BRECKENRIDGE NEWS.
WEDNESDAY, AUGUST 19, 1896.

Fifty Thousand

ATRIOTS GREET BRYAN AT MADISON SQUARE GARDEN.

Such a Demonstration Was Never Before Accorded a Speaker in New York City

PLAIN LOGICAL STATEMENT OF FACTS.

Mr. Chairman Gentlemen of the Committee and Fellow-citizens: I shall, at a future day in a formal letter, accept the nomination which is now tendered by the notification committee, and I shall at that time touch upon the issues presented by the platform. It is fitting, however, that at this time, in the presence of those assembled, I speak at some length in regard to the campaign upon which we are now entering. We do not underestimate the forces arrayed against us, nor are we unmindful of the importance of the struggle in which we are engaged; but relying for success upon the righteousness of our cause, we shall defend with all possible vigor the positions taken by our party. We are not surprised that some of our opponents, in the absence of better argument, resort to abusive epithets, but they may rest assured that no language, however violent, no invectives, however vehement, will lead us to depart a single hairsbreadth from the course marked out by the national convention. The citizen, either public or private, who assails the character and questions the patriotism of the delegates assembled in the Chicago convention, assails the character and questions the patriotism of the millions who have arrayed themselves under the banner there raised.

It has been charged by men standing high in business and political circles that our platform is a menace to private security and public safety; and it has been asserted that those whom I have the honor, for the time being, to represent not only meditate an attack upon the rights of property but are the foes of social order and national honor.

Those who stand upon the Chicago platform are prepared to make known and defend every motion which influences them, every purpose which animates them and every hope which inspires them. They understand the genius of our institutions; they are staunch supporters of the form of government under which we live, and they build their faith upon foundations laid by the fathers. Andrew Jackson has stated with admirable clearness and with an emphasis which can not be surpassed both the duty and the sphere of government. He said: "Distinctions in society will always exist under every just government. Equality of education, of talents or of wealth can not be produced by human institutions. In the full enjoyment of the gifts of heaven and the fruits of superior industry, economy and virtue every man is equally entitled to protection by law."

We yield to none in our devotion to the doctrine just enunciated. Our campaign has not for its object the reconstruction of society. We can not secure to the vicious the fruits of a virtuous life. We would not invade the home of the provident in order to supply the wants of the spendthrift; we do not propose to transfer the rewards of industry to the lap of indolence. Property is and will remain the stimulus to endeavor, and the compensation for toil. We believe, as asserted in the Declaration of Independence, that all men are created equal; but that does not mean that all men are or can have equal possessions or merit; It means that all shall stand equal before the law, and that government officials shall not, in making, construing or enforcing the law, discriminate between citizens.

I assert that property rights, as well as the rights of persons, are safe in the hands of the common people. Abraham Lincoln, in his message sent to congress in December, 1861, said:

"No men living are more worthy to be trusted than those who toil up from property; none less inclined to take or touch aught which they have not honestly earned."

I repeat his language with unqualified approval and join with him in the warning, he added, namely:

Let them beware of surrendering a political power which they already possess and which power, if surrendered, will surely be used to close the doors of advancement against such as they and to fix new disabilities and burdens upon them till all of liberty shall be lost.

"Those who daily follow the injunction "in the sweat of thy face shall thy eat bread," are now, as they ever have been, the bulwark of law and order—the series of our nation's greatness in time of peace and its surest defenders in time of war. But I have only read a part of Jackson's utterance—let me give you his conclusion: "But when the laws undertake to add to those natural and just advantages artifical distinctions, to make the rich richer and the potent more powerful—the humble members of society—the farmers, mechanics and the day laborers, who have neither the time nor the means of securing like favors for themselves have a right to complain of the injustice of their government." Those who support the Chicago platform endorse all of the quotation from Jackson—the latter part as well as the former part.

We are not surprised to find arrayed against us those who are the beneficiaries of government favoritism—they have read our platform. Nor are we surprised to learn that we must in this campaign face the hostility of those who find a pecuniary advantage in advocating the doctrine of noninterference when great aggregations of wealth are trespassing upon the rights of individuals. We welcome such opposition. It is the highest indorsement which could be bestowed upon us. We are content to have the co-operation of those who desire to have the government administered without fear or favor. It is not the wish of the general public that trusts should spring into existence and override the weaker members of society; it is not the fault of the general public that those trusts should destroy competition and then collect such tax as they will from those who are at their mercy; nor is it the wish of the general public that the instrumentalities of government have been so often prostituted to purposes of private gain. Those who stand upon the Chicago platform believe that the government should not only avoid wrongdoing but that it should also prevent wrongdoing; and they believe that the law should be enforced alike against all enemies of the public weal.

They do not excuse petit larceny, but they declare that grand larceny is equally a crime; they do not defend the occupation of the highwayman who robs the unsuspecting traveler, but they include among the transgressors those who, through the more polite and less hazardous means of legislation, appropriate to others the proceeds of the toil of others. The commandment, "Thou shalt not steal" thundered from Sinai, and reiterated in the legislation of all nations, is no respecter of persons. It must be applied to the great as well as the small; to the strong as well as the weak; to the corporate person created by law as well as to the person of flesh and blood created by the Almighty. No government is worthy of the name which is not able to protect from every arm uplifted for his injury the humblest citizen who lives beneath the flag. It follows as a necessary conclusion that vicious legislation must be remedied by the people who suffer from the effects of such legislation, and not by those who enjoy its benefits.

The Chicago platform has been condemned by some because it dissents from an opinion rendered by the supreme court declaring the income tax unconstitutional. Our critics even go so far as to apply the term anarchist to those who stand upon that plank of the platform. It must be remembered that we expressly recognize the binding force of that decision so long as it stands as the law of the land. There is in the platform no suggestion of an attempt to dispute the authority of the supreme court. The party is simply pledged 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."

Is there any disloyalty in that pledge? For a hundred years the supreme court of the United States has sustained the principle which underlies the income tax. Some 20 years ago this same court sustained without a dissenting voice an income tax law almost identical with the one recently overthrown; has not a future court as much right to return to the judicial precedents of a century as the present court has to depart from them? When courts allow rehearings they admit that error is possible; the late decision against the income tax was rendered by a majority of one after a rehearing.

While the money question overshadows all other questions in importance I desire it distinctly understood that I shall offer no apology for the income tax plank of the Chicago platform. The last income tax law sought to apportion the burdens of government more equitably among those who enjoy the protection of the government. At present the expenses of the federal government, collected through internal revenue taxes and import duties, are especially burdensome upon the poorer classes of society. A law which collects from some citizens more than their share of the taxes and collects from other citizens less than their share is simply an indirect means of the transferring one man's property to another man's pocket, and, while the process may be quite satisfactory to the men who escape just taxation, it can never be satisfactory to those who are overburdened. The last income tax law, with its exemption provisions, when considered in connection with other methods of taxation in force, was not unjust to the possessors of large incomes, because they were not compelled to pay a total federal tax greater than their share. The income tax is not new, nor is it based upon hostility to the rich. The system is employed in several of the most important nations of Europe, and every income tax law now upon the statute books in any land, so far as I have been able to ascertain, contains an exemption clause. While the collection of an income tax in other countries does not make it necessary for this nation to adopt the system, yet it ought to moderate the language of those who denounce the income tax as an assault upon the well-to-do.

Not only shall I refuse to apologize for the advocacy of an income tax law by the national convention, but I shall also refuse to apologize for the exercise by it of the right to dissent from a decision of the supreme court. In a government like ours every public official is a public servant whether he holds office by election or by appointment, whether he serves for a term of years or during good behavior and the people have a right to criticize his official acts. "Confidence is everywhere the parent of despotism; free government exists in jealousy and not in confidence"—these are the words of Thomas Jefferson, and I submit that they present a truer conception of popular government than entertained by those who would prohibit an unfavorable comment upon a court decision. Truth will vindicate itself; only error fears free speech. No public official who conscientiously discharges his duty as he sees it will desire to deny to those whom he serves the right to discuss his official conduct.

Now let me ask you to consider the paramount question of this campaign—the money question. It is scarcely necessary to defend the principle of bimetalism. No national party during the entire history of the United States has ever declared against it, and no party in this campaign has had the temerity to oppose it. Three parties, the Democratic, Populist and Silver parties, have not only declared for bimetalism, but have outlined the specific legislation necessary to restore silver to its ancient position by the side of gold. The Republican platform expressly declares that bimetalism is desirable when it pledges the Republican party to aid in securing it as soon as the assistance of certain foreign nations can be obtained. Those who represented the minority sentiment in the Chicago convention opposed the free coinage of silver by the United States by independent action on the ground that in their judgment it would retard or entirely prevent the establishment of international bimetalism, to which the efforts of the government should be steadily directed.

When they asserted that the efforts of the government should be steadily directed toward the establishment of international bimetallism, they condemned monometallism. The gold standard has been weighed in the balance and found wanting. Take from it the powerful support of the money owning and the money changing classes and it can not stand for one day in any nation in the world. It was fastened upon the United States without discussion before the people and its friends have never yet been willing to risk a verdict before the voters upon that issue.

There can be no sympathy or co-operation between the advocates of a universal gold standard and the advocates of bimetallism. Between bimetallism—whether independent or international—and the gold standard there is an impassable gulf. Is this quadrennial agitation in favor of international bimetallism conducted in good faith, or do our opponents really desire to maintain the gold standard permanently. Are they willing to confess the superiority of a double standard when joined in by the leading nations of the world, or do they still insist that gold is the only metal suitable for standard money among civilized nations? If they were in fact that desirous of securing bimetallism, we may expect them to point out the evils of a gold standard and defend bimetallism as a system. If, on the other hand, they are bending their energies toward the permanent establishment of a gold standard under cover of a declaration in favor of international bimetallism, I am justified in suggesting that honest money cannot be expected at the hands of those who deal dishonestly with the American people.

What is the test of honesty in money? It must certainly be found in the purchasing power of the dollar. An absolutely honest dollar would not vary in its general purchasing power; it would be absolutely stable when measured by average prices. A dollar which increases in purchasing power is just as dishonest as a dollar which decreases in purchasing power. Professor Laughlin, now of the University of Chicago and one of the highest gold standard authorities, in his work on bimetallism not only admits that gold does not remain absolutely stable in value, but expressly adds: "That there is no such thing as a standard of value for future payments, either in gold or silver, which remains absolutely invariable." He even suggests that a multiple standard, wherein the use "based upon the selling price of a number of articles of general consumption" would be a more just standard than either gold or silver or both, because "a long time contract would thereby be paid at its maturity by the same purchasing power as was given in the beginning."

It can not be successfully claimed that monometallism or bimetallism or any other system gives an absolute just standard of value. Under both monometallism and bimetallism the government fixes the weight and fineness of the dollar, invests it with legal tender qualities and then opens the mints to its unrestricted coinage, leaving the purchasing power of the dollar to be determined by the number of dollars. bimetallism is better than monometallism, not because it gives us a perfect dollar—that is a dollar absolutely unvarying in its general purchasing power—but because it makes a nearer approach to stability, to honesty, to justice, than a gold standard possibly can. Prior to 1873 when there were ensuing open mints to permit all the gold and silver available for coinage to find entrance into the world's volume of standard money, the United States might have maintained a gold standard with less injury to the people of this country; but now, when each step toward a universal gold standard enhances the purchasing power of gold, depresses prices and transfers to the pockets of the creditor class an unearned increment, the influence of this great nation must be thrown upon the side of gold unless we are prepared to accept the natural and legitimate consequence of such an act. Any legislation which lessens the world's stock of standard money increases the exchangeable value of the dollar; therefore, the crusade against silver must inevitably raise the purchasing power of money and lower the money value of all other forms of property.

Our opponents seem to me to admit that it was a mistake to demonetize silver, but insist that we should submit to present conditions rather than return to the bimetallic system. They err in supposing that we have reached the end. The injury is a continuing one, and no one can say how long the world is to suffer from the attempt to make gold the only standard money. The same influences which are now operating to destroy silver in the United States will, if successful here, be turned against other silver-using countries, and each new convert to the gold standard will add to the general distress. So long as the scramble for gold continues prices must fall, and a general fall in prices is but another definition of hard times.

Our opponents, while claiming entire disinterestedness for themselves, have appealed to the selfishness of nearly every class of people. Recognizing the right of the individual voter to consider the effect of any proposed legislation upon himself, we present to the American people the financial policy outlined in the Chicago platform, believing that it will result in the greatest good to the greatest number.

The farmers are opposed to the gold standard because they have felt its effects. Since they sell at wholesale and buy at retail, they have lost more than they have gained by falling prices; and, besides this, they have found that certain fixed charges have not fallen at all. Taxes have not been perceptibly decreased, although it requires more of farm products now than formerly to secure the money with which to pay taxes. Debts have not fallen. The farmer who owed $1,000 is still compelled to pay $1,000, although it may be twice as difficult as formerly to obtain the dollar with which to pay the debt. Railroad rates have not been reduced to keep pace with falling prices, and, besides these items, there are many more. The farmer has thus found complaint against the gold standard.

The wage earners have been injured by a gold standard and have expressed themselves upon the subject with great emphasis.

In Februrary, 1895, a petition asking for the immediate restoration of the free and unlimited coinage of gold and silver at 16 to 1 was signed by the representatives of all or nearly all the leading labor organizations and presented to congress. Wage earners know that while a gold standard raises the purchasing power of the dollar, it also makes it more difficult to obtain possession of the dollar; they know that employment is less permanent, loss of work more probable and re-employment less certain. A gold standard encourages the hoarding of money because money is rising; it also discourages enterprise and paralyzes industry. On the other hand the restoration of bimetallism will discourage hoarding, because when prices are steady or rising, money can not afford to lie idle in the bank vaults. The farmers and wage earners together constitute a considerable majority of the people of the country. Why should their interests be ignored in considering financial legislation? A monetary system which is pecuniarly advantageous to a few syndicates has far less to commend it than a system which would give hope and encouragement to those who create the nation's wealth.

Our opponents have made a special appeal to those who hold fire and life insurance policies, but these policy holders know that since the total premiums received exceed the total losses, paid a rising standard must be of more benefit to the companies than to the policy holders.

Much solicitude has been expressed by our opponents for the depositors in saving banks. They constantly parade before these depositors the advantages of a gold standard, but these appeals will be in vain, because savings bank depositors know that under a gold standard there is increasing danger that they will lose their deposits because of the inability of the banks to collect their assets; and they still further know that if the gold standard is to continue indefinitely they may be compelled to withdraw their deposits in order to pay living expenses.

It is only necessary to note the increasing number of failures in order to know that a gold standard is ruinous to merchants and to manufacturers. These business men do not make their profits from the people from whom they borrow money, but from the people to whom they sell their goods. If the people cannot buy, retailers cannot sell, and if retailers cannot sell, wholesale merchants and manufacturers must go into bankruptcy.

Those who hold, as a permanent investment, the stock of railroads and of other enterprises—I do not include those who speculate in stocks, or use stock holdings as a means of obtaining an inside advantage in construction contracts—are injured by a gold standard. The rising dollar destroys the earning power of these enterprises without reducing their liabilities, and no dividends cannot be paid until salaries and fixed charges have been satisfied, the stockholders must bear the burden of hard times.

Salaries in business occupations depend upon business conditions, and the gold standard both lessens the amount and threatens the permanency of such salaries.

Official salaries, except the salaries of those who hold office for life, must in the long run be adjusted to the conditions of those who pay the taxes, and if the present financial policy continues we must expect the taxpayer and the taxeater to increase in bitterness.

The professional classes—in the main—derive their support from the producing classes, and can only enjoy prosperity when there is prosperity among those who create wealth.

I have not attempted to describe the effect of the gold standard upon all classes—in fact, I have only had time to mention a few—but each person will be able to apply the principles stated to his own occupation.

It must also be remembered that it is the desire of people generally to convert their earnings into real or personal property. This being true, in consideration of any temporary advantage which may come from a system under which the dollar rises in its purchasing power, it must not be forgotten that the dollar can not buy more than formerly, unless property sells for less than formerly. Hence it will be seen that a large portion of those who may find some pecuniary advantage in a gold standard will discover that their losses exceed their gains.

It is some times asserted by our opponents that a bank belongs to the debtor class, but this is not true of any solvent bank. Every statement published by a solvent bank shows that the assets exceed the liabilities. That is to say, while the bank owes a large amount of money to its depositors it not only has enough on hand in money and notes to pay its depositors, but, in addition thereunto, has enough to cover its capital and surplus. When the dollar is rising in value slowly, a bank may, by making short time loans and taking good security, avoid loss; but, when prices are falling rapidly, the bank is apt to lose more because of bad debts than it can gain by the increase in the purchasing power of its capital and surplus.

It must be admitted, however, that some bankers combine the business of a bond broker with the ordinary banking business, and these may make enough in the negotiation of loans to offset the losses arising in legitimate banking business. As long as human nature remains as it is, there will always be danger that, unless restrained by the public opinion, or legal enactment, those who see a pecuniary profit for themselves in a certain condition may yield to the temptation to bring about that condition. Jefferson has stated that one of the main duties of government is to prevent men from injuring one another, and never was that duty more important than it is to-day. It is not strange that those who have made a profit by furnishing gold to the government in its hour of extremity favor a financial policy which will keep the government dependent upon them. I believe, however, that I speak the sentiments of the vast majority of the people of the United States when I say that a wise financial policy administered in behalf of all the people would make our government independent of any combination of financiers, foreign or domestic.

Let me say a word now in regard to certain persons who are pecuniarily benefited by a gold standard, and who favor it, not from a desire to trespass upon the rights of others, but because the circumstances which surround them bind them to the effect of the gold standard upon others. I shall ask you to consider the language of two gentlemen whose long public service and high standing in the party to which they belong will protect them from adverse criticism by our opponents. In 1869 Senator Sherman said:

"The contraction of the currency is a far more distressing operation than senators suppose. Our own and other nations have gone through that operation before. It is not possible to take that voyage without the sorest distress. To every person, except a capitalist, out of debt, or a salaried officer, or annuitant, it is a period of loss, danger, lassitude of trade, fall of wages, suspension of enterprise, bankruptcy and disaster. It means ruin to all dealers whose debts are twice their business capital though one-third less than their actual property. It means the fall of all agricultural production without any great reduction of taxes. What prudent man would dare to build a house, a railroad, a factory or a barn with this certain fact before him?"

As I have said before, the salaried officer referred to must be the man whose salary is fixed for life and not the man whose salary depends upon business conditions. When Mr. Sherman describes contraction of the currency as disastrous to all the people, except the capitalist out of debt and those who stand in a position similar to his, he is stating a truth which must be apparent to every person who will give the matter careful consideration. Mr. Sherman was at that time speaking of the contraction of the volume of paper currency, but the principle which he set forth applies, if there is a contraction of the volume of the standard money of the world.

Mr. Blaine discusses the same principle in connection with the demonetization of silver. Speaking in the House of Representatives on the 7th of February, 1878, he says: "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 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."

Is it strange that the "holders of investments which yield a fixed return in money can regard the destruction of silver with complacency?"

We may not expect the holders of other forms of property to protest against giving money a disproportionate and unfair advantage over every other species of property.

If the relatively few whose wealth consists largely in fixed investments have a right to use the ballot to enhance the value of their investments, have not the rest of the people the right to use the ballot to protect themselves from the disastrous consequences of a rising standard? The people who must purchase money with the products of toil stand in a position entirely different from the position of those who own money or receive a fixed income. The well-being of the nation—aye, of civilization itself—depends upon the prosperity of the masses. What shall it profit us to have a dollar which grows more valuable every day if such a dollar lowers the standard of civilization and brings distress to the people?

What shall it profit us if in trying to raise our credit by increasing the purchasing power of our dollar, we destroy our ability to pay the debts already contracted by lowering the purchasing power of the products with which these debts must be paid.

If it is asserted that the gold standard will enable us to borrow more money for abroad, I reply that the restoration of bimetallism will restore the parity between money and property and thus permit an era of prosperity which will enable the American people to become loaners of money instead of perpetual borrowers. Even if we desire to borrow how long can we continue borrowing under a system which by lowering the value of property weakens the foundation upon which credit rests?

Even the holders of fixed investments, though they gain an advantage from the appreciation on the dollar, certainly see the injustice of the legislation, which gives them this advantage over those whose incomes depend upon the value of property and products. If the holders of fixed investments will not listen to arguments based upon justice and equity, I appeal to them to consider the interest of posterity. We do not live for ourselves alone; our labor, our self-denial, and our anxious care—all these are for those who are to come after us as much as for ourselves, but we can not protect our children beyond the period of our lives. Let those who are now reaping advantage from a vicious financial system remember that in the years to come their own children and their children's children may through the operation of this same system be made to pay tribute to the descendants of those who are wronged today.

As against the maintenance of a gold standard, either permanently or until other nations can be united for its overthrow, the Chicago platform presents a clear and emphatic demand for the immediate restoration of the free and unlimited coinage of silver and gold at the present legal ratio of 16 to 1, without waiting for the aid or consent of any other nation. We are not asking that a new experiment be tried; we are insisting upon a return to a financial policy approved by the experience of history and supported by all the prominent statesmen of our nation from the days of the first president down to 1873. When we ask that our mints be opened to the free and unlimited coinage of silver into full legal-tender money we are simply asking that the same mint privileges be accorded to silver that are now accorded to gold. When we ask that this coinage be at the ratio of 16 to 1 we simply ask that our gold coins and the standard silver dollar—which, be it remembered, contains the same amount of pure silver as the first silver dollar coined at our mints—retain their present weight and fineness.

The theoretical advantage of the bimetallic system is best stated by a European writer on political economy, who suggests the following illustration:

"A river fed from two sources is more uniform in volume than a river fed from one source, the reason being that when one of the feeders is swollen the other may be low; whereas a river which has but one feeder must rise or fall with that feeder. So in the case of bimetallism; the volume of metallic money receives contributions from both the gold and silver mines, and therefore varies less; and the dollar, resting upon two metals, is less changeable in its purchasing power than the dollar which rests upon one metal only.

If there are two kinds of money the option must rest either with the debtor or with the creditor. Assuming that their rights are equal, we must look at the interests of society in general in order to determine which side the option should be given. Under the bimetallic system gold and silver are linked together by law at a fixed ratio, and any person or persons owning any quantity of either metal can have the same converted into full legal tender money. If the creditor has the right to choose the metal in which payment shall be made, it is reasonable to suppose that he will require the debtor to pay in the dearer metal if there is any perceptible difference between the bullion values of the metals. This new demand created for the dearer metal will make that metal dearer still, while the decreased demand for the cheaper metal will make that metal cheaper.

If, on the other hand, the debtor exercises the option, it is reasonable to suppose that he will pay in the cheaper metal. If one metal is perceptibly cheaper than the other, but the demand thus created for the cheaper metal will raise its price, while the lessened demand for the dearer metal will lower its price.

In other words, when the creditor has the option the metals are drawn apart, whereas when the debtor has the option the metals are held together approximately at a ratio fixed by law; provided the demand created is sufficient to absorb all of both metals presented at the mint. Society is, therefore, interested in having the option exercised by the debtor.

Indeed, there can be no such thing as real bimetallism unless the option is exercised by the debtor. The exercise of the option by the debtor compels the creditor classes, whether domestic or foreign, to exert themselves to maintain the parity between gold and silver at the legal ratio, whereas they might find a profit in driving one of the metals to a premium if they could then demand the dearer metal. The right of the debtor to choose the coin in which payments shall be made extends to obligations due from the government as well as to the contracts between individuals.

A government obligation is simply a debt due from all the people to one of the people, and it is impossible to justify a policy which makes the interests of the one person who holds the obligation superior to the rights of the many who must be taxed to pay for it. When, prior to 1873, silver was at a premium it was never contended that national honor required the payment of government obligations in silver, and the Matthews resolution adopted by Congress in 1878 expressly asserted the right of the United States to redeem coin obligations in standard silver dollars as well as in gold coin.

Upon this subject the Chicago platform reads: "We are opposed to the policy and practice of surrendering to the holders of the obligations of the United States the option reserved by law to the government of redeeming such obligations in either silver coin or gold coin."

It is constantly assumed by some that the United States notes, commonly called greenbacks, and the treasury notes issued under the act of 1890 are responsible for the recent drain upon the gold reserve, but this assumption is entirely without foundation. Secretary Carlisle appeared before the House committee on appropriations on January 21, 1895, and I quote from the printed report of his testimony before the committee:

Mr. Sibley—I would like to ask you, perhaps not entirely connected with the matter under discussion, what objection there could be to having the option of redeeming either in silver or gold lie with the treasury instead of the note-holder?

Secretary Carlisle—If that policy had been adopted at the beginning of resumption—and I am not saying this for the purpose of criticising the action of any of my predecessors or anybody else—but if the policy of reserving to the government at the beginning of resumption the option of redeeming in gold or silver all its paper presented, I believe it would have worked beneficially and there would have been no trouble growing out of it, but the secretaries of the treasury from the beginning of resumption have pursued a policy of redeeming in gold or silver at the option of the holder of the paper, and never attempted to change that policy and force silver upon a man who wanted gold or gold upon a man who wanted silver, and especially if he had made that attempt at such a critical period as we have had in the last two years, my judgment is it would have been very disastrous.

I don't agree with the secretary that it was wise to follow a bad precedent, but from his answer it will be seen that the fault does not lie with the greenbacks and treasury notes, but rather with the executive officers who have seen fit to surrender a right which should have been exercised for the protection of interests of the people. This executive action has already been made the excuse for the issue of more than $250,000,000 in bonds, and it is impossible to estimate the amount of bonds which may hereafter be issued if this policy is continued. We are told that any attempt upon the part of the government at this time to redeem its obligations in silver would put a premium upon gold, but why should it?

The bank officers exercise the right to redeem all bank paper in either gold or silver, and yet France maintains the parity between gold and silver at the ratio of 15½ to 1, and retains in circulation per capita more than we do in the United States.

It may be further answered that our opponents have suggested no feasible plan for avoiding the dangers which they fear. The retirement of the greenbacks and the treasury notes would not protect the treasury, because the same policy which now leads the secretary of the treasury to redeem all government paper in gold when gold is demanded will require the redemption of all silver dollars and silver certificates in gold if the greenbacks and treasury notes are withdrawn from circulation.

More than this, if the government should retire its paper and throw upon the banks the necessity of furnishing coin redemption, the banks would exercise the right to furnish either gold or silver. In other words, they would exercise the option, just as the government ought to exercise it now. The government must either exercise the right to redeem its obligations in silver when silver is more convenient, or it must retire all the silver and silver certificates from circulation, and leave nothing but gold as legal tender money. Are our opponents willing to outline a financial system which will carry out their policy to its legitimate conclusion, or will they continue to cloak their designs in ambiguous phrases?

There is an actual necessity for bimetallism as well as a theoretical defense of it. During the last 23 years legislation has been creating an additional demand for gold, and this law created demand has resulted in increasing the purchasing power of each of gold. The restoration of bimetallism in the United States will take away from gold just so much of its purchasing power as was added to it by the demonetization of silver by the United States. The silver dollar is now held up to the gold dollar by legal tender laws and not by redemption in gold because the standard silver dollars are not now redeemable in gold either in law or administrative policy.

We contend that free and unlimited coinage by the United States alone will raise the bullion value of silver to its coinage value, and thus make silver bullion worth $1.29 per ounce in gold throughout the world. This proposition is in keeping with natural laws, not in defiance to them. The best-known law of commerce is the law of supply and demand. We recognize this law, and build our argument upon it. We apply this argument to money when we say that a reduction in the volume of money will raise the purchasing power of the dollar; we also apply the law of supply and demand to silver when we say that a new demand for silver created by law will raise the price of silver bullion. Gold and silver are different from other commodities in that they are limited in quantity.

Corn, wheat, manufactured products, etc., can be produced almost without limit, provided they can be sold at a price sufficient to stimulate production, but gold and silver are called precious metals because they are found, not produced. These metals have been the objects of anxious search as far back as history runs, yet, according to Harvey's calculation, all the gold coin of the world can be melted into a 22-foot cube, and all the silver coin in the world into a 66-foot cube. Because gold and silver are limited both in the quantity now in hand and in the annual production, it follows that legislation can fix the ratio between them. Any purchaser who stands ready to take the entire supply of any given article at a certain price can prevent that article from falling below that price. So the government can fix a price for gold and silver by creating a demand greater than the supply.

By international bimetallism, I believe that several nations, by entering into an agreement to coin at a fixed ratio all the gold and silver presented, can maintain the bullion value of the metals at the mint ratio. When a mint price is thus established it regulates the bullion price, because any person desiring coin may have the bullion converted into coin at that price, and any person desiring bullion can secure it by melting the coin. The only question upon which international bimetallists and independent bimetallists differ is, can the United States, by the free and unlimited coinage of silver at the legal ratio, create a demand for silver which, taken in connection with the demand already in existence, will be sufficient to utilize all the silver that will be presented at the mints?

They agree in their defense of the bimetallic principle and they agree in unanimable opposition to the gold standard. International bimetallists can not complain that free coinage gives a benefit to the mine owner because international bimetallism gives to the owner of silver all the advantages offered by independent bimetallism at the same ratio. International bimetallists can not accuse the advocates of free silver of being "bullion owners who desire to raise the value of their bullion," or "debtors who desire to pay their debts in cheap dollars," or "demagogues who desire to curry favor the people." They must cast their opposition upon one ground only, that the supply of silver available for coinage is too large to be utilized by the United States.

In discussing this question we must consider the capacity of our people to use silver and the quantity of silver which can come to our mints. It must be remembered that we live in a country only partially developed, and that our people far surpass any equal number of people in the world in their power to consume and produce. Our extensive railroad development and enormous internal commerce must also be taken into consideration. Now, how much silver can come here?

Not the coined silver of the world, because almost all of it is more valuable at this time in other lands than it will be at our mints under free coinage. If our mints are opened to free and unlimited coinage at the present ratio, merchandise silver can not come here because the labor apcause the labor applied to it has made it worth more in the form of merchandise than it will be worth at our mints.

We cannot even expect all of the annual product of silver, because India, China, Japan, Mexico and all the other silver using countries must satisfy their annual needs from the annual product. The arts will require a large amount, and the gold standard countries will need a considerable quantity for subsidiary coinage. We will be required to coin only that which is not needed elsewhere; but if we stand ready to take and utilize all of it, other nations will be compelled to buy at the price which we fix. Many fear that the opening of our mints will be followed by an enormous increase in the annual production of silver. This is conjecture.

Silver has been used as money for thousands of years, and during all that time the world has never suffered from an over-production. If for any reason the supply of gold or silver in the future ever exceeds the requirements of the arts and the needs of commerce, we confidently hope that the intelligence of the people will be sufficient to devise and enact any legislation necessary for the protection of the public.

Some of our opponents attribute the fall in the value of silver when measured by gold to the fact that during the last quarter of a century, the world's supply of silver has increased more rapidly than the world's supply of gold. This argument is entirely answered by the fact that during the last 50 years the annual production of gold has increased more rapidly than the annual production of silver.

Since the gold price of silver has fallen more during the last five years than it ever fell in any previous five years in the history of the world, it is evident that the fall is not due to increased production. Prices can be lowered as effectually by decreasing the demand for an article as by increasing the supply of it, and it seems certain that the fall in the gold price of silver is due to hostile legislation, and not to natural laws.

Our opponents can not ignore the fact that gold is now going abroad in spite of all legislation intended to prevent it, and no silver is being coined to take its place. Not only is gold going abroad now, but it must continue to go abroad at long as the present financial policy is adhered to, unless we continue to borrow from across the ocean, and even then we simply postpone the evil, because the amount borrowed, together with interest upon it, must be repaid in appreciating dollars.

Perhaps the most persistent misrepresentation that we have to meet is the charge that we are advocating the payments of debts in 50-cent dollars. At the present time and under present laws a silver dollar when melted loses nearly half its value, but that will not be true when we again establish a mint price for silver and leave no surplus silver upon the market to drag down the price of bullion. Under bimetallism silver bullion will be worth as much as silver coin, just as gold bullion is now worth as much as gold coin and we believe that a silver dollar will be worth as much as a gold dollar.

The charge of repudiation comes with poor grace from those who are seeking to add to the weight of existing debts by legislation which makes money dearer, and who conceal their designs against the general welfare under the pretense that they are upholding public credit and national honor.

There is another argument to which I ask your attention. Some of the more zealous opponents of free silver coinage point to the fact that 13 months must elapse between the election and the first regular session of congress and assert that during that time, in case people declare themselves in favor of free coinage, all loans will be withdrawn and all mortgages foreclosed. If these are merely prophecies indulged in by those who have forgotten the provisions of the constitution, it will be sufficient to remind them that the president is empowered to convene congress in extraordinary session whenever the public good requires such action.

If, in November, the people by their ballots declare themselves in favor of the immediate restoration of bimetallism, the system can be inaugurated within a few months. If, however, the assertion that loans will be withdrawn and mortgages foreclosed is made to prevent such political action as the people may believe to be necessary for the preservation of their rights then a new and vital issue is raised.

Whenever it is necessary for the people as a whole to obtain consent from the owners of money and the changers of money before they can legislate upon financial questions, we shall have passed from a democracy to a plutocracy. But that time has not yet arrived. Threats and intimidations will be of no avail. The people, who in 1876 rejected the doctrine that kings ruled by right divine, will not, in this generation, subscribe to a doctrine that money is omnipotent.

The gold standard has compelled the American people to pay an ever increasing tribute to the credit of nations of the world—a tribute which no one dares to defend. I assert that national honor requires the United States to secure justice for all its citizens as well to do justice to all its creditors. For a people like ours, blessed with natural resources of surpassing richness to proclaim themselves impotent to frame a financial system suited to their own needs, is humiliating beyond the power of language to describe. We can not enforce respect for our foreign policy so long as we confess ourselves unable to frame our own financial policy.

Honest differences of opinion have always existed and ever will exist as to the legislation best calculated to promote the public weal; but, when it is seriously asserted that this nation must bow to the dictation of other nations and accept the policies which they insist upon, the right of self government is assailed, and until that question is settled all other questions are insignificant.

Citizens of New York, I have traveled from the center of the continent to the seaboard that I might in the very beginning of the campaign bring you greeting from the people of the west and south and assure you that their aim is not to destroy but to build up. They invite you to accept the principals of a living faith rather than listen to those who preach the gospel and despair and advise endurance of the ills you have. The advocates of free coinage believe that in striving to secure the immediate restoration of bimetallism they are laboring in your behalf as well as in their own behalf. A few of your people may prosper under present conditions, but the permanent welfare of New York rests upon the producers of wealth. This great city is built upon the commerce of the nation and must suffer if that commerce is impaired. You can not sell unless the people have money with which to buy and they can not obtain the money with which to buy unless they sell their products at remunerative prices. Production of wealth

(Continued on page four).