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GREENBACKS.

Mr. Pendleton is Interrogated in Public, and gets in some Good Work on the Radicals.

THE TRUE INWARDNESS OF IT.

A STATEMENT OF THE SITUATION THAT CAN BUT BE COMPREHENDED BY ALL WHO CAN READ, AND REFLECT, AND REASON UPON THE CONDITION OF THE COUNTRY AND THE CAUSE THEREOF.

The Hon. George H. Pendleton delivered an able address in the Ohio campaign at Warren, Saturday. He elaborated an invincible argument on the financial question, and concluded as follows, in answer to interrogatories by a gentleman named Peck:

"And now, my friends, I submit to you whether I have not made good my assertion that there has been codstant, grinding contraction of the currency?" Just here a respectable looking, middle aged gentleman, who announced himself as Mr. Peck, of Ashtabula county, rose and said: "Mr. Pendleton, will you answer me a question?"

"I will if I can," promptly responded Mr. Pendleton.

Mr. Peck—"Is it not true that money has accumulated to an extraordinary amount in New York, and can be had there on call at two per cent.?"

Mr. Pendleton—"I can not state either the exact amount which has accmulated, nor the exact rate of interest which is demanded for loans on call, but, for the sake of answer I will admit the facts supposed by your question to be true." Who borrows on call? The merchant? The manufacturer? The tradesman? The builder? The farmer? Not one of them. Never! Not a man who is engaged in useful business. Not a man whose occupation enriches society or benefits the community. They can not. They must know when their debts become due. They can not pay on notice of a day or an hour. The only people who borrow on call are the stock-brokers and stock gamblers, and they invest in stocks which have always some market value, and put theses tocks as collaterals, and then they bull and bear and corner the market until faro and roulette and theee card

MONTE BECOME REPUTABLE BY COMPARISON.

Money too plenty! Let the merchant take his note with a good indorser at four months, and he will either get no money, or he will pay ten per cent. for it. Let the manufacturer take the notes given for his wares, and himself indorse them, and he will see how often he will be refused and how deeply he will be shaved. Let one of you farmers take his note for one year, secured by mortgage on his farm, worth ten times as much, and these plethoric banks will not look at him, nor a loaner of moneys unless at ten per cent and commissions. [That's true.]

Mr. Peck—But is there not money enough for those who have something to give in exchange? Answer me that.

Mr. Pendleton—Something in exchange. The laborer is eager to give his work that his family may not starve. Is that nothing? The manufacturer and merchant will give their name, their credit, their best mind, their closest attention, their unremitting industry. Are these nothing? The farmer will pledge his tertile acres. The iron-owners of Lawrence and Meigs and Mahoning have their iron stacked up like cordwood because they can get no money for it. Are these nothing? General Noyes told you, or rather told the people of Niles, last evening, that there was too much money and too little business!

Mr. Peck—And that is what I say.

Mr. Pendleton—You do! Well, why is there so little business? Have the arms accustomed to labor been paralyzed? Has the inventive genius of our people been stricken with decay? Has the love of money, which we are told is "the root of all evil," been eradicated by millennial holiness? Has capital lost its desire for increase? Are this people less desirous of comfort, and luxury, and convenience? These are the incentives and instruments of business. Yonder, here in this splendid meeting of all your people are brawny arms and eager faces telling their desire for employment. Here is capital dead, or at least sluggish, which craves to be actively used. Here are human hearts all around me

EAGER TO ACCUMULATE WEALTH.

Here is a community, highly civilized, demanding every article which can gratify the eternal longing for an increase of comfort or utility, or luxury or taste; demanding unceasing advance in every element of physical and moral well-being; and tell me, tell these sensible men and women, that there is too little business because there is too much money? No, sir. If there is so much money and so little business, why did not the Bank of California convert its assets into money at two per cent. and save that disarter? Why didn't this sugar-house in Baltimore borrow a little of this plethoric supply and save its credit and honor? Money accumulates because there is no business, and business has ceased because this grinding contraction has caused declining prices and loss of profits. In 1865-6-7, when the currency was far greater, business was active, and money never accumulated. Frightened, as I said before, by the result of last year, Senator Sherman says now that specie payments may be reached without any great contraction. No candidate in Ohio to-day will avow himself for contraction. And yet, for all that, they do in fact favor it. Acts speak louder than words. If, as they allege, there has been no contraction, and will not be much, how will they reach specie payments, with which they have fallen in love so suddenly and desperately? Grow up to them! They ridicule the idea. Increase, encourage our industries, and so give us the balance of trade. They hoot at the idea. There is then no method left but the plan of their last year's platform. They have carefully left it out of the platform this year; but it is the key of all their legislation. It is to contract the greenbacks until specie payments are reached and then inflate the currency by free national banking. First make money valuable through the untold miseries of contraction, and then make it more valuable by investing it in national banks. And thus we are brought face to face with the true issues between the parties in Ohio to-day; greenbacks as against national bank notes; sound and sufficient currency and prosperity of industries as

AGAINST CONTRACTION AND COMMERCIAL RUIN.

Mr. Peck—I can not sit still and hear you say such things. You know the Republican party never authorized the reduction of greenbacks below three hundred and sixty millions.

Mr. Pendleton—I know no such thing. I know just the contrary. The law of last winter—of 1875—the law to force specie payments of greenbacks, and to make National banking free, provides, compels the withdrawal of eighty dollars of greenbacks for every hundred dollars of National Bank notes, and keeps up this process until greenbacks shall be reduced to three hundred millions. Here is the law; read it for yourself.

Mr. Peck—Well, well, I did not believe it.

National banks against greenbacks! Gentlemen, I will not delay to tell you for the national banks. They are founded on bonds. The people pay to the national bankers atleast fifteen millions a year for the onerous, tremenduous duty of issuing their notes and lending them to tht people at eight or twelve or fifteen per cent., and then redeeming them at last in greenbacks! General Noyes says national bank notes are better than greenbacks because bank notes are secured by bonds. What secures the bonds? The faith and credit and honor and taxing power of the government. And do not the same faith, credit, honor, power of the government secure the greenbank notes—the legal-tender notes—[Great applause.] Contraction! Shall I tell you what it is? Have any of you bought a lot and paid for it, erected a building, put in machinery, paid for them all, employed your hands, from the laborer to the skilled mechanic, and gone into the market and bought the raw material, and given your notes and three or four months, and then found, when your articles are for sale, that they would not bring enough, not only not to pay the interest on the cost of your lot and building and machinery, but not enough to pay your outstanding notes for the raw material, and then seen your stock, your building, your machinery gone,

LOT SOLD BY THE SHERIFF.

That man knows what contraction is. [Sensation.] Has any laboring man here, when wages were three dollars a day, bought a lot and house and agreed to pay one hundred dollars a year—thirty-three days' work would pay it? His wages have fallen to one dollar and a half a day. The hundred dollars—the notes and mortgage remain the same. It takes the wages of sixty-six days' work to pay the hundred dollars. [My God, that's so.] Contraction! Need I tell you again what it is. Language has been exhausted. Others more facile with words than I have said it blights as the frost. It destroys as the mildew. It eats as the canker-worm. Like the cold blasts of winter, it shrinks and shrivels all things within its influence, and finally locks them in icy and death-like inertness. It passes like the angel of death, so that there is no house in which there is not one dead. Macaulay has painted its effect in England two centuries ago. Alison found his glowing words too tame for its description in the first quarter of this century. You yourselves see its influence all around you. Will you have more of it? And yet this is the only remedy the republicans have! And to embitter it still more, they couple with it the enormous increase of your interest-paying debt. To-day the secretary of the treasury has the power to issue $50,000,000 of gold bonds, bearing gold interest, with which to buy silver, and $450,000,000 with which to buy gold; and if he succeeds, you and your children for thirty years will have the happiness of paying $25,000,000 in gold each year for the luxury of reaching specie payments according to this republican method. Gentlemen, I do not underrate specie payments. I am in favor of reaching them as soon as is practicable. It seems to me there is a better, easier, safer remedy. It is to stop this policy of contraction; to stop this constant tinkering with the currency; to stop this effort at forcing resumption. Give stability for a moment, so that business may revive—that enterprise may be stimulated by the hope of gain, and labor be led to exertion by the certainty of reward. We need to labor more, to produce more; but we can have neither labor nor production on

FALLING PRICES AND CERTAIN LOSSES.

I repeat, as I said before. The country is new. Its agricultural and mineral wealth is incalculable. They are undeveloped. The variety of soil and climate, and people, give to it an infinite power of production. Its great want, its pressing necessity, is an entire freedom for labor—the absolute removal of every obstacle, the postive presence of every aid. Falling prices, uncertain markets, precarious rewards, public debt and high interest are obestacles. Fair prices steady markets, ready sales, are aids; and to secure these a sufficient sound currency and low interest are indispensable. These will put in motion the vast and complicated machinery of producing and consuming industries. And if there be superadded low taxes, rigid economy, simplicity of government, purity of administration, that motion will be continued and accelerated. Active and prosperous and increasing business will increase our production, increase our capital, increase our exportations, increase the influx of coin, and thus in time bring greenbacks to a par with coin. Mr. Taft objects to this system, that Congress will continually inflate the currency beyond the possibility of reaching payments; but Congress will try to do right, and the people will current any policy which may be perversely followed. He objects again that this is in fact the process of contraction, only by slower steps. It may be so, but the difference between stimulating our industries and carrying more gold and coin and contracting our currency to the point of gold coin is the difference between radiant and vigorous health and emaciated weakness.

Mr. Peck—Now, Mr. Pendleton, what I fear—is it not true—if the democrats obtain power, they will issue first ten millions, and then one hundred millions, and then still more, and end in infinite inflation and repudiation?

Mr. Pendleton—No, sir, it is not true. Have not democrats the same interest in trade and commerce and interchange of commodities that republicans have? Are they not working men, active men, money getting men, money loving men; above all, are they not men who need a fair day's pay for an honest day's work? Do they not need

AN HONEST, RELIABLE, SOUND CURRENCY,

more even than other men? Mr. Peck, you are an intelligent man; your bearing excites my respect. Let me ask you a question. Did you ever hear a democrat advocate repudiation?

Mr. Peck—I never did. [Applause.]

Mr. Pendleton—Did you ever hear from a democratic speaker, did you ever read in a democratic newspaper, or a democratic platform, or hear it in a democratic state, county, township, school district, or ward meeting that the party would or ought to expand the currency so much that you thought it would be depreciated, much less end in repudiation?

Mr. Peck—I never did.

Mr. Pendleton—Then what is the pertinency or sense, or even fair treatment among opponents, of such a question as you have asked?

Mr. Peck—Is it not true that the disasters from rain and other causes in Europe last spring promised short crops there and a large market for our products—and have not our harvests been reduced suddenly and unexpectedly by heavy rains, and is not this a cause of trouble?

Mr. Pendleton—Certainly, sir; it will be a cause of trouble. But do you attribute the trouble of last year, of last month, of today, to the expected failure of a crop which has not been harvested, and the increase of exportations which could not be made until next fall, or winter, or spring? About those days the republicans quote with great frequency, and with great commendation of its merits, a speech I made in congress against the issue of legal tender notes. I am flattered by the notice; and, if it will commend me to them, I desire to say that I adhere to-day, after thirteen years' reflection, to every word of that speech. I believed then the law was unconstitutional, and the policy was bad. But congress passed the law. The Supreme Court has sustained it. The policy has entered into our system. I am in no degree responsible for its adoption; but it would folly, it would be criminal, not to get out of the policy all the good there is in it in behalf of the people who have suffered its evil. I will not be guilty of the folly. I will not commit the crime. I believed then in a currency of coin and of paper convertible into coin. I believe in it now. I would be glad to return to it at once. Against my earnest protest you

ABANDONED SPECIE PAYMENTS

and inflated the currency to the infinite loss of the creditor. I make my equally earnest protest now against forcing contraction and resumption to the prostration of all business and the ruin of all debtors. An enthusiastic democrat, suffering from the effect of zweio-lager, gradually backed himself up on the stand, getting directly in front of Mr. Pendleton, and almost on his feet. Mr. Pendleton gently took him by the shoulders and slipped him off the stand and on to his feet. Now as irate as enthusiastic, he turned around and looked full at Mr. P.: What for the hell you put me off the stand? I am a better looking man than you are."

Mr. Pendleton—"Yes, my friend, I know you are a better looking man than I am, and that is the reason I did not wish you to have your handsome face between me and those ladies who are looking at me." [Laughter and applause.]

After a while the enthusiastic democrat had got upon the stand, and stood close beside Mr. Pendleton, and finally touched him on the elbow. "Are you through?"

Mr. Pendleton—"There, gentlemen, you see what a persistent democrat can do. He would not stay down. Neither will the democratic party in October, if they will work to climb up as hard and as steadily, and against such rebuffs as this worthy friend of mine has done."

THE AMERICAN CONFLICT.

The Views of a Frenchman Who Participated In It.

COMMENTS BY THE COMTE DE PARIS.

A FRENCH OFFICER'S OPINION OF AMERICAN STRATEGY—THE MOST COMPLETE HISTORY OF THE AMERICAN CIVIL WAR—FOUR BULKY VOLUMES BEFORE THE PUBLIC, AND FOUR MORE IMMINENT.

Two more volumes of the Comte De Paris's history of the American civil war are now ready for delivery. The two first volumes of the same work were published last year and met with general favor from the critics. Of this perspicuous and admirable history the New York Herald critic says: As each pair of volumes carries the history forward about a year, and as the last two years of the war were not less full of events than the first two, the completed work is likely to consist of eight volumes. It is the most ambitious and elaborate and promises to be the most complete and instructive narrative of the events of those four momentous years that has been yet attempted on either side of the Atlantic. It is a great deal more than a lucid recital of the military operations of the period. It explores their causes, traces their consequences, places them in co-relation, so as to reflect light upon one another; disposes them in a connected picture, with due light and shade, and puts them in a frame or cadre which sets them forth in their full significance. The first volume was particularly rich in comprehensive surveys, intended to render the history intelligible, such, for example, as the detailed account of the organization of the American army, exhibiting the nature of the instruments with which the military results were accomplished; the careful topographical descriptions, which show under what very different conditions war is conducted in Europe and in a country of vast distances and immense areas of forest; the nature of our political institutions; the bearing of slavery on this contest, and various other topics, which were handled with the breadth of a statesman, the detailed accuracy of a statistician, and the insight of a philosopher. These preliminary discussions, which gave so favorable an impression of the scope, force and clearness of the author's intellect, give place, in the subsequent volumes, to narrations of the actual operations of the war in a style of transparent clearness and singular elegance, which show with how much profit the Comte de Paris has studied the

BEAUTIFUL MODELS OF HISTORICAL WRITINGS

of which his nation has furnished so many within the last half century. This work is likely to be the source from which a majority of intelligent Europeans will draw their knowledge of our civil war for a long period to come. Whether this interesting and voluminous history will permanently hold its place as a standard authority may, perhaps, admit of doubt. It is probably too early for a comprehensive and classical history of our civil war which will stand the severe tests to which the publication of original memoirs like those of Gen. Sherman and the private correspondence of actors will expose it. The Comte de Paris has, indeed, advantages which no other contemporary writer is likely to possess for obtaining full and accurate materials. His illustrious rank, the chivalry with which he imitated the example of Lafayette and the pleasing impression he made upon all who met him while he was in this country unlock for him the memories of all the distinguished actors to whom he might apply on doubtful points, for no American would refuse him the courtesy of such assistance. But his modesty and his confidence in published materials may have prevented him from making much use of this resource. There is another important source of information which is not accessible even to the Comte de Paris, and will not be to anybody in this generation. Our civil war was watched with deep interest by foreign governments, and its result often trembled in the balance of their intentions. Their diplomatic agents were constantly supplying them with secret information gathered in confidential conversations, and the intercourse and consultations of those governments with one another on the question of intervention, must be also of considerable historical value. The mass of secret information buried in the archives of foreign governments will be jealously guarded for a long period, because it tends to compromise the actors and revive old animosities. We therefore conclude that all the set histories of our civil war, written during this generation, will be finally supplanted, and that

A PERMANENT PLACE IN LITERATURE

will be held only by the personal memoirs of actors and eye-witnesses, like General Johnston's "Narrative of Military Operations," published last year, and General Sherman's recent interesting volume. But the work of the Comte de Paris has a combination of merits which will cause it to outlast all the experienced historians that have preceded it, and make it the best general history of the civil war that is likely to appear in our time. It would be interesting to test the accuracy of the Comte de Paris's narrative on minor points by tracing correspondences or discrepancies between it and that of General Sherman where they relate to the same events, if we had larger materials of comparison than are afforded in these volumes. But the fourth volume of the Comte de Paris ends with the events of 1862, and up to that time General Sherman's opportunities of personal knowledge were quite limited. Up to that period the conformity is tolerably close, which might be accounted for by supposing the Comte de Paris to have perused General Sherman's memoirs if there were not a few marked discrepancies which are not easily reconciled with the supposition. It is certain, however, that these two volumes were announced as ready for publication about the time that the "Memoirs" appeared, and that there has been an unexplained delay of six or seven weeks. This might be explained by supposing the author of the history to have kept back the new volumes to see whether he needed to revise them in the light of Gen. Sherman's recollections. If this is the case there are some points upon which he continues to rely on his first information although it is contradicted by Gen. Sherman. The differences relate mainly to Gen. Sherman's unsuccessful assault on Vicksburg at the close of the year 1862. We will translate a passage of the history, which has a peculiar interest as expressing the opinion of the author that Gen. Sherman is the ablest of our great soldiers, and afterward point out the

CONTRADICTIONS BETWEEN IT AMD

the "Memoirs:" The check of Sherman had been too serious for him to hazard a new assault. The nature of the ground precluded the concentration of forces necessary to give such an attempt chances of success; the federals had learned at their expense, that the enemy's works were stronger, better armed and defended by more troops than they had believed. It was necessary to profit by this experiment, which Sherman comprehended, and as soon as he learned Blair's failure, he countermanded every other movement for that day. On the morrow, December 20, after a night in which rain fell in torrents, the situation of his army was still worse. He had been able to measure his losses, which amounted to 175 killed, 930 wounded and 743 prisoners. No message had been received from Grant, but alarming rumors respecting him were current. The news of the capture of Holly Springs had reached Vicksburg, and the few inhabitants of the country with whom the federals found themselves in contact, took pleasure in giving them the reports with all the exaggerations usual in such cases. These rumors were in the eyes of Sherman an additional reason for not abandoning his post so long as it presented the slightest chance of success; indeed, the more difficult the situation of Grant the more he felt the importance of extricating him by drawing upon himself all the hostile forces. He accordingly remained in his position during the whole day of the 31st, menacing Pemberton in appearance with a new attack, and preparing a movement to turn the obstacles which he could not surmount in front. Omitting the details of these preparations we pass on to the general comments on Sherman's failure at Vicksburg, in which criticism is almost lost in the effulgence of eulogy, founded on Sherman's subsequent career: Public opinion in the North was deeply excited by the check at Chickasaw Bayou. Grant was already a little popular; Sherman became the object of attacks by the whole press—attacks which were more unsparing because of the severity he had shown toward the newspaper correspondents who accompanied his army. They reviewed even the absurd calumnies which had been spread at the beginning of the war against this sagacious soldier (cet esprit sagace et profond). It is certain that his expedition deserved criticism in several points. Either by his fault, or the force of circumstances, he had been unable with an army of 30,000 men to throw more than 3,000 into an assault upon formidable works, and had sacrificed 2,000 of these without any chance of success. He had not shown on that occasion all the great qualities which, in the end, raised him

ABOVE ALL HIS COMPANIONS IN ARMS

as well as all his adversaries, but he knew how to profit by experience. While awaiting a more favorable occasion this modest and courageous general had the virtue to openly assume the whole responsibility of the defeat, and to accept, without a murmur, the subordinate position which resulted from the arrival of McClernand. We suppose the high estimate of the military capacity of General Sherman, of which we have inserted the text to enable readers to weigh the exact force of the words, is pretty generally shared by foreign military critics. It is at least certain that the Comte de Paris ranks him, in point of genius, above General Grant and General Lee as well as above Generals McClellan, Johnston and Jackson. But, although glad to introduce this compliment, and selecting the quotation partly with this object, our chief purpose is to exhibit discrepancies between the two narratives and show how important it is for other distinguished commanders to imitate the example of Gen. Sherman by giving their recollections to the world as contributions to history. According to the Comte de Paris, Gen. Sherman had learned of the capture of Holly Springs through rebel sources previous to the arrival of McClernand. According to Gen. Sherman himself he first learned of the capture of Holly Springs from McClernand and had been listening for days to catch the sound of Gen. Grant's guns in the vicinity of Vicksburg. This disposes of the petty theory that Sherman was preparing feigned attacks for the three days succeeding his disastrous assault in the hope of drawing rebel troops to Vicksburg, and aid the extrication of Grant. He could have had no such purpose, for he knew nothing of Grant's extremity. He had heard the noise of trains bringing rebel troops into Vicksburg, but he had no idea whence they came until he learned from McClernand of Grant's mishap and forced retreat, which released a great part of Pemberton's army for the defence of Vicksburg. It moreover appears from General Sherman's "Memoirs" that the blame heaped upon Grant for his failure, and which he acknowledged in his reports, was undeserved, and that the failure of the assault was due to General Sherman, who neglected to reinforce Blair, according to orders, at the proper time. This fact

INVALIDATES THE CRITISCIM OF THE COMTE DE PARIS,

founded on the smallness of the force which General Sherman launched against the place in assault. In his subsequent volumes the historian will have the advantage of the "Memiors," and will not be likely to differ from General Sherman on any point unless compelled by strong countervailing evidence. If he has seen the "Memoirs" since the new volumes were ready for publication he probably preferred to make the few corrections needed in the form of a note to the next volume rather than change the plates after the edition had gone to the binders. We may at any rate, trust his scrupulous fidelity to facts so far as he has the means of ascertaining them. We have alluded to this subject chiefly to illustrate the importance to future historians of such works as those of Generals Sherman and Johnston. President Lincoln comes more fully into view in these volumes than in their predecessors. The final chapter of the fourth volume, which contains a recital of all that was done on the great subject of emancipation up to the time of the final proclamation, is written with great clearness of insight and an appreciation of President Lincoln's course which shows that the author's mind is entirely free from any bias derived from the views of General McClellan. The Compte de Paris discusses this subject with great penetration, justifying every step taken by the president, from the protection of fugitive slaves in the camps and the enrolling of them as soldiers up to the second and final proclamation of emancipation. He also recognizes the great impediment to such steps which existed in the public sentiment of the border states, and thinks President Lincoln's slowness and caution was as wise and prudent as his final action was necessary and inevitable. Of the propriety of the earlier steps, the Compte de Paris speaks in this decided tone: "The protection accorded to the fugitive slaves was the first logical consequence of the war; their enrolment in the federal armies was the second." He warmly indorses Mr. Lincoln at every stage of his progress toward emancipation: "The day came when he took his part, courageously assumed the responsibility of it on himself, and executed it with resolution. We believe that

HE CHOSE THE OPPORTUNE MOMENT,

it was immediately after the battle of Antietam, and this great decision was like a response to the invasion by the Confederate army of the states faithful to the Union." In speaking of the second and final proclamation the author says: "That proclamation, sufficient to render the name of its author illustrious, marked the beginning of a year destined to be more bloody than the year 1862. It inaugurated at the same time a new period, and the struggle, extricated from all the remembrances of past concessions, took thereafter its veritable character. It could terminate only by the complete abolition of slavery on the soil of the Republic, or by the triumph of that institution in the greatest part of the American continent under the protection of the confederation, aggrandized and all powerful. At the epoch at which we leave the recital of military events, after the terrible defeat of the federals at Fredericksburg, their serious check before Vicksburg and their barren victory at Murfreesboro, the most optimist spirits of the North began to doubt the success of their cause." We have translated this impressive paragraph, with which the autnor brings his volume to a close, in order that American readers may perceive the author's just appreciation of the real character of the struggle whose events will be learned from his pages by a majority of European readers in this generation. This admirable history has no tinge of McClellanism, though it does full justice to the military capacity of that general; nor does it bestow indiscriminate praise on President Lincoln, but treats all the actors in the war with the enlightened impartiality of a mind of perfect candor and scrupulous moral rectitude. The comte dwells in detail upon the circumstances of McClellan's displacement from the command of the army of the Potomac, and defends that gentleman with all of his great ability, as he was a member of his staff at the time. In this connection he admits entertaining sentiments of profound gratitude and of faithful friendship for his former chief. Among the subjects comprised in these volumes upon which opinions are expressed, in connection with a full recital of the facts, are the blockade, the finances of both parties to the war, the suspension of the habeas corpus, the case of Gen. Fitz John Porter, Gen. Butler's rule in New Orleans and the rising merits of Gen. Grant, who had not yet established his fame by the most skillful of all his military enterprises, the capture of Vicksburg. We have not space for extracts on these interesting topics, the chief object of this notice being to call the attention of readers of the earlier volumes to the fact that they can now extend their acquaintance with so reliable a historian.

LEGAL TENDER NOTES.

THE PEOPLE STAND BEHIND THEM.

WENDELL PHILLIPS AVERS THAT THE EXPERIENCE OF BUSINESS HAS SETTLED IT THAT THROUGHOUT CHRISTENDOM THE CURRENCY MUST BE PAPER, AND THAT IT IS IDLE TO TALK ABUT SPECIE BASIS TO-DAY.

The New York Herald of Saturday lays before the public a letter from the Hon. Wendell Phillips to Mr. Eugene Beebe, secretary of the Legal Tender Club. It gives, in clear and concise form, that gentleman's views upon the financial question and will interest and instruct the Sentinel's readers. Here is what he says: I appreciate the great importance of your agitation to prevent further contraction of the currency, and am sorry I shall not be able to attend your meeting in September. It seems to me there are but two questions to be considered touching the currency: First—Upon what basis shall it rest? Second—How much of it shall we have? A long time ago there might have been a third—of what shall it be made, gold and silver or paper? But the experience of business men long ago answered that inquiry and settled it beyond recall, that throughout Christendom the currency must be paper. It is idle to talk to-day of a specie basis. That gentle hallucination has been encouraged to quiet timid men and delude the masses. But the thing itself has not really existed for fifty or a hundred years. Great Britain, where, if anywhere, such a basis could be maintained, has to-day fifty cents of coin to $100 of paper. (Patterson, Science of Finance, pp. 5, 6, 27, 28, 37, 38. Edinburgh, 1868.) Any individual may have that fifty cents, provided he does not need it, and provided there is no special reason why he should have it. If at any time his business absolutely requires that he should have that fifty cents of coin, at that time he can not have it. A specie basis of fifty cents coin to support $100 paper! It reminds me of that Irish six bottle toper who always sat down to drink with a small bit of strawberry at the bottom of his wine glass and kept it there through the evening—"It gave so fine a flavor to the wine!" Doubtless that fifty cents coin gives a strong specie flavor to the vast system of British paper and makes Bull feel warm and comfortable. Political economy settles very few points by theorizing. Now and then experience decides a question, and it passes into accepted and undeniable truth. In this way business experience has decided that currency, in civilized and commercial nations, must

REST ON CREDIT AND CONSIST OF PAPER.

Thus experience answers our first question; the currency does rest and must rest on credit. Whose shall that credit be? Shall it be the credit of banks and their customers or the credit of the nation? This question also experience has answered. Before the war we had banks resting each one on credit. We all remember the result. The bills of a bank ceased generally to be current a hundred miles from its own counter. You lost ten per cent. in changing those of the South and West for Eastern bills; and Horace Greeley demurely told the committee who paid him a handful of Western bills, "If convenient I should much prefer a well executed counterfeit on some Eastern bank." What makes our national bank bills good, and equally good, everywhere to-day? The nation stands behind them. Such notes pass everywhere, and everywhere at the same value, because the nation guarantees them. All the note currency we have rests on national credit, directly or indirectly. No man can give a reason why they should not all rest directly on national credit; why all bank bills should not be withdrawn and legal tenders supply their place. In building a house you do not put a platform between the house and its foundation. Certainly not. Your walls rest directly on your foundation. To-day the nation pays the banks $20,000,000 or more to allow them to play the useless part of standing between it (the nation) and its own currency. Dr. Franklin's hero, who asked his victim to pay for heating the poker, was a most reasonable person and a Solomon compared with ourselves in this matter. I have heard of an incompetent man put under guardianship and obliged to pay trustees liberally for taking care of his own property, but I never heard of one put under guardianship and paying his guardian liberally, and then obliged to do all his own business besides, which is exactly our case. We furnish the credit that supports these bank bills, and then we pay the banks for using that credit. Bagehot, the highest authority in England, says the public takes Bank of England bills without inquiry or hesitation, because it knows that in any emergency the government will sustain the bank. Here our bills pass because the government is distinctly pledged to do so. The two great commercial centres have drifted into a currency based, in fact, on government credit, and they

DELIBERATELY ACCEPT THE SITUATION.

Our first question (On what shall our currency rest?) is fully answered by facts. In commercial nations it rests and must rest on government credit. Second—How much currency shall we have? No single man, officer or institution can decide or ever did decide this question. Currency made up of bank bills, deposits, notes, bills of exchange, etc., is like any other article of manufacture—we make as much of it as we need. The business of a country, when not interfered with, always settles the amount of its currency. Business creates, everywhere and at all times, just such and just so much currency as it needs. Banks and secretaries of treasuries imagine they determine the amount of the currency. As well might Old Probability claim that he determined the weather. He and they only record what mightier forces do. Hats, shoes, wagons, rails, cloths, cotton, wheat—one year we want more, the next year less—who decides? The dealers in the article and the users of it. Does anybody advise going back to other days and having some board of wiseacres decide how much wheat shall be planted and how much cotton, how many loaves or wagons made? No such dreamer obtrudes himself on the public. But thousands clamor for allowing bank directors and them alone to settle the amount of the currency. And they are allowed more control than any other agency. The New York city banks alone increased the currency $3,000,000 (2,957,200) in one month, September, 1874, and decreased it $5,000,000 in one week of March, 1875. This aristocracy in the money manufacture is an odious monopoly, alien to our institutions and harmful to our prosperity. What should we say if 500 men and such friends as they chose were allowed to plant wheat and mine iron while every one else was forbidden? Yet this is but another name for our present bank system. Let us cease, then, to have any plan either to enlarge or contract the currency. Let the government stand ready to issue all the currency any business man wishes and can give good security for, at low interest and convertible into long bonds. If necessary, in order to conciliate existing prejudice, let the capital of these bonds, having long terms to run, be payable in gold. Make

GREENBACKS LEGAL TENDER FOR ALL PURPOSES,

customs and all government dues included. There is every reason why this should be done. History is repeating itself. England never knew more prosperous years than from 1800 to 1820, during which she neither had gold, nor wished to have it, nor promised to pay gold to any one whatever. All that while she extended and contracted her currency without any regard whatever to gold. Her enormous trade and expenditures were all paper and only paper, resting on credit and nothing else. We had similar prosperity during the war and after, on the same terms. In 1820 England, yielding to theorists and dreamers, tried to put this new wine into old bottles, and dragged her business back to methods a century old—to specie. Bankruptcy, the very history of which makes the blood cold to day, blighted the Empire. It took half a generation to recover from the mistake. No man can to-day begin to show that such suffering was necessary; that it achieved any good or that it effected any change which could not have been as well made without it. We entered that same valley of the shadow of death when, in 1865, McCulloch began contraction. We are hurrying fast to England's 1820. Property sunk to half its former value; the streets crowded with unemployed men fast rotting into criminals; grass growing on the wharves, machinery rusting, wealth alarmed, poverty starving. Woe to the political party which the nation shall finally pronounce responsible for this fatal mistake! No previous merits will avail for its pardon. Its leaders will be buried in curses, as men whom neither history nor their own experience could make wise. We lament, as well we may, the widespread corruption of business men and office holders. But where such corruption in high places steals a dollar, contraction—this well meaning ignorance of bullionists—robs the people of thousands. If this generation is ever bankrupt, its bankruptcy will not be the work of knaves, but of honest men following a jack o' lantern and dragging us to ruin.

Yours,

WENDELL PHILLIPS.

N. W. C. UNIVERSITY.

The twenty-first session of this institution will open in the new building, in Irvington, on the 15th of September next. For completeness of outfit and perfect adaptation to the wants of a school, this building has no superior. It will accommodate 500 students. Several very important additions have been made to the Faculty, and the courses of study are adapted to all grades of students above the common school. For catalogues, address C. E. HOLLENBECK, Secretary, or O. A. BURGESS, President, Indianapolis, Indiana.