CLEVELAND'S WAR RECORD.

WAS HE AN ENEMY OF THE UNION?

GOOD REASONS WHY HE SHOULD BE DEFEATED FOR PRESIDENT.

[FROM A STAFF CORRESPONDENT OF THE TRIBUNE.]

BUFFALO, Aug. 12.—The lack of enthusiasm for Grover Cleveland at his home city, when the circumstances of his past life here and official record are considered, is not a matter for wonder. The Governor last visited the city on the occasion of the unveiling of the Soldiers' Monument, July 4. He was then the most conspicuous candidate for the Democratic Presidential nomination, and his official appearance here would naturally obtain for him a warm greeting. The city was filled with ex-veterans of the war and everybody was supposed to be bubbling over with feelings of patriotism. It was a particularly opportune time for the people of the city to show their appreciation of a former townsman who had been chosen to the high office of the Governor of the State, and was a candidate for a still higher office. But trustworthy officers who took part in the procession assert that the Governor's reception was painfully cold, and that they felt mortified at the faint cheer which greeted his appearance at the soldiers' monument. To make up in some manner for that, officers who were interested in the banquet in the evening, at which the Governor was to be present as an invited guest, sent word to their comrades to cheer vigorously when he came into the room.

PRO-SLAVERY SYMPATHIES.

The lack of enthusiasm for the Governor on such an occasion is perhaps a natural sequence to his record here during the war. His uncle, the Hon. Lewis F. Allen, at whose comfortable mansion the Governor made his home when he first came to Buffalo, thirty years ago, tells of the strong sympathy which "Grove" early exhibited with the Democratic party. It is recalled of him that in 1858, when he became a voter, he took sides with Buchanan in the matter of the Kansas Lecompton constitution, and drew up some resolutions to that effect to be introduced in a Democratic club. He was a staunch Democrat when the war broke out, and has ever since continued in good fellowship with that party. If he ever exhibited any sympathy with the Union cause there seems to be no way to find any evidence of it here.

During the darkest hours of the war Vallandigham and several notorious Confederates were plotting treason at the Clifton House, across the border at Niagara Falls. There were a number of Democrats in this city who frequently went to Canada to confer with those eminent pro-slavery members of the party. It has been said here that Grover Cleveland was one of the Democrats who thus made visits across the border. A Union officer, stationed in this city, whose business it was to keep track of those persons conferring together at Clifton, was asked recently if Mr. Cleveland was one of them. He gave it as his recollection that such was the case, though the official records were not in his possession. Mr. Cleveland may have gone merely out of curiosity to see those great men from the South, or he may have had sympathy for them akin to that exhibited by his associate on the ticket, Mr. Hendricks, who did not need to visit Canada to express his disapproval of the war. Inquiry was made last week of Mr. Cleveland's uncle, the Hon. Lewis F. Allen, as to whether or not he remembered those visits "Grover" is said to have made to Canada. "I do not remember now," was the reply. "But I should think it likely that he went with his associates, among whom were men not in sympathy with the Union cause. I can well remember that he was very decided in his convictions at that time, and as I was a strong Republican we discussed the subject of the war quite frequently, and I used to banter him about the Confederacy."

A CRIMINAL FOR A SUBSTITUTE.

When the war broke out Mr. Cleveland was in his twenty-fifth year—a strong, able-bodied man. It has been said that he remained home to aid in supporting his mother, who lived in Oneida County. But careful inquiry from trustworthy family sources does not bear out that assertion. His two brothers who went to the war, and particularly the younger one, are said to have done more to assist the mother than Grover, who remained at home in the enjoyment of a good salary as a Democratic official in Erie County—an Assistant District-Attorney. He was fortunate enough to escape the first draft, and was again fortunate in getting a low-priced substitute when his country finally called upon him. At least such is the statement of a prominent citizen, who was officially connected at the time with the Enrolment Board. This gentlemen says that it was in the power of the city officials to pardon or remit the sentences of prisoners in the Workhouse. Many were let out on promise of becoming substitutes for Democratic officials. Mr. Cleveland is said to have secured his substitute in that way. As he was a lawyer, officially connected with the prosecution of criminals, he would naturally have unusual advantages in securing such a substitute. Of his disposition not to spend any more of his own money for any purpose whatever than was absolutely necessary there seems to be no difference of opinion. It would have cost him several hundred dollars to get a substitute in the regular way. Whether or not he saved all of that money by procuring a workhouse substitute, there may be some question. But there is the evidence of a responsible official that he did furnish a workhouse substitute.

NEVER KNOWN TO AID HIS COUNTRY.

Mr. Cleveland was not prevented either by physical infirmities or family ties from taking an active part either in the field or at home in behalf of the Union cause. Did he ever lend his voice, or his pen, or even his presence at a public meeting to give encouragement or aid to the brave men at the front? That is a question to answer which a careful search was made of the files during the entire war period of the three leading daily newspapers in this city representing both parties. Except as a Democratic candidate for office, the mention of Grover Cleveland's name could not be found from the beginning to the end of the war. He never assisted in any way, so far as can be learned, a single one of the many public movements in behalf of the Union cause or in behalf of any object whatever, except the possession of a public office; and it is not on record that he ever made even for that purpose a campaign speech. And this might be carried further. The record is said to be equally barren up to the time he delivered his first message as Mayor. He never made a speech, never presided at a meeting, never gave an opinion, and was never heard of in any way except as a sheriff and a practising attorney. Of his record as sheriff, so far as the public yet knows, the only part that attracted attention was his acting as executioner for two unhappy Irishmen who were doomed to the gallows.

A GOOD FELLOW.

Unanimous testimony is borne here to the fact that personally Mr. Cleveland was a good fellow and an able lawyer. But he was not the peer of some other members of the Buffalo bar. And outside of his profession the great public questions, which have shook the Nation to its foundations, never elicited any public expression from Grover Cleveland. He was always a strict partisan. When his friend and partner, Lyman K. Bass, was a candidate for Congress Mr. Cleveland would not vote for him, and he took to task another friend who was trying to persuade a couple of Irish Democrats to vote for Mr. Bass. Mr. Cleveland was never known to assist an independent movement of any kind. He was always a Democrat, and not a very popular one at that. He was the Democratic candidate for District-Attorney in 1865, and was defeated by Mr. Bass, the Republican nominee. That was the year that Francis C. Barlow was elected Secretary of State, defeating General Slocum. Erie County was a close one politically, and Mr. Cleveland was nominated to succeed a member of his own party. In 1870, when the Tweed Ring was in the zenith of its power in New-York, Mr. Cleveland was an active Democrat, and he sought and obtained the Democratic nomination for Sheriff of this county. He was elected by a majority of 303 votes, running considerably behind his ticket. Hoffman for Governor got 475 more votes in Erie County at that election than did Cleveland for Sheriff. He served his term, how well will appear hereafter. He was next heard of in a public way several years later, as the party nominee for Mayor after several other persons had declined to accept the office. That his choice and election was the result of "a happy accident" for him, in no way connected with his public services, can be as easily shown, as in the case of his choice for Governor, when "Dave" Hill, the machine candidate on the same ticket with him, had a larger majority.

LIQUOR DEALERS' STATE CONVENTION.

The State Committee of the State Liquor Dealers met yesterday at No. 52 Union Square. The principal business was to fix a place and date for holding the next State Convention. Syracuse received the greatest number of votes, and it was decided to hold the convention there on September 16. It is expected that over 200 delegates will attend.

THE HERALD AND THE NEWSDEALERS.

A CARD FROM SECRETARY CARRUTHERS.

To the Editor of The Tribune.

SIR: *The Herald* this morning devotes a column of its once valuable space in attempting to make capital out of a correspondence passed between its proprietor and the newsdealers. As it is not likely to publish my later telegram I hope you will find space for it in your columns:

To JAMES GORDON BENNETT, *esq., Steam Yacht Namouna, Newport, R. I.*

DEAR SIR: Assuming you were a reasonable gentleman I opened communication with you; the publication of our correspondence, with your unjustifiable deductions there from, in to-day's *Herald*, proves the contrary. Respectfully yours, DAVID CARRUTHERS,
Secretary of Newsdealers' Committee.

No. 125 Broome-st., New-York, Aug. 12, 1884.

A CARD FROM PRESIDENT RICHARDSON.

To the Editor of The Tribune.

SIR: I see by Tuesday morning's *Herald* that the proprietor of that paper refuses to concede a fair profit to the newsmen of New York and vicinity, and publish as some correspondence to show that the newsmen are weakening, because they asked for an interview with him. In explanation I beg to say that the newsdealers never expected any better terms from James Gordon Bennett than they could compel him to allow, but in deference to the wishes of a number of dealers who were always preaching moderation, and who believed that the entire matter was misrepresented to Mr. Bennett, an interview was solicited, and, as you are now aware, refused. The management expresses the wish that we should cease to handle their paper. They forgot the outcry they made when we did so on one occasion. I hope the dealers will no cut off their supply of *Herald's*, but continue to sell them for 3 cents right along. The "scurrilous contemporaries" will set sore *The Herald* asking the newsmen to sell that paper, notwithstanding all the bluster of the valiant proprietor.

STEPHEN RICHARDSON,
President Newsdealers' Council.

New-York, Aug. 13, 1884.

THE PRESIDENT IN THE MOUNTAINS.

[BY TELEGRAPH TO THE TRIBUNE.]

KAATERSKILL, Aug. 13.—The day has been a most charming one in the mountains with the mercury at 69°, with the bright morning sun flooding the hotel piazza and the atmosphere clear, the situation is eminently satisfactory both to visitors and landlords. The President has remained quietly at the hotel all day attending to his correspondence in the forenoon and even omitting his customary mountain afternoon drive, preferring, as he said, to remain on the broad, front piazza enjoying the delightful air and orchestra music for a change. Last night at the hop the favors were distributed by the Presidential Miss Emilie Harding. This evening there are a concert, an humorous and dramatic readings in the hotel parlor by Frank Lincoln, at which the President, Secretary of State, Chief Justice Waite and others were in attendance. The President is highly pleased with his sojourn here and may prolong it beyond the time which has been set for its departure. But the probability now is he will leave the mountains on Friday morning, going down by way of Palenville and Catskill, thence by the West Shore to Kingston, where he may remain briefly with the Sharons and take final departure and place to Lake Mohonk. Secretary Frelinghuysen and family are expected to depart with the President. Chief Justice Waite and wife will probably stay a few days longer.

SUMMER REST AT BAR HARBOR.

BAR HARBOR, Me., Aug. 13.—Mr. Blaine departed from Bar Harbor on the Maine Central Transfer at sebecos at 1 is most in a terrific downpour of rain that lasted the entire day. He went to Bangor and retuned in the Sebecos again this evening at 8:15 o'clock.

The summer residents here amused themselves in many ways during the day in their respective hotels with impromptu musical entertainments, theatricals, etc. The social entertainment of the day was the reception of Mr. and Mrs. William B. Ives and General and Mrs. H. B. Fox at "Casa Far Niente," their beautiful cottage on Westcot. Every covered vehicle that could be obtained was pressed into use, and nearly 200 guests of the several hundred invited, were present, including Mrs. Blaine, the Rev. Phillips Brooks, the Misses Way of Baltimore, Miss Searry, the Misses Norris, the Misses Van Rensselaer, Miss Miller, Mrs. E. S. Shurtleff, Mr. and Mrs. Gardner, Mr. and Miss Appleton, the Garners, and many others.

Now that the campaign is opened in Maine politics are assuming a more serious form in Bar Harbor, and correspondents from various parts of the country are increasing in number daily. The demand for THE TRIBUNE in the morning has become so great that it cannot be supplied, the demand being greater than the supply. The demand for THE TRIBUNE in Bar Harbor increases daily.

A RAINY DAY AT NEWPORT.

NEWPORT, Aug. 13.—Another storm has set in and a cold one at that; to the great discomfort of all and the unutterable disgust of the hotel keepers. A drizzling rain has made the city by the sea anything but agreeable. Fires have been comfortable indeed.

The New-York yacht squadron departed this morning, but still many yachts are in the harbor.

The grand ball by Mr. and Mrs. William Gammell, of Providence, which has been so long and eagerly looked forward to, took place to-night at the Casino. The theatre was crowded with fashionable summer residents. Mrs. Gammell is the only daughter of the late Robert H. Ives, who was a member of the Providence firm of Brown & Ives. The orchestra occupied the stage and was completely hidden from view by the profuse display of choice tropical plants, which were also distributed about the room and in the galleries. About 400 people were present. The ladies wore beautiful bouquets of flowers. The cotillion was furnished by Pinard, of New-York, and was most beautiful and elaborate.

The Rev. James Freeman Clark, of Boston, is the guest of Mr. W. G. Weld, of that city.

The storm this afternoon did not prevent the polo games, although the grounds were in bad condition, part of them being covered with water. The contest was of more than usual interest, being for prizes offered by the Westchester Polo Club. The winners were the Blues, who consisted of Louis Lorillard, Jr., C. Hitchcock, Jr., Carroll Bryce and Edward D. Morgan. The losing players, the Whites, were Messrs. Oliver H. P. Belmont, S. S. Howland, W. Rutherfurd and Pierre Lorillard, Jr. The Whites wear scarlet, the yellows: J. E. D. Lanier, W. K. Thorne, Stanley Mortimer and Lawrence Turnure, Jr.

The Ocean House arrivals to-day were: Miss Wright, Dr. W. R. Bartlett, A. Hall, Mrs. R. Johnson, of New-York; S. M. Noyes and Miss Noyes, of Providence; Mrs. Lawrence, L. Lawrence, Mrs. S. Glendee, of Hartford; John Spaulding and wife, T. P. Harding, of Boston; John B. Martin and wife, of England; G. F. Sheppard and wife, G. H. Batchelder, A. G. McDonald and wife, of Brooklyn; H. R. Graham and wife, of Philadelphia; W. A. Townsend and wife, of Kansas City; C. H. McKinney, F. A. Watson, S. M. Turner and wife, of Cleveland; J. H. Warrington and wife, of Atlantic City; Mrs. C. Wilson, of Troy; Charles Smith and wife, T. Hinsman, C. C. Beltz, C. G. Parson, of Baltimore.

At the Aquidneck there were registered: W. E. Hurst and family, of Iowa; W. C. Harris and family, J. S. Tull and wife, of Philadelphia; J. Alden, E. F. Cowan, G. F. Deakin, William Smith, of New-York; E. R. Knowles, E. A. Turner, A. H. Easton, Mrs. W. H. Gibson, E. J. Singleton, Miss Barry, Miss Dennis, of Boston; J. S. Rosenbough and wife, Mrs. G. B. Tinis, of Easton, Penn.; Lieutenant W. H. D. Nostrand, U. S. N.; F. A. Dudley, of Providence.

NOTES OF THE SARATOGA SEASON.

SARATOGA SPRINGS, Aug. 13.—William L. Stone, of New-York City, secretary of the Saratoga Monument Association, to-day accompanied by the Hon. Edward Wemple, Representative in Congress from this district, and Architect Markham, visited Schuylerville and formally inspected the Saratoga monument.

Over one thousand excursion people from Syracuse and other points on the West Shore Railroad arrived here yesterday afternoon and returned early in the evening.

A musical entertainment was engaged in by the Vermont House guests yesterday evening. Among those who took part were Mrs. F. P. Whitney, of Boston; Crawford Spear and Mr. James, of Philadelphia; Henry Harding, of Binghamton, and Mr. Williams, of Chicago. Mrs. Whitney sang in Congress Spring Park this evening.

The Elk Ridge Hunt Club will have a meet on the southeastern edge of the village to-morrow afternoon at 5 o'clock.

Carlstra's balloon trip proved successful, she landing safely on the Judge Fowler farm in Greenfield.

Over 15,000 letters were sandled yesterday in the Post Office, which is by far the largest ever disposed of here in a single day. Saratoga is now entertaining fully 20,000 summer guests.

Professor Simon Stern's lecture before the Summer School on the natural way of teaching and studying languages was listened to by a large audience.

Miss Lulu Hurst, he Georgia Wonder, will give an exhibition at the Casino on Saturday evening.

A host of young people were engaged in the children's carnival at the Congress Hall ballroom this evening. The festivities were followed by a ladies' and gentlemen's hop.

The weather is very fine, and is praised by all, including the agriculturists.

THE CHAUTAUQUA ASSEMBLY.

CHAUTAUQUA, Aug. 13.—The Sunday-school normal examination are now in progress here under the charge of the Rev. Francis Russell, of Mansfield, Ohio. The devotional meeting to-day was largely attended. The Rev. Dr. John Williamson will give Bible readings daily. A. M. Fairbairn, president of Airdale College, Bradford, Eng., gave the third philosophical lecture this morning to an audience of from 3,000 to 4,000 persons, his subject being "The Mills, Father and son."

BANKERS IN CONVENTION.

FINANCIAL TOPICS UNDER DISCUSSION.

TREATMENT OF PANICS—SAFE BANKING—JOHN THOMPSON AND HUGH M'CULLOCH ON THE SILVER QUESTION.

SARATOGA, Aug. 13.—The American Bankers' Association met in Putnam Music Hall this morning, with a large representation of prominent bankers. The meeting was called to order by President Lyman J. Gage, of Chicago. Prayer was offered by the Rev. Dr. Harper, of Philadelphia, after which President Gage delivered the inaugural address of the chairman. He said, in part:

We meet in the midst of some of the most interesting and most important phenomena of finance, the result of what is popularly known as a panic. A panic is possible at any time. It means an unreasonable fear among a great mass of people. At such times men doubt everything. They distrust their own judgment, and refuse to act, or if they act it is in a wild and unreasonable manner. Your memories are yet alive with the financial panic of May. The causes which led up to it, the course and range of its action, the results which have followed and will follow, must excite our deepest interest. A proper understanding of its events will suggest valuable safeguards for the future. Its course of action, if fairly recorded, would become a most valuable reference in similar periods hereafter. To comprehend its full and final effects is important to us all. I am not setting forth any new doctrine in affirming that the true remedy for a panic is of a twofold character:

(1) The maintenance, in all ordinary times, of adequate cash reserves.

(2) A liberal use of the cash reserves in times of panic by judicious loans. The New-York banks, as a body, are the ultimate or final holders of the cash reserve. They bear to the banks of the country a relation similar to that of the Bank of England in its relations to the British banking system. Experience has taught the Bank of England its true duty and its path of safety. It always lends in a panic more freely than in ordinary times. Its refusal in a time of financial alarm to make advances on customary securities would shake the whole financial fabric to the ground. Suggestions for averting panics are offered as follows: (I.)—The keeping of cash reserves considerably larger than 25 per cent in ordinary periods by banks in the reserve cities; (II.)—A repeal of usury laws, thus leaving the price of money to be regulated, as are all other commodities, by the law of supply and demand; (III.)—A removal of the injurious restriction now imposed by the National bank act, strict on which, if observed in time of a panic, will prejudice the bank and imperil all business interests; (IV.)—The adoption of some rule to secure a uniform practice in lending freely in times of panic out of the cash reserve.

The address was received with great favor throughout, the speaker being frequently interrupted by applause.

Secretary Marsland read a resolution submitted by the Executive Council—"that it is the sense of the American Bankers' Association that the coining of the standard silver dollar of 412½ grains is against the welfare of the country, and that they recommend to Congress a discontinuance of such coinage."

George Butler, of New-Haven, concurred in the resolution, and thought the coinage of silver should be suspended until other countries joined with the United States. William Groesbeck, of Cincinnati, was invited to speak. He is one of a bimetallic currency, and showed that for centuries gold and silver had been of equal value as currency. The change took place in 1871 or 1872. What had been done in the past could be done in the future. It might be impossible for one country to carry gold and silver lone for its currency, and he favored, under present conditions, the suspension of silver coinage in the United States until other Nations should have taken action on the subject. The resolution was carried.

The following resolution was then adopted: "That, in view of the fact that the articles of association of the National banks of the country are rapidly expiring without sufficient inducement for their renewal, owing to the constantly diminishing amount and high prices of Government bonds, upon which the bank circulation is based, thus threatening the serious curtailment of the currency of the country, and since the bank note circulation, absolutely secured, and secured under the safeguards of redemption in coin on demand, is necessary for the convenient transaction of the business of the country, and such a circulation can be best provided for through the continued operation of the National Bank Act, as has been a tested by the experience of the last twenty-one years, the attention of the Congress of the United States be urgently called to the necessity of immediate legislation to meet the emergency."

JUDGE POLAND ON COMMERCIAL PAPER.

Judge Poland, of Vermont, one of the Committee on Commercial Paper, made no remarks on the subject. He said it was an important and fundamental factor in all commerce, and so far as he had any paper to connected with trade, Congress was full jurisdiction over it. He thought the bill went further than Congress has power to go. The present House of Representatives is not favorably constituted to assume the subject of National banks. He advised that Congress be asked to pass a law to go to the extent that Congress has jurisdiction. The matter was referred to the Executive Committee to be pressed to an early action.

HUGH MCCULLOCH'S VIEWS.

A paper was then read from Hugh McCulloch, ex-Secretary of the Treasury, on the banking situation and the recent decisions of the Supreme Court on the constitutionality of the Greenback legislation of 1878. Mr. McCulloch spoke first of the excellence of the National banking system and of the qualifications of a bank examiner. He then said:—

I did not, however, commence writing this letter for the purpose of eulogizing the National Banking system, but of speaking very briefly of the dangers which threaten its perpetuity. Its great value, nay, its very existence, depends upon the security of the notes issued by the banks which are organized under it. The security consists of Government bonds, which are deposited with the Treasurer in Washington. Nothing else will answer the purpose. Gold notes should always be redeemable in coin, but they would never be issued if they were to be put out by an equal amount of gold. The value of Government bonds, to a great extent, depends upon the credit which the Government enjoys, and these can be secured only through the basis of a national paper currency, except the National credit. Nothing therefore, but the bonds of the Government can perfectly secure a National Bank note circulation. Of these bonds the National Banks are being rapidly deprived, and will be soon deprived altogether unless the public revenues are largely reduced. The public sentiment seems to demand an extinguishment of the public debt as soon as the condition of the Treasury will permit; but so Mr. Hill, in the National Banking system, proposed by the ablest men of this country, so essential has its maintenance become to our National prosperity; so entwined is it with both public and private interests, that these limitations in favor of the extinguishment of the debt would doubtless be satisfied with a reduction of it to such an amount as would be needed to secure a bank-note circulation, were not for the recent decision of the Supreme Court on the legal-tender question, which has thrown a dark cloud over the finance outlook. It is not for me to criticise that decision. The Justices of that Court are among my personal friends. I have the highest respect for their characters and legal requirements. This much, however, I cannot refrain from saying: If that decision which calls to to mind the approach of the best legal minds of the country, it closes Congress with IMPERIAL power—the power which the framers of the Constitution manifestly intended to withhold. It announces a new doctrine, that Congress, instead of being limited to the exercise of enumerated powers, may do anything and everything which the Constitution does not absolutely prohibit. Indeed, if by its authority to coin and borrow money, Congress can authorize the issue of Government notes as money, it is difficult to see what powers does not constitutionally belong to it. Discussion of this question, however, is now of no avail. It is now the law that Congress, in the exercise of its own discretion, may authorize the issue of legal-tender notes at all times and to any amount.

THE BANKING SYSTEM IN PERIL.

Such is the decision of the court, from whose decision there is no appeal, and it is not to be disguised that it puts the National Banking system in imminent jeopardy. Nothing can save it if the redemption of the Government bonds goes on, and this can only be prevented by a reduction of the Government income to the amount required to cover its ordinary expenses, of which reduction there are no present indications. Now, as the country must be supplied with a paper currency of some kind, the question is, what shall that currency consist? Certainly not of the notes of State banks, because if such notes could be perfectly secured their credit would be limited; they would not be current throughout the Union. But they could not be perfectly secured. A large part of the States have no bonds outstanding to base circulating notes upon. Many that have are in bad credit. None have maintained absolutely good faith with their creditors, except Massachusetts and California. Besides, State credit has been impaired by the late decisions of the Supreme Court in the Virginia and Louisiana cases, which place State SOVEREIGNTY upon a higher plane than even Mr. Calhoun ever contemplated, and enable the states to violate with impunity any and all contracts which they have entered into with their creditors, no matter how carefully prepared, or how fair and just may have been their provisions. It is, therefore, quite certain that if and when the notes of the National banks are withdrawn from circulation, their place will be filled, not with the notes of state banks, but with United States legal-tender notes. I say legal-tender, because this quality will be necessary to give them currency, and because the power of Congress to authorize the issue of such notes is now established. The existing legal-tender notes are popular with the people, so popular that if the notes of the banks should be retired, there would be an irresistible demand for further, if not unlimited, issues. The Greenback voters will not be likely to understand until the experiment has been tried and proved to be disastrous, why their representatives in Congress should not be able to determine how much currency the business of the country requires. If they should fail in this respect, they would be promptly enlightened by their constituents, to whose demands others would be but small resistance. What these demands are likely to be, can be easily foreseen. At a dinner which was given to Bayard Taylor, just before his departure as Minister to Berlin, when severe business depressions, which followed the financial calamities of 1873, prevailed throughout the country, I sat beside one of the most respectable and influential leaders of the Greenback party, and I was amazed when he asserted "that this depression was caused by contraction of the currency, and that nothing could restore former prosperity except an emission of at least *two thousand millions of dollars in United States notes*, which were then greatly depreciated." It is not difficult to correctly predict what will be the financial condition of the country when the notes of the National banks are withdrawn from circulation, and the existing restriction upon the issue of United States notes is removed. There will be just what I predicted in October, 1865, another "period of hollow and delusive prosperity, to be followed by widespread disaster." Other nations have resorted to the issue of government notes when bankrupted by war or extravagance. History informs us of the result. Whether the result will be different when the notes are issued by a government of abounding resources and with a full treasury, will be ascertained when our National banking system shall be numbered among the things that have been.

THE SILVER QUESTION.

There is another question of present and more pressing interest that will doubtless receive the attention of the convention at the present session. Until 1879, when it became my duty to give the subject a more careful examination than I had done, I was a monometallist, since then I have been a bimetallist, and I have by observation and reflection become stronger and stronger in my new faith. Mr. Hamilton was right when he said in his masterly report in 1792: "Upon the whole it seems to me most desirable not to attach unit to either metal, because this can not be done without effectually destroying the character of one of them as money, and so reduce it to the character of mere merchandise, to annul the use of either of the metals as money is to abridge the quantity of circulating medium, and is liable to all the objections which arise from the comparison of the benefits of a full with the evils of a scanty circulating." The world is not and probably never will be, in a condition to dispense with the use of either gold or silver as a standard of value and a circulating medium. Both are indispensable, and neither can be reduced to comparative value by artificial means without the other without prejudice to local and international trade, nor without increasing the burden of debts by decreasing the amount of metallic money (which is the only real money of the world) in circulation. As every dollar of gold and silver in existence has cost in labor and machinery more than its standard value, neither can be depreciated except by artificial means. Silver coin is now depreciated in comparison with gold, not by natural causes, but by the action of European nations. A few years ago gold, by the large productions of the United States and Australia, was depreciated in comparative value with silver. This being the result of natural causes, the difference in the value of the two metals was of short duration. National law speedily adjusted the difference which natural causes had produced. The existing depreciation of silver is not the result of the large production of the silver mines, but of the action of Germany in demonetizing it and the restriction of its coinage by the Latin nations. Had not these causes been at work the depreciation of silver, which is now disturbing the financial condition of the world, would not have occurred. The Congress of the United States acted wisely in monetizing silver. The only mistake it then made was in not adopting the French standard.

But while Congress acted wisely in making silver a standard with gold, it has acted most unwisely in continuing the coinage of it, in the face of the action of European nations. By doing so it is making the United States the "pack horse" of silver, which the action of these nations has doomed. *A season as it was discovered that Europe would not join the United States in their effort to restore silver to its former comparative value with gold, the coinage of silver should have been stopped.* By continuing to act, decided mischief we are playing into the hands of rival powers. We are throwing up in our own country the idea of making a large extent even the present market value of silver. The longer we continue the free coinage of silver, the longer will it be before limitation is a option by other commercial nations. Although the United States are the largest silver-producing country in the world, and, therefore, have a deep interest in its value, it would be wise for us to demonetize it than to continue to coin it. I am no silver coin radicalist, but I believe that the most effective way of appreciating silver would not be for the United States to demonetize it. We are, after all, as we have the means of being, a creditor nation. We have less silver than the commercial nations on the other side of the Atlantic, and are better able than they to stand the loss which would be incurred by further depreciation. In the increased scrabble for gold which would follow such action on our part, we should not be the chief sufferer.

DOLLARS FOR WHICH THERE IS NO DEMAND.

There is another consideration in regard to continuing the silver coinage, of pressing interest, if not of vital importance. By continuing to coin it we are not increasing to any considerable extent the amount of metallic money in circulation. We are filling the Treasury with dollars for which there is no demand. Instead of increasing the circulating medium, we are doing what must eventually produce some contraction. Unless our party is going to the Government well, ere long, be compelled to pay, if not the whole, of the interest on the bonds, in silver dollars. When this point is reached gold will no longer be seen circulating freely in the United States. It will be eagerly sought for and, and become an article of merchandise. It will be hoarded up by the banks, hoarded by the people or sent abroad. This will be the consequence of the severest and most possible under the effects of which upon the National credit and upon all our manifold enterprises would be of the gravest and most damaging. What, then, can be done by the conventions? Seeing exactly as they do the dangers ahead, they can at least sound the alarm. I recollect that upon our Western rivers, when a steamboat was about to run up a dangerous snag, a lookout was posted in the cabin with a gong in his hand, ready to sound it on the slightest intimation of danger. So now, from hundreds and millions who are not blind or reckless, the cry to the managers of our National ship should ring out sharp and clear: "GIVE HER A LICK BACK! GIVE HER A LICK BACK!"

E. R. COMEGYS ON SAFE BANKING.

E. R. Comegys presented a paper upon "The Conditions of Safe Banking." He said in part:

If we do not learn some useful lessons from the sad experiences of the last three months, it will surely be because we are not willing to learn. What are some of those obvious lessons? One is that here and there some persons engaged in managing banks who have very inadequate ideas of the gravity and responsibility of their position. They are inexperienced, and are at the mercy of unprincipled men, or filled with conceit, and so unintelligent or so intimately greedy of profit that they will carry more sail than they can safely do, intending to hold out signals of distress to attract gay vessels to their rescue, should the boat which they have launched seem to be in danger of being swamped or going down. The cause of the disastrous occurrences within the last three months in some of our cities, and which have been so publicly noted to the country, is not far to seek. When the National Banking Act was passed the banks in the Atlantic cities were most unjustly obliged to redeem their circulating notes in the city of New-York. Protests against this arbitrary feature were unavailing; but as a compensation for the wrong, such banks are allowed to keep one-half of the reserve required by law in the banks of that city and count it as cash. This opened a door of profit within the law, a tempting bait indeed to banks, who could thus make on half of their reserve interest bearing. This went on until the banks in the city referred to came to hold the reserve of nearly all the banks in the country; a fund of many millions of dollars, more of it presumably on instant call. It needs no discussion to show that this became a condition of extreme peril, for every one knows that call money can not safely be invested in the paper. When that May the call money in question began to call to bankers, stocks and stock securities, bonds and mortgages, and to believe notes, bills, bonds and on pledges of such stocks and other stuffs as have an apparent market value.

CALL LOANS NOT ALWAYS SUCH.

It is very well known that "call loans," no matter how good the security pledged for them, do not always prove to be call loans. It is within bounds to say that, ordinarily, they do not yield more than half their amount. For all bank resort to them for investments of what is called "minute-money," and in time of need all are liable to call a loan; and, even if they are responded to promptly, it will be from the certain deposits not apparently connected with the borrower, and which had been counted on as somewhat permanent have melted under the appeal, and about one-half the call, or the enrichment to come from the call, has been discounted. The banks in the city referred to have become pretty thoroughly educated as to the dangers of their position, and through their very able Clearing House Committee have grappled with the subject. The Clearing House Committee have shown of increase of deposits in a short time, and who believe in this dogma, that "nothing is good enough that can be made better."

There are two kinds of government for a chartered bank:—(1.) Personal government or government by the president, who manages the bank as if it were his personal property; making loans and discounts according to his judgment, and reporting to his colleagues of the board just as much as he pleases and no more; (2.) The other kind is representative government, where the president is the executive officer, carrying out, as far as he is able, between boards, the wishes of his colleagues, and reporting faithfully to them at their stated meetings all that he has done. There are two principles of management of the current business of a bank. One is strength, which, under all circumstances, is to be the first consideration. By this is meant that no greed of gain, no desire for large dividends, no ambition to put up the price of the stock shall induce the management to lose sight of the cardinal principle that in strength only is safety. The other is profit. As a rule, the inexperienced men are those who are the most anxious for large immediate profits. They can't wait. Not content with the golden egg every day, they want to draw on the goose sometimes for two or three eggs a day, and—you know the fable.

THE POTTER REFUNDING BILL.

W. P. St. John, of New-York, presented the Potter Refunding bill, which proposes to refund the existing public debt into 2½ per cent bonds by a means acceptable to Government creditors and certainly advantageous to the Government. The 2½ per cents to be offered in exchange for the 3 per cents are to be payable at the pleasure of the United States, and the exchange will be made at par; the 2½ per cents to be issued in exchange for 4 per cents to be paid at the pleasure of the United States after 1907; and the 2½ per cents, to issue for the 4½ per cents, to be payable after September, 1891; the tax on circulation to be reduced one-half, and hereafter the surplus money to be applied to either the calling of bonds or the purchase of those not due, according as either course will effect the greater saving of interest to the Government. The plan of exchange of the 4 per cents and 4½ per cents is by Government payment of such a sum in cash in each case as will equal the present worth of the aggregate interest obligation, from which the Government is released in the exchange.

Charles S. Graham, president of the Ninth Ward National Bank of Newark, N. J., read a paper on "The Continuance of the National Banking Currency."

JOHN THOMPSON ON THE SILVER QUESTION.

A paper by John Thompson, of New-York, on the silver question was presented, as follows:

Again the silver dollar question is agitated, and again the prediction is advanced that gold will soon be at a premium. I do not apprehend such a result until the foreign trade balance runs heavily against us. Should imports exceed exports, and the United States Treasury could not to make all its disbursements on the gold basis, ignoring silver, except holding it on storage, then gold may be driven into the category of merchandise and be withdrawn from circulation. Premium gold rests on these conditions. Fortunately, the foreign trade balance is in our favor, with good promise for a year and more. Unfortunately, the Treasury and the banks continue to discriminate against the currency that is based on silver (silver certificates), and most unfortunately Congress is neglected to authorize issue of silver certificates in one, two and five dollar denominations. The French Government finds no difficulty in holding silver and gold on a par with each other, because they are treated alike by the Treasury, by the bank and by the people. There is no discrimination, hence the gold and silver reserve in the Bank of France is about equal in amount and fluctuates very little. The French people hold the silver in coin or in Bank of France notes, and the gold but for in the Bank of France for foreign trade purposes. With us, unfortunately, there are artificial politicians and misconstantly on hand ring to prejudice the people against the silver dollar currency by asserting the fact that a silver dollar is not a dollar in the bullion market as compared with a gold dollar. Theoretically they are right, but practically both dollars are the same. They are equal in payment of debt; equal in purchasing property; equal at the Custom House, at the bank; equal everywhere except in theory and in foreign trade. In France, the difference between gold and silver coin is greater than with us, and as yet we have a larger percent of gold than they. Let the Treasury and the banks stop discrimination and it will be a long time before gold will be merchandise and disappear as money. The commerce of the world and the dealings between man and man can only be carried on with both precious metals. Turn either into merchandise at fluctuating values and the credit system rest on the other, then disaster and distress would follow.

The papers of Henry W. Oates, of Nebraska, on "The Prevention of Panics;" E. Sutton, of Mississippi, on "Our Banking System;" and N. B. Sledge, of Texas, on "Banks and Their Uses", were read as presented.

The Committee on Nominations appointed is as follows: Messrs. Comegys, of Philadelphia; Lindsay, of North Carolina; McDonald, of San Francisco; Wheeler, of Chicago; N. B. Sledge, of Texas; Lockwood, of Virginia; and Dr. Simons, of South Carolina. On motion the convention adjourned until to-morrow morning. The committee has reserved some very interesting papers, which will be read to-morrow.

COUNTRY AIR FOR CITY CHILDREN.

RETURN OF A PARTY FROM OSWEGO AND ONONDAGA COUNTIES—GOING TO RHINEBECK.

Hundreds of business men hurrying into the ferry-house at Hoboken early yesterday morning found time to stop a moment and watch a scene that must now be getting familiar to the travelling public. The waiting rooms were crowded with five companies of fresh air children, returning from Baldwinsville, Fulton, Lysander, Phœnix and Sandy Creek, in Oswego and Onondaga Counties.

"Where did you come from, my boy?" inquired a portly old man who seemed thoroughly astonished at the sight.

"From the country, sir!" they shouted back in chorus, and the sleeves of country life about them were plenty. Rosy cheeks, sunburnt hands, laughing eyes and firm step, these were possession with all fresh-air children carry home.

One cackled after another that into the waiting room, shouting and laughing and stamping their feet. The children had their own plump and jolly, and were adorned with all sorts of gay dresses and hats. Their bundles were a sight to behold. One little girl began to give an inventory of the huge packing which she carried. "I have a cradle, three dolls, five dresses!" Here she was interrupted by a dreadful outcry from a boy standing near. He once carefully a big bouquet stuck in a bottle of water. Some one had accidentally knocked his elbow and spilled half of the water. Another boy was managing in some way to stand up and three bundles in bags and boxes, the man he going on for his family, for the bundles contained potatoes, beef, cucumbers, apples and nuts. Flowers, grasses, cattails were in almost every hand. One boy displayed a big box containing a chicken and a pigeon. A little of a girl tenderly carried a canary bird in a cobweb-a punched full of holes. On the New-York side of the ferry a score of men hurried the platform, searching the long files of children who lugged the unwieldy bundles through the hurrying throng. Here and there a sudden cry of joy, a shrill fun and quick embraces proclaimed that some mother had recognized her little boy or girl. The hosts of our children in the country deserve signal credit for the fine appearance of the children. Not only had they lost much better than when they went out, but their whole conduct and conversation gave evidence of the kindly attention which they received.

The Rev. G. M. Weiner, a Lutheran pastor, living on Fifteenth, between Avenues A and B, interested some of his friends in Rhinebeck in the work of sending the poor children of his neighborhood to the country for a breath of fresh air. Homes for twen