto. These communications exhibit a surprising and gratifying unanimity in sentiment and plan. Responding to these earnest suggestions, and at the same time expressing our own deliberate opinion, we urge upon the Silver Republicans of the United States, and upon all citizens of whatsoever previous party associations, who are willing to co-operate with us in political action until the great monetary issue is settled right, that immediate steps be taken to perfect organization in the various states and territories, to the end that thereafter a national convention may be held for the purpose of making an authoritative pronouncement to the country, and effecting a national organization. As soon as possible, each of the states and territories should designate a member of the provisional committee (national) of the Silver Republican party, which committee will have charge of the calling of the national convention and of all matters preliminary thereto. Meanwhile, we have taken the liberty of naming Hon. Charles A. Towne, of Minnesota, as chairman of said provisional national committee, whose official address for the present will be the city of Washington and to whom all communications should be sent.

The provisional national committee is hereby called to meet in executive

session at the city of Chicago, at a place to be seasonably announced by the chairman, on Tuesday, the 8th day of June, 1897.

Signed, at the city of Washington, this 22d day of February, 1897, the anniversary of the birth of the "First American," whose life was a sublime example of patriotism, and whose precept, placing duty to country above and beyond all party obligations, is a deathless watchword for political liberty.

H. M. TELLER, of Colorado,  
 FRED T. DUBOIS, of Idaho.  
 FRANK J. CANNON, of Utah,  
 R. F. PETTIGREW, of South Dakota,  
 LEE MANTLE, of Montana,  
 JOHN P. JONES, of Nevada.  
 CHARLES A. TOWNE, of Minnesota,  
 CHARLES S. HARTMAN, of Montana,  
 JOHN F. SHAFROTH, of Colorado,  
 C. E. ALLEN, of Utah,  
 EDGAR WILSON, of Idaho.

## CHAPTER XXIII.

### IOWA FREE SILVER ADDRESS.

BY A SPECIAL COMMITTEE.

At a convention, composed of delegates from different parts of Iowa, representing the Democratic, Silver Republican and Populist parties, convened in Des Moines December 29, 1896, a committee of three, representing the parties named, was appointed to issue an address to friends of silver restoration.

The following is their report; containing, as it does, statements, arguments, and suggestions that will be valuable to friends of bimetallism and opponents of the gold standard in all the states, the author is confident that the few pages of "The Silver Side" used for that purpose cannot be better occupied than by giving extracts from this stirring address:

Profoundly convinced that there can be neither business security nor industrial prosperity until we return to the unrestricted coinage of both gold and silver at the established ratio, and until we adopt for ourselves an independent American system of finance, we therefore unanimously recommend:

First—That the union of the free silver forces effected in the late campaign be declared permanent upon the basis recognized in that struggle.

Second—We further recommend that our separate organizations be maintained and that in the future all conventions of said parties, state, district and county, be called to meet at the same time and place and that they agree upon the same candidates. We further recommend the immediate formation of free silver clubs in every township and voting precinct in the state.

#### **No Prosperity Without Silver.**

Your committee would first call attention to the unanimous declaration of the conference "that there can be neither business security nor industrial prosperity until we return to the unrestricted coinage of both gold and silver at the established ratio." That the adoption of the single gold standard would not promote business security or stability was foreseen and predicted by eminent statesmen and financiers many years ago.

#### **Some Evidence of the Need of Silver.**

The opinions cited are not exceptional, but are those generally held and expressed by eminent European statesmen and economists. The pre-

dictions were fulfilled to the letter so far as the United States, Australia and other debtor countries are concerned. As to the actual results in this country, referring more particularly to the last three years, we need only point to the large number of railways that have gone into the hands of receivers; the failures of banks, loan companies and other financial institutions; the closing of mills and factories and the discharge of their numerous employes; the financial embarrassment of merchants and traders; the depressed condition of agriculture and the low prices of agricultural products; and finally the thousands of workmen and women unable to find employment, besides the reduction in wages in nearly all lines of industry where employment can be found.

It is hardly denied that the sole aim and purpose of those who desire to establish and maintain the single gold standard is to make money scarce and dear; and, as a necessary consequence, to make property undesirable as an investment and thereby lower its price, and to lower the wages of labor in every calling. The single gold standard means, so far at least as this and other debtor nations are concerned, a perpetual financial crisis.

#### Co-operation Necessary.

It is essential for a people suffering from such a ruinous policy to combine for self-preservation. The supreme reason why the elements which supported Mr. Bryan in the recent campaign should continue to ignore party lines and maintain their patriotic alliance is the moral certainty that in the ensuing four years substantial industrial relief will not be supplied. The very first developments after the election discredited and negated a theory and a promise held and made by our opponents during the campaign.

There was no one point upon which they dwelt with greater emphasis than that the depression of prices and production was the result of a lack of confidence due to the silver agitation; and they invariably supplemented the affirmation of this postulate with the assurance that the success of McKinley, involving, as it would, a guaranty of the perpetuation of "the existing gold standard," would promptly dissipate fear and restore confidence, and by bringing back confidence restore prosperity. When it became known that McKinley had received a majority of the electoral votes a fictitious and obviously prearranged attempt to cause it to appear that confidence had returned was made. The banks, which had been hoarding the coin, began paying out in gold, and to fulfill the promise that with the overthrow of free silver better conditions would be ushered in it was announced that everywhere the people were withdrawing gold from its hiding places and putting it in banks, and that scores of mills and factories which had long been idle were about to reopen, while other scores that had been running with a small number of hands on short time were at once to run with a large number on long time. The "revival" was as unsubstantial as the fabric of a dream. It ended almost as soon as it began. Since the people had no gold hidden the ruse to get it into the banks naturally failed,

and as consumers were no better able to buy in November than they had been in October, the mills and factories did not reopen. They remained as they had been, and as they must remain till in the orderly course of events there is demand for their products. When this comes through increase of the purchasing power of the people they will be stimulated to activity, not before.

#### Say Promises Were Not Fulfilled.

What has actually occurred is the reverse of what the supporters of the gold standard foretold and promised. Bank after bank has failed, in manifold instances with heavy loss to both stockholders and depositors; manufactories and mercantile houses have rapidly collapsed; production has been curtailed in many branches of industry; the number of employes cut down and the wages of the remainder reduced; collections were never harder to make and rarely have foreclosure suits been so numerous; prices and profits go on declining; in the centers of population there never was greater bestowal of charity nor so much need of it; and throughout the land there is general and keen distress. Granting that McKinley's election has brought a return of confidence, it is manifest that confidence has not restored and cannot restore prosperity.

The more candid of those who so glibly proclaimed that the silver agitation was the cause of the "hard times" and that Mr. Bryan's defeat would bring confidence and prosperity, now reluctantly confess their error; but unwilling to admit that they were wholly mistaken, they declare that what they predicted will be realized when the new congress has substituted a protective tariff law for the Wilson-Gorman act. Bimetallists differ on the subject of tariff, but they concur in the belief, a belief fortified by experience, analogy and reason, that no tariff, high or low, for protection or for revenue, can bring prosperity to the country while silver is demonetized.

#### Gold Should be Cheaper.

It is as necessary that the value of gold shall be reduced and kept down, or, what is practically the same, that silver shall advance and the advance be permanently maintained, as that the circulating medium shall be increased by free and unrestricted coinage. Under normal conditions the price of wheat and cotton, the former one of the great staples of the north-west and the latter the chief staple of the south, is governed by the price of silver, and therefore while silver remains low wheat and cotton must remain low and producers of the staples cannot pay living prices for other farm products. Silver is the money of the orient, and, with production the same as usual throughout the world, the London price of American wheat and cotton is the silver price of India wheat and cotton. The difference in exchange between gold and silver standard countries is the difference between the price of gold and silver, and until this disparity, which has widened 100 per cent. since 1873, when the metals were practically at a parity, has been almost, if not quite, obliterated, wheat and cotton pro-



duction will be unprofitable. Their production can be made profitable only by depriving gold of its artificially high value, thus enhancing the price of silver. With our mints reopened silver would go to \$1.29 an ounce and stay there, and because European importers would have to pay this price for it and corresponding prices for oriental wheat and cotton, American wheat and cotton would go up and stay up with silver.

COMMITTEE.

## CHAPTER XXIV.

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### THE MONEY POWER—WARNINGS TO ORGANIZED WEALTH.

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COMPILED BY THE AUTHOR.

Organized wealth and power have not yet grown wise enough to scent danger before it is upon them. The eastern section of our country is already in danger, and I have an impression that it does not see this. In its concentration of the wealth of the country and in its ostentatious display of its wealth, in the gradual cultivation of caste, in the tendency to hug its vast riches, and in finding the means to keep its millions at home, let it behold a danger it will do well to consider in the light of both ancient and modern history. If it has any real statesmen they cannot put their genius and resources to better use than to formulate some policy which will bring the conflicting elements together.

HENRY WATERSON.

In 1800 we were a few million of people, and we loved liberty. In 1900 we are nearly a hundred million of people, and we love money. Moreover, individually and collectively, we have a great deal of money. Most of this money is invested in what we call corporations. From a handful of individuals we have become a nation of institutions. The individual counts for less and less, organization for more and more. It is the idiosyncrasy of the age we live in.

IBID.

The rich of the country are most thoroughly organized. They have their bond syndicates, their trusts and other combines, and in their palatial clubs they disseminate the principles of plutocracy.

When a country is young, it generally cultivates democracy for mutual protection; as it progresses, wealth centers and aristocrats arise who seek to have laws enacted that are positively criminal.

JAS. F. NUGENT, LL. D.

Whenever the people permit the money power to conduct a national campaign, money to be furnished by men known to be for selfish interests, such interests will, in time, control the agencies that conduct the campaign. The money thus contributed will be used to advance the policies of the selfish chaps furnishing the money.

It makes little difference what politicians may say or political economists

may demonstrate, the fact remains that the conditions with which the agriculturists and artisans have to contend are worse than they have ever been. I live in one of the richest counties in Virginia, and the conditions there are more unfavorable to profitable farming than I have ever known them to be. Our farmers have abundant crops, but are unable to sell them for more than the cost of production. Unless there is a change, our people will demand in the next campaign legislation which promises to benefit them, without regard to the interests of the money centers of the country.

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If some legislation is not enacted to check the growing influence of wealth and to circumscribe the power of the trusts and monopolies, there will be an uprising of the people before the close of the century which will endanger our very institutions.

EX-SECRETARY FRANCIS, of Cleveland's Cabinet.

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My views upon the connection between business and politics are mentioned in a speech at a Republican meeting in Pittsburg a few days previous to the presidential election. I am opposed to the entire scheme of the National Business Men's League, as disclosed by Mr. Dolan. Its basic theory is that organized wealth shall dictate high office, and so take possession of the government. The promoters of the league invoke a class against the masses and all other classes. No league of business men or other men, based upon wealth or other foundation, can erect a government class in this country. In the United States senate we have millionaires and business men enough to serve all legitimate purposes. Senators are needed who have no specialties, but who will act for the interest of the country in gross without special affinities. The people most deserving of a representation and most in need of legislative protection are the farmers, the small store keepers, the artisans and the laborers, and I stand by them and against this so-called league. I go into the barricades with the bourgeoisie and the men in blouses.

In conclusion, I do not believe that 10 per cent. of the business men of the country sympathize with the league. There must be less business and more people in politics, else the Republican party and the country will go to wreck. The business issues are making our politics sordid and corrupt. The tremendous sums of money furnished by the business men—reluctantly in most instances—are polluting the well springs of our national being.

U. S. SENATOR QUAY, of Pennsylvania.

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No country can be prosperous with an increasing population and a decreasing volume of money.

U. S. SENATOR VEST.

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The system of a gold standard is the vilest monopoly ever maintained in the brain of man.

Many would like to see a score of very important questions command public attention in the coming four years. But the most important questions are not always the most important issues. Questions and issues are not necessarily synonymous. An important question may not be an issue at all, and a very insignificant question may be a very important issue.

An issue is the point of contention on which persons or parties rest a decision. Its importance or unimportance makes little or no difference. Whatever question the people divide on is the issue in a political campaign, without regard to the vitality of the proposition involved. It often happens that when a great national question is made an issue, a community of a whole county may divide on the question of removing a county seat, and in such case the barriers between the contending factions frequently become so strong that the comparatively insignificant question, the removal of the courthouse, completely overshadows national issues.

The money question, I think, is very important, but whether it is or not, it is the pivotal question on which party organizations are making a test of membership, and, therefore, it will continue to be the battle cry in the coming fight, in spite of all efforts to prevent it.

Political campaigns are fought out on whatever question the contending factions can force to an issue. When all the people support or oppose a certain proposition, it cannot be an issue.

With the overflow of the money power, the people may secure a score of other needed reforms, but the battle of ballots will be fought around the money question, and our reformers who are just now smothering the fire by shoveling coal into the furnace too fast, or choking the cylinder by overcrowding the grain, are doing more to retard the reform movement than they are to advance it. I do not accuse them of bad intentions, far from it, and I believe the work of agitation and education of all the great reforms demanded by labor should be continued, but the issue is made up, the fight is on, and we must accept the situation whether we wish it or not. We cannot fight the enemy on just the kind of field we would like to, but we must fight him where we meet him, or retreat. And retreat we never will.

J. R. SOVEREIGN, General Master Workman.



WILLIAM A. SPURRIER, a native of Pennsville, Ohio, was born March 12, 1853. Educated in the public schools, supplemented with two years by private professional tutor. Admitted to legal practice in 1876. In 1882 elected city solicitor of Creston, Ia. In 1891 district attorney of the Ninth judicial district. Appointed district judge in Des Moines in 1893, and re-elected for full term the same year. A Republican up to 1896, when, refusing to follow his party's yielding to the money power, he identified himself with the Silver Republicans.





## CHAPTER XXV.

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### THE SUPREME COURT.

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#### *Encroachments of the Federal Judiciary.*

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BY JUDGE W. A. SPURRIER.

The Chicago convention declared that the late income tax law was in harmony with the decisions of the supreme court of the United States for nearly one hundred years, and that in declaring it unconstitutional the supreme court had sustained objections to the law which had been previously overruled by the ablest judges who had ever sat on that bench; and the convention further declared that it was the duty of congress to use all of the constitutional powers remaining after the decisions or which might come from its reversal by the court as it may hereafter be constituted, so that the burdens of taxation may be equally and impartially laid, to the end that wealth may bear its due proportion of the expense of government. These declarations called forth the most vehement criticism of almost the entire press during the ensuing campaign. The plank in the platform was declared by those favoring the decision to be an attack upon the supreme court, and an attack upon the supreme court was construed to be little less than treason to the United States government. Many candid men were led to believe that this judicial tribunal was too sacred for criticism, and an awe was evoked comparable only to that which history shows pervaded the doctrine of the divine right of kings.

#### *The Chicago Convention Justified.*

That the convention was justified in adopting this plank in its platform is shown by statements made at the time of the decision by four of the supreme court justices, who filed dissenting opinions. Mr. Justice Brown said:

As I cannot escape the conviction that the decision of the court as in this case is fraught with immeasurable danger to the future of the country, and that it approaches the proportions of a national calamity, I feel it my duty to enter my protest against it.

Mr. Justice Harlan said:

In my judgment—to say nothing of the disregard of the former adjudications of this court, and of the settled practice of the government—this decision may well excite the gravest apprehensions. It strikes at the very foundation of the national authority, in that it denies to the general government a power which is, or may become, vital to the very existence and preservation of the Union.

And much more of like import may be found in the dissenting opinions, all of which certainly is within the pale of respectful criticism.

Though the opinion had been concurred in by all the judges, yet surely it would have been subject to inspection of others, and that it is the right, and even the duty, of a citizen to freely discuss and criticise a wrong or error committed by the supreme court will not be denied by any candid and intelligent man.

The effect of the violent denunciation by the monopolistic press of this plank in the platform was so potent, and this feature of the campaign so prominent, that a consideration of its essentials will not be without profit. I shall discuss not only the propriety of such criticism and the necessity for it, but shall give some attention to the history of the court and the causes which have led to its present attitude toward the other co-ordinate branches of government, and the people.

Nature has imposed upon man an inclination to reverence that which he does not understand, and as a knowledge of the law is acquired by but a limited number of persons, it is not strange that those who possess no understanding of or but a limited knowledge of the law, are generally imbued with a high respect for the wisdom of courts, and especially for the wisdom of the supreme tribunal of the land. The decision of that bench is final, and, in one sense, infallible. Great learning, associated with supreme power, naturally begets in the minds of those who consider themselves inferior in understanding a feeling akin to worship. Practically speaking, also, the federal judges retain their positions during their natural lives, and the power of criticism is almost unavailing to relieve any one of them of his office. The average citizen usually comes in contact with the courts in the inferior tribunals, in the state *nisi prius* courts, where the judge is constantly and publicly declaring the law during the progress of trial. Each cause is tried in these courts with reference to the law and the facts. Jurors are sworn to try the cause according to the law and the fact, the facts as they understand them, and the law applicable thereto as given by the court. So that the very surroundings tend to impress upon the common mind the idea of a judge as the embodiment of the law. It is because of these circumstances that so much influence can be exerted in a political campaign against a candidate whose party

rightfully presumes to question decisions of the courts. It is construed by the opposition as an attack upon the law, and therefore as an act of disloyalty; and presuming upon the inability of many citizens to discriminate between the fact as to what the law *is* and the decision of the court when *it is contrary to law*, men possessing the greatest fealty and the highest respect for the law may become the dupes of unprincipled politicians, who ever seem to revel with joy in the thought of wearing the livery of heaven as an aid to serving the evil one.

#### Lincoln and Douglass Debate, Their Views of the Supreme Court.

All of this belongs strictly to "the pool" of politics. Yet, in the heat of political contest, men considered respectable have been known to favor such an advantage. Mr. Douglass attempted to so impose on the candidacy of Abraham Lincoln in their senatorial contest, and no doubt succeeded to some extent. It is interesting to note the manner in which Mr. Lincoln met the charge that he was disloyal because he had denounced a supreme court decision. His replies show that he understood the nature of the advantage sought against him, and demonstrate as well the grasp of his mind and power to penetrate and destroy sophistries—to lay such reasoning bare to the minds of common people. Quoting from his reply to Mr. Douglass, briefly, he said:

The plain truth is this: Judge Douglass is for supreme court decisions which he likes, and against them when he does not like them. He is for the Dred Scott decision, because it tends to *nationalize* slavery, because it is a part of the original *combination* for that object. It so happened, singularly enough, that I never stood opposed to a supreme court decision until this; on the other hand, I have no recollection that he was ever particularly in favor of any until this. He never was in favor of any, nor I opposed to any, till the present one, which helps to nationalize slavery.

Mr. Lincoln's argument was, first, the decision which I denounced is a part of a conspiracy to nationalize slavery; second, I sincerely advocate the cause of humanity; and third, in making this charge Judge Douglass is altogether insincere.

But again, in the following debate, Mr. Lincoln said:

The sacredness that Judge Douglass throws around this decision is a degree of sacredness that has never been before thrown around any other decision. I have never heard of such a thing. Why, decisions apparently contrary to that decision have been made by that very court before. It is the first of its kind. It is an *astonisher* in legal history. It is a new wonder of the world. It is based upon falsehoods in the main as to the facts.

Let those who have professed love and devotion for the life of Lincoln reflect and then say whether or not the decisions of the

federal courts must be received by the people of the United States without question, however their liberties are put in peril thereby.

In the formation of the federal constitution there were two prominent ideas asserted. On the one hand it was contended that the president, senators and judges should hold their offices during their natural lives; on the other hand it was thought that officers should be elected by the people for a specific term of years. The argument in favor of the first proposition was that the government would be unstable unless its officers were given a life tenure. In support of the second proposition the argument is that the stability of this government depends upon frequent elections, making the officials responsible to the people, and the proper conduct of their several offices necessary in order to secure re-election. Fortunately, as I believe, the proposition to confer life offices was defeated in both the executive and legislative branches, and unfortunately, it seems to me, it practically succeeded in the judiciary department. It may be added that the man who supplied the guiding hand in favor of life tenure was opposed to a republican form of government and asserted that the form of government of Great Britain was his "model." In so far, at least, as his theories succeeded, to that extent the good or evil of British policies fell to our lot.

#### Life Tenure of Office Criticised.

The scope of this article is much too limited to give any proper consideration to a theme of such vast importance, but I may say in a general way that it seems apparent that most of the great evils from which the people in this country are now suffering are the result of the partial adoption of the erroneous view of those who advocated a life tenure. But it was only one of a series of compromises which seemed necessary in order to secure the adoption of a constitution by the colonies. In adopting the constitution, the jurisdiction (that is, the right to hear and determine questions) of the federal courts was carefully guarded. May I, without apology, and in order to show the spirit and opinions of the times, call attention to a few lines in the Declaration of Independence? "We hold these truths to be self evident; that all *men* are created equal. \* \* \* with certain inalienable rights, among which are life, liberty, and the pursuit of happiness." It will be noticed that the rights of *men* are emphasized, and that to secure the rights of men governments are instituted, that men may have life, liberty and pursue happiness. Says the Declaration, "Governments are instituted among *men* to secure these rights; governments derive their just powers from the consent of the governed." I emphasize these words because it is now charged that we are no longer a government of natural persons, that is a government of the people, by the people, and for the



people, and it is claimed that we have become a government of corporations, by corporations, and for corporations. And while I would not advocate the abolition of corporations and believe that, existing under proper restrictions, they are an aid to legitimate progress, yet if there is any merit in the claim that the rights of natural persons have been supplanted by privileges granted to corporations, it is time to ascertain through what source this appalling evil has found its way into the texture of the body politic. The corporation, if it exists at all, should exist as an aid in developing our resources, as a blessing to *natural* persons who constitute the government, and not with power to control or overthrow the liberties of the people. The moment the rule of the people is destroyed, that moment the republic is dead. For a republic does not consist of a president, congress and a judiciary, but only in the fact that the people of the government control it. When they cease to control, the republic is as effectually killed as though seized upon by a monarch or destroyed by revolution. Whatever progress the corporations have made in dethroning the people has been effected chiefly through the federal judiciary. The Dartmouth college case is one of the first of many remarkable decisions of the supreme court which have extended power to corporations. In that case the court held that a charter granted by the king of England to Dr. Wheelock and his associates prior to the war of the Revolution was a contract. The legislature of the state of New Hampshire sought to modify the charter of Dartmouth college, and the question for determination by the supreme court was whether the legislature of New Hampshire by the enactment of a law for that purpose had impaired the obligations of a contract. The federal court had no jurisdiction to try this case under the provisions of the constitution of the United States unless the law adopted by the legislature of New Hampshire had the effect to impair the obligations of a contract. If the law of New Hampshire had not such an effect, the supreme court had no power or jurisdiction and could do nothing but dismiss the case.

#### Decision of Supreme Court Not Always Correct—Sometimes Arbitrary.

I do not intend to discuss the merits of this decision further than to say that the legislature of New Hampshire after the Revolution succeeded within the territory of that state to all the power which parliament had possessed over it except as limited by the constitution of the state of New Hampshire and the constitution of the United States, and to call attention to the fact that there is nothing in the charter of the king stating that it was a contract or intended as such, nor that anything was given in consideration for it. The instrument did not contain the elements necessary to even the simplest form of contract.

The direct result of the decision in declaring a charter a contract was to send lobbyists with corruption funds into our legislatures to procure charters which, by this decision, were declared irrevocable. And no matter how much corruption or fraud was resorted to in order to obtain a charter, the charter once granted became a contract which was greater than the legislature of the people of the state that granted it. Legitimate legislation for the time was forgotten. Legislative bodies were literally filled with paid agents and tools of the promoters of corporations, and it was not until the people of the several states through a long and tedious course of legislation, and by remodeling their constitutions so as to prevent the passage of special laws granting or amending charters and providing for the formation of corporations under general laws, that the increasing aggressions of the corporations in this direction were stayed. Nevertheless, the opinion stands as a monument, disclosing the error of establishing a life judiciary and the tendency of such a system toward the oppression of the masses and the destruction of the liberties of the people; however, the determined and laborious efforts resorted to in order to defeat the vicious effects of this decision give us the inspiration of hope that the people may eventually succeed in destroying that pernicious element which was permitted to creep into the framework of our government at the time of the adoption of the federal constitution.

The constitution of the United States provides that the judicial power of the United States shall extend to controversies between citizens of the different states. For over half a century the supreme court of the United States held that the word "citizen" did not include in its meaning anything more than natural persons who were citizens, and that the right of a corporation in one state to sue a citizen of another state in the federal courts depended upon whether all of the natural persons constituting the corporation were citizens of a different state from the one in which the adverse party resided. That is to say, in order that the federal court should have jurisdiction, all the members of the corporation must reside in a different state than the person against whom the suit was brought. The rule was in strict harmony with the theory that had always been applied to corporations relative to questions of jurisdiction. But upon the first appearance of a railroad corporation in the supreme court, this principle, so well settled, and which had been so rigidly adhered to during the past, was promptly reversed, and corporations were declared to be citizens of the state from which they obtained their charters.

The effect of this decision was to make an *artificial* person, for the purpose of jurisdiction in the federal courts, a citizen, and creating rights at court depending, not upon the residence of the *nat-*

*ural* persons who composed the corporation, but upon an assumed geographical location of this ideal, or imaginary, creature, with reference to the actual residence of persons adversely interested. The court says that it will be presumed that all the members of the corporation are residents of the state where the corporation is organized. This, of course, is a violent presumption and scarcely ever in accord with the truth. But the opinion goes further and holds that the presumption is conclusive, not only that the corporation need not show that its members are residents of a different state from the defendant, but that the defendant may not show that the members of the corporation are not residents of a different state from himself. That is to say, in order to obtain jurisdiction, the supreme court has forbidden the proof of a fact upon which jurisdiction under the constitution is made to depend. This arbitrary assumption, indulged in in order to obtain jurisdiction by the court, might be sufficient in the minds of some persons to suggest the measure of justice which might be expected in the subsequent proceedings of the trial. The direct result, of course, of this decision, was to transfer much litigation from the state courts to the federal courts, an usurpation of power, which, it seems to me, as it has seemed to others, wholly unwarranted, and, up to the period of our history, of which we are now speaking, unprecedented.

If the reader of this article is sufficiently interested as to the construction that should be placed upon the word "citizen," I may say that he will search in vain the acts of parliament and all legislative acts to find included within its meaning the idea or thought of a corporation. Peruse all the law books and arguments of counsel to the courts, and law dictionaries, and you will fail to find any such meaning attached to this word. Before this, as I have said, under the decisions of this court, it was incumbent to look behind the artificial existence of the corporation and ascertain who were the natural persons who actually composed it. A corporation is but an aggregation of natural persons, and it was never intended by the framers of the constitution that natural persons should be permitted to metamorphose their actual existence or residence into that of an artificial or ideal thing, and thereby obtain privileges beyond the limitations of the constitution, which, it ought to be assumed, was adopted for the purpose of securing exact justice. But the railroad corporation had appeared in court, and, exercising a seeming hypnotic power, the memories of the judges were paralyzed, the wisdom of their predecessors forgotten, and the spirit of the Declaration driven from their brains, and a legal decision too weak to command the respect of the lawyer because of its logic, or of the patriot because of its spirit, was the result. This increased immensely the jurisdiction and business

of the federal court. It made additions thereto necessary and new courts had to be provided and additional judges appointed; the jurisdiction of the state courts was correspondingly usurped and abridged. It gave opportunity to persons living in one state to organize corporations in any other state where they could secure the greatest license and advantage to effect the most gigantic frauds. Citizens of a state, although intending to transact business at home, could organize corporations in another state and thereby largely transfer their litigation to the federal jurisdiction. I cannot go into the direful details necessary to set forth the results of this decision and the outrages which have been perpetuated under it. The corporation became simply an irresponsible tramp, as numerous as the sands of the sea, possessing no heart or soul, though crowned with the badge of immortality.

But I may call attention to a decision to which reference has already been made, not less deplorable, viewed from a legal standpoint, but more notorious because of the public discussion which followed its announcement. I refer to the decision which the sainted Lincoln denounced and one which was leveled against humanity itself, and one as brutal and inhuman as any edict issued by any tyrant of which we have record; one which found its reply at the hands of the people, with swords dripping blood of fellow men, amid the thrilling music of war, the rattle of musketry and the booming of cannon.

#### Decisions of the Supreme Court Righteously Criticised.

The result of the surrender of Lee to Grant in its greatest significance was the adoption of the fourteenth amendment to the constitution of the United States, a provision teeming with love for humanity, a declaration recognizing the wisdom of God, that he who is created by *nature* a man, shall be accorded the rights of a *man*. The Dred Scott decision was a direct defiance of the law of Nature's God, and its repeal by the people was effected by the aid of that Divine Providence which guards and directs the footsteps of those who obey Him.

I want the close attention of the reader to one of the provisions of the fourteenth amendment. In attempting to secure the civil rights of the African, it was provided by that amendment that no state should deprive any person of life, liberty or property without due process of law, or deny any person within its jurisdiction the equal protection of the laws. The purpose of this provision was to secure to those *natural* persons who were emancipated from slavery the rights of citizenship. There is not the slightest suggestion that it was intended to confer any additional rights upon other persons, the rights of whom were already protected by pro-

visions in the state constitutions, and especially it had no reference to *artificial* persons. It is astonishing to find in the decisions of the federal courts following the adoption of this amendment some of the constructions which have been placed upon it. The guiding rule of every court in construing a law or a constitutional provision is to arrive at the intention of the body which made the law, and when that intention is ascertained, to give effect to the purpose and intention of the law makers. But let us see the purpose for which this provision in the fourteenth amendment has been used, and witness the construction which has been put upon it by the federal judiciary.

Now, as I have stated, the adoption of this amendment was intended to protect the emancipated slave, but the corporations, already having so successfully set at naught a portion of the constitution in broadening the jurisdiction of the federal courts, sought a construction of the word "person" in the fourteenth amendment. They claimed that this provision had reference to corporations and was enacted to protect them. It would hardly seem that a lawyer could be found with such ability of plausibility as to be capable of discussing such a proposition before the supreme court of the United States. I have made research in hope of finding the argument that was presented, without any other result than that of discovering a statement preceding the report of a case in which the question was considered. This statement is a remarkable one, made by the chief justice, and I quote it in full:

The court does not wish to hear arguments on the question whether the provision in the fourteenth amendment to the constitution which forbids a state to deny to any person within its jurisdiction the equal protection of the laws, applies to corporations. We are all of the opinion that it does.

A remarkable statement, which puts corporations in the category of the freedman, discards the whole purpose and intention of the amendment as shown by the amendment itself, and of *facts* that were within the *personal recollection of every member of the bench*. The decision here reported makes corporations greater than the states which created them, and the authority for this is found in the provision of the constitution which was made to secure personal rights of those *natural* persons who had been recently emancipated from slavery, now, by palpable misconstruction, used by the supreme court for the purpose of stripping all of the citizens of rights and visiting hardships upon them, and unduly enlarging its own jurisdiction over matters foreign to the subject of the amendment.

I do not wish to be understood as being in favor of depriving any corporation of its property without due process of law. Before this decision, or the enactment of the fourteenth amendment, a



corporation could not be deprived of its property without due process of law; but the vice of the decision lies in the fact of the misconstruction of the federal constitution, the transferring of jurisdiction to determine these questions from the state legislature and courts to the federal courts, the jurisdiction of which the corporations have always sought to enlarge. The people of this country never thought of such a purpose as connected with the Rebellion, and surely the fourteenth amendment was the result of the civil war.

It has been left for this so-called infallible court, more than twenty years after peace was restored, to inform the veteran soldier that he fought, not for humanity nor in freedom's cause, but to magnify the power and increase the privileges of corporations; to secure, not the rights of natural persons, but of imaginary persons, immortal—only on earth! If the soldier sweat on the march, it may have been to liberate a being made in the image of God; but the arm torn asunder by the cannon ball was a sacrifice to *down-trodden corporations*. The mother's tears were out of sympathy for human chattels, but her son's life was laid down to aid a soulless thing!

Who dares to assert that any of the states which agreed to the fourteenth amendment intended thereby such a surrender of its legislative and judicial jurisdictions?

#### **Corporations Have Been Unduly Favored.**

I will now call attention to the subject of charges made by corporations for public service. The power of regulating those charges which affect public interest has always been considered a legislative question, and while in the so-called Granger cases, decided in 1876, ten years prior to the construction referred to given to the fourteenth amendment, the supreme court of the United States declared that the fixing of rates or charges of corporations was a legislative prerogative, and that it was not in the power of the framers of the fourteenth amendment to abridge this legislative right of the states; yet in about 1890, on a writ from the supreme court of Minnesota, the supreme court of the United States decided that this was not a legislative, but a judicial question, and held that a state could not limit charges of a public character except by a judicial proceeding, in which the carrier had notice and an opportunity to be heard. The railroad company in this instance had notice, and had full opportunity to be heard, but the supreme court of the United States assumed jurisdiction of the case. The action of the supreme court in this instance was actually indefensible, and merely the exercise of that arbitrary power which it has assumed and is ever enlarging. The corporations have ascertained the weak point of attack in our governmental system.

They go to that co-ordinate branch which is least responsible to the people, and with a persistence keener than that of any deposed line of monarchs of Europe, wield their power, and are thereby getting hold of all the sources of control. These artificial, omnipresent creatures are able to submit their causes in the federal court at any place within the jurisdiction of our great country. Without inconvenience they can go to trial either in New York, San Francisco, Chicago, or New Orleans. Natural persons, and especially the common citizen, to obtain redress, must be provided with a tribunal near his home. Mr. Justice Blackstone says in substance that nothing is more important concerning courts of the common people than accessibility. And yet the whole tendency, purpose and intent of these misconstructions of the constitution is to make redress of the private citizen impossible—an outrageous violation of the terms and spirit of the constitution and of the common instincts of humanity. Cases are innumerable which might be cited which would more clearly emphasize the thought which I am trying to impress.

But I am reminded that this article is to be brief and merely suggestive, and can only say in conclusion that it seems little wonder that we read of decisions and orders of the federal judges which prevent the enforcement of not only the civil but the criminal statutes of the states. Not long ago, in a case the report of which now lies before me, a federal judge enjoined the state officials, and all the people of the largest state in this Union, from enforcing a law enacted by the state legislature affecting the rates to be charged by a corporation transacting public business within its borders. Not only this, but the court enjoined the corporation (which, of course, was not averse thereto) from obeying the laws of that state. Injunctions to prevent laboring men from performing their labor, and, indeed, commanding free American citizens to perform labor, have made their appearance.

In another case, where the provisions of the statute were to the effect that, if a corporation did not settle the damages resulting from its negligence to property of a citizen within a given number of days, the corporation should be held to pay an attorney's fee to the plaintiff's attorney in a suit to recover damages, the case was carried to the supreme court of the United States by the corporation, and its contention that the law was unconstitutional was sustained. However, I may say that the bench was divided, and one of the dissenting judges remarked, in substance, that it was to be regretted that the proposition was not argued to that court by the plaintiff's attorney. But, continuing, in substance said, that it could hardly be expected that a citizen who had paid the expense of carrying a suit through all the state courts could afford to engage coun-

sel to argue a question for the recovery of a ten dollar attorney's fee in the United States supreme court.

I do not wish to be considered as aiming criticism at the members of the federal bench. It is the system that I oppose. Many able men have graced these tribunals; men who, notwithstanding the life tenure, were able to withstand the aggressiveness of the corporations, and who have given expression in many instances to able and patriotic opinions—just as good monarchs sometimes appear, but the proportion is the other way.

Nor do I wish to be understood that all the decisions have been erroneous. But the percentage has been such as to suggest that the system is radically wrong, considering human nature as it is, and, if continued, that it will periodically bring disaster to the people, if, indeed, it will be possible at all to retain for many years a Republican government. The masses who are contending against the effects of these innovations, of these aggressions, upon the federal constitution, are not opposed to law, but, on the other hand, are animated by a common impulse of absolute fealty to the principle of equality, fidelity to the provisions of the constitution—and are guided by the spirit of the Declaration of Independence. If they are mistaken, they are honestly mistaken.

The legal tender decisions which were made directly in the interest of the creditor classes, and against the masses, is another illustration of the abuse of power by the supreme court. These decisions were so preposterous and so plainly intended not only to favor the wealthy but to destroy the common people and cripple the government, as to be unendurable. The firmness of General Grant's nature, happily, at that time was where it could be squarely pitted against them, and they were by the president, aided by congress, promptly nullified by the reorganization of the court.

It is a fact worthy of notice, that in all these important decisions there has been a divided court. Some of the judges have on each occasion contended loyally for the constitution; enough, however, have been able to take the view of the corporations—often a bare majority—but a majority is sufficient to make a decision, and, from a practical standpoint, I presume all that is necessary to satisfy the demands of the corporations.

Nothing in recent years has created more consternation among the people than the decision nullifying the late income tax law. The people have seen corporations gaining wealth, power, and influence; fortunes of millions acquired every day by intrigue and through corruption, while they have beheld those in the humbler walks of life daily shorn of their meager earnings and millions thrown out of employment. No law was ever enacted which the masses of the people believed to be freighted with more justice than

the recent income tax law. Repeatedly had all the legal objections which were urged against this law been overruled by the supreme court of the United States; in all not less than fifteen cases gave assurance to the people that the law would be held constitutional.

When the case came to be heard before eight of the judges upon the constitutionality of the important provisions of the law, the judges stood four to four, the effect of which was to sustain the lower court which had upheld the law; but a rehearing was granted, and Justice Jackson, sick, approaching death, was summoned by his associates to Washington to cast his vote, by aid of which the enemies of the law no doubt hoped to obtain a majority of the judges against its validity. Justice Jackson's profound learning and true manhood well qualified him to determine the important question upon which the other judges found themselves stranded, and upon the decision of which the welfare of seventy millions of people hung. It was the will of Providence that he should go, and, leaving his bed, he made his way to Washington and into his place with the judges. Upon him depended all. Ready to go to the presence of his Maker, the pallor of death on his face, and all his hopes in eternity, he unswervingly stood for the law and the constitution. How fitting that this great lawyer and jurist should have crowned his life work almost amidst the plaudits of angels!

The right had won—not so! Behold one of the four judges, who had before voted to sustain the law, declares he had experienced a change of heart, changes his vote, thus creating a majority against the constitutionality of the law and giving a victory to money princes.

Remarkable coincidence! Superb infallibility! The fickle moon, emblem of inconstancy, must yield to fate and blush for its slow coming phases. The people's Magna Charta torn in shreds, and taxation of *men* and not of *property* declared to be the law!

Civil government, it has been said, can only be justified upon the ground that it is to afford protection to the weak against the strong; and yet, the burdens of government, says the supreme court of the United States, are to be apportioned on the basis of population. And such is the system under which the supreme court of the United States presumes that men equal by nature are to enjoy life, liberty and the pursuit of happiness. The protection afforded private property by the people is accounted nothing. The life of a citizen may be put in peril and is at the command of the government to be laid down in its defense; but the *property of the rich in excess of that of the poor is sacred, and is not available even to save this government from destruction.* Truly here we have a literal fulfillment of the prediction that "To him who

hath shall be given, but from him that hath not shall be taken away even that which he hath."

Those who favor this decision do so because it tends to centralize wealth; and, using the language of Abraham Lincoln with reference to the Dred Scott decision, because "it is part of the original combination for that object; it is the first of its kind; it is an astonisher in legal history; it is a new wonder of the world; it is based upon falsehood in the main as to the facts." And I may add that it is a violation of the spirit of the Declaration of Independence, a libel upon the doctrine of the equality of man, and a direct defiance of the law of nature's God, and through the aid of a Divine Providence it will find its repeal.

The life tenure of the federal judiciary should be taken away, and if these states are to be but dependencies, the national legislature, by a two-thirds vote, should be given the power to veto the decisions of the supreme court on all constitutional questions, this to the end that there may be some measure of sovereignty left with the people. But what is better, is to restore to the states again by amendment to the constitution that power which has been usurped by the federal courts. Make the offices of the federal judges in every instance elective and for a term of years; with this done, and the elective system, by direct vote of the people, applied to the senate, we would then have what the wisest of our forefathers believed to be machinery necessary for the existence and perpetuity of a republican form of government.



## CHAPTER XXVI.

### POSTAL SAVINGS BANKS.

BY FRANK L. STRONG.

The present trend of thought for the betterment of humanity lies pre-eminently along practical lines. Abstruse theories are of the past; the age demands action. "The poor ye have always with you" has too long been accepted as a basic law of nature, and a coin carelessly flung to a beggar will no longer be thought to satisfy the divine injunction to help the poor.

To help the poor to help themselves; to provide work for all who desire to work; to encourage habits of saving by providing a safe place for such saving, and to insure its prompt return with a fair interest added, such is the need of the hour.

With no disposition to cast undue discredit upon the present system of savings banks which, in spite of all their defects, have been of incalculable good to our people, we cannot lose sight of two facts:

First. They are insufficient in number, and so located as not to best serve the masses of the people; and,

Second. They have not, as a class, been so conducted as to inspire absolute confidence.

#### Location of the Savings Banks.

In the report of the comptroller of the currency for 1896, there are shown but 921 savings banks in the United States in 1890. In 1892 they had increased to 1,059, and in 1896 dropped back to 988. These banks are located as follows:

EASTERN.	MIDDLE.	WESTERN.
Maine ..... 55	New York .....124	Ohio ..... 14
New Hampshire .. 72	New Jersey ..... 26	Indiana ..... 5
Vermont ..... 31	Pennsylvania ..... 13	Michigan ..... 67
Massachusetts ....177	Delaware ..... 2	Illinois ..... 15
Rhode Island ..... 38	Maryland ..... 23	Wisconsin ..... 1
Connecticut ..... 86	Dist. of Columbia.. 1	Iowa ..... 59
		Minnesota ..... 8
		Missouri ..... ..
		Kansas ..... ..
Total .....459	Total .....189	Total .....169

SOUTHERN.	PACIFIC, ETC.	RECAPITULATION.
Virginia .....	Montana .....	Eastern .....
West Virginia .....	Wyoming .....	Middle .....
North Carolina ....	Colorado .....	Western .....
South Carolina ....	New Mexico .....	Southern .....
Georgia .....	Arizona .....	Pacific .....
Florida .....	Utah .....	Total .....
Alabama .....	Nevada .....	921
Louisiana .....	Idaho .....	
Texas .....	Washington .....	
Tennessee .....	Oregon .....	
Kentucky .....	North Dakota .....	
Arkansas .....	South Dakota .....	
Total .....	Nebraska .....	
44	California .....	
	Total .....	
	60	

In the report of the postmaster general for the year 1892 is given the average distance from all post offices to the nearest savings banks in the various states, grouped as follows, viz.:

Eastern .....	10 miles
Middle .....	25 miles
Western .....	26 miles
Southern .....	33 miles
Pacific .....	52 miles

The effect is apparent. The six New England states, with 459 banks, had, in 1894, depositors to the number of 2,096,653, with \$754,861,622 to their credit, while the six great northwestern states, Ohio, Indiana, Illinois, Wisconsin, Iowa and Minnesota had but 287,411 depositors with deposits of \$88,776,230. Comment is unnecessary. Aside from a few eastern and middle states, the banks are too few and too widely scattered to meet the requirements of the people.

#### Instability of Private Savings Banks.

While a few states have excellent laws governing savings banks, many others have either none at all or very inadequate ones. Compare the national banks, which are under the scrutiny of the government to a certain extent, with private ones. During the sixteen years from 1863 to 1879 only eighty-one of the thousands of national banks became insolvent, the total loss being \$6,240,189. In the single year 1841, fifty-five banks not under government surveillance failed with capital of over \$67,000,000, and in nearly every instance the capital was lost. The entire amount lost by the eighty-one national banks during the sixteen years above mentioned was more than equaled by the loss occasioned by three or four private banks.

Three out of every eight of the savings banks of Maine sus-

ended between the years 1872 and 1879. During the single year ending June 30, 1891, one hundred and seventeen banks, brokers, savings banks and trust companies failed, having liabilities in excess of assets of over \$18,000,000. During the three years, 1888, 1889 and 1890, two hundred and ten state and private banks, located in twenty-three states, failed, with losses of over \$32,000,000. In a single year the losses in such banks in Ohio were \$2,000,000, and in Illinois, \$6,000,000!

Hon. S. C. Fairchild, assistant secretary of the treasury under President Harrison, said that while attorney general of New York he was compelled to wind up the affairs of twenty-two savings banks, with a loss to the depositors of \$4,000,000. He became convinced that the professed guardianship by the state over these banks amounts to nothing. The depositors were really without protection against the dishonesty of the bank officials.

But the loss of the savings is more than a monetary calamity. The moral effect, the feeling of injustice, of helplessness against frauds, and a resolve to spend the wage as fast as received, and to "get the good out of it," is the far more weighty evil. Mr. Gladstone well said in 1860, in speaking of the frightful losses sustained by the common people by the failure of English banks: "The evil is not to be measured by the actual amount of money loss; there is an amount of evil such as figures convey no idea of."

#### Hoarding Dangerous.

Inaccessible and unstable banks are the prime cause of hoarding. Many attempts have been made to estimate the amounts so withdrawn from circulation, and while, from the nature of the case, no accurate figures are possible, good authorities have stated from \$800,000,000 to \$1,000,000,000 as a not impossible sum.

In the Journal of the Statistical Society, of London, for 1861, Edward Chadwick, C. B., of the police commission of inquiry, gives the result of the commission's investigation of crime. They found in England a large proportion of burglaries and murders, especially of old people, were on account of known or suspected hoards of money. They also found a large proportion of thefts by household servants due to the same practice of hoarding. But in Scotland, where savings banks were accessible and commonly used, the commissioners found such crimes far less frequent.

The enormous growth of safety deposit vaults in the cities during the past few years attest to a preference on the part of many to seek a safe place for their savings, even without interest, rather than risk loss in the banks. But safety deposit vaults are beyond the reach of the masses, and so, year after year, the proverbial "old stocking" continues to keep millions of dollars out of circulation,

without interest and with the dangers of theft and fire continually harassing the owners' minds.

#### History of English Savings Banks.

England is the pioneer nation in providing savings banks for the common people. The Frugality bank, established by Jeremy Bentham, just one hundred years ago, was the first attempt. Others followed, but, like Bentham's, on a philanthropic basis, with no expectation of profit. The system rapidly developed and banks for profit were soon opened, there being in 1817 no less than seventy in England alone.

The Edinburgh Review in 1818 says of the new movement: "The spread of the savings banks is of far more importance and far more likely to increase the greatness of the nation than the most brilliant success of its arms, or the most stupendous improvements of its trades or agriculture."

In 1807, a Mr. Whitehead introduced a measure into parliament to connect the savings banks with the government, but it failed to pass. No better commentary can be made upon the bitter opposition which history shows the "better classes" have, with rare exceptions, always shown to even the most praiseworthy attempts to elevate the masses than the fact that bill after bill for a government savings bank was introduced and voted down in parliament for more than fifty years from that date before one was finally accepted in 1861.

Parliament first recognized the savings banks August 17, 1817, by an act making trustees personally responsible for any defaults, and prohibiting them from receiving any remuneration for their services. But, by the acts of 1824 and 1828, the trustees were relieved from all liability. It had been customary to invest a portion of the savings bank funds with the national debt commissioners and for such funds the government stood responsible. The public, however, was deluded into the belief that the government was responsible for the entire deposits placed with the banks. From 1845 to 1857 an era of savings banks failures occurred; the depositors awoke to the fact that in place of the nation, they had been trusting directors that had been made irresponsible by law.

#### English Postal Savings Banks.

Public attention was finally aroused and demanded action. A postal savings bank was urged, and, in 1858, a committee from the house of commons was appointed to investigate. Disappointment was again in store, for this highly respectable and learned committee reported, in their wisdom, adversely upon the measure. It was too late, however, for stupid conservatism and fear of government

competition with the existing savings banks to stay the demand of the people, and in 1860, Mr. Gladstone introduced a bill which, with some modifications, became law May 17, 1861.

The London Times said editorially in support of the measure:

The country will recognize at once the universal boon of a bank maintained at the public expense, secured by the public responsibility, with the whole empire for its capital; with a branch in every town; open at all hours; more than all, giving a fair rate of interest.

Sir Robert Peel declared that the new bill was so good a measure that he wondered that it had ever passed.

On September 16, 1861, the post office savings banks were open to depositors, and on that day 431 deposits were received. At the end of the following year, 2,535 offices were open, and nearly £2,000,000 had accumulated, and in ten years it had increased to £19,000,000. There are now more than 11,000 post offices in the United Kingdom open for receipts and repayments, the hours being from nine in the morning until six, and, on Saturdays, until nine in the evening.

As the English system has been in successful operation for nearly thirty-six years, and as all other nations have, to a large extent, modeled their systems after it, some of the details of its working will be of interest. The following figures are taken from the last report of the postmaster general of the United Kingdom, issued August, 1896, and covering the business for the year ending March 31, 1896, together with summaries of the work of previous years:

POST OFFICE SAVINGS BANK, UNITED KINGDOM.

TABLE SHOWING THE BUSINESS DONE DURING THE LAST TEN YEARS.

YEAR.	Number of savings banks.	Number of deposits.	Due depositors at close of year.	Interest credited to depositors.	Average cost of each transact'n.	Number of accounts open at close of year.
			£	£	d	
1886.....	8,351	6,562,395	50,874,338	1,169,590	7-8/10	3,731,421
1887.....	8,720	6,916,327	53,974,065	1,244,074	7-8/10	3,951,761
1888.....	9,022	7,540,625	58,556,394	1,332,838	7-7/10	4,220,927
1889.....	9,353	8,101,120	62,999,620	1,443,186	7-4/10	4,507,809
1890.....	9,681	8,776,566	67,634,807	1,553,355	6 7/10	4,827,314
1891.....	10,063	8,941,431	71,608,002	1,658,148	6-8 1/10	5,113,395
1892.....	10,519	9,478,339	75,853,079	1,746,263	6-6 1/10	5,452,316
1893.....	11,018	9,838,198	80,597,641	1,860,104	6-5 1/10	5,748,239
1894.....	11,323	10,973,651	89,296,066	2,015,903	6-7/10	6,108,763
1895.....	11,518	11,334,977	97,868,975	2,222,545	6-4/10	6,453,597

The average cost of each transaction is unduly increased by the charge of the cost of purchased land and buildings being added to the account. Without such addition the cost in the year 1895 would have been 6d instead of the 6 4-10d shown.

The daily average of deposits made throughout the year ending March 31, 1896, was 37.084, and the average amount deposited



daily was £104,490 (\$508,886). We can scarcely realize what this stupendous business means, for these are not the transactions of great business houses, but of the savings of the common people.

We see from the above table that during the past ten years the number of depositors and the amount due them has almost doubled, and that at the close of the year 1895 there were 6,453,597 people in Great Britain, largely of the middle and lower classes, who had £97,868,975 (\$476,621,908) laid away against the day of need, with the wealth of the British government as security. About one person in seven in England and Wales is carrying funds in these banks.

#### The English System.

A person desiring to open an account is furnished with a blank form of declaration and a pass book, to which the depositor affixes his signature. A person can become a depositor without going to a postoffice, by signing the declaration in the presence of any one known at the office. Deposits may be made by the following parties:

1. Persons of full age and not under legal disability.
2. Married women.
3. Children seven years old and upward.
4. On behalf and in the names of children under seven years old. Money so deposited is not repaid until the children attain that age.
5. On behalf of insane persons by the committees of their estates.
6. By two or more persons jointly.
7. By one person as trustee for another.
8. By a duly registered Friendly Society.
9. By an industrial or provident society.
10. By a penny bank or similar institution.
11. By vicars and rectors of parishes for church uses.
12. In the name of the registrar of the county court.

The original act limiting the extreme annual deposit to £30 was amended December 31, 1893, raising the amount to £50. The limit of individual deposits is £200; amounts in excess of that sum are required to be invested in government stocks. The total amount so purchased by the savings bank for the depositor cannot exceed £500 at one time. If it does he is notified to reduce the amount by sale, or to transfer it to the Bank of England.

A person may deposit or withdraw money at any time at any one of the 11,000 offices of the kingdom. If in urgent need of money he may withdraw by telegraph £10 on the day of application and £20 on the following day, provided he pays for the necessary telegrams. As all accounts are kept in London, all requests



Fawcett stated in his report that during the first month 58,000 new accounts with the postoffice were opened. The cards furnish admirable opportunities for benevolent lessons in thrift. In 1889, at the annual distribution of prizes at the Ragged School Union, 335 scholars received deposit books showing that five shillings had been credited to each in the postal bank.

It does not seem to have occurred to these thoughtless Englishmen that, in training up the millions of children in their public schools to be proud of the fact that they have a bank account with the nation they are ignoring that mythical demon, "paternal government," whose very name causes so many good people in this country to tremble.

#### **Annuities and Life Insurance.**

Annuities (pensions for old age) may also be purchased in connection with the postal banks, in sums of not less than £1 or more than £100 on the life of any one person over five years of age. For example: A woman of twenty-four may pay in one sum £5 4s 11d, or pay 4s 4d per year until sixty, and then receive a pension of £1 per year until death. The insurance upon a man's life is somewhat less, as a man of twenty-four is required to pay in a single sum only £3 19s 10d, and the same annual sum as the woman, if he prefers, and his pension of £1 will commence at the age of fifty-four.

The lives of either sex between fourteen and sixty-five may be insured for any amount not less than £5 nor more than £100. Children between eight and fourteen may be insured for £5. The premium for insurance varies, of course, with the age of the insured. A man or woman between twenty-one and twenty-two, for example, may be insured for £10 by an annual payment through life of 4s. 4d., annual payments until sixty of 4s. 8d., or a single payment of £4 4s. Persons may commence with either annuities or life insurance at £1 and increase the same from time to time until the £100 limit is reached.

#### **Effect on Private Savings Banks.**

The opposition to postal savings banks arose largely from the owners of private banks, but experience shows their fears were in the main groundless. The private banks deal with another class of customers, those who have larger amounts to invest. The fact that the government banks pay one-half per cent. less than private ones is a sufficient reason to induce the larger depositors to patronize the latter, and the more so for the reason that since the absolutely secure government banks were established the private banks have been forced to more carefully secure their depositors than formerly. That the private banks have prospered is shown by the

statement that after a lapse of fifteen years from the inauguration of the postal banks the private banks had increased their capital stock \$10,000,000.

The postal bank is for the middle and lower classes, and for children, and such transactions are seldom desired by private banks.

The London Times in discussing the proposed measure in 1861, said:

It will be found by referring to the books of the private savings banks that nine-tenths of the depositors are mercantile and law clerks, governesses, butlers, and upper servants, house maids, cooks, etc., whose daily wants are provided for them, and who are relieved from the nature of their avocations, from the temptation to spend their money.

In many cases the private banks are gainers by the new system, as many thrifty depositors whose savings pass beyond the government limit transfer them to the private banks.

#### France.

Petitions for government savings banks were repeatedly made in France for many years, but the only result obtained was an act passed in 1863 authorizing postmasters to aid depositors in forwarding funds to private savings banks. Finally the persistent efforts of the friends of the cause were successful, and on January 1, 1882, the postal bank system commenced operations through 7,000 post-offices in France and Algiers.

As in England, the plan immediately became popular, and depositors and deposits steadily increased until the financial panic of 1893, during which year the amount due depositors decreased 21,000,000 francs (\$4,200,000), owing largely to the spreading of false reports. The next year, however, the deficit was made up and 50,000,000 francs (\$10,000,000) in addition stood to the credit of the depositors.

M. Perrier, minister of posts and telegraph under President Carnot, says in his report for the year ending December 31, 1893:

I look with confidence on our postal savings banks. The results obtained in this epoch justify their establishment, even surpassing the attainments of the past.

On January 1, 1893, the number of depositors was 1,973,673, and on September 1, 1894, the number was 2,224,813, an increase of 251,140 in twenty months. Of this vast number of two and a quarter million depositors, more than two-thirds had less than 200 francs (\$40) to their credit, showing that the banks were freely used by people of limited means.

Communes where there are no post offices are visited at least once a day by letter carriers, who are authorized to receive deposits.

In 1891 the French director of posts and telegraphs wrote our Postmaster General Wanamaker that there was not a hamlet in France where savings could not be collected. He also states that no opposition was met with from private banks, as the two serve a different class of customers.

No sum less than one franc (20 cents) is received, and 2,000 francs (\$400) is the limit. Cards bearing the value of one franc in postage stamps are credited, as in the English system. The rate of interest is three per cent. An arrangement made in 1882 permits citizens of France to transfer their accounts to Belgium postoffice banks, and vice versa, when desired.

Depositors' money is invested in government securities, bought in accordance with the daily quotations. The cost of management has decreased since 1882 from about three-quarters of one per cent. of the balance due depositors to one-half of one per cent. in 1893. As is the case with all countries using the postal bank, the difference between the interest paid depositors and the interest received by the government for the use of the money is sufficient to pay all the expenses of the system, and in many cases to leave a balance in excess.

#### Other European Countries.

With the exception of Germany, which is well supplied with municipal savings banks so admirably conducted as not to have felt the pressing needs of postal banks, there is not a single great power of Europe that has not adopted the new system, and not one which does not endorse it as an unqualified success. All are, in general, modeled after the English, and need no detailed description of the main plan, but a few of the special provisions are worthy of note.

Austria has a regular check system in connection with the postal savings bank, offering the same conveniences as any common bank of deposit. To be entitled to use the check system a person must keep a permanent deposit in the bank of not less than 100 gulden (\$40), and pay a trifling amount for a check book and blank receipts. No limit is placed upon the amount deposited, but no single check can be drawn for more than 10,000 gulden (\$4,000).

Hungary introduced postal savings banks in 1886. During the first year it paid only 13.9 of the expenses. In 1890 it paid 80.4, and in 1894 it not only paid all expenses but returned all the amounts the postoffice department had loaned it during previous years.

Belgium depositors must sign a statement that they possess a sufficient amount of knowledge regarding the laws and regulations. In addition to investing the deposits in government funds, the bank is authorized to make loans to private individuals. No loans are made for less than 200 francs (\$40), and on not longer time than



sixteen months. They can be renewed if conditions are satisfactory. No guarantee from the borrower is required, but he must prove his solvency.

Sweden shows good results by the fact that after ten years of trial one person in eight in the kingdom has a pass book. The deposits are invested in bonds issued by the government, municipal bonds of various cities in the country, and in direct loans to the municipalities.

Italy has attempted to solve the problem of investing the funds received from depositors outside of the government securities. The government stands between the people and a deposit and loan bank. The postoffice issues the deposit books to the people, receiving their money and returning it upon demand, keeping an individual account with each depositor. The deposit and loan bank receives the funds from the postoffice, and under provision of the law invests it in loans to provinces and communes, and in fundable bonds, and in account current with the treasury itself. At the end of each five years a portion of the large profits accumulated by the deposit and loan bank is divided among the depositors.

The minister of posts and telegraphs in 1892 wrote Postmaster General Wanamaker in much the same tenor as the French official previously quoted, that the apprehensions felt in the outset that the postal savings bank might injure the private institutions soon vanished, as it soon became apparent that the two kinds of institutions had different classes of customers, and did not interfere with each other.

The dates of adoption of the postal savings banks in the various countries is as follows:

Great Britain.....	1861	Sweden .....	1884
Belgium .....	1865	Hungary .....	1886
Austria .....	1868	Netherlands .....	1886
Italy .....	1875	Finland .....	1886
Japan .....	1875	Russia .....	1889
France .....	1881		

#### English Colonies and Elsewhere.

There is scarcely an English colony that has not followed closely the system of the home government. South Australia, Queensland, New Zealand, Ceylon, Cape of Good Hope, British Guiana also the Hawaiian republic have adopted the system within the past ten years. In the latter country, with its limited population, where the postal savings banks were opened in 1886, during the first three years there were 2,641 depositors, to whom \$885,960 were due. These funds were employed in public improvements.

### Canada.

The successful working of the system at our very borders for nearly thirty years deserves a passing notice. On April 1, 1868, the first banks were opened, and at the end of fifteen months eighty-one offices showed the amount due depositors, \$856,814. On June 30, 1889, there were 113,123 depositors, with a credit of \$22,413,123.

Inquiries in 1885 showed farmers' deposits stood highest on the list, being one-third of the whole, and next highest were married women, one-fifth of the whole. The report of June 30, 1895, shows 720 postoffices doing a savings bank business, and \$42,165,357 due depositors. Postmasters are forbidden under pain of dismissal to disclose the name of any depositor, amount of deposit, or withdrawal. It is stated that the labor and expense incident to carrying on the business of the postal savings banks has not added more than five per cent. to that required for the regular mail service.

### United States.

We have seen, commencing with England 36 years ago, the foremost nations of the earth adopting the postal savings bank. In not a single case has the plan been abandoned; in every case the growth has been rapid from year to year, and from every nation using it enthusiastic praises are heard.

Lewins, in his "History of Savings Banks," says of the postal savings banks of Great Britain:

Next, perhaps to the repeal of the corn law, this is the greatest boon ever conferred on the working classes of the country; and next to the scheme of penny postage itself the scheme of postoffice banks is the greatest and most important work ever undertaken by the government for the benefit of the nation. \* \* \* The success of the postoffice bank has been of the most complete kind.

With vast areas, in some cases amounting to whole states, without a savings bank of any description; with other sections where private savings banks exist under state laws so loosely drawn as to put a premium upon dishonesty; with wisely drawn state laws the exception and not the rule, why has the object lesson presented by the other nations been lost upon us?

Surely not because we are not a thrifty nation. We quote from the last "Statistical Abstract of the United States," page 57, giving the report of savings banks by the comptroller of the currency. It is the report for the year 1896, perhaps as disastrous a year, from a financial point, as the country has ever known.

POSTAL SAVINGS BANKS.

States.	Number of depositors.	Amount of deposits.	Average for each depositor.
Eastern .....	2,210,430	\$802,923,950	\$351.87
Middle .....	2,294,179	855,402,431	372.86
Southern .....	52,178	9,008,852	172.66
Western .....	321,805	104,066,129	323.38
Pacific & Territories.....	186,902	135,754,915	726.34
Total .....	5,065,494	\$1,907,156,277	\$376.50

Compare the report from these six New England states with that of the seven western states, Ohio, Indiana, Illinois, Wisconsin, Iowa, Minnesota and Michigan:

States.	Depositors.	Amount.	Population in 1890.
Eastern .....	2,210,430	\$802,923,950	4,700,745
Western .....	321,805	104,066,129	16,685,562

It will be claimed by no one that these seven western states, with almost four times the population of the six New England states, should not, with proper banking facilities, make as good a showing as the others. That showing would be over \$2,850,000,000 savings for the seven western states alone, or considerably more than one-third in excess of the total savings for the whole United States.

It is not claimed that these figures show that if the postal savings banks were established these vast sums would all flow to them. It has been clearly shown, from the experience of other nations, that there would be no conflict between the private and the postal banks. But surely, in the absence of private banks, as in the states shown, those of the government should be established. The figures do not show that the people of the west are not laying up their savings through other channels, such as the building and loan societies, which, did they come within the scope of this paper, might easily be shown to be under as loose state surveillance as the savings banks, and even less worthy of trust in the majority of cases.

**The Problem.**

The nations of the old world are in debt, many of them hopelessly so, and they never expect to be free from the load. What better way than to have that debt owed to the people of the nation, and let the interest remain at home? And so the postal savings banks easily and naturally provide a way of investing the savings of the people, alike helpful to them and to the government.

In the United States, freed from the necessity of a vast standing army and an immense navy; with boundless natural resources; a nation of inventors, a people of restless energy and money making

proclivities, the policy has ever been to keep out of national indebtedness. The enormous war debt which was, until a few years ago, reduced so rapidly as to excite the astonishment of the world, is now small compared with other great nations, and will doubtless, ere many years, be extinguished.

Where then shall we find a safe investment for the people's money, where a fair rate of interest can be earned and paid to depositors. For this interest must be earned. The wild scheme advocated by some that the general government through taxation of all should make provision for payment of interest to depositors in postal savings banks will never be considered.

#### History of the Movement in the United States.

To Postmaster General Cresswell, during Grant's administration, belongs the credit of the first official attempt to introduce the postal savings banks. In 1871 he strenuously urged the measure, and still more strongly emphasized it during the panic of 1873, which he believed would have been greatly lessened had the system been in vogue.

Postmaster General Maynard in 1880 again took up the subject, urging congress to act. His successor, Thos. L. James, in his annual report, published in 1881, said:

It is my earnest conviction that a system of this description, if adopted, would inure, more than almost any other measure of public importance, to the benefit of the working people of the United States.

Postmaster General Howe in 1882 again called attention to the matter, and in the same year Chairman Lacy, of the committee on postoffices and post roads, introduced a bill into congress for the establishment of postal savings banks. This bill was heartily indorsed by the State's Charity Aid Association of New York, and by many others.

The most persistent and carefully prepared work by any of the postoffice officials was that of Postmaster General Wanamaker. Those interested in following this subject beyond the limits of this paper will find his views in full in his report to the senate (see report of the LIst congress, second session, senate miscellaneous documents.) His solution of the investment problem is that all moneys deposited should be placed in the care of the secretary of the treasury, a separate account kept with each state, and the amounts invested in securities of the national banks of the state from which they were received. The people's money, he says, would come from its hiding place, and be at once put into circulation through the banks in their own state. He also suggested that depositors' money be used to erect postoffices all over the country, as well as other public buildings.

Prior to January 1, 1896, seventeen different bills have been introduced in congress looking to the establishment of postal savings banks. In many cases these bills have been killed by attaching other measures to them, such as postal telegraphs, postal package express, etc.

#### The Present Situation.

Congress will shortly be called upon to consider new bills now pending for postal savings banks. Public interest is being aroused through many leading newspapers, and it is to be hoped that before long the people of the United States will be enjoying this boon, together with the other nations of the earth.

There certainly should be found among the millions of state, municipal and other bonds of this country, so eagerly sought for abroad, a sufficient amount in which the government could safely invest the people's money whenever its own securities shall no longer be available. What Italy has done we should be able also to do. These questions, however, are financial ones, and must be passed upon by those competent to deal with them. Let the people decide that they will have the postal savings bank, and the details of their operation will be speedily forthcoming.

As was said at the outset, the times demand action and not theory. The People's party, at its convention held at St. Louis July 24, 1896, reiterated its former declarations in favor of postal savings banks by embodying the following demand in its platform:

We demand that postal savings banks be established by the government for the safe deposit of the savings of the people, and to facilitate exchange.

We are grateful that one political party has set its face in the right direction, and that public attention is thereby called to the subject. But it is not in any sense a political matter. It is a move for the betterment of those of every political faith, and every effort should be concentrated to push the measure, freed from all entangling political riders, to a successful termination.

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The "Cosmopolitan" magazine for March, 1897, contains an article by its gifted editor, John Brisben Walker, entitled, "The First Essentials for Prosperity," in which a new banking system is presented. He says: "I have discussed the postal savings bank system with many bankers, and have never found positive objection from those who would take the trouble to go carefully and disinterestedly into its provisions. Last winter, three weeks spent in Washington were largely consumed in engagements with the more prominent men in the senate and house of representatives going over the postal savings bank bond. I do not recall an instance where there was shown decided opposition. On the



contrary, the idea seemed to be already favored by numbers of the ablest men in both houses, and when the proposition was submitted to new ears, it seemed to bring immediate adhesion. On every side it was said to me that the New York banker controlled the situation in Congress, or at least had power to prevent new legislation. 'If you will go back to New York and bring with you,' they said 'the approval of the leading bankers of that city, this measure can be put through in the shortest possible space of time.'

Mr. Walker, in explanation of the bond system to which the above extract refers, says: "The system here proposed has never been tried in its entirety, but under the name of postal savings banks it has received in Great Britain, in Sweden and in Austro-Hungary preliminary tests which go far towards establishing the safety of its fundamental principles."

We are not interested in this paper in Mr. Walker's bond proposition, however worthy it may be, but the vital point in the above extract is that no legislation such as we have shown other countries to be enjoying under the postal savings bank system can be obtained in this country without the consent of Wall street. We hope this statement may be found to be overdrawn, but if that is the cause of our repeated failures it is well to be advised of the fact.



MINNIE F. MURRAY, a native of Iowa, was born at De Witt, November 1, 1870; educated in the public schools, and in the summer of 1893 she located in Nashua, Iowa, where in partnership with Margaret F. Gorman she engaged in the publication of the Nashua Reporter, a weekly newspaper, in which she has since been engaged. Miss Murray is an enthusiastic advocate of social and governmental reforms, and her voice and pen are ever ready to defend the cause of right and justice.



## CHAPTER XXVII.

### PATRIOTS VS. POLITICIANS.

BY MINNIE F. MURRAY.

The American people are today standing upon a precipice of governmental error, scanning the horizon of the future. The sunset shadows of the passing century are painting their varied hues upon the landscape, and as the setting of the sun foretells the dawn of the coming day, so shall the sunset of this century foretell the dawning of the one to follow.

The test which shall decide the future greatness of the American people is yet to be applied. They have yet to meet and successfully combat the tendency of concentrated wealth to absorb the rich resources of the nation, and reduce the laboring classes to a condition akin to foreign peasantry. To subdue selfishness and avarice and cultivate in their places a love of justice and equality is a task worthy of the efforts of America's greatest statesmen, and the co-operation and assistance of every patriotic citizen.

The selfishness of man, unchecked by the restraining hand of law, has drawn the curtain of oblivion about some of the greatest governments that history records, and the spirit which wrought such ruin in the past is today the greatest menace that threatens the future of this nation.

The business depression of the past four years has turned the keen eye of an inquiring public upon the affairs of government and the startling revelations which confront them there have forced upon the minds of thinking men and women the necessity of each individual of our republic assuming a deeper interest in the affairs of the nation and in the needs of the country than simply the casting of a ballot on election day. To the people alone belongs the sovereign right in these United States, and in their hands rests the power to crush out of existence any evil that threatens their prosperity and happiness.

#### **Indifference to Public Affairs Dangerous.**

Indifference to legislation and the duties of legislators on the part of the people is resulting in dishonesty on the part of those in whom they have reposed confidence, and whose honesty and integrity they expect to be exercised in their behalf. The result is that personal interests possess the men who are sent to represent

the people, and they become the servants of men who seek to profit by class legislation, and gradually the power to govern this country will pass out of the control of the people and into that of the wealth possessors who will dictate the terms of government, and an unhappy, discontented and rebellious people will struggle in vain to regain the rights which their indifference and false fealty lost to them; rights which they now enjoy, but prize too lightly.

The greatness of any nation lies in its power to so regulate its affairs that each and every one of its citizens shall have opportunity to avail himself or herself of a just measure of its resources which the bounteousness of nature and the genius of man provides from year to year. When trusts, combines, syndicates and monopolies are permitted to absorb and control these resources the rights of the people are usurped, and their only recourse lies in an intelligent understanding of their needs and a united demand for proper legislation.

#### The Patriotism of Peace and War.

America has many times been forced to stand the test of war, and history fails to find a parallel of such heroic loyalty, but there is a patriotism that is grander, a loyalty more sublime. It is the unselfish devotion of men to the true principles of a free government in times of peace. Uninfluenced by the mad music of war, removed from the thrilling scenes of battle where the roar of the cannon and the rattle of the musketry make even cowards brave, there is a grand nobility in men which makes them truly great who place the welfare of their country first, and scorn all proffered honor, wealth or fame when purchased at their country's cost. A sense of duty makes men patriots in war, but a love of justice makes men patriots in peace.

A broader knowledge of true statesmanship, a loftier sense of justice, and a deeper feeling of human sympathy have made the present generation one which seeks not to incite war, but rather to avert it. But while we have been solving the questions of war and peace with foreign foes, we have fostered here at home an enemy greater than them all. We have allowed combined capital, which has been the destroying agency in the fall of many a mighty nation, to gain sway and wield despotic power. With each succeeding year, the politicians of both parties have combined to remove obstructions from the pathway of an enemy which now threatens the stability of our government and the peace and happiness of millions of our people. Seeking favor for themselves and the few who share the spoils, politicians have for years placed their country on an auction block and sold its rich resources to a horde of mercenary tyrants. The people's needs have been ignored; the



voices of reformers have been drowned by jeers and jests. Where once the voice of fearless patriots denounced all principles antagonistic to a true republic, we find today men who exhaust their genius in eloquent argument to foster evils and palliate wrongs which have ruined governments as great as ours. Loyalty to party ties and blind confidence in party leaders have led the people farther and farther from that ideal democracy which breathes the principles of universal justice and equality; which characterizes as a crime any legislation which accords to classes advantages which rob the masses of their rights and privileges. For years the people have been worshiping false gods; for years they have been deluded by hopes and promises; for years they have entrusted the destiny of America to men they thought to be infallible; for years they have visited the polls and voted at the dictates of their party, and trusted to that party's honor to fulfill the pledges it had made. For years they have watched the development of a country which has been the marvel of the century. They have witnessed the accomplishment of gigantic enterprises before which man involuntarily bows in awe and admiration; they have seen a wilderness develop as if by magic into cities, towns and fertile fields; they have seen railroads wind their way across a continent and unite the oceans by an iron band; they have seen palatial mansions reared above the heads of millionaires; they have seen the bounteous resources of this nation, placed here by the hand of Providence that all might share them equally, gradually become the private property of trusts, combines and syndicates; they have seen a few shrewd men absorb the nation's wealth, while millions practice daily lessons of economy, and thousands never know the comforts of a home, until today they see a nation broad enough to furnish every family a comfortable dwelling place, rich enough in resources to give every willing man a chance to work.

#### The Lamentable Contrast.

But instead of peace and plenty which should exist in a country such as this, they see men and women, desperate from privation, begging for an opportunity to work; they see children whose childhood days are spent in wretched poverty, whose youth is wrecked within the haunts of vice, and whose old age lengthens into weary years, cursed by ignorance and disease. They see hope die out of human hearts and anguish take its place; they see soulless corporations reaching out and appropriating as their own the land which almighty God made free as air and sunshine, to be used and cultivated, but never to become the private property of any mortal man; they see the energies of millions absorbed in the mighty struggle to appease the never-satisfied demands for interest, rents and taxes. And these golden streams of wealth, wrenched from the

pallid hands of want, wrung from the weary grasp of honest labor, pour like never-ending streams into the well-filled coffers of the rich, and every dollar tells a tale of misery, privation, want and sacrifice.

Year after year the people have been pleading for relief; year after year their ballots have been cast for men whose promises were but the subtle sophistry of politicians; year after year the people's rights have been betrayed until there never was a time in the history of America when county, state and nation stood in such painful need of patriots. A crisis never dawned which demanded the solution of more vital questions. It is a time which demands the revival of colonial patriotism. The man who shrinks from duty now obstructs the pathway of his children who will curse him for his cowardice. The country needs a party to champion the cause of the oppressed; a party brave enough to scorn the sneers of criticism; a party in which every man is honest and sincere; a party whose every effort seeks to establish the true principles of Democracy; a party whose love for freedom and justice is greater than its love for wealth and power.

To meet the demands of the times, the people must pursue the principles of reform. To abandon such principles now is to yield the power of government to the most vicious element that ever sought to enslave a nation. The coming century must witness a great reformation in the interest of the people if our present form of government is to be continued.

#### United Action Demanded.

If instead of uniting for mutual protection and the adoption of principles they know to be right and just, they choose to blindly follow party leaders who seek the responsibility of legislation and profit by the credulity of their constituents; if, instead of co-operating regardless of past party affiliations in one of the most humane enterprises that ever inspired a generation, they yield to petty jealousies and sectional disputes; if they prefer an arid individuality to productive association; if, in the perpetuity of the government they see nothing but an opportunity for official plunder and ill gotten gains, then the glory of liberty, the love of justice and the grandeur of patriotism will gradually die out of the American heart, and all the tyranny and arrogance of excessive wealth and the viciousness and depravity of hopeless poverty will combine to wreck a government founded upon the broad principle of equal rights to all and special privileges to none. American liberty was purchased at too great a cost for the present generation to ignore its value. With the true spirit of patriotism, let every man and woman endeavor to remedy the evils of our time that coming generations may not be cursed by an heritage of oppression and misery.



RESIDENCE OF COL. D. M. FOX, DES MOINES, IOWA.



## CHAPTER XXVIII.

### CONSPECTUS OF POLITICAL PARTY HISTORY.

BY THE AUTHOR.

During the presidential campaign of 1897 and 1900, specially in its educational aspects, the early history of national policies as manifested in the origination of parties and their acts, will be often referred to, and used as precedents to explain the present unsettled condition of political affairs. The authors of that immortal document, the Declaration of Independence, and the framers of the constitution, under which the republic has so gloriously prospered, however widely differing on question of polity, were then as now recognized by all as sincere, honest and patriotic. Hence, they are always referred to and greater weight given to their opinions than to statesmen of later date.

Entire unanimity of opinion could not be expected among men brought together from distant colonies, composed of people originally of different nationalities. For the one great purpose, however, the founding of a republic, a home for the oppressed of all nations, and especially for freedom from the government of Great Britain, all were agreed and worked unitedly for its accomplishment.

Differences of opinion, as stated above, among the best and wisest of patriots of that time were made manifest in the work of forming the constitution; these conflicting views, arising principally from diverse interest between the north and the south, were finally compromised; nevertheless, even before the close of the Revolutionary war, parties were formed, and during the administration of Washington, the first president, they became specially marked, and at times as virulent as in subsequent periods of the nation's history.

The parties were then designated as Federalist and Republican. The most prominent leaders of the Federalists were Alexander Hamilton and John Adams; of the Republicans, Thomas Jefferson and James Madison. The Federalist party advocated a strong central government, the Republican favored the sovereignty of the states, the rights of the people, and finally secured those amendments and additions to the constitution intended to guarantee states' rights, and which declared that "All powers not expressly granted to congress by the constitution are retained by the states or the people."



### The Rise of Political Parties.

It is not the purpose of the author to give an elaborate history of the two parties. Space will not permit it, neither is it advisable, the object of the writer being only to give readers a cursory view of their rise, and the prominent questions causing the division, thus paving the way for a better understanding of the existing political situation, and the present relation of parties.

After the close of Washington's second term of the presidency, John Adams, the second national executive (1797), was elected by the Federal party, but in 1801 failed to secure a second term. The Republicans elected Thomas Jefferson, who served eight years, to 1809. He was succeeded by James Madison, who also served two terms, giving place to James Monroe, who served eight years, from 1817 to 1825.

Mr. Monroe personally was, perhaps, the most popular of our early presidents. With him originated the Monroe doctrine, of which so much has been said and written, especially during the past year, and now bids fair to involve the nation in a war with Spain. It is right, nevertheless, and now being so prominently before the American public, several pages of another chapter will be devoted to its consideration.

The campaign of 1824 was the first in which the writer took a part, being only seven years old; the reader will at once recognize the fact that the services rendered were not very important, but like boys of the present, he took great pleasure in waving a small American flag made by his mother, and in company with his father attended Whig meetings, the new name of the Federalist party, shouting as vociferously, "Hurrah for John Quincy Adams!" as he has for the twenty candidates for president since that time. His first vote was cast for the candidate for governor of Michigan in 1828, Hon. Wm. Woodbridge, and for President Wm. Henry Harrison, in 1840.

The same year, 1824, it was his ever to be remembered pleasure, in company with his father and Elijah Fox, his grandfather, a Revolutionary soldier, to accompany them to Lockport, N. Y., where his grandfather, having traveled over a hundred miles, had come to meet his commander in the war, General Lafayette. I will not attempt to depict the scene. Tears of joy were in the eyes of both, and other Revolutionary comrades standing near, while the two in subdued voices talked for a few moments over events that occurred nearly a quarter of a century before. When about to leave, after shaking hands with grandfather, the affable Frenchman noticed the boy by his side, took him by the hand and spoke a few kindly words. From that time to the present the boy, now older than any one of that company at that time, has revered the patriotic Frenchman, who

came to our assistance in the darkest hour of the revolutionary struggle.

In 1816 party animosities had considerably subsided, but were again revived in the Jackson and John Quincy Adams contest of 1824. The Federalists on account of their manifest sympathy for England during the French wars, and their opposition to the war of 1812 between our own country and Great Britain, had become unpopular, and the party assumed the name Whig, name of the party disloyal to the king during the Revolution, the party of the king being termed Tories.

At this time the name of the opposition, hitherto Republican, was changed to Democratic-Republican, and was thus designated at the time of the first election of Andrew Jackson. The word Republican was finally dropped, and from that time to the present the party has been known as Democratic. The name Whig was retained by the opposition until 1856, when the breaking of the old parties on the slavery question resulted in the formation of the present Republican party. It would be interesting to further speak of the prominent American statesmen who have been identified with the parties in making the history of this great nation; on the side of the Whig-Republican names the most prominent are: John Adams, Josiah Quincy, Alex. Hamilton, John Quincy Adams, Daniel Webster, Henry Clay, Wm. H. Seward, Abraham Lincoln, etc. The reader will readily understand that an extended account of the prominent parties named, and their works cannot be given in the limited space of a campaign text-book; only sufficient to enable readers to connect parties of earlier years and their work with present parties. A careful analysis will show that the issues then and now are not wholly dissimilar.

For a more elaborate and clearer elucidation of the subject the reader is referred to the "History of Political Parties and National Reminiscences," a book of 600 pages, illustrated, published in 1895 by the author of this work. Price, sent postpaid, \$1.50.

The United States government has had twenty-five presidents; the first, George Washington, the last, the present occupant, Wm. McKinley. For the benefit of the readers of "The Silver Side Text-Book," at large expense and labor, the author has procured an engraved plate, giving accurate portraits, and the time of service of the twenty-five distinguished citizens who have been called by their fellow countrymen to fill this the highest of the world's positions. The engraving constitutes the frontispiece of "The Silver Side, 1900 Campaign Text-Book."

#### A Century of Republican Government Success.

One hundred and eight years the people have chosen their own rulers; with one exception no serious difficulty has occurred in the

change from the outgoing to the incoming chief executive. Let the American citizen consider, and compare these facts with the history of wars, revolutions and oppressions during that time in those parts of the world ruled by the "divine right" of kings. Contrasting the condition of the people there and here for the past century, he cannot fail to see the great advantages that he has in thus living under a government of the people and for the people.

The publication of this work and the presentation of these statements in a brief review of our history are made for the purpose of inspiring a greater love for our own beloved land, and, further, to timely warn the people of approaching danger, that they may be fully prepared to ward against it.

The younger readers of "The Silver Side," and many of the older ones, will be pleased and instructed by the beautiful picture of the presidents, immediately following the title page. It gives at a glance quite a history of the United States.

In another chapter, under the caption of "Presidents of the United States," the administrations of the twenty-five presidents are briefly noticed in the order they served, accompanied with large portraits of Washington, Abraham Lincoln, U. S. Grant, Wm. Henry Harrison, and the present incumbent, Wm. McKinley.

#### Are Political Parties Desirable?

Whether desirable or not, they have existed, as shown above, from the time of the organization of the government, and in the opinion of the writer will continue just so long as men differ in their minds socially, religiously, and politically. How can it be otherwise? If religious men cannot harmonize their beliefs and meet together for worship, their differences having resulted in the organization of over 300 sects, and more coming, is it a matter of surprise that citizens, compelled to face a thousand unsolved problems, especially in a republic where the people are hewing out of the great American wilderness and inaugurating a new form of government hitherto untried, is it any wonder that there should exist two, three, or even more political parties?

Differences of opinion on the many, many political questions have really, however, resulted in the division of people into only two grand divisions, Democratic and Republican. There have been and still exist lesser parties, but none that have had material effect in shaping national policies. It will be found on a close analysis of the administrations of the twenty-five presidents, conceding John Tyler to the Democracy and Monroe to the Whigs, that of the 108 years since Washington was first elected, Democrats have controlled the government 52 years, Republicans 56 years. Placing Mr. Monroe in the Democratic party where, perhaps, he more properly belongs, gives this party 60 years and the Republicans 48 years.

Thus evenly divided in time we find the two great parties. On the whole the government has been governed wisely and well. Great mistakes have been made by both parties; the people, however, quickly saw the wrong and the administration as quickly passed to the opposite party, as demonstrated by the facts of history herein stated. At times partisan contests both in the earlier and later years have been bitter, sometimes rancorous. Nevertheless, we are now prepared, and hope the reader is, to answer affirmatively, the question, "Are political parties desirable?"

To justify this conclusion by discussing the advantages, and sometimes wrongs resulting from extreme partisanship, is not our purpose. The advantages will readily occur to the intelligent reader. The history of previous and existing party organizations briefly given in this sketch exhibits the advantages of a balancing power, especially in a republic, resulting from the watchfulness of each other by opposing forces. The American citizen, educated from childhood in love of country, with the flag waving over every schoolhouse, is there taught that "Eternal vigilance is the price of liberty," and realizing that

The greatest glory of a free born people,  
Is to transmit that freedom to their children,

he scans with jealous eye every movement of the opposing party, carefully guarding the rich heritage bequeathed by the Revolutionary fathers.

There has never existed a more urgent call for vigilance than now. In June, 1896, there was convened in the city of St. Louis, a body of men, representing the Republican party; that body for the first time in American history, by the allurements and threatenings of the money power, transferred its allegiance from the party of the people, the party of Lincoln, to the party of plutocracy.

We will not pause to verify this statement. The evidence is abundant. Let any one who cares to know the truth read the plain declarations of the party in the two immediately preceding national conventions, in its action on the same subject, favoring the use of silver on equal terms with gold. The St. Louis convention, by its adoption of the single gold standard, aroused to action and antagonism thousands of men heretofore identified with the Republican party. In one voice they exclaimed in the language of Latham's "Distracted State":

If we retain the glory of our ancestors,  
Whose ashes will rise up against our dullness,  
Shake off our tameness, and give way to courage;  
We need not doubt, inspired with a just rage,  
To break the necks of those who would yoke ours.

This action resulted in the calling of a Silver Republican national convention in the same city, and the organization of a party, which subsequently nominated Wm. J. Bryan for the presidency. Acting in unison with the Silver Democrats and Populists, notwithstanding the combined efforts of plutocratic opposition in all the forms it has assumed, the triune party came near electing their candidate, his popular vote being 6,508,687. Even with all the powers against him, the best informed men of the country, after careful investigation, are confident, if the fraudulent vote in several states and cities could have been discarded, the victory was on the side of the restoration of silver, which will in time surely come; little or no relief can come to the people and the nation until silver is restored as constitutional money.

Notwithstanding the well founded belief of the many that Mr. McKinley was elected by fraudulent votes, the legal decision being in his favor settles the question with every law abiding citizen. He is president of the United States and silver men will support him in all good work, with the sincere hope that he will inaugurate measures for the relief of the people. Americans, differ as they may, are all patriotic, and as we had somewhere in this "Silver Side Text-Book" proposed to make room for the publication of that grandest of national hymns, America, this article will be closed with it, especially appropriate, this chapter being written inauguration day, March 4, 1897:

#### America.

My country, 'tis of thee,  
 Sweet land of liberty,  
     Of thee I sing;  
 Land where my fathers died,  
 Land of the pilgrim's pride,  
 From every mountain side  
     Let freedom ring.

My native country! thee,  
 Land of the noble free,  
     Thy name I love;  
 I love thy rocks and rills  
 Thy woods and templed hills;  
 My heart with rapture thrills,  
     Like that above.

Let music swell the breeze,  
 And ring from all the trees  
     Sweet freedom's song;  
 Let mortal tongues awake,



Let all that breathe partake,  
Let rocks their silence break,  
The sound prolong.

Our father's God, to thee,  
Author of Liberty,  
To thee we sing;  
Long may our land be bright  
With freedom's holy light;  
Protect us by thy might,  
Great God, our King.



## CHAPTER XXIX.

### TWENTY-FIVE PRESIDENTS—WASHINGTON TO MCKINLEY.

BY THE AUTHOR.

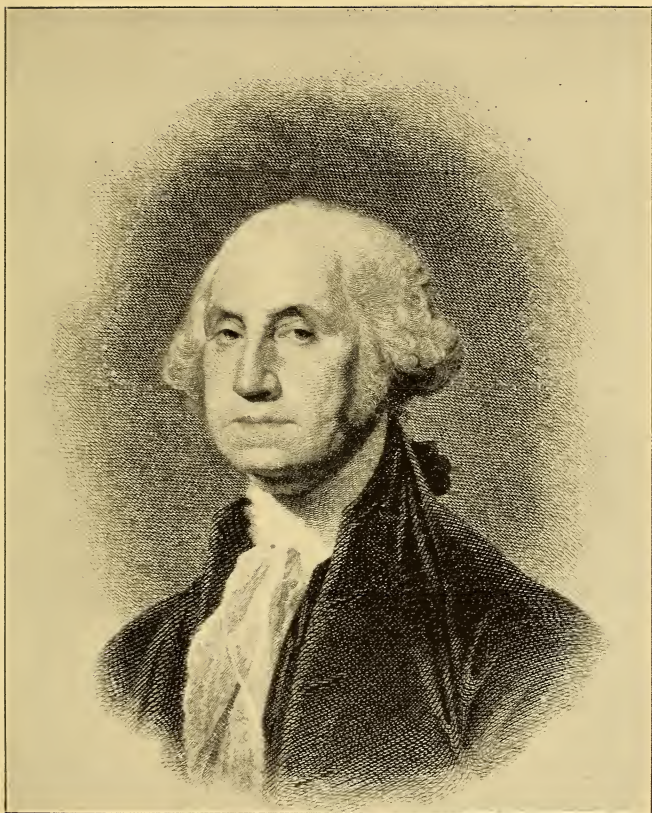
In the preceding chapter, the reader will find a synopsis of United States political history, to which is here added a brief biographical sketch of the twenty-five presidents who have served since the adoption of the constitution. Were these important political facts in our country's history omitted, the work would hardly be worthy the title of a *political text-book*, hence, the author, ignoring partisan predilections, confidently places these two chapters in the hands of American voters, believing they contain, including the frontispiece, more of American political history than ever before published in the same space. *Further*, the author desires to present in "The Silver Side, 1900 Campaign Text-Book," a statement of all the important subjects upon which citizens will be called to vote in 1897-1900, and the intervening years.

George Washington, First President of the United States.

*"First in War, First in Peace, and First in the Hearts of his Countrymen."*

The life of George Washington written out would not only comprise the history of his country during the time he was on the stage, but his course of policy as a warrior and statesman would be found to comprise all that is wise or good in the history of the present day. He received in his lifetime, and will retain forever, the noble appellations: "The Founder of the Republic," and the "Father of His Country."

He was born on the 22d day of February, 1732, in Westmoreland county, state of Virginia. His instructions, like the children of southern planters in those early times, was domestic and scanty, but full of good discipline and sound principles. His father died when he was ten years of age and no opportunities were subsequently offered, such as young Americans now have, for college and university education. His form, as well as his spirit, was martial, and at the early age of nineteen, so intensely was the public eye directed to him as a military chieftain, that he was appointed adjutant general of Virginia, which gave him the rank of major. It would be pleasant to the writer, and doubtless interesting to



GEORGE WASHINGTON, first president of the United States. For nativity and special incidents, see Chapter XXIX.

EXTRACTS FROM ENGLISH SCHOOL HISTORIES.

"Our generals were not very able, while the colonists selected as their leader George Washington, 'a man first in war, first in peace, and first in the hearts of his countrymen.'" "This noble patriot might be described as the type of an English gentleman. George Washington stands as pre-eminent as the one great figure of the American war of independence." "At first the English won, but a great man took charge of the American army. His name was George Washington, and he made his soldiers as brave and clever as Cromwell did those of England in the time of King Charles." "Washington was noted for his patriotic spirit, his infinite patience and his absolute unselfishness. There can be no doubt that the high character and sterling qualities of such a leader inspired the men under his command and helped in no small degree to bring the struggle to a successful issue."



the American reader, did space permit to write elaborately of Washington's early career; of his journey to the Ohio to carry dispatches from Governor Dinwiddie to the French commander, who was violating the existing treaties between France and England by the erection of fortifications from Canada to New Orleans; his services in organizing a force to be in readiness to meet the French and Indians; his subsequent services in the campaign of 1755 with General Braddock to penetrate the western wilderness to reduce Fort Duquesne. All mark him as a man born to be a soldier, these experiences being preparatory for the work of commander-in-chief of the United States army, in the great conflict to achieve the independence of the colonies.

In 1774 he was sent to the continental congress. In that body he was distinguished for suggesting proper means for national defense. After the contest had opened, and the battles of Lexington and Concord had occurred, the eyes of congress and of the people of all the states turned to him and he was elected to the command of the army. With the history of the long war of the Revolution. American citizens are familiar and may well glory in its results. After a trial of several years and the weakness of the federal constitution had been demonstrated, Washington was one of the members of the convention (1787) that formed our present constitution. In conformity with its provisions for the election of a president, by the unanimous vote in 1789 he was elected president of the United States, with John Adams vice-president.

Washington now had a difficult course to pursue. The nation was without funds, unsettled in plans, and soon after agitated by party spirit. He succeeded, however, with the aid of the wise counselors called to his cabinet. From bankruptcy the national credit was established and order and confidence grew out of disorder and distrust. He allayed agitations at home, and overcame difficulties abroad. He performed duties as though he were acting for future ages, as well as his own times. He raised no hopes that he did not gratify, made no promises that he did not fulfill.

#### Commander-in-Chief of the Army.

On the 15th of June, 1775, Washington was unanimously elected by congress to "command all the continental forces raised or to be raised for the defence of American liberty." He appeared in his place the next day. The president of that body acquainted him with his election in a well-timed address, and "requested that he should accept of that position," to which Washington made the following reply:

Mr. President: Though I am truly sensible of the high honor done me in this appointment, yet I feel great distress, from consciousness that my



abilities and military experience may not be equal to the extensive and important trust. However, as the congress desire it, I will enter upon the momentous duty and exert every power I possess in their service, and for the support of the glorious cause. I beg they will accept my most cordial thanks for this distinguished testimony of their approbation.

But lest some unlucky event should happen, unfavorable to my reputation, I beg it may be remembered by every gentleman in the room that I this day declare, with the utmost sincerity, I do not think myself equal to the command I am honored with.

As to pay, sir, I beg leave to assure the congress that, as no pecuniary consideration could have tempted me to accept this arduous employment at the expense of my domestic ease and happiness, I do not wish to make any profits from it. I will keep an exact account of my expenses; those, I doubt not they will discharge, and that is all I desire.

#### Washington's Resignation of His Command.

The war of the Revolution having terminated auspiciously, Washington took leave of his officers and army at New York and repaired to Annapolis, Md., where congress was then in session. On the 20th day of December, 1783, he transmitted a letter to that body, apprising them of his arrival, with the intention of resigning his commission, and desiring to know whether it would be most agreeable to receive it in writing or at an audience. It was immediately resolved that a public entertainment be given on the 22d, and that he be admitted to an audience on the 23d, at 12 o'clock. Accordingly he attended at this time, and, being seated, the president informed him that congress was prepared to receive his communications. Whereupon he arose and spoke as follows:

Mr. President: The great events upon which my resignation depend having at length taken place, I have now the honor of offering my sincere congratulations to congress, and of presenting myself before them, to surrender into their hands the trust committed to me, and to claim the indulgence of retiring from the service of my country.

Happy in the confirmation of our independence and sovereignty, and pleased with the opportunity afforded the United States of becoming a respectable nation, I resign with satisfaction the appointment I accepted with diffidence, a diffidence in my abilities to accomplish so arduous a task, which, however, was superseded by confidence in the rectitude of our cause, the support of the supreme power of the Union, and the patronage of Heaven.

The successful termination of the war has verified the most sanguine expectations; and my gratitude for the interposition of Providence, and the assistance I have received from my countrymen, increased with every review of the momentous contest.

While I repeat my obligations to the army in general, I should do in-

justice to my own feelings not to acknowledge, in this place, the peculiar services and distinguished merits of the gentlemen who have been attached to my person during the war. It was impossible the choice of confidential officers to compose my family should have been more fortunate. Permit me, sir, to recommend in particular those who have continued in the service to the present moment as worthy of the favorable notice and patronage of congress.

I consider it an indispensable duty to close this last act of my official life by commending the interests of our dearest country to the protection of Almighty God, and those who have the superintendence of them to His holy keeping.

Having now finished the work assigned me, I retire from the great theater of action, and bidding an affectionate farewell to this august body, under whose orders I have so long acted, I here offer my commission, and take my leave of all the employments of public life.

It has become, especially in the last few years, quite a fad with some young smarters to ridicule and discredit, or try to, the interesting stories of Washington's childhood, of his youth and bravery in the early years of his manhood, while engaged amid the trying scenes of frontier life and of the Indian and French wars. Nevertheless, some of the most thrilling of those incidents are substantiated by evidence indisputable the writer believes them, and further, that it is for the highest good and glory of this or any other nation that can point the present and oncoming generation of men to such an ideal man and hero as was George Washington, who was, as a military commander, brave, as a statesman, wise, and as a citizen it could truly be said:

Our country's welfare is our first concern,  
And who promotes that best, best proves his duty.

#### Washington as President.

Not long was this first and purest of patriots permitted to remain in private life. The old articles of confederation failed to accomplish the objects of union and efficiency desired, the constitution "to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense and promote the general welfare," our present fundamental law was adopted, and George Washington unanimously elected president. In this high civil position he shone as conspicuously for eight years as when occupying the highest military station. The wisdom manifest throughout the troublesome times of the Revolutionary period was equally marked through the turbulent, early years of the new government, new among the nations of the earth and largely experimental.

It would be extremely gratifying to the author to devote sufficient space, were it possible to do so without injustice to other subjects, to quote from the patriotic, inaugural addresses and congressional messages of President Washington, fully equal to any that have followed from the twenty-four men that have since occupied the executive chair, certainly none have ever exceeded them in perspicuity, directness of purpose, and apparent total forgetfulness of self, and free from ambitious party plans and purposes. How grandly favorable do they appear in contrast with late messages of Cleveland and McKinley, not merely "recommendations" to the representatives of the people, but rather as commands from a sovereign to subjects!

We must beg the indulgence of the reader, in making one more extract, the closing paragraph from his first inaugural address:

To the preceding observations I have one to add, which will be most properly addressed at the house of representatives. When I was first honored with a call into my country's service, then on the eve of an arduous struggle for its liberties, the light in which I contemplated my duty required that I should renounce every pecuniary compensation. From this resolution I have no instance departed; and being still under the impression which produced it, I must decline, as inapplicable to myself, any share in the personal emoluments which may be indispensably included in a permanent provision for the executive department, and must accordingly pray that the pecuniary estimates for the station in which I am placed may during my continuance in it be limited to such actual expenditures as the public good may be thought to require.

The addresses of Washington, this unexampled man, mark four distinct epochs in his history. First, when he accepted the command of the army; second, when he surrendered his commission after having driven the foes of freedom from the country; the third, when he assumed the responsible duties of president, in which office his high qualities for civil government were as successfully displayed as in military life; and fourth, when he resigned his trust and again took leave of the people in his "Farewell Address," indeed, an invaluable legacy to the American people.

Full of years and honors, through the gate  
Of painless slumber he retired  
And as a river pure  
Meets in its course a subterranean void,  
Then dips his silver head, again to rise,  
And rising glides through fields and meadows new,  
So hath Oileus in those happy climes,  
Where joys ne'er fade, nor the soul's powers decay,  
But youth and spring eternal bloom.

**John Adams.**

(For Portrait see Frontispiece.)

Second president of the United States was born at Braintree, Mass., October 30, 1735. A lawyer of eminent ability, he became one of the most influential advocates for the freedom of the country. Mr. Jefferson, in speaking of him, said:

The great pillar of support to the Declaration of Independence, and its ablest advocate, was John Adams.

After the successful termination of the war, he filled many important official positions, at home and abroad. He was the first minister from this republic to Great Britain. In his first interview with the king, his words were so deeply interesting, as also were those of the king in reply, they are used to aid in perpetuating one of the many incidents of the early history of our country and give to Americans of the present something of the customs of the people, and courtly customs and requirements at that time. In his report he says:

I went with his lordship through the levee room into the king's closet. The door was shut, and I was left with his majesty and the secretary of state alone. I made the three reverences; one at the door, another about half way, and the third before the presence, according to the usage established at this, and all the northern courts of Europe, and then addressed myself to his majesty in the following words: "Sir, the United States of America have appointed me their minister plenipotentiary to your majesty, and have directed me to deliver to your majesty this letter, which contains the evidence of it. It is in obedience to their express commands that I have the honor to assure your majesty of their unanimous disposition and desire to cultivate the most friendly and liberal intercourse between your majesty's subjects and their citizens, and of their best wishes for your majesty's health and happiness, and for that of your royal family. The appointment of a minister from the United States to your majesty's court will form an epoch in the history of England and America. I think myself more fortunate than all my fellow-citizens, in having the distinguished honor to be the first to stand in your majesty's royal presence, in a diplomatic character; and I shall esteem myself the happiest of men if I can be instrumental in recommending my country more and more to your majesty's royal benevolence, and of restoring an entire esteem, confidence and affection, or in better words, 'the old good nature and the old good harmony,' between people, who, though separated by an ocean, and under different governments, have the same language, a similar religion, and a kindred blood. I beg your majesty's permission to add, that although I have sometimes before been intrusted by my country, it was never in my whole life in a manner so agreeable to myself."

The king listened to every word I said, with dignity, it is true, but with apparent emotion. Whether it was the nature of the interview, or whether it was my visible agitation, for I felt more than I did or could express, that touched him, I cannot say, but he was much affected, and answered me with more tremor than I had spoken with, and said:

“Sir; the circumstances of this audience are so extraordinary, the language you have now held is so extremely proper, and the feelings you have discovered so justly adapted to the occasion, that I must say that I not only receive with pleasure the assurances of the friendly disposition of the people of the United States, but I am very glad the choice has fallen upon you to be their minister. I wish you, sir, to believe, and that it may be understood in America, that I have done nothing in the last contest but what I thought myself indispensably bound to do, by the duty which I owed to my people. I will be frank with you. I was the last to conform to the separation: but the separation having been made, and having become inevitable, I have always said, as I say now, that I would be the first to meet the friendship of the United States as an independent power. The moment I see such sentiments and language as yours prevail, and a disposition to give this country the preference, that moment I shall say, let the circumstances of language, religion and blood, have their natural and full effect.”

Mr. Adams, in 1789, was elected the first vice-president of the United States, which office he held during the two terms of Washington's administration, and succeeded him by election to the presidency, March 4, 1797. This was the termination of Mr. Adams' public functions. He died on the 4th of July, 1826, with the same words on his lips which he had uttered fifty years before on the floor of congress, “Independence forever.”

Thomas Jefferson.

(For Portrait see Frontispiece.)

Third president was born April 13, 1743, elected in 1801, and served eight years. In some respects Mr. Jefferson's career was more marked than any other of our early patriotic fathers for distinguished service. He wrote the Declaration, being chairman of the committee appointed by the continental congress for that purpose.

Mr. Jefferson filled many important offices; was secretary of state under Washington from 1789 to 1793, was elected vice-president in 1796, and president as above stated in 1801, and re-elected in 1805. He died July 4, 1826, just fifty years from the date of the Declaration of Independence, aged 83. It is a remarkable fact that John Adams, a signer with him, died on the same day.



## James Madison.

(For Portrait see Frontispiece.)

Fourth president, was born March 16, 1751. He was prominent in the politics of his own state, Virginia, represented it in the continental congress, and a member of the Philadelphia convention that formed the present constitution of the United States. He was secretary of state under Mr. Jefferson, and succeeded him, filling the office two terms. Mr. Madison was one of the most prolific writers of his times. As a political writer he ranked with Hamilton and Jay. He was the last surviving member of the convention that formed the present constitution, and one of its most distinguished champions. He died January 28, 1837, aged 86.

## James Monroe.

(For Portrait see Frontispiece.)

Fifth president of the United States, was born April 28, 1758, a native of Virginia, as were three of his predecessors in this high office. In view of the number of men hailing from that state who were thus exalted, the state was designated "The Mother of Presidents." Mr. Monroe's administration from 1816 to 1820, as stated in another chapter, was so free from bitter partisan controversy, that it was called the era of peace. He was re-elected in 1821, with but one dissenting electoral vote, the only instance of so nearly a unanimous vote since the time of Washington. Mr. Monroe unquestionably added to his popularity by a tour of observation through the states; the first of the kind, of any magnitude, made by a president. He wore the uniform of a colonel of the continental army, three-cornered hat, scarlet-bordered blue coat, and buff breeches. He was everywhere received with such manifestations of respect and esteem as were due him as a man and president.

The most remarkable executive act of Mr. Monroe's administration was in his declaration to congress in 1823, that: "*The American continents, by the free and independent positions they have assumed and maintained, are henceforth not to be considered as subjects for future colonization by any European power.*" To give readers a full understanding of this subject, now so prominently before the American people, several pages immediately following, are devoted to that subject. Mr. Monroe, in one of his messages, said:

If there be a people on earth whose special duty it is at all times to be prepared to defend the rights with which they are blessed, and to surpass all others in sustaining the necessary burdens and in submitting to sacrifices to make such preparations, it is undoubtedly the people of these states.

Monroe died July 4, 1831, making the third ex-president who

died on that day. His life and services have been little understood by the people. He ranks equal to the very first of American statesmen. The author, did space permit, would gladly refer to his many acts, public and private, that mark him a great man.

#### The Monroe Doctrine.

(For much of the interesting matter contained in this chapter, we are indebted to the National Tribune Library, of December 28, in which will be found portrait and life of Mr. Monroe. The publication is in magazine form, weekly, \$2 per year. The number referred to contains text of the Monroe doctrine and its history, Secretary Olney's letter to Lord Salisbury and Salisbury's rejoinder, Cleveland's message, and a map of the disputed territory (Venezuela) in South America.)

The Monroe doctrine has recently come so prominently to the front that it will become a question of no little discussion among other subjects now before the American people, hence, in connection with the biographical sketch of Mr. Monroe, it should be at least briefly noticed in "The Silver Side." Not having space to give a full history, the reader is referred to the above publication.

The attention of congress was called to this subject by President Monroe in his message of December 2, 1823, as follows:

We owe it, therefore, to candor and to the amicable relations existing between the United States and European powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with the governments who have declared their independence and maintained it, and whose independence we have, on great consideration and just principles, acknowledged, we could not view any interposition for the purpose of oppressing them or controlling in any other manner their destiny, by any European power, in any other light than as the manifestation of an unfriendly disposition toward the United States.

Our policy in regard to Europe, which was adopted at an early stage of the wars which have so long agitated that quarter of the globe, nevertheless remains the same, which is not to interfere in the internal concerns of any of the powers; to consider the government *de facto* as the legitimate government for us to cultivate friendly relations with, and to preserve those relations by a frank, firm, and manly policy, meeting in all instances the just claims of every power, submitting to injuries from none.

But in regard to these continents, circumstances are eminently and conspicuously different. It is impossible that the allied powers should extend their political system to any portion of either continent without endangering our peace and happiness, nor can any one believe that our southern brethren, if left to themselves, would adopt it of their own accord. It is equally impossible, therefore, that we should behold such interposition

in any form with indifference.—Paragraphs 48 and 49, Message of December 2, 1823.

This declaration has not led hitherto to any conflict by armed hosts, which unquestionably would have been the result had any foreign power attempted its violation. During the war of the Rebellion, France, under Napoleon the Third, undertook the establishment of a monarchy in Mexico. The United States was, for the time being, too busily engaged to give it attention, but immediately after the peace measures were adopted by the administration, that caused the withdrawal of the French army, and Americans are now confident that neither France nor any other country will ever make another attempt to establish a colony or kingdom on the American continent.

In 1895, the difficulties that had existed between Great Britain and Venezuela over the question of boundary culminated. Diplomatic relations between the two governments had been suspended for several years. In the meantime the United States had from time to time tendered its services, endeavoring to secure a peaceful settlement, recommending arbitration, but without success. Venezuela, however, did not cease her efforts for arbitration, and in 1876 again opened negotiations with Great Britain, giving immediate notice to this government.

To enter into a detailed account of the Great Britain-Venezuelan controversy is not necessary or germane to this work; only enough of its history to show that the British government in this instance, as in all others in its dealings with small nations, was about to play the usual John Bull tactics when the United States government gave them due notice that "Uncle Sam" had a "Monroe doctrine," at which John Bull was kindly asked to take a look. He did so, the lion's mane dropped, and negotiations were entered upon which have resulted in a way which seems likely to prove satisfactory to all concerned. To the United States it certainly has, for the Monroe doctrine has been upheld by our own government, and having now been recognized by the most powerful nation of Europe, will never again be questioned, for the very good reason that it is right, and all nations know that the United States are able to enforce it.

John Quincy Adams.

(For Portrait see Frontispiece.)

Sixth president, "the old man eloquent," while the Federal party existed, was identified with it; his father, John Adams, Alexander Hamilton and others of the most able and patriotic men of that time, were its leaders. But its favoring a strong central government, and opposition to the war of 1812, as before stated, caused its unpopularity and early disappearance.

In 1824 there were four candidates for president, Andrew Jackson, John Quincy Adams, Wm. H. Crawford and Henry Clay. Party lines having been obliterated, the contest was more personal than political. Mr. Crawford favored a strict construction of the constitution. General Jackson inclined the same way, while Messrs. Adams and Clay looked to the preamble of that instrument for its real meaning, viz.: "To form a more perfect Union, establish justice, insure domestic tranquillity, provide for the general welfare, and secure the blessings of liberty."

In the electoral college Jackson had 99 votes, Adams 84, Crawford 41, Clay 37. No one having a majority, the election was thrown into the house of representatives, where Mr. Adams received the votes of thirteen states, General Jackson seven, Wm. H. Crawford four. Mr. Adams was elected. Mr. John C. Calhoun had been elected vice-president.

Mr. Adams' administration was able and dignified. Some of the questions that have ever since divided the two great parties had their origin during this administration. In 1828 a high protective tariff measure was enacted. Mr. Adams, quite in contrast with Mr. Monroe, avoided public show and display, seldom associated with the people, and in consequence was personally unpopular.

Henry Clay had been appointed secretary of state. At the opening of Mr. Adams' administration, a charge of bargain and sale had been made, which, although unquestionably false, had its influence, added to personal unpopularity, to prevent all through his administration the accomplishment of measures he recommended. His defeat in consequence was inevitable; the first president to be refused a second term. He was defeated by Andrew Jackson, electoral vote 178 to 83.

John Quincy Adams, nevertheless, has left a bright page in the country's history. After his defeat he served his state in congress many years with honor to himself and the whole country.

#### Andrew Jackson.

(For Portrait see Frontispiece.)

General Jackson, seventh president of the United States, was elected by an electoral vote of 178 to 83 for John Quincy Adams. His peculiar methods, deemed by many unwise and tyrannical, caused his administration to be the most exciting and sensational of the government up to that date, 1828. The canvass had been the most bitterly personal, probably none since have equaled it.

It was on the battle field of New Orleans that Jackson won the sobriquet of "Old Hickory." His military record gave him the nomination for the presidency. He was the first nominee for that

high position who attained it largely because of his soldier record; *since that time*, General Wm. Henry Harrison, Zachary Taylor, Winfield Scott (unsuccessful candidate), U. S. Grant, R. B. Hayes, J. A. Garfield, Benjamin Harrison and Wm. McKinley—seven citizens who had served in the army, two in the Indian, two in the Mexican and four in the war of the Rebellion—have been candidates for the presidency, all but two elected.

Andrew Jackson was also prominently noted for services in the Seminole Indian (Florida) war. That territory was then a Spanish province. Jackson, regardless of this, being on the war path, followed the Indians into Florida and took possession of Pensacola, its principal town. There he arrested two traders, English subjects, charging them with exciting the Indians to hostility. One was shot, the other hanged; he also hanged two prominent Indian chiefs. All these charges and many more were brought against Jackson in the 1828 campaign, nevertheless he was triumphantly elected. His administration was a tremendously turbulent one, more so than any other in our history. Notwithstanding, President Jackson retained his popularity, and was elected by a large majority; but no man was ever more intensely hated and so bitterly denounced by the minority.

#### Martin Van Buren.

(For Portrait see Frontispiece.)

Eighth president, was born December 5, 1782, at Kinderhook, state of New York. He was Andrew Jackson's successor, being elected in 1836, over General Wm. Henry Harrison, candidate of the Whig party. This was at a time when the anti-slavery excitement was at its extreme height. He was fully committed to the policy of the pro-slavery party, as will appear by the following sentence in his inaugural address:

I am the inflexible, uncompromising opponent of any attempt on the part of congress to abolish slavery in the District of Columbia against the wishes of the slave-holding states; and with a determination equally decided to resist the slightest interference with it in the states wherein it exists; no bill conflicting with those views can ever receive my constitutional sanction.

Mr. Van Buren was an adroit politician, not a statesman. Jackson, his predecessor, hardly ranks as a statesman, but he was a frank, outspoken, honest man. Soon after Mr. Van Buren's inauguration, the great financial crisis of 1837 burst upon the country. Then, as now, the commercial disaster was attributed to various causes. It is not deemed advisable in this work to elaborate on the 1837 panic. An extended account of its effects upon the people



and commercial interests will be found in the "History of the Political Parties, National Reminiscences, etc.," above referred to.

**Wm. Henry Harrison.**

(For Portrait see Frontispiece.)

Ninth president of the United States, was elected over Martin Van Buren in 1840. In 1836 he had been defeated by Mr. Van Buren; now the tables were turned, Harrison was the victor. General Harrison was not only a soldier, but a civilian of national repute. His military record had been acquired in his service against the Indians in the war of 1812, specially in one battle, November 7, 1811, wherein as commander of the force he gained a signal victory at Tippecanoe. There he obtained the sobriquet of "Old Tippecanoe," which name, like that of "Old Hickory," stuck to both during life.

President Harrison lived but one month after his election. He was not an old man, but it was thought by many at the time that the cares and anxieties of the position hastened his death. He was mourned by the people generally, but his loss was most severely felt by the Whig party.

The campaign of 1840, enthusiastically conducted by the Whigs, had resulted in his election, but unfortunately for that party, also in the election of John Tyler, in whose selection for vice-president they had not been as careful in inquiring into his political status as they should, and have been in later years. Subsequent events proved their victory to have been a barren one.

General Harrison was born February 9, 1773, and died April 4, 1841, aged 68 years.

**John Tyler.**

(For Portrait see Frontispiece.)

Of the tenth president, who attained the position because of the death of President Harrison, little can be said, unless we should enter into a detailed account of the political difficulties that occurred because of his differences with the party that elected him. Little, however, need be said, as he was not claimed by either party. He was a Virginian by birth, fifty years of age. He had in years previous been a Democrat of the Calhoun school, but at the time of his election to the vice-presidency was identified with the Whig party. He was popular in his own state. Had been governor and senator in congress. He was intensely devoted to the slave power, and on this subject hinged many of the difficulties that beset his administration. The most important act of Tyler during his administration was the signing of the bill for the annexation of Texas, as the date shows, three days before his leaving the office to his successor, James K. Polk, under whose administration the war against Mexico was conducted.

**James K. Polk.**

(For Portrait see Frontispiece.)

The eleventh president's administration, like that of his immediate predecessor, was a turbulent one; a foreign war, and continued intensified agitation on the slavery question, and to a considerable extent, protection, were the principal causes of discord. Mr. Polk was an able man, and was fortunate in the selection of a cabinet of distinguished men, all Democrats. In his message to congress he condemned the anti-slavery agitation, justified the annexation of Texas, and ordered the United States army, then under the command of General Zachary Taylor, beyond the Neuces river, beyond where Texas had ever exercised jurisdiction. This brought on the war with Mexico.

By the treaty of peace, after the great victory, signed on February, 1848, New Mexico and California were ceded to the United States; a territory vast, and rich enough of itself, as results have proved, for an empire equal to any on the globe. This result, it had been thought by the friends of slavery, would strengthen their cause, but it proved quite otherwise, in fact, disastrous to all who had hoped to make slavery a permanent institution of the country; on the contrary, it proved to be one of the chief instrumentalities that finally caused its destruction.

Notwithstanding the prominent part that circumstances compelled Mr. Polk to take in the exciting events of the time, many believed that at heart he was not a slavery propagandist. In one of his messages to congress the following passage appears:

I have an abiding confidence that the sober reflection and sound patriotism of all the states will bring them to the conclusion that the dictates of reason are to follow the example of those who have gone before us, and settle this dangerous question on the Missouri compromise, or some other equitable compromise which would respect the rights of all, and prove satisfactory to the different portions of the Union.

**Zachary Taylor.**

(For Portrait see Frontispiece.)

Twelfth president of the United States, elected in 1848, was an honest, brave man, a successful soldier, none ever more so. Unquestionably his Mexican war record, where the sobriquet of "Old Rough and Ready" was conferred upon him by his comrades, added largely to his popularity. General Taylor had been an active soldier; he acquired a military reputation in the war with Great Britain in 1812, and subsequently in the Black Hawk, Florida and other Indian wars. To this reputation was now added his brilliant services in the Mexican war, eclipsing in fame even that of the then greatest American military commander, General Winfield Scott.

On his return to the United States the Whig party saw the great advantage it would have in the next election, if the general could be induced to become its candidate for the presidency. On solicitation he announced himself a Whig, and consented to accept the nomination, provided he could be left free from partisan pledges. The following June, at the national convention in Philadelphia, he was nominated, with Millard Fillmore, of New York, for vice-president. The following November this ticket was elected, over Cass and Butler, Democratic nominees. The agitation over the slavery question continued the prominent topic in politics. General Taylor was a southern man; nevertheless, in his first message to congress, he recommended that California, which had formed a constitution excluding slavery, should be admitted, and the territories should form state constitutions and come into the Union, with or without slavery, as they might prescribe. At this juncture, Henry Clay, "the great compromiser," as he was subsequently called by his opponents, introduced his "Omnibus bill."

This was the situation when on the 4th of July, three months after his inauguration, President Taylor was taken violently ill, and died on the 9th at the presidential mansion, and was succeeded by Vice-President Millard Fillmore. Thus for the second time within a few years the Whigs were unfortunate in the loss of a president of their choice by death. President Taylor had added to his admirers during his brief administration of only four months. His untimely death was mourned by all. Not unlike Andrew Jackson he had said by his acts: "*The Union, by the Eternal, it must and shall be preserved.*"

Millard Fillmore.

(For Portrait see Frontispiece.)

Thirteenth president, elevated to that position by the death of President Zachary Taylor, was a northern man, a Whig statesman of large experience, a very able and honorable man. Under even favorable circumstances a successor to one chosen by the people is an unfortunate position, but at this time it was especially unfortunate for Mr. Fillmore; the country was laboring in the throes of the slavery agitation, now nearer the crisis of passing from the old to the new order than ever before. The Anti-Slavery party, in view of Mr. Fillmore's record, were expecting much favor from him, but were doomed to extreme disappointment.

Immediately after the defeat of Mr. Clay's "Omnibus bill," as it was called, came the compromise measures before referred to. They were essentially the same as the one defeated, but the bill passed, and when it came to the president, he referred it to Attorney General Crittenden. That officer gave his opinion in favor of its constitutionality. To the surprise of the northern Whigs, Mr. Fill-

more approved the bill, and the "Fugitive Slave Law" became one of the statutes of the land. Soon after the president issued a message giving due notice that he intended to enforce the law. This caused a total estrangement between Mr. Fillmore and his party.

Mr. Fillmore was a candidate before the 1852 Whig convention, but failed to obtain northern support. In 1856 he was the nominee of the American party, but received only the electoral vote of Maryland. He died in Buffalo, his home, March 8, 1874, age 74.

#### Franklin Pierce.

(For Portrait see Frontispiece.)

Aside from the slavery question, in respect of which, in view of existing conditions, it could not be satisfactory to all, the administration of Mr. Pierce, fourteenth president, was a creditable one. The fugitive slave law, its approval, and proclamation of intended enforcement by President Fillmore, had dissatisfied the great majority of northern Whigs, and tended to widen the breach between the two sections of that party. The Democratic party remained intact, or nearly so, and, although the nomination of Mr. Pierce was unexpected, the party rallied to his support and he was elected by a large majority, having two hundred and fifty-four electoral votes, to only forty-two for General Scott.

Franklin Pierce was one of the most popular Democrats of New England, and few men excelled him in oratory. These considerations, and the breaking-up of the Whig party, which had already commenced, made his victory an easy one. Mr. Fillmore had sought for the nomination of the party and failed. He received a nomination from the American party in 1856, but received only the electoral vote of Maryland.

#### James Buchanan, Fifteenth President of the United States.

(For Portrait see Frontispiece.)

Mr. Buchanan was born in Pennsylvania; nationality of Irish descent. He became noted early in the anti-slavery agitation as its opponent. During the administration of Martin Van Buren, he distinguished himself in support of the principal measure of the government—the establishment of the independent treasury. In 1845 he was secretary of state, and in 1853 was appointed by President Pierce minister to Great Britain.

He returned to the United States in 1856 and the same year was nominated as the Democratic candidate for the presidency. He gave his support to the pro-slavery party, and its agitation during his administration grew so rapidly that disruption and the war followed the election of his successor, Abraham Lincoln.

From the close of his administration to his death he led a re-

tired life, dying at Wheatland, Pa., January 1, 1868. Probably no one, either friend or opponent, of Mr. Buchanan, in 1856, when elected, had thought that he would be the last to be elected by the Democratic party for the presidential office for twenty-eight years.

**Abraham Lincoln, Sixteenth President of the United States.**

(For Miniature Portrait see Frontispiece.)

The breaking-up of the Whig and organization of the Republican party, both caused by the persistent opposition of the northern states to the extension of slavery into the territories, resulted, as stated in the last chapter, in the election of Mr. Lincoln, the secession of nine states, and the nearly five years of war between the two sections of the Union.

The circumstances attending the election of Mr. Lincoln, the war that followed, the terrible sufferings, its immense cost to the nation, and the results are occurrences of so recent date that it is unnecessary to elaborate. Our school, township, city and free public libraries contain hundreds of volumes, written by participants on both sides of that lamentable contest; add to these considerations the fact that orators from the southern states have visited the north, and eloquent speakers from the north have lectured through the south, making the war and its incidents the topic of their discourses; veterans of both armies have their local associations, meeting monthly and annually, thus preserving the history, general and particular, of the great conflict; all these considerations make it unnecessary to enter into details relating to the administration of Mr. Lincoln.

This can and should be said: no more honest, sincere, capable man ever occupied the presidential chair. His burden was heavy as none but those near him know, even partially, and no one can fully appreciate. His mental sufferings were more than tongue can tell, or pen can record. All rejoice that he lived to see the cause in which and for which he suffered triumph—the Union of these states preserved. All mourned his tragic, untimely death, April 14, 1865, and probably no man lives today, either north or south, who is other than his friend, and he has not an enemy on earth.

**Andrew Johnson, Seventeenth President.**

(For Portrait see Frontispiece.)

Mr. Johnson, as vice-president, having been elected to that position at the time of Mr. Lincoln's second election, November, 1864, on Mr. Lincoln's death, succeeded to the presidency. His accession at this critical period proved to be unfortunate. Because of his bitter anathemas against the south during the war, and because of his saying at the time of his inauguration to a member of the Illinois delegation, "Treason is a crime, and



must be punished," and the recollection of circumstances that transpired during his military governorship of Tennessee, it was feared that he would inaugurate a reign of terror in the south.

In this the people were mistaken. Differences, however, soon arose between him and the party to which he was indebted for his election. These differences led to bitter antagonisms, and finally to an attempt to impeach. The house passed a resolution for his impeachment February 24, 1868. The trial began on March 5th.

On May 16th the trial was had before the senate; thirty-five senators were for conviction and nineteen for acquittal. A change of one vote would have resulted in his conviction. The senate adjourned *sine die*, and a verdict of acquittal was entered. This was the first and only attempt in our country's history to impeach a president. After the conclusion of his term, he retired to his home in Tennessee. In 1875 he was elected to the United States senate. He died July 30, 1875, and was buried in Greenville, Tenn., where he had lived most of his life.

#### General Ulysses S. Grant, Eighteenth President of the United States.

(For Miniature Portrait see Frontispiece.)

The citizen, the general, the president. Few are the governments of earth than can produce an equal. In all the positions held by U. S. Grant, civil and military, his ability, integrity and patriotism were manifest. Seldom in either did he make a mistake. He was quite distinguished as a subordinate officer in the Mexican war. When called to lead the armies of the United States, he found at the head of the army of the confederate states a man and a soldier fully his equal. Fortunate, indeed, it was for General Grant and the Union that resources at his command far exceeded those of General Robert E. Lee.

General Grant was born at Point Pleasant, Ohio, April 23, 1822, was educated at West Point, and after the close of the war in 1868 was elected president. He was re-elected in 1872—and a great many of his personal admirers and political friends sought for him a third nomination in 1876. This was, however, negated by the American people, most decidedly opposed to third terms.

In 1877 he made the tour of the world, and was received everywhere by the people with enthusiasm as the representative of successful democracy, and by rulers with marked distinction. The names of Washington, Jefferson, Madison, Monroe, Jackson, Lincoln, Grant, will ever live in American history. General Grant died at Mt. McGregor, July 23, 1885, at the age of 63. A very costly, beautiful tomb, erected for the purpose in New York city, contains his body.

**Rutherford B. Hayes.**

Nineteenth president, was elected in 1876, over Samuel J. Tilden, at least it was so finally decided by a commission. Of the particulars of the long contention we shall not write. It is not in the scope of this text-book. To give facts is our purpose, suffice it to say there was great dissatisfaction, and for a time there were threatening dangers to the peace of the country; but patriotism rather than partisanship prevailed, and Mr. Hayes served his four years, but no special event occurred to mark his administration; the manner of his election militated against his influence then and thereafter during his life. Democrats, and many Republicans, still believe that Samuel J. Tilden was wrongfully deprived of the office.

**James A. Garfield, Twentieth President.**

(For Portrait see Frontispiece.)

Was elected by the Republican party in November, 1880, but unfortunately for him and his party, bitter conflicts in relation to appointments, in other words, division of the spoils, had arisen, specially in New York, where combination had been formed, ever the result of extreme partisanship. In fact, many believed that Mr. Garfield's murder, soon after his inauguration, by the hand of an assassin, was the direct result of these contentions. Mr. Garfield was personally popular, had served in congress several terms, and his untimely taking-off was lamented by the people generally. His assassin was arrested, tried and executed.

**Chester A. Arthur, Twenty-first President.**

(For Portrait see Frontispiece.)

After the death of President Garfield, Vice-President Arthur at once took the oath of office, and without ceremony entered upon the duties of chief executive. His administration was generally satisfactory. He was a candidate for the presidential nomination in 1884, but was defeated by James G. Blaine, who was made the party candidate against Grover Cleveland, the Democratic nominee. The result of the election was very close, a few votes in the city of New York turning the scale against Mr. Blaine, electing Mr. Cleveland.

**Grover Cleveland, Twenty-second and Twenty-fourth President.**

(For Portrait see Frontispiece.)

In November, 1884, for the first time since 1856, the Democratic party succeeded in electing a president—the longest interval out of power that had ever occurred in its history. Any discussion of the reason for this long absence from the administration of the government, and for the defeat of Mr. Cleveland after receiving

the nomination of his party in 1888, is outside the province of the text-book. Mr. Cleveland was again the nominee of his party in 1892, and was successful. Of his second administration, possibly some facts explanatory may be given.

**Benjamin Harrison, Twenty-third President of the United States.**

(For Portrait see Frontispiece.)

Benjamin Harrison was born at North Bend, Ohio, August 20, 1833, a grandson of General William Henry Harrison, ninth president. Benjamin Harrison had served successfully in the volunteer forces in the 1861-1865 war; at its close he received a commission as brevet-brigadier general. After the war he filled various official positions in his state, and represented Indiana six years in the United States senate. At the Republican national convention in Chicago, June, 1888, after a six days' contest, he was made its nominee for president, and elected over Grover Cleveland. His administration was popular, though he was unfortunate in his appointments, antagonizing some of the party leaders, who raised up a powerful opposition to his renomination in 1892; his opposers using the name of James G. Blaine, then secretary of state, as their candidate. Nevertheless, Mr. Harrison was nominated, but in the election was defeated by Grover Cleveland, his unsuccessful opponent in 1888.

At the expiration of his term of office, General Harrison resumed the practice of law in Indianapolis, where he now resides, devoting a part of his time to literary work. Benjamin Harrison and Grover Cleveland are, at the time of this publication, 1897, the only living ex-presidents.

**Grover Cleveland.**

(For Portrait see Frontispiece.)

The political career of Grover Cleveland, elected executive of the twenty-second and twenty-fourth administrations of public affairs, has been an anomaly in the political and party history of the United States. He was alternately approved and condemned by the people, and finally almost unanimously denounced by the nation at large and most decidedly by nine-tenths of his own party. In view of the very recent retracy of Mr. Cleveland to private life, and the prominent events of his administration, being so vividly in the minds of the American people, to recall them would be a superfluous work and waste of time.

Mr. Cleveland was an ultra opponent of the high tariff and protection policy of the Republican party, and his election in 1884 was won on that issue. On the same issue in 1892 he defeated Benjamin Harrison, but immediately after his inauguration he pushed the financial issue to the front, declared for the

single gold standard, and called a special session of congress for the declared purpose of repealing the purchase clause of the Sherman silver act, attributing the suffering condition of the people wholly to the evils of that act, if repealed, promising relief at once. By the power of public patronage, a liberal use of gold, and the help obtained from Republicans, he succeeded in accomplishing his object, but not in the least bettering the condition of the country.

Times continued to grow worse, the Republican party met in St. Louis to make their nomination for 1896, and, strange as it may seem, while determinedly insisting that the Wilson tariff was the cause of all the woes of the business world, joined hands with Grover and his anti-tariff supporters, who were there from all parts of the country, specially the money centers, and adopted the gold standard plank as a part of the party platform, Grover and his gold bond syndicate closing their eyes and ears for the time being to the horrors of tariff and protection, and Republicans permitting their cry against the Wilson-Democratic tariff to be hushed for the time, both parties hoping that by this combination the money power might prevail.

The unholy alliance succeeded, Mr. Cleveland using his presidential patronage to elect William McKinley, the high priest of high tariff and protection. This course can only be accounted for by his love of money outweighing his professed hatred of protection, and by considering the fact that, although a poor man when elected president in 1884, in 1897 he retired a millionaire. How did he become thus suddenly rich?

Is there not some chosen curse,  
Some hidden thunder in the stores of heaven,  
Red with uncommon wrath, to blast the man,  
Who owes his greatness to his country's ruin?

**William McKinley, Twenty-fifth President of the United States.**

(See Portrait Page, also Miniature Portrait Frontispiece.)

Mr. McKinley was inaugurated the 4th day of the month in which this is written. All the circumstances attending his nomination, election and inauguration are fresh in the minds of the people. In all of these there is much to condemn. Money was used more largely to secure his nomination, to elect him, more corruptly, and more lavishly to inaugurate him, than ever before in any presidential campaign. This was probably not altogether the fault of Mr. McKinley. He could not control Mark Hanna, and the thousands of money men in New York and other great money centers, even had he tried. Their highest money interests

demanding the election of Mr. McKinley, and it demanded a congress that would perpetuate, make a sure thing of the gold standard system adopted at St. Louis, hence all their methods were to secure those ends.

Mr. McKinley is believed by the great majority to be an honest, well meaning man, but all know, too, that he is now in the grasp of the money power, hence the people's hopes for better times during his administration hang on a slender thread. The writer wishes he could write more encouragingly; how can he? All who have carefully studied the subject and will lay aside party prejudices and answer candidly must say, just as long as we have gold monometallism, times can be no better. Prices and wages must go still lower, as evidenced by the fact that not a day passes that papers fail to record a cut in wages in mines, manufactories, work shops, railroads, etc. Mr. McKinley's record in congress, considered from a Republican standpoint of tariff and protection, was a strong, most decidedly strong, one, entitling him to be called the high priest of protection. In that line he has been consistent, but on the financial question he has varied, especially if his letter of acceptance, his speeches made during the campaign, and his inaugural speech are to be taken as indicating his action as president. The president must know, and does know, that there is not, even in the distant future, the least ray of hope for international bimetalism. The writers of the St. Louis platform knew there was no probability of success in that direction, and they know it now.

William McKinley, our twenty-fifth president, whose cabinet-sized portrait appears on another page and a miniature portrait in the frontispiece, was born in Trumbull county, Ohio, January 29, 1843. In June, 1861, he enlisted in the volunteer service as a private. September 24th he was promoted to second lieutenant; February 7, 1863, first lieutenant; July 25, 1864, to captain. He was subsequently, for gallant services, promoted to major, and served on the staff of several general officers. By profession, he was a lawyer. In 1876 he was elected to congress and was continually there until 1891. He was the author of the tariff law that bears his name. In June 1891, Major McKinley was nominated for governor of Ohio, and subsequently elected. He was re-elected in 1893. At the national convention in St. Louis, 1896, he was nominated for president, elected in November and inaugurated March 4, 1897.



## CHAPTER XXX.

### HISTORY OF OUR NATIONAL FLAG.

BY THE AUTHOR.

It is a fact well established, both by sacred and profane history, that a standard or ensign was borne in the armies of all nations from the most distant past. That these flags or symbols, whatever design may have been used, exercised a powerful influence upon the nation, tribe or party using them as well as upon other people, we have the most positive proof.

We hear of the long contests between the crescent and the cross, of the tricolor of France, and we know of our own starry banner, of our attachment to it; and all know, too, that however loyally, deeply, the ordinary citizen may feel toward it, all other reverence and love sink far beneath that of the soldier who has for many a long, weary march under its folds "kept step to the music of the Union," and on the battle field defended it against shot and shell; that, too, with his comrades falling around him in death. These are the men who most deeply cherish a love for the stars and stripes, symbols significant of their country's glory. With pride, too, you hear them refer to "Old Glory" as they would to a very dear friend. Edward Everett, the orator and statesman, referring to it, says:

It speaks for itself. Its mute eloquence needs no aid to interpret its significance. Fidelity to the Union blazes from its stars, allegiance to the government under which we live is wrapped in its folds.

Daniel Webster, in one of his great orations, said:

When the standard of the Union is raised and waves over my head—the standard which Washington planted on the ramparts of the constitution, God forbid that I should enquire whom the people have commissioned to unfurl it, and bear it up; I only ask, in what manner as an humble individual, I can best discharge my duty in defending it.

Victor Hugo once wrote:

There are two things holy—the flag which represents military honor, and the law which represents the national right.

The day the author wrote the above sentence, referring to the



SAVING THE FLAG.

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love and devotion to it of the soldier who had fought under its starry folds, he heard of the recent great painting of Thomas Nast, "Saving the Flag," and that a copy could probably be obtained by applying to the artist, Monmouth, N. J. Immediate efforts were made to procure a reproduced copy engraved plate, suitable in size for "The Silver Side."

The reader will learn from the appearance of the splendid illustration accompanying this article that we were successful. All who revere the flag can understand the significance of the painting; but only the soldier can fully appreciate it. For him it will revive memories of the past that can never be forgotten; many special incidents of the war will be brought to mind, and he will rejoice that he was permitted to share in the glory of "Saving the Flag."

His reminiscences, however, will not all be joyful. The forms of the wounded, the dead and dying as seen in the painting will bring to mind comrades who fell in the great conflict, and were hastily laid in soldiers' graves on the battle field. The writer recalls instances of which he would gladly make record; but not being appropriate in this history, possibly may be noticed in a future work containing war reminiscences.

Perhaps there is no time or place when the "Star Spangled Banner" can be so fully appreciated by an American as when abroad. Recently a citizen who had been over the ocean for some months, on his return, related his impressions as his eyes caught sight of the American flag:

I never realized how beautiful it was until I saw it floating at the peak of one of our vessels at anchor at one of the harbors of the old world, amid the fluttering banners of a dozen other nations. I remember how my eyes filled with tears as I turned to it, while an indescribable thrill ran through my entire being. I would gladly have kissed its waving folds if I had been near enough. As it was I kissed my hand to it as I wiped away the tears which would come in spite of all that I could do. Here was an emblem I had fought three years for, and under the folds of which I had offered my young life. That the sacrifice had not been accepted further than the best service I could render was no fault of mine. Now, under its folds I had a safe abiding place and to right any wrong done me, a nation's strength and wealth would be invoked, if need be. Yes, it is the most beautiful flag in the world, and if you wish to see it in all its beauty, look upon it thousands of miles from home among the flags of other nations and amid the sound of a language which conveys no meaning to your ears.

In view of the above quotation, manifesting a quite well understood fact that no nation exists that cherishes a greater attachment for its flag than do Americans and realizing that very large numbers are not fully acquainted with its history, the author is confident

that a few pages of this text-book cannot be more advantageously used than in giving the origin and gradual development of the national standard.

Besides our national flag, the president of the United States has a flag called the *national ensign*, the flag of the sovereign people of whom he is the popular representative, and from whom he derives power and authority. This flag and ensign is described as follows:

A blue rectangular flag, studded with a constellation of white stars, equal in number to the states in the Union. This flag to be hoisted at the main royal masthead of any vessel of war or tender of the navy while the president is on board, and to be carried in the bows of a boat belonging to any vessel in the navy in which the president for the time being may be embarked. The president's flag is to be honored with a salute of twenty-one guns.

All readers of American history are aware that for more than fifteen years preceding the Declaration of Independence, protests against the oppressive acts of Great Britain had been made, and that the colonists did not confine themselves merely to protests, but organized bodies of "Sons of Liberty" were formed in the colonies, north and south; liberty poles were erected from which streamed flags of different designs, colors (principally red) and mottoes. These poles were frequently cut down by the British soldiers and by Tories, but as often replaced.

At Taunton, Mass, October 1774, a union flag was raised on the top of a liberty pole, with the words "Liberty and Union," thereon. Of the many different union flags used in these times, no definite description has been preserved. It is said by Commodore Preble, in his reliable work on "The Flag of the United States":

It is more than probable and almost certain that these flags were mostly the familiar flags of the English and Scotch union, established in 1707, and long known as "Union Flags," inscribed with various popular and patriotic mottoes.

At Bunker Hill, and other early battles of the Revolution, soldiers fought under the banner known as the "Pine Tree Flag." Colonel John Proctor's regiment all through the war carried one of the rattle-snake flags. This flag is still preserved, the only one known of the many of that design. Its significance will be understood by the position of the snake, and the motto, as painted on the flag. The serpent's head is raised as if in defiance toward the English Union Jack, and in large, black letters, the words, "Don't tread on me."

It would require a large volume to make record of the many descriptions of the colors and standards improvised by the Revo-



lutionary patriots in the early days of their struggle for freedom from British rule. On an orderly book of the army at Williamsburg, Va., under date: "Headquarters, April 8, 1776," is found this entry:

The colonels are desired to provide themselves with some colors and standards, if they are to be procured, it doth not signify of what sort they are.

Before coming directly to the making and adoption of the starry banner, to be fully understood it is well to mention that the stripes preceded the stars on the flag. Botta, in his "History of the American Revolution," says:

The hostile speech of the king at the meeting of parliament had arrived in America and copies of it were circulated in the camp. It was announced, also, that the first petition of congress had been rejected. The whole army manifested the utmost indignation at this intelligence; the royal speech was burnt in public by the infuriated soldiers. They changed at this time the red ground of their banners, and striped them with thirteen lists as an emblem of their number, and the union of the colonies.

Bancroft, in his history of the United States, describes this flag as the tricolored American banner, not yet spangled with stars, but showing thirteen stripes, alternate red and white, in the field, and the united crosses of St. George and St. Andrew on a blue ground in the corner.

But the time had now come for the adoption of a permanent flag. July 4, 1776, the Continental congress had declared this to be a free and independent nation, and it became necessary to substitute a national flag in place of the heterogeneous number then in use. October 20, 1775, Washington writes to Colonel Glover and Stephen Moylan:

Please fix upon some particular flag and a signal by which our vessels may know one another. What do you think of a flag with a white ground, a tree in the middle, the motto, "Appeal to Heaven"?

#### The Flag as Adopted by Congress.

It has been shown herein that the national flag at this date carried thirteen stripes, which represented thirteen states, but no stars. The admission of the states of Tennessee, Ohio, Louisiana and Indiana made some change in the flag desirable. Accordingly, in 1816, when Indiana was admitted, a resolution was offered in congress that a committee be appointed to inquire into the expediency of altering the flag of the United States.

This committee, after due investigation, recommended reducing the stripes to thirteen (two having been previously added by the admission of Tennessee and Ohio), to represent the original states, and the stars to be increased to the number of all the states, formed

into one great star, whose brilliancy should represent their union and thus symbolize in the flag the origin and progress of the country and its motto, *E. Pluribus Unum*.

This report and final action thereon was long delayed, but finally passed, with the title, "*bill to establish the flag of the United States*," and was approved by the president, James Monroe, April 4, 1818. This was the second and probably the last alteration that will ever be made in the flag except to add new states. At the above date there were twenty states represented by that number of stars; since that time, twenty-five stars for as many states have been added to the constellation. It is "manifest destiny" that many more will be added, hence it is altogether probable that the blue canton of the flag on which the stars appear will have to be enlarged; it is even now too crowded to see the number distinctly.

#### Making of the First Flag.

"It will probably never be known who designed our union of stars," says Commodore Preble, but we have positive evidence of the person whose handiwork made the first flag.

Mr. William J. Canby, in 1870, read before the Historical Society of Pennsylvania a paper on the American flag, in which he claimed that his maternal grandmother, Mrs. John Ross, was the maker and partial designer of the first flag, combining the stars and stripes. The house where this flag is made is now 239 Arch street, below Third, Philadelphia. A committee of congress, he asserts, accompanied by General Washington, in June, 1776, called upon Mrs. Ross, who was an upholsterer, and engaged her to make the flag from a rough drawing, which, at her suggestion was redrawn by General Washington in pencil in her back parlor. The flag thus designed was adopted by congress, and was, according to Mr. Canby, the first star-spangled banner that ever floated on the breeze.

Mrs. Ross received the employment of flag making for government and continued it for many years. Three of Mrs. Ross' daughters were living when Mr. Canby wrote his paper and confirmed his statement, founding their belief on what their mother had told them concerning it. A niece, Miss Margaret Boggs, then living at Germantown, aged 95, was also cognizant of the fact. As related by them, Col. George Ross and General Washington visited Mrs. Ross and asked her to make the flag. She said, "I don't know whether I can, but I'll try," and directly suggested to the gentlemen that the design was wrong, the stars being six cornered and not five cornered (pointed) as they should be. This and other changes were made. It is frequently asked why the stars on our banner are five pointed, while those on our coins are, and always have been, six

pointed. The answer is, that the designer of our early coins followed the English, and the designer of our flag the European custom. In the heraldic language of England, the star has six points; in the heraldry of Holland, France and Germany, the star is five pointed. In a letter subsequently written by Mr. Canby, he says:

It is not *tradition*, it is report from the lips of the principal participator in the transaction, directly told, not to one or two, but a dozen or more living witnesses, of whom I myself am one, though but a little boy when I heard it.

The author could here introduce much evidence of a corroborative character, but in view of the positive testimony already given, it seems unnecessary. Here could be added accounts of deepest interest to Americans, of instances, civil and military, that transpired immediately following the adoption of the star spangled banner, with a halo of glory now gathered to itself after little more than a hundred years. Limited space will permit reference to only two.

The first military incident connected with the new flag occurred on the 2d of August, 1777, when Lieutenants Bird and Brant invested Fort Stanwix, then commanded by Col. Peter Gansevoort. The garrison was without a flag when the enemy appeared, but their patriotism and ingenuity soon supplied one in conformity to the pattern just adopted by the continental congress. Shirts were cut up to form the white stripes, bits of scarlet cloth were joined for the red, and the blue ground for the stars was composed of a cloth cloak belonging to Captain Abram Swartwout, of Dutchess county, who was then in the fort. Before sunset, this curious mosaic standard, as precious to the beleaguered garrison as the most beautiful wrought flag of silk and needlework, was floating over one of the bastions. The siege was raised on the 22d of August, but we are not told what became of the improvised flag.

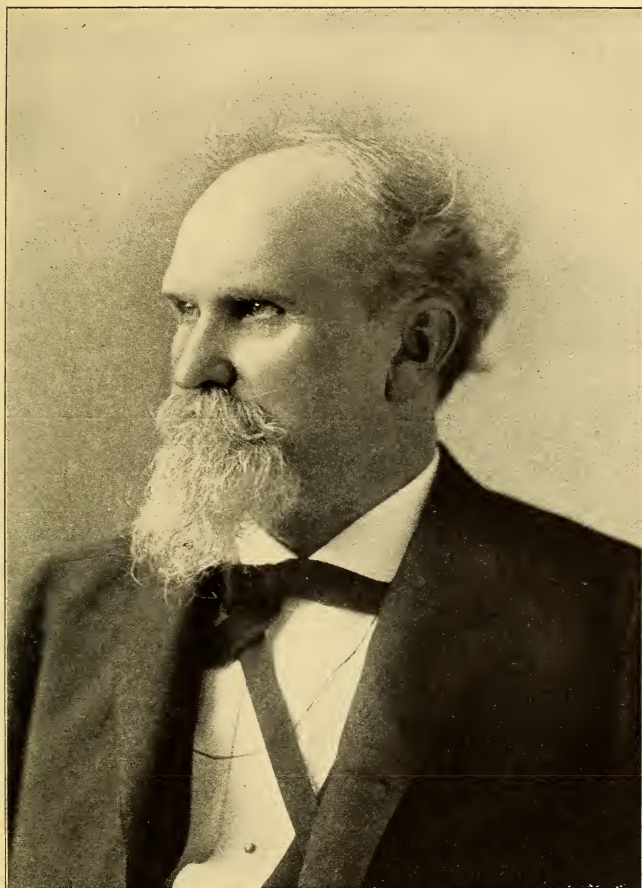
Beyond a doubt, the thirteen stars and thirteen stripes were unfurled at the battle of Brandywine, September 11, 1777, eight days after the official promulgation of them at Philadelphia, and at Germantown on the 4th of October following; they witnessed the operations against and the surrender of Burgoyne, after the battle of Saratoga, October 17, 1777, and the sight of this blue constellation helped to cheer the patriots of the army amid their sufferings around the camp fires at Valley Forge the ensuing winter. They waved triumphant at the surrender of Cornwallis at Yorktown, September 19, 1781; looked down upon the evacuation of New York, November 25, 1783, and shared in all the glories of the latter days of the Revolution.

The treaty of peace with Great Britain was no sooner announced, than the white wings of commerce began to expand all over the

watery globe, under the genial union of the stars and stripes, displaying them everywhere to the wondering gaze of distant nations and the furthestmost isles of the sea. When the thirteen stars and stripes first appeared at Canton, China, much curiosity was excited among the people. News was circulated that a strange ship had arrived from the farther end of the world, bearing a flag as beautiful as a flower. Everybody went to see the *Faw-Kee-Cheum*, or flower-ship. This name at once established itself in the language, and America is now called, *Faw-Kee Koh*, the flower-flag country, and an American, *Faw-Kee-Koch-Yin*, flower-flag countryman.

The history of the flag as here given has been gleaned from many authentic sources; different volumes of American history; "Origin and Progress of the Flag of the United States," by Captain George Henry Preble, and other publications have been carefully consulted, to get all possible, essential facts touching so important an event as the permanent adoption of a national standard. Every reader will cherish the hope, as expressed in the poetic work, "The American Flag," by young Joseph Rodmon Drake, concluding with the lines:

As fixed as yonder orb divine  
That saw the bannered blaze unfurled,  
Shall thy proud stars resplendent shine,  
The guard and glory of the world.



JAMES K. JONES, United States Senator from Arkansas, is a native of Mississippi. He was born September 29, 1839; received a classical education; a Confederate soldier; after the war lived on his plantation until 1873, then commenced the practice of the law; was a member of the state senate, re-elected in 1877; elected to the Forty-seventh Congress; re-elected to the forty-eighth and forty-ninth; took his seat as United States Senator March 4, 1885; re-elected in 1890; his term will expire in 1897. He is an earnest opponent of the single gold standard.





## CHAPTER XXXI.

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### POLITICAL ECONOMY.

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A COMPILMENT BY THE AUTHOR.

Political economy treats of the sources, the production, the distribution, the accumulation, and the consumption of national wealth, the effect of those institutions on society which are immediately connected with the increase or diminution of national wealth, and the effects produced on society itself by its increase or diminution. The end and object of this branch of knowledge is to show in what manner and by what means the physical gratification of human wants can be most equitably, conveniently, certainly and effectually distributed among all the classes of society.

In no political campaign of our country's history have economic questions entered into public notice and discussions so intimately and generally as those of 1896, and of 1897-1900, upon which we have just entered.

The cause of this special consideration just now may be attributed to the fact that never before has the subject of national finance been made the paramount issue before the people.

Economic and financial conditions are so intimately related, that political speakers and writers use terms that are equally appropriate to either subject. High taxes, high duties, sources of wealth, social forces, rents, raw material, productive labor, etc., are constantly and necessarily used by political speakers, and just as appropriately by economists.

Having in mind these facts, "The Silver Side Text-Book," visiting thousands of families, as it will, where young men and women are for the first time, perhaps, investigating subjects now so prominently before the American people, and as the closing presidential campaign of the century is to be one of education, the author has thought it advisable to devote a chapter to the elucidation of terms most frequently used by speakers and writers on these subjects, with the hope that the concise explanations here given may aid in the solution of the economic, social and political problems now being considered by the American public.

National wealth does not consist in mere money or coin.

Statesmen and legislators do not know better how to direct the various branches of industry, and the employment of capital, than the individuals who draw their subsistence from them.

Taxes impoverish a nation, though spent at home.

High taxes are injurious, though they urge to great exertion; and, though spent at home, do not foster industry.

Chartered companies, exclusive privileges, and monopolies are injurious institutions, in regard to commerce and manufactures.

National splendor is no sure sign of national wealth and national happiness.

The prosperity and increasing riches of manufacturers are not the same thing as national prosperity.

We should not make laws to increase the wealth and influence of great capitalists, and put the poor who work for them more completely under their subjection.

We ought not to so frame a national system as to make the rich richer and the poor poorer.

Laws ought to operate with equal advantage to all classes of the community, and protect all classes equally.

Restrictions, high duties and prohibitions are not necessary to furnish employment for our people at home, agriculture and commerce, and the trades connected, being adequate for that purpose.

Sources of Wealth—Labor employed in conferring on a raw material some property or quality that renders it desirable. Skill and capital are usually necessary for this purpose, but these, by ultimate analysis, are resolvable into labor.

Labor—Human exertion employed to produce or confer some desirable quality or property—that is, exchangeable value—on some raw material. Hence, *labor is the main, or, rather, the only, source of wealth.* Labor is, for the most part, hired and exerted for the sake of the wages or remuneration paid by the employer. When we speak of labor, we usually refer to the mere bodily exertion of a day-laborer, exclusive of acquired skill. Political economy itself may be considered as that science which determines the circumstances that influence the productive power of human labor, and the distribution of the proceeds.

Wages—That portion of the money value of the commodity produced which the laborer receives as his compensation; in other words, the money or other useful commodity given as a compensation to the laborer for his labor. This must be so much as to insure to the laborer and a

moderate family a portion of the necessaries of life, sufficient to sustain bodily strength. Hence, all taxes on the necessaries of life either enhance wages or reduce the laborer to want. Wages are higher when combined with skill, which is acquired by previous labor, and may, in fact, be considered as capital. Thus, the wages of a painter or sculptor are far greater than those of the weaver of the canvas, or the digger in the quarry.

Value—Utility, real or fancied, conferred by skill, labor and capital. Thus, a piece of glass made into spectacles has real utility conferred on it; a piece of glass cut in imitation of a diamond has fancied utility conferred on it. In both cases, exchangeable values—that is, some desirable quality—have been artificially conferred on the rough and worthless material.

Productive Labor or Industry—That which confers exchangeable value on any material object, which it did not possess before; or which confers skill and knowledge, which can be used in conferring value, or which are, in themselves, valuable and salable, as the knowledge of a lawyer or an engineer.

Unproductive Labor or Industry—That which is expended without producing value or contributing to produce it.

Production—The formation of anything desirable, or that constitutes wealth. It is the result of labor.

Produce—The effect of productive industry employed upon the soil or land.

Product—The effect of productive industry employed in rendering any material substance valuable. Nearly synonymous with the popular word "commodity." A product generally depends on the productive agency of nature, or skill, labor and capital. It is, for the most part, the combined result of these. Thus, in a steam engine, the skill, labor and capital are employed to render the natural agents, fire and water, productive.

Land includes soil, waters, fisheries, vegetables, rocks, mines and minerals. Land supplies raw material and food.

Ingredients of Value—Cost of the raw material, which is sometimes paid in the form of rent; as for brick earth near a metropolis, for land containing porcelain clay, for marble quarry, for ozier swamps on river banks, to make baskets, for a quarry of burr stone, for a mine, etc. The intrinsic value of raw material before any labor is bestowed upon it depends on its plenty or scarcity, or the difficulty or facility with which it can be procured, and its capability of receiving value by means of skill, labor, and capital employed upon it. A handful of mud is of no value; a handful of raw diamonds may be of great value. The next ingredient of value is wages of the laborer—that is, labor—employed in producing and conferring

value on this raw material; then the profits of the capital necessarily expended in purchasing the raw material, paying the wages, furnishing the tools and implements, etc. This, also, is reducible to labor.

**Measure of Value**—The actual, practical measure of value is the average money-price of the article in question at the given time and place; and it is the average, because the money market, or current price, will be sometimes a little higher, sometimes a little lower, than the natural price, owing to the temporary fluctuations in demand and supply. It is reducible to the quantity of labor the article can command. Money is the representative ultimately of labor.

**Money Price, Market Price, Current Price**—The amount in current money which any useful or desirable article will command when exposed to sale. This depends permanently on the natural price, and occasionally on the demand compared with the supply. Market price is the price for the time being.

**Real price, natural price**, consists in the cost (if any) of the raw material, the amount paid in wages for the labor expended upon the article, and the usual profit on the capital employed upon it; all reducible to the labor expended upon it before it be fit for market. It is that price which will enable the seller to reproduce the article in the same market, with a reasonable profit. If this cannot be obtained, supply ceases. Prime cost will be this natural price, deducting the profit on the capital employed.

**Social Price**—The price that commodities bring when influenced by restrictions, monopolies, taxes and legislative regulations. Thus, the natural price of a bushel of wheat, or the amount of labor necessary to grow it and bring it to market, is one thing; the price of the same wheat influenced by the laws of any nation is more. This last is the social price.

**Raw Material**—Any material object employed to receive value, or to have utility conferred upon it by human industry, skill and capital. It has, therefore, a natural value dependent on its capability of receiving artificial value.

**Commodities**—All articles possessing exchangeable value and commanding price.

**Revenue, Income**—The annual amount of money or other valuable commodities which a man is entitled to, or receives, whether as landholder, in the form of rent; as agriculturist, manufacturer, or merchant, in the form of profit; as a member of one of the learned professions, in the form of fees, or as a magistrate or public officer in the form of salary; or in any other lawful way.

**Capital**—That portion of a man's revenue which remains as a surplus or saving after all his expenditures are made. A surplus which may be laid out to produce further profits or additional revenue.



Wealth is a relative term, for as there is only a certain amount of property in a country, so the possession of a large share by one man is the poverty of others. The wealth of individuals is, therefore, no benefit to the country, while as to others it is the cause of their poverty. If all the property in a country is worth a million, and one man has half a million, there remains but half a million for all others, and if nine or ten possess nine-tenths the rest would be poor. This principle of accumulation, the curse of advancing, or old, society, is favored by the substitution of money for barter; since goods could not be accumulated like money. To correct these mischiefs, the inducements to accumulate should be diminished by fixing a very low rate of interest for money in comparison with the wages of labor or the profits of industry. Money, as an artificial convenience, ought not to be allowed to be abstracted and usurers should be systematically discouraged, for the general benefit of the whole community. Interest of money is the slavery of the borrower to the lender, and there ought to be as few slaves as possible, while the slavery which exists ought to be of the slightest kind.

Fixed capital consists of the workshops, warehouses, buildings, tools and other conveniences necessary to produce future profit by means of the capital thus invested in them. These, in mercantile and manufacturing language, constitute the plant of a merchant or manufacturer. The stables, the barn, the granary, the sheds, the carts, the wagons, plows, harrows and other implements of husbandry, the horses, cattle, etc., of a farmer constitute his plant or fixed capital. Plant is a metaphorical term, as if a man were planted and rooted where his fortune is to be made and grow.

Rent is the price paid to a landowner for the loan of capital in the form of land, of houses, warehouses, water power, machinery, etc. Clear rent is that which remains to him, after deducting interest of capital, expenses, and all out-goings.

Unproductive Class—Those members of society who do not labor in any manner, or whose labor may well be dispensed with, as contributing little or nothing to the gratification of those wants in which it is innocent and desirable to indulge.

Paper Money—Paper Currency—This is usually considered as consisting of bankers' promissory notes, payable on demand. But these by no means constitute the whole of paper money, or even the most considerable part of it. The other kinds of paper money in common use are bank credits and bills of exchange, domestic and foreign, and merchants' drafts on each other. The merchant who draws this bill of exchange in consequence of having transmitted goods to the amount, either sells this bill to his neighbor, who has imported goods from the same country, or else he receives from his foreign debtor a bill of exchange in return, on some person in the country of the creditor, or within the circle of his dealings.

The price of bills of exchange on a foreign country will depend, like every other commodity, on the demand and supply, and this will depend on the balance of trade between the two countries. If France sells to England to the amount of a million, and has bought from England to the amount of half a million, bills upon England will be plentiful and cheap in France, and bills on France will be comparatively scarce and dear in England. Exchange is limited by the trouble, expense, and risk of transmitting coin, for which it is a substitute. When the exchange demanded is higher than the risk and expense, the merchant refuses to buy a bill, but sends off his coin to pay the balance against him. Bills of exchange, therefore, are no more than contrivances to save the interest that coin would yield if employed at home during the interval of transmission.

Commerce is the sale and purchase, and general interchange, of valuable commodities, by which the wants of men in society are supplied. It is divided into the home trade, the foreign trade, and the carrying trade. Commerce is popularly applied to the foreign trade. The object of commerce is the supply to one country of the productions of another; but avarice or profit leads to speculations and competitions which swell commerce to an unnatural extent, cause supply to precede demand, and create more miseries than any other evils with which mankind were ever afflicted.

Home Trade—That sale and interchange of commodities which is carried on at home within a nation, and where the inhabitants of that nation are the sole customers and purchasers. The amount of the home trade, even in Great Britain, is about ten times the amount of the foreign trade; in every other country, from ten to twelve times. At home, each man spends about three-fourths of his income among his fellow citizens. Foreigners purchase only what they are strongly tempted to buy.

Foreign Trade—That commerce which is carried on between foreign nations. A merchant is employed in bringing valuable articles from a distant country where they are cheap, to another country where they are scarce and dear. A considerable benefit of foreign trade is the mutual communication of improvements in all things relating to the comfort of human existence.

Luxuries—Any commodity purchased not necessary or expedient, according to the rank and fortune of the purchaser, and that occasions a disproportionate expenditure of income.

Government is the term usually employed to designate and comprise the persons who control the legislation and constitute the executive power of a nation. In almost every country, what is called the government is the most wantonly extravagant and ill-managed establishment that the people have to support. This arises from mistakes in the political structure of the government. Mistakes, consisting in unnecessary salaries; in too much

power conceded for too long a period; and in the want of means to enforce sufficient responsibility on the part of those who govern. The system of government should be as plain to be understood, and as simple in its construction, as possible. The agents and officers of government gain by mystery and complication.



## CHAPTER XXXII.

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### TIMELY APHORISMS—MULTUM IN PARVO PRESENTATION OF THE MONEY PROBLEM.

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COMPILED BY THE AUTHOR.

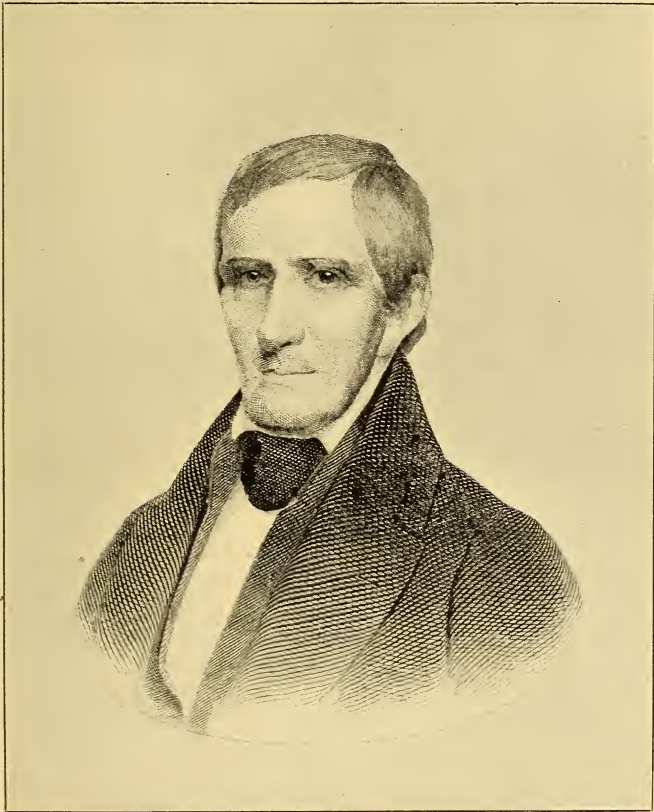
From 1873 to 1882 the nation's paying power was reduced at least one-third. We could no longer liquidate our debt or interest in wheat and cotton, and had to begin sending gold abroad, a movement intensified in that England has been drawing in the principal of her loans; and her net imports of gold have been very large.

Increase in the value of money robs debtors. It forces them to pay more than covenanted, not more dollars, but more value, the given number of dollars embodying at date of payment greater value than at date of contract. Decrease in the value of money robs creditors, necessitating to put up, in payment of what is due to him, with a smaller modicum of value than was agreed upon. To have the value of money persistently the same—that is the central virtue of good money.

Our national debt on September 1, 1865, was about two and three-quarter billions. It could then have been paid off with eighteen million bales of cotton or twenty-five million tons of bar iron. When it had been reduced to a billion and a quarter, thirty million bales of cotton, or thirty-two million tons of iron would have been required to pay it. In other words, while a nominal shrinkage of about fifty-five per cent had taken place in the debt, it had, as measured in either of these two world-staples, actually been enlarged by some fifty per cent.

The issue of the future is already clearly presented. It is no longer a question as to whether we shall have free coinage at 16 to 1, but it is the broader question of whether the nation is to be tied to a gold standard and receive its paper currency through the instrumentality and at the will of private corporations, or have for its use a national currency based upon gold and silver alike and controlled by the government instead of by syndicates and combinations. We must prepare for the broader issue. The time to begin is now, and the way to begin is to organize.—Horace Boies.

What harm, if any, has the rise in the value of gold occasioned? I unhesitatingly avow the conviction that the magnitude of such harm is past all calculation or conception. Not to be too lengthy, I must here summarize rather than discuss.



WM. HENRY HARRISON, ninth president, a native of Virginia, was born February 9, 1773. He filled many important civil and military positions before being elected president in 1840, for which office he had been defeated in 1836. He served but one month of his term, dying in the white house, April 4, 1841, being the first president to die in office. The life of General Harrison, his Indian warfare experiences, etc., are elaborately given in a "History of Political Parties, etc.," published in 1895, by the author of "The Silver Side."





The rise of gold—that is, the fall of prices, mainly consequent upon the demonetization of silver in and after 1873—has had, in particular, four great results, each of which has been pernicious in the extreme.

First, It has tainted with injustice every time-contract made anywhere in the gold-using world since 1873.

Second, It has all over this vast area afflicted productive industry with anaemia, asphyxia, and paralysis, owing to which the world's wealth is today less by billions than it would be had normal monetary conditions been enjoyed.

Third, It has split the commercial earth in two, into a gold-employing and a silver-employing hemisphere, between which, so great is the difficulty of exchange, commerce has ceased to be a rational affair and has become in effect a game of hazard. Thus, in another way, have the growth of wealth and the advance of civilization been retarded.

And, fourth, By thus deranging international exchanges, it has discouraged and, upon a colossal scale, lessened in amount, the loaning of capital by rich countries to poor, indefinitely to the disadvantage of both, so, in still a third way, hindering the weal and progress of mankind.—President E. B. Andrews, Brown University.

Tariff reform proposes to do much for the American farmer, and it will do much, but its benign effect in this way must be painfully restricted unless silver can be brought back to or toward its old time value relation with gold. Many wonder at Great Britain's obstinacy in refusing to do aught that might help on the rehabilitation of silver. The opposition of the creditor interest is commonly considered the cause of this. It is one cause, but there is another quite as strong—the determination of the entire non-agricultural population of Great Britain to maintain the present low price of wheat. This having resulted from the appreciation of gold, Lord Rosebery and his followers see that, were silver to be reinstated, wheat prices would considerably advance.—Ibid.

To say that the quantity of money regulates prices is only the same thing as to say of any article that is bought or sold, that its quantity is a material factor in determining its value.

England demonetized silver in 1816, and yet from that period to 1873 the parity of the two metals was not affected; we did not need her then, *and we do not need her now.*

Bimetallism, for which the people plead, is no new thing. For thousands of years, it has been the prevalent money system of the world. Under it nations have grown and prospered. Gold standardism, on the other hand, is comparatively an experiment. It is only within the present century that any modern civilized country had adopted it, and only within the past 25 years that it has become the prevailing system of Europe. For 81 years it was the policy of the United States, and under it took place

our greatest progress. It has repeatedly been declared to be the policy of the Republican party.

A mercenary interest has long sought to dominate the politics of this country for its own unrighteous ends. It undoubtedly instigated the demonetization act of 1873. It controlled to the full the administration of President Cleveland.

The cause of the bitter feeling of which we hear so much is no doubt traceable to the hard times, and the intense anxiety business men are under. That they should feel angry when creditors press for payment and nothing can be collected from customers is natural and excusable, but still they should not forget that the cause of their trouble is the hard times brought about by the endeavor of the country to maintain a false and precarious monetary standard, and not to any newspaper discussion. The hard times long antedated the St. Louis convention or any agitation of the money question, and can only be attributed to the insane attempts of the administration to uphold a gold standard with all the brokers of Wall street fattening on the government necessities resulting therefrom.

If it should be charged that discussion of the money question has intensified the hardness of the times, it should also be recollected that the whole responsibility for the agitation rests with the St. Louis convention. Had it not vitally changed the policy of the party the money question would scarcely have been heard of. The people would have been content to leave the reform for the party to deal with after it should come into power, confident that it could be trusted to deal with it wisely and in good faith. Had but the Minneapolis platform been reaffirmed at St. Louis Mr. McKinley would have had a walkover and his election would have been almost as unanimous as was Franklin Pierce's, in 1852.

It will appear strange to the future reader of history that a great political party should make so great a blunder as to abandon a popular measure for the very policy which made Mr. Cleveland's administration so unpopular.

The gold standard has never brought prosperity to any country on this earth, and never will. It has ruined agriculture and enslaved labor throughout the world, and will continue to do so until it is uprooted.—J. B. Weaver.

If all of our money were standard it would undoubtedly be more effective than it is now, because it would all be available for all purposes. A run upon the treasury would be impossible, and the people could not be loaded down with hundreds of millions of dollars' debt for no other purpose than to keep a certain amount of one particular kind of money in the treasury.

In fact, no reserves at all for redemption purposes would be required.

It would only be necessary for great moneyed institutions to keep funds sufficient to meet current expenses and pay their debts as they came due.

If silver were restored to the position of full standard money it would soon double and more than double the quantity, thus not only adding directly to the total amount, but enabling us to safely carry much more of credit money, and affecting prices in both ways.

A monetary system which consists of a small stock of standard money (say gold) and a large amount of other currency adjusted to it and subject to redemption, is the very reverse of "sound." It is absolutely "unsound," and a moment's reflection will enable any person of ordinary intelligence to see it. The moment the supply of redemption money runs short the great financial centers are thrown into a fright, credit is shut off, business is curtailed, prices fall, and the effects are felt all over the country. We are hardly up to the point of dispensing with credit money altogether, but we can at least broaden the base of primary money by the complete restoration of silver.

Baron Rothschild, in 1887.

United States Minister Pierrepont suggested to the baron "that a single gold currency was more stable than one composed of gold and silver.

The baron replied that the contrary was the fact, and cited England and France in confirmation of his statement, that where there was but a single standard the fluctuation was larger; that when gold was drawn from England to the continent for any cause all the solicitude concentrated upon the single gold standard; gold being the sole legal tender and no one knowing to what extent it would be drawn away, all the panic and alarm fell upon it, but with a double currency like France, if gold was drawn to England it caused no panic in France, because she had a large reserve of legal tender silver upon which she could fall back, and which of course would not be drawn to a gold country; and he repeated that a bimetallic currency was more stable than a single currency.

Bimetallism is the right to use either gold or silver as primary money. Under such a law, if our trade relations or the laws of other nations take our gold away, we have silver, and no serious injury occurs. And the same saving principle applies if our silver should leave us and gold remain. The two together furnish a more stable supply of money material than either alone can furnish. With only one for money, the contraction and expansion of the world's supply, alternating as they will, make an uncertain and unstable currency. Under free coinage of both metals, gold could not do as it is doing now, threaten the credit of the nation, silver being in competition with it.

We believe that bimetallism, that relies on two metals for money, is better than one that relies on one metal only.—W. H. Harvey, "Coin," in 1896.

### A Critical Period.

Not a day, not an hour, is to be lost in the herculean task that lies before us. In the next four years is involved the fate of the human race. Mankind is now at the apex of the present form of civilization. We are either to go back to an eternal midnight, or we are to go forward to a higher plane of civilization. If we lose in 1900 the chances of our ultimate success are immeasurably reduced; despotism will be attempted to be fastened upon us and a standing army that will have no interest in life except the pay received from its masters will, if the attempt succeeds, stand guard over the people, while the latter are "lawfully" robbed by a class whose agents will hold the reins of power.

And despotism fastened upon the United States means the extinction of human civilization in the world. It means that the United States will be the crater of a human volcano, and crumbling civilization, that in time, though a thousand years may elapse in the interim, will bring the race that inhabits its soil to the condition of Turkey and China. And in time our race will join the prehistoric races that have inhabited the earth.

The people of this country, by custom, have largely become almstakers. They look for the national committee to furnish them literature free. Speakers swarm the committee rooms, or tender their services by letter, seeking compensation for their speeches at from \$10 to \$500 a speech and expenses. As a rule, men who expect compensation in return, in the way of legislation, furnish the money to pay the speakers and to buy the literature. In other words, syndicates, pools and combines that expect to infest congress with their jobs, and otherwise make money through legislation, find it profitable to contribute to the campaign fund.

### No Intrinsic Value.

If "intrinsic, inherent value" existed, the thing or things which possessed it could, at all times and places, always be exchanged for an equal amount of value in other things. This cannot be done; the purchasing power of everything depends on conditions, and therefore there is not now, never has been, and never can be, any such thing as "intrinsic value." Gold does not possess a particle of intrinsic value for the simple reason that intrinsic value is an impossibility. If an ounce of gold possessed an "intrinsic" value, the discovery of huge mountains of fine gold would not in the least affect its value. On the other hand, if the value of gold were intrinsic, no matter how small the amount of it in human hands, nor how great the demand for it might be, each ounce of gold would be worth no more than if ten millions of tons of gold were in use.

What is true of gold is true of silver, and of every other commodity in existence. The forces which create, increase and diminish value apply impartially to all objects of commerce. Gold is not exempt from the same laws which give value to lead, iron, and everything else which is the subject of barter and sale. Under ordinary conditions, the operation and



result of these laws is to endow all the objects of human desire and commerce with more or less value; but what the amount of that value shall be depends upon circumstances and conditions.

If France was able to maintain the parity of gold and silver by the free coinage of silver at the ratio of  $15\frac{1}{2}$  to 1 between 1803 and 1870, when there were thirty times the weight of silver in coin and silver available for coinage in the world that there was of gold, certainly the United States, immeasurably greater than France was during that period, can maintain the parity of the metals at the ratio of 16 to 1, when there are only sixteen times as many ounces of silver in the world's stock as gold.

It is a fact with which every man who presumes to discuss the silver question ought to be familiar, that for the whole year 1872—the year before it was demonetized in the United States—it was worth  $\$1.32\frac{1}{2}$  per ounce, which made the bullion value of the silver dollar 103 cents in gold. On the very day of its demonetization it was worth more than the gold dollar.

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

(Extract from speech of Daniel Webster, delivered in the senate of the United States, December 21, 1836.)

The fact that the railroads, telegraph and telephone companies became the willing tools of a campaign committee in the recent election, furnishes us with a striking argument for the government ownership of these great monopolies. We are not a free people so long as they can be utilized for campaign purposes in the interests of trusts and combines.

The American bimetallists do not want a silver standard; that is merely something which the opposition say they want. They want the bimetalism which, for thousands of years, had the unquestioned allegiance of the best portions of the globe. They want the bimetalism which satisfied our American ancestors for almost one hundred years, and awoke no murmur of dissent. They want the bimetalism which today has the support of the greatest economists of the world. They want the bimetalism concerning which, on May 9, 1894, Henry Cabot Lodge said: "Every member of the senate, representing, as I believe, the overwhelming, if not the absolutely universal opinion of this country, believes in the use of both the precious metals as money." They want the bimetalism which the people want; the bimetalism which went down in 1873 without a word of warning, without the people's vote. The day of such bimetalism is fast approaching—more swiftly and surely than ever the friends of the silver dollar realize. It is right upon us—the day when America will be America still, and China will still occupy the orient.

But the gold advocate says, "Neither will the remonetizing of silver, making dollars more abundant, add anything to the world's real wealth."

Right there his philosophy is at fault. In the first place, a just and equitable cheapening of money will deprive the strictly moneyed classes of the unholy advantage which they now possess, and divide wealth more equally, by giving the debtors and producers a larger share of it than they are now getting. In the second place, by raising prices and increasing profits, it will encourage and stimulate production, thus adding enormously to its aggregate, and making the world, as a whole, vastly richer. The gold champion insists that overproduction is the cause of the trouble, and all sorts of schemes are proposed by which production may be limited. Just how production can be limited without checking the increase of the world's wealth, no gold standard economist has ever yet undertaken to explain. And yet it is the only remedy suggested by the friends of that system.

The gold standard will give England the commerce of the world. The bimetallic standard will make the United States the most prosperous nation on the globe.—Wm. B. Allison, in Congress, January 13, 1891.

We ran up old glory in a hurry to protect American property in Hawaii; we daren't protect American silver in America.

We daren't spread Old Glory in the face of England and say we will coin our own metal in accordance with our own constitution.

Never before in the history of the world has the humiliating spectacle been presented of any nation virtually asking the consent of another nation in regard to the coining of its own money.

England demonetized silver in 1816 and yet we maintained our bimetallic system until 1873. Have we become less able to assert ourselves under the policy of the last 23 years? If we have that is good and sufficient cause for demanding a new deal.

We are now adopting the gold standard coin, the ally of England in the most cruel and unjust persecution against the weak and defenseless people of the world that was ever waged by tyrants since the dawn of history.

Whenever property interests and honesty have come in conflict, England has ever been the enemy of human liberty. All reforms with those so unfortunate as to be in her power have been won by the sword. She yields only to force.

When money rises products fall. When money falls products rise. These are statements no one can deny. The amount of standard legal tender money in circulation determines the price of all commodities. That is the quantitative theory and the correct theory.—Senator Teller.

The foreign moneyed interest center in the city of London. That interest acts as one mass. Its influence is very great. Perhaps, in the long run, it is irresistible; our cities and financial centers all obey it. We have a monometallic gold currency today. We have no prospect of getting rid of it. Our submission to the moneyed interest of England has been silent,

but it has been abject. We were told to destroy silver because it was a mark of our independence, and we did so for no other reason than to remain in the moneyed system of England.—Senator Cameron.

Unorganized poverty can never win a battle with organized riches. The gold-fortified minority has thus far been enabled not only to organize its own forces, but by able leadership to disorganize and disintegrate all opposition. They have already laid their plans for 1900. They have every weapon which money can buy or wealth control. If anything has been overlooked they will grasp it in the near future. They have the metropolitan press, the great news associations, the railroads and express companies, the banks, the giant corporations, the courts and, alas, the greater share of the pulpit.

Honest co-operation is the grandest weapon of civilization, and by it the republic can be saved and the cause of humanity made triumphant.

The value of money, other things being the same, varies inversely as its quantity; every increase of quantity lowering the value, and every diminution raising it in a ratio exactly equivalent.

In other words, the more money in a country the greater the prosperity. Or, as Hume stated it, "in every kingdom into which money begins to flow in greater abundance than formerly everything takes on a new face; labor and industry gain life, the merchant becomes more enterprising, the manufacturer more diligent and skillful; even the farmer follows the plow with greater alacrity and attention." Or, as the "honest money" New York Times prophetically put it a few days ago: "The currents of trade, set in motion by new investments, will stir business into life, as the rain upon parched land makes vegetation stir and shoot up. There will be more money paid out for wages every week, and this in turn will increase consumption and augment demand. Raw materials will be called for in greater volume, and the output of manufactures will increase. This new activity will swell the earnings of railway and industrial shares."

You increase the value of all property by adding to the number of money units in the land. You make it possible for the debtor to pay his debts, business to start anew, and revivify all the industries of the country, which must remain paralyzed so long as silver and all other properties are measured by a gold standard.

Speaking in the house of representatives on February 7, 1878, Mr. Blaine said: "I believe the struggle now going on in this country and other countries for a single gold standard would, if successful, produce widespread disaster in and throughout the commercial world. The destruction of silver as money and the establishing of gold as the sole unit of value must have a ruinous effect on all forms of property, except those invested which yield a fixed return in money. These would be enormously enhanced in

value and would gain a disproportionate and unfair advantage over every other species of property."

But in 1873 we most unwisely demonetized silver, following the policy of Germany and Great Britain. This coincident action on the part of Germany and the United States, closing the mints of both countries by law to the free coinage of silver, forced France and the other states of the Latin union to adopt the same policy, and thus in three short years silver was outlawed by the concurrent legislation of these commercial countries. That it went down and down in value compared with gold was a logical result, and, but for the beneficiary legislation of 1878, and the conferences inaugurated by that legislation and the discussions that followed in Europe, as well as in our own country, the followers of the gold standard would have triumphed permanently.

The rate at which money exchanges for other things is determined by its quantity. \* \* \* Supposing the amount of trade and mode of circulation to remain stationary, if the quantity of money be increased, its value will fall and the price of other commodities will proportionately rise, as the latter will then exchange against a greater amount of money; if, on the other hand, the quantity of money be reduced, its value will be raised, and prices in corresponding degree diminished, as commodities will then have to be exchanged for a less amount of money. \* \* \* In whatever degree, therefore, the quantity of money is increased or diminished, other things remaining the same, in that same proportion the value of the whole and of every part is reciprocally diminished or increased.—Dr. Colange.

Before 1873, silver as well as gold had for centuries been full money in all the important nations of the world. It is true England, in 1816, changed her laws so that silver was not a full legal tender, but payments could be made just the same, because France, near by, would receive it in settling her balances with that nation.

#### What We Must Do to Win.

It is firmly believed by bimetalists, and is generally feared by gold monometallists, that those believing in bimetalism form a great majority of our people, and that if all bimetalists will unite on a common platform and a common candidate, they will sweep the country. It is, therefore, our first and most important task to unite our forces, so that the votes cast by those believing that prosperity is bound up with the restoration of bimetalism, be not scattered and our voting strength wasted. Let the motto be: "United we stand; divided we fall," rallying cry of the patriots of 1776.—Wharton Barker.

One thing can be depended upon, there can possibly be no reduction of the misery and poverty now so prevalent as long as laws exist that enable corporations and combinations of capital to conspire for the

exploitation of the masses. There can be no millionaires without their corresponding thousands of paupers. When one man becomes fabulously rich, 10,000 must succumb to the ravages of poverty.

Whoever controls the volume of money of any country is absolute master of all industry and commerce.—James A. Garfield.

That prices will rise or fall as the volume of money be increased or diminished is a law as unalterable as any law of nature.—Professor Francis Walker.

To annul the use of either metal is to abridge the quantity of circulating medium.—Alexander Hamilton.

Gold is every day appreciating in value.—Lord Beaconsfield.

The abundance of money in banks is by no means a guaranty that the social requirements for money are adequately supplied.

#### Liberty.

'Tis liberty alone that gives the flower  
Of fleeting life its lustre and perfume,  
And we are weeds without it.

#### Happiness.

All who would win  
Must share it—happiness was born a twin.

Lives of heroes have enriched the pages of history and history has immortalized their fame.

Labor relieves us from three great evils: Indolence, Vice and Want.  
Money is as blood and life to man.

This country will not help Cuba so long as Wall street has anything to say about it.

It is not satisfaction to any citizen to be told there is money enough in the country, but it is locked up. It is not grateful information to the man who has 25 cents to be told that he and a Vanderbilt between them have \$50,000,000.25.

Who overcomes by force has overcome but half the foe.

Bimetallism means *prosperity*;  
Gold monometallism, *ruin!*

Property is standing still or going down; gold is going up.

The property of the money lenders—notes, bonds and mortgages—does not shrink. The mortgage will eat the property owner up.

The value of money in any country is determined by the amount existing. That commodities should rise or fall in price in proportion to the



increase or diminution of money is assumed as a fact that is incontrovertible.—Ricardo.

We have seen, however, that even in the case of metallic currency the immediate agency in determining its value is its quantity—Principles of Political Economy, Vol. II., page 89. Jno. Stuart Mill.

If the quantity of gold in a country, whose currency consists of gold, should be increased in any given proportion, the quantity of other articles and the demand for them remaining the same, the value of any given commodity measured in the coin of that country would be increased in the same proportion.—William Huskisson.

Money, while the same quantity of it is passing in trade, is really a standing measure of the falling and rising value of other things, in reference to one another, and the alteration in price is truly in them only. But if you increase or lessen the quantity of money current in traffic in any place, then the alteration of value is in the money.—John Locke.

It is not difficult to perceive that it is the total quantity of the money in circulation in any country which determines what portion of that quantity shall exchange for a certain portion of the goods or commodities of that country. It is the proportion between the circulating money and the commodities in the market which determine the price.—David Hume.

If the quantity of purchasable articles increases, while the quantity of money remains the same, the value of the money increases in the same ratio; if the quantity of money increases, while the quantity of purchasable articles remains the same, the value of the money decreases in the same ratio.

The exchange value of any particular coin will vary in exactly inverse ratio to the variation in quantity of the aggregate.—Principles of Political Economy.

In early days of the Pacific coast, flour sometimes sold for \$100 a sack, bacon for \$1 per pound, and onions for 10 cents apiece. It was simply because gold was plentiful and the other things scarce.

Working people move the world from center to circumference. Labor is stored up capital.

The right to live is inherent in every man, and the right to earn a living should not be abridged.

For most of the facts on silver, gold and bimetallism given in this chapter, the author is indebted to the *National Bimetallist*.

It is a fixed law in the science of money that when both metals are *primary money—whether at the time seeking the mints or not, and whether in circulation or not—bimetallic prices prevail.*

'Tis slander whose breath rides on the poisonous winds, and doth belie all corners of the world.—Cynbeline.

Those who plot the destruction of others often fall themselves.—Latin proverb.

Corrupted freemen are the worst of slaves.—Garrack.

Bimetallism is necessary to real prosperity in this country.

Wealth; he that hath more than enough is a thief of the rights of his brother.—Tupper.

All men are created equal. They are endowed by their Creator with certain inalienable rights. Among these are life, liberty and the pursuit of happiness.—Declaration of Independence.

We live in deeds, not years; in thoughts, not breaths;  
In feelings, not in figures on a dial;  
We should count time by heart-throbs. He most lives  
Who thinks most, feels the noblest, acts the best.

Civil and religious liberty will always be the keystone in the arch of our hopes and aspirations. Political liberty and religious freedom are the corner stones of the common people.

Neither let us be slandered from our duty by false accusations against us, nor frightened by menaces of destruction to the government, nor dungeons to ourselves. Let us have faith that right makes might, and in that faith let us to the end dare to do our duty as we understand it.—A. Lincoln.

Let not dollar marks supplant the stars on the heavenly blue of Old Glory, nor the glitter of gold replace the crimson bars of martyr blood, nor the sheen of silver outshine the pure white of patriotic devotion.—J. W. Muffly.

## CHAPTER XXXIII.

### SOME LOGICAL COROLLARIES

BY CAPT. J. W. MUFFLY.

It is doubtless true that in the minds of the best informed advocates on both sides of the money controversy, certain resultant propositions in the nature of corollaries to the main problem are the really potential factors in the contention.

Thus on the gold standard side the (supposedly) main proposition is that gold is the one only substance of which real money shall be made. That all other currency shall be of the nature of a promise to pay money and its value dependent upon its redeemability in gold.

#### An Incapable Redeemer.

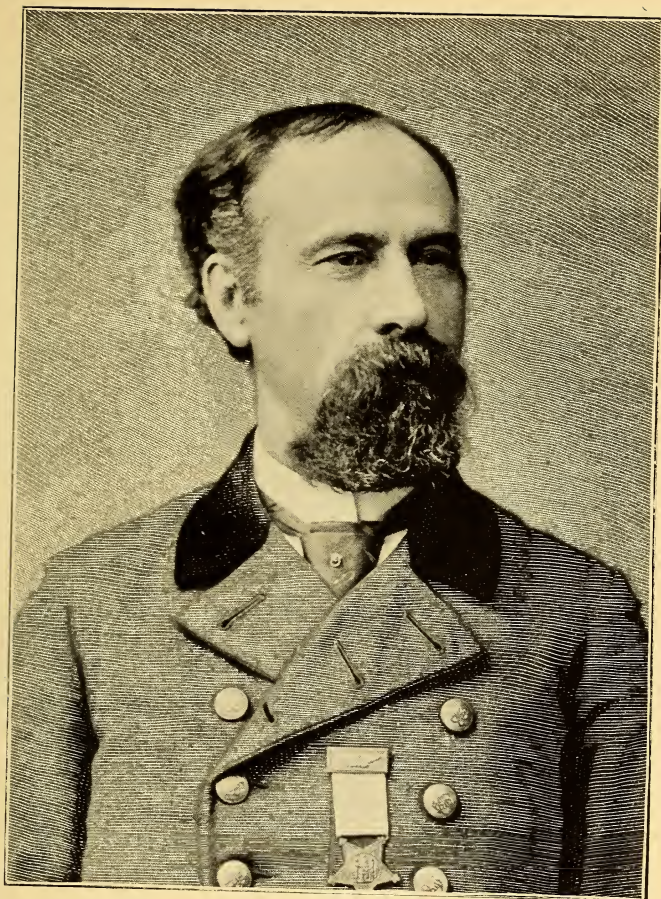
There is no pretense that the amount of gold available for coinage in the nation or in the world is sufficient for the actual redemption of the entire volume of "money of account necessary" for current exchanges of commodities, nor is there any *respectable* pretense that this inadequacy may not, in cases of emergency, become evident in the depreciation or even the repudiation of the currency promises.

Yet it is claimed that only upon this theory can money be made and kept good. That only those who hold this view are in favor of "sound money," and that all who oppose this view are for "cheap money, poor money, rotten money."

It is not proposed here to discuss this main proposition except so far as it is necessary to establish the logical legitimacy of certain corollaries which this paper is to consider.

#### The Gold-Standard Theory—Independent of Law.

The gold standard theory must be predicated upon the doctrine that money is a commodity, a product of labor, its value a commercial inherent quality (intrinsic) determined by the amount of labor expended in its production and by the supreme laws of commerce. That government should have no function in the matter except to coin it for its owner, that the act of coining has no effect, philosophically considered, except to ascertain and certify its weight and fineness, a theory stereotyped in the very common statement. "The



CAPT. JOSEPH W. MUFFLY, born 1840, in Pennsylvania; educated in the public schools and Rock River Seminary. Taught school from 1856 to 1859, and was a student in Williamsport Dickinson Seminary 1860 to 1861. He enlisted in August, 1862, in the One Hundred and Forty-eighth Pennsylvania volunteers; served as private, sergeant major, adjutant and as A. A. G., Fourth brigade, First division, Second A. C. from Fredericksburg to Petersburg, until April, 1865. He is a graduate of the Northwestern Business University. Founder and principal Iowa Business College, 1865 to 1872. Deputy clerk, district court, Polk County, four years. Commander Crocker Post, G. A. R., and assistant adjutant general of the Iowa department two years. Has been recorder of the Iowa commandery of the Loyal Legion since 1893. He is an accountant by profession.





stamp of the government adds nothing to the value of the metal." That it originates with the individual, is his personal commodity. That it is money independent of law and would be money without law, only so its weight and fineness be placed beyond question. That the attempt of government to fix, regulate or control the value of a commodity (gold or silver, wheat or iron) is an attempt to control the "laws of trade" is inoperative, incompetent, a delusion and an impertinence.

That all usury laws are an invasion of personal rights and against public policy.

#### The Legal Tender Act.

That the legal tender act of February, 1862, was a violation of sound money principles, and if not actually unconstitutional and void, at least justifiable only on the ground of a great emergency and a state of war. That certainly the phrase which declares in relation to the legal tender issue, "And the said notes, when so issued shall be *lawful money*," was a dreadful mistake, showing the awful ignorance of congress in regard to sound money principles.

I think no one will deny that this is a fair statement of the underlying claim of the gold standard contention, easily demonstrable from both logic and evidence. Let us see what inferences may fairly be derived in the way of logical and necessary corollaries, for parties must be held to the defense and maintenance of all legitimate and proper outgrowths of their fundamental proposition, and it is the design of this paper to state these outgrowths, or several of them, whether admitted by platform declaration or not, and aim to show their necessary connection and in some measure forecast the effect of their adoption.

#### What Must Follow.

It is claimed then that the adoption of the principles involved in the single standard, gold, would require as necessary corollaries:

First. An amendment to the constitution which would strike out the words, "Congress shall have power to coin money and regulate the value thereof, and of foreign coins," and insert "Congress shall coin gold for any citizen free of charge in pieces of (say) twenty-five, fifty, one hundred, two hundred, and five hundred grains, and shall stamp upon each its weight and fineness.

Second. Amend the constitution by striking out the words, "No state shall emit bills of credit or make anything but gold and silver a legal tender in the payment of debts," and provide instead, "Neither congress nor any state shall declare anything to be legal tender for debts."

This, because the gold standard argument teaches that men in trade do not accept in exchange for their commodities anything

which they do not consider of equivalent value, they accept what they choose and the law does not attempt to compel them to do otherwise. If it be wrong, impolitic or impracticable to force any one to accept any given thing for his goods sold today, is it not equally wrong, impolitic and impracticable to force him to accept the same thing in payment for his goods sold last week or last year?

Third. Revise the coinage laws so as to conform them to the commodity theory. This will require the dropping of all such provisions as that "Every such eagle *shall* be of *the value* of *ten dollars*," or of any other enactment attempting to create, fix or regulate the value of a commodity.

Fourth. Repeal the Matthew's resolution which declares that all obligations of the government are payable in silver dollars of 412½ grains.

Fifth. Retire the 346 millions of war greenbacks, which ought to have been redeemed and destroyed January 1, 1879, as expressly provided for in the resumption act of 1875, which has never been enforced, having been practically repealed by legislation, forbidding their destruction and authorizing their re-issue. Redeem all other currency obligations of the government, murder your best friend as Honorius murdered Stilicho, the Jews Christ and Booth Lincoln.

Sixth. Repeal all usury laws upon the statute books of all the states. This will remove a "mischievous restriction upon the freedom of contracts and attract 'foreign capital.'"

Seventh. For the redemption of the greenbacks, treasury notes, "Sherman" notes, silver certificates and other currency obligations all now redeemable, under the law, as explicitly set forth in the Matthews resolution, in silver dollars, which, it is claimed is repudiation, there should be issued some thousand million of gold bonds.

#### The Gold Standard Fully Established—Then What?

With these reforms effected the gold standard will be fully established with all needful and logical outgrowths and there will remain but one more step to perfect the ideal "sound money policy."

"The government must now go out of the banking business," and the banks must go into the governing business. Abolish the office of comptroller of the currency, "Money is a commodity," government is to have no function in the matter. The people must now take care of themselves in the matter of currency supply. Close up the bureau of printing and engraving except only the bond department.

#### Government by the Bank.

Revise the National bank law. Repeal all objectionable and embarrassing restrictions. Bankers are the proper conservators

of financial interests. They know how much money is needed and will always supply all proper demands. Provide that they shall simply keep in their vaults government bonds of the face values of their issues; depositors must look out for themselves as they have always done; all that is needed is an inspection by a government expert twice a year or once a quarter and the people can easily endure such failures as are likely to occur from time to time, and the saving to the government by doing away with the present method will be enormous. Certainly if the government is to be effectually divorced from the banking business, it will not be claimed by any consistent reasoner that it shall continue to print the promises of the banks and guarantee their redemption. The plea for the absolute control by the banks of the entire field of currency—a corollary more potential in the motive of the gold standard advocates than the main proposition, and one which is the key to the tremendous power arrayed on that side—is usually reached by a course of reasoning similar to what I have just outlined; but in order that “all roads” may be shown “to lead to Rome,” a very remarkable article has just appeared in the April Forum over the signature of Allen Ripley Foote. The article is a plea for a settlement of the question by arbitration. It argues in favor of a “money of account, by means of which all commodities are transformed into dollars,” and incidentally condemns the policy of basing all money on gold and (even) silver. But all the same he lands us in the financial elysium of issue banking. To quote:

The cause of suffering experienced from lack of currency with which to promptly effect all desired exchanges of commodities at an *agreed price* value originates in legislation which deprives the people of the right to use the current value of their commodities as a basis for the currency required.

Instead of issuing currency on the broad foundation of the value of all commodities, the basis has been narrowed by false legislation to but two commodities, gold and silver, which are produced by a few people. In this way the people have been deprived of the facilities and benefits derivable from the free use of the most effective form of monetary instruments of exchange—bank note currency based on quick assets.

This is a rare specimen of the “non sequitur.”

#### Populist Argument to Sustain a Free Banking Conclusion!

The argument is sound; the conclusion monstrous. It is the same old financial heresy, the same confidence game, which underlies all issue banking. Here is the plain A B C of the scheme. The people should use the value of their commodities as a basis for currency. To do this they must hypothecate the title to their commodities as collateral to a banking corporation. Upon these

securities the bank should issue currency, which the people will borrow at legal rates of interest. That is, go in debt for the use of your own property. Borrow your own credit and pay the other fellow for its use. Guarantee the payment of your neighbor's non-interest-bearing note and then borrow it from him at 8 per cent. interest.

#### Control of Currency the Real Motive.

The control of the circulating medium, a system of finance which creates a debt for every dollar of credit currency, this tremendous power by which the dealers in credit are able to dominate all production, trade and investment, this is the vital, potent energy of the gold propaganda. And this purpose is as relentless in tenacity as it is unscrupulous in method; tyrannical in operation and destructive in effect.

#### A Life and Death Struggle.

Unfortunately for the people, the advocates and beneficiaries of this robber theory understand perfectly its prodigious possibilities for transferring the products of labor and the profits of trade from the people to whom they rightfully belong to a small class of dealers in credit, who have no hand in actual industry or trade, and they are waging a life-and-death struggle against the oncoming tide of reform and popular right.

"All the energies of centuries of power, all the despotism of capital," all the effrontery of falsehood, the plausibility of sophistry, the power of political and social ostracism are arrayed in defense of the tottering citadel of money monopoly.

There is no history which they will not pervert, no platform declaration they will not reverse, no party record they will not belie, no public utterance they will not retract, no honored statesman they will not seek to corrupt, no prosperity they will not destroy, and no calamity they will not inflict to maintain the supreme rule of greed. All this was illustrated with searchlight distinctness in the presidential campaign of 1896. A great political party turned its back upon all its past and deliberately reversed all its declarations upon a most vital question. All of its great leaders who did not abandon it were compelled to retract their most solemn and oft-repeated declarations against the single standard, their candidate at the head of the list.

#### A Campaign of Deception and Slander.

Their campaign was a concrete deception, an abstract perversion, and the demagogue was rampant. If any one question the justice of the arraignment, let him take testimony from the gold side. Mr. Henry King, now editor of the *St. Louis Globe-Democrat*, in a letter published in that paper a few weeks after the election, said:

The idea that the defeat of the free silver movement imposes an obligation to consider the popular discontent which made it so formidable is evidently not taking root in the minds of candid and capable students of the situation. In other words, now that the election is over and campaign necessities are no longer supreme, men who did good service on the gold standard side are willing to concede that the clamor for cheap money was a symptom, and that the disease thus indicated still remains, to be dealt with as a difficult problem or series of problems. It is not true that any considerable number of those who voted for Mr. Bryan were inspired by dishonest and unpatriotic views and purposes, and it is time to quit talking about them in that false and offensive way. Whatever the truth may have been, they did not believe that they were favoring repudiation, or any other discreditable process, and they are entitled, as American citizens, to recognition of their good intentions, no matter how sure we may be that they were wrong, both politically and morally. It will not do to suppose that they deliberately sought to perpetrate a gigantic swindle and to involve the country in an enormous catastrophe. We can rejoice that they were beaten, and yet not treat them as arrant knaves and public enemies.

It is not conceivable that over 6,000,000 men, representing all classes, more or less, went to the polls and voted a given ticket simply because they liked silver better than gold, or because they were eager to cheat somebody, to destroy values, and to prevent general prosperity. Very few of them, comparatively, had any personal interest in the silver mining industry; the most of them were residents of states in which that inducement did not exist.

Could anything be more humiliating than this confession? He might as well say:

We made a campaign of falsehood and slander of our fellow citizens. We elected our man by misrepresentation. The gold standard support was composed of knaves and dupes. I was one of the knaves, and I am now making my confession.

Campaign necessities supreme!

You will find no such degrading admission on the part of the silver men. They stand ready today to avow every word uttered on the stump and in their press. They retract nothing, modify nothing, make no apology. They told the truth, and are now in a position to meet the victims of Hannatism with the cheerful greeting, "Didn't we tell you?"

The lofty and oracular utterances of some of these people assuming that this question was settled by the election of 1896 deceives no one. Assurance is well enough, but it may go too far and the superlative fool is the one who assumes that he can fool everybody except himself. No truth of today is so self-evident as that



the "money question" is the living, all-absorbing issue in American politics. That Mr. Bryan's choice of a title for his book epitomizes in a phrase the true character of the last election: "The First Battle."

Skirmishes on the line of money reform began in 1876. Look at the record.

#### Geometrical Progression of the Money Reform Vote.

Peter Cooper vote in 1876.....	81,740
Weaver vote in 1880.....	307,306
Weaver vote in 1892.....	1,041,028
Bryan vote in 1896.....	6,508,681

If the advocates of scarce money and banker government can find any comfort in these figures, they are welcome to make the most of them, but they will do well to begin their rejoicing early and keep it up vigorously, for their time is short.

The geometrical progression of the figures is the sure augury of better things. The silver propaganda of the Bryan campaign was a national university of economic education. The utter failure of restored confidence so glibly prophesied as the immediate result of a gold standard victory is leading thousands of men seriously to wonder if they did not make a great mistake last fall.

The continued lassitude in trade, idleness of laborers, ruinous prices of farm products, closing of industries, lowering of wages, slow collections, for all which the gold standard, so far from being a cure, is the very cause, are opening the eyes of thousands more who are unwilling to listen to argument. These conditions are just as sure to continue as effect is to follow cause. More than six million brave, patriotic souls compose the silver army of the United States, every one of whom is a missionary in the cause, and their labors are supplemented by the resistless logic of events which alone would finish our work for us.

#### Japan and the Gold Standard.

Just now plutocracy is pointing with insane glee to Japan. Yes, what of Japan? Simply this. Japan is the latest victim of British gold bondage. A debt of a thousand millions negotiated by British capitalists on condition that she adopt the gold standard. And Japan, just emerging from obscurity and insignificance, with the promise of a new life and a respectable place among the nations, has been smitten with the blight of British greed and her bright hopes must perish.

*The Quartette of Doomed Nations.*

Portugal, Egypt, Turkey, Japan. That is the quartette of doomed nations bound with chains of gold to the juggernaut of British gold slavery. Look at the figures:

Portugal .....	750 millions
Egypt .....	540 millions
Turkey .....	900 millions
Japan .....	1,000 millions

*A Costly Junket.*

And we are to spend a hundred thousand dollars in a junketing commission to Europe to ask Great Britain to unite with us in a policy which will deprive her of the supremacy by which she is able thus to enslave one nation after another—this in order to carry out the hollow mockery of the St. Louis platform, to redeem the hypocritical pledge of a political party to try and induce other nations to join with us in doing a very wrong, impracticable and dishonest thing, which those nations have distinctly informed us they will never agree to.

The reaction is setting in with resistless power. Merchants who were frightened by the senseless cry of fifty-cent dollars are being pinched by the want of any kind of dollars. Laboring men who were duped by the threat of having their wages cut in two, and who marched in gold bug parades through muddy streets, are now marching in tramp parades with no wages whatever.

Business men who thought it treason to desert a party name are finding that partisan victory is a poor compensation for a ruined business. The future is full of hope. The splendid devotion and unselfish patriotism of the six and a half million silver men has won the respectful attention of the thoughtful, and they will be joined by millions of new recruits who see the light of truth, and will unite with us to save the republic from the domination of the British rule of gold. Who doubts that the result of last November would be overwhelmingly reversed if a presidential election were held today? The next congress will be a silver body, and no gold bug will ever again occupy the White House.

Let the friends of liberty stand firm for an American policy for Americans, on the platform of "Free and unlimited coinage of gold and silver at 16 to 1, without the aid or consent of any foreign nation. All paper money to be issued by the general government and made a full legal tender—no banks of issue, no corporation money and no interest-bearing bonds."

## CHAPTER XXXIV.

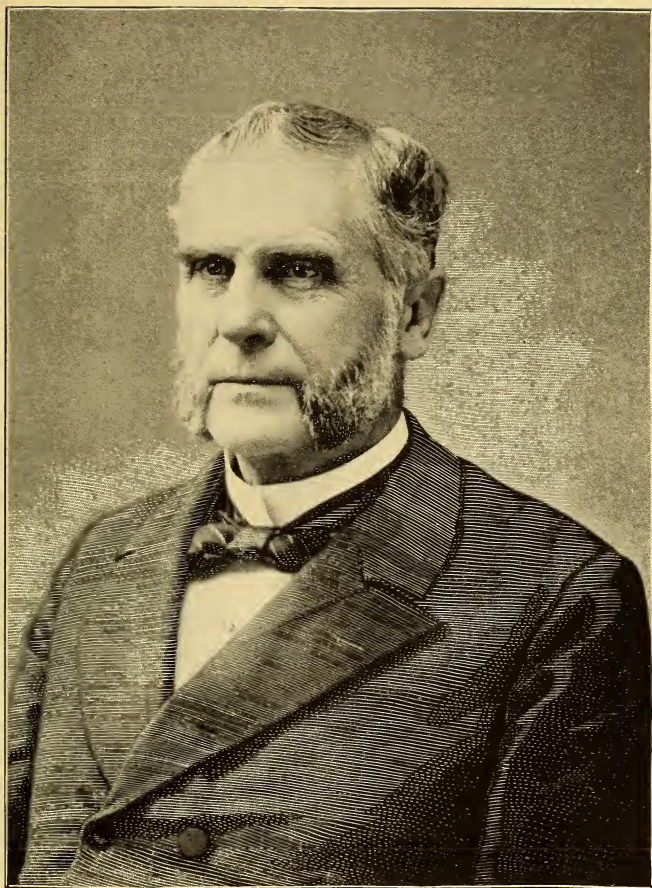
### THE EXISTING GOLD STANDARD.

BY EX-CHIEF JUSTICE C. C. COLE.

The "existing gold standard" is a wrong in its every aspect. It does not exist by reason of any expressed will of the people; nor by force of any statute; nor pursuant to any law. The statute providing for the payment of the obligations of the government, directs such payment to be made in gold or silver coin, whichever shall be most convenient for the treasury. This statute was in force from 1879 to 1891 (and is still in force), and was obeyed in its letter and spirit by the successive presidents and secretaries of the treasury, and all government officers during that period. There was, while that statute was obeyed, no difficulty between the government and its creditors, no fear of the exhaustion of the gold reserve, and no complaint about an "endless chain." The credit of the government was undoubted, and its ability to maintain its credit by the payment of all its obligations in the legal tender coin, gold or silver, of the country, was not questioned.

#### How It Came.

The money power of Great Britain and the continent, through its placid and supple tools in Wall street, had, it is true, in 1873, secured the demonetization of silver by the repeal of the law authorizing its coinage. It had also, after that wrong was fully known to the people, defeated the almost universally expressed will of the people, for the restoration of free coinage, through that deceptive and almost fraudulent enactment in 1878, known as the Bland-Allison act. At that time a free coinage bill, reflecting the previously expressed (almost) universal will of the people, had passed the house of representatives, but by the manipulations of the money power, then as now, having its seat and main spring of direction and action in Great Britain and the continent, managed, through its agents in Wall street, to convert such free coinage bill into a bill for the purchase, monthly, of a limited amount of silver bullion and its coinage on account of the government. The power behind the throne, if not the legislative agency through which it was manifesting itself, well knew that such a law, by its reduction of the bullion value of silver,



C. C. COLE, a native of New York, was born June 4, 1824. Educated in the common schools and in Union College; received legal education at Harvard University. Married June 25, 1848. Went to Crittenden County, Kentucky, and practiced law nine years, then removed to Des Moines, where he has since resided. Appointed to the supreme bench of Iowa in 1864; afterward elected and continued until 1876, when he resigned his position of chief justice and returned to the bar. He and Judge Wright organized the law department of the State University, with which he remained connected for twelve years. After his retirement he sought to retire from practice and has since been dean of the Iowa College of Law, now a very successful school.





which it was certain to accomplish, would place the country still further from the base of its settled purpose to return to free coinage.

The object of the Bland-Allison bill was to put the government, whose then manifest purpose was to return to free coinage, still further away from the goal of its purpose, by creating a disparity in the theretofore accepted value of the two metals. The money power then well knew that the only means for maintaining the then parity of value was the parity of use of the two metals in the free coinage of both by the government. The moment the government established its manifest purpose to permanently deny to silver its admission to free coinage along with gold, that fact alone would render certain a further and growing disparity in the bullion value of gold and silver. The passage of the Bland-Allison act was the turning point of victory for the money power. It was a greater victory than the original demonetization of silver, which was brought about by the suspension of the coinage of silver; because, while that act was, in its effect, apparently decisive and fatal to silver, yet there was practically but a single sentence in the way of its restoration. The demonetization was but an expression in the form of a statute, and as yet, has produced the existence of no fact which created any serious obstacle to the restoration of the free coinage of silver. But the passage of the Bland-Allison bill not only denied to the people the right of free coinage, but also, by its provision for the coinage of a limited amount of silver by the government, laid the foundation, sure and certain, for the positive and early disparity in commercial value between the two metals, gold and silver, as they had been theretofore very uniformly and universally accepted. This disparity would certainly come by reducing the bullion value of silver, because it withdrew from silver the right of the people to freely use it for coinage purposes, and fixed the amount which the government would coin at so small a sum as would assure an oversupply of silver in the market. This result, which was verified by experience, was well known in advance to the money power. The people, however, did not stop to philosophize. They knew they had been prejudiced and wronged by the demonetization act of 1873, and so long as the new statute provided for silver coinage, the people did not stop to inquire as to its ultimate effect. It was materially different from that which they had before had, and which had been taken away from them. They mistakenly supposed that they had restoration of silver coinage, and that thereafter they would have what the fathers had provided for them before.

If the government in its administration had been fair, and had carried out towards the people, in fullness, that which the law provided for them, it would have been much better; for that it would

have provided substantially fifty millions per year (four millions per month), of silver coinage, and that would have done much towards maintaining the previous parity of value. But the money power in control of congress, which had secured the passage of the Bland-Allison bill, instead of a free coinage bill, knew well how to accomplish this purpose. Instead of allowing to be inserted in the law what was the will of the people, or even that which would accomplish their interest and purpose by requiring the coinage of at least four millions per month, they caused the minimum to be fixed at two millions and the maximum at four millions, and placed the discretion between the two with the president. The money power knew that it would be easier for them to control the president than congress, and got discretionary maximum and minimum, and then went to the president and secured the minimum, whereby the will of the people was defeated, through executive submission to the control of the money power.

#### **The Sherman Silver Coinage Act of 1890.**

For twelve years the fraud and deception, embodied by the money power in the Bland-Allison bill, wrought out its primitive purpose, to-wit: the coinage of the least amount of silver possible or within the reach of the money power, and the constant but certain reduction of the value of silver bullion, and the increase of the disparity between it and gold. The money power having thus accomplished its chief purpose, which was the depreciation of the value of silver, now determined to accomplish its final overthrow. This purpose resulted in the repeal in 1890 of the Bland-Allison act, by the enactment of what was known as the Sherman act. It is worthy of note that the Sherman act was the result of a spasmodic effort of the people again, in the house, to restore free coinage. The house passed a bill, which became a new coinage bill, practically and fully, and the free coinage bill was again defeated by the enactment of a measure conceived in the interests of the money power. The Sherman act provided for the purchase of four and a half millions ounces of silver bullion per month—this amount being then substantially the amount of the annual output of our American silver mines. The amount of the purchase of silver was fixed by the bill, and was not left to the discretion of the president. The people had been deceived by the Bland-Allison bill, which fixed a minimum purchase and also a maximum, with the belief that the president would, in good faith, purchase such amount of silver per month as the business of the country should demand. In this they were deceived, for the president only purchased the minimum amount. The people had been, therefore, educated respecting the single fact as to the amount of the purchase—this amount, therefore, was distinctly specified in the Sherman bill, and not left to the discretion

of the president. The people had been deceived upon that one point, and thereby had been educated and hence would not leave to the president any discretion in the amount of silver bullion to be purchased.

The people never specify or even outline the language of a statute which they desire. They content themselves with a declaration of a principle which they demand shall be crystallized into a statute. They had done so in the election prior to the Bland-Allison bill, by declaring for the restoration of the "dollar of the dads." They were given, instead, the dollar of the money power. They demanded again in 1890 the restoration of free coinage and the rejection of the purchase of silver bullion and its coinage by the government. Free coinage gives to the people, the laboring men, the miners who produce the metal, the coins made therefrom direct from the mint, and the people do not have to go to the government treasury to get such coined money. They get it directly and in the first instance from the producers, and they get it in exchange for what they have to sell. When it is coined by the government, the people have no way to get it from the government. It goes from the government to the holders of the government bonds, government claims or government offices. This distinction is understood and appreciated, as well as keenly felt, by the people. But this is a departure. We have shown how the people were deceived in leaving to the president, by an act of congress, a discretion as to the amount of silver bullion to be purchased and coined. This they did in the Bland-Allison act. This they did not do in the Sherman act. But in the Sherman act the positive direction to the president, as fixed in the Bland-Allison act, to coin all the silver he purchased, was changed in the Sherman act, and it was left to the "discretion" of the president to coin as little or as much of the purchase under the Sherman act as the public interest required. Directly after the passage of the Sherman act, therefore, and at the earliest day possible under the act, the president (Harrison), under the manipulation of the money power, stopped the coinage of silver entirely, and thereby the money power had its complete triumph. It had demonetized silver and stopped its coinage in 1873. Under the almost universal demand for the restoration of "the dollar of the dads," the money power had conceded the purchase and coinage of two million dollars silver per month. In 1890, under the pretense of a larger benefit to the people, by means of the purchase of substantially all of the silver produced in this country, they absolutely stopped the coinage of silver and practically none has been coined since (a few millions now and then, as before the last election, but no settled or continued coinage).

### Money Power Responsible for Decline in Price of Silver.

This increased amount of purchase of silver under the Sherman act, together with the suspension by the president of the coinage of silver entirely, of course had, what the money power knew it would have, the effect of rapidly reducing the bullion price of silver. This, because after the purchase had been continued for a few months, and every dollar's worth of the silver bullion purchased had been piled up in the treasury and none of it coined or used, the amount thus accumulated and still on hand had the natural and necessary effect of reducing the bullion price. This result had been anticipated by and practically well known to the money power, and the leading legislators, through whom they had secured the fraudulent enactment. This reduction of the bullion value of silver was the end sought by the money power, because this great disparity in the former bullion values of the two metals could be used by the money power as a potent argument, if not an insurmountable obstacle to the people in their road to a demand for the restoration of the free coinage of silver. The retrospect of this legislation and the manifest cunning, art and deception embodied in it and in the means used to accomplish it, ought to be sufficient to satisfy the most sceptical that not only was the demonetization of silver in 1873 a crime, but that all subsequent legislation hanging upon it, and brought about by perverting the efforts of the people to secure the restoration of the free coinage of the fathers, was more stupendous than the criminal fraud of the parent act of 1873. If the subsequent legislation was "open" in contrast with that of 1873, and if it was the "subject of debate," it was nevertheless a manifestation of artful deception and criminal cunning, actually overshadowing the parent crime of 1873.

### Executive Usurpation.

We are now brought, in the history of the efforts to establish a gold standard in this country, to a material act which was manifestly the result of the direct control of the president by the money power. Not simply the money power of Wall street, but the money power of Great Britain and the continent, which operates upon the government and the president, through its associates, agents and tools, in Wall street, New York. This money power of Great Britain and on the continent saw the demand existing for gold in Germany, Russia and elsewhere, and, therefore, the money power there desired to bring about such conditions here as would enable them to supply the demand there. The money power of Wall street had no such immediate and direct interest as had their employers and directors in Great Britain and on the continent. The act to which reference is made is the final change of purpose on

the part of the president and the secretary of the treasury to pay gold upon every obligation of the government, at the demand of the holders thereof—a change and a direct overturn of a recognized principle of all individuals and nations hitherto, to-wit: that when a debtor is called upon by his creditor for payment the debtor may pay in any kind of legal tender money which he chooses—that the choice always has been with the debtor, and that the debtor may elect the kind of money in which he will discharge his obligation, the same being legal tender; this rule exists as to every debtor now. But in October, 1891, Benj. Harrison, president, with Charles Foster, his secretary, determined that thenceforth the government would pay its obligations, not according to the statute, in gold or silver coin whichever best suited the convenience of the treasury, but they violated that statute and decided to pay, and did thereafter pay, all obligations presented, including treasury notes, in the kind of money which the creditors demanded, although it was different from that which suited the convenience of the treasury. This was the act which commenced a drain upon our gold reserve in the treasury; this was the act which inaugurated the “endless chain”; this was the act under which the government was afterwards led into an indebtedness of two hundred and sixty-two million dollars by borrowing gold, which was not in the treasury, to pay debts which the millions of the silver then in the treasury might have been used to pay. For this act, and for persistence therein, Ben Harrison, president of the United States, and Charles Foster, his secretary, each well deserved impeachment by the house and conviction by the senate. It was a “high crime” against the people; a violation of law, and a misdemeanor of gigantic proportions. To Ben Harrison, a Republican president, this country is indebted for its “existing gold standard.” For this act, alone, he did well deserve the pronounced rejection of his claims for re-election. He escaped impeachment, it is true, but he did not escape the condemnation of the American people.

#### Change Presidents and Party—But Keep the Pain.

When Mr. Cleveland came to the presidency, after Mr. Harrison's retirement, he found that the gold reserve was reduced near to its minimum amount; that it had been exhausted under the operation of the “endless chain,” which President Harrison had inaugurated, contrary to the statute, and simply in compliance with, and I submit, in corrupt compliance with the demands of the money power of Wall street, acting as agent for the money power in Great Britain and on the continent. When Mr. Cleveland found that the gold reserve had been exhausted by Mr. Harrison's illegal and corrupt practice of paying the obligations of the government in gold



or silver, at the demand of the creditor, which resulted always in the demand and payment of gold, he saw that the treasury must be supplied with gold before it could be used in the payment of government obligations. He also found that Mr. Harrison had commenced preparations for the issuance of bonds with which to secure gold to supply the treasury. He found the plates prepared for such bonds. Mr. Cleveland determined to follow in the footsteps of Mr. Harrison; and his secretary of the treasury, John Carlisle, although in his congressional career, an advocate of free silver, was quite too willing to accept the line of conduct marked out by his predecessor, Mr. Foster, who was Mr. Harrison's secretary of the treasury. It would be doing injustice to Mr. Cleveland to even suggest that he pursued the course because Mr. Harrison had inaugurated it. The fact, doubtless, is, and Mr. Cleveland ought to have the full credit (whatever that may be), of the disposition to fully approve what Mr. Harrison had done, and cordially to follow it. That is to say, Mr. Cleveland was under the same money power influence, corrupt or otherwise, which controlled Mr. Harrison. Indeed, he persisted in this course against the manifest will of the people, as shown through congressional action.

Mr. Cleveland called a special session of congress, and after making negotiations with the money power respecting the sale and purchase of government bonds, he found that if the bonds provided on their very face and in express language the fact that they were payable, both interest and principal, in gold coin, just as Mr. Harrison and Mr. Cleveland himself had been paying all obligations of the government, since October, 1891, he could negotiate the bonds so as to save several millions of dollars to the government, well knowing, as did both Mr. Cleveland and Mr. Harrison, that the statute did not authorize the issuance of any obligation payable in gold, although, in perversion of the statute, and against its language and spirit, both Mr. Harrison and Mr. Cleveland had been paying government obligations in gold; yet congress, being in session, Cleveland attempted to get its consent to bind the government to do what Harrison and he had done and were doing. Congress refused to consent. By such refusal congress in effect repudiated the conduct of Mr. Harrison and Mr. Cleveland, and declared that such a course was not only against the law as it then was, but also declared that they would not authorize the issuance of obligations requiring such payment in the future. Twice was congress appealed to by Cleveland for such power and authority, and twice was he denied. Yet in the face of these facts, and of the whole history of the matter, Cleveland and his secretary, Carlisle, persisted in paying gold upon all obligations of the government, although none of them were by their terms so payable. It is sub-

mitted, in view of these facts, that Grover Cleveland and John Carlisle were each justly deserving impeachment, and that the interests of the people and their protection in the future, actually demanded such impeachment by the house and conviction by the senate. But Cleveland, like Mr. Harrison, although escaping impeachment, was most decidedly rejected by the people; even his own party, by an overwhelming majority, not only refused to endorse him by a renomination, but most positively and expressly condemned his administration—the first instance of the kind in our history of parties. Such condemnation was upon the very point of his conduct in following out the course pursued by Mr. Harrison in paying all obligations of the government in gold at the demand of the creditors.

#### **Disparity the Result of Government Hostility to Silver.**

This course of the government, which we have outlined, in demonetizing silver; in the passage of the Bland-Allison bill; in the purchase of the minimum only of the amount of silver bullion provided for by that act; in the repeal of that act by the substitution of the Sherman act; in the stoppage of the coinage of silver; in the practical rejection of it as a currency of the government and as a legal tender in the payment of its obligations; and in the multiplied other acts of the government, manifesting its hostility to silver and its preference for gold, brought about, in fact, what it was the purpose of the money power by such legislation and conduct to bring about, to-wit: the great disparity in the bullion value of the two metals, gold and silver. The money power took these steps to create a gold standard when the bullion value of gold in its relation to silver was as 16 to 1, and at which it had been maintained for many years without loss or detriment to the government or any of its people, and, by the adverse legislation and conduct we have detailed, actually reduced the bullion market value of silver more than one-half; so that the relation in value of gold to silver was a practical 33 to 1. This disparity in value, and the reduction of the value of silver, was the purpose of the money power in the legislation and conduct which we have described. Such reduction in the value of silver, and such great disparity in their relative values, was sought and produced for the purpose of using such fact to destroy bimetallism, and to build up a single gold standard. The argument from the fact which they had thus produced—the great disparity in value between gold and silver—was made the rallying cry of the money power, and was alleged as the reason for adhering to, and further progressing in, the building up of a single gold standard. Even this was not enough, alone, to have won the election in 1896, but for the free and unparalleled use of money, directly

and indirectly, in the campaign and in the election. Confessedly it is true, in the judgment of every intelligent man, that bimetallism was defeated in 1896 because of the use of money, directly and indirectly, by a combination of moneyed men and moneyed influences, surpassing very greatly anything ever experienced in this country or even supposed to be possible. The scarcity of employment for labor, the indebtedness of so many people, and the general depression of business, were made the fulcrums over which the money power secured its triumph. One other pretext was made which had its potency, too, in the election, and that was, that bimetallism could only be, and that it would be, secured through international agreement. This last claim and pretense was the means through which, doubtless, success was brought, apparently, to the gold standard, and bimetallism appeared to be rejected. It is doubtless true, however, that more voters than the aggregate majority shown by the returns were induced to stand by "the existing gold standard," in the belief that bimetallism in its broad fullness would be more certainly accomplished through international agreement, which was promised, than by this country alone, under the restoration of the free coinage of our fathers.

#### International Bimetallism Impracticable.

It is not necessary for me to stop here and demonstrate how utterly and absolutely hopeless and impossible it is now, or in the early future, to secure any international agreement for the equal and free coinage of gold and silver. One cause, an insurmountable cause, is, that Great Britain, France and Germany, by those who control those governments, regard their interests in connection with finance, to be opposed to bimetallism. Those governments are directly controlled by the money power which has indirectly controlled this nation since 1873. This power is in absolute and direct control of the governments of the three nations named and others, and it regards its interests as being best promoted by holding and forcing this country to the gold standard and its maintenance. While it is doubtless true, and such truth is recognized by the agricultural and industrial portion of the people of those countries, that bimetallism is absolutely necessary to their prosperity, yet such portions of the people do not have much influence with those respective governments, as the like interests have in our government. The money power of those countries, as we have before stated in this article, have, through their influence over Wall street, been enabled to control this government and force it toward an actual gold standard, the length to which we have gone in this direction. They recognize and realize the fact, and are now rejoicing in the experience of its verity, that money is

power and that "the borrower is servant to the lender." In view of these facts alone, the cause of international bimetallism is now absolutely hopeless and impossible.

#### **The Immense Silver Interests of the United States.**

Further than this, it must be remembered that this country produces substantially one-half, and, in the past, much more than one-half of all the silver bullion produced in the world; that Great Britain, France and Germany produce but the smallest fraction of the silver bullion product of the world; hence our interest in the restoration of free silver coinage and genuine bimetallism, and the increased use of silver thereby, is very large and ought to be controlling here, while the interests of those countries are very small and are not sufficient to move to action or to influence either of them toward bimetallism. Our interests in free coinage and in the ratio of 16 to 1 are further strengthened by the fact that we have in the silver coin of this government, and the bullion ore now in its treasury, approximately six hundred millions of dollars. By adding to the ratio in the way of increasing the number of ounces of silver which shall be equal to the ounce of gold, the value of our coins and bullion would be reduced, and a direct loss to the government would result, in proportion as such ratio was increased by adding to the number of ounces of silver requisite to equal in value the one ounce of gold. For instance, if the ratio was made 20 to 1, it would diminish the value of our coin and bullion over one hundred millions, and if it were made 32 to 1, according to the present recognized market value, it would cost us three hundred millions of dollars. Any now possible international bimetallism agreement would be very certain to make the ratio of silver very much more than the interests of this country demand, or than our people would or ought to consent to.

#### **International Bimetallism Against Our Interests.**

International bimetallism, in this view, is not desirable, for that the influence of the other nations, in such international conference, would, in the aggregate, be largely more than that of our nation, and hence we would be at a disadvantage, and our large product of silver would be unduly reduced in value, and our people and country thereby prejudiced permanently and for all future time. One other thought in connection with international bimetallism is that such treaty or international agreement would be violative of our constitution; for that our constitution provides that "congress shall have power to coin money and fix the value thereof." The treaty-making power is the president and the senate, without consulting the lower house of congress. The fixing of the value

of our coined money by treaty would, therefore, be a fixing of it by an authority not authorized by our constitution, but violative of it. International bimetallism is, in no respect of the question, desirable for this country. It would, beyond all question, operate to the present and future permanent prejudice of the people of this country, and to the permanent prejudice of the value of one of its leading products—silver.

#### *Free Coinage of Silver Will Restore Parity.*

It was claimed during the canvass of 1896, that the value of silver had become so reduced as that silver ought not to be further used as basic or redemption money. When the attention of the people was called to the fact that, despite the conduct of the government, whereby it had succeeded in reducing the market value of the silver in the commercial world, yet the silver coin maintained itself at a parity with gold; and that, too, while its silver coinage was in excess of its gold coinage, and while the gold standard was maintained in several of the commercial nations of the world. This parity in all the coins, gold and silver, was being maintained, and had constantly been maintained, despite the course of the government in antagonism to its silver. And it was asserted, in view of these facts, that this country, with fair treatment toward silver by the government and its officers, even by the treatment which the statute itself plainly required, could maintain that parity with free coinage restored as it was established by our fathers and maintained for eighty-one years. The gold men, could only meet these facts and arguments by an unfounded claim, that because the government was in the hands of the gold advocates, that the government, somehow, by its special power, which could only be exerted while the government was in the hands of such men, could it maintain our silver upon a parity with gold. Of course it was very plain to every thinking person that silver maintained its parity with gold, because, by the statutes of the country, it was made equally with gold a legal tender for the payment of debts. It was and is this legal tender quality which enables silver, in the face of government opposition, and in the face of commercial markets, to maintain its parity with gold, continuously. It was impliedly conceded by the gold standard advocates, that if the United States government alone could maintain the parity with gold at the ratio of 16 to 1, as fixed by the statute, then there was no necessity for any international agreement. But it was stoutly maintained, by assertion only, that this government could not alone maintain that parity. They were cited to the fact that for eighty-one years, commencing at a time when our population was but about



four millions of people, our fathers had established that ratio and had maintained it from 1792 to 1873, and that such fact was, in and of itself, a refutation of the assertions of the gold standard advocates. Let us look at the question a little further, and if we can show that this government can alone maintain the parity of silver with gold, at the ratio now provided by law, then it is the duty of the government to restore all silver to the use of free silver coinage as provided for us by our fathers.

#### **This Government Alone Can Maintain Bimetallism.**

We address ourselves now to the proposition that our government alone can maintain the parity of silver with gold at the ratio of 16 to 1, if it will restore to the people the free coinage laws of our fathers. This general proposition involves two questions, which we prefer to treat in the following order, to wit: First, will free coinage restore the commercial value of silver? Second, can this government alone maintain the parity of such silver coinage with gold? We affirm both propositions.

The restoration of free coinage, it has been claimed by some, might restore bullion silver to its coinage value, if such free coinage was limited to the product of this country alone. But it would not do to limit the coinage to the product of this country; because, by such limitation, we would soon create a difference in value between the silver bullion product of this country and the equally valuable silver product of other countries. This difference in value of the silver bullion, determined according to the country where mined, when the product was coined, would at once afford an occasion for denouncing the free silver coinage of this country, as of depreciated value; because the silver in our coins would not be any better than the silver produced in other countries. Hence, by such discrimination, we would bring into disrepute, to that extent, as depreciated money, our silver coinage, as being of a metal, the world's market value of which was less than its coinage value. It is, therefore, necessary that the restoration of free silver coinage shall be the restoration enacted and maintained by our fathers, to wit: the free coinage of all silver bullion brought to our mints, without inquiry as to the source from which it came, but only as to its purity.

Now, it is clear that if our mints were open to the free coinage of silver at the ratio of 16 to 1, the value of silver at the mints would be its bullion value, to wit: substantially one dollar and twenty-nine cents per ounce. Why? Because, having the silver bullion at the mints, it could be converted, without cost to its owner, into silver dollars which would be worth, and be a legal tender for the equivalent of, one dollar and twenty-nine cents an

ounce. Its bullion value would, therefore, necessarily, be its coinage value, and this without question. Mark you, we are now discussing the single question as to the effect of free silver coinage upon the price of bullion silver. We assume, for the purpose of the discussion of this question, that the government will maintain its value upon a parity with gold, which is the next proposition we are to discuss. If, therefore, it be conceded that the government can and will maintain its parity, then no one can dispute the conclusion that the restoration of the free coinage of silver at the ratio of 16 to 1 will restore silver bullion to its coinage or par value at one dollar and twenty-nine cents per ounce. No intelligent person can question this result or fact. For, it is true the world over, and in every avenue of commerce, that if an article bears a particular price invariably and at a certain market where it can all be received and consumed, such article will bear the same price anywhere within the range of commercial intercourse, less the cost of taking it from the place where it is produced or is existing, to the market where it will bring such fixed and known price. It is impossible to avoid this conclusion. Because it is supported by the commercial history of all commodities, and is approved by the judgment and experience of every intelligent person.

Mark you, again, we are now discussing the single question of the effect of free coinage upon the price of silver bullion, leaving out of the discussion, or taking for granted, that the government will maintain the parity of such coinage when made with gold. Upon these suggestions we assume that ever reader consents that the restoration of the free coinage of silver at our mints, regardless of from whence the silver bullion came, will make the bullion value equal to the coinage value.

#### Government Can Maintain Silver Coinage on a Parity with Gold.

Having established the proposition that free coinage will restore silver bullion to a par value with its coinage value, we now turn to our second proposition. That proposition is, can the government now maintain its silver coinage on a parity with its gold coinage? Instead of making an argument to show that it can maintain the parity of value between the two coins, we simply ask the reader the question, "Why cannot the government maintain the parity?" We have just seen that the restoration of the free coinage of silver with gold at the ratio of 16 to 1 would restore the bullion value of silver to its coinage value. Since thereby the value of the silver in a dollar becomes precisely equal to the value of the gold in a gold dollar, is it not clear that the government can maintain the parity of the two coins? It surely can maintain such parity, be-

cause by the restoration of its free coinage, the silver in a silver dollar is made to have the same market value as the gold in a gold dollar; and since their market values are equal, not only can our government maintain the parity of silver coin with gold, but any individual in the land could do it; because the parity in bullion coinage value is now made certain by the act of free coinage, and that parity is fully able to maintain itself with gold.

In other words, the claimed disparity in value has arisen, solely, from the claimed or nominal market value of silver, which market value has been reduced by the methods we have hereinbefore delineated. At the time of the demonetization of silver in 1873, the value of silver in the silver dollar was 3 per cent. above the gold in a gold dollar. There was no difficulty in maintaining the parity of the two coins at that time, because there was a parity of value at the ratio of 16 to 1. The demonetization of silver or the stoppage of the coinage of silver and the further use of it for monetary purposes, had the necessary and natural effect of reducing its market value. For this, prior to that time, substantially one-half the product of silver had been used for coinage purposes, and, of course, the stoppage of the use for that purpose increased the volume for use for other purposes and such surplus of silver bullion for the remaining purposes necessarily resulted in the reduction of its price. The other causes which have tended to reduce the market value of silver we have hereinbefore fully set forth and need not here repeat.

The question will recur to every considerate, intelligent mind, whether, having restored the parity of value by the restoration of free silver coinage, will the monetary demands of the country and the world consume the proportion of the entire product of silver, which was consumed prior to the demonetization of silver? Whether it will or not is a matter of reasoning, and not of dogmatism. To me it seems a certainty, that use will be found for all the silver which can properly be devoted to monetary uses, after supplying the demands for manufacturing and commercial purposes. Among the facts which incline me to that view are the depression of business which has resulted from demonetization, and the necessary reduction thereby of the volume of basic or redemption money; the stagnation of public improvements of all kinds, including improvements, having more or less of public interest, made by individuals, as well as improvements by the governments, federal, state and municipal, have together left a void or an unfilled field, which would invite capital the very moment the public became assured of the return to a permanence of free silver coinage. That fact, alone, would at once invite enterprise into the occupancy and development of these avenues and fields which have been left

unoccupied because of the depressed conditions of business for so many years. Besides, the cessation of public improvements, growing out of this depression, which has existed, with every community, family, and individual, has caused a limited expenditure, by way of dwarfing purchases for individual use, which has shown itself, and been manifested in every avenue of life—not only family and personal expenses, in the lines of travel and improvement, but a dwarfing of the various bases of necessity in the avenues of both raiment and food. The restoration of free silver coinage, with its assurance of the larger volume of money, and the higher prices of products coming therefrom, would at once invite back to the old methods of full supply of the necessities of life, and reindulgence in the semi-luxuries of travel and ornamentation. These, and many other things, would open the avenues of commerce and business into which this increased supply of money would naturally and inevitably flow, and we would find practicable, profitable and most agreeable uses for any and all additions to our currency coming from this restoration.

Besides this, the necessities of our currency circulation, which is in excess of our basic or redemption money when confined to gold alone, demand the broadening of the basic or redemption money, so as to equalize what is now often styled by our leading politicians as our "top-heavy currency"; that is, that we have more currency in circulation than is justly proportionate to the redemption money properly applicable to its support. The increase of our basic and redemption money would not only restore the equilibrium as compared with the present circulation, but it would justify an enlargement of that circulation and the issuance of further currency, which would also find employment in the avenues we have hereinbefore suggested and such others as will occur to every reflective and considerate intelligent person. This change of conditions, by the restoration of free silver coinage, as was inaugurated and maintained by our fathers, would reverse the principle upon which the money power has been conducting affairs for the last twenty years. The maxim of the money power in all their conduct and to which they have adhered with perplexing, if not criminal, fidelity, has been the "high purchasing power of money." We would change this maxim, we say, and which change is demanded by the single fact that our country is the most productive nation on earth. The aggregate of our products in relation to population exceeds the aggregate products of any other nation on the face of the globe—our maxim will be the "high purchasing power of products and of labor." This high purchasing power of products and of labor would afford employment, in legitimate and helpful avenues, of the increased volume

which the free coinage of silver would give us, as well as the increased volume of money, which such enlarged basis of redemption money would justify and invite into circulation. It is not necessary for me further to indicate how or why this return to free silver coinage would only supply the volume of money necessary to enable us to return to our former conditions of prosperity.

One only further thought is necessary to be suggested by me now and here. That thought is, that the world has had silver coinage from a period of two hundred and fifty years anterior to the birth of Christ, and gold coinage for a period about fifty years anterior to that glorious event; and that from that day to this, every nation, great or small, which has had an existence on the map or in the history of the world, has struggled to acquire all the gold and silver money it could per possibility secure, and that no nation, during all these two thousand years or more, has ever acquired more of either coin than it desired and could profitably use. No nation, great or small, has ever been afflicted with an excess of either gold or silver coin. It has, during all that period, been true that gold and silver coin constituted the only real money such nations possessed. Some of them have had, at times, more of currency than they could maintain, but not one was ever afflicted by getting more of either gold or silver than it could hold and gladly acquire and maintain. The ratio of the product of gold bullion and silver bullion has varied from time to time during these ages, but at no time has it overburdened or at all prevented the desire of any nation to acquire all it could of either metal. The proportion of the two metals as now produced or as produced during the last twenty years, is not different from what it has been during other periods, prior to that time. Our closing thought is, does the reader suppose, or can he bring himself to believe, that now this country, contrary to the experience of all the world, for two thousand years or more, will be prejudiced or burdened by its volume of gold or silver coin. If there is a reader who thinks that probable, I commend to him the earliest application possible to the nearest insane commission for an inquisition of lunacy which shall gain for him admission to the largest asylum he can reach.



## CHAPTER XXXV.

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### THE RELATION OF THE FARMER AND THE LABORER TO THE ECONOMIC PROBLEM.

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BY REV. J. F. NUGENT, LL. D.

Farmer—I and my friend here, who is a mechanic, have been studying the money question, and so far as we are able, the causes of the hard times. We have to admit that there are many things which we are not able to understand. We would like, therefore, to ask you some questions, which appear to lie at the bottom of all our difficulties.

Nugent—It would be very strange indeed, if men who are obliged to work ten hours a day to earn their daily bread could, in their few idle moments, master a subject which has taxed the time and talents of the world's best thinkers.

Farmer—We do not expect to master this complicated subject in all its details, neither do we know, or expect to know enough about mathematics to measure the course of the planets and calculate the time periodicity of an eclipse, but we ought to know enough about figures to keep our own accounts and conduct our own business without loss. Now, we want to know if there are not a few principles and definitions at the bottom of this great subject of money and labor which may be brought within the grasp of the ordinary mind, so that they may know enough about the subject to vote intelligently on those issues which involve the interest of the laborer, the farmer and mechanic. We have come to see that considerable intelligence is necessary to secure the fruits of our industry to those who come after us. So far as work and economy are concerned, there is no doubt that we are both able and willing to earn a competency for ourselves and children, but it is clear that we shall have to stand together on the true principles of economy if we keep our substance from falling into the hands of those who neither save nor work. We used to think that all we had to do was to work and produce, and that a just and equitable profit would come to us through the natural channels of supply and demand. Every year, however, it is becoming more and more apparent that the channels of trade may be artificial—that commerce to a great extent has become a game, and that unless we know something about the



REV. JOSEPH F. NUGENT, LL. D., was born in Seneca, Ohio, May 22, 1845. He removed with his parents to Kent County, Michigan, in 1848. He attended the district schools until 1866, then went to Niagara University, New York; made there a course of nine years. Was ordained in 1874. Came to Iowa the same year, and was placed in charge of a congregation at Sigourney. The following year was transferred to Manchester. Four years later returned to Sigourney. Came to Des Moines July 2, 1882.



game, all our labor and economy will not keep us and our children from starvation and poverty. You know the farmer used to think that his greatest danger lay in floods and drouths, and that his greatest enemies were cut-worms and chinch bugs. Yet—bounteous heaven has so planned it that even in the face of unfavorable seasons and pestiferous insects, the farmers' cribs and barns are overflowing. These dangers have come to cause the least alarm. High freights are more disastrous to the farmer than high water. A combination of twine can take more of the farmer's wheat than the average campaign of the *army worm*. The ravages of the cut-worm are small when compared with the damages inflicted on the farmer by inequitable taxation, or by compelling him to sell what he raises in an open market, and buy what he uses in a protected mart. It seems, too, that to divide the volume of our money, and limit money to gold alone, must result in a hardship to agriculture and industry scarcely less than the evils of an annual blight.

Nugent—I think you take a very sensible view of the matter. I am glad that the farmers and the mechanics and laborers are beginning to wake up to the necessity of using their minds as well as their hands. Farmers and laborers ought to have a just share of that which they produce. It is a part of a slave to produce for others, it is the part of a freeman to produce for himself. In fact, this is the only difference between the man of freedom, and the man of bondage.

Now the single question at the bottom of this matter is the equal distribution of property. You should have an equitable share of the world's goods, that is, you should have all the profits that arise from your efforts through the ordinary channels of supply and demand. Now you must keep this principle in mind all through your studies. Any thing which tends to establish this principle and realize its practical results in the world of economy, you must regard as sound doctrine. Anything which subverts this principle or operates against it, you must regard as a false and pernicious theory.

Equitable distribution of wealth is the object of honest economic adjustment, and bimetallism is the first step in the direction of permanent reform.

Mechanic—I once heard a professor say that in order to make intelligent progress in any study or science, one must first understand the terms used in the explanation and development of the subject matter. You must have a correct, clean-cut definition for everything, and know what you are talking about before you can talk about it. In short, you must know what you want to say and then know how to say it if you would make any headway in the acquirement of knowledge.

Farmer—I and my friend mechanic have gone far enough in this question of economy to fully realize the force of these remarks. We have therefore concluded, if it is not encroaching upon your time, to ask you for some assistance touching the meaning of certain terms in the science of economy.

Nugent—So far as I am able, I shall be only too happy to give you the result of my investigation and studies. This, of course, is the conclusions of the best thinkers and writers in the field of economic science.

Farmer—Would you kindly give us a definition of those terms upon which the whole science of political economy is built?

Nugent—I shall do so with the greatest pleasure. There are six terms used in the science of political economy, and if you once get a clear and well defined idea of what these terms mean, you will have a good start in making a true solution of the money and labor questions.

These terms are: Value, Cost, Profit, Price, Money, and Selfishness.

Now let us define each one of these terms briefly and clearly, and let us note carefully just what they mean, and how they act in the world of trade, and how they sometimes react on each other.

Value is the desire you have for a thing. Cost is what you expend in getting the thing. Profit is what you add to the cost of the thing, if you are going to sell it, or what you get out of it if you are going to keep it. Price is what you ask for the thing. Money is the thing which makes all other things change places. Selfishness is the element which is opposed to the principles of equity. All of these terms must be defined according to the principles of economy, except the last, which belongs to the domain of ethics. When these terms are carefully defined, they will be found to be the underlying principles of political economy. It will be your business now to study how these principles act in trade and commerce under the general law of supply and demand. And then, how they act and react on each other when the markets are not governed by the laws of supply and demand, but are artificially stimulated or unduly depressed through the agency and activity of trusts and syndicates.

But now to our terms:

Value, as I said, is the desire you have for a thing. That means the demand for a thing determines its value, and the desire for the thing makes the demand.

Farmer—It seems then that our desire for a thing is the moving principle of the whole affair. What then, let me ask, is the cause of our desire?

Nugent—Anything you like. Hunger, luxury, tastes, sickness,



fad or fashion. If we are sick we desire medicine, a change of climate or the healing draughts of Waukesha. If we are well, we have appetites, physical and intellectual, which are continually craving for something higher and better. So far as political economy is concerned, it makes no difference what it is, or why it is, so long as we desire it and have the money to buy it. The desire to have it and the ability to buy it determines its value.

Let me illustrate this: Suppose you have a lot and cottage in a country town. You value it today at \$1,200. One of your neighbors in digging for water strikes a spring with medicinal properties. Others bore, and it is found that the valley contains subterranean reservoirs of life giving water. Sanitariums and hotels arise in the place. The sick and suffering hear of it and flock to this place from all parts. They must have accommodation. You can rent all the rooms in your cottage at high prices. The sick desire it, therefore it is in demand, and because it is in demand its value increases. You can now get for your cottage \$4,000. Another man has a house and lot which he values at \$5,000. It is in a thriving country town. The car shops are there, with a big distillery and glass works. He sees by the morning paper that the car shops are to be removed. A few weeks later the glass factory burns down and will not be rebuilt, and the big distillery has been closed by the whisky trust. The home which a few days ago was held at \$5,000 can be bought now for \$2,000, on easy terms. Why? Because it is not so desirable as it was a month ago. No one desires it now, and hence it is not valuable. Its desirability has determined its value.

I hope now you see that value is a relative term and depends on circumstances; that it changes and fluctuates, and is not intrinsic. The merchant knows that his goods must be sold while they are in the style and season. The texture and material worth of the goods remain unchanged, but they are out of fashion, and hence not desirable, and therefore not valuable. Now, I have given you all these cases to show you that value is not in the thing itself, it is a thing of the mind, and that the mind determines the value of the thing, from the appetite we have for it. Value is therefore purely relative, and can never be, under any circumstances, intrinsic.

Mechanic—This point is perfectly clear. If you can explain all the other difficulties as clearly as this, we shall feel well satisfied.

Nugent—Well, let us pass on to the next principle; cost. Cost is what you have expended in getting or making a thing. Let us suppose that you have a colt which you have fed and cared for three years. Now if you figure up every item of hay and oats and all other expenses paid out, you find that he owes you just \$50. If you sell him for that, you will get just what you paid out for him. This

is his naked cost. You will have made nothing on him. You cannot continue to raise colts at that rate. So, too, if you make a wagon and find that the wood and iron and paint and labor cost you \$50 exactly, that is what you have expended and paid out to get that wagon. This is what we mean by the bare cost of a thing.

Now let us take up profit. Profit is that which you add to the cost of making or producing a thing if you intend to sell it, or what you expect to get out of it if you intend to keep it. If you add \$25 to the cost of the colt and \$20 to the cost of the wagon, this will be your profit. It will be your income and enable you to live and continue the business. Now let me examine the meaning of "price."

Price, I said, is what you ask for a thing, and is supposed to include both the cost and the profit.

Mechanic—It seems to me that value, as you define it, and price, are one and the same thing.

Nugent—At first blush it would seem that way, but on closer analysis you will find this difference: Value is what a thing will bring on the market, governed by supply and demand, and the price is what you ask for it, regardless of market. Sometimes you can get what you ask for a thing, then you may be said to have sold the thing at your own price. Again you may have to take just what you can get, then you may be said to have sold the thing at its market value.

Farmer—I must say, with mechanic, that I cannot see any difference between value and price as you define them. Because if you got your price, it was because of the desirability of the thing you had to sell, and if you had to let it go for what you could get, it was because that which you had to sell was not desirable. In both cases, therefore, desirability determines the value of your goods and what you ask cuts no economic figure.

Nugent—Let me move you around into another place where the light is different. For a clearer illustration, I shall introduce the word "worth." An economic knowledge of this word will clear up your difficulty. "Worth" has two significations, the one economic and the other in the sense of an equivalent. Hudebras expresses its economic sense when he says: "What's worth in any thing, but so much money as 'twill bring?" Then we say sometimes that a thing is worth more than it will bring. When horses are low, if you should say to a farmer, "What is that horse worth?" he would probably answer, "He is worth a great deal more than he'll bring on the market. He'll probably not fetch more than \$50, but he is 'worth' \$100 to wear out in the harness." That is, his market value is \$50, but his work worth is equal to \$100. So a coat or a hat out of style has an actual worth apart from

the money "twill bring." in times of booms exorbitant prices are employed to produce fictitious values. Syndicates and trusts can't make values, but they can make prices. Value, you know, is determined by desirability. The trusts and syndicates do not aim to make things desirable, and thereby enhance their value. They take things that are already desirable; things that the people must have, and by controlling the manufacture, fix their prices. Under the law of supply and demand, desirability fixes the value; under the law of syndicates and trusts, the directors fix the prices. If there were no trusts, corporations or disturbing agencies, values and prices would be substantially the same. You will see, therefore, that there is a distinction between values caused by our desires, and prices fixed on desirable things by those who control the market. If it is true, then, that a thing is worth what it will bring on the market, it is equally true to say we often pay more on the market for a thing than it is worth, or have to sell it for less than it is worth. In a market controlled by the law of supply and demand, we are governed by values. In a market controlled by trusts and corporations, we are governed by prices. It is the desires of the million which determine values. It is the greed of the few which fix prices. Some writers hold that price is the money value for which a thing will exchange. This, in my way of thinking, is rather a general definition of value. Price is a thing of the mind, but it is the mind of the person who has the thing to sell. Value is a thing of the mind, too, but it is determined by the aggregated minds of the masses who have to buy. It is for the purpose of realizing the price which the individual sets on a thing that trusts and corporations have come into existence. The amount of money for which a thing will exchange is determined either by the law of supply and demand, or the arbitrary will of a trust. Therefore, I use values when speaking with regard to supply and demand, and prices when speaking of trusts. I think now that you cannot fail to catch my distinction between values and prices.

Farmer—I see your position clearly. You hold that so long as trusts and corporations remain factors in trade and commerce, "price" must be retained as a term in the study of political economy. This seems to be sound doctrine.

Mechanic—So far, so good, but the most important problem of all is the great money question. We should like to hear your opinion on money, what it is, and how it affects the occupations of the laborer and the farmer and the mechanic.

Nugent—I heartily agree with you when you say that the money question is the most important of all. We shall approach the subject, therefore, in a plain and logical manner. Let us go

back to the definition of money which I gave in the beginning: "Money is the thing which makes all other things change places." In studying the money question there are two things which I want you to carefully avoid. First, you must not confound the idea of money with the metal out of which money is made. And, second, you must not say or hold that either metal or money can have an intrinsic value. Bearing these two points in mind, you will save yourself much confusion, and will more easily find the logical trend of the subject. You remember the advocates of the gold standard maintained that gold has an intrinsic value, and that, therefore, it is the proper material for money. Now gold has *no intrinsic* value. What is meant by "intrinsic value?" It means a value that is fixed and always the same, not relative but absolute, and is not changed or determined by times or circumstances. Let us see if gold has any such value. Suppose that Alexander Selkirk, while alone on the island of Juan Fernandez had discovered a keg of gold nuggets. What would have been its value to him? You know we laid it down as a principle that desirability determined the value of a thing. Why should Selkirk desire the gold? He was the only man on the island. So far as he knew he would never see the face or hear the voice of his fellow man again. Cowper makes him say:

I am out of humanity's reach,  
I must finish my journey alone;  
Never hear the sweet music of speech,  
I start at the sound of my own.

There was no one on the island to borrow this gold or exchange anything for it, no one even to steal it. He needed knives and needles and salt and gunpowder and clothes, but he had absolutely no need for gold. He could have had no desire for a thing for which he had no need, and which could minister to no want in life.

Now if gold has an intrinsic value, it ought to have been as good for Selkirk on the desert island as it would have been to a farmer in Iowa. If it is more valuable to the farmer of Iowa than it was to Selkirk, it must be owing to the different circumstances in which the Iowa farmer is placed. Its value, therefore, depends on circumstances, and if it does, it is relative and not absolute, and if it is not absolute, it is not intrinsic. Now this is simple, plain logic, and settles that question forever. But to make it sure, let me take another illustration: You and I are on a ship together. The ship is wrecked. You and I are suddenly plunged into the sea. You have a bag of gold in your hand and I have a piece of plank which I snatched from the deck as I leaped into the

ocean. Neither of us can swim. You offer me your bag of gold for my plank. In your circumstances, you can well afford to offer it. In my circumstances, I can't afford to take it. Owing to our circumstances, your gold is worth nothing; my plank is worth millions. Here, as in all things else, desirability determines the value. My few feet of plank is more desirable than your bag of gold, and, therefore, more valuable. Hence gold has, and can have, no intrinsic value.

Now, if metal has no intrinsic value, much less can money have intrinsic value. Money is the measure and medium of exchange. Money can't measure something which doesn't exist, if nothing but relative values exist. Money itself is as relative as the value it measures. Suppose the keg of nuggets which Selkirk found had been a keg of sovereigns, it would have neither increased or diminished their value.

Farmer—Your reasoning on this point is perfectly conclusive. I am well satisfied that all values are, and must be, relative.

Mechanic—Why is it, then, that gold has always so high a value and always nearly the same value? For instance, if the Romans, in the days of the republic, had employed currency with their gold, is it not a fact, if we should discover in the ruins of Pompeii and Haraculanum an old vault filled with the treasure of a by-gone people, the currency would not be worth the papyrus on which it was written, while the gold would not have lost a particle of its value, either by the lapse of ages or the fall of the republic. It would seem, therefore, that a metal of this quality was specially designed by nature as the material out of which money should be made.

Nugent—But this is equally true of silver. Silver is not subject to rot, rust, mildew or decay. It has a high value in the arts, and has worked side by side with gold in all nations and through all ages of the past. In searching under the ruins of Solomon's temple, if you could have found the shekels of silver that enriched the temple, and produced them in Washington in 1873, you could have taken a premium of 3 per cent. of the old gold resurrected from the vaults of buried Pompeii.

Now, I said that money is the thing which makes all other things change places. It must, therefore, be equivalent in value to all other things itself; or it must represent only a part of the world's value, and for the rest manage the change through tokens, signs and symbols. Now, this can be done easily, because there is a great deal of the world's wealth that is not in circulation. Such as lands and mines and buildings. Then there is another portion of the world's wealth that is a continuous and rapid circulation, such as groceries, clothing, wages, fees, theater and railroad tickets,



grain and implements. In order to keep these last articles changing, there must be a volume of money adequate to the number and magnitude of the changes to be made in the world of commerce.

Farmer—Now you have come to the core of the question, and the difficult problem in political economy. We would like to have this made clear, because this is supposed to contain the secret of the hard times.

Nugent—Very well, give me your undivided attention for a minute. First, let me ask you how you define "hard times"?

Farmer—Well, I call it hard times when things begin to quit changing places, when the merchant's goods are not changing places, but are still on the shelves, the lumber in the yard in the same place it was a year ago, and the farmer says his products are still on the farm, and if they have changed they have left no profit, and the laborer says the dirt from cellars and brick in the yard are not changing places. I call this a sign of hard times.

Nugent—Very good. Now, if money is the thing that makes all other things change places, the microbe of your difficulty must lie in the money question. There is either not enough money in circulation to make the necessaries and commodities of life change places, or from some cause money itself has ceased to change its own place. You know in the late campaign the bimetallist held that all the gold in the world is not sufficient to do the business of the world.

Farmer—Yes, but is it not a fact that the gold of the country, together with the silver and currency, is amply sufficient to make the commodities of the world change places?

Nugent—That is the very question in issue. The people called everything in circulation "money." Booms and speculations followed, and booms and speculations produce fictitious values. Finally the people were called on to pay their debts, and they were told that nothing but gold is money. Gold then fixed the prices. We passed suddenly from boom values to gold prices. Under the supposition that money was plentiful, men spread out; every sail was set. Suddenly silver was demonetized; half the volume of what we called money was cut off, and everything shrunk and collapsed to meet the requisites of a contracted currency and gold prices.

Besides, you are doing what I told you not to do. You are confounding money with the material out of which money is made. You must look on a twenty-dollar gold piece, or that silver dollar as a creature composed of a body and soul. Its body is made out of silver or gold by workmen and artists, but its soul is created by an act of congress, a fiat of the government. The body is gold or silver, but the soul is "money." Unlike a living creature, it is the soul that is perishable and the body immortal.

The monometallists want a medium, in which, if the soul dies, the body will be "as good as gold." It is the function of the government to create the soul and breathe it into a body of metal.

When the government dies, the soul dies, and if the body is base or worthless material, the body dies too. The advocacy of monometallism is, therefore, based on the idea that if the soul is perishable, it ought to be put into a body which will live and shine and have undiminished value after its soul and the power that made it have both ceased to exist. This idea is detrimental to the idea of patriotism. If one has gold, he need not care particularly what becomes of the country. When coin is seriously mutilated, like a human body, the soul goes out of it. But if the coin be gold, the corpse is as good as when it contained its financial soul. In this sense, no one has ever seen, touched or handled money, but only the visible body which contains the invisible creation of the government. This soul or fiat of government, is *money*.

Now the monometallists desire to select gold because it is comparatively scarce and highly valuable as compared with its bulk, and to have government breathe into that body, and that only, a financial soul. Now trade and commerce are carried on by *money*, and not by gold, silver or paper. It is not well, therefore, that the blood of commerce or the money-soul should be placed in gold, and in gold alone, because gold is as valuable without a soul as it is with it. When government breathes on gold and gives it the money-soul, it adds nothing to its value. It was as valuable before as it is after. It is the only creature in the world, where the corpse is as good as the living body, and where the body is as good as the soul and body—and where a part is as good as the whole. The poor man and merchant and trader and laborer and mechanic are dealing, and will always have to deal, with money, while the great financial gamblers deal and want to deal with the material out of which money is made. If they can confine money to one material and that a scarce and precious material, you can see then that the body will control the soul, metal will govern money, and a few money centers will hold the metal, which stop or start the wheels of commerce. You can then have hard times with full barns and "cattle on a thousand hills." Now, what you want is a volume of money adequate to the volume of business to be transacted. Not only that, but you want such monetary laws as will tend to secure its circulation. The first step in this direction is the free and unlimited coinage of silver, at an equitable ratio with gold. If money is the blood of commerce, it can circulate through the channels of trade more abundantly in two metals than it can in one, while on the other hand, it is easier for the great money dealers of the world to corner and control one metal than it is two. If it is to the

interest of the great money kings that there should be a single gold standard, it follows conversely that it is to the interest of those who deal in commodities that gold and silver both should be circulated as money. I know I will be charged here with fomenting discords and creating suspicion between the masses of the people and the plutocrats, by teaching that their interests are not identical. I have not taught this by a system of a *priore reasoning*. It is founded on actual experience. During the last twenty-five years, there has been a constant and ever increasing friction between capital and labor, nor is it pessimistic to assume that the crest of the struggle will be still ahead of us. Those who advocate a single gold standard know very well its worth as an economic lever in controlling the finances of the world. You ought to know what is meant by centralization. Centralization is the philosophy of power. If nothing in the world could be money but gold, then all the metals would be centralized in one. Then if all of the banks were done away with but one, a money system with but one bank and one metal would be an unlimited power. Then again, if all directors and stockholders were removed, and the one bank with the one metal should fall under the control of one man, you would have complete centralization, and irresistible power. This, of course, can never happen, but the nearer you approach centralization in the same ratio you experience its results. The greatest battle that has ever been fought in the history of the world is now coming. It is the battle between centralization on the one side, and equal distribution on the other. It is a struggle between aggregation and segregation. Wealth is largely centralized now, and is rapidly becoming more so. On this account it is held by some that it is necessary to have a centralized government to protect wealth, or, as it is more elegantly put, "for the protection of vested interests."

Farmer—I would like to hear you more fully on money which is the thing that makes all other things change places.

Nugent—This is very important, and I gladly return to it. As I stated a moment ago, money makes all other things change places. It can do this in two ways. It can make the change directly by itself, or it can make things change places through the operation of an agent acting in its name. For instance, \$50 in gold starts out Monday morning in a butcher's pocket and changes its place with a fat cow. The cow came back to the city and the gold stayed out in the country. The farmer who got the gold went the next day and changed it with a neighbor for twenty sheep. The gold now changed places with the sheep. The next day the man who sold the sheep went to the city and bought \$50 worth of coats and shoes for his family. The gold has changed places with the coats and shoes. A few hours later the merchant buys 20 cords of wood from

a wood chopper, and the gold has again changed places with the wood. Now this one bit of gold has in a few hours made four things change places. It has done this in two ways. First it acted as a measure of value and then as a medium of exchange. That is, it could move, and did move, anything that was not worth more than \$50 and was movable. This is why money is called a measure of value and a medium of exchange. Now money could have made the exchange in another way. The gold could have stayed at home and sent an agent in its place to measure values and make the changes in the name and place of gold. This agent might be made out of silver, paper or leather, and would correspond to what we call token money. Now you see that \$50 in gold made in three days \$200 worth of commodities change places. This practically speaking is an instance of barter operated through the medium of an exchange. Each man exchanged goods with his neighbor, and the last man only has the medium of exchange. The butcher has the first farmer's cow, and the first farmer has the second farmer's sheep, and the second farmer has the merchant's shoes and coats, and the merchant has the wood dealer's wood, and the wood dealer has the \$50 to continue trade on the morrow.

Farmer—According to this mode of reasoning, the gold in the world ought to be quite sufficient to do the business of the world.

Nugent—If all the gold in the world was in circulation and every one should deal as those men I have cited, that is, if every one produced something and consumed something, lived frugally or within his means and paid cash, I think the gold of the world would do the business of the world. But you must remember the vast amount of gold that is hoarded up and held in reserve and used in the arts, and how gold standard countries like England, with vast outstanding credits, are continually congesting the gold in the great heart center of the monetary world. The bulk of the world's gold is never in circulation, and taken as a whole, never can be as nimble as the \$50 I have just cited.

Mechanic—Then if gold can make things change places through an agent, why not multiply the agents?

Nugent—Because the agent can do as much as the principal, but can't do more. Let us take an example of multiplied agents. Suppose the butcher, the morning he went into the country, had left the \$50 at home and taken with him two fifty dollar bills, and had bought two cows instead of one, and the farmer had bought forty sheep instead of twenty, the second farmer had bought \$100 worth of boots and coats instead of \$50 worth, and the merchant had bought forty cords of wood instead of twenty. At the end of the deal the wood man would have \$100 in currency. He looks at it and finds that it is not money. He discovers that he has been



dealing with the agent and not the principal. His paper is simply an order on Gold. He takes the paper the next day and goes to Gold and says, "Your agent bought wood of me yesterday and gave me an order on you and said you would redeem it." Gold says, "So I shall. How much is it?" "One hundred dollars." Then Gold says, "My agents were not authorized to do that much business. I am only worth \$50. I could not do \$100 of trading myself, and it is not likely that I would put agents in the field to do what I can't do myself. I shall redeem \$50 of the paper, and you must lose the balance." Now you will see that you can do more business with Gold's agent than you can do with Gold himself. This is the idea of medium and exchange. Therefore, if you want to transact business you must have a volume of money adequate to the volume of business to be done. It is our position on this showing that silver should act with gold as a principal and not as an agent or token.

It is an unequal deal when the masses have to transact the business of the world with tokens and stuff that has no money soul in it, and the great capitalists and brokers of the world are dealing with a metal that is good enough without a money soul. The gold magnates talk in public of sound money, but they mean sound metal. The farmer, mechanic, and laborer want sound money and enough of it to move the world of commerce. The volume of money is going to be doubled in one of two ways. Under a single gold standard, gold will be doubled through its doubled purchasing power. This doubling of the purchasing power of gold is equal to doubling the volume in circulation. But this is beneficial only to those who have gold. Under this gold standard anything that multiplies for the people who have gold, divides for the people who haven't gold. The next way that the volume of money can be increased is through a free and unlimited coinage of silver, at an equitable ratio with gold. This will increase the volume of money. This will increase, too, the value of silver, in which we are the richest nation in the world. Under this system the masses gain and the moneyed class lose. The best evidence you can have of the truth of this statement is found in the desperate, bold and unscrupulous effort made by money during the last campaign. Now I have endeavored to show you that a single gold standard is unfavorable to you and your interests. In doing so I appeal directly to your selfish motives; "Absolute right," and "Right because it is right;" and education as a guaranty for right will do when you are talking to children in Sunday school, but you must not show your weakness or betray your ignorance by using this term when dealing with economic subjects and talking about the manipulating of bonds and managing oil, twine and sugar trusts. This, now,



brings me to the end. We come to the last principle, and we shall dispose of it as briefly as possible. Human selfishness is the cause of all our woes, and at the same time, it is the element that moves the world. We never can have progress without it, and we never can have peace and happiness with it. We must not seek to destroy it any more than we would steam or gravitation, but we must find some way to manage, control and direct its activity. The diversity of self-interest will always keep the world from falling into a universal monopoly. It is to the interest of men with money to aggregate their wealth and control prices. It is in the interest, too, of men without wealth to aggregate their votes to resist the aggressions of wealth. Human selfishness acts and reacts like a governed valve. When greed and selfishness becomes organized and aggressive on the one side it furnishes its own check by compelling selfishness on the other side to organize for its own protection. The problem of the age, and the highest result of civilization is to secure a system which will as nearly as possible turn human selfishness on both sides of the piston head. We have the action in the self-interest and greed of the rich, and we must get the reaction and counter-stroke from the self-interests of the masses.

Any political or social contrivance which gives permanent and overbalancing power to wealth must be regarded as fatal to the interests of the common people. During the last quarter of a century the tendency has been through class legislation and the establishments of trust and corporation to secure a political and economic centralization. Wealth will furnish the power for one side of the piston head, while the counter stroke must be supplied by the bleeding hands and bruised shoulders of the toiling millions.

Let me show what the farmer and the laborer have to contend with in this struggle for equitable distribution. On the one side, the bulk of the country's wealth is in the hands of a few men. Their business pertains to money and they understand their business. These representatives of the nation's wealth can easily convene and determine that which is best for their interests. To this they devote their best and undivided energies. Religion, nationality and color have no place in their deliberations. They have and can have a complete organization. They employ none but the best talent, both legal and diplomatic. They pay their attorneys royal salaries, and with princely gifts they are able to corrupt the representatives of the people. They can reduce wages, close rival institutions, control outputs, and raise prices. These are the powerful levers of centralization and aggregation. The conditions and advantages of the masses are not so favorable. In fact, they are just the reverse of their powerful adversary. The people have wealth, but it is distributed in the hands

of 60 millions instead of 60 hundred people. Their great numbers and diversified interests render a universal and complete organization impossible. For instance, if the farms of this country were held by a thousand men, instead of ten millions, it would be possible for the farmers to form a trust and leave the farms idle until old corn would bring 75 cents per bushel. In controlling outputs the farmer can never cope with the trust. He is absolutely helpless. He must produce for the world for the lowest possible figures, and consume necessaries at the rates of the organized blood-suckers. And yet, the greatest power of the world lies in the masses. But it is not available. There is great power in the water of Lake Erie, but it is the power that washes banks, wallops the breakers, and heaves the billows. It is available only where it tumbles over the rocks at Niagara. So, too, there is untold power in the winds that sweep a continent. But it would bankrupt the world to make windmills enough to catch it all and concentrate it on a single shaft and equalize the motion from a hurricane to a dead calm. The world holds in silent reserve an unlimited ocean of electric power, but it is available only through a large amount of capital and a few small dynamos. It is so, too, of the power held by the masses. It is there, but it is hard to concentrate it on a certain point. The diversity of thought and interest form at every step a break in the electric current. In the world of capital and banking every man moves and thinks according to the laws of financial tactics. In the masses, ideas and theories spring up like mushrooms. Many of the people are moralists and reformers, idealists and cranks. The voting of millions is determined by old national, religious and political prejudices. Then, again, in the masses lies the bulk of the world's ignorance. On account of these conditions the people are generally torn up and divided over local and minor issues. From these causes they are not apt to be formidable opponents to those who are forging their chains. It has been held, and I think with good reason, that many of those movements which break the current in the masses have been set on foot and fed by the diplomatic agencies of the great political money centers. Anything which tends to separate the common people, and draw their attention away from their common interests, must in future be regarded as an important element in political economy.

Farmer—Would you kindly tell us what you understand by a double standard, and what you mean by bimetallism, and why you think a double standard is better for the masses than a gold standard?

Nugent—I am glad you spoke of this, because I want to say something on this head before we part. There is a dangerous

fallacy here. The gold standard people have misled and are still misleading the common people. Bimetallism is used in a double sense. You must not confound a bimetalist with an advocate of free and unlimited coinage. Often an advocate of a single gold standard will say, "Why, I am a bimetalist myself." By this he means that there shall be two metals, but only one of them shall be money. In this sense we may all say that we are trimetalists, because we believe in the use of gold, silver and nickel. You must, therefore, beware of the ambiguity couched in the term bimetalist. When the advocate of free silver says bimetallism he means that silver shall circulate with gold, not as its token or agent, but that it shall have a money soul of its own, created by the same power that created the money soul in gold. In short, it must be money absolutely and unqualifiedly money. The silver advocate has clearly expressed his position in the words: "We demand the free and unlimited coinage of silver into money at the ratio of 16 to 1."

Farmer—Has it not been held that it is impossible to have a double standard on account of the fluctuating values of the two metals, and that on this account it is impossible to have a concurrent circulation of gold and silver, and that unless the circulation is concurrent, there can't be a double standard. The reason of this is, as they allege, because the baser metal will always drive out the dearer, and hence there can be practically only one metal in the field, and that the cheaper one.

Nugent—Yes, I know this is held by some, but it is held by just as good authorities on the other hand, that concurrent circulation is not absolutely necessary to the ideal of a double standard. For my part, I hold that the true idea of a double standard is more nearly realized with two metals which are never at an exact parity, and never far from it. If the two metals could be kept at an exact parity, it would be practically equal to one, or a single standard. And while we would have a greater volume of money, we would still be subject to some of the evils of the single standard. If the future demands should call for a large volume of token money, gold and silver, being equal, could do what gold is doing now, it could increase its own purchasing power with all the monetary evils that follow. The advocates of a single gold standard regard it as a great monetary evil that the baser metal should drive out of circulation the dearer metal, according to the legitimate laws of traffic.

But is it not a still greater evil when the cheaper metal is driven out of the field by an act of congress and gold is crowned as absolute monarch in the world of money? Gold, even with

competition, is a hard master. But cold, heartless, bloodless gold, without a competitor, is a tyrant without a parallel.

Without competition, gold can grow timid and nervous before election, and bold and arrogant when its proud protectors are seated on the throne.

When the advocates of the gold standard tell you that the cheaper metal will always drive out the dearer, ask them where it will go to.

The dearer money can't afford to sink back into vaults. It must earn money for its possessor. If it can't do it in the field with silver, it must go to a country where gold rules. This will be a land of gold prices and gold prices are low. Now, if it is a law that the dearer metal will flee from the cheaper, it is equally a law that commodities will always flee from a cheap, and seek a dearer market. This is the markets adjusting themselves according to the laws of nature. It is the principle of self-interest in the human heart which makes the better metal leave the field where the baser metal is circulating, and it is the same principle which makes commodities leave a lower market for a market of higher prices. This is nature's provision for turning the steam on both sides of the piston head. This behavior of the two metals in the monetary world was announced by Gresham in the 16th century. It was supposed to be a defect in nature's plan. The English statesman proposed as a remedy that the rich should own the steam and turn it on only one side of the piston head, and that the masses should supply the counter stroke with their bruised shoulders and bleeding hands. I might sum the matter up by telling you that a double money standard is a law of the Great Creator, made to preserve the law of equity. The single gold standard is a law of Great Britain, made in the interest of wealth and greed, and to favor the money lord at the expense of the laboring hind.

Nugent—Now, to you who are farm laborers and mechanics I want to put the question where you can get at it and use it when you want it. Let me leave you some ammunition which you can use with terrible effect on the gold people, if they ever come within range of you.

Let me suppose that here are a farmer, a mechanic and a laborer, and I, myself, am a capitalist, worth millions of dollars. Now, the farmer, the laborer and the mechanic are not worth a cent. They are just beginning. Their fate and their fortune are ahead of them.

Now, let me ask the farmer here, "If you had the power to make the conditions around you, what would you do?"

Farmer—Well I would make the conditions most favorable to my business.

Nugent—Then you would, if you could, produce conditions which would give you the highest possible price for the produce of your farm.

Farmer—I certainly would.

Nugent—If you found, then, that by forming a trust among the farmers and letting your land lie fallow one year, and cropping it the next year, you could get as much for one crop as you had been getting for two crops, would you not be tempted to enter into a combination for controlling the output and raising the price?

Farmer—Yes, I think I would.

Nugent—Now let me ask the mechanic here what he would do for his craft if he had the power.

Mechanic—If I had the power I would create a great and growing demand with high prices for all products of the mechanic's hand. To have this I should have a large consumption, and to have a large consumption I should have an adequate volume of money. I should also want close labor organizations through which I could secure the highest wages with the shortest day.

Nugent—You have done just what I thought you would do. Now let me ask the laborer here what conditions he would have if he had the power to make them.

Laborer—I would make an abundance of work with a scarcity of workmen. With a great amount of work on hand, and a scarcity of men to do it, we could probably dictate our own wages and enforce the eight hour system.

Nugent—I see that you, too, have about all the human nature that your skin will hold. Now let us see how matters stand with me. I have money to invest and lend. You have to make your money with your hands and your day's work. If I make money, I shall make it through my money. I shall perform no manual labor. I shall therefore take my pattern from you gentlemen and work for my own interest. Supposing now that I have the power to make the conditions I want. I would first make money scarce. This, of course, would increase the demand for money. With scarce money and a heavy demand I could pretty nearly name my own interest and dictate my own securities. Now you will notice that these laws when applied in your cases increased your earning power. The same laws in my case increased the earning capacity of my capital or enlarged the purchasing power of my dollars. Now this is precisely what has been done in 1873; the volume of your money was diminished by one-half by the demonetization of silver. This made money scarce. It may be alleged that the rate of interest now



doesn't show that money is scarce or that capital has dictated its own interest. You will be told that capital is begging takers at 4 per cent. Your answer is: That there are two reasons for this, both of which illustrate the pernicious effect of a single gold standard. First, if the demonetization of silver has made money scarce, it has made gilt-edged security still scarcer. It is the lack of good security outside the banks that makes money plentiful in the banks. It is the worst commentary on the system and the times, to say that times are hard outside and good inside the banks. There is still another cause. Bryan's hosts are still camping on the field. His white tents are spread beside the smokeless factories, ten cent corn and closed banks. No one knows this better than the capitalist. The people have become thoroughly aroused to the importance and magnitude of the issue, and if they have to die, it is better to starve like men on the field than starve like paupers in a poor house. It is more worthy of American freemen to die in attempting to fix their own policy than to live under a policy dictated by a foreign power. I have now given you my opinion on the leading points in this important subject of political economy, and you must now draw your own conclusions.

There never was a time in the history of the republic when the American people had more need of good judgment and concerted action than they have in the present crisis. They have trusted to parties and party platforms, until they are disgraced by corruption, bankrupted and beggared by an iniquitous, monetary system fastened on them by foreign bankers and domestic traitors. It surpasses belief that in our land and age of intelligence, England could find a large element ready and willing to assist her in carrying out a financial policy which could have been conceived only in a country highly civilized, deeply selfish and absolutely blind to the fundamental principle of justice.

Farmer—Another question now comes to my mind that I would like, before we separate, to have you explain. It is said that 22.50 or thereabout is our per capita in circulation, and that it is quite sufficient for the country. Do you think that it is enough?

Nugent—You must remember that "per capita" does not mean now what it did fifty years ago. The changed condition of trade and commerce has changed the meaning of the word per capita. Fifty years ago every town and hamlet manufactured something. Every little burg had a blacksmith shop, a carpenter shop and a flouring mill. Blacksmiths did work when it came in, and between times turned shoes and made nails. Now the smith buys his shoes for nearly the cost of the iron, and the nails are bought by the peck or the bushel. A few great factories make all the wagons and a few mills furnish all the flour. The distribution of factories meant the dis-

tribution of capital and the distribution of capital meant money among the people. The aggregation of capital and manufacturing forces have practically annihilated the little man and the little industries in every department of commerce. The millions of small rills and rivulets of money which used to flow among the masses, watering and giving life to the smaller industry are now dammed up in great waterheads and supply the world in a few places and furnish what the world needs. Under these conditions you ought to say now instead of per capita, "per corporation," "per syndicate," "per millionaire." We hold, therefore, that a greater volume of money is absolutely necessary for the people.

Farmer—Have you any remedy for the present financial difficulty into which the country has fallen?

Nugent—A man with a remedy now is the man the nation needs. I shall not say that I have an infallible remedy for all the existing ills, but I can offer some valuable suggestions which, if acted on, will certainly change matters for the better.

First, I would suggest that the masses go out of politics, the classes have been out for many a year. You must quit your finances while you were talking politics. You must quit your political foolishness and quit shouting at the polls. Study political economy deeply and vote quietly.

Second, in studying the money and labor questions, drop all other questions, whether of race or religion, and study the question as you would a problem in mathematics. Let me give you a few examples of how to work out those social and economic questions. After you have satisfied yourself on your own side, take the propositions of the other side, and see if they will stand the test of honesty and common sense. For instance, when they tell you "that the poor man's dollar should be as good as the rich man's dollar," you must tell them in return that that is not the question in issue. The question is, shall the poor man have an equal chance with the rich man, in scraping dollars together regardless of whether the dollars are good or bad? The study of this question will school you in the matter of class legislation. This is a question on which we can't afford to be ignorant.

Then, when they tell you that free coinage of silver would make a cheap dollar because it is made out of cheap silver, you will examine their argument and see that the dollar would be cheap if the silver bullion would remain cheap, but what article remains or can remain cheap after a demand for it has been established? When they tell you that we had good times in the eighties because of the tariff law, and that we will have good times in the nineties, as soon as the Dingley bill takes effect, you must answer that in the eighties four million ounces of silver were coined each month and

put into circulation. Put into an algebraic equation, their proposition will read thus: A tariff law plus four million ounces per month of silver equals a tariff law minus four million ounces of silver per month. Your common sense will tell you that can't be true. When they tell you that free coinage would make a few silver kings at the expense of the people, ask them then why, by protective tariff, make sugar kings at the expense of the people? For years they taught you to vote for a high protective tariff to shield our industries against the pauper wages of Europe. Now it appears that these low wages were the normal wages of a gold standard country. Now you are asked to vote for a single gold standard, that you may have a wave of prosperity. Surely you can see how that "iniquity hath lied to itself."

Again, when they tell you that the farmer can't be protected, because he has to compete with the wheat of Australia, Russia and Argentine, you shall ask them, if you can't protect the farmer's products, why protect what he consumes? Why not let the wool grower and the sugar planter compete with foreign productions? Here your common sense will detect iniquity.

Now I have told you quite enough to put you in the right way of thinking on these important subjects. If the common people will once realize the necessity of getting the correct ideas on these matters, they cannot fail to see what their fate will be in another century. We have little to hope for, unless we can succeed in educating the common people on these subjects, so vital to their own interests.



WM. JENNINGS BRYAN was born in Salem, Ill., March 19, 1860. At the age of ten he entered the public school at Salem; at fifteen he entered Whipple Academy, and subsequently Illinois College, from which he graduated with honors in 1881. He commenced the practice of law in Jacksonville, Ill., and removed to Lincoln, Neb., in 1887. In 1890 he was elected to Congress on a free silver platform, from which there has since been no variableness. That subject has ever been made prominent in all his speeches. His nomination for the presidency by the Chicago convention, the platform adopted, history of campaign, etc., are elaborately given in other parts of this work. See index.





## CHAPTER XXXVI.

### AMERICAN ORATORY.

Chicago Convention Speech of Hon. Wm. J. Bryan

BY THE AUTHOR.

The discovery of the new world by Columbus gave a new spring to human enterprise, opened new trains of thought, new paths of gain and information. Man before this period was more dependent on his own thoughts for improvement than afterward, when, by a rapid circulation of books, his mind became enriched by the rays of light from ten thousand other minds. Guided by these new impulses, he arose and swept away the thousand little errors of thinking and grappled with dogmas which in former days he feared to touch.

Every country has its chivalrous characters, its patriots, statesmen and orators, and our own American nation, young as it is abounds, in them. In oratory, the pulpit, the bar and political rostrum, have severally made magnificent contributions to our own treasury of American eloquence. Neither has it been limited to any particular period of our brief national existence.

The history of Revolutionary times afford many examples of which any nation or people might justly be proud. For instance, the case of Samuel Adams. He had taken an active part in the preparatory work of the Rebellion. Governor Gage, in command of the British forces in Boston, sent Colonel Fenton to Mr. Adams, promising that any benefit he might ask should be conferred upon him, on condition that he would forsake the popular faction, with at the same time significant threats thrown out of the consequence that might ensue if his course was persisted in.

Instantly rising from his chair, Mr. Adams, all his impassioned nature aroused, eloquently exclaimed, words never to be forgotten: "Go, tell Governor Gage that my peace has long been made with the King of kings; and this is the advice of Samuel Adams to him, no longer to insult the feelings of an exasperated people. I am poor, but your king is not rich enough to buy me."

Another signer of the Declaration of Independence, of the Revolutionary period, noted as an orator was Charles Carroll, of Carroll-

ton. One writer in speaking of him says: "His eloquence was of the smooth, gentle kind, delighting all and convincing many. It is not pretended that like John Adams, he came down upon his hearers as with a thunderblast from Sinai, raising the tables of Independence on high, and threatening in his wrath to break them if not received by the people, nor that like Dickenson he exhausted rhetoric and metaphysics to gain his end, and was ever striving to be heard; but Carroll came to his subject well informed, thoroughly imbued with its spirit, with happy conceptions, graceful delivery, and with chaste and delicate language, he conquered the understanding and led captive the senses of his hearers. He was not inappropriately called the Nester of older times.

One of the pleasing incidents of Mr. Carroll's life came from the adding to his name his place of residence. Being the wealthiest man of all the colonies, some one remarked as he signed the Declaration of Independence: "There go a few millions." Another remarked: "You'll get clear, there are several Carrolls." Quickly seizing his pen he added, of Carrollton. Had Great Britain succeeded, the property of all in rebellion would have been confiscated.

Did space permit it would be interesting to refer to the impromptu, eloquent speeches of Patrick Henry of the same period, to his splendid speech in which occurred the exclamation: "Give me liberty, or give me death." The last words John Adams uttered July 4, 1824, "Independence forever," will inspire the American heart for a thousand years, and President Andrew Jackson's: "The Union, it must and shall be preserved."

Of Henry Clay, Daniel Webster and others of later times, the author would be glad to write; but his purpose in adverting to this subject at the present time is to present to readers some choice gems from the long to be remembered speech, delivered in the Chicago Democratic convention in 1896, by Hon. Wm. J. Bryan, in reply to Senator Hill, of New York. The sentiments contained in this eloquent address are worthy of the noblest American, and of which every citizen of whatever party should be proud, and would be but for party prejudice. Most assuredly it will take rank in history with the efforts of the best American orators.

#### Mr. Bryan's Speech.

Mr. Chairman and Gentlemen of this Convention: I would be presumptuous indeed to present myself against the distinguished gentleman to whom you have listened if this were but a measuring of ability, but this is not a contest among persons. The humblest citizen in all the land when clad in the armor of a righteous cause is stronger than all the hosts of error that they can bring. I come to speak to you in defense of a cause holy as the cause of liberty—the cause of humanity.

When this debate is concluded a motion will be made to lay upon the table the resolution offered in commendation of the administration, and also the resolution in condemnation of the administration. I shall object to bringing this question down to a level of persons. The individual is but an atom—he is born, he acts, he dies—but principles are eternal, and this has been a contest of principles. Never before in the history of this country has there been witnessed such a contest as that through which we have passed. Never before in the history of American politics has a great issue been fought out, as this issue has been, by the voters themselves.

#### Progress of the Silver Movement.

On the 4th of March, 1885, a few Democrats, most of them members of congress, issued an address to the Democrats of the nation, asserting that the money question was the paramount issue of the hour; asserting also the right of a majority of the Democratic party to control the position of the party on this paramount issue; concluding with the request that all believers in free coinage of silver in the Democratic party should organize and take charge of and control the policy of the Democratic party. Three months later, at Memphis, an organization was perfected, and the Silver Democrats went forth openly and boldly and courageously proclaimed their belief, and declaring that if successful they would crystallize in a platform the declaration which they had made; and then began the conflict, with a zeal approaching the zeal which inspired the crusaders who followed Peter the Hermit.

Our Silver Democrats went forth from victory unto victory until they are assembled now, not to discuss, not to debate, but to enter up the judgment rendered by the plain people of this country. In this contest brother has been arrayed against brother and father against son. The warmest ties of love and acquaintance and association have been disregarded. Old leaders have been cast aside when they refused to give expression to the sentiments of those whom they would lead, and new leaders have sprung up to give direction to this cause of truth. Thus has the contest been waged and we have assembled here under as binding and solemn instructions as were ever fastened upon the representatives of a people.

#### Not a Question of Personalities.

We do not come as individuals. Why, as individuals we might have been glad to compliment the gentleman from New York, Senator Hill, but we knew that the people for whom we speak would never be willing to put him in a position where he could thwart the will of the Democratic party. I say it was not a question of persons; it was a question of principle, and it is not with gladness, my friends, that we find ourselves brought into conflict with those who are now arrayed on the other side. The gentleman who just preceded me spoke of the old state of Massachusetts. Let me assure him that not one person in all this convention entertains the least hostility to the people of the state of Massachusetts. But we stand here representing people who are the equals before the law of the largest citizens in the state of

Massachusetts. When you come before us and tell us that we shall disturb your business interests, we reply that you have disturbed our business interests by your course. We say to you that you have made too limited in its application the definition of business man. The man who is employed for wages is as much a business man as his employer. The attorney in a country town is as much a business man as the corporation counsel in a great metropolis. The merchant at the cross roads store is as much a business man as the merchant of New York. The farmer who goes forth in the morning and toils all day, begins in the spring and toils all summer, and by the application of brain and muscle to the natural resources of the country creates wealth, is as much a business man as the man who goes upon the board of trade and bets upon the price of grain.

#### **Mr. Bryan Defines Business Men.**

The miners who go 1,000 feet into the earth or climb 2,000 feet upon the cliffs and bring forth from their hidden places the precious metals to be poured into the channels of trade, are as much business men as the few financial magnates who in a back room corner the money of the world.

We come to speak of this broader class of business men. Ah, my friends, we say not one word against those who live upon the Atlantic coast but those hardy pioneers who braved all the dangers of the wilderness, who have made the desert to blossom as the rose—those pioneers away out there, rearing their children near to nature's heart, where they can mingle their voices with the voices of the birds—out there where they have erected school-houses for the education of their young, and churches where they praise their Creator, and cemeteries where sleep the ashes of their dead—are as deserving of the consideration of this party as any people in this country. It is for this that we speak. We do not come as aggressors. Our war is not a war of conquest. We are fighting in the defense of our homes, our families and posterity. We have petitioned and our petitions have been scorned. We have entreated and our entreaties have been disregarded. We have begged and they have mocked, and our calamity came. We beg no longer; we entreat no more; we petition no more. We defy them!

#### **An Andrew Jackson Needed.**

The gentleman from Wisconsin has said that he fears a Robespierre. My friend, in this land of the free you need fear no tyrant who will spring up from among the people. What we need is an Andrew Jackson to stand as Jackson stood against the encroachments of aggrandized wealth. They tell us that this platform was made to catch votes. We reply to them that changing conditions make new issues; that the principles upon which rest Democracy are as everlasting as the hills, but that they must be applied to new conditions as they arise. Conditions have arisen, and we are attempting to meet those conditions. They tell us that the income tax ought not to be brought in here—that it is a new idea. They criticise us for our criticisms of the supreme court of the United States. My friends, we have not

criticised. We have simply called attention to what you know. If you want criticisms, read the dissenting opinion of the court. That will give you criticisms.

They say we passed an unconstitutional law. I deny it. The income tax was not unconstitutional when it was passed. It was not unconstitutional when it went before the supreme court for the first time. It did not become unconstitutional until one judge changed his mind, and we cannot be expected to know when a judge will change his mind. The income tax is a just law. It simply intends to put the burden of government justly upon the backs of the people. I am in favor of an income tax. When I find a man who is not willing to pay his share of the burdens of the government which protects him, I find a man who is unworthy to enjoy the blessings of a government like ours.

#### **No Use for National Banks.**

He says that we are opposing the national bank currency. It is true. If you will read what Thomas Benton says, you will find that he found, in searching history, but one parallel to Andrew Jackson, that of Cicero, who destroyed the conspiracy of Cataline and saved Rome. He did for Rome what Jackson did when he destroyed the bank conspiracy and saved America. We say in our platform that we believe the right to coin money and issue money is a function of government. We believe it. We believe it is a part of sovereignty, and can no more with safety be delegated to private individuals than we could afford to delegate private individuals the power to make penal statutes or levy laws for taxation.

Mr. Jefferson, who was once regarded as good Democratic authority, seems to have a different opinion from the gentleman who has addressed us on the part of the minority. Those who are opposed to this proposition tell us that the issue of paper money is a function of the bank, and that the government ought to go out of the banking business. I stand with Jefferson, rather than with them, and tell them, as he did, that the issue of money is a function of the government and that the banks ought to go out of the government business.

They complain about that plank which declares against the life tenure in office. They have tried to strain it to mean that which it does not mean. What we are opposed to in that plank is the life tenure that is being built up at Washington, which excludes from participation in the benefits the humbler members of our society. I cannot dwell on this longer in my limited time.

#### **Answer to Mr. Hill.**

Let me call attention to two or three things. The gentleman from New York says that he will propose an amendment, providing that this change in our law shall not affect contracts already made. Let me remind him that there is no intention of affecting those contracts which, according to the credit laws, are made payable in gold. But if he means to say that we cannot



change our monetary system without protecting those who have loaned money before the change was made, I want to ask him where, in law or in morals, he can find authority for not protecting the debtors when the act of 1873 was passed, but now insist that we must protect the creditor. He says he also wants to amend this law and provide that if we fail to maintain parity within a year we will then suspend the coinage of silver. We reply that when we advocate a thing which we believe will be successful we are not compelled to raise a doubt as to our own sincerity by trying to show what we will do if it fail. I ask him, if he will apply his logic to us, why he does not apply it to himself? He says that he wants this country to try and secure international agreement. Why doesn't he tell us what he is going to do if they fail to secure an international agreement? There is more reason for him to do that than for us to say what we will do if we fail to maintain the parity. They have tried for thirty years—for thirty years—to secure an international agreement, and those who are waiting for it most patiently don't want it at all.

#### Paramount Issue.

Now, my friends, let me come to the great paramount issue. If they ask us here why it is that we say more on the money question than we do upon the tariff question, I reply that if protection has slain its thousands the gold standard has slain its tens of thousands. If they ask us why we did not embody all these things in our platform which we believe, we reply to them that when we have restored the money of the constitution, all other necessary reforms will be possible, and until that is done there is no reform that can be accomplished. Why is it that within three months such a change has come over the sentiments of this country? Three months ago when it was confidently asserted that those who believe in the gold standard would frame our platform and nominate our candidate, even the advocates of the gold standard did not think that we could elect a president, but they had good reason for the suspicion, because there is scarcely a state here today asking for the gold standard that is not within the absolute control of the Republican party. But note the change. Mr. McKinley was nominated at St. Louis on a platform that declared for the maintenance of the gold standard until it should be changed into bimetallism by international agreement. Mr. McKinley was the most popular man among the Republicans and everybody three months in the Republican party prophesied his election. How is it today? Why, that man who used to boast that he looked like Napoleon—that man shudders today when he thinks that he was nominated on the anniversary of Waterloo. Not only that, but as he listens he can hear with ever increasing distinctness the sound of the waves as they beat upon the lonely shores of St. Helena. Why this change? Ah, my friends, is not the change evident to any one who will look at the matter? It is no private character, however pure, no personal popularity, however great, that can protect from the avenging wrath of an indignant people the man who will either declare that he is in favor of fastening the gold standard upon his peo-

ple or who is willing to surrender the right of self government and place legislative control in the hands of foreign potentates and powers.

We go forth confident that we shall win. Why? Because upon the paramount issue in this campaign there is not a spot of ground upon which the enemy will dare to challenge battle. Why, if they tell us that the gold standard is a good thing, we point to their platform and tell them that their platform pledges the party to get rid of a gold standard and substitute bimetallism. If the gold standard is a good thing why try to get rid of it. I might call your attention to the fact that some of the very people who are in this convention today and who tell you that we ought to declare in favor of international bimetallism and thereby declare that the gold standard is wrong, and that the principle of bimetallism is better, these very people four months ago were open and avowed advocates of the gold standard, and telling us that we could not legislate two metals together even with all the world. I want to suggest this truth, that if the gold standard is a good thing, we ought to declare in favor of its retention, and not in favor of abandoning it; and if the gold standard is a bad thing, why should we wait until some other nations are willing to help us let it go?

Here is the line of battle. We care not upon which issue they force the fight. We are prepared to meet them on either issue or on both. If they tell us that the gold standard is the standard of civilization, we reply to them that this, the most enlightened of all the nations of the earth, has never declared for a gold standard and both the parties of this year are declaring against it.

If the gold standard is the standard of civilization, why, my friends, should we not have it? So if they come to meet us on that, we can present the history of our nation. More than that. We can tell them this, that they will search the pages of history in vain to find a single instance in which the common people of any land have ever declared themselves in favor of a gold standard. They can find where the holders of fixed investments have.

Mr. Carlisle said in 1878 that this was a struggle between the idle holders of idle capital and the struggling masses who produce the wealth and pay the taxes of the country, and, my friends, it is simply a question that we shall decide, upon which side shall the Democratic party fight? Upon the side of the idle holders of idle capital, or upon the side of the struggling masses? That is the question that the party must answer first, and then it must be answered by each individual hereafter. The sympathies of the Democratic party, as described by the platform, are on the side of the struggling masses, who have ever been the foundation of the Democratic party.

#### Two Ideas of Government.

There are two ideas of government. There are those who believe that, if you just legislate to make the well-to-do prosperous, their prosperity will leak through on those below. The Democratic idea has been that if you leg-

islate to make the masses prosperous their prosperity will find its way up and through every class that rests upon it.

You come to us and tell us that the great cities are in favor of the gold standard. I tell you that the great cities rest upon these broad and fertile prairies. Burn down your cities and leave your farms and your cities will spring up again as if by magic. But destroy our farms and the grass will grow in the streets of every city in this country.

My friends, we shall declare that this nation is able to legislate for its own people on every question, without waiting for the aid or consent of any other nation on earth, and upon that issue we expect to carry every single state in this Union. I shall not slander the fair state of Massachusetts nor the state of New York by saying that when its citizens are confronted by this proposition is this nation able to attend to its own business? I will not slander either one by saying that the people of those states will declare our helpless impotency as a nation to attend to our own business. It is the issue of 1776 over again. Our ancestors were the three million who had the courage to declare their political independence of every other nation on earth. Shall we, their descendants, when we have grown to seventy million, declare that we are less independent than our forefathers? No, my friends, it will never be the judgment of this people.

Therefore, we care not upon what lines the battle is fought. If they say bimetallism is good but we cannot have it till some nation helps us, we reply that, instead of having a gold standard because England has, we shall restore bimetallism and then let England have bimetallism because the United States has. If they dare to come out in the open and defend the gold standard as a good thing, we shall fight them to the uttermost, having behind us the producing masses of this nation and the world. Having behind us the commercial interests and the laboring interests and all the toiling masses, we shall answer their demands for a gold standard by saying to them you shall not press down upon the brow of labor this crown of thorns. You shall not crucify mankind upon a cross of gold.











## CHAPTER XXXVII.

### 1896 PARTY PLATFORMS—A REVIEW.

BY THE AUTHOR.

The Democratic, Populist and Silver Republican parties, working unitedly, or at least a large majority of each, on the one side, against the Republican party on the other, now seem almost beyond question to be the antagonistic political forces that will be arrayed in opposing lines, 1897-1900, and intervening years. There will be lesser parties, as there have been for the last fifty years, but the great conflict will be waged as above, on issues as important, at least some of them, as any that have ever divided the American people.

In view of these facts, the author herein presents the platform of principles of the several parties—Democrat, Populist and Silver Republican—as adopted in the national convention of each in 1896. These platforms appear in the order named, and although the one great financial issue is made paramount in all, the reader will not fail to see that other important subjects, upon which the three parties named generally harmonize, are earnestly pressed upon the attention of the American people.

To a few of the topics considered, the reader is here specially referred; some one or more of the subjects named appear in all the platforms, showing how widespread is the agitation, and the interests of the people.

The money question is made prominent in all; including the demonetization of silver, the adoption of the gold standard, and the methods by which these nefarious schemes were accomplished; opposition to the issue of interest bearing bonds in times of peace, and to the payment in gold for bonds otherwise provided for. Congress alone has power to coin and issue money; therefore, congress alone has the constitutional power to issue money to be made a legal tender for public or private debts. Tariff duties should be collected for revenue only, to be so adjusted as to operate equally throughout the country. Favor an income tax. Prevention of importation of foreign labor. Favor arbitration between employer and employed. Opposition to arbitrary interference by the federal authorities in local affairs. Recognizing the just

claim of Union soldiers. Favor the admission of territories. The Monroe doctrine to be maintained. Opposed to third terms. In favor of the distinctly American system of finance. Restoration of silver independent of any other government. Unrestricted coinage of gold and silver into standard money at the ratio of 16 to 1, as they existed prior to 1873, the silver coin to be full legal tender equally with gold. Fall of prices increasing the burden of the debtor, swelling the gains of the creditor, and all the evils that have followed, the result of demonetization of silver. Opposition to corporate monopolies. Demand an increase of money per capital. Demand that the United States in payment of its obligations shall use its option as to the kind of lawful money in which they are to be paid. Demand that postal savings banks shall be established by the government for the safe deposit of the savings of the people and to facilitate exchange. Demand that the government own and operate the railroads in the interest of the people. The telegraph line, like the post office system, be owned and operated by the government. Land should not be monopolized for speculative purposes. Direct legislation favored through the initiative and referendum. The election of president, vice-president and United States senators by direct vote of the people demanded. All public salaries should be made to correspond to the price of labor and its products.

The author is glad to be able to say all the subjects above referred to, and the names of writers advocating the principles enunciated, will be found in the copious table of contents, and one or more treatises on each, by the ablest writers of the country, making "The Silver Side" really, and in every sense of the term, a political text-book to which the reader can always refer, confident of finding an elucidation of the subject for which he may be searching.

These platforms are presented to the intelligent reader of "The Silver Side," which, with information on all mooted political topics embraced in other chapters of the work, will qualify him by careful study to successfully present the real issues of the country to any person or before any audience of his fellow citizens.

#### Democratic Platform—(Chicago).

We, the Democrats of the United States, in national convention assembled, do reaffirm our allegiance to those great essential principles of justice and liberty upon which our institutions are founded, and which the Democratic party has advocated from Jefferson's time to our own—freedom of speech, freedom of the press, freedom of conscience, the preservation of personal rights, the equality of all citizens before the law, and the faithful observance of constitutional limitations.

During all these years the Democratic party has resisted the tendency of selfish interests to the centralization of governmental power, and steadfastly maintained the integrity of the dual scheme of government established by the founder of this republic of republics. Under its guidings and teachings, the great principle of local self-government has found its best expression in the maintenance of the rights of the states, and in its assertion of the necessity of confining the general government to the exercise of the powers granted by the constitution of the United States.

The constitution of the United States guarantees to every citizen the rights of civil and religious liberty. The Democratic party has always been the exponent of political liberty and religious freedom, and it renews its obligations and reaffirms its devotion to these fundamental principles of the constitution.

Recognizing that the money question is paramount to all others at this time, we invite attention to the fact that the federal constitution named silver and gold together as the money metals of the United States, and that the first coinage law passed by congress under the constitution made the silver dollar the monetary unit and admitted gold to free coinage at a ratio based upon the silver dollar unit.

We declare that the act of 1873, demonetizing silver without the knowledge or approval of the American people, has resulted in the appreciation of gold and a corresponding fall in the prices of commodities produced by the people; a heavy increase in the burden of taxation and of all debts, public and private; the enrichment of the money-lending class at home and abroad; the prostration of industry and impoverishment of the people.

We are unalterably opposed to monometallism which has locked fast the prosperity of an industrial people in the paralysis of hard times. Gold monometallism is a British policy, and its adoption has brought other nations into financial servitude to London. It is not only un-American, but anti-American, and it can be fastened on the United States only by the stifling of that spirit and love of liberty which proclaimed our political independence in 1776 and won it in the war of the Revolution.

We demand the free and unlimited coinage of both silver and gold at the present legal ratio of 16 to 1 without waiting for the aid or consent of any other nation. We demand that the standard silver dollar shall be a full legal tender, equally with gold, for all debts, public and private, and we favor such legislation as will prevent for the future the demonetization of any kind of legal tender money by private contract.

We are opposed to the policy and practice of surrendering to the holders of the obligations of the United States the option re-



served by law to the government of redeeming such obligations in either silver coin or gold coin.

We are opposed to the issuing of interest bearing bonds of the United States in time of peace, and condemn the trafficking with banking syndicates, which, in exchange for bonds and at an enormous profit to themselves, supply the federal treasury with gold to maintain the policy of gold monometallism.

Congress alone has the power to coin and issue money, and President Jackson declared that this power could not be delegated to corporations or individuals. We therefore denounce the issuance of notes intended to circulate as money by national banks as in derogation of the constitution, and we demand that all paper which is made a legal tender for public and private debts, or which is receivable for dues to the United States, shall be issued by the government of the United States and shall be redeemable in coin.

We hold that tariff duties should be levied for purpose of revenue, such duties to be so adjusted as to operate equally throughout the country and not discriminate between class or section, and that taxation should be limited by the needs of the government honestly and economically administered. We denounce as disturbing to business the Republican threat to restore the McKinley law, which has twice been condemned by the people in national election, and which, enacted under the false plea of protection to home industries, proved a prolific breeder of trusts and monopolies, enriched the few at the expense of the many, restricted trade and deprived the producers of the great American staples of access to their natural markets.

Until the money question is settled we are opposed to any agitation for further changes in our tariff laws, except such as are necessary to meet the deficit in revenue caused by the adverse decision of the supreme court on the income tax. But for this decision by the supreme court there would be no deficit in the revenue under the law passed by a Democratic congress in strict pursuance of the uniform decisions of that court for nearly 100 years, that court having in that decision sustained constitutional objections to its enactment, which had previously been overruled by the ablest judges who have ever sat on that bench. We declare that it is the duty of congress to use all the constitutional power which remains after that decision or which may come from its reversal by the court as it may hereafter be constituted, so that the burdens of taxation may be equally and impartially laid, to the end that wealth may bear its due proportion of the expense of the government.

We hold that the most efficient way of protecting American

labor is to prevent the importation of foreign pauper labor to compete with it in the home market, and that the value of the home market to our American farmers and artisans is greatly reduced by a vicious monetary system which depresses the prices of their products below the cost of production, and thus deprives them of the means of purchasing the products of our home manufactories; and as labor creates the wealth of the country, we demand the passage of such laws as may be necessary to protect it in all its rights.

We are in favor of the arbitration of differences between employers engaged in inter-state commerce and their employes, and recommend such legislation as is necessary to carry out this principle.

The absorption of wealth by the few, the consolidation of our leading railroad systems and the formation of trusts and pools require a stricter control by the federal government of those arteries of commerce. We demand the enlargement of the powers of the inter-state commerce commission and such restriction and guaranties in the control of railroads as will protect the people from robbery and oppression.

We denounce the profligate waste of the money wrung from the people by oppressive taxation and the lavish appropriations of recent Republican congresses, which have kept taxes high, while the labor that pays them is unemployed and the products of the people's toil are depressed in price till they no longer repay the cost of production. We demand a return to that simplicity and economy which befits a democratic government, and a reduction in the number of useless offices, the salaries of which drain the substance of the people.

We denounce arbitrary interference by federal authorities in local affairs as a violation of the constitution of the United States and a crime against free institutions, and we especially object to government by injunction as a new and highly dangerous form of oppression by which federal judges, in contempt of the laws of the states and rights of citizens, become at once legislators, judges, and executioners; and we approve the bill passed at the last session of the United States senate, and now pending in the house of representatives, relative to contempts in federal courts and providing for trials by jury in certain cases of contempt.

No discrimination should be indulged in by the government of the United States in favor of any of its debtors. We approve of the refusal of the fifty-third congress to pass the Pacific railroad funding bill, and denounce the effort of the present Republican congress to enact a similar measure.

Recognizing the just claims of deserving Union soldiers, we

heartily indorse the rule of the present commissioner of pensions, that no names shall be arbitrarily dropped from the pension roll; and the fact of enlistment and service should be deemed conclusive evidence against disease and disability before enlistment.

We favor the admission of the territories of New Mexico, Arizona and Oklahoma, into the Union as states, and we favor the early admission of all the territories having the necessary population and resources to entitle them to statehood, and, while they remain territories, we hold that the officials appointed to administer the government of any territory, together with the District of Columbia and Alaska, should be bona fide residents of the territory or district in which their duties are to be performed. The Democratic party believes in home rule, and that all public lands of the United States should be appropriated to the establishment of free homes for American citizens.

We recommend that the territory of Alaska be granted a delegate in congress, and that the general land and timber laws of the United States be extended to said territory.

The Monroe doctrine, as originally declared, and as interpreted by succeeding presidents, is a permanent part of the foreign policy of the United States, and must at all times be maintained.

We extend our sympathy to the people of Cuba in their heroic struggle for liberty and independence.

We are opposed to life tenure in the public service, except as provided in the constitution. We favor appointments based on merit, fixed terms of office, and such an administration of the civil service laws as will afford equal opportunities to all citizens of ascertained fitness.

We declare it to be the unwritten law of this republic, established by custom and usage of 100 years and sanctioned by the examples of the greatest and wisest of those who founded and have maintained our government, that no man should be eligible for a third term of the presidential office.

The federal government should care for and improve the Mississippi river and other great waterways of the republic, so as to secure for the interior states easy and cheap transportation to tide water. When any waterway of the republic is of sufficient importance to demand aid of the government, such aid should be extended upon a definite plan of continuous work until permanent improvement is secured.

Confiding in the justice of our cause and the necessity of its success at the polls, we submit the foregoing declaration of principles and purposes to the considerate judgment of the American people. We invite the support of all citizens who approve them and who desire to have them made effective through legislation, for

the relief of the people and the restoration of the country's prosperity.

#### Silver Platform.

The National Silver party, in convention assembled, makes this declaration of its principles:

First—The paramount issue at this time in the United States is indisputably the money question. It is between the gold standard, gold bonds and bank currency on the one side, and the bimetallic standard, no bonds and government currency on the other.

On this issue we declare ourselves to be in favor of a distinctively American system. We are unalterably opposed to the single gold standard, and demand immediate return to the constitutional standard of gold and silver, by restoration by this government, independently of any foreign power, of the unrestricted coinage of both gold and silver into standard money, at the ratio of 16 to 1, and upon terms of exact equality as they existed prior to 1873; the silver coin to be full legal tender equally with gold for all debts and dues, public and private, and we favor such legislation as will prevent for the future the demonetization of any kind of legal tender money by private contract.

We hold that the power to control and regulate paper currency is inseparable from the power to coin money; and hence that all currency intended to circulate as money should be issued and its volume controlled by the general government only, and should be legal tender.

We are unalterably opposed to the issue by the United States of interest-bearing bonds in the time of peace, and we denounce as a blunder worse than a crime the present treasury policy, concurred in by a Republican house, of plunging the country in debt by hundreds of millions in the vain attempt to maintain the gold standard by borrowing gold, and we demand the payment of all coin obligations of the United States, as provided by existing laws, in either gold or silver coin, at the option of the government, and not at the option of the creditor.

The demonetization of silver in 1873 enormously increased the demand for gold, enhancing its purchasing power and lowering all prices measured by that standard. And since that unjust and indefensible act, the prices of American products have fallen upon an average nearly 50 per cent., carrying down with them proportionately the money value of all other forms of property.

Such fall of prices has destroyed the profits of legitimate industry, injuring the producer for the benefit of the non-producer, increasing the burden of the debtor, swelling the gains of the creditor, paralyzing the productive energies of the American people, relegating to idleness vast numbers of willing workers, sending

the shadows of despair into the home of the honest toiler, filling the land with tramps and paupers, and building up colossal fortunes at the money centers.

In the effort to maintain the gold standard the country has within the last two years in a time of peace and plenty been loaded down with \$262,000,000 of additional interest-bearing debt under such circumstances as to allow a syndicate of native and foreign bankers to realize a net profit of millions on a single deal. It stands confessed that the gold standard can only be upheld by so depleting our paper currency as to force the prices of our products below the European and even below the Asiatic level, to enable us to sell in foreign markets, thus aggravating the very evils of which our people so bitterly complain, degrading American labor and striking at the foundations of our civilization itself.

The advocates of the gold standard persistently claim that the cause of our distress is over-production—that we have produced so much that it has made us poor—which implies that the true remedy is to close the factory, abandon the farm and throw the multitude of people out of employment. A doctrine that leaves us unnerved and disheartened and absolutely without hope for the future. We affirm it to be unquestioned that there can be no such economic paradox as overproduction and at the same time tens of thousands of our fellow citizens remaining half-clad and half-fed and who are piteously clamoring for the common necessities of life.

Over and above all other questions of policy, we are in favor of restoring to the people of the United States the time-honored money of the constitution, gold and silver, not one, but both, the money of Washington and Hamilton, and Jefferson, and Monroe, and Jackson, and Lincoln, to the end that the American people may receive honest pay for an honest product; that the American debtor may pay his just obligations in an honest standard and not in a standard that has appreciated 100 per cent. above all the great staples of our country; and to the end, further, that silver standard countries may be deprived of the unjust advantage they now enjoy in the difference in exchange between gold and silver, an advantage which tariff legislation alone cannot overcome.

We, therefore, confidently appeal to the people of the United States to leave in abeyance for the moment all other questions, however important, and even momentous, they may appear, to sunder, if need be, all former ties and affiliations, and unite in one supreme effort to free themselves and their children from the domination of the money power, a power more destructive than any which has ever been fastened upon the civilized men of any



race or any age. And upon the consummation of our desires and efforts, we invoke the gracious favor of Divine Providence.

Inasmuch as the patriotic majority of the Chicago convention embodied in the financial plank of its platform the principle enunciated in the platform of the American Bimetallist party, promulgated at Washington, D. C., January 22, 1896, and herein reiterated, which is not only paramount, but the only real issue in the pending campaign, therefore recognizing that their nominees embody these patriotic principles, we recommend that this convention nominate William J. Bryan, of Nebraska, for president, and Arthur Sewall, of Maine, for vice-president.

#### People's Party Platform.

The People's party, assembled in national convention, reaffirms its allegiance to the principles declared by the founders of the republic and also to the fundamental principles of just government as enunciated in the platform of the party in 1892. We recognize that through the connivance of the present and preceding administrations the country has reached a crisis in its national life, as predicted in our declarations four years ago, and that prompt and patriotic action is the supreme duty of the hour. We realize that while we have political independence, our financial and industrial independence is yet to be attained by restoring to our country the constitutional control and exercise of the functions necessary to a people's government, which functions have been basely surrendered by our public servants to corporate monopolies. The influence of European money changers has been more potent in shaping legislation than the voice of the American people. Executive power and patronage have been used to corrupt our legislatures and defeat the will of the people, and plutocracy has thereby been enthroned upon the ruins of the democracy. To restore the government intended by the fathers and for the welfare and prosperity of this and future generations, we demand the establishment of an economic and financial system which shall make us masters of our own affairs, independent of European control, by the adoption of the following declaration of principles:

We demand a national money, safe and sound, issued by the general government only, without the intervention of banks of issue, to be a full legal tender for all debts, public and private; a just, equitable and efficient means of distribution direct to the people, and through the lawful disbursements of the government.

We demand the free and unrestricted coinage of silver and gold at the present legal ratio of 16 to 1 by the United States without waiting for the consent of foreign nations.

We demand that the volume of circulating medium be speedily

increased to an amount sufficient to meet the demands of the business and population of this country, and to restore the just level of prices of labor and production.

We denounce the sale of bonds and the increase of the public interest-bearing debt made by the present administration as unnecessary and without authority of law, and demand that no more bonds be issued except by specific act of congress.

We demand such legislation as will prevent the demonetization of the lawful money of the United States by private contract.

We demand that the government in payment of its obligations shall use its option as to the kind of lawful money in which they are to be paid, and we denounce the present and preceding administrations for surrendering this option to the holders of government obligations.

We demand a graduated income tax to the end that aggregated wealth shall bear its just proportion of taxation, and we regard the recent decision of the supreme court relative to the income tax law as a misinterpretation of the constitution and an invasion of the rightful powers of congress over the subject of taxation.

We demand that postal savings banks be established by the government for the safe deposit of the savings of the people and to facilitate exchange.

Transportation being a means of exchange and a public necessity, the government should own and operate the railroads in the interest of the people and on a non-partisan basis, to the end that all may be accorded the same treatment in transportation, and that the tyranny and political power now exercised by the great railroad corporations, which result in the impairment, if not the destruction, of the political rights and personal liberties of the citizen, may be destroyed. Such ownership is to be accomplished gradually in a manner consistent with sound public policy. The interest of the United States in the public highways, built with public moneys and the proceeds of extensive grants of land to the Pacific railroads, should never be alienated, mortgaged or sold, but guarded and protected for the general welfare as provided by the laws organizing such railroads. The foreclosure of existing liens of the United States on these railroads should follow default in payment thereof by the debtor companies, and at the foreclosure sales of said roads the government shall purchase the same if it become necessary to protect its interest therein, or if they can be purchased at reasonable price, and the government shall operate said railways as public highways for the benefit of the whole people and not in the interest of the few, under suitable provisions for protection of life and property, giving to all trans-

portation interests, equal privileges and equal rates for fares and freights.

We denounce the present infamous schemes for refunding these debts and demand that the laws now applicable thereto be executed and administered according to their true intent and spirit.

The telegraph, like the post office system, being a necessity for the transmission of news, should be owned and operated by the government in the interest of the people.

A true policy demands that the national and state legislation shall be such as will ultimately enable every prudent and industrious citizen to secure a home, and, therefore, the land should not be monopolized for speculative purposes. The lands now occupied by railroads and other corporations in excess of their actual needs should, by lawful means, be reclaimed by the government and held for actual settlers only, and private land monopoly, as well as alien ownership, should be prohibited.

We condemn the frauds by which the land grants to the Pacific railroad companies have, through the connivance of the interior department, robbed multitudes of actual and bona fide settlers of their homes and miners of their claims, and we demand legislation by congress which will enforce the exemption of mineral lands from such grants after as well as before patent.

We demand that bona fide settlers on all public lands be granted free homes as provided in the national homestead law, and that no exception be made in the case of Indian reservations when opened for settlement, and that all lands not now patented come under this demand.

We favor a system of direct legislation through the initiative and referendum under proper constitutional safeguards.

We demand the election of president, vice-president and United States senators by the direct vote of the people.

We tender to the patriotic people of Cuba our deepest sympathy in their heroic struggle for political freedom and independence, and we believe the time has come when the United States, the great republic of the world, should recognize that Cuba is, and of right ought to be, a free and independent state.

We favor home rule in the territories and the District of Columbia, and the early admission of the territories as states.

All public salaries should be made to correspond to the price of labor and its products.

In times of great industrial depression, idle labor should be employed on public works as far as practicable.

Arbitrary course of the courts in assuming to imprison citizens for indirect contempt and ruling by injunction should be prevented by proper legislation.

We favor just pensions for our disabled Union soldiers.

Believing that the elective franchise and untrammelled ballot are essential to a government of, for and by the people, the People's party condemns the wholesale system of disfranchisement adopted in some of the states as unrepresentative and undemocratic, and we declare it to be the duty of the several state legislatures to take such action as will secure a full, free and fair ballot and an honest count.

While the foregoing propositions constitute the platform upon which our party stands, and for the vindication of which its organization will be maintained, we recognize that the great and pressing issue of the pending campaign upon which the present presidential election will turn is the financial question, and upon this great and specific issue between the parties we cordially invite the aid and co-operation of all organizations and citizens agreeing with us upon this vital question.

With the founders of the American republic we hold that the purpose of government is to secure every citizen in the enjoyment of this right; but in the light of our social conditions we hold, furthermore, that no such right can be exercised under a system of economic inequality, essentially destructive of life, of liberty and of happiness.

#### **Socialist Labor Platform.**

With the founders of this republic we hold that the true theory of politics is that the machinery of government must be owned and controlled by the whole people; but in the light of our industrial development we hold, furthermore, that the true theory of economics is that the machinery of production must likewise belong to the people in common.

To the obvious fact that our despotic system of economics is the direct opposite of our democratic system of politics, can plainly be traced the existence of a privileged class, the corruption of government by that class, the alienation of public property, public franchises and public functions to that class, and the abject dependence of the mightiest of nations upon that class.

Again, through the perversion of democracy to the ends of plutocracy, labor is robbed of the wealth which it alone produces, is denied the means of self-employment, and, by compulsory idleness in wage slavery, is even deprived of the necessaries of life.

Human power and natural forces are thus wasted, that the plutocracy may rule.

Ignorance and misery, with all their concomitant evils, are perpetuated that the people may be kept in bondage.

Science and invention are diverted from their humane purpose to the enslavement of women and children.

Against such a system the Socialist Labor party once more

enters its protest. Once more it reiterates its fundamental declaration that private property in the natural sources of production and in the instruments of labor is the obvious cause of all economic servitude and political dependence.

The time is fast coming when, in the natural course of social evolution, this system, through the destructive action of its failures and crises on the one hand, and the constructive tendencies of its trusts and other capitalistic combinations on the other hand, shall have worked out its own downfall.

We, therefore, call upon the wage workers of the United States, and upon all other honest citizens, to organize under the banner of the Socialist Labor party into a class-conscious body, aware of its rights and determined to conquer them by taking possession of the public powers; so that, held together by an indomitable spirit of solidarity under the most trying conditions of the present class struggle, we may put a summary end to that barbarous struggle by the abolition of classes, the restoration of the land and of all the means of production, transportation and distribution to the people as a collective body, and the substitution of the co-operative commonwealth for the present state of planless production, industrial war and social disorder; a commonwealth in which every worker shall have the free exercise and full benefit of his faculties, multiplied by all the modern factors of civilization.

#### Resolutions.

With a view to immediate improvement in the condition of labor we present the following demands:

1. Reduction of the hours of labor in proportion to the progress of production.

2. The United States shall obtain possession of the railroads, canals, telegraphs, telephones and all other means of public transportation and communication; the employes to operate the same co-operatively under control of the federal government and to elect their own superior officers, but no employe shall be discharged for political reasons.

3. The municipalities shall obtain possession of the local railroads, ferries, water works, gas works, electric plants and all industries requiring municipal franchises; the employes to operate the same co-operatively under control of the municipal administration and to elect their own superior officers, but no employes shall be discharged for political reasons.

4. The public lands declared inalienable. Revocation of all land grants to corporations or individuals, the conditions of which have not been complied with.

5. The United States have the exclusive right to issue money.



6. Congressional legislation providing for the scientific management of forests and waterways and prohibiting the waste of the natural resources of the country.

7. Inventions to be free to all; the inventors to be remunerated by the nation.

8. Progressive income tax and tax on inheritances; the smaller incomes to be exempt.

9. School education of all children under fourteen years of age to be compulsory, gratuitous and accessible to all by public assistance in meals, clothing, books, etc., where necessary.

10. Repeal of all pauper, tramp, conspiracy and sumptuary laws. Unabridged right of combination.

11. Prohibition of the employment of children of school age and the employment of female labor in occupations detrimental to health or morality. Abolition of the convict labor contract system.

## CHAPTER XXXVIII.

### PRESIDENTIAL ELECTION OF 1896—ITS RESULTS.

BY THE AUTHOR.

On the 3d day of November, 1896, seventy millions of the fourteen hundred millions of the people of the globe had the privilege of choosing their own rulers. The seventy millions were the fortunate residents of the United States; they were represented at the polls by 13,924,659 voters. Wm. McKinley for president of the United States received 7,109,480, Wm. J. Bryan 6,508,687—a plurality of 600,799 for McKinley. Lesser parties received votes as follows: The Sound Money Democratic for Palmer, 132,056; the Prohibition vote for Levering, 127,174; Socialist vote, 33,942, and the National or Free Silver Prohibition party, 13,320—a total vote in the United States 13,924,659. McKinley's majority over all 294,301.

We shall not further specially refer to the lesser parties; their votes do not materially affect the result.

It will be observed, and it is well understood by all, that the result, as stated above, was not obtained by a direct vote of the citizens; had it been, as the writer verily believes it will be in the not very distant future, the result might have been, probably would have been, different. The present mode of procedure is not purely democratic, there is too much circumlocution about it, too many opportunities to thwart the will of the people, not only in the election of president and United States senators, but of other federal officers. *Trust the people!* Let them vote directly for all officers, state and national. From an economic standpoint, if no other, it should be favorably considered, leaving other advantages out of the question; millions of dollars would be saved, as must be admitted by all who will reflect. Let us glance at the present

#### Modus Operandi of Electing President—Certainly Not Democratic.

The method of election has been changed once for the better. In the early days of the republic nominations were made, either by members of congress or the state legislature. The party that received the highest vote should be president, the next highest vice-president. This worked quite satisfactorily up to 1824, the time of the election of John Quincy Adams. Complications then arose

causing a change. The present system has since been followed, but it is not difficult to see that by reason of complications of party interests, and specially since the corrupt period has come when state legislatures, congress, and party conventions are controlled by money, the people must insist upon abolishing the barriers established between themselves and their servants, the governing powers, and allow approach direct to the ballot box, the citizens' fortress of protection and defense.

On the morning of November 4th it was said Wm. McKinley was elected president, but it was a mistake. Men living in the different states had voted for men named as electors, it is true, with the understanding that they would on a certain day in the future cast the vote of their state for him, but he was not president or even president-elect until the appointed representatives of the people met at the capitals of their respective states, two months intervening, and there cast the formal electoral vote. They could *legally* have cast votes for Wm. J. Bryan or any other. The state electors at their state meeting appoint one of their number to bear the returns to Washington where they are subsequently canvassed by congress and the vote declared.

On the election of the United States senators there is usually as much, even more, unnecessary machinery, and in more than half the recent elections by state legislatures the will of the people has been defeated, either by corrupt means or otherwise. All these undemocratic methods have come from the mistake of the founders of the republic, their unwillingness to *trust the people*. They thought that judges, ministers to foreign courts, etc., must be appointed. This was the old English of it, not yet outgrown by Americans, but Americans are getting nearer every year to trusting all to the people.

Not until the 10th day of December could it truly be said Wm. McKinley is president and Garret A. Hobart vice-president. The votes of the several candidates on that day as canvassed by congress, agreeably to the constitutional provisions, were as follows:

#### The Official Vote.

Washington, Feb. 10.—The result of the late election, as officially canvassed by the house today, is as follows:

STATES.	McKinley.	Bryan.	Hobart.	Sewall.	Watson.
Alabama	..	11	..	11	..
Arkansas	..	8	..	5	3
California	8	1	8	1	..
Colorado	..	4	..	4	..
Connecticut	6	..	6	..	..
Delaware	3	..	3	..	..
Florida	..	4	..	4	..
Georgia	..	13	..	13	..
Idaho	..	3	..	3	..
Illinois	24	..	24	..	..
Indiana	15	..	15	..	..
Iowa	13	..	13	..	..
Kansas	..	10	..	10	..
Kentucky	12	1	12	1	..
Louisiana	..	8	..	4	4
Maine	6	..	6	..	..
Maryland	8	..	8	..	..
Massachusetts	15	..	15	..	..
Michigan	14	..	15	..	..
Minnesota	9	..	9	..	..
Mississippi	..	9	..	9	..
Missouri	..	17	..	13	4
Montana	..	3	..	2	1
Nebraska	..	8	..	4	4
Nevada	..	3	..	3	..
New Hampshire	4	..	4	..	..
New Jersey	10	..	10	..	..
New York	36	..	36	..	..
North Carolina	..	11	..	6	5
North Dakota	3	..	3	..	..
Ohio	23	..	23	..	..
Oregon	4	..	4	..	..
Pennsylvania	32	..	32	..	..
Rhode Island	4	..	4	..	..
South Carolina	..	9	..	9	..
South Dakota	..	4	..	2	2
Tennessee	..	12	..	12	..
Texas	..	15	..	15	..
Utah	..	3	..	2	1
Vermont	4	..	4	..	..
Virginia	..	12	..	12	..
Washington	..	4	..	2	2
West Virginia	6	..	6	..	..
Wisconsin	12	..	12	..	..
Wyoming	..	3	..	2	1
Totals	271	176	271	149	27

The result of the meeting of the electoral colleges of the several states of the Union on Monday was the election of William McKinley for president and Garret A. Hobart for vice-president of the United States. The electoral vote and the approximate pluralities are as follows:

For McKinley.		Electoral Plurality. Vote.
California	1,822	8
Connecticut	53,557	6
Delaware	3,093	3
Illinois	142,607	24
Indiana	18,403	15
Iowa	65,552	13
Kentucky	281	12
Maine	48,208	6
Maryland	32,232	8
Massachusetts	188,440	15
Michigan	56,076	14
Minnesota	53,778	9
New Hampshire	30,173	4
New Jersey	87,692	10
New York	268,469	36
North Dakota	5,699	3
Ohio	53,104	23
Oregon	1,972	4
Pennsylvania	301,871	32
Rhode Island	22,978	4
Vermont	40,845	4
West Virginia	10,888	6
Wisconsin	102,612	12
<b>Total</b>		<b>271</b>

For Bryan.		Electoral Plurality. Vote.
Alabama	53,400	11
Arkansas	66,682	8
Colorado	132,609	4
*California		1
Florida	18,872	4
Georgia	34,142	13
Idaho	16,968	3
Kansas	12,269	10
*Kentucky		1
Louisiana	55,138	8
Mississippi	30,084	9
Missouri	58,712	17
Montana	32,047	3
Nevada	5,864	3
Nebraska	13,070	8
North Carolina	19,266	11
South Carolina	49,488	9
South Dakota	72	4
Tennessee	14,878	12
Texas	125,817	15
Utah	53,592	3
Virginia	20,627	12
Washington	13,072	4
Wyoming	66	3
<b>Total</b>		<b>176</b>

\*McKinley carried these states except on one elector in each.



It will be seen by the above that the favorable decision for the gold party was far from being a decisive victory against free coinage; one-half of the 42,878 votes given to the gold candidate would have defeated McKinley. The following statements show how very close was the vote:

	McKinley's Electoral Vote.	McKinley's Plurality.
West Virginia .....	6	12,000
Kentucky .....	12	258
Oregon .....	4	2,114
California .....	9	3,291
North Dakota .....	3	5,150
Indiana .....	15	20,065
	<hr/>	<hr/>
Totals .....	49	42,878

The forty-nine electoral votes received by McKinley in these states added to the 176 electoral votes received by Bryan would have elected the latter. A change of about 23,000 votes distributed properly in the above states would have changed the result. Bryan's plurality in Colorado alone is more than three times the total plurality of McKinley in these six states.

When all the attending circumstances, under which the first battle was fought, the fact that all the needed money power of the United States and England, all the trusts, banking, railroad, and largely the manufacturing monopolies of the eastern and middle states were arrayed against a newly formed party, triune in its composition; not unlike a new army composed of new recruits brought into a raging battle; the three divisions, Democratic, Populist and Silver Republican, without time for previous mutual arrangement of plans and preparation, considering all this, and the fact that their opponents were long tried, well-drilled soldiers, officered by the shrewdest politicians, it is indeed marvelous that the victory for gold was not greater. It can only be accounted for the good reason that the people realized the righteousness of the cause for which they were contending, and fought as only patriots can fight in a just cause. \* \* \* To place still more clearly before our readers the result of the election in the several states and the nation, the author is indebted to W. B. Conkey Company for the use of two illustrated maps, one representing a view of the election of 1892, the other of the election of 1896. Comparing these, realizing the tremendous gain, no one can reasonably doubt the result of the pending conflict in 1900. These maps appear on the pages immediately preceding this chapter.

The author cannot better express his thoughts on this subject than by quoting the eloquent, impressive words of him who was chief in the great battle, qualified and well worthy to be, and we do

not believe that all the powers of darkness, as combined in the money power, can prevent his leadership throughout this the great closing contest of the century, and its successful issue. In the article referred to he says:

In spite of the administration and its supporters; in spite of the threats of money loaners at home and abroad; in spite of the coercion practiced by corporate employers; in spite of trusts and syndicates; in spite of an enormous Republican campaign fund, and in spite of the influence of a hostile daily press, bimetallism has almost triumphed in its first great fight. The loss of a few states, and that, too, by very small pluralities, has defeated bimetallism for the present, but bimetallism emerges from the conflict stronger than before.

#### Its Results.

Who can foretell? We see what it is on the face of the figured return, but that is a trifle as compared with the great results to the nation and individuals in the coming years. Temporary defeat of the party under such circumstances is not discouraging; in fact, it now looks more likely to prove a blessing than otherwise. The young forest tree, swayed by the tempest winds, strikes its roots deeper into the soil, thereby becomes the stronger, and finally the gigantic oak, blessing the world; even so with all organic life, efforts for the right always strengthen, the temporary defeat has caused a rally; a newly awakened and determined spirit at this moment pervades the entire force, increasing day by day, and now giving promise of a victory that will be far more decisive and effective for the permanent good of the country than would have been a victory in 1896.

The cry since the election has been long and loud: The silver cause is forever defeated. In answer to this senseless cry, a correspondent sends an appropriate poem, which with slight change is here transcribed:

#### Is the Silver Cause Defeated?

Six million sires and sons of men  
 Who dare the threatened famine;  
 Six million hearts, whose love of man  
 Exceeded love of mammon;  
 Six million patriot volunteers,  
 A gallant leader greeted,  
 And herald down the coming years:  
 "The cause is not defeated."

Defeat the right! Thou son of man,  
 Small wonder thy misgiving;  
 The life born out of Bethlehem  
 Was never worth the living.

When Judas did the traitor's deed,  
And with the rabble treated,  
By selling soul for gold and greed,  
Was God's own cause defeated?

Can might be right! Then tear the page  
From out Columbia's story  
Of heroes' deeds in every page  
Who died to weave her glory;  
The song of Warren and of Hayne  
Would ne'er have been repeated,  
Nor anthem pealed Mount Vernon's name  
Had greed the right defeated.

Turn back thy pages, Father Time,  
And read each nation's glory,  
And where you find a land's decline  
Write *greed* across the story.  
Did freemen blush when they proposed  
That bribe so oft repeated:  
"The mines and mills will all be closed,  
Less silver is defeated?"

"My country, 'tis of thee," I sing,  
The patriot's song refraining;  
"Sweet land of liberty,"—oh, cling,  
Ye sons to freedom waning.  
"Land where our father's died,"—indeed,  
The hallowed soil consecrated  
With pilgrims' blood—has gold and greed  
The pilgrim's cause defeated?

Six million warriors of the free  
Reforming, not retreated,  
Are lining up for God and thee—  
"The cause is not defeated."

## APPENDIX.

### THE SILVER CAUSE IN IOWA.

The day that closed the proof reading of the last pages of "THE SILVER SIDE," and as then intended to be the *finis* of the work, witnessed the convening in the city of Des Moines of three state conventions, representing three parties, Democratic, Silver Republican and Populist. The author was a delegate to one of those conventions, but during the day embraced the opportunity of visiting the other two. It is hardly necessary for him to say that it was not only a rich intellectual treat, but an occasion that inspired him with greater confidence than ever before in the sublime honesty and patriotic integrity of his fellow citizens. Acceding to the earnest solicitations of Iowa friends, we add an appendix to "THE SILVER SIDE," giving a brief account of the proceedings, the prominent features of the platform and the names of the five candidates for state offices. True, this is to a degree local in its character, but anything that interests Iowa cannot fail to interest friends in all the states, especially this year in Ohio, Virginia and Massachusetts, where elections are to be held at the same time as in Iowa.

In these conventions were associated men, who only one year ago were arrayed against each other in at least three different political parties, at times in the past almost bitterly antagonistic; now, although not meeting in the same building, yet near enough to correspond with each other, and consult with reference to their mutual interests as American citizens. Readers of "THE SILVER SIDE" need not to ask what the cause of this laying aside of former differences and of this mutually sympathetic coming together. They understand full well that an enemy has invaded our country, the same insidious foe that destroyed the republics of the past, and although not aroused to a full consciousness of the danger until one year ago, now no man could look in upon these several assemblages without seeing and hearing the same determined expression that has ever characterized the loyal citizens of this country in times of extreme danger. Political questions of minor importance were for the time laid aside that all might unite against the common foe.

The first gathering attended by the writer was the Silver Republican. All was animation and earnestness. J. B. Romans



FRED. F. WHITE, candidate for governor of Iowa, was born in Prussia in 1844; his father died when he was ten years of age. He came with his mother to America in 1857; of the four children he was the oldest. The family came direct to Keokuk county, where he has since resided. Fred commenced work by the month, and continued until the war. He then volunteered, but on account of being too young was rejected. In 1862 he was accepted, became a member of the Thirteenth Iowa Infantry, and served nearly four years. After the war he bought 40 acres of land, to which he has since added 420 acres. On this now splendid farm, cultivated by his own hands, he has since resided. He never sought office, but in 1890 consented to become a candidate for Congress, was elected and made a record of which his district and state are justly proud. Several months ago he was solicited to become a candidate for governor, but steadily refused until the evening preceding the assembling of the state convention; he then yielded to the wishes of friends, and on the second ballot was unanimously elected. That he will be elected there is little doubt.





was temporarily presiding; F. O. Hineston, secretary. We regret that Mr. Romans' eloquent speech, like that of the permanent chairman, must be omitted, and the same must be said of the presiding officers of the other two conventions.

The most important business of this, as of the Democratic and Populist organizations was to appoint committees of conference, to agree upon a platform and subsequently nominate candidates for the several state offices to be voted on in November. This was accomplished without special difficulty in the Silver Republican and Democratic conventions. Slight dissatisfaction was manifested by the middle of the road Populists in their convention, but nothing that will seriously affect the general harmony that prevails.

In the Populist convention General J. B. Weaver was the presiding officer; Hon. Fred E. White was chairman pro tem. of the Democratic hosts, the largest gathering for many years. The Tabernacle, seating capacity nearly three thousand, was filled with enthusiastic Silver Democrats, who had the privilege of hearing one of the best speeches ever delivered on such an occasion. Mr. White's eloquent speeches made in congress had often been awarded a high meed of praise in our presence, but we were wholly unprepared for the splendid extempore production to which we listened, eloquent, argumentative, logical and patriotic, as of course it would be, coming from a veteran who entered the volunteer service when only seventeen years of age, serving in the Union Army nearly four years. We cannot forbear giving two paragraphs; speaking of the hitherto indifference of the people to impending dangers, he said:

The cause of true reform suffers immensely because a great many people rest secure in the belief that their freedom remains unimpaired so long as they are not actually sold upon the block. This monster delusion has in the past from time to time deferred, and is now deferring the regeneration of the political life of this nation. It is this wretched hallucination, stupefying the powers of comprehension among so many people, that gives the opportunities and furnishes the license to the pirates in our midst to devour our substance with impunity. Once let the people learn that they may be reduced to a condition of practical servitude while still permitted the use of the forms of ceremonials to which they were accustomed in a state of actual freedom, but which are now empty forms and shallow, meaningless ceremonials, devoid of power and harmless of purpose; let the working classes once thoroughly comprehend that the power to fix wages and determine prices is the omnipotent power in this material world—the power that can most effectually create the autocrat upon the one hand and the menial on the other, that can afflict society at the same time with the two-fold curse of multi-millionaire and pauper; once let these truths penetrate the popular understanding and the

carnival of the thieving and gambling fraternity would abruptly come to an inglorious end.

The interesting question then is, is it impossible to arouse the masses to a real sense of the danger hanging over them before the danger culminates in a calamity and overwhelms them? There are indeed at the present time many indications of an awakening. Unless we set the people down as incurable idiots it will be impossible for us to believe that they will much longer continue to submit to the almost wholesale confiscation of their earnings and the heartless spoliation of their political inheritance. The criminal operations of the multi-millionaire conspirators are growing so recklessly bold and frequent, the effects of their operations are so far reaching and disastrous, that public attention is being aroused as it was never before, and unless our people are exempt from the operations of the natural law that governs elsewhere and are amenable to another, the workings of which we do not understand, public indignation will follow, and the inevitable outcome will be a readjustment of conditions where the Jeffersonian doctrine of the political equality of man will be assigned its rightful place and the administration of justice be the moving, governing principle.

The following are the nominees for state offices as unanimously agreed upon by the several conventions.

For Governor, Fred E. White, Silver Democrat; Lieutenant Governor, B. A. Plummer, Silver Republican; Judge of the Supreme Court, L. G. Kinne, Silver Democrat; Superintendent of Public Instruction, G. F. Rhinehart, Silver Republican; and Railroad Commissioner, S. B. Crane, Populist.

#### The Platform.

"The Democracy of Iowa in convention assembled send greeting to the nearly 7,000,000 patriots who participated and aided in the battle of the people in their struggle for their rights in the last campaign, by giving renewed expression of devotion to the principles of the Democracy of the nation as set forth in the platform adopted by the Democratic party at Chicago in 1896. We lay special emphasis upon that portion of the national platform of the Democratic party on the financial question, believing that the very existence of the farming, laboring and commercial interests of this country depends upon a change of our financial policy, and we enter into the first campaign after the great battle of the people against the combined corporate and money power, in which that peerless statesman and patriot, W. J. Bryan, was our leader, with the reassertion 'that we demand the free and unlimited coinage of both gold and silver at the present legal ratio of 16 to 1, without waiting for the aid or consent of any other nation.'

"We declare that the methods resorted to by the leaders of the Republican party in the late national campaign have justly

alarmed the entire country. Their flagrant acts of bribery, intimidation, colonization and deception overawed, and were intended to overawe, the electorate, and thus prevented a free and an honest expression of public opinion. We affirm this to be a direct attack upon popular government and a declaration of war against free institutions. If submitted to without rebuke the presidential office will be permanently under the domination of money and of the corrupt influences which money controls.

#### Syndicates Denounced.

"The purpose of these high-handed and criminal methods is evident from the results following their success, the trusts, the combines, the syndicates, the corporations, all united to make the government an agency for the promotion of their special interests and welfare. They contributed millions upon millions to Mark Hanna's campaign fund, and having triumphed by the corrupt use of these vast sums they are about to recoup themselves from the pockets of the people. The notorious, almost avowed, purpose of the tariff bill now under consideration in the senate is to repay the trusts and the mine, the mill, and the factory barons for their pecuniary aid to McKinley; the railroads are to be compensated by a pooling law; and it is on the program, as announced by Secretary Gage, to requite the banking corporations by retiring the greenbacks and Sherman treasury notes, and increasing the interest bearing debt \$500,000,000 for their exclusive benefit. The prosperity which was promised was prosperity to these special interests, and not to the people at large. The people have not realized it, and while legislation is for the classes instead of the masses they never will. It is to further the ends of those who do not produce, but absorb, wealth, and legislation in whose behalf is rapidly segregating society into the few very rich and the very many poor, that Speaker Reed arbitrarily refuses to permit the national house of representatives to legislate, and denies to the American people the representation in the government to which they are entitled by the fundamental law.

#### False Promises.

"We point to the fact that the claims of the Democratic party in the last campaign have proven true, and that the claims made by the Republican party have proven false, and not one of the pledges made by that party has been fulfilled. The citizen was urged to vote for McKinley and prosperity; confidence was to be restored; the mills were to open up; unemployed men would find work; the farmer would find a profitable market for his products. All these and more were promised to take place as soon as it should be known that McKinley was elected. Months have

passed since that event, and instead of the fulfillment of these promises prosperity has not made its appearance, the mills and shops are closing down, the army of unemployed is growing larger and the farmers of Iowa since his election are marketing their products at a less price than ever before."

The platform so far as relates to national issues is given that bimetallists in other states may know, to use a soldier's phrase, that Iowa friends of silver are touching elbows with them in the forward march. They make earnest appeal to Silver Democrats, Republicans and Populists of other states, specially of Ohio, Virginia and Massachusetts, the only states where elections for state officers are to be held as in Iowa next fall, to make a supreme effort to carry all; three of the four we can and must have. Be assured, comrades, that Iowa goes into the present campaign confident of victory.

To do is to succeed—our fight  
Is waged in Heaven's approving sight—  
The smile of God is victory!



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