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Statesmen three!

Archie Campbell Fisk

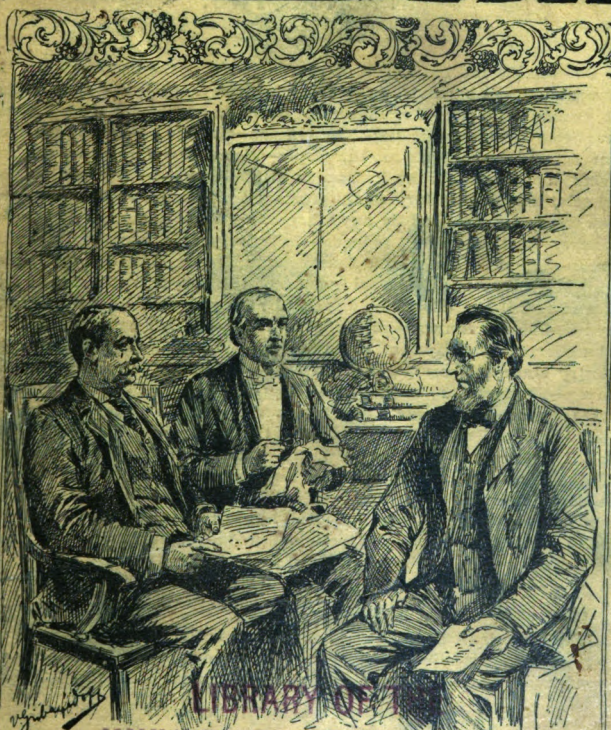


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STATESMEN THREE

No. 2 to be Issued in February.

DISCUSSIONS OF THE STATESMEN TO BE REPORTED IN NUMBER TWO.

Contraction and Expansion of the Currency by the Banks—While the Government was burning up the people's money, the banks were issuing their promises to pay—The number of banks has doubled, but bank issues have been decreased one-half—The reasons—Collusion between the Government and the banks to rob the people—Plans being formed by the Imperialism of Capital for the destruction of the Republic—Acts of Congress have clothed the Secretary of the Treasury with more autocratic powers than were ever possessed by any other man—What it means—The power of usury—Justice to the producer—How the people may become prosperous—Ernest Seyd's letter to Congressman Hooper—The demonetization of Silver—Its effects—The cunning hand of the usurer traced step by step from 1862 until the bill which was sent by Congressman Hooper to Ernest Seyd for his criticism was substituted for the one which passed Congress—John Sherman's betrayal of the American people—The legislation in this country since 1862 compared with that of England, 1815-1823—Metallic money—The monetary conferences—Why called—How their deliberations were influenced—The reason why the usurers want all money not made of gold to be subsidiary—What the effect of the demonetization of gold by the United States would be—How the par of exchange in silver basis countries affects the prices of farm products and manufactured articles in gold standard countries—Europe and the United States maintain a gold standard, or a two hundred cent dollar, in the interest of the usurer, which will finally result in the utter destruction of productive industries—Legal tender decisions—The constitutionality of paper money.

The Editor announces that the Statesmen will remain in session until every economic question affecting the interests of the people has been discussed, and plans formulated for the re-establishment of the Republic.

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STATESMEN THREE!

BY

ARCHIE C. FISK.

NUMBER ONE.

The One Hundred Billion Dollar Robbery.

NEW YORK:
THE STATESMAN PUBLISHING COMPANY,
63 FIFTH AVENUE.

1896.

Published Monthly.

25 Cents a Copy.

\$2.00 per Year.

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BY A. C. FISK.

Entered at the New York Post Office as Second Class Mail Matter.

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To
THE VICTIMS OF PLUTOCRATIC USURPATION
THE OPPRESSED AND DOWNTRODDEN
OF
AMERICA
THIS VOLUME IS
DEDICATED.

ERRATA.

The figures 626,685,782 second line, second paragraph, page 84 should read 115,661,275, and the figures 177,000,000 in following line should read 3,401,449 and the figures 763,400,000 should read 936,998,551 and the figures 11,451,000,000 in third line below should read 14,054,978,265.

INTRODUCTION.

AT THE SOLICITATION of many prominent citizens, trades unions, farmers' alliances, manufacturers' exchanges, boards of trade, and other business organizations throughout the United States, three eminent *American* statesmen met in Washington recently to confer together, consider the present disturbed economic conditions of our country, conduct a thorough investigation into the causes of these conditions, and suggest measures for relief. It will be sufficient identification, for present purposes, if we designate these gentlemen simply as The Senator, The Judge, and The Colonel. Their ability and reputation as statesmen and economists, their high character as citizens, and their sterling patriotism, must certainly entitle their conclusions to great weight and influence.

The deliberations of this extraordinary Commission on the State of the Nation are conducted in a large room, near the Capitol and the Congressional Library, and furnished with every convenience in the way of standard works on history and political economy, books of reference and statistics, government reports and files of the Congressional Record.

The earlier discussions of THE THREE STATESMEN, edited with a view to conciseness and easy po-

pular comprehension of the salient points brought forward, are reported in the following pages. It is the purpose of these Statesmen to remain in session until they have finished their task, and relief for the toiling millions of America is obtained by proper federal legislation. The further results of their labors will be given to the public in future volumes, to be issued at frequent intervals.

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STATESMEN THREE!

NUMBER ONE.

The Hundred Billion Dollar Robbery.

CHAPTER I.

DECAY OF PATRIOTISM—Time for a New Declaration of Independence—Striking Parallel Between the Present Crisis and that of '76—Taxation Without Representation, Now as Then—Senate and House Composed Chiefly of Lawyers, and Other Trust and Corporation Agents—Two Kinds of Slavery—That Based on Control of Wages More Heartless and Irresponsible than that Based on Human Chattels—Lessons from History—Evils that Imperil the Future of the Republic—The Greed of the Usurers at the Base of Vicious Legislation—The Investigation Begun.

THE THREE STATESMEN, at the commencement of the first session seemed overwhelmed with the importance of the task which had been imposed upon them. They sat for several minutes without speaking. The Judge then broke the silence by saying:

“Gentlemen, just before leaving home, I delivered a Fourth of July oration; the lack of old-time enthusiasm was very noticeable. I gave the subject my best thought; but when I had finished, the people gathered around me, and asked if it was not about time that a *new* Declaration of Independence was made. The preparation of that address led me to

much serious thought, and I am forced to the conclusion that the conditions at this time and those just prior to our Declaration of Independence present a striking parallel."

"The times are, indeed, serious," replied the Senator, "and in many, in fact, most respects, worse than they have ever been in the history of the country; but I do not see the similarity between the present time and that of which you speak."

"It is very generally admitted," said the Colonel, "that the present conditions are deplorable, and have been brought about by class legislation.

"Before the Revolution," continued the Colonel, "England treated the colonists as an inferior class of people. The laws were framed to favor the English manufacturer and merchant, at the expense of the colonists; but the direct cause of the revolution was an attempt to tax the colonists to defray the expenses of the recent war. As the colonists were not represented in Parliament, they resisted this measure, declaring that taxation without representation was tyranny.

"Let us see if the American people are represented in the American Congress. The Senate is composed of fifty-nine lawyers, one steamship manager, one quarryman, three journalists, three miners, one clergyman, two public officials, two capitalists, one literateur, one car-builder, one lumberman, four manufacturers, one physician, one brewer, two farmers, one stock-grower, two bankers, and two merchants.

"And the House of Representatives is composed of two hundred and thirty-one lawyers, five planters,

one fruit-grower, thirty-three farmers, one hotel proprietor, ten public officials, one wool merchant, four editors, sixteen manufacturers, nine journalists, one baker, twelve merchants, three teachers, four physicians, four lumbermen, one civil engineer, nine bankers, one real estate dealer, one speculator, two railway builders, and two mining men. If the people were properly represented," continued the Colonel, "Congress would stand: lawyers, three; bankers, one; farmers, two hundred and eighteen; politicians, one; merchants and skilled trades, sixty-one; and common laborers, one hundred and fifty-five.

"Taxation without representation is just as tyrannous now as it was 119 years ago."

The Senator suggested that a lawyer might represent the farmers and laborers as conscientiously as one of their own number.

"Ah, but does he?" asked the Colonel. "We shall see."

"Gentlemen," said the Judge, "if we are to sit and consider all the causes which have brought our country to the present crisis, and suggest measures for relief, we must realize the fact that we have months of hard labor before us, and we should establish rules governing our discussions."

"Would it not be well," asked the Colonel, "to spend several weeks in examining and discussing federal legislation for the past 100 years or more? There is no doubt our troubles come mostly from unwise monetary legislation. Let us spend some time in examining these laws, consulting the opinions of the ablest writers on political economy and obtaining the views

of the world's greatest students, determining among ourselves what differences of opinion, if any, we may hold regarding them. Then we might invite expres-



UNITED STATES SENATE.

Sixty lawyers, each with the following annual salaries and fees:

From the people, salary	-----	\$5,000
The Railroads, fees	-----	20,000
The Oil Trust, "	-----	10,000
The Sugar Trust, "	-----	10,000
The Bankers' Trust, "	-----	25,000
Other Trusts, odd jobs and attorneys' fees	-----	30,000
Total	-----	\$100,000

Whom do they consider their constituents ?

sions of opinion from our ablest thinkers, men and women, both in public and in private life, and, perhaps, later extend an invitation for oral arguments."

"The suggestion that we first make an exhaustive examination into national legislation and its bearings upon present conditions is, I think, a very proper one," replied the Senator. "But the people are becoming very much aroused over what they regard as class and other criminal legislation, extending over a period of many years. During the past few years, added the Senator, most men in public life, whose views are worth considering, have expressed opinions in speeches, either in Congress or elsewhere, and all such opinions are, I take it, proper subjects for consideration.

"History begins with invasion by conquerors," continued the Senator, "and all along the ages there has been a conflict between the human and the divine, in man. The human conquerors always do the same thing; that is, they take from the people all they possibly can. In time, the conquerors repeat the process; and if the people have not had time to recuperate, new methods of exploiting are devised. These methods are simple, and occur spontaneously to some men. The first method is personal slavery; this in recent years has been found inconvenient, as that control of the working powers involves personal responsibility. Hence, other methods suggest themselves, such as the control of labor by controlling wages. So it was in antiquity; so it was in the middle ages; so it is now. In antiquity, personal slavery was the most common method for the subjugation of men; in

the middle ages, the feudal system ; in modern times, the money unit, based on the slender foundation of coin, has become the chief weapon for the subjugation of man. The man who has money may purchase all the bread, and let others starve, or make them his slaves for the sake of bread. This is the modern and most approved plan, and is what is occurring now the world over on an immense scale. With the disbandment of our armies thirty years ago, a prayer of thanksgiving ascended heavenward, because chattel slavery had been abolished in the United States.

“I have often wondered, Colonel,” continued the Senator, “ what you soldiers who put down the rebellion would have thought, could you have foreseen that, following the achievement of your victories on the field of battle, a prejudice which the designing have tortured into a national pride would have grown to such magnitude as to enable the Money Power to inflict upon the country legislation which, I fear, is rapidly culminating in a system of servitude, not for a few million blacks alone, but for all the toiling millions of this great nation.

“ Judge, will you please hand me the Bible?” continued the Senator.

Taking the book, he read impressively the fifth chapter of Nehemiah. He then turned to Genesis, and slowly read chapters 41 and 47.

“ I thought I was the one to point out a solution of our difficulties through the Bible,” remarked the Judge, “ but I am delighted to find that the Senator’s mind has turned in that direction. If the people can be induced to follow the teachings of that book, we



THE BRITISH ARE HERE!

“The British are coming!” shouted Paul Revere, as he rode at midnight in hot haste from Charlestown to Concord. “There will be noise enough before long,” he replied to Dorothy Quincy’s request not to make so much noise. Now, as in ’76, Americans are called on to awake and rise in defense of their lives and liberties. The British are coming—aye, *the British are here!*

shall surely attain the grandest destiny of any land the sun has ever kissed."

"I have recently read with care the history of the extinct republics," said the Colonel, and as I compare them with the tendency of this nation, and reflect upon the chapters from the Old Testament, read by the Senator, the history of Joseph and Pharaoh and of the famine in Egypt has a greater significance. The dream and the vision have received a new interpretation."

Continuing, the Colonel said: "To the intelligent student, the history of the republics that have risen, flourished and declined is full of interest. The founders of our nation, with a wisdom and foresight never equaled, gave to the world a form of government purely republican, with safeguards to insure the greatest good to the greatest number. Its central idea was that all men were created free and equal. All the republic's physical environments were favorable to the establishment of a permanent government of the people. We are accustomed to congratulate ourselves upon having the best in the world, with a people the most free, prosperous and happy to be found. We may be justified in this; but the thoughtful student of history who believes that the past tends to repeat itself, is, if patriotic, troubled when watching the present tendencies of our republic.

"There are evils that imperil the future of our government and, to-day, wise and patriotic men all over the land feel a deep solicitude for its welfare and permanency. It is a remarkable fact that the great republics of Greece, Rome, Carthage, Italy and the

Netherlands, that flourished and declined, all received their death-blows from the inordinate passion of their citizens for money.

“It costs the people \$100,000,000 annually to enact laws that in themselves cause ten times that amount of damage to the people who pay for their enactment. There must be something radically wrong when legislative bodies, designed for the protection of the people, assemble amid the dread of that people and adjourn amid a general rejoicing, as if a plague had been dissipated by a friendly frost. There are wrongs growing out of the government of cities; wrongs which threaten the very existence of the republic, wrongs that aid the powerful to crush the weak. We need—we must have—a nation like that of old Greece, where, if the humblest citizen of the state is wronged, the whole nation feels the blow and bleeds from the wound. I sometimes feel the almost-compelling necessity for the organization of a band of men and women who will devote themselves to their country, as the holiest priest dedicates himself to God. There is a crown of thorns to wear, a cross upon which to be crucified; but the men will come with the occasion, as Lincoln came.”

“There is no difference of opinion regarding the condition of our republic among thoughtful people,” said the Senator. “Our duties are to study the causes, and recommend the repeal of the laws which are responsible for our difficulties, and to suggest the enactment of others that shall quicken every industry, thus causing money to flow into every avenue of commerce, so that the crime and misery of want may give

place to the virtue and happiness of prosperity, as flowers and fruits and waving grain spring up in the once arid plains through which are turned the fructifying streams from a mountain reservoir.

“I believe we were first to consider the national financial legislation and the conduct of the bankers toward the people and the nation,” remarked the Colonel. “There is a growing feeling that the bankers are responsible for most of our vicious legislation; that they contract and expand the volume of circulating medium at will, producing prosperity by expansion, depression by contraction.”

“The greed of the bankers has made them the enemies of the people and a menace to our institutions,” said the Judge.

“The selfishness of usurers dates back to the commencement of history,” added the Senator.

“Let us briefly consider our financial legislation from the earliest period of our government to 1861, and, from that time to the present, let the examination be more extended, as it is the legislation since that date which more especially concerns us.”

“If thou lend money to any of my people that is poor by thee, thou shalt not be to him as a usurer, neither shalt thou lay upon him usury.”—*Exodus xxii, 25.*

CHAPTER II.

EARLY HISTORY OF MONEY IN AMERICA—Franklin on the Nature and the Necessity of a Paper Currency—Continental Notes Not Legal Tender—Jefferson's Views—The Ghost Conjured Up by Bank Monopolists—Pennsylvania's Paper Money Loan and Consequent Prosperity—Right of the States to Coin Gold or Silver—Power of Congress to Make Full Legal Tender Money of any Material it Chooses—Party Platforms Dictated by the Money Power.

All were prompt in attendance on the second day.

“Our early statesmen gave little thought to the subject of money,” began the Judge. “Wampum was universally used until 1635, and as late as 1645, judgments of courts were made payable in strings of beads, which were also received for taxes until 1649. In 1652, a mint was erected in Boston, and silver coined into ‘Pine Tree’ money. The act of 1654 provided that all contracts in kind should be so satisfied. The first issue of paper money was by Massachusetts in 1690, and it read :

“ ‘This indentured bill of ten shillings, due from Massachusetts Colony to the possessor, shall be in value equal to money, and shall be accordingly accepted by the treasurer, and receivers subordinate to him, in all public payments for any stock, at any time, in the treasury.’

“They circulated,” continued the Judge, “at par with coin for twenty years, until redeemed. In

1703, South Carolina issued paper money; in the same year, Massachusetts made a second issue of \$75,000, which was legal tender for private debts. In 1716, another issue of \$75,000 was made and distributed among the counties, and lent to the people on real estate. Two hundred and fifty thousand dollars was issued in 1720, which cleared Massachusetts of debt. Connecticut issued legal tender bills in 1709. Rhode Island made full legal tender paper money in 1720, and Pennsylvania in 1723.

Benjamin Franklin, on page 185 of his Autobiography, says: 'I well remember that when I first walked the streets of Philadelphia, eating my roll, I saw most of the houses of Walnut street, between Second and Front streets, with bills on their doors, 'To Let,' and many likewise on Chestnut street, which made me think that the inhabitants of the city were deserting it, one after the other. Our Junta debates possessed me so fully of the subject that I wrote and printed an anonymous pamphlet, 'The Nature and Necessity of a Paper Currency.' It was well received by the common people in general, but the rich men disliked it—for it increased as well as strengthened the clamor for more money; and they happened to have no writer among them that was able to answer it. The necessity for this currency became, by experience, so evident as never to be much disputed, so that it grew soon to be £55,000, and in 1779 to £80,000, since which time it rose to £250,000—trades, buildings and inhabitants all the while increasing.'

“Maryland commenced issuing paper money in

1733; Delaware in 1739; and Virginia in 1755. On the 25th of June, 1775, Congress authorized the issue of \$2,000,000 of notes, which read, 'This note entitles the bearer to receive ----- Spanish Milled Dollars, or the value thereof, in gold or silver, according to the resolution of Congress on the 10th of May, 1775.'"

The Senator smiled, and remarked that this form of money was about on a par with recent monetary legislation. It authorized the holder to receive Spanish milled dollars, or their equivalent, in gold or silver, but did not obligate any one to pay them.

Continuing this interesting history, the Judge said: "The bills emitted by Congress up to this time were not legal tenders. Previous to 1779, the States were pledged for the redemption of the bills emitted. The national government was not pledged; each State was bound for its portion, according to population."

The Judge, turning the pages of a volume of the writings of Jefferson, read: "In the revolutionary war, the old Congress and the United States issued bills without interest and without tax. Continental money expired without a single groan; not a murmur was heard among the people. On the contrary, universal congratulations took place, on their seeing the gigantic mass, whose dissolution had threatened convulsions which might shake their infant Confederacy to its center, quietly interred in its grave."

The Senator, who held in his hand a volume of Calhoun's writings, read; "Continental money is the ghost conjured up by all who wish to give the banks the exclusive monopoly of government credit."

The Colonel, who was reading from Birkey's "Money Question," remarked: "Here is something in line with the subject under discussion," and read: "It is worthy of note that Continental bills were not issued in the form of paper money, such as was first introduced in Massachusetts, and subsequently adopted by many of the other colonies, but in a form of promises to pay specie at certain specified times, which, under the circumstances, was a manifest impossibility. The gradual depreciation of continental money, as it passed from hand to hand, inflicted a loss upon each successive holder, which came to be regarded in the nature of a tax, or contribution, toward the cause of Independence. The large sums held by individuals, after it ceased to circulate, were taken at its greatest depreciation, and no great losses were sustained. When, after it had seen the liberties of the people vindicated, it sank in the moment of victory quietly into its grave, no commercial crash or money panic attended its fall."

"Dr. Franklin," said the Judge, "writing in defense of the paper money of the colonies, says: 'On the whole, no method has hitherto been framed to establish a medium of trade in lieu of money equal in all its advantages to bills of credit, founded on sufficient taxes for discharging them, or land securities, of double the value, for repaying them at the end of the term, and, in the meantime, made a general legal tender.'"

The Colonel, who held in his hand a volume of Franklin's works, said, "Let me read something further from Franklin:

“The Assembly of Pennsylvania, by an act passed in 1739, authorized an issue of paper money to the amount of £80,000 sterling (\$400,000). This was to be emitted to the several borrowers from a loan office established for that purpose. Five persons were nominated trustees of the loan office, under whose care and direction the bills or notes were to be emitted. They were to lend out the bills on real security of at least double the value, for a term of sixteen years, to be paid with interest. One-sixteenth part of the principal was yearly paid back into the office, which made the payment easier to the borrower. The interest was applied to the expenses of the public service. The principal, during the first ten years, was let out again to fresh borrowers. The borrowers from year to year were to have the money only for the remaining part of the term of sixteen years, repaying by fewer, and, of course, proportionately large instalments; and during the last six years of the sixteen, the sums paid in were not emitted, but the notes burned and destroyed; so that, at the end of sixteen years, the whole might be called in and burned, and the accounts completely settled. Between the years 1740 and 1775, while abundance reigned in Pennsylvania and there was peace in all her borders, a more happy and prosperous population could not, perhaps, be found on this globe. In every house there was comfort. The people generally were highly moral, and knowledge was extensively diffused.’

“In volume 4, page 85, of Franklin’s works, he says: ‘Gold and silver are not intrinsically of equal value with iron. Their value rests chiefly on the

esteem they happen to be in among the generality of nations. Any other well founded credit is as much an equivalent as gold and silver. Paper money, well founded, has great advantages over gold and silver, being light and convenient for handling large sums, and not likely to have its volume reduced by demands for exportation.' ”

The Senator said: “Here is something from Warwick Martin, from which it would seem that if Congress refused to coin either gold or silver, the right reverted to the States:

“ ‘ Before we can fully understand and appreciate what the states did surrender to the federal government, we must know what powers they possessed previous to the adoption of the Constitution, and what they did relating to money. All the powers they had relating to war, peace, duties on imports, coining money of gold and silver or copper, or emitting bills of credit, and making them a legal tender, they yielded up to Congress. Now what did they possess and use? The history of the states and the journal of the Continental Congress show plainly that these states coined money of gold, silver and copper, and regulated its value. They also regulated the value of foreign coins. They emitted their own treasury notes or bills of credit, and made them legal tender in payment of all debts due the states and individuals therein. In entering the general government as states, they renounced these rights and privileges, and transferred them to the general government, which was created by and for the benefit of all the states. It is, therefore, preposterous to suppose that

the Federal government possesses less power relating to money than was possessed by the states in their independent capacity. Yet the theory that the United States are prohibited from doing what each one of the States could do, and did, involves this absurdity.

“ ‘For the benefit of those who may not believe that the states alone issued legal tender paper before and during the revolution, we state that the Continental Congress, before and after the adoption of the Articles of Confederation, did not issue, or pretend to issue, money of any kind. It did issue what were called bills of credit — but it possessed no power to make these bills legal tender, or to issue coins of any kind. It saw the necessity of having its bills made a legal tender to prevent their depreciation; but it did not possess the power to make them such. In 1778, when the notes began to depreciate, Congress called upon the states to make them legal tender, as they had made their own bills.’ ”

“ ‘Here is something from the same author;’ ” said the Senator: “ ‘No less than seven materials have been used by Congress in making money for the people, only two of which, gold and silver, are named in the Constitution. But we are told that the Constitution authorizes Congress to coin, but not to print money. The one is understood to apply to metal, and the other to paper; but at this time, in all Europe, coin and print mean the same thing; the two words are used by all financial writers as interchangeable. Both mean to stamp and nothing else.’ ”

“ ‘There is no student of the money question who doubts the power of Congress to coin full legal tender

money from any material it chooses," said the Colonel. "But those who have not taken the pains to study the question should read the legal tender decisions of the State courts, and the United States Supreme Court. There is no statesman who does not know—whether he will admit it or not—that all money which receives the full legal tender functions of this government has exactly the same purchasing and debt-paying value, whatever the material of which it may be fabricated.



THE STATESMEN RAISE THE SHEEPSKIN.

"It is humiliating to American manhood to think that the politicians permit the bankers and the Money Power—and the people allow the politicians—to dictate the utterances of the great political parties. The banks have done this for many years, by having their agents write the financial planks in the national party platforms. Let me read you the money planks from the national party platforms of 1892 :

DEMOCRATIC.

We hold to the use of both gold and silver as the standard money of the country, and to the coinage of both gold and silver, without discriminating against either metal, or charge for mintage, but the dollar mint of coinage of both metals must be of equal intrinsic and exchangeable value, or be adjusted through international agreement, or by such safeguards of legislation as shall insure the maintenance of the parity of the two metals and the equal power of every dollar at all times in the payment of debts; and we demand that all paper currency shall be kept at par and redeemable in coin. We insist on this policy as especially necessary for the protection of the farmers and laboring classes, the first and most defenceless victims of unstable money and fluctuating currency.

REPUBLICAN.

The American people, from tradition and interest, favor bimetalism, and the Republican party demands the use of both gold and silver as standard money, with such restrictions and under such provisions, to be determined by legislation, as will secure the maintenance of the parity of values of the two metals, so that the purchasing and debt-paying power of the dollar, whether of silver, gold or paper, shall be at all times equal. The interest of the producers of the country, its farmers and its workingmen, demand that every dollar, paper or coin, issued by the government shall be as good as any other. We commend the wise and patriotic steps taken by the government to secure an international conference to adopt such measures as will insure a parity of value between gold and silver for use as money throughout the world.

“ One written by Sherman, the other by Gorman. It is said that Rothschild remarked on reading them, ‘ Behold my latest twins. Their own mammy can hardly tell one from t’other.’ ”

“ This treatment of the money question was a deliberate attempt at deception on the part of each of the old political parties, and the candidate who assumed the duties of an office to which he was elected on either platform, did so under false pretenses. They would have the people believe that it is their intention and desire that ‘ every dollar shall be the equal of

telligence ought to know that those who have been active in the thirty years' conspiracy—those who have spent hundreds of millions of dollars to reduce this nation to a single gold standard, and compel the American producers to labor for them at one-half the value of their services—will never voluntarily agree to relinquish the grasp they now hold on our productive industries."

"The question of money, and especially the silver question, which is now agitating the public mind," continued the Judge, "will be stripped of its mysteries when the people learn that it is the LAW and not the MATERIAL which makes money.

"And if thy brother be waxen poor, and fallen in decay with thee; then thou shalt relieve him; yea, though he be a stranger or a sojourner; that he may live with thee."—*Lev. xxv., 35.*

CHAPTER III.

LEGAL TENDER DECISIONS—Money Constitutional, Irrespective of its Material—The United States Bank and Evil Results of its Fluctuating Circulation, as Manipulated by the Money Lenders—Views of Jackson and of Madison on the Currency—Judge Story's Decision—Failure of the Bank to Establish a Sound and Uniform Currency—A Dangerous and Demoralizing Monopoly—Wholesale Corruption of Members of Congress by Bank Agents—Benton's Prophecy and its Fulfillment—Return of the Tigress with her Cubs.

The Judge, who arrived early on the third day, was surrounded with law books, when his colleagues arrived at the conference room, and began the proceedings by saying that he was much impressed with what the Colonel had said at the last meeting about full legal tender money. "I have examined many decisions," he said, "and find that the Supreme Courts of Iowa, Ohio, Wisconsin, Illinois, New York, Pennsylvania—in fact, all the States that have passed upon the question—have decided that legal tender money, no matter from what material made, is constitutional. The decision of the United States Supreme Court, to which the Colonel referred, we can, after carefully reading the full text and the arguments on both sides, consider fully at some future time."

"I hold in my hand a valuable work on the money question," said the Senator. "'Our Money Wars,' by Samuel Leavitt, from which I read:

'Never, until 1862, was the power of the Government to make its paper money or that of the banks, legal tender for all payments in the United States, denied. The power to make such money legal tender in payment of private debts was never fully adopted until 1862, when it was denied to the government. The notes of the banks of the United States in 1791 and 1816, the notes of state banks from 1812 to 1814, the treasury notes of the United States from 1812 to 1817 and from 1837 to 1861, were all made legal tender for all debts due the government, including duties on imports, but they were not treated as legal tender for private debts.'

"In 1862," continued the Senator, "the power of the bankers over Congress, and especially in the Senate, was so great that this order was changed in relation to treasury notes. They were made unlimited legal tender for private debts, but of limited legal tender to the government. This was done to insure their being at a discount for coin."

The Colonel here read from Judge Warwick Martin on the subject, as follows: "Unless a part is greater than the whole, what is a tender to the whole people as embodied in the government should be a tender to individuals.'

"In 1791, Congress chartered the first United States bank with a capital of \$10,000,000," continued the Colonel. "One-fifth of the stock, or \$2,000,000, was owned by the United States Government and \$8,000,000 by other stockholders. Six of the eight millions capital were represented by government indebtedness and two millions were in money. The

tenth section of the charter made the notes of the Bank those of the nation, by providing that for twenty years they should be receivable for all dues to the government. The bank always paid coin when demanded, but the notes were legal tender to the government, and therefore satisfactory to the people, whether the bank paid coin or not. The second Bank of the United States was chartered by Congress in 1815, with a capital of \$35,000,000. The government owned seven millions of the stock, individual stockholders twenty-eight millions. The charter provided that \$15,000,000 of the capital of the Bank should be United States Treasury notes, issued during the War of 1812 and then used by the people. Mr. Madison vetoed the bill because of this provision. He maintained that to give the Bank treasury notes would be to furnish it with \$15,000,000 of money instead of bonds, and to deprive the United States of that amount of money. The charter was changed the next winter, and bonds were taken by the Bank instead of Treasury notes. The Bank wanted Treasury notes, because they were legal tender and the bonds were not—being based on specie—and the Bank was authorized to issue thereon four dollars of paper to one of coin in reserve. The volume of the outstanding issue was constantly fluctuating between thirty and one hundred millions of dollars, keeping values irregular and trade and business in a constant tremor of uncertainty; stagnation one month, and activity the next. This resulted in ruinous sacrifices of the property of debtors.”

“It was the expansion and contraction of the currency of the United States Bank, and the conse-

quent distress among the people, that impelled Jackson to make war on the banks," said the Senator. "He sought to prevent further bank issues, or the issue of any money that should be redeemable in any other money, holding that money could not be redeemed by exchanging one dollar for another, and strenuously contending that the government alone should issue the money, which should be a full legal tender, receivable for every debt."

"Were Jackson alive he would be a green-backer," said the Judge.

"Undoubtedly," replied the Senator. "Most of our great statesmen have held similar views. President Madison, in his message of December 5, 1815, speaking of the need of a stable and sufficient currency, says: 'It may be necessary to ascertain the terms upon which the notes of the Government no longer required as an instrument of credit, shall be issued upon motives of general policy as a common medium.'

"In his message of December 3, 1816, Mr. Madison said: 'For the interests of the community at large, as well as for the purposes of the Treasury, it is essential that the Nation should possess a currency of equal value, credit and use, wherever it may circulate. The Constitution has intrusted Congress exclusively with the power of creating and circulating a currency of that description.' "

"There has always been a struggle between the banks and the people as to whether the government or the banks should control the issue and volume of money," said the Colonel. "In 1818, a Boston merchant tendered Treasury notes in payment of import

duties. The banks, then as now, were hostile to government paper. The United States Bank had the right for twenty years to make a legal tender paper, a monopoly for which they had paid \$1,500,000. There still remained in the hands of the people the Treasury notes of 1813, 1814 and 1815, and Congress, in obedience to the wishes of the Bank, in 1817 called in all of said notes, providing that they should not be received at any place but in the Treasury. The people, jealous of their rights and apprehensive of the encroachments of the Bank influence, retained the Treasury notes, and tested the legality of the law of Congress by tendering the government notes for import duties. The District Attorney in Boston instructed the Collector of the Port not to receive Treasury notes for duties; they were therefore refused. The government brought suit; the merchant pleaded a tender of payment. The case was heard by Judge Story in 1819. (2 Mason, pp. 1-8). His decision is that the Treasury notes were and are a legal tender for everything for which the law makes them receivable. As a result of this decision, the Treasury notes remained in the hands of the people."

"From 1820 to 1829 there was very little agitation of the money question in Congress, and the banks appear to have had everything their own way," said the Senator. "But in later years, Jackson grappled with what he termed 'The Great Red Dragon,' which would, if permitted to continue, have swallowed up the prosperity of the Nation and eventually destroyed the liberties of the people. He, therefore, in his message of December 8, 1829, to Congress, says: 'The charter of the Bank of the United States expires in

1836, and its stockholders will most probably apply for a renewal of their privileges. In order to avoid the evils resulting from precipitancy in a measure involving such important principles, and such deep pecuniary interests, I feel that I cannot, in justice to the parties interested, too soon present it to the deliberation of the Legislature and the people. Both the constitutionality and the expediency of the law creating this bank are well questioned by a large portion of our fellow citizens. And it must be admitted by all that it has failed in the great end of establishing a uniform and sound currency. Under these circumstances, if such an institution is deemed essential to the fiscal operations of the government, I submit to the wisdom of the Legislature whether a national one, founded upon the credit of the government and its revenues, might not be devised, which would avoid all constitutional difficulties, and at the same time secure all the advantages to the government and the country that were expected to result from the present bank.' ”

“Jackson’s whole theory regarding the currency seemed to be that the Constitution empowered the general government alone to issue money,” said the Colonel, “and that it had no power to delegate this function to others. That it was not only unwise, but unconstitutional, to delegate that power, and to do so was subversive of the rights of the people. In his message of July 10, 1832, he says: ‘When the laws undertake to grant gratuities and exclusive privileges to make the rich richer and the potent more powerful, the humbler members of society—the farmers, me-

chanics and laborers, who have neither the time nor the means of securing like favors for themselves—have a right to complain of the injustice of the government.’”

The Judge, who had been discussing the political power exercised by the banks, held in his hand “The Money Question,” by Birkey, and read :

“The bank itself was a colossal money power—its arms in every State, by means of its branches—its power over the country banks—its power over the business community—over public men, who were its debtors and retainers—its organization under a single head, issuing its orders in secret, to be obeyed in all places and by all subordinates at the same moment. Such was the formidable array on the side of the banks.”

“It was fortunate, indeed, that a patriot occupied the White House,” said the Colonel. “Jackson was not understood at that time, and is not now appreciated at his full worth. Many think his fame rests on his military achievements, his integrity, and his indomitable will. While possessed of all these in an eminent degree, he was equally great in statecraft, and his memory should be cherished for his comprehension of the needs of the people, as well as for his iron nerve in maintaining their rights. Very many at this time think that because he was opposed to the banks he was against paper money. He realized the power that the control of paper money gave the banks. One of the reasons he gave for vetoing the bill to re-charter the United States Bank was that Congress insisted on making the paper money redeem-

able in coin, or based on coin, instead of being based upon the faith and revenues of the nation."

"The conditions, then, were the reverse of those existing at this time," said the Judge. "The banking, manufacturing and business interests of both parties were arrayed against the President, while the farmers and laborers of all parties supported his anti-bank policy. Jackson was firm. Had every dollar of the banks—\$35,000,000 capital stock—been thrown at his feet as a bribe, it would not have purchased his signature to a renewal of its lease of life."

The Senator, holding in his hand Benton's "Thirty Years in Congress," said, "Here is a prophecy of Benton's that has been fulfilled." He read:



BRENTON'S PROPHECY FULFILLED.

"'Jackson has not killed the Bank; she is a wounded tigress, and has escaped to her jungle. By and by she will return, and bring her whelps with her.'"

“They are all here,” said the Judge, “and have brought their appetites with them.”

The Senator remarked that he, too, had found something to the point in the same book. “Listen to this,” said he: “Jackson made no concessions and formed no coalitions with either of the political parties. The Bank spent \$3,000,000 in bribing and subsidizing members of Congress, newspaper editors, politicians, brokers, jobbers and men of influence to defeat Jackson and purchase a re-charter.”

“The modern and most approved plan,” said the Colonel, “is to stand in with the President, who now acts as the broker for the banks and subsidizes Congress with patronage.”

“Different means had to be employed in those days,” rejoined the Judge; “and in searching for the means by which the Bank had influenced Congress to vote for a renewal of its charter, I find that the Bank’s agents had lent to Congressmen the following sums:

In 1830, to 52 members,-----	\$192,161
“ 1831, “ 59 “ -----	322,199
“ 1832, “ 44 “ -----	478,069
“ 1833, “ 58 “ -----	374,766
“ 1834, “ 42 “ -----	238,586
<hr/>	
Total,-----	\$1,605,781

“Do you find any record of these sums having been repaid?” the Senator asked.

“No!” replied the Judge. “It was never intended that they should be repaid. This is a total greater than the combined salaries of all the members

of both houses of Congress during these five years. That such a moneyed institution, with twenty-five branches and wide spread powers for evil, should be able to buy its way to the verge of regal power in a free government, where equal rights are guaranteed to all, was enough to make a patriot sick at heart."

"Take thou no usury of him, or increase: but fear thy God: that thy brother may live with thee."—*Lev., xxv., 36.*

CHAPTER IV.

UNITY OF OPINION ON THE MONEY QUESTION AMONG HONEST STATESMEN—Calhoun on "Promises to Pay"—A Perfect Paper Circulation—Jefferson's Opinion—The Panic of 1837 and its Cause—Pennsylvania's Relief Notes—Indiana Follows Suit—Every Panic the Result of Usurers' Conspiracies to Contract the Currency—Facts and Figures to Prove this—Cows Sold for a Dollar Apiece in Contracted Currency—Stealings of the Banks—Over-reaching Greed—Contraction of Currency Means Confiscation of Property—How Foreign Coin was Driven Out—Concert Between the Government and the Usurers Required to Produce Panics.

The Senator opened the fourth day's session by saying: "Since the last meeting, I have examined, as far as possible, the financial legislation of the country for a great many years, and the position taken by leading statesmen on this subject. As the Judge would say, in charging a jury touching the defendant's testimony in a criminal case, 'I have taken into consideration their motives and interest in the matter, and find, with scarcely an exception, that our great statesmen, who had no private interests to serve, were of practically one opinion. Here is a speech of John C. Calhoun, delivered in the Senate in 1837, in which he says: 'It appears to me, after bestowing the best reflection I can give on the subject, that no convertible paper—that is, no paper whose credit rests

upon a promise to pay—is suitable for currency. It is the form of credit proper in private transactions between man and man, and not for a standard of value, to perform exchanges generally, which constitute the appropriate function of money or currency.’ ”

Turning the pages of the volume he held, he went on. “Here is another speech delivered by Calhoun in 1838: ‘I now undertake to affirm positively, and without the least fear that I can be answered, what heretofore I have but just suggested, that a paper issued by a government, with a simple promise to receive it in all dues, leaving its creditors to take it, or gold and silver, at their option, would, to the extent which it would circulate, form a perfect paper circulation, and would be as steady and uniform as the metals themselves.’ ”

“Jefferson entertained similar views. He said: ‘Treasury bills, bottomed on taxes, thrown into circulation, will take the place of so much gold and silver.’ ”

“In 1832,” continued the Senator, “Jackson recommended, in his message to Congress, the removal of the public funds from the United States Bank to certain designated private banks; but Congress refused to authorize their removal. Thereupon, the President directed the Secretary of the Treasury, in defiance of Congress, which Jackson believed was influenced by the United States Bank, to remove the funds; this order the Secretary refused to obey. Jackson promptly removed the Secretary, and Roger B. Taney, the Attorney-General, was transferred to the Treasury portfolio, and complied with the order. In

the last year of Jackson's administration, the national debt was extinguished, and a surplus of \$40,000,000, which had accumulated, was, by order of Congress, distributed among the States. Jackson had issued an order, known as the special circular, requiring all payments to the government to be made in gold and silver. It was charged by some that Jackson's action in removing the public money from the United States Bank, and the issuing of the special circular, were the causes of the panic of 1837, while by others it was attributed to speculation."

"None of these causes had anything to do with the panic," said the Judge. "It was the concert of action on the part of the bankers, in refusing loans, thereby contracting the currency that caused the panic. The want of a proper volume of money, and not speculation, causes panics.

"Almost immediately after the inauguration of Van Buren, the crash came. The banks of New York and New Orleans suspended specie payments. Mercantile houses in most of the large cities stopped payment. A public meeting was held in New York, which was addressed by Daniel Webster; a committee was appointed to visit the President and ask for the rescinding of the Special Circular he had issued. They represented that their real estate had depreciated more than forty millions; that there had been a decline of twenty millions in their local stocks, and placed the business failures at 250. All business was paralyzed throughout the country; the property of every debtor was sacrificed, and the industry of the nation crippled; Pennsylvania and other states were on the verge

of bankruptcy. Unable to pay interest on the public debt, or even pay the wages of laborers for work done on the public improvements, Pennsylvania, in 1841, issued \$3,100,000 'relief notes,' which were made receivable by the State for all dues. They were a welcome relief to the people. Banks received them as special deposits, they discounted paper with them. Every avenue of industry was opened; the despair of the people was turned to joy, and the State soon commenced exporting more than she imported. Gold and silver, no longer needed, flowed in upon her. The same year Indiana issued treasury notes. At first the banks refused to receive them, but as they were receivable for taxes and other debts, they soon went to a premium."

"There is no honest occasion for panics, or serious business disturbances," said the Colonel, "and every panic the country has experienced has been the result of a conspiracy on the part of the usurers. Money and prosperity go hand in hand; contract the currency, and business languishes."

"In 1837," said the Senator, "the country had \$149,185,890 of bank-note currency in circulation, which was contracted by the bankers until it diminished to \$58,000,000 in 1843. The loans and discounts, as reported by the banks for that year, were \$430,000,000, nearly three times as much as the total circulation; and in 1843 they were \$235,000,000, nearly four and one-half times as much as there was bank-note money in circulation. The contraction of the currency in circulation amounted to \$91,000,000, while the loans and discounts had been reduced

\$175,000,000, making a total contraction of \$266,000,000."

"That tells the story," said the Colonel.

The Judge, who was examining the Congressional Record for the period under discussion, said: "Here is a speech Henry Clay made in the Senate, referring of the distress occasioned by the conduct of the bankers: 'In Ohio, with all her abundance, it was hard to get money to pay taxes with. The sheriff of Muskingham County, in the summer of 1842, sold at auction 10 hogs at $6\frac{1}{4}$ cents each; 2 horses, worth \$75 each, for \$2 each; 2 cows for \$1 each, and store goods at that rate.'"

The Senator said: "I have some further figures on the contraction of the currency. In 1849 the bank-note circulation was \$114,743,415; loans and discounts \$335,000,000. From 1850 to 1854 the bank-note circulation averaged about \$200,000,000; loans and discounts about \$560,000,000. The average amount of coin from 1837 to 1849 was \$85,000,000; average loans and discounts, \$339,000,000, four times as much as all the coin in the country. The usury which the banks drew from the people in the form of interest was nearly \$4,000,000 a year.

"The suffering produced by the contraction of the currency from 1837 to 1843 is only thought of with a shudder. Greed had overreached itself; conspirator and victim went down in one common ruin. The action of the states in issuing notes receivable for all debts gave the people great relief.

"Then the expenses of the Mexican war must be met. Until the civil war period, in emergencies, our

executive and law-making branches of the government did not dare to follow the dictates of the usurers; discretion led them to look to some wise statesman. The doctrines of Jefferson, Calhoun and Jackson were adopted. Congress authorized the issuance of \$23,000,000 legal tender notes."

"There is a theory," said the Judge, "that panics are occasioned by speculation and extravagance, but these have very little to do with it. Panics occur whenever the banks wish to confiscate the property of debtors, which they do by contracting the currency. Contraction is the cause of panics. In 1857 the banks had about \$50,000,000 specie. The Bank of England was striving to maintain specie payments; it sent \$7,000,000 of American securities to New York to be sold, and reduced our specie to that extent. The banks of the country became alarmed, or so pretended, and contracted the currency one-half, withdrew their loans, raised the rate of interest from 12 to 36 per cent., refused loans even at that rate; put down exchange on England 10 per cent. Undoubtedly this was the result of a pre-arranged plan between the bankers of Europe and America. In 1853, Congress demonetized silver quarters, halves and dimes in sums over \$5. On the 21st of February, 1857, Congress demonetized foreign coin. This withdrew the legal tender property from these coins, and they immediately ceased to be money in the United States, reducing to that extent our volume of metallic money, or redemption money. Until that time, foreign coins were a legal tender in the United States; large quantities of English sovereigns and half sover-

eigns, French twenty-franc pieces, Spanish and Mexican doubloons and the silver coins of Norway and Sweden, Denmark, Germany, Austria, Spain, Mexico, Central and South America, had accumulated in the United States, and were performing all the functions of money. This act of the "fiat" powers of the Government withdrew the legal tender quality from all these coins and they immediately ceased to be money in the United States. By the act of 1834, gold was overvalued, and as a consequence, the gold coins of other countries came to the United States, and remained. Silver coins from other countries were also in circulation in large quantities. These coins were held by the banks for reserves, but after the act of 1857, being no longer a legal tender, the banks could not use them at par."

— "It would seem that the government and the banks must act in concert in order to bring about a destructive panic—one in which the confiscation of the property of debtors would be complete," observed the Judge.

"Gentlemen," asked the Senator, "have we not given sufficient consideration to this branch of the subject?"

"Between 1861 and 1873, the most important financial legislation in our country was enacted," answered the Colonel, "and what occurred during that period may throw some additional light on previous legislation, and give us some insight into that of subsequent years."

"I suggest, then," said the Judge, "that at our next meeting we consider the Civil War period."

“Of course we are familiar with the history of that period,” remarked the Senator.” “But I suggest that, in the recess, we make an examination of the laws enacted during that time, look into their administration, make a brief of the most important events, and bring with us such books as we may desire to refer to during the consideration of this part of the subject—it being one of great importance, and likely to consume the time of several sittings.”

Thou shalt not give him thy money upon usury, nor lend him thy victuals for increase.—Lev. xxv., 37.

CHAPTER V.

ATTITUDE OF THE BANKS IN THE NATION'S HOUR OF PERIL—
Offers to Loan Paper Notes at 36 per cent. Interest—Usury
the Badge of All their Tribe—The Hazzard Circular—The
Way to Control Labor is to Control the Monetary Circula-
tion — Down on the Greenbacks—A Villainous Scheme
Boldly Proposed—Demand Notes Received in Payment of
Taxes—The Fight in Congress for Full Legal Tender Pa-
per Money—Suspension of Specie Payments by the Banks
—United States Bonds Paid for in Dishonored Bank Notes,
but Gold Demanded for their Redemption—The Roths-
child's Agent Heads the Attack on American Paper Money
—A Few Patriots in Congress—Sherman's Change of Base
—The Fatal Exception Clause—Demand Notes Retired to
Increase the Bonded Debt and Force Gold to a Premium
—Subsidiary Coin Demonetized—Silver Dollar Undervalued
—Thad. Stevens' Scorching Protest Against the Iniquity
of the Banks.

The three gentlemen came to the place of meeting on the fifth day in separate carriages, bringing with them large numbers of books. The Judge arrived early, and warmly greeted the Colonel and the Senator.

The Colonel commenced by saying: "At the time of Lincoln's first call for troops, there was, according to the Treasury reports, \$250,000,000 coin and bullion in the United States, about \$50,000,000 of which was in the banks. Just how much the banks owned of this \$50,000,000 and how much belonged to

depositors, cannot be definitely ascertained. The Government was without means to carry on a gigantic war; any aid that could be received from the banks was too limited and uncertain to be depended upon. The banks agreed that if specie payments could be indefinitely suspended, they would supply the Government with their promises to pay—their non-interest bearing notes—in exchange for the Government's interest bearing promises to pay coin."

The Judge, who was examining Appleton's Encyclopedia for 1861, said: "On page 296 of this book, I see the bankers tendered loans to the Government, at from 24 to 36 per cent. interest. The Government borrowed some at 12 per cent."

Continuing, the Colonel said: "At that time our people knew little about the science of money. They did not seem to comprehend that the Government had the power to issue actual money by making it a full legal tender, but thought they must issue bonds and pay interest, in order to borrow the notes of some corporation, which notes were not money at all."

"Not a very high order of statesmanship," interposed the Judge: "but in this regard, Congress does not appear to have improved much to this day."

"Fortunately," resumed the Colonel, "We had a few statesmen in public life. Lincoln was at the head of the government, Chase of the Treasury; Bates was Attorney General, Thad. Stevens a member of the House of Representatives, and Henry Wilson of the Senate. All kinds of propositions from the bankers poured in on the Secretary of the Treasury.

"That great statesman, Lord Chatham, has most

truly and wisely said: 'The ruin or prosperity of a state depends so much upon the administration of its government that, to be acquainted with the merit of a ministry, we need only observe the condition of the people.' We know the condition of the people," continued the Colonel, "and we also know that the difficulty lies in our monetary system and in the vicious laws which have been enacted wholly in the interest of the usurers.

"To what extent the Money Power was responsible for the Civil War, I suppose we may leave to conjecture; but the benefits they expected to reap from it, after its beginning, are set forth in one of their bank circulars, issued in 1862, and known as the Hazzard Circular, which reads as follows:

"Slavery is likely to be abolished by the war power, and chattel slavery destroyed. This I and my European friends are in favor of; for slavery is but the owning of labor, and carries with it the care of the laborer, while the European plan, led on by England, is Capital's control of labor by controlling wages. This can be done by controlling the money. The great debt that capitalists will see to it is made out of the war must be used as a measure to control the volume of money. To accomplish this, the bonds must be used as a banking basis. We are now waiting to get the Secretary of the Treasury to make this recommendation to Congress. It will not do to allow the greenback, as it is called, to circulate as money any length of time, for we cannot control it; but we can control the bonds, and through them the bank issues."

“This was the plan mapped out by the bankers of Europe and America for the spoliation of the United States.”

“That circular has been published, and the bankers have denied its authenticity,” remarked the Senator.

“Did you ever know a detected criminal,” rejoined the Colonel, “who, when confronted with the evidence of his guilt, would not deny it? This circular was taken from the letter files of the First National Bank of Council Grove, Kansas, in 1873, by J. W. Simcock, the cashier of the bank, and given to Isaac Sharp, who was attorney for the bank at the time, but who is now practicing law in Washington, a gentleman of the highest integrity.¹ The legislation, which has followed the war, the conduct of the bankers of both continents since, and their present course, afford the strongest possible proof of its authenticity.

“On February 8, 1861, Congress authorized the President to borrow a sum not to exceed \$25,000,000. On March 2, 1861, the President was authorized to borrow \$10,000,000 more. The war had assumed gigantic proportions, and President Lincoln called an extra session of Congress to convene in July. On the 17th of that month, Congress authorized the Secretary of the Treasury to borrow \$250,000,000, for which he might issue bonds or Treasury notes, and by the same act he was authorized to issue, in exchange

¹ For further particulars regarding this Hazzard Circular, see “The Anarchists of Wealth,” by Gordon Clark, Nonconformist Publishing Co., Indianapolis, Ind.

for coin, or to pay soldiers, or for other dues, Treasury notes not bearing interest, but payable on demand by the Assistant Treasurers at Philadelphia, New York, or Boston ; or Treasury notes bearing interest of 3.65 per centum, payable in one year and exchangeable for demand notes, the whole amount not bearing interest not to exceed \$50,000,000. On August 5th of that year, Congress passed a supplementary act to the act of July 17th, providing that the Treasury notes authorized by the act of July, known as 'Demand Notes,' should be received in payment of public taxes.

"In the early part of 1862, the House, under the leadership of Thad. Stevens and E. G. Spaulding, passed a bill providing for an issue of full legal tender money to carry on the war. The bankers rushed to Washington in hot haste to prevent the passage of the bill through the Senate. The friends of honest money were thwarting the plans of the bankers at every step, and prevented the adoption of a bill which had been prepared by the bankers, containing the exception clause. This delayed matters until the Treasury was entirely exhausted, and Mr. Chase wrote letters and went in person to both the House and Senate Committees, and urged the passage of a law authorizing him to issue money to meet the necessary demands of the government. While the general bill was thus delayed in the Senate, the bankers consented to the adoption of a law that would give the country \$10,000,000 more full legal tender notes, which was passed on the 12th of February, 1862. This made \$60,000,000 full legal tender notes—actual money—equal to coin, except to pay interest on the public debt.

“The state banks agreed to take \$150,000,000 of the 7 per cent. bonds, authorized by the act of July 17th, 1861. The bankers expected Mr. Chase to draw, from time to time, and permit them to pay for the bonds in bank notes, which he at first refused but ultimately was compelled to do *On December 6th, 1861, the banks suspended specie payments. Referring to this matter, Thad. Stevens said: ‘The last \$50,000,000 of the loan which had been taken by the banks, at a discount of \$5,500,000, payable in coin, was no longer paid in anything but the currency of the suspended banks!’*”

“It is amazing,” said the Judge, “that the government of the United States should sell its interest bearing bonds, at a heavy discount, for suspended bank paper. The act of February 25, 1862, was the beginning of our present financial system. Washington swarmed with bankers, headed by the Rothschild’s American representative, August Belmont. The fight was against the legal tender clause. The Attorney General had written a letter to Mr. Spaulding, endorsing the constitutionality of legal tender paper money. The House, at first, was largely in favor of issuing real money. Mr. Chase, the Secretary of the Treasury, had listened to the arguments of the bankers, and seemed undecided. The honest money sentiment was led by Thad. Stevens and Mr. Spaulding, with whom Chase had frequent interviews. Finally, on the 3rd of February, 1862, Mr. Chase wrote to Mr. Spaulding: ‘I come with reluctance to the conclusion that the legal tender clause is a necessity, but I come to it decidedly, and support it earnestly.’”

Turning the pages of the bound volume of the House Journal, the Colonel remarked that speeches on the legal tender clause showed that those who took part in the debates had studied and comprehended the question. Several members, however, who had made able arguments in favor of honest money, afterwards yielded to the blandishments of the Money Power. Both Sherman and Spaulding were of this number.

“Here is a speech made by Congressman Hooper of Massachusetts: ‘I am in favor of making the notes a legal tender. We shall probably be told that England, in her great struggle while specie payments were suspended, never made paper money a legal tender; but in this respect her example should serve as a warning rather than a guide, because, instead of it, she did what was much worse, by suspending the laws to enforce the payment of debts in cases where the paper had been refused as a tender. To do this, our resources of every kind are abundant, both in men and means. To fail would not be because the nation was so poorly endowed as to be without the means of success. Such a result, if it were possible, would not weaken the truth of the great principles for which we are contending, but would simply demonstrate that we of this generation were faithless in guarding those principles; faithless to ourselves, to our country, to good government throughout the world, and since such infidelity is a violation of unquestionable duty, faithless to God.’

“Mr. Sherman, in his remarks against the motion of Mr. Collamar to strike out the legal tender clause, said: ‘The motion of the Senator from Ver-

mont now, for the first time, presents to the Senate the only question upon which the members of the Committee of Finance had any material difference of opinion; and that is, whether the notes shall be made a legal tender. The Secretary has examined this question in all its length and breadth. He informs us that, without this clause, to attempt to circulate as money the proposed amount of demand notes, will prove a fatal experiment. As soon as the banks suspended, gold and silver ceased to circulate as money. You cannot sell your bonds for gold and silver, which is the only money that can now be received under the sub-treasury law. We issued such bills during the war with Mexico and during the War of 1812. Congress is expressly invested with all these higher powers, and, to remove all doubt, is expressly authorized to use all necessary and proper means to carry these powers into effect.'

"Bayard opposed the legal tender clause," continued the Colonel. "You recollect he was, with John Sherman, on the conference committee when the bill, which was sent to Seyd, and which Seyd so ably criticised, was substituted for the bill which provided for the legal tender silver dollars, and passed Congress February 12, 1873."

"Bayard and Cleveland suspended the Monroe doctrine long enough to permit England to extort \$75,000 from Nicaragua," said the Senator.

"Yes; Bayard represented England a long time in America before he was sent to the Court of St. James to represent the English interests in the United States," smilingly retorted the Judge.

“On February 14, 1862, the bill passed the Senate, with amendments which showed that Shylock had been busy at his appointed task. The amendments prohibited the notes from being receivable for duties on imports, and provided that they should not be a legal tender in payment of interest on the public debt. The \$500,000,000 of bonds authorized might be sold at their market price for coin or United States notes; \$25,000,000 of these notes might be deposited in the Treasury, and certificates of deposit issued thereon, bearing 5 per cent. interest; all coin received in payment for duties on imports and sale of public lands were set apart to pay the interest on the public debt. One of the amendments increased the issue of legal tender notes from \$100,000,000, as provided in the original bill, to \$150,000,000; but provided that the \$50,000,000 full legal tender demand notes, authorized by the act of July 17, 1861, should be retired in exchange for the new notes and destroyed. This left outstanding but \$10,000,000 legal tender notes, which would pay import duties and interest on the public debt.

“The purpose of this was to put a premium on gold. All our subsidiary silver coin was demonetized and made not a legal tender in sums above five dollars, and our silver dollars were, by the act of 1837, undervalued, which made our silver dollar worth \$1.03 and a fraction in Europe. Consequently very little, if any, legal tender silver was in circulation in the United States. The Tories in the Senate had triumphed. The patriots in the House were disheartened; they saw unmistakable signs of the successful march of the British monetary system through Con-

gress. Patriots sip at the fatal fountain to-day and are Tories to-morrow.

“The contagious disease of ‘banker’s itch’ spread from the Senate to the House. Members who had stood firm a few days before succumbed to the soul-destroying miasma of demonetization. The Confederate army was threatening the existence of the Union; the foreign Money Power was about to consummate a scheme to destroy the liberties of the people; in the heart-stirring protests of Thad. Stevens and a few of his compatriots, Freedom shrieked as when Kosciusko fell.”

Silence prevailed for a moment; then the Colonel added: “Gentlemen, I have occupied more of your time this morning than I had intended.”

“Proceed,” came from the Senator and the Judge.

A bound volume of the House Journal lay upon the table. The Colonel resumed, “Let me read you a few sentences from Thad. Stevens’ closing remarks. On the passage of the bill through the House, a few days before, the committee were largely in favor of the legal tender clause. But on its return from the Senate, loaded down with provisions in the interest of the usurers, and with every honest, patriotic American feature stricken out, the House Committee was evenly divided. Mr. Stevens reported it to the House without recommendation, and asked its consideration in Committee of the Whole. With a heavy heart, his eyes filled with tears, the grand old man enshrined his memory forever in the affections of his countrymen, as he uttered these burning words:

“I approach the subject with more depression of

spirits than I ever before approached any question with. I have a melancholy foreboding that we are about to consummate a cunningly devised scheme, which will carry great injury and great loss to all classes of the people throughout this Union, except one. The bill, as passed the House, was hailed with delight throughout the whole length and breadth of this Union, by every class of people; congratulations from merchants, traders, manufacturers, mechanics and laborers poured in upon us. It is true, there was a doleful sound came up from the caverns of the bullion brokers, and from the saloons of the associated banks. They fell upon the bill in hot haste, and so disfigured and deformed it that its very father would not know it. Instead of its being a beneficent and invigorating measure, it is now positively mischievous. It has all the bad qualities which its enemies charged on the original bill, and none of its benefits. It now creates money, and by its very terms declares it a depreciated currency. It makes two classes of money; one for the banks and brokers and another for the people. It discriminates between the rights of different classes of creditors, allowing the rich capitalist to demand gold, and compelling the ordinary lender of money, on individual security, to receive notes which the Government has purposely discredited. Why give them this advantage? Simply because the \$100,000,000 is held by the associated banks, and this is their amended bill. They would displace \$100,000,000 of this money in circulation, and render it impossible to use any considerable amount of these United States notes as currency. The banks took \$50,000,000 of six per cent.

bonds, and shaved the Government \$5,500,000 on them. They pay the Government \$50,000,000 in demand notes, and now demand specie for them. Gentlemen talk about making other loans; they are crazy or sleeping. They say, 'Pay us a discount'; and when these notes are made a legal tender, we will be again in the clutch of these harpies. I suppose these men act from instinct. I infer from the amendment that, before we adjourn, \$150,000,000 will be asked for, which will never be funded into these bonds, and so on, as they are needed, as no bonds will be funded until our circulation will become frightfully inflated. All classes of people shall take these legal tender notes at par for every article of trade or contract, unless they have money enough to buy United States bonds, and then they shall be paid in gold. I have proposed an amendment for the purpose of curing a little of the evils and hardships of the original amendment of the Senate; and though it may be adopted, I shall vote against the whole, as amended. My amendment is to except from the operation of the legal tender clause the officers and soldiers of the army and navy, and those who supply them with provisions, and thus put them on the same footing with the government creditors who hold the bonds. I hope they will not be thought less meritorious than the money changers. I trust it will be adopted as an amendment, so that if this pernicious system is to be adopted, if the beauty of the original bill is to be entirely impaired, those who are fighting our battles, and the widows and children of those who are lying in their graves in every part of the country, killed in defense

of the Government, may be placed upon no worse footing than those who hold the bonds of the Government and the coin of the country.' ”

“ Grand words, bravely spoken,” said the Judge.

“ But his eloquence did not move Congress,” remarked the Senator. “ The amendment was defeated, and the Senate amendments adopted. The program was carried out, and thus a financial system inaugurated which has caused a loss to the people of this nation of billions of money and unknown suffering, anguish and despair.”

“ Had the orator wielded the spear of Ithuriel,” said the Colonel, “ that with it he might have touched the foul fiend of corruption which had dared to squat like a toad, whispering false suggestions in the ear of the House, and it had started up in all its horrid deformity, with a visage more hideous than that of the dark Mokanna, the Veiled Prophet of Khorassan, the result would have been the same.

“ Again, the Great Commoner said, ‘ When a few years hence the people shall be brought to general bankruptcy, I shall have the satisfaction of knowing that I attempted to prevent it.’ And on his death-bed he made this solemn declaration: ‘ Yes, we had to yield; the Senate was stubborn. We did not yield, however, until we found that the country must be lost or the bankers gratified, and we sought to save the country in spite of the cupidity of its wealthier citizens.’ ”

“ Thou shalt not lend upon usury to thy brother; usury of money, usury of victuals, usury of anything that is lent upon usury. — *Deut. xxiii.; 19.*

CHAPTER VI.

MORE INIQUITOUS CURRENCY LEGISLATION—Full Tender Notes Accompany Gold in Its Upward Flight, Advancing to a Premium of 185 over the Discredited Exception Clause Greenbacks—Creation of Gold Obligations is Criminal Legislation—Redeemable Paper Money a Sham—Over Sixty-six Millions of Interest on the Bonds Paid in Advance at the Demand of the Bankers' Ring—Destroying the People's Money and Substituting Usurers' Evidences of Debt—How the People Were Plundered—Bimetallism in a Nutshell—Any Nation Whose Exports Exceed its Imports Can Maintain its Money at Par With that of Any Other Nation, Regardless of the Material its Money is Made of and Independent of International Agreements—Why the Mexican Dollar is not Worth as Much as the American Silver Dollar—All Money Except Gold Reduced to the Subsidiary Position of Token Money in the Interest of the Banks—A. T. Stewart's Expensive Experience—What it Shows—Where Was the Gold?—Cost of the War Fabulously Increased by the Bankers' Manipulation of our Currency—Contraction and Confiscation Under Way.

The Senator and the Colonel appeared earlier than usual on the sixth day, but they found the Judge before them and reading "Laws of the United States, Relating to Loans and the Currency, Coinage and Banking."

"I trust, Judge," said the Colonel, "that you are prepared to give us the result of your examination of these laws."

“I find,” replied the Judge, “that Congress, on March 17, 1862, made the demand notes issued under the acts of July 17, 1861, and February 12, 1862, legal tender for all debts, dues and demands, public and private, equal with gold coin, except in payment of interest on United States bonds and interest bearing Treasury notes. Having been made equal legal tender with gold coin for import duties, private debts, dues and demands, these notes accompanied gold in its upward flight until it reached, in June, 1864, a premium of 185 on the dollar. This is pretty strong proof of the power of the Government to make money, regardless of the material from which it is fabricated.”

“If,” said the Senator, “Congress had been possessed of patriotism and integrity, and paid no attention to the bankers, but issued full legal tender Treasury money, receivable for every debt, there would not have been a ripple in our financial sea. We had no gold obligations, and there was no occasion to create any; we had the power to make or coin money from any convenient material, no matter what; provided it were a full legal tender, receivable for every debt. The issue of gold bonds and notes redeemable in coin, thus creating gold obligations, was worse than lunacy; it was a crime!”

The Colonel, examining the House Journal, said, “Here is a speech of Senator Howe on this subject: ‘All paper currencies have been and ever will be, irredeemable. It is a pleasant fiction to call them redeemable; it is an agreeable fancy to think them so. I would not dispel that fancy, I would not oppose that fiction, only that the great emergency which is

upon us seems to me to make it more than usually proper that the nation should begin to speak the truth to itself, and have done with shams, and deal with realities. We must rely mainly on a paper circulation, and there is another thing equally certain, which is, that that paper, whoever issues it, must be irredeemable.'

"The act of July 11, 1862, provides for the issue of \$150,000,000 of notes, receivable in payment of all loans made to the United States, taxes, internal dues, excises, debts and demands of every kind, except import duties and the *interest* on the public debt. An act of July 17, 1862, made postage stamps legal tender in sums of \$5. The act of March 3, 1863, authorized a loan of \$900,000,000, interest and principal payable in coin, 10 to 40 years. This law was repealed June 30, 1864, when only \$75,000,000 had been issued. The same act authorized \$400,000,000 in 1, 2 and 3-year Treasury notes, to bear not over 6 per cent. interest, payable in 'lawful' money. March 3, 1864, an act was passed supplementary to the act of March 3, 1863, and providing for a loan of \$200,000,000, at 5 or 6 per cent., principal and interest payable in coin.

"A joint resolution, March 17, 1864, authorized the Secretary of the Treasury to anticipate the payments of interest on the public debt by any period not exceeding one year, from time to time, either with or without rebate of interest upon the coupons, as to him might seem expedient!

"The force of this resolution," added the Colonel, "will be emphasized when we consider the national banking law."

"How much interest did the Secretary pay in advance?" asked the Senator.

"All that was demanded," replied the Colonel. "There was nothing the bankers wanted during that time, or since, that the Secretary of the Treasury and Congress did not grant. Here is a recent report which shows that all the secretaries are alike accommodating: 'The anticipated interest, paid yearly in advance from 1881 to 1892, was \$66,767,885, or \$5,563,000 a year.'

"The act of June 30, 1864," continued the Colonel, resuming his narrative, "authorized \$400,000,000 of 6 per cent. 5-30 bonds, payable in lawful money. The same act also authorized the Secretary to sell in Europe any of the five-twenties of an earlier issue not disposed of in the United States; \$125,561,300 of this issue were sold.

"January 28, 1865, the Secretary was authorized to issue notes of the same character as those authorized by the act of June 30, 1864, full amount not to exceed \$400,000,000. The act of March 3, 1865, authorized the Secretary to borrow \$600,000,000 payable in not more than forty years, and redeemable after five years; \$322,998,950 of this amount was issued to July 1, 1865, in 5-20 bonds, and \$203,327,250 in Treasury notes to November 1, 1865. To July, 1867, there was a further issue of \$379,616,050; and from that date to July 18, 1868, there was \$42,539,350 more bonds issued. These bonds were called consols of '68. Thus a total of \$948,481,600 in interest bearing obligations were saddled on the people under ostensible authority to incur an in-

debtedness of \$600,000,000! By the act of March 2, 1867, \$50,000,000 of 3 per cent. temporary loan certificates of deposit was authorized, to redeem the compound interest notes. The act of July 25, 1868, authorized \$25,000,000 more interest bearing bonds and notes. During 1861-2-3 the Government issued \$5,665,171,341 interest bearing obligations, of which \$4,263,870,841 was legal money. The law of March 3, 1865, authorized the Secretary of the Treasury to receive Treasury notes or other obligations, whether bearing interest or not, and exchange them for any description of bonds authorized by this act. During the following year, the Government issued bonds to the amount of \$968,467,900; retired that amount of greenbacks and other issues of government money which were circulating among the people, and destroyed, them. Secretary McCulloch in his report for 1866, p. 164, says he destroyed \$221,239,295 in that year."

"Here is Secretary Boutwell's report for 1875," said the Senator. "At pages 292-295 the tables show that from 1865 to 1872 the total amount of money destroyed was \$1,808,214,475.69. A considerable portion of this was taxed from the people."

The Judge, who was examining the Congressional Record, said: "Secretary Boutwell reported to a committee of Congress, January 22, 1874, that for the \$21,000,000 coin bonds sold abroad we did not receive one cent of coin from England; what we did receive was American securities."

Opening the Congressional Record, volume 2, part 6, appendix, pages 23-24, the Judge continued: "Here

is a letter from the Bank of England, which Boutwell read to the Congressional Committee, showing that we could not draw coin from that country."

The Colonel burst forth with some emphasis: "Any one who will carefully read the currency laws from 1861 to the present time will be forced to the conclusion that those who voted for their enactment were either dishonest or ignorant of every economic principle. No more crafty, cunning, ingenious and criminal legislation ever disgraced the statute books of any country. There is *not one* honest section in the entire list of currency laws. Dishonorable and treasonable describes them from the enactment clause to the last word in every act. They are contradictory, confusing, misleading, imbecile and criminal. The Secretary of the Treasury is given autocratic powers. . . . For the honor of the American name it is to be hoped that some member of the present Congress will have the courage to introduce a bill to blot from our statutes the last vestige of this infamous legislation.

"It would appear," continued the Colonel. "that we carried on the war without gold, except a quantity sufficient—together with the legal demand notes which were issued to swell the volume of favored money temporarily—to furnish the merchants with enough of that class of currency to pay import duties; but as soon as the banks commenced drawing gold interest on their bonds in advance they caused the demand notes to be retired. I should like to know what necessity there was for issuing bonds?"

"None whatever," replied the Judge. "There

never should have been an interest bearing bond issued by this Government, nor any money that was not clothed with the same function as gold or any other money. This juggling with money and robbing the people is a crime for which the nation will suffer in sackcloth and ashes. The Nazarene had some experience with this class of people nearly nineteen hundred years ago."

"If issuing interest bearing bonds could have saved the country, the rebellion would have been summarily suppressed," said the Colonel. "But unfortunately the laws seemed to have been adopted not with the view of aiding the war power, but in the interest of the money changers. The principal object appears to have been to issue interest bearing coin obligations, then depreciate their value, that the speculators might plunder the Government. If the Government had issued full legal tender Treasury notes, clothed with full money functions, the jugglers in money would have turned their attention to putting down the rebellion, instead of planning and plotting to rob and plunder the Government."

"You know," said the Senator, "that Belmont and the other agents for the European bankers stated that the only way to get gold was to make the import duties payable in gold."

"We did not need gold," rejoined the Colonel. "Gold is a greater coward than were the buzzards who juggled our finances during the war period. There is never any gold in circulation in time of war. It always seeks a safe hiding place. The exception clause was put into the law for the purpose of secur-

ing a premium on gold, so that bonds purchased at fifty cents on the dollar in paper might be made to yield double or, rather, quadruple what they cost. The Government should never have issued a coin coupon. All this legislation was preparatory to the enactment of the national banking law."

"Do you claim that it was the exception clause that forced gold to a premium?" asked the Judge: "and if so, why isn't gold at a premium now? The law has never been changed."

"It certainly was the exception clause," replied the Colonel, "as shown by the fact that the demand notes, which did not contain the exception, remained almost at a par with gold. Here is an illustration of it. Take this table, giving the average values of the gold dollar in legal tender (exception clause) paper dollars on July 1, of each year from 1864 to 1879 inclusive :

1864	258	1868	142	1872	114	1876	112
1865	142	1869	136	1873	115	1877	105
1866	151	1870	116	1874	110	1878	100
1867	139	1871	112	1875	114	1879	100

"As a matter of fact, full legal tender paper money commanded practically the same premium.

"Gold was at a premium over the greenbacks until the Secretary of the Treasury, in 1878, instructed the collectors to receive them for import duties, and while the law has never been changed, the order of the Secretary has never been modified, therefore the greenbacks are, to all intents and purposes, a full legal tender.

"The President in his message to Congress in December, 1879—more than a year after this order of

the Secretary was made—says: ‘The excess of the precious metals deposited or exchanged for United States notes over the amount of the United States notes redeemed, is about \$40,000,000. In all parts of the country they (the greenbacks) are received and paid out as an equivalent of coin.’ This was nearly a year after the resumption law went into effect. In spite of this plain preference for government paper money, the Government and the bankers have formed a conspiracy to fasten upon the nation a gold basis system that will allow them to play with the finances of the country, as a cat does with a mouse. All the efforts of the gold monometalists have been concentrated on making all money redeemable in gold.

“You recollect that Senator Gray interrupted Senator Teller on the floor of the Senate, and asked if the reason why a United States silver dollar was more valuable than a Mexican dollar was not because it was redeemable in gold, and Senator Aldrich asked Senator John P. Jones a question involving the same principle. Senator Teller procured a statement from Secretary Foster that no silver dollar had ever been redeemed in gold, and Jones procured the same statement from Secretary Carlisle.”

“I notice,” said the Judge, “that Senator John M. Palmer stated in a speech recently, that if the United States opened its mints to the free coinage of silver, our silver dollar would be on a par with the Mexican dollar, and referred to the fact that a friend of his went into a restaurant in the City of Mexico and ordered breakfast, the price being 50 cents. He gave the proprietor a United States silver dollar, and

received in change a Mexican dollar, containing more silver than our dollar. "How do you account for that?"

"Whether Senator Palmer is playing the demagogue by deceiving the people, or does not really understand the question, I cannot say," replied the Colonel.

"If Senator Palmer does not understand," said the Judge, "or is attempting to deceive the people, the same might be said of Senators Gray and Aldrich, and others of national reputation in both branches of Congress, as well as of a great many distinguished gentlemen in private life."

"If the men in public life do not understand these questions, they are not competent for the positions they occupy," remarked the Colonel. "The reason the United States silver dollar is on a par with gold, is that it is a legal tender. This government says it is money."

"The Mexican government," said the Judge, "also makes its silver money legal tender; but that fact does not give it the value of our silver, or of our gold dollar.

"I understand," continued the Judge, "that there can be no material difference of opinion among students of these questions; but you have now broached an international question, and I wish to see if we are of one mind."

"I will state my views," asserted the Colonel, "as briefly as possible. It is a fact admitted by all students that *any great government—like that of the United States, or England, or France, or Germany—*

whose exports exceed its imports, can maintain its money on a par with that of any other nation, regardless of the material from which it is made, so long as it is a full legal tender, receivable for every debt. Whether the money is made redeemable in coin or not, is of no consequence.

“ These nations settle their trade balances among themselves with any kind of money, provided it is receivable for any debt due the nation which issues it ; but with financially weaker nations, like Mexico and the governments of South and Central America, for instance, it is different. The balance of trade is usually against those nations; therefore, other nations are not compelled to have their money to pay debts owing to them, as they owe them nothing. It is, as I have said, quite the reverse with the great nations which export more than they import; consequently, money which these nations will receive in payment for their exports, or debts owing to them, will be on a par with the gold, or any other money, of other nations all over the world.

“ France, Germany and England are able to maintain all their money on a par with gold, not because their export commodities exceed their commodity imports, but because the interest, ocean freight, insurance, exchange, profit on merchandise, and dividends on foreign investments paid to those countries by foreign countries, largely overbalance the excess commodity imports over exports. The United States maintains its silver and paper money on a parity with gold, not because the balance of trade is in our favor—while, apparently so, it is largely against us, on ac-

count of our immense interest payments on American securities held abroad—but because our silver and paper are token money, having legal tender function, and the same uses as gold, and because their issues are restricted. The apparent balances in our favor are maintained by our issuing more bonds of all descriptions, which are sold abroad.”

“Colonel,” said the Judge, “how do you explain why silver money is worth more in France, Germany and the United Kingdom, where the balances of trade are adverse, than in Japan, China, Mexico and other silver using countries, where the conditions are reversed?”

Before the Colonel had an opportunity to reply, the Judge added: “Why is it that the balance of trade is constantly on the increase in favor of all silver using countries and the balances increasing against all gold standard countries?”

“The tables which are published, pretending to show the balances of trade,” said the Colonel, “are of no especial value as showing the real balances which exist. They are valuable in the sense of showing that the exports from gold standard countries generally are decreasing and their imports increasing, and, *vice versa*, in silver standard countries; but as to the real amount of money that passes to settle balances between the different countries, those tables will give no more of an idea than the treasury reports do of the amount of money in circulation among the people.”

“I will take,” continued the Colonel, “The United States and the United Kingdom as illustrations. The net balance of trade in commodities against the

United Kingdom for the year 1892, was \$625,658,920. Gladstone declared in Parliament that England alone had ten billions of dollars of money abroad. At 5 per cent., a moderate estimate, this would amount to \$500,000,000 yearly. English ships which do not touch at English ports, commissions, insurance, profits, bring in two hundred and fifty million dollars more. The investment of English capital is enormous in lands; mines, mills, breweries, etc., in many countries; England receives nine millions annually from the United States from her breweries alone, from rents, mines, lands, and other investments in all countries, at a low estimate, two hundred million dollars.

RECAPITULATION.

Interest on ten billions	\$500,000,000
English ships in foreign waters	250,000,000
Income on investment in lands, mines, mills, breweries, etc. in foreign coun- tries.	200,000,000
	<hr/>
Total,	\$950,000,000
Commodity imports in excess of ex- ports	\$625,658,920
	<hr/>
Real balance of trade in favor of United Kingdom	\$324,341,080

A similar computation for Germany and France would show like results. Had it not been for the criminal legislation in this country in issuing bonds and demonetizing silver and paper issues, it would cost European countries twice as much as it now does

to pay for our surplus products. The value of our exports would come to this country instead of being absorbed abroad for interest, insurance, exchange and marine service."

The Colonel who was examining the government reports on exports and imports continued:

"According to these reports, our trade balances are as follows :

Balance in our favor, commodity ex- ports over imports, 1870-1895 . . .	\$1,803,524,973
Balance against the U. S., commodity imports over exports, 1860-1869, \$752,559,609	
Exports of gold and silver in excess of imports 1864-1894,	<u>935,304,079</u>

Total commodity exports over imports for this period . . .	<u>\$1,689,863,688</u>
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Balance in favor of the United States on the face of the returns, \$115,661,275
or an average for the 34 years of \$3,404,744 per year.

"In reality," continued the Colonel, "the balance is enormously against the United States, as I will demonstrate.

"The quantity of our exports has been largely increased, but the value has decreased. What we pay our debts with has decreased in value more than one-half, and to that extent the value of our debts has been increased."

Taking up a copy of Poor's Manual for 1895, the Colonel went on, "According to this report :

The amount of railroad stocks is	\$5,075,629,070
Bonded debt	5,665,734 249
Other interest-bearing obligations	824 226,888

Making a total of	<u>\$11,565,600,207</u>
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"From the most careful estimates I have been able to obtain, the remaining debts of the United States are:

National, State, County and Municipal	\$2,250,000,000
Mortgages on farms and homes	7,000,000,000
Liability of commercial firms,	15,000,000,000
Liabilities of trusts and in- dividuals, not included in any of the above	<u>14,000,000,000</u>

Total debts	\$49,815,600,207
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"In this estimate I have included the stock of the railroads, as, while not a fixed charge, it received dividends in 1893 of over one hundred millions of dollars; but I will deduct that, and still we have a debt of \$44 739,971,137."

Examining the report of the Inter-State Commerce Commission for 1894, the Colonel continued :

The earnings of the railroads from July 1, 1892, to June 30, 1893, were	\$1,220,751,874
Operating expenses	<u>827,921,299</u>

Leaving a net income of	\$392,830,575
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Of these earnings, which were paid in interest and dividends, probably two-thirds went abroad—say 260 millions of dollars. Suppose of the remaining debt, five billion dollars is held abroad; this, at five per cent., would amount to 250 million dollars. Foreign investments in breweries, paper mills, coal, silver, gold, iron and copper mines, landed estates; and dividends on stocks owned abroad, aggregate at least 200 million dollars. Our carriage in the foreign trade is constantly falling off; in the last four years, of the proportion of value carried by our own vessels, we lost:

In the export trade	4.54.	per cent.
In the import trade	18.12.	“
Of the value of imports, our vessels carried, in 1894	16.55	“
Of exports, only	7.90	“

“Our commission account is enormous, but so little is carried in our own ships that it is practically under foreign control, as well for carriage as for shipment. We are almost helpless in our passivity; no other nation on the globe has experienced so swift and so complete a decadence in commercial and financial power. Foreign statesmen who observe our shipping policy are not likely to tell us what they think of it; they are concerned in getting away from us all the ocean carriage they can. They talk of the cheapness of silver; meanwhile, plan to capture our stock of gold and silver and of other products, by the work of their ships.

“Suppose two British ships, one at New York, the other at Liverpool; one carrying American and the other British cargoes. The freightage is equivalent to 20 per cent. of cargo value in each case; the banking,

insurance and other items of expense are five per cent.
The account will stand thus :

BRITISH ACCOUNT.

Two British cargoes, \$100,000 each	\$200,000
Freight on four cargoes (two British and two American) 20 per cent. of value	80,000
Insurance, banking, etc.,	
four cargoes, 5 per cent.	20,000
	<hr/>
Total	\$300,000

AMERICAN ACCOUNT.

Two cargoes, \$100,000 each	\$200,000
Adverse balance of trade	100,000
	<hr/>
Total	\$300,000

“ Thus it will be seen how adverse balance of trade is created, not by lack of goods sold, but by freightage of a foreign marine and the use of foreign capital in banking, insurance, etc. In the period of five years, from 1889 to 1893, the annual average of American carriage of imports in value was, approximately, 125 million dollars ; exports, 80 million dollars ; aggregating 205 million dollars. The average import freightage is 10 per cent., and the export 15 per cent., as follows :

AMERICAN TRADE AND TRANSPORTATION.

Carriage of 80 million dollars of ex- ports, 15 per cent.	\$12,000,000
Carriage of 125 million dollars of im- ports, 10 per cent.	12,500,000
	<hr/>
Total value of carriage	\$24,500,000
Profits on commissions of equal amount,	24,500,000
Insurance on cargoes	245,000
	<hr/>
Total	\$49,245,000

“Suppose alien ship-owners and merchants to have transacted the remainder of the business, approximating :

Carriage of 700 million dollars exports, 15 per cent.	\$105,000,000
Carriage of 600 million dollars of im- ports, 10 per cent.	60,000,000
Commissions	165,000,000
Insurance, 1 per cent.	1,650,000
Total	\$331,650,000

“The ocean passenger traffic, which aggregates 250 million dollars, should be added to the alien account. Of this, 88 per cent. is alien and 12 per cent. American, or 30 million American, 220 million alien. To this may be added to the alien account 15 millions for postal service. Our patronage of foreign fleets will exceed 300 millions annually—a profit to alien bankers and underwriters of probably 200 million dollars.

“Some recent statistics have been printed to show the size of the foreign passenger movement, and the amount of money it takes annually from this country to Europe. The representative of a foreign banking house in New York City, who is in close touch with matters of foreign travel, has made the following estimate :

	No. of Pas- sengers for Europe.	Amount taken by each.	Total.
First class-----	60,000	\$1,200	\$72,000,000
Second class-----	40,000	500	20,000,000
Steerage.-----	210,000	40	8,400,000
Total,			\$100,400,000

American wealth which now goes abroad annually:

RECAPITULATION.

Railroad earnings,	\$260,000,000
Interest on five billion dollars,	250,000,000
Paid to foreign fleets,	300,000,000
American tourists,	100,400,000
Amount gold and silver, exports in excess of imports, average for thirty- one years,	30,000,000
Total,	\$940,400,000

“The total commodity exports in excess of imports from 1860 to June 30, 1895, is \$626,685,782, an annual average of \$177,000,000. This leaves a present balance of trade *against* the United States of \$763,400,000 annually. It is not probable that the average has been that much during all the past thirty years—say one-half—and the amount aggregates in thirty years \$11,451,000,000. This balance is paid in export commodities at one half their value, or by our creating new obligations; and as the amount which must be paid is constantly and rapidly increasing, the amount of new obligations must correspondingly increase. It means,” continued the Colonel gravely, “that the American people must repudiate, consent to become slaves, or immediately issue a large volume of full legal tender money.”

“The present conditions,” said the Judge, “are only made possible by such traitors as Sherman, Cleveland, Quay, Harrison, Morgan, Allison, Morton, Bayard, Carlisle, Gorman, Gray, Aldrich, Reed, McKinley, Whitney, Depew and Hawley, forcing this

government into partnership with the usurers of Europe and America to make money scarce, so as to compel the people to borrow, until the cancerous growth of usury has eaten the very vitals of our wealth, and destroyed the nation's prosperity.

"The truth is," resumed the Colonel, "there are less than fifty *American* statesmen in the legislative branch of the government, and the few that are there can have but little influence with the paid attorneys of the usurers and corporate classes, who are so largely in the majority. Senator John P. Jones is one of the great economic thinkers of the world, and while he was delivering that matchless speech in October, 1893, a great majority of the senators paid no more attention to it than if they had been dumb brutes.

"They were not there to be convinced—stolid and indifferent to the great truths as they fell from the lips of America's greatest statesman, what cared these paid minions of the money power about political economy or the science of government? They are concerned alone in serving their masters—not the sovereign people, but the enemies of mankind. They talk about our foreign credit. We don't want foreign credit, nor home credit. We want an honest issue of American money—receivable for every debt, in quantity sufficient for the needs of our people. We want the partnership between this government and the usurers dissolved. Our people have gone wild on selling bonds in Europe. I shudder every time I hear of a bond of any kind being

sold. It is an additional rivet which the usurers are forging upon the limbs of toil.

“The policy this Nation has pursued under the leadership of John Sherman, has cost the people in money more than fifty times the actual cost of the Civil War; and it has probably cost more lives in murders, and suicides; caused more tears to flow, more anguish, suffering and despair than all the wars in which the country has been engaged.”

“It is a wonder,” said the Senator, “that the people do not rise in their might and resent the crimes committed against them. The conspirators and their masters may yet find, to their sorrow, that they have grasped a scorpion when they thought they were only crushing a worm.”

“The States, before the adoption of the Constitution,” said the Judge, “made legal tender paper money, which was the equal of coin, and the national government has since repeatedly done so. The bankers have always endeavored to prevent the government from making full legal tender money, so the people would not understand that the material had nothing to do with the value of money. When they learn this fact, the bankers’ principal bunco game is up. The full legal tender demand notes, issued during the war, were equal in every respect to gold. But the bankers lost no time in causing Congress to retire this paper money, so the people should not learn that fact. If the Secretary of the Treasury were to revoke his order making the greenbacks receivable for import duties, it is doubtful if they would depreciate, because we now have, according to the Treasurer’s report,

\$1,200,000,000 of gold and silver that will pay import duties.

“The dealers in money have for many years endeavored to make all money except gold subsidiary. When the Bland law was passed in 1878, restoring the silver dollar to coinage, they inserted in the law, ‘when not otherwise expressly stipulated in the contract.’ This was intended as a fatal stab to silver, as by making gold contracts they intended to reduce silver to subsidiary coin. But that did not work, as it is well understood by those who have examined the question, and it has been decided by the courts, that a stipulation to pay in a particular kind of money, cannot be enforced between private parties, as the debt is satisfied by a tender of any money which law makes legal tender.”

“Colonel,” said the Senator, “It has often been contended on the floor of the Senate, since I have been a member, that parity between gold, silver and paper money has been maintained only because all other money than gold is redeemable in gold.”

“We are not responsible for the arguments made in Congress by the paid attorneys of the Gold Trust,” rejoined the Colonel. “No real statesman ever contended for such a theory. The greed and cupidity of the moneyed class and of Congress, which inaugurated this infamous system, are responsible for all the woes it has inflicted upon the human race. The law of February 25, 1862, did not make the greenbacks redeemable in coin, and if the law had made them full legal tender, they would have been equal to gold at all times. The act of January 14, 1878, made them re-

deemable on demand in sums of \$50, at the sub-treasury in New York, from and after January 1, 1879, in order to destroy them; but the law of May, 1878, prevented their further retirement by requiring them to be re-issued; so \$346,000,000 of greenbacks cannot be withdrawn, retired or destroyed. You recollect that the law of February 25, 1862, authorizing the greenbacks, provided that the demand notes 'shall be taken up as rapidly as practicable.' The demand notes were first issued as a tender from the Government, redeemable in coin, at certain designated places. Later they were receivable for public debts. Still later, they were made a legal tender for all debts, except coin interest on bonds."

Taking down a large volume, the Colonel said, "According to this report—"

"What book is that?" interrupted the Senator. "It is a government report, which I got from the Senate Document Room the other day on 'Valuation, Taxation, and Public Indebtedness.' On page 447; is a table which shows that all of the demand notes were issued in 1862, and as all specie payments were suspended in December, 1861, it was apparent that they could not and would not be redeemed in coin. Before they were made a legal tender, the banks refused to accept them except as special deposits, but when clothed with the function of paying duties on imports—clothed with all the power of money, except paying interest on government bonds, they maintained a premium very close to gold, and if they had been a full legal tender without an exception clause, they would have remained exactly on a par with gold; and this

shows conclusively that it is the money function, and not the material that makes money."

"Here is a work," continued the Colonel, "'United States Notes,' by John Jay Knox, once Comptroller of the Currency, which states that the first demand notes were issued in August, 1861, and were paid for salaries in Washington. The railroad corporations refused to receive them in payment of fares or freight, and leading bankers in New York refused to receive them, except on deposit. The bankers made every effort to retire them as rapidly as possible. The demand notes were not, by the terms of law, payable in gold.

"On page 97 of this book, Mr. Knox gives a table showing the premium paid in greenbacks (with the exception clause) for demand notes and for gold, as follows :

Date.	Demand Notes.	Gold.
May 10, 1862,	100 $\frac{1}{4}$,	103 $\frac{3}{8}$.
June 7, 1862,	101,	104 $\frac{1}{8}$.
July 5, 1862,	105 $\frac{1}{4}$,	109 $\frac{7}{8}$.
August 1, 1862,	105 $\frac{1}{4}$,	115 $\frac{1}{4}$.
September 6, 1862,	108,	119 $\frac{1}{4}$.
October 4, 1862,	122 $\frac{5}{8}$,	123.
November 1, 1862,	126 $\frac{1}{4}$,	131 $\frac{1}{4}$.
December 6, 1862,	125,	132.
January 3, 1863,	129,	134 $\frac{1}{2}$.
February 7, 1863,	155.	157 $\frac{7}{8}$.
March 7, 1863,	153,	155 $\frac{1}{2}$.

"This shows the folly, I may say the crime," said the Senator, "of our having several kinds of money. There should be but one kind of money, no

matter about the material from which it is made. Give every dollar that is issued the same legal tender debt-paying function, then we shall have a stable currency, and not before. The Secretary of the Treasury and the banks cannot then juggle with the people's money and jeopardize the business interests of the country."



A. T. Stewart giving \$280,000 of the people's greenbacks for \$100,000 of the bankers' greenbacks.

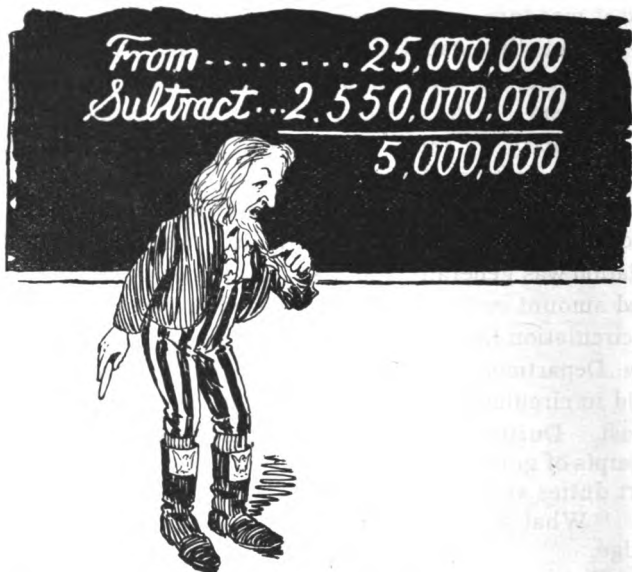
"I want to elucidate the Judge's question a little further," said the Colonel. My attention was attracted the other day to an article which appeared in a New York paper in the summer of 1864, and was

told as a joke on the great merchant prince, A. T. Stewart. On the arrival of a large cargo of goods from Europe, Stewart learned at the custom house that the duties amounted to \$100,000. Stewart went to the bank to obtain gold with which to pay this, and was informed that it would cost him \$280,000; he drew his check for the amount; the cashier commenced counting out greenbacks of the issue of February 12, 1862. The merchant inquired if he had to pay \$280,000 of government paper money for \$100,000 of other paper money of the same government. The cashier informed him that he was giving him paper money as a courtesy to him, as it was more convenient to handle; and as it did not contain the exception clause, it would pay his import duties, or any other debt that gold would pay. Stewart placed \$180,000 additional profit on his goods, which the people had to pay.

“This not only illustrates the power of the Government to make money, but exposes the infamy of the people’s representatives in discriminating against the people in favor of the banks, by compelling the soldiers and other creditors to receive a depreciated currency, while paying coin to the bankers. The Stewart transaction is an illustration of the way in which the business of the country has been done. The value of all imported articles which the people were compelled to purchase was increased in price to the extent of the premium on gold.”

The Judge, who seemed much interested in the Colonel’s explanation of the result of the exception clause, stood turning the pages of an old Treasurer’s

report, and remarked that the profits on the custom house duties alone to the holders of gold were immense. Taking out his pencil, he added up the sums which had been paid for custom duties from January 1, 1862, to December 31, 1878, a period of seventeen years, and found they averaged \$150,000,000 a year, aggregating \$2,550,000,000. "All this time," he added,



UNCLE SAM GOES TO SCHOOL, AND GETS A HARD SUM.

"gold was at a premium. For the past sixteen years, these collections have averaged \$200,000,000 yearly."

"Here is a statement," said the Senator, "which I received to-day from the Treasury Department, Division of Loans and Currency. It gives the

amount of gold in the United States at \$25,000,000 for the years '62 to '75 inclusive. If that is all the gold there was in the country, how is it possible that \$2,550,000,000 in gold was paid in customs duties during that period?"

"The banks," answered the Colonel, "had a way of getting it out of the Treasury Department by advanced interest on bonds, and various other methods, and it was turned over every day, I suppose."

"But the statistician of the Treasury Department," rejoined the Senator, "in this statement, which I will read, says specie payments were suspended from January 1, 1862, to January 1, 1879. During the greater part of that period, the report reads, 'gold and silver coin were not in circulation, except on the Pacific Coast, where it is estimated the specie circulation was generally about \$25,000,000. This estimated amount is the only coin included in the statement of circulation from 1862 to 1875. You see, the Treasury Department statistician says that there was no gold in circulation, except what was on the Pacific Coast. During this period the apparent government receipts of gold averaged \$150,000,000 a year for import duties alone."

"What was the total cost of the war?" asked the Judge.

The Senator took from the table the report of Secretary Sherman, giving the expenses of the Government on account of the war, from July 1, 1861, to June 30, 1879 inclusive. He says:

Ordinary expenses	\$ 609 549,124
Expenditures growing out of the war.	6,187,243,385
Total	<u>\$6,796,792,509</u>

“Please give us the items, as made out by Secretary Sherman,” requested the Colonel.

“Here they are,” replied the Senator, handing the book to the Colonel, who took down the items as follows :

Interest on public debt,	\$1,764,256,198
Army pensions,	407,429,193
Refunded to States for war expenses,	41,000,000
Expenses of assessing and collecting internal revenues,	113,000,000
Expenses of national bank loans and currency,	51,523,000
Premiums,	59,738,000
	<hr/>
Total	\$2,436,946,391

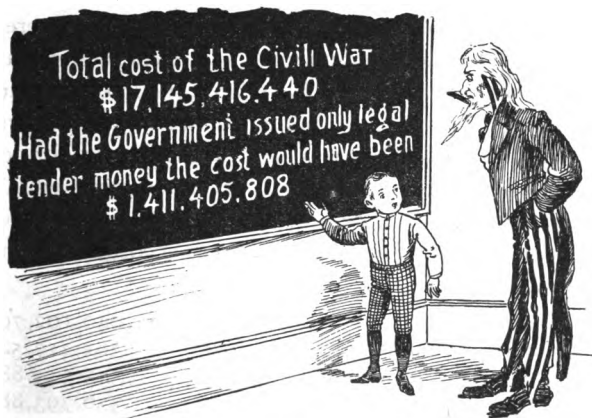
“None of these items,” said the Colonel, “form any part of the legitimate war expenses. The interest on the public debt, premiums and expenses on national loans, never should have been incurred or paid. The amount refunded to States for war expenses was not paid until after the war, and the expenses for collecting and assessing internal revenues were wholly unnecessary, as the money should never have been collected. The legitimate expenses, according to this book, are :

Pay of volunteers,	\$1,040,102,702
Subsistence for the army,	381,417,548
Clothing for the army,	345,543,880
Army transportation,	336,793,885
Purchase of horses,	126,672,423
Other quarter-master expenses,	320,000,000
Bounties,	140,281,178
Purchase of arms,	76,000,000
Ordinance supplies,	66,000,000
	<hr/>
Total legitimate expenses,	\$2,822,811,616

“Making a grand total of necessary and unnecessary expenses of \$5,259,758,007, which is \$1,537,039,502 less than Secretary Sherman’s totals.”

“The Secretary may have had his reasons for not itemizing this account,” said the Judge.

“Because of legislation in the interest of the bankers instead of the people, the purchasing value of money was only one-half what it would have been had the Government issued full legal tender money,” said the Senator. “Therefore, the prices of the items purchased were double what they otherwise would have been; so the total expenses of the war, had we issued honest legal tender money, would have



been but \$1,411,405,808. This is only partially admitted in the report of the Comptroller of the Currency for 1867, on page 15, in which he says: ‘Probably not less than 33 $\frac{1}{3}$ per cent. of the indebtedness of the United States is owing to high prices paid by the Gov-

ernment while its disbursements were heavy. On every \$100,000,000 in legal tender paid out, over \$25,000,000 were paid out in discounts.' ”

“What were the revenues of the Government?” asked the Judge.

“They were enormous,” replied the Senator. “The Government received internal revenues from the stamp act alone from 1862 to 1876 of \$7,579,000,000.”

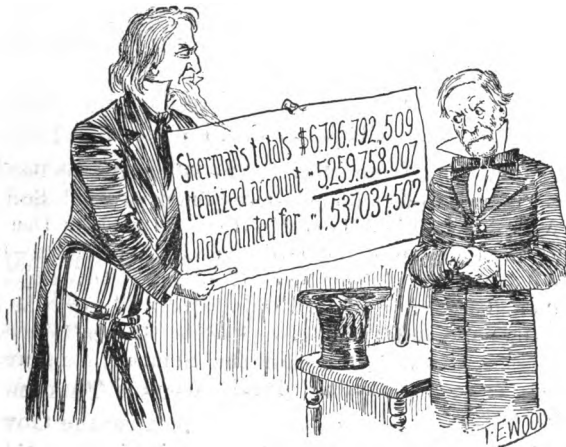
“Three times the expenses of the war,” said the Colonel.

“The total receipts from customs, internal revenues other than the stamp tax, direct taxes, income tax and miscellaneous items for the same period, were \$4,955,000,000,” said the Senator, “aggregating \$12,534,000,000 in fifteen years. This money was extorted from the people, not because the Government needed it, but because the bankers demanded a contraction of the currency and the annihilation of government money; so it was forced from the people by excessive taxation, funded into interest bearing bonds and destroyed.

“At the beginning of 1865, there was, including coin, about \$2,100,000,000 of money in circulation. This gave, for the 26,000,000 people in the loyal states, \$80 per capita. If we add 9,000,000 for the seceding states, we still have \$60 per capita for all our people.

“There was drawn annually on an average for the following fifteen years, \$835,800,000 in taxes. Under the law of April 12, 1865, the Secretary of the Treasury called in, and converted into interest bearing bonds, \$1,200,000,000 of the cir-

culating medium. This contraction forced the business interests of the country to the credit system, and



SHERMAN IS CALLED TO ACCOUNT.

caused the panic of 1873, from the effects of which the country has not yet recovered, and cannot recover, until there is an expansion of honest money, full legal tender. Business was congealed, that the bankers might obtain rich booty from the ruins of industry and fatten on the misfortunes of the people.”

Unto thy brother, thou shalt not lend upon usury; that the Lord may bless thee in all that thou settest thine hand to.—Deut., xxiii., 20.

CHAPTER VII.

"SACREDNESS" OF THE WAR DEBT—Where Did the Bankers Get Money to Buy Bonds?—Two Billions in Bonds Secured With Fifty Millions in Gold—How the Bankers Doubled Their Money Over and Over—Specimen Instances—Five Billions of Fraudulent Debt—Government Depositories a Profitable Snap—Lincoln's Opinion of Wall Street Sharks—Old Soldiers Still Toiling to Pay for Having Been Shot at—The Veterans' Vote Prostituted to Plutocratic Plundering—Princely "Profits," Pickings and Stealings of the Shylocks.

The Senator and the Colonel arrived promptly on the seventh day, and found the Judge surrounded with files of the Congressional Record and government reports. It had been agreed that the national banks should first have their attention.

"Senator," said the Judge, "the extract you read from the Comptroller's report for 1867 is suggestive. The banks had but \$50,000,000 in coin in 1861, and it has puzzled me to ascertain how they could buy so many bonds with so little money. You recollect that Chase refused to receive bank notes for the first \$150,000,000 of bonds which the banks agreed to take, and when they saw the \$50,000,000 of coin melting away they suspended specie payments, and paid the balance of \$150,000,000 in bank paper; the question is, where did they get the money to buy all the

bonds that were issued? Since our last meeting, I have made search for some work which would give the history of these transactions, and I found, in the Senate Document Room, this volume. The clerk did not want to let it go, as it was the only copy he had. It was published in 1884 by authority of Congress. The title is, 'Valuation, Taxation and Public Indebtedness; History of National Loans.' It appears that from 1862 to 1868 the United States issued and sold interest bearing bonds amounting to \$2,049,975,700, and that the amount received was \$1,371,424,238; discount, \$678,551,462. I find by the Treasurer's reports that there had been paid to December, 1893:

Interest,	\$2,538,000,000
Premiums for bonds not due,	58,000,000
Paid on principal of bonds,	1,756,000,000
	<hr/>
Total paid,	\$4,352,000,000
	<hr/>
Profit to purchasers,	678,551,462

"We have paid \$4,352,000,000 for \$1,371,422,238. Let us see where the banks got even this amount of money to pay the Government, when there was but \$250,000,000 of coin in the country in 1861, and only \$25,000,000 in any year for fourteen years thereafter. Of the amount in circulation in 1861, \$114,000,000 was subsidiary silver, and not a legal tender in sums over \$5. There were only \$603,262,250 of these bonds issued up to the first day of January, 1865, and \$1,406,713,450 after that time—most of it in 1867-8. As the war ended in the early part of 1865, there

could have been no necessity for this issue to carry on the war. The demand notes, full legal tender for all dues, issued under the acts of July 17, 1861; August 5, 1861. February 12, 1862, (amount authorized \$60,000,000) were redeemed as speedily as possible. Fifty million dollars of the \$150,000,000 legal tenders, with the exception clause authorized by the act of February 25, 1862, were applied to the redemption of the full legal tender demand notes; nearly ten millions in gold being paid out to retire the remainder. Gold could not be forced to so high a premium while these notes performed every function of gold. There were redeemed of the demand notes:

In 1862,	\$ 58,610
In 1863,	56,178,390.
In 1864,	2,894,427
	<hr/>
Total,	\$59,131,427

“Leaving \$868,573 outstanding in 1865. This remaining amount was redeemed as fast as it could be gotten out of the hands of the people. In 1880, there was but \$60,975 outstanding. If there is one of these demand notes left now, it has become a curiosity. With the people’s money retired; no gold, except what had found its way to the banks, and import duties payable in gold, it was an easy thing to force gold to a premium.

“The banks, started on a very small cash capital, have already received over \$5,000,000,000 of bonds through the national bank jugglery, and still hold \$1,000,000,000, which must be paid in products at

present prices; counting at prices ruling in 1866, it would amount to \$2,000,000,000."

"Were none of these bonds sold abroad?" asked the Senator.

"No," replied the Judge. "Here is Secretary McCulloch's report of December 4, 1865, in which he says: 'None of the bonds were sold abroad.' The same statement has frequently been made on the floor of Congress. The bonds were authorized during the war, but were only issued as called for by the banks; not from the necessities of the government. In other words, they were issued as fast as the banks realized profits from their system, which was something like this: The national bank act was passed in February, 1863, amended and revised in June, 1864, to more thoroughly meet the views of the bankers. Their profits were \$150,000,000 a year, made by paying customs duties, or furnishing legal tender greenbacks or gold for that purpose. As there was no *necessity* for the issue of any bonds, the entire issue was a colossal swindle—wholly in the interest of the bank brigands."

"How was it done?" asked the Colonel.

"Let me illustrate," replied the Judge, "by the case of A. T. Stewart. Suppose the average premium to have been 100 per cent. (at the time of the Stewart transactions it was 180), the banker furnishes \$100,000 that will pay import duties, and receives therefor \$200,000 government money, good enough to buy interest bearing United States bonds. He goes to the Treasury and deposits the \$200,000, and orders that amount in government bonds. When he receives the bonds, he asks for and also receives one year's



Result of the bankers' turning over his profits on \$100,000 with gold at 180; as it was at the time of the Stewart transaction; buying bonds, drawing interest in advance and getting 90 per cent. in bank bills.

in the banks. The Government receives no interest on the deposits, nor does it get any return for the national bank bills. No credit is endorsed on the bonds when the Government makes a payment to the bank of 90 per

interest, gold, in advance, \$12,000. This gold he sells for \$24,000; he then asks for and receives \$180,000 in national bank bills. In exchange for his \$100,000, he now has \$200,000 United States Government 6 per cent. bonds interest payable in gold, and \$204,000 in currency; or in all \$404,000.

"The banker indeed, thus proves the falsity of the old saying, 'You can't eat your cake and have it.'

"From 1861 to 1865, there was paid interest, on United States bonds, in gold \$298,836,471. The Secretary of the Treasury, by authority of Congress, designated certain national banks as United States depositories, and kept large amounts of the government funds on deposit



SECOND TRANSACTION WITH GOLD AT 180
Add a few more transactions, and see the figures this \$100,000 reached!

cent. of the bonds. The bankers draw interest on the full amount of the bonds and government deposits, besides having the bank notes to lend to their customers.

“The bank now buys United States bonds with the \$204,000, which was received from the above transaction, with this result:

Purchase of bonds,	\$204,000
Received national bank bills,	183,600
Interest in gold in advance, \$12,240, for which they receive in greenbacks,	24,480
	<hr/>
Total,	\$412,080
Add the profits from the first transaction,	304,000
	<hr/>

He now has for the \$100,000 in two transactions, \$716,000

“And how long was this game played?” asked the Senator.

“This was repeated until all the bonds were issued,” was the answer. “Here is a case, as explained by the Hon. S. S. Marshall, of Illinois, in Congress, July 21, 1868,” pursued the Colonel. “An association raised \$300,000, started a bank, purchased \$300,000 United States bonds, went to the Register of the Treasury and secured \$270,000 national currency and \$18,000 advance interest in gold. They then induced the Secretary of the Treasury to designate their bank as a government depository, and secured \$1,000,000 government deposits, which they invested in United States bonds, to secure the deposit, and received

\$60,000 interest in gold, making \$78,000 interest in gold, which they sold for \$156,000. This is only a specimen instance of a very common practice.

“Another method of the banks was to contract the currency, then, under the pretense of relieving the business situation and putting money into circulation, to induce the Secretary of the Treasury to buy bonds in the open market, paying heavy premiums, which aggregated over \$119,000,000. From 1862 to 1868 inclusive, the bankers and speculators secured \$1,854,736,150 in bonds for \$1,248,466,624 in gold exchanged for greenbacks, making a net profit of \$606,269,526.”

“What a villainous scheme that was!” remarked the Senator.

“Had we known of this at the time,” said the Colonel, “we would have arranged an armistice with the South, gone to Washington and demanded that the bankers and other Tories be banished from the country as traitors; that the bonded debt be repudiated, and Congress ordered to pass a law authorizing the Secretary of the Treasury to issue full legal tender paper money, in amount sufficient for the wants of the Government. Then Congress would have been ordered to adjourn that the members might join the army in whatever capacity their fitness would allow. The war would have been ended in 1863. With the bankers banished, and the money left in the hands of the people, the great prosperity which would have followed, a plentiful supply of real money would have united every section of the Union into a band of brothers and sisters, and the nation would have been joined by the

love of common fellowship. The attempts to cement it by fraudulent debt-slavery and bitter reconstruction laws would not have been possible.

“Some people,” continued the Colonel, “to this day talk about the *sacredness* of this debt! There is nothing so sacred as justice, and if justice were done, the remaining debt would be blotted out, and some measures adopted to restore the \$5,000,000,000 which the people have unjustly paid, together with a proper rate of interest. There would be something ‘sacred’ about that; sweat and toil, life and blood, would be given a chance in the race of life with the usurers. Some degree of justice would prevail, and the foul blot which now blackens our national escutcheon would be effaced. The dark road which this system has opened, and which leads only to injustice, ruin, crime, wretchedness, revolt and pauperism, would be changed to the broad road of righteousness and virtue—into flowery paths of manliness, hope, prosperity, gladness. The difference between these roads, is the difference between injustice, as practised by Shylock, and justice as taught by the Nazarene.

“Congress, in the most solemn manner, has affirmed that good faith requires that all government obligations shall be paid in coin or its equivalent. If the bonds which the bankers extorted from the government under the threat of destroying the Union, and for which they gave no return whatever, are solemn obligations—‘sacred’ obligations—and must be redeemed in a dearer money than was paid for them, what must be the sacredness of the obligation to the soldiers who risked their lives that the nation might

live? Sacred, indeed! Is nothing sacred but money? Must American manhood and womanhood be subservient to Mammon? Must loyalty and love of country, patriotism, honor and virtue all bow down before the



BANKER MORGENSTEIN TO BANKER JORGENSTEIN.

“The Exception Clause fifty cent greenbacks were good enough to buy bonds and pay the soldiers. But a two hundred cent dollar is none too good to redeem the bonds, and to pay usury on our notes, which the people use as money. We are great financiers! If the people want a sound banking system, they must pay for it.”

deity which these men worship? Every dollar of that \$5,000,000,000, which the people have paid was a fraudulent debt, and every dollar the nation now owes was fraudulently contracted. The old soldiers are still toiling their few remaining days away to pay for the privilege of having been shot at!"

"Do you know how much government money was kept on deposit in the national banks?" asked the Senator.

"I have not the figures," replied the Colonel, "and have never seen them published; but the bankers ran the Government in those days, just as they do now."

Turning the pages of the Treasurer's reports, the Colonel continued, "From 1863 to 1868, the Treasury balances show about \$500,000,000 on an average, and the banks probably had the greater portion of it. I have seen it stated that, while John Sherman was Secretary of the Treasury, he kept \$40,000,000 of government money constantly on deposit in one of his New York banks. This statement from Secretary Carlisle, of the balances of government funds in national banks on the 30th day of June for each year, from 1879 to 1893 inclusive—fifteen years, shows an average of over \$18,000,000.

"No one has had any favors, except the bankers, speculators and jobbers. See how Congress voted down Thad. Stevens' amendment to put the soldiers on the same footing with the bankers!"

"I notice," said the Judge, "in the journal of the 46th Congress, that Gen. J. B. Weaver introduced a bill December 3, 1879, to make restitution

to the soldiers for the depreciated currency (made so by the exception clause) in which they were paid. The main provisions of the bill were that there should be paid to each private soldier, non-commissioned officer, sailor, teamster, or musician, regularly mustered into the service of the United States during the war of the rebellion, or to his legal representative in the case of his death, the sum found to be due, to be determined by ascertaining the difference between the amount of the currency paid said soldier at each date of payment during his term of service, and the gold value of said currency payment at the time, as shown by the quotations of gold, as compared with the currency; and that they be allowed and paid this difference, together with six per cent. interest per annum thereon, from the date of muster out to date of payment. The enactment of such a law would be an act of justice; it would take \$3,000,000,000 to pay it. The soldiers earned it, and are entitled to it. The bankers received six times as much as the principal of this debt, without earning or paying a dollar. The money which the bankers have received without any consideration, compounded at 8 per cent. for 30 years, amounts to \$61,000,000,000! Like a band of brigands, they said to Mr. Chase and to Congress: 'Yield to our demands, or we will assist the South to overthrow the Government!'—well knowing the pickings that would fall from the chaos should half a dozen new governments spring up on the American continent from the ruins of the Republic.

“It bore heavily on Mr. Lincoln's heart, but he preferred to allow the people to be robbed, rather than that the Government should be overthrown, trusting to

the good sense and patriotism of the people to adjust the debt when the constituted authorities of the Government should be restored. Compare the patriotism of the banker with that of the soldier, and see which is entitled to the greater consideration. The business of the banker narrows the conscience and chills the heart. The soldiers were not animated by the hope of plunder or the love of conquest; they fought to preserve the homestead of Liberty!"

"One of the most beautiful tributes to the old soldier I ever listened to," said the Colonel, "was delivered at one of our re-unions of the Society of the Army of the Tennessee, by a gifted orator, who had served as an officer with that army: 'Grander than the Greek; nobler than the Roman, the soldiers of the Republic, with patriotism as shoreless as the air, battled for the rights of others; for the nobility of labor; they fought that mothers might own their babes; that arrogant idleness should not scar the back of patient toil; that our country should not be a many-headed monster, made of warring states, but a nation, sovereign, great and free. Blood was water, money was leaves, and life but as common air, until one flag floated over a Republic, without a master and without a slave!'"

"No one, so far as I have seen, has ventured to write a panegyric on the lives and virtues of the bankers," remarked the Judge.

"An artist," continued the Colonel, "Mr. F. B. Carpenter, who had been six months in the White House during the war, relates, as an actual witness, a

conversation between President Lincoln and Governor Curtin :

'Curtin, what do you think of those fellows in Wall Street who are gambling in gold at such a time as this?' asked Mr. Lincoln.

'They are a set of sharks,' returned Curtin.

'For my part,' exclaimed the President, bringing his clinched hand down on the table, 'I wish every one of them had his devilish head shot off!'

'At another time Lincoln said: 'I see a crisis arising in the near future which unnerves me, and causes me to tremble for the safety of my country.' And again he said: 'If a government contracted a debt with a certain amount of money in circulation and then contracted the money volume before the debt was paid, it would be the most heinous crime a government could commit against the people.'''

The Senator, examining the House Journal of the war period, remarked: "This is from a speech by Mr. Kellogg: 'I am pained to sit in my place in the House and hear members talk about the sacredness of capital. The interests of money must not be touched. Yes, sir, they will vote 600,000 of the flower of the American youth for the army, to be sacrificed without a blush, but the great interests of Capital must not be touched!'"

Turning the pages, he went on, "Here is something from Mr. Shellabarger: 'They (the money lenders) are seeking to coin the gains of their infamy out of the blood of their sinking country.'"

"But neither the bankers nor the politicians," said the Colonel, "would allow a bill like the one intro-

duced by Gen. Weaver to become a law. It would put sufficient money into circulation to restore prosperity, and that the banks do not want. The Government, which the banks keep in power, assists the banks in humbugging the people into the belief that there is \$25 per capita in circulation, when there is not to exceed \$2.50.

"How do you make that out?" inquired the Senator.

"I will have the figures to demonstrate it at some future meeting," replied the Colonel. "The banks want to own the nation, and it would not do for the people to have money with which to pay their debts. As for the politicians—the political party, which claims to have saved the nation, was in power when the war began, and supported a class of men who had very little money and who did no fighting, furnished no food, guns or clothing; operated no factories, made nothing and did nothing, except to plunge the nation into debt until we are now on the verge of bankruptcy, if not revolution; this party could not remain in power were it not for the vote of the old soldiers. And if this money were paid at one time, it would make the old soldiers and the country so prosperous that the soldiers' vote could not be controlled, as it is now by the miserable stipends which keep them from starvation or the poor house. This vote would then be independent of the party, which, by its aid, fosters the national bank system and every other iniquity demanded by Lombard and Wall streets.

"The pensions are a blessing to the old soldier," continued the Colonel, "and to the whole country. The

putting of this amount of money in circulation is a great relief to the people; but the old soldier, whose patriotism was resplendent in '61 to '65, would leave a more lasting fame, did he allow gaunt starvation to carry him



OLD SOLDIERS IN COUNCIL.

“Our lives were offered that the Nation might endure. We received our pay in money only half as valuable as the contract, and have never been paid the balance due us. The brigands who robbed the Government of billions had the value of their stolen plunder doubled. Can it be possible that the Government and the robbers are in partnership?

on its listless wings to join the noble throng who have preceded him to a just reward, rather than accept as bribes for partisan service what should be a just

recognition, and not the price of a vote which consigns this and future generations to the maw of an insatiable monster. These pensions amount now to about \$150,000,000 yearly. The total paid in pensions from '61 to '94 is \$1,576,503,544. The present pension system is so administered as to constitute a disgraceful prostitution of the holiest sentiment that animates mankind—that of patriotism !”

“What are the profits of the national banks now ?” asked the Judge.

“Here is a copy of the American Banker for February, 1894, giving the par and actual values of the shares of sixteen New York City banks, which afford some indication of their profits,” replied the Colonel. And he read the following :

Name.	Par Value of Shares.	Bid per Share.
Broadway -----	\$ 25	\$ 200
Butchers and Drovers -----	25	170
Chatham -----	25	340
Chemical -----	100	4,000
City -----	100	425
First (John Sherman) -----	100	2,500
Mechanics -----	25	280
Chase -----	100	450
Gallatin -----	50	350
Hanover -----	100	300
Importers' and Traders' -----	100	550
Lincoln -----	100	565
New York County -----	100	575
Park -----	100	250
Second -----	100	300
Sixth -----	100	300

“There is another list comprising several hundred, not only in New York, but all over the country; I will read a few more, as specimen quotations: At Cincinnati, \$100 shares sell for \$320; Philadelphia, \$380; Omaha, \$225; New Orleans, \$344; Knoxville, Tenn., \$300; Chattanooga, \$240; Denver, \$250; Des Moines, \$320; and Indianapolis, \$320.

“Here is a copy of the same publication for March 20, 1895, which shows but slight changes in the quotations, the average being a little higher.”

Picking up the report of Comptroller Lacey for September 1, 1890, the Colonel said: “The Comptroller places the aggregate capital of the national banks at \$625,089,630; gross earnings, \$144,614,053, more than 23 per cent. Suppose we allow \$30,000,000 for expenses; that would leave net interest of over 18 per cent. Besides the national banks, the Comptroller reports a number of state banks, loan and trust companies, savings and private banks, as possessing a capital of \$326,656,670. The national banks, according to this report, have deposits of \$1,564,845,174, and the trust companies, private, state and savings banks have \$1,203,255,549 in deposits. The profits of these banks are not given; but, as they have much larger deposits in proportion to their capital, it would be safe to allow the same rate of profits on capital and deposits, or profits of \$58,860,000, giving a total of \$173,414,000 as the income the bankers derive from the people.

“According to the Congressional Record of Oct. 15, 1888, page 9457; Senator Vest, in a speech, gave some figures relating to the profits of national banks, and in the course of his remarks, referring to the First Na-

tional Bank of New York City, he declared : ' It is a fact that, commencing with \$200,000 capital, which was increased in April, 1864, to \$500,000, this bank has realized in net profits over \$10,000,000, which is 80 per cent. per annum for 25 years on \$500,000.

" Remember," continued the Colonel, "that this is John Sherman's bank, and that these enormous profits were made possible by reason of his influence in the positions of Chairman of the Finance Committee of the Senate and Secretary of the Treasury. It was established and maintained with money stolen from the over-burdened toilers whom he pretended to represent in the national legislature and as Secretary of the Treasury. It is monstrous that so bold and dangerous a highwayman should be allowed his freedom, or even his life, in a country whose flag is the symbol of justice ! "

" W. H. English, President of the First National Bank of Indianapolis, Ind., in a statement to the stockholders, on his retiring from the control of the bank, said : ' I congratulate the stockholders of our enterprise. The bank has been in operation fourteen years under my control, with a capital stock of \$500,000. In the meantime, it has voluntarily returned to its stockholders \$500,000 paid on capital stock, besides paying them in dividends \$1,496,250, part of which was gold, and I now turn it over to you with a capital unimpaired, and \$327,000 of undivided earnings on hand. To this might be added the premiums of U. S. bonds at present rates, amounting to \$36,000; besides quite a large amount for lost or destroyed bills.'

" These," continued the Colonel, " are the only



NATIONAL BANK PROFITS.

That scheme of the English worked well—it has enabled us to gather in most of the wealth of the nation. Our profits have been :

Premiums on U. S. Bonds	\$ 119,863,386
Interest on U. S. bonds	2,573,969,586
Principal of U. S. bonds	12,448,720,860
Confiscations of stocks, bonds, mortgages and other securities	20,000,000,000
Interest on public and private deposits	9,000,000,000
Confiscation of personal securities and real estate	25,000,000,000

\$69,142,562,832

statements of real profits that can be obtained, as the statements sent out by the Comptrollers are, like so many government reports, misleading and erroneous, and recognized as such. However, taking the Comptroller's figures, there is less than one billion dollars of wealth represented in the stocks of banks and trust companies of every kind, which stock accumulates profits of about \$173,414,000 annually.

"The Comptroller of the Currency, in his report for 1893, page 10, gives the capital stock and loans of banks as follows :

National Banks, capital stock	\$ 678,540,339
All other Banks, capital stock	406,007,240
	<hr/>
Total	\$1,084,547,579
	<hr/>
National Banks, loans	\$1,843,364,168
All other Banks, loans	2,348,193,077
	<hr/>
Total	\$4,191,557,245

"In Volume I, pages 256-257, of the report of the Comptroller for 1891, it appears that the people of this country have paid the national banks \$8,200,000,000. Of this, \$900,000,000 are given as expenses, and \$7,300,000,000 as profits. This, with the \$6,000,000,000 they stole during the war, and since; and the thirty or forty billions of property they have confiscated by contracting the currency, shows rapid progress towards owning the nation, when we remember that they had only \$50,000,000 thirty-four years ago.

"What wonderful strides in prosperity and wealth-

accumulation the nation would have made, if the people engaged in other pursuits were as prosperous as are the banks!

“Contraction and hard times for the masses do



FARMERS IN COUNCIL.

First Farmer—“What has become of the profits of our labor since the war? We produce about three billion dollars of wealth each year—and we haven’t got as much as we had when we commenced?”

Second Farmer—We sow—but the banks and trusts reap.

Group of Farmers—We demand that this robbery cease, and that the amount which has been withheld by reason of our receiving but one half the value of our products be now paid us.

not seem to affect the trust companies. The American Investment Company,' a journal devoted to the interests of the money lending classes, says: 'The blight of 1893 evidently has not laid its withering touch on the trust companies, for we find they have increased since January 1, 1893:

In total resources	\$5,758,231
In capital	2,400,000
In surplus	4,548,637
In deposits	1,797,907

"Gentlemen," said the Judge, "it is time to take a recess. I have some interesting figures on contraction of the currency and its results, and the Colonel has promised some figures on the amount in circulation. Senator, we hope you can give us, at our next meeting, something on the power of interest."

And I was very angry when I heard their cry and these words. Then I consulted with myself, and I rebuked the nobles, and the rulers, and said unto them, Ye exact usury, every one of his brother. And I set a great assembly against them.—Neh. v., 6, 7.

CHAPTER VIII.

WEALTH AND CURRENCY—Value of Product Determined by Volume of Money—Every Dollar of Contraction Means Forty-four Dollars of Depreciation in the Value of Products—Contraction and Failures—One Billion of Currency Retired Causes Nearly Two Billion Dollars in Losses to Creditors—The Loss to Debtors—"National Prosperity" and Those Who Reap it—How the Bankers get Rich.

"Gentlemen," remarked the Judge at their eighth session, "these meetings grow in interest. Although I have made a close study of these questions for many years, I never was so absorbed in them before."

"I have served in Congress more than twenty years," said the Senator, "and have been a close student of political economy; have discussed these questions and heard them discussed; but I never before have had such a comprehension of the effects of legislation, especially financial legislation, as it affects the prosperity of the people, and I am now better prepared for the duties of my position, and shall enter upon them at the next session with a resolve for more equitable and wise legislation."

"We have at least accomplished some good," said the Colonel with a smile.

The Judge seemed well fortified for the discussion, as he had a large number of government reports and books on political economy lying on the table. He commenced by saying: "These books are old friends, but

I have recently cultivated a closer acquaintance with them. I do not know that I can state the conclusions I have reached more clearly than by reading from the speech of Congressman J. C. Sibley, in the House on January 8, 1895: 'The cause at trial is that of Creditor *versus* Debtor; Humanity *versus* Selfishness; Truth *versus* Error; a Free Government, such as our fathers designed to found, *versus* the rule of an Organized Plutocracy. Every great statesman and political economist of the last 300 years has laid down as a political axiom that the values of property are determined by the volume of money, proportionate to the volume of trade transactions. The declarations of many great thinkers upon this topic, from the days of John Locke and Adam Smith down to the present moment, briefly stated, may be summarized as follows: Double the value of money, you double the value of products; divide the volume of money, and you divide the value of products; divide the volume of money, you double the debt; double the volume of money, and you divide the debt.'

"To more fully emphasize the power of contraction," continued the Judge, "let us take the government reports on the amount of wealth and currency in the nation. Wealth, \$66,000,000,000; currency, \$1,500,000,000; ratio 1 to 44. Whenever the currency is contracted \$1, all other values are depreciated \$44; these other values being forty-four times as great as that of the volume of currency.

"In 1866, with a population of 35,000,000, we had a circulation, exclusive of gold, silver, and State bank issues, of nearly \$2,000,000,000. The public debt was \$2,807,310,358; money was plenty, and the peo-

ple were universally prosperous. The South had, in a large degree, overcome the shock which came with the bitterness of defeat, and had heroically and patriotically devoted their energies to the restoration of their fortunes and of good fellowship between the sections, and they had to a degree converted their charred and blackened homes into smiling abodes. The Federal soldier who had followed the stars and stripes, proud of the part he had borne in the great struggle, had returned with an honorable record to his old home, or perchance had gone to seek a new one on the plains or in the mountains of the Great West, resting securely in the belief that the Government he had risked his life to save would ever be loyal to its defenders. He had not then learned of the treachery of the Government and its wealthier citizens during his four years' struggle in the field. Congress was controlled by that class which the Nazarene so steadfastly condemned. The people were too prosperous and happy. Greed and envy must be gratified. The people must toil, suffer and starve, that the bankers might live in luxurious wealth. The work of contraction was begun. So was the wrecking of the fortunes of the people. Prosperity changed to adversity. Luxuries and comforts gave place to want and hunger. Cups of joy were turned to gall and wormwood. Smiling innocence, magic like, changed to sadness. Happiness and sunshine had gone out; shadows and darkness occupied their place.

“On the 12th day of April, 1866, Congress passed a law which authorized the Secretary of the Treasury to dispose of bonds, in the United States or elsewhere, at such rates as he might think advisable,

for lawful money of the United States, or certificates of indebtedness, or certificates of deposit, or other representatives of value, the proceeds thereof to be used for retiring treasury notes, or other obligations, authorized by any act of Congress. The national banking system must prosper, if the people were ruined. The circulating medium was destroyed. The people's wealth decreased at the ratio between the volume of money and the amount of wealth in the nation. In this train of destruction followed the ruin of business and the desolation of homes. In December, 1866, E. G. Spaulding wrote Secretary McCulloch: 'You, no doubt, now to a certain extent have the control of the currency in the country, and I think that you will of necessity contract moderately, so as to preserve a tolerably easy market.'

"I have," continued the Judge, "prepared a table, showing the contraction of the currency and its results. The contraction of the currency is taken from the Comptroller's reports and the failures from R. G. Dun & Co.'s reports :

	Contraction.	Failures.	Loss to Creditors.
1866-----	\$ 48,689,827	662	\$47,625,000
1867-----	96,897,893	380	47,333,000
1868-----	473,000,000	2,160	86,218,000
1869-----	500,000,000	2,411	57,275,000
1870-----	67,000,000	3,150	88,244,000
1871-----	35,000,000	2,915	85,250,000
1872-----	12,000,000	4,067	121,058,000
1873-----	1,609,000	5,581	228,490,000
1874-----	10,497,239	5,833	151,689,000
1875-----	42,817,418	7,404	195,289,000
1876-----	85,000,000	10,000	300,000,000
1877-----	46,000,000	15,000	500,000,000
Total.....	\$1,418,511,377	59,563	\$1,908,471,000

“The loss to creditors is but a small portion of the actual destruction of wealth. The debtor, whose condition is not thought of sufficient importance to be reported, loses ten times as much as the creditor, for whom all the sympathy is expressed.

The wealth of the nation at that time was \$30,000,000,000; the losses to the creditors are reported at a little less than \$2,000,000,000, and, as two-thirds of the people's money had been destroyed, that represents a proportionate amount of decrease in all property values; this decrease amounting to over \$20,000,000,000!

“I have included in the table of contraction certificates of indebtedness which had been made a legal tender and circulated in the same manner as greenbacks; treasury notes, legal tenders, fractional currency and bank notes.”

“The power to pauperize a nation,” said the Colonel, “should be taken from the banks, Congress and the Secretary of the Treasury.”



UNEARNED USURY.

Continuing, the Judge said: “The First National Bank of New York, June 30, 1888, published a statement that its circulation was \$423,230. On

the 12th of December, 1888 it published a statement that it was only \$45,000. The sworn statement of the

bank also says that its capital stock is \$560,000, and that its profits during the year 1888 were \$1,472,764. Remember this is John Sherman's bank."

The Senator, who had been examining the census reports, said he desired to call attention to the "unparalleled prosperity" which the politicians were so fond of referring to.

"I have prepared this table," continued the Senator, "for the purpose of giving some idea of the prosperity of the nation, and who reaps it:"

Census.	Population.	Assessments.	Actual Wealth.	Per Capita.
1860-----	31,448,321	\$12,048,500,005	\$31,201,000,000	\$993
1890-----	62,622,250	34,249,589,804	62,000,000,000	999

Number of Families.	Possess.	Average to Family.	Per Cent.
Millionaires -----	4,074	\$12,400,000,000	\$3,000,000 20
Other Employers- 1,092,218	31,620,000,000	29,000	50
Employees-----12,010,000	17,980,000,000	1,497	30
Total-----13,102,292	\$62,000,000,000	Av'ge for all.	\$4,732

"These figures are only made up to the end of 1889," continued the Senator, "and as the last five years have been among the most disastrous in our history, the result now, could the figures be obtained, would be much more alarming. In 1878, when the Bland law was enacted, the further destruction of greenbacks was ordered to be discontinued. With the knowledge that no more money was to be destroyed, and that the increase in circulation would be at least two millions a month, business revived, and continued active until the end of 1881. During the years 1880-81 the excess of commodity exports over imports was \$427,396,630. Besides, the imports of gold and

silver in excess of the exports for '80 and '81 was \$167,060,341. In these two years the country was prosperous; labor found ready employment; lost fortunes were regained. With money in circulation, the people had become possessed of large amounts of property. They had sown, and their crops were abundant. The money changers must reap the harvest. The solution is an easy one under our present system; *contract the currency, and confiscate property.*"

"The report of the Comptroller for 1890, page 42," said the Senator, "shows a net decrease in the national bank circulation, as follows:

From 1882 to 1883,	\$ 6,000,000.
" 1883 " 1884,	24,000,000.
" 1884 " 1885,	15,000,000.
" 1885 " 1886,	56,000,000.
" 1886 " 1887,	50,000,000.
" 1887 " 1888,	16,000,000.
" 1888 " 1889,	22,000,000.
" 1889 " 1890,	5,000,000.
	<hr/>
Total,	\$194,000,000.

"Which is two millions more than the total silver purchases for these eight years. The people had calculated on an increase of the currency by the coinage of silver under the Bland law, that should be somewhat commensurate with the increase in population; but the bankers are up to some tricks which the people know nothing about. Our population increased 15,000,000 between 1882 and 1893. To intensify the

business situation and render the confiscation of property complete, the bankers, from May 4th to July 12th, 1893, curtailed their discounts, which in sixty-nine days contracted the circulating medium \$136,000,000, and thereby created the panic of 1893, which brought ruin to all classes,—except one. In the same manner, from February 1, 1894, to February 1, 1895, they curtailed discounts \$126,000,000, or \$10,500,000 a month.

“These figures clearly indicate a concert of action among the bankers,” continued the Senator.

“A conspiracy,” said the Judge, “that should be made a criminal offense, punishable with life imprisonment.”

“Do you believe the bankers entered into a conspiracy to ruin the people?” asked the Senator.

“I am certain of it,” said the Judge. Look at the billions they have fraudulently taken from the people in the past thirty-four years, and the unknown billions of property they have sacrificed! Every national bank is assessed regularly a certain per cent. for a corruption fund. *There has not been a president elected in thirty years whose nomination they did not dictate, and with whom a bargain had not been made in advance!*”

“You do not suppose that *Grant* had any understanding with these people, do you?” asked the Colonel, in surprise. “Surely *Grant*’s nomination and election were spontaneous on the part of the people.”

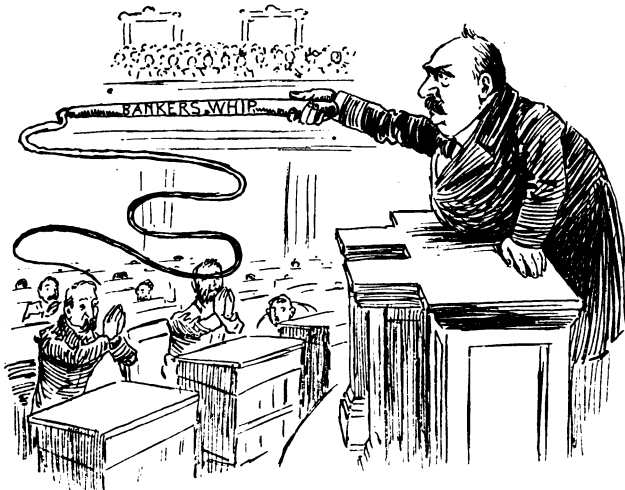
“I do not like to believe evil of any one,” replied the Judge, “but look on the long list of Cleveland cuckoos; Kilgore, Wilson, Ransom,



**LOSSES IN TWENTY YEARS THROUGH CONTRACTION AND THE
DEMONETIZATION OF SILVER AND PAPER MONEY.**

Shrinkage in Real Estate Values	\$ 12,500,000,000
In the price of Cotton	4,000,000,000
In the price of Wheat	9,000,000,000
Corn, tobacco, and other farm products	11,000,000,000
Cattle, sheep, horses	8,500,000,000
Increase of mortgage indebtedness by the decrease in volume of money	15,000,000,000
Usury exacted by restricted money volume	15,000,000,000
Shrinkage in the value of lumber, iron and the raw materials for manufacture	15,000,000,000
Shrinkage in the value of manufacturing of all kinds	20,000,000,000
Loss to manufacturers by compelling them to compete with countries whose money is worth only half as much as ours	15,000,000,000
Shrinkage of value of lead, copper, coal, zinc, silver, etc.	6,500,000,000
Loss to 3,000,000, laborers (men and women) at \$2 per day	37,560,000,000
Total,	\$ 169,060,000,000

Springer, Black, Outhwaite, Breckenridge, Catchings and Crisp. More than one hundred and fifty members of the Fifty-third Congress turned traitors to their constituents at the crack of the bankers' whip in the hands of Cleveland. They betrayed their country, and were mostly repudiated by the people; but instead of their being punished, they were rewarded by Cleveland for their perfidy. Bissell was



“DO YOUR DUTY!”

crowded out of the cabinet, that Wilson might be made Post-Master General; Ransom was sent as Minister to Mexico; Kilgore and Springer were made United States District Judges; Outhwaite, Inspector of Military Posts, Breckenridge, Minister to Russia; Black, United States District Attorney. Catchings and Crisp received their reward in advance; one was

made, at the President's dictation, chairman of the Committee on Rules, and the other, Speaker of the House. Poor Bynum is the only one that was given the cold shoulder; but Cleveland could never quite forgive him for that Denver speech, and for allowing Pence to do him up in the House. However, the 'Sound Money League' gave him employment at a good salary, to advocate their cause. Were I to give a list of the recreant representatives of the people, this meeting would be prolonged to an indefinite period.

"As for Grant," continued the Judge, "the nation owes him a debt of gratitude for his achievements in the field that it can never repay; but there are some things connected with his official life after the war that have a look which I do not like. Grant, as his wife once said, was a 'very obstinate man,' but, in spite of his self-reliance, he could not withstand the seductive influences of these men. Do you not recall the fact that August Belmont, who was the financial agent and representative of the Rothschilds, and who was, in 1868, Chairman of the Democratic National Committee, was notified by Baron James Rothschild, March 13, 1868, that unless the Democratic party were for paying the 5-20 bonds in gold, it must be defeated. Through the bank influence, the convention was held in New York. The convention assembled on the 4th of July. The Democratic party in that day believed in the doctrines of Jefferson, Jackson, Calhoun, Seymour and Tilden. The Rothschilds, Belmont and their banker friends were unable to control the convention, and its platform declared that all ob-

ligations not expressly payable in coin should be paid in the lawful money of the United States.

“In the Republican convention Grant was nominated at the request of the bankers. The campaign progressed favorably for the Democrats; it looked as though Seymour would be elected. Rothschild and his associates in this country became alarmed, and arranged with the chairman of the Democratic Central Committee, Mr. Belmont, to cause Seymour's defeat, if possible. On October 15, the New York World, the organ of the national democracy, and of which Rothschild and Belmont were principal owners, published as its leading editorial a statement that Seymour was unfit for the presidency, and advised his withdrawal. Manton Marble, then editor of the paper, who had lived in a modest way, soon after acquired a brown stone mansion on Fifth Avenue, and now resides in splendor in the city of Paris. Grant's election was an easy matter after the desertion of Seymour by the Democratic leaders.

“It was very significant,” continued the Judge, “that in his inaugural, on the 4th of March, 1869, Grant stated that he would regard all who did not favor the payment of the 5-20's in coin as repudiators, and added that such persons need not expect any favors at his hands. The first act that received Grant's signature was the ‘Credit Strengthening’ act, which he signed March 18th. Here is the act. Shall I read it?”

“No!” said the Senator. “We are all familiar with its provisions. It makes my heart sink within me when I think of all these wicked laws!”

“Whose credit did this law strengthen?” asked the Colonel.

“Certainly not the credit of the United States,” answered the Judge. “These bonds were purchased nominally at about fifty cents on the dollar. Really they cost the holders nothing; but this law provided that not only the interest bearing bonds, but also the non-interest bearing United States notes, should be paid in coin or its equivalent.”

“What amount of bonds was outstanding at that time?” asked the Colonel.

“About \$1,500,000,000,” replied the Judge. “All to become due in twelve years, payable in currency. The coin resources of the Government were scarcely sufficient to meet its interest obligations, but Congress obliged it to pay \$1,500,000,000 in coin. This was an impossibility, and known to be such; the purpose of it was to perpetuate the public debt.”

“This act was only the entering wedge,” said the Colonel, “preparatory to the consummation of a series of acts which will ever stain our statute books, and it clearly points to a plot so dark and damning that Guy Fawkes’ plot to blow up the British Parliament pales into utter insignificance beside it.”

“To what acts do you refer?” asked the Senator.

“Subsequent events down to the present hour,” replied the Colonel, “make them apparent to all. Read the Hazzard Circular; contemplate this law which manacles the industries of our country with a perpetual debt, making not only bonds, but currency, redeemable in coin. Then behold the secret stiletto of John Sherman, demonetizing silver, striking down

one half of the money the bonds were made payable in ; closing our silver mines so as to make sure that the rivets were securely fastened around the limbs of toil. Then look at Cleveland with the bankers' whip, lashing Congress into demonetizing all money except gold, and into issuing more coin bonds—all made possible by the fact that the \$346,000,000 greenbacks are redeemable in coin !

“These gamblers in the lives, liberties and happiness of the American people, in order to perpetuate the present banking system, pay out their ‘promises to pay,’ and hoard the greenbacks, that they may raid the Treasury of the gold reserve. The President and the Secretary of the Treasury, who stand in with the gamblers and participate in the spoils, issue bonds to get the same gold back into the Treasury !”

“This is a government of the people !” exclaimed the Colonel.

“I likewise, and my brethren, and my servants, might exact of them money and corn ; I pray you, let us leave off this usury.”—Neh. v., 10.

CHAPTER IX.

ASSASSINATION THE FATE OF PRESIDENTS WHO DEFIED THE BANK RING—Why Blaine Was Counted Out—Carlisle's Change of Front on the Bond Issue Question—Wall Street Agents Buy Southern Delegates for Cleveland—His Deal With the Trusts and Syndicates—Cost to the People and Gain to the Banks Retiring the Greenbacks—Whitney's Coal Syndicate and Villard's Northern Pacific Land Grant Promised Protection for a Consideration—Cleveland's "Object Lesson"—The Conspiracy by which the Panic of 1893 was Precipitated and the People Pauperized—Ample Grounds for the Impeachment of the President—Plutocracy in Control—Cleveland Only a Satrap of the Oligarchy—Secret Meeting at which the Plot was Hatched, and Who Were There.

"Gentlemen," said the Senator, when they met on the ninth day, "You were somewhat personal at our last session."

"The patience of the people is about exhausted by the manner in which the government has been, and is being run," said the Colonel. "It's about time for plain talk, and if talk will not remedy the evil, I am in favor of some more powerful argument."

"The money of both continents was used to purchase the presidency for Hayes," said the Judge. "Because they could not halter Tilden, and Hayes was simply clay in the hands of John Sherman. After Garfield's election, when it was found that he proposed

to be President, and defied the New York bank ring, they made short work of him."

After a pause, the Judge continued solemnly, and with much feeling: "I have always believed that they murdered Lincoln; for they knew what to expect of him when the war was over. Lincoln was not only a good man, but also a great man, and he held such a place in the affections of the people, that his power would have been potent for good. The dark conspiracy outlined in the Hazzard Circular could not have been consummated with such a man in the presidential chair. They had had a bitter struggle with him during the war, and had triumphed; Lincoln preferred a bonded debt to the disruption of the Union, but he had notified them of what would happen when peace should come. They knew that their conspiracy could not be consummated, and that they would be forced to disgorge their ill-gotten gains.

"There is nothing these men would not resort to," resumed the Judge, deeply affected. "They held with greater tenacity than ever to their already enormous accumulation of spoils, and made a more desperate struggle for the power of future spoliation than did the South for the preservation of her slave property.

"As for Grant; he braved the dangers of war, and won the well merited distinction of being the greatest soldier of modern times. But there are good reasons for believing that the alluring charms of the tempter were more difficult to overcome than were the brave battalions of Lee, and that he capitulated with an enemy more dangerous to the lives and liberties

of the people than were ever the armed hosts of the Confederacy.

“It has always been an open secret that the Bank Ring endeavored to induce Grant to forego the usual sales of gold, but he refused. His life was threatened, and it is evident that he believed it to be in imminent danger. They had determined to force gold to a higher premium, and the life of one man should not stand in the way of their purposes. Grant, as is well known, went to some point in Pennsylvania beyond the reach of telegraphic communication, and the conspirators were permitted to carry out their designs. Up to 1869 the sales of gold had been made by the secretaries secretly, but in that year Congress was induced to authorize notice to be given. As soon as notice was given, the gold brokers commenced reducing the premium on gold, until the day of sale; on that day gold always ruled low; *the Government received the lowest price.* The following day, however, the premium went up; the brokers sold what was purchased from the Government at a good profit, and were thereby enabled to reap fortunes. The brokers desired to corner gold, that they might greatly increase their profits. The Government had been in the habit of offering gold whenever the brokers attempted to run up the premium, and thus prevent it; but the Secretary, for some unexplained reason, would not, on this occasion, sell gold without directions from the President. Grant could not be found, the brokers ran gold from 130¾ to 160½, and Black Friday was the result. The ruin caused by this villany is only remembered as a horrible dream. The

Secretary, after the wreck had come, sold five million dollars in gold, and the rate went down to 130 in less than an hour. Fisk and Gould made \$1,300,000 by the transaction.

“The Bank Ring, in 1884, could not exact any pledges from Blaine to do their bidding, so they fraudulently counted him out and counted Cleveland in. The Ring turned Blaine down in 1892, because he declined to accede to their demands; then they nominated Harrison.”

“They could not have had any arrangements with Harrison in 1888,” remarked the Colonel, “as his nomination was scarcely thought of as a possibility.”

“That is true,” said the Judge. “The people wanted Blaine, and the bankers were determined to defeat his nomination; Harrison was nominated by accident. No one had any thought that he would be nominated; he was placed in nomination for the purpose of bringing his name prominently before the country, so as to make him a formidable candidate in 1892.

“You recollect the bankers refused to pay a dollar to the Republican campaign fund in 1888, and when the sub-committee on Finance of the National Committee went to see them, they stated that they did not know what Harrison would do; that they were satisfied with Cleveland. When asked what pledges they wanted, they notified the Committee that they wanted a pledge that Harrison would veto a free coinage bill, and maintain the gold reserve. To do so, he would be compelled to issue bonds,



for the bankers would make this necessary by presenting greenbacks at the Treasury for redemption. Harrison declined to make any pledge; the bankers declined to make any contribution. The party managers finally demanded of Harrison that he should make some concessions, and he was compelled to yield. A conference was arranged; Depew in a special train with a committee of bankers, went to Indianapolis, spent a day at Harrison's house, and matters were arranged."

"Is anything known as to what was agreed upon?" asked the Colonel.

"Not definitely," replied the Judge, "But you remember, in the spring of 1890, it seemed probable that a free coinage bill would pass both branches of Congress. The President became alarmed, sent for a num.

ber of Republican free coinage representatives in Congress, and stated that he would sign a bill for the free coinage of the American silver, but that he could not sign a bill for unlimited coinage.

'John Sherman, in a letter to the Hon. J. H. Walker, under date of July 8, 1893, speaking of the passage



DEWEY AND THE BANKERS START FOR INDIANAPOLIS.

of the Sherman law, said: 'It was the only expedient by which we could defeat the free coinage of silver. To accomplish our object, we had to get the representatives from the silver producing states. It was a costly purchase, but this loss is insignificant compared to our gain by the defeat of the free coinage of silver. It is

said there was no danger of free coinage, that the President would have vetoed it; we had no right to throw the responsibility on him. Besides, his veto would have left the Bland act in force, and we did not believe his veto would have dispelled the craze that then existed for free coinage.' ”

Addressing his remarks to the Senator, the Colonel said: “I have thought it strange that you



HARRISON RECEIVES DEPEW AND THE BANKERS.

free coinage senators allowed Sherman and the other agents of the gold trust to out-general you, as they did. Harrison was only pledged not to sign an unlimited free coinage bill, and you could have got a law for the coinage of the American product, instead of the objectionable Sherman law.”

“If you had served in Congress as long as I

have," replied the Senator, "you would more fully comprehend the difficulties a few of us have had to contend with. No legislation can be enacted that is not satisfactory to the bank and other corporate interests; it is impossible to secure legislation in the interests of the masses.

"If," continued the Senator, with great deliberation, "the people really knew how their rights were made a matter of bargain and sale in Congress, they would rise in their might and disperse their treacherous representatives, and it is a wonder to me how the people have so long slept, while the fires of corruption here in Washington are burning out, slowly but surely, the very foundations of the nation. Sooner or later, the whole decayed structure will come tumbling down, with consequences whose contemplation makes me shudder."

"Harrison refused to issue bonds," said the Colonel; "so he could not have been under the control of the bankers to any great extent."

"You know," replied the Judge, "Windom was his first Secretary of the Treasury, and the whole country knew his record when he occupied that position previously. He was appointed at the solicitation of Wall street, and died while making a speech in their interests at a New York Chamber of Commerce banquet. After Windom's death the bankers summoned Harrison to New York, to consult about the new secretary. Foraker, it was thought, would succeed Sherman in the Senate, and this concerned the bankers almost as much as did the naming of Windom's successor. Charles Foster had great political

influence in Ohio. It was decided that he was the most available man, although he had never shown any special fitness for the place. He was immediately summoned to New York; and his pledge being satisfactory to the bankers; he was made Secretary of the Treasury. All the influence of the national administration and the Treasury Department, as well as the money of two continents were used to defeat Foraker,



THE BANKERS SUMMON HARRISON TO WALL STREET.

and Ohio's already blackened escutcheon was still further defiled by the return of Sherman; although it was by a bare majority."

"You do not appear to have a very lofty opinion of Sherman," remarked the Senator.

"He is a magnet," replied the Judge, "who has drawn unto himself the concentrated evils of mankind.

“Harrison’s administration was sufficiently identified with Wall street to make it satisfactory to the Money Power,” continued the Judge; “when Harrison was about to name the delegates to the Brussels Conference, Rothschild was here as Foster’s guest.”

“I am reliably informed,” interrupted the Col-



HARRISON INVITES CHARLES FOSTER TO WALL STREET,
WHERE HE IS INTERROGATED BY THE BANKERS.

onel, “that Secretary Foster had the plates prepared for the printing of more bonds, but that Harrison forbade it.”

“That is probably true,” said the Judge. “After the resumption of specie payments in 1879, gold began

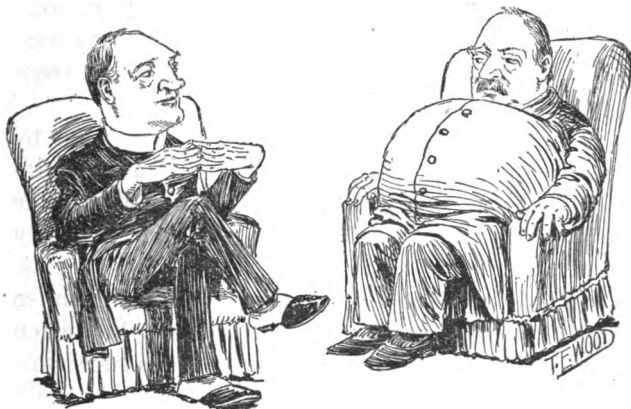
to form a part of the Treasury surplus. At the beginning of each fiscal year thereafter, on July 1st, the following gold balances in the treasury were reported : In 1879, \$135,000,000 ; in 1880, \$126,000,000 ; in 1881, \$163,000,000 ; in 1882, \$148,000,000 ; in 1883, \$198,000,000 ; in 1884, \$204,000,000 ; in 1885, \$247,000,000 ; in 1886, \$232,000,000 ; in 1887, \$278,000,000 ; in 1888, \$314,000,000 ; in 1889, \$303,000,000 ; in 1890, \$321,000,000 ; in 1891, \$339,000,000 in 1892, \$255,000,000.

“Harrison diminished the surplus somewhat by buying bonds during the latter part of his administration. That, together with a slight falling off in trade and the secret withdrawal of gold from the Treasury through greenback redemption, caused the surplus, in excess of the \$100,000,000 reserve, to diminish, so that there was less than \$20,000,000 surplus when Harrison turned over the Government to his successor, March 4, 1893.

“Foster,” resumed the Judge, “was in close sympathy with Wall street, and had agreed to issue \$50,000,000 in bonds. It was understood that Carlisle was to be his successor, and he had a conference with that gentleman, who warmly endorsed the proposition to issue bonds. When Carlisle was appointed, he changed his position, and was strongly opposed to the issue of bonds. He proposed to make silver payments, and advised the President to order the redemption of greenbacks, silver certificates and the silver bullion treasury notes with silver coin only. When Carlisle was reminded of his advice to Foster, he replied that he was then advising a hostile administration, and his advice

was not binding on him when in executive power, and responsible in person. Had Harrison been re-elected, he undoubtedly would have authorized the issue of more bonds, upon the demand of the bankers.

"As for Cleveland," continued the Judge; "he has the most shameful record of any man who ever



J. G. C.—Mr. President, I recommend that you order redemptions to be made in silver coin only.

G. C.—If I were to do that there would be no redemptions.

J. G. C.—I am aware of that fact.

G. C.—Then there would be no excuse to issue bonds, which I have agreed to do. Besides that is where I expect one of my principal rake-offs.

(Exit.—J. G. C.)

presided over the affairs of a free people. In February, 1885, just before Cleveland's first inauguration, the ninety-five Democratic members of Congress, addressed him a letter, asking him not to commit the party in his inaugural address to the purposes of the gold contrac-

tionists, until the whole subject should be carefully considered. February 25th, Cleveland's reply was published. He bemoaned the fact that gold was leaving the country, and a silver basis threatened. He did not mention the fact that silver had been deprived by a legislative trick of legal monetary use. He closed the letter with the declaration made by Rothschild twenty years ago for use by John Sherman, that labor was deprived of the 'best dollar.' He did not mention the fact that it was 'best' only for the holders of mortgages, stocks and bonds, who reaps two dollars where he should receive but one; that it takes twice as much toil, and twice as much of the product of toil, to procure the dollar as it should; while debts, taxes, interest and trust extortions remain the same.

"Gordon Clarke, in his work, 'The Anarchists of Wealth,' gives the information that this letter of Cleveland's was really written by Manton Marble, taken to Albany by Daniel Manning and there given to Cleveland, who signed it without troubling himself as to its contents. It is believed that all of Cleveland's messages to Congress and his letters touching the money question are submitted for revision to a committee of New York bankers.

"I was in New Orleans in February, 1892," continued the Judge, "during the Mardi Gras festivities, and also attended the meeting of the Trans-Mississippi Congress. I met there many prominent people from all sections of the South, and was frequently asked what was meant by the presence of so many of the agents of Wall Street in the South urging Cleveland's nomination, and offering to put up any amount of

money to secure Cleveland delegates to Chicago. You will remember that Harrison stock was very low at Minneapolis, until Depew, who represented the railroad and banking interests, arranged matters; and at Chicago, Cleveland, who did not have a single vote from his own state, had a very meager following until Whitney arrived and completed the arrangements with the Southern delegates. The New York 'Sun' is authority for the statement that Whitney used three hundred thousand dollars of the syndicate's money to complete the contract with the Southern delegations, and how much more was used is known only to Whitney and those who received it. The tide that now set in for Cleveland was irresistible."

"That accounts," said the Senator, "for the 'splendid generalship,' for the display of which Cleveland at the time publicly thanked Whitney.

"I was unable," resumed the Judge, "to give my Southern friends any explanation of Wall street's zeal at that time; but later, I learned some of the reasons for their solicitude. Cleveland's managers had entered into quite a number of combinations that were to be carried out in case of his success, and as a result of this the various representatives of the syndicates were preparing the way for his nomination. Coal, wool and iron syndicates had been formed. The railroads needed legislation, the government indebtedness of the Pacific roads was maturing and must be re-



newed and the interest reduced ; Cleveland's particular pet, the Sugar Trust, must be taken care of, the schedule must be advanced against foreign refined sugar; the oil monopoly must be looked after ; the unearned land-grants to the Northern Pacific Railroad must not be forfeited. Villard raised a million dollars in Europe for the protection of Northern Pacific interests, which money was used to secure Cleveland's nomination and election. And the Bank Power must have full sweep to rob the people at pleasure. All legal tender money, except gold, must be stricken down, and gold hidden away in iron chests



—too precious for use. Silver money must be completely destroyed, the greenbacks made as odious as possible by the bankers constantly presenting them for redemption in gold, so that the people would consent to their retirement. Bankers' debts were then to be issued which the people must pay interest for and use as money."

"Have you calculated, Judge," asked the Colonel, "how much the retiring of the greenbacks would cost the people?"

"No one," replied the Judge, "can predict the damage which would result from giving the banks absolute control of the volume of the cur-

rency. In that event they might inflate their issues in order to stimulate a revival of business, and when the people by their thrift had accumulated a competency the banks could contract the currency and confiscate the wealth created by toil during the banker 'bunko era of prosperity.'

"To say nothing of the power for mischief which the retirement of the legal tender money would give the banks," interrupted the Colonel, "it would cost the people directly four per cent. on \$500,000,000 of bonds, or \$20,000,000 annually; and ten per cent. interest on \$350,000,000 of the bankers' debts, which they would compel the people to use as money; this would amount to \$35,000,000 more, or an aggregate annual interest charge of \$55,000,000.

This for fifty years (the proposed period of the bond issues), would amount to \$2,750,000,000. Then the principal of the bonds must be paid, \$500,000,000 more, making a grand total of \$3,250,000,000."

"If the bankers' slaves in Congress," said the Judge with much feeling, "will not permit the people to have full legal tender money fabricated from some convenient material in sufficient amount to transact the business of the country

without bank interference, the people should find some



way to secure a Congress that will do *their* bidding."

Continuing his narrative of the events leading up to Cleveland's nomination and election, the Judge said :

"Whitney was at the head of a syndicate to control the coal output of the Nova Scotia mines, which could be mined and shipped into New York and other sea ports by boat at a much lower rate than it could be mined in this country and moved by rail,—the tariff on coal must go. The throwing out of employment of hundreds of thousands of our workingmen and the ruin of American coal mine owners was of no consequence



to the conspirators, so long as Cleveland's 'General' and his henchmen might reap rich harvests. Another syndicate was interested in the coal mines of British Columbia, and under Cleveland's administration in 1893, government boats were instructed to use coal mined in British Columbia, although coal from mines equally accessible in the State of Washington could be had at the same price.



"The iron mines of Cuba were controlled by another syndicate. Therefore, iron must be placed on the free list, and the American iron industry left to

decay. The capitalists of Europe had advanced large sums on the wool clips of Australia, South America and the mountains of Germany and Scotland, which wool had accumulated in European warehouses. The price had declined until the margin had been exhausted, the embargo on foreign wool must be raised at the expense of the American wool grower.

"But the most infamous conspiracy," continued the Judge, "was that entered into with the bankers, to completely discredit silver, and issue more coin bonds. Cleveland agreed, so far as it should be in his power, to completely discredit silver and to issue coin bonds up to one billion dollars, unless the people became too clamorous. The greenbacks were to be retired; silver was to be reduced to a commodity and sold as old junk; gold was to be the money of final payment; bonds were to be issued as a basis for bank issues, and the banks authorized to issue \$100,000 for every \$25,000 of bonds deposited with the government; the banks to be permitted to contract and inflate the currency at pleasure—to inflate long enough to give apparent prosperity and induce people to borrow the bank's promises to pay, and invest in productive enter-



prises—to inflate long enough to give apparent prosperity and induce people to borrow the bank's promises to pay, and invest in productive enter-

prises; then to contract the currency and harvest the wealth, which labor had created, into their own coffers. This particular feature," continued the Judge, "of the general conspiracy entered into between Cleveland and the various syndicates was afterwards put in shape by the New York Bank ring and adopted by the National Bankers' Association in Baltimore. The Convention, which was called mainly for the purpose of endorsing this scheme, was held outside of New York to avoid the stench of Wall street. That the paid minions of the Money Power in Congress might feel the full force of the bankers' whip in the hands of Cleveland, Carlisle, with a twin measure,



went before the Finance Committee of the lower House of Congress, and there urged its adoption."

"No one need lull himself to sleep," said the Colonel, "in the belief that this programme has been abandoned because the present Congress is Republican. Cleveland, who is simply the slave of Wall street, is sending Carlisle out to give utterance to the views of those who have become the masters of the people.

"Tom Reed voted for a bill in the last Congress, which had the sanction of Cleveland and Carlisle, and the other agents of the Money Power, to

issue \$500,000,000 of gold interest bearing bonds—and this proposition was only defeated by five votes. On this bond issue, the banks were to inflate the currency by bank issues long enough to bring apparent prosperity, so as to tide them through the next presidential campaign. Again in power, it is their purpose to strike down greenbacks, forever discredit silver, and to establish an absolute gold basis, with bank bills for circulating medium.

“You will find Cleveland, Reed and Sherman leading the forces for some such legislation during this Congress. Perhaps not until the second session.

They may not think it prudent to further manacle the people until they have secured another Presidential term. It would seem from Reed’s speech to the caucus which nominated him for Speaker,” continued the Colonel, “that the policy of the Republicans is non-action. Reed does not dare at this time to load the party with the infamous measures he supported in the last Congress. Taking the New York ‘World,’ of December 1st, the Colonel read from Reed’s speech :

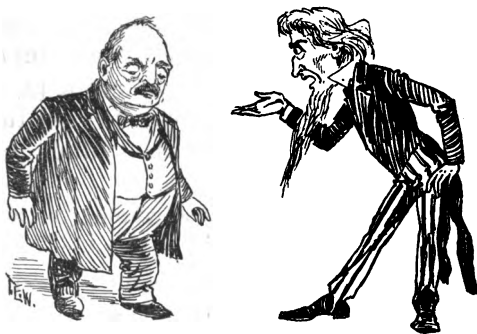
“‘History has accorded us praise for what we did in the Fifty-first Congress—it may accord us its praise in this for what we do not do. * * * Rather than run risks we can afford to wait until well matured plans give us assurances of permanent benefit.’

“Party politics are not considered. The New York



'Independent,' a religious journal, recently published this Creed of Wall Street: 'We believe that every man has his price. We believe in the administration of any man at Washington who will see to it that our craft is never in danger, and who will always keep our interests in view.'

"These people have no politics; many of the prominent bankers, life-long Republicans, supported



UNCLE SAM TAKING GROVER TO TASK.

People's debts	\$40,000,000,000
Money in circulation	200,000,000

\$2, in money to pay \$400 of debts. Still you want to destroy the greenbacks. Grover, what do you mean?

Cleveland in 1892, because he stood ready to carry out any scheme they might propose, to the full extent of his ability, and with all the influence of his great office. Harrison was more guarded, was unwilling to surrender to the common enemy, every interest of his countrymen, to be tied and bound with the chains of serfs.

"George G. Williams, president of the Chemical

National Bank; George S. Coe, president of the American Exchange National; both leading Republicans," said the Colonel, "headed the movement of New York bankers in support of Cleveland in 1892."

Continuing, the Colonel said, "Everybody knows Cleveland was hand in glove with the bankers in the awful conspiracy of 1893; that was a part of the general plan by which money was put up to secure his nomination and election. The daily papers at the time gave full accounts of the co operation of the administration with the bankers to precipitate the awful crash of 1893. It was a pre-conceived plan on the part of the money jugglers of both continents to close the mints of India, and thereby depress the bullion value of silver.

"Cleveland's friends, those whom you designate as his co-conspirators, Judge, give him credit for having some feeling," said the Colonel. "Here is a letter from one of Cleveland's friends, a prominent Wall street operator, in which the writer says: 'It is supposed by many that President Cleveland would be only too glad to have some financial trouble befall the country, because it would justify the urgent appeal made in his behalf to the Democrats in the 52d Congress, and would support him in appealing to the next Congress for proper legislation; but such an impression must do the President injustice. His relations to business men and business interests are such, and his knowledge of the effects of financial disaster upon the conditions and happiness of the millions is so full, that he must be a man of exceedingly callous heart to regard with satisfaction a serious financial storm.'"

To this the Judge quickly retorted : " I am willing Cleveland should be judged by his utterances and actions." Opening a scrap-book, he went on : "Here is something I cut out more than two years ago. It is a report of a conversation Cleveland had with Frederick Alter, of Cincinnati, about the middle of March, 1893, in which Cleveland is reported to have said : " "This country is going to have the hardest times it has



CLEVELAND TO ALTER.

experienced in many years, and I do not intend to raise my hand to prevent it. What this country needs and must have is an object lesson ; we must have hard times and business

failures and bankruptcies, and a certain amount of distress, before Congress will realize its duty and perform it. I propose to give the country an object lesson.'

"This was sent out in the press despatches," continued the Judge, "and has never been denied. Its publication was undoubtedly premeditated, and made for the purpose of giving Congress and the country to understand that unless the legislation demanded by his Wall street friends was enacted, the wealth of the nation would be sacrificed, and the people punished until they would submit.

"Henry Villard, who raised a million dollars in Europe, mostly in Germany, to secure Cleveland's nomination and election, in consideration for protection

to Northern Pacific Railroad interests; and Don M. Dickinson were the bearers of despatches between Cleveland and the bankers. The New York 'Herald,' April 27, 1893, says: 'The President suggested to Senator Vest that the financial situation might render necessary the calling of an extra session of Congress, for the purpose of repealing the silver law. The Senator expressed a doubt as to whether the law could be repealed without a bitter fight, to which Cleveland replied: 'The sooner the law is repealed, the better.'

"Here is further proof of the conspiracy between the national administration and the banks to impoverish the nation, pauperize the people and force the agricultural and silver states into submission," said the Judge. "The Chicago 'Tribune,' of April 28, 1893, in an editorial referring to Secretary Carlisle's visit to Mr. Williams' residence, quoted Mr. Carlisle as saying: 'The country might as well understand now as at any time that it is suffering from a vicious silver law, and the only way to bring the silver men to a realization of the evil that is contained in the law is to permit them to have an experience with the present depression, which it is bound to give. Some of the bankers smiled a little when they heard the Secretary make this statement, and it seemed to them that Mr. Carlisle was hinting to them his belief that silver communities, or those sections of country where what is called silver sentiment prevailed, might just as well, at this time as at any other, be brought by present experience to an understanding of what the effect of the present silver policy of the government is going to be. In other words, the bankers seemed to think

that Mr Carlisle did not regard a little experience of hard times as an unmitigated evil just now, since it would bring those communities and the men who represented them in Congress, to an understanding of these financial matters, so that possibly a repeal of the Sherman silver law and 'other new legislation in the right direction' may be looked for when Congress meets. At all events, the New York banks are not going to play the part of a stop-gap, and Mr. Carlisle was told that at the conference yesterday. To turn \$30,000,000 or \$40,000,000 of gold into the Treasury at present would be simply to play into the hands of the silver men.

“ ‘The Secretary told the bankers that the administration would continue to pay gold as long as it had it, and that there would be no issue of bonds, unless an emergency arose, when it was evident that the Government must issue bonds, or else be unable to pay its obligations in gold. The opinion of the bankers is that Mr. Cleveland and Mr. Carlisle propose to give the silver people an ‘object lesson,’ and there is a feeling that in the silver communities there are going to be hard times, some business depression: but the national bankers who had business in these communities are going to receive a lesson before Congress meets, so that it is hoped there may be a change of sentiment upon this matter when the next session of Congress is called in the fall ’ ”

Continuing, the Judge said: “ Here is a clipping from the New York ‘Sun’ of May 1, 1893, referring to Carlisle’s conference with the bankers: ‘The statement of Mr. Carlisle to the New York bankers makes

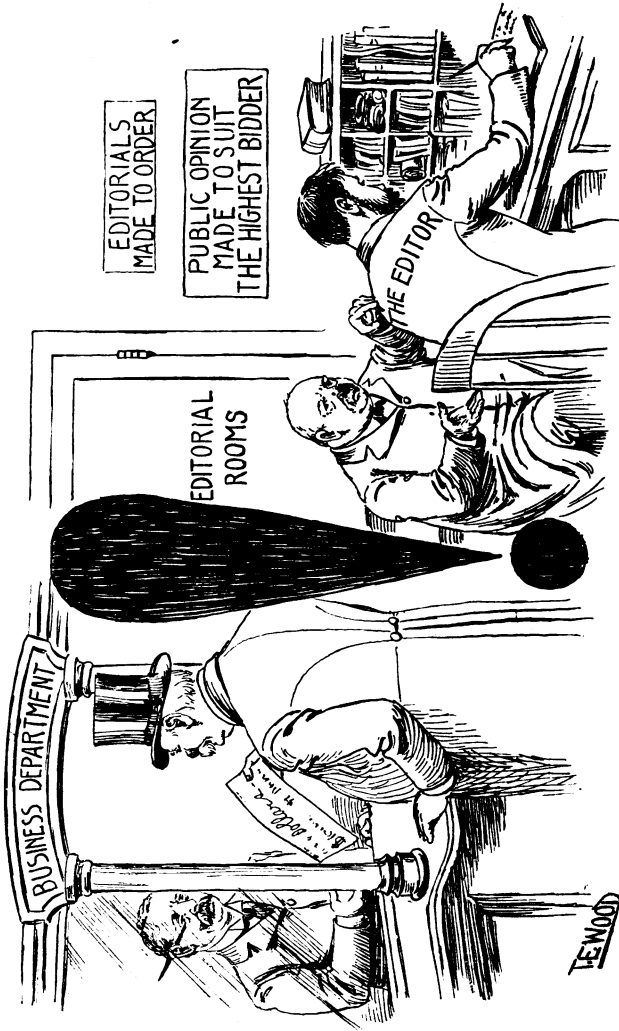
it clear that while Mr. Cleveland works in Congress, the bankers will be expected to work, not only in New York, but throughout the country, doing their utmost to pinch business everywhere, in the expectation of causing a money crisis that will affect Congress powerfully, in every quarter at once.' ”

“Cleveland is a monster,” said the Colonel impressively, “and should not only be impeached, but given a life sentence in prison. This is undoubtedly a part of the general plan of ruin which he entered into with the bankers, in order to secure his nomination and election. Of course, with the impeachment of Cleveland, Carlisle will be retired to obscurity forever, and every national banker that participated in this crime should be indicted and imprisoned.

“It is evident,” continued the Colonel, “if that were done most of the bankers of the United States would also be where they belong,—wearing stripes in the Penitentiary, as the Comptroller’s report shows that practically all the banks joined in the conspiracy by withdrawing their loans and contracting the currency.”

“The bankers,” said the Judge, “are a lot of masked brigands banded together for the purpose of plunder and spoliation. The present banking and monetary system in the United States must be radically changed in the immediate future, or the nation’s freedom,—our very civilization will be blotted out. Either the People or the Brigands must rule. One means freedom, the other absolute slavery. As Lincoln said : ‘The nation cannot endure half bond and half free!’ ”

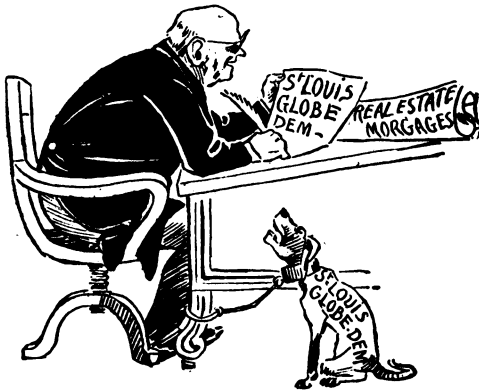
“The nation has reached a far greater crisis,”



HOW PUBLIC OPINION IS MOULDED.

said the Senator, "than it had reached in 1860. The question then was only as to whether black slavery should be continued and its territory extended, or the system be extinguished on American soil. Now the slavery of the whole working population, white and black is threatened."

After a pause, the Senator continued in solemn tones; "The next presidential election will determine the fate of this Republic. If the Money Power should again succeed with either of their candidates, the



HE WRITES A LETTER.

liberties of the American people are doomed. The plans of the Plutocrats in both the old parties are the same as it has been in the past,—to dictate *both* the old party platforms and candidates. The money of the two continents will be used to elect one or the other,—they care not which. Then the thirty years' conspiracy will be finally consummated *and the American people enslaved!*"

“They are much nearer that position now,” said the Colonel, “than most people seem to imagine. The Plutocracy already controls the Pulpit, the Press, the Colleges, the Chambers of Commerce, Boards of Trade, Manufacturers’ Exchanges, merchants, business men, employees,—all live in fear and dread of this power; all doff their hats at its bidding and perform



its menial services. When no minister can preach or practice the teachings of the Nazarene in any of the larger churches; when most public men are absolutely subservient; when the business interests, through all their organizations, must yield to its mandates; when the mouths of employees in mill and factory, mine and shop, store and office, must remain sealed, if they would retain their positions; when the President of the United States openly joins the Money Power in its

schemes to confiscate the property of the people, reduce them to abject poverty, and thus force them into humble submission to its will, and they meekly submit,—how far are we from actual serfdom?”

“One of the frankest admissions of the complete subserviency of the metropolitan press,” said the Senator, “was that made by John Swinton, of the ‘Sun,’ at a Press Club banquet some time ago, in which he said :

“There is no such thing in America as an independent press, unless it is out in the country towns. You are all slaves. You know it and I know it. There is not one of you that dares express an honest opinion. If you express it, you know beforehand that it will never appear in print.



I am paid \$150 per week for keeping honest opinions out of the paper I am connected with. Others of you are paid similar salaries for doing similar things. If I should allow honest opinions to be printed in one issue of my paper, like Othello, before twenty-four hours my occupation would be gone. The man who would be so foolish as



MAILS A LETTER.

to write honest opinions, would be out on the street hunting for another job. The business of a New York journalist is to distort the truth, to lie outright, to pervert, to vilify, to fawn at the feet of Mammon, and to sell his country and his race for his daily bread, or for what is about the same thing, his salary. You know this and I know it; and what foolery to be boasting of an independent press! We are the tools and vasals



of rich men behind the scenes. We are jumping-jacks. They pull the string and we dance. Our time, our talents, our lives, our possibilities, are all the property of other men. We are intellectual prostitutes."

"The speech from which this is an extract," continued the Senator, was published at the time

and several of the New York newspapers denied that Mr. Swinton made use of the language attributed to him. But I have seen a letter from Mr. Swinton, written to a friend, in which he admits that from his best recollection the speech was correctly reported."

"What a sad spectacle," commented the Colonel, "is that presented by the manner in which 'public



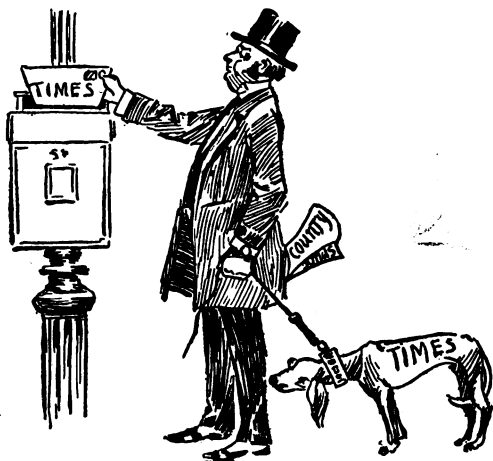
BE QUIET, ROVER.

opinion,' is moulded in this country. The press, the pulpit, the colleges, speakers, writers, are all unduly influenced to falsely educate the people to accept the rule of a Plutocracy and their own enslavement."

"The boldest and most defiant declaration of the purposes of the established Plutocratic dynasty was that of Cleveland and the bankers in the summer of

1893, when they practically said to the people and their representatives in Congress; 'We have agreed upon a plan to further increase the purchasing power of money and to still further extort the earnings of toil; unless you unconditionally surrender, we will shell you into submission!'

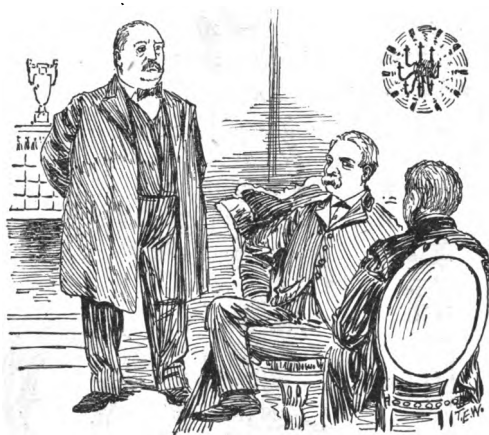
"You recollect," the Judge went on, "that April 11, 1893, Cleveland appointed Conrad N. Jordan, Sub-



GIVING INSTRUCTIONS.

Treasurer at New York City. Jordan's appointment was a conspicuous departure from his publicly expressed purpose not to appoint ex-office holders of his former administration, for of these Jordan was one. He had been United States Sub-Treasurer from June, 1885, to May, 1887, when he resigned to become president of the Western National Bank of New York. Mr. Jordan's bond was approved April 21, 1893. He

was sworn into office Saturday morning, April 22. He had frequent interviews with Cleveland regarding the Bank Conspiracy. He was considered the confidential friend of the President. He visited the White House, April 21, left Washington that day and arrived in New York at half past five o'clock in the afternoon. By appointment, he met, immediately on his arrival, Henry W. Cannon and J. Edward Sim-



CLEVELAND, JORDAN AND CANNON AT THE WHITE HOUSE.

mons, at the Chase National Bank. The importance of this meeting may be imagined when I tell you that Mr. Cannon and Mr. Jordan went to Washington on the night train, after they had adjourned, arriving in the Capital Sunday morning, April 23d. They were both closeted with Cleveland all Sunday forenoon, and returned to New York on the afternoon train. Before leaving Washington they telegraphed to members of

the Bank Ring to meet them at a private house up-town. There were present at this meeting: Cannon, Simmons, Woodward, Brayton Ives and Jordan. It was then and there agreed to hold a general consultation in Jordan's office at the Sub-Treasury, Monday morning, April 24th.

"From an early hour until late in the evening, representatives of foreign banking houses, presidents of national banks, private bankers and officers of trust companies swarmed into the office of the Sub-Treasurer. Among the more notable of those who called were Charles S. Fairchild, ex-Secretary of the Treasury; H. W. Cannon, President Chase National Bank; J. Edward Simmons, President Fourth National Bank; George S. Coe, President American Exchange National Bank; Brayton Ives, President Western National Bank; Charles J. Canda, also an officer of the Western National and formerly Sub-Treasurer at New York; E. K. Wright, President Park National Bank; George G. Williams, President Chemical National Bank; Frederick D. Tappan, President Gallatin National Bank; James Stillman of the National City Bank; James T. Woodward, President Hanover National Bank; Edward H. Perkins, Jr., President Importers' and Traders' National Bank; George F. Baker, President First National Bank. Baker, being president of John Sherman's bank, it may be noted, represented the Senator, as well as the bank, at this conference."

"Where did you obtain the information of these meetings?" asked the Colonel.

“From entirely trustworthy sources,” replied the Judge.

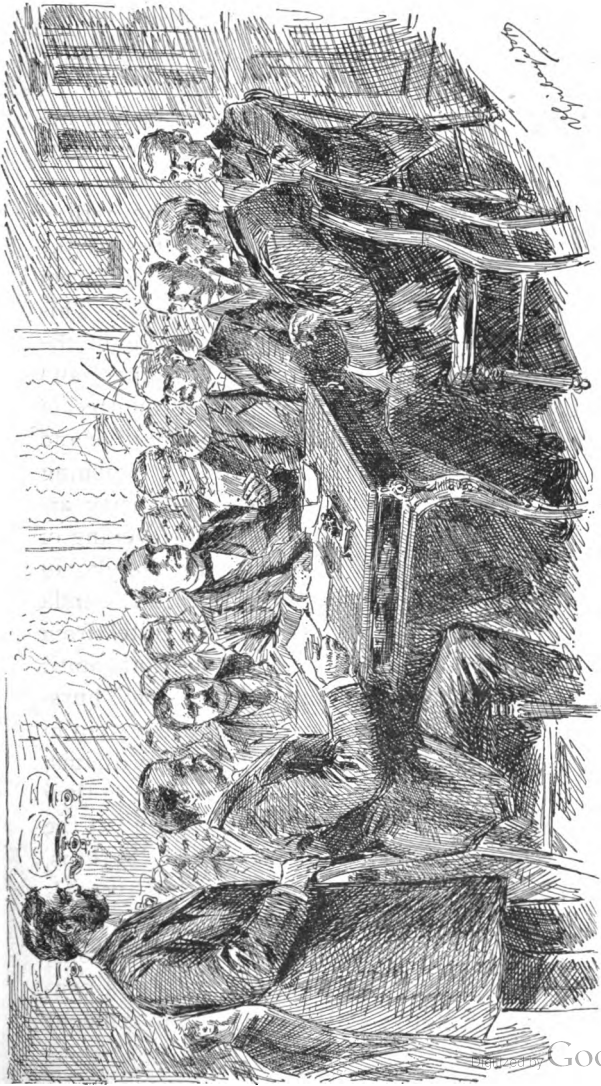
Resuming his narrative, the Judge said, “There were also present at Jordan’s office during the day August Belmont, representing N. M. Rothschild & Sons, of London, and representatives of Speyer & Co. and Drexel, Morgan & Co. The unprecedented gathering of so many bankers at Jordan’s office excited general comment and was a great mystery on Wall street to those not in the conspiracy. The President of the United States was kept constantly advised of the proceedings throughout the day.”

“What was done at this meeting?” asked the Colonel.

“Exactly what took place,” replied the Judge, “will never be known until the criminals are placed on the witness stand; but the result is a matter of history. We know one thing that was done that day,” resumed the Judge, “every national banker and every representative of European or American private banking houses and trust companies who visited Jordan’s office cast a vote as to the advisability of contracting the currency—precipitating a panic—thereby attacking American industries, paralyzing the mining, manufacturing and mercantile interests of the nation, and ruining the business and credit of the people—in order to confiscate property, force Congress to repeal the Sherman silver law, and enact other legislation in the interests of the banks. The panic was decided on as the result of the meeting on the 24th, and the details sent to Cleveland for his approval.”

“Of course, Cleveland approved,” struck in the Colonel, “as that was a part of the general conspiracy entered into before his nomination.”

“Everthing was done with the President’s approval,” replied the Judge. He soon after sent Carlisle over to New York to confer with the bankers regarding details. Carlisle wrote Jordan on the 25th of April that he would be in New York Wednesday the 26th, at 10.30 o’clock in the evening, and would meet the New York bankers at their convenience. This letter was received by Jordan on the morning of the 26th. J. Edward Simmons, George F. Baker and Frederick D. Tappan were appointed a committee of arrangements to receive Cleveland’s representative and arrange with the national administration for crushing the people. The President, Carlisle and party arrived in New York at 10.30 o’clock on the evening of the 26th of April. Thursday, the 27th, was a holiday in New York, being “Columbus Day.” Charles J. Canda was closeted with Carlisle at the Victoria Hotel from the time of the arrival of the party on the 26th, until after midnight. After the public exercises on Thursday, the 27th, J. Edward Simmons and Carlisle went in a carriage to the residence of George G. Williams, President of the Chemical National Bank, where they arrived about six o’clock. There were present at the Williams residence: G. G. Williams, E. H. Perkins, Jr., F. D. Tappan, J. T. Woodward, Brayton Ives, H. W. Cannon, George S. Coe, W. W. Sherman, President National Bank of Commerce; J. Edward Simmons, Conrad N. Jordan and C. J. Canda. At this conference, the representative of the Federal Government



Brayton Ives.

F. N. Tappen.

J. G. Carlisle.

C. N. Jordan.

G. G. Williams.

J. E. Simmons.

C. J. Cauda.

SCENE AT G. G. WILLIAMS' RESIDENCE.

CARLISLE—"The Administration will pay gold as long as it has it. When it is unable to pay its obligations in gold it will issue bonds."

was informed of the result of Monday's meeting: that it had been determined to assail the industries of the nation in order to protect the banking interests. Carlisle expressed entire sympathy with this program. He attacked the Sherman silver law with much bitterness, and pronounced in favor of a reorganization of the currency system in the banking interest—advising rigid measures to compel the retirement of the greenbacks and substitute an issue of bank-bills, so that the Treasury could not be raided of its gold."

"What a hypocrite Carlisle is!" said the Colonel. "He knows that the bank-bills are redeemable in legal tender greenbacks, or treasury notes, and that, therefore, the Treasury gold reserve can be raided as easily with national bank notes as with greenbacks. When the greenbacks are retired the bank-bills will be redeemed in gold."

"You don't mean to say, Judge," remarked the Senator in great surprise, "that Cleveland and Carlisle counseled and advised the precipitation of the panic of 1893, which brought bankruptcy to the entire nation? Have you proof of this—other than the vague reports published in the newspapers?"

"I have absolute proof," replied the Judge, with much emphasis, "I have affidavits which go much more fully into the details than I have cared to recite at this time. Here is sufficient proof," continued the Judge, exhibiting a number of lengthy affidavits, "if more proof is required it will be forthcoming. If there is an attempt to impeach Cleveland, all the proof I possess will be at the service of the impeachment managers."

Examining the affidavits carefully, the Senator remarked: "If the matter comes before the Senate and these affidavits are sustained by the evidence, I certainly shall vote for his impeachment."

Taking the affidavits and reading them with careful deliberation, the Colonel expressed his opinion thus: "Any one who after reading these affidavits does not say that Cleveland should be hurled from his high office in disgrace is not an American,—such a person would unquestionably be a tory and a traitor!"

"The Plutocrats," went on the Judge, "are aware that the crisis is at hand; that the issue in the next presidential election will be freedom or slavery. They are also aware that Americans are for freedom, if their eyes are open, and that before the election the people will have learned that they have simply been used during the past thirty years by the Money Power to vote themselves gradually into slavery. When this is made plain to them, there will be a repudiation of the candidates of Plutocracy at the polls."

"The great robbers," said the Colonel, "who have accumulated practically the entire wealth of the nation, anticipate trouble. Many of them are already moving their gold to places of safety across the ocean. No one has confidence in any legitimate investment. W. W. Astor is in Europe drawing five millions a year from American toil. The nobility of monarchical countries, by marrying our rich women, are taking out of this country hundreds of millions of dollars, unjustly wrung from American labor. Cornelius Vanderbilt's castle on Fifth avenue is barricaded by iron

posts which make it more difficult to capture than the batteries on Governor's Island."

Pausing for a while in thought, the Colonel resumed: "You know I am an officer of a bank and connected with several banks; in this way I have learned many things which alarm me. The New York Bank Ring, utterly lost to all manhood and patriotism themselves, naturally regard every banker as a tory. Their private circulars sent out at frequent intervals, are enough to make one despair of the future of America. They breathe no more justice or patriotism than if they were the manifestoes of pirates."

"While in New York recently," continued the Colonel, "I learned from the President of a bank with whom we have business relations that great fears are entertained that the people will break away from machine rule and party tyranny and elect their own presidential candidate at the coming election. In that case, the question uppermost in the minds of the bankers is how to prevent his inauguration. In this contingency, no definite plan has been arranged, but a course was outlined which has received the most favorable consideration. This was simply (1), to arrange to buy several of the presidential electors; (2), to have contests over the election of a sufficient number of electors to throw a doubt on the election of any of the candidates, then have Congress appoint a commission, as was done in 1876, (3), to so control individual electors that the election may be thrown into the House of Representatives; (4), in case no plan can be devised which promises success, then the Money Power of Europe and that of America,—which

are in partnership,—will arrange to have some overt act committed by some American or English official. Reparation will be demanded by the ‘injured’ nation and refused; war will then be declared between the United States and England. This crisis will be precipitated while the presidential question is still unsettled; the 4th of March will be near at hand, and great war preparations under way. Confusion being complete, Cleveland will be declared DICTATOR,—the drama will end, the curtain will be lowered,—the thirty years conspiracy (far more destructive than the thirty years war which nearly exhausted Europe) will have culminated,—America will be enslaved!

“These,” added the Colonel, “are some of the plans which are just now occupying the most serious consideration of the Bank Ring.”

“Let us hope,” said the Senator, “that the people will solve these questions for themselves and in their own interests.”

RESULT OF THE CLEVELAND-BANK CONSPIRACY.

Before the Panic.

Value of property \$66,000,000,000; Debts \$40,000,000,000.

After.

Value of property \$30,000,000,000; Debts \$40,000,000,000.

Loss to debtors \$36,000,000,000; Gain to creditors \$36,000,000,000.

Nation bankrupt for \$10,000,000,000.

Loss to the unemployed annually \$3,000,000,000.

Who governs the United States?

He that putteth not out his money to usury, nor taketh reward against the innocent; he that doeth not these things shall never be moved.—Psalms xv. 5.

CHAPTER X.

THE LAW OF CONSPIRACY—Alleged Offenses of President Johnson Trivial Compared with Cleveland's Crimes—A Formidable Indictment of Congress—Legislation by which the People Have Been Robbed of Over One Hundred Billions of Dollars—Cleveland Should be Impeached—Dishonest Juggling of Party Leaders with the Silver Question.

When the Senator and the Colonel arrived at the meeting place on the tenth day, they found the Judge with huge piles of books scattered over the room, and from one of these he was taking notes. After the usual greetings, the Colonel remarked that he was delighted to find the Judge in such good humor, after the unmerciful scoring he had given the administration and the banks the day before. The Judge replied, with a hearty laugh, that an apology was due for wandering from the subject. "I shall have to ask your indulgence," said he, "on the ground that it seemed necessary, in order to prove what we believed to be true, that a conspiracy exists between the Bankers and the Government to absorb the wealth of toil."

"Should there not be some way to reach these conspirators?" inquired the Senator.

"The remedy is at hand," replied the Judge. Rising, he took from the book-case Bouvier's Law Dictionary; he read:

" 'Criminal conspiracy is a corrupt combination

of two or more persons by concerted action to commit a criminal or unlawful act by criminal or unlawful means; or an act which would tend to prejudice the public in general, to subvert justice, disturb the peace, injure public trade, affect public health or violate public policy; or any act, however innocent, by means neither criminal nor unlawful, where the tendency of the object would be to unlawfully coerce or oppress either the public or an individual. An accessory before the fact is one who, being absent at the time the crime is committed, yet procures, counsels, encourages, incites, or commands another to commit the crime. Conspiracy is a substantive offense, complete in itself, and is punishable at common law, although nothing has been done in execution of its purpose. The offense is complete when the confederacy is made; if overt acts are charged in the indictment and are sustained by proof, such acts are matters of aggravation, or evidences of crime, for an overt act, wherever committed, is a renewal of the conspiracy by all the conspirators. All confederates in a common design of which the offense of conspiracy is a part, are all principals, and all concerned in the execution of the common purpose are alike guilty. The proof of conspiracy may be direct or circumstantial; the joint assent of minds, like all other parts of a criminal case, may be established by an inference of the jury from the other facts proved.' ”

“There is no doubt,” said the Senator, “that it could be shown that these persons are guilty of criminal conspiracy, and they could be indicted, tried, convicted and imprisoned.”

“No man holding the high office of president of the republic has ever been indicted,” said the Colonel, “except President Johnson, and that was by articles of impeachment; no indictment was found by the grand jury. The offenses alleged against Johnson were trivial compared with the high crimes committed by Cleveland.”

“Have you the proceedings of the Johnson impeachment trial?” asked the Senator.

“I will see,” replied the Judge, as he walked toward one of the large book-cases. In a few moments he handed down three volumes containing the full proceedings.

The Colonel read from the Federal Constitution :—
“ ‘The Senate shall have sole power to try all impeachments.’ ‘Judgment in case of impeachment shall not extend further than to remove from office, and disqualification to hold and enjoy any office of honor, trust or profit in the United States. But the party convicted shall nevertheless be liable and subject to indictment, trial, judgment and punishment, according to law.’ ”

“Here,” said the Senator, “are the articles of impeachment containing the charges preferred against President Johnson :

“Art. 1 states that the President suspended Edwin M. Stanton from the office of Secretary of War during a vacation of the Senate, and that the Senate afterwards, having duly considered the evidence and reasons given for such suspension, and having refused to concur, and that the President again removed the War Secretary, contrary to the act of Congress passed March 2, 1867.

“ Art. 2 simply recites the President’s order of removal.

“ Art. 3 charges the President with appointing Gen. L. Thomas, Secretary of War, *ad interim*, without the advice and consent of the Senate, when no vacancy existed.

“ Art. 4 recites that Johnson ‘ did unlawfully conspire with Lorenzo Thomas and with other persons, with intent, by intimidation and threats, to unlawfully hinder Edwin M. Stanton,’ etc.

“ Arts. 5, 6, 7 and 8 charge the same offense, only stated differently.

“ Art. 9 charges that the President, on February 22, 1868, in disregard of the constitution and the laws duly enacted, did bring before himself William H. Emory, a major-general in command of the department of Washington, and as commander-in-chief, instructed said Emory that part of a law passed March 2, 1867, was unconstitutional, with intent to induce said Emory to violate the provisions of said act and obey such orders as he, Andrew Johnson, might make and give.

“ Art. 10 charges that, unmindful of the high duties of his office and the dignity and proprieties thereof, and the courtesies which ought to exist and be maintained between the executive and legislative branches of the government, designing and intending to set aside the rightful authorities and powers of Congress, he did make and deliver, with a loud voice, a certain intemperate, inflammatory and scandalous harangue, and did utter threats and bitter menaces against Congress and the laws.’”

“That Congress strained at a gnat and swallowed a camel,” said the Colonel. “Evidences of guilt were not wanting among their own members. Resentment for the wounded dignity of the nation was the pretext for attempting to destroy one who might oppose some of their schemes of plunder.

“Let us examine a few of the many offenses and crimes committed by Congress, and see how they compare with the offenses charged against President Johnson. We need not go back to the days of the old United States Bank; the record since the beginning of the war will be sufficient:

First.—Authorizing the issue of bonds.

Second.—Selling interest bearing bonds for the banks’ ‘promises to pay.’

Third.—Issuing any demonetized money.

Fourth.—Destroying the full legal tender demand notes.

Fifth.—Establishing the national bank system.

Sixth.—Permitting the bankers to rob the people of one billion dollars a year for over thirty years.

Seventh.—Taxing the money out of the hands of the people and calling it a debt, funding it into interest bearing bonds and destroying it.

Eighth.—Selling bonds at fifty cents on the dollar.

N.nth.—Making \$1,500,000,000 bonds, purchased in greenbacks, payable in coin.

Tenth.—Exempting bonds, and other property of the rich, from taxation, and compelling those who toil to bear all the burdens.

Eleventh.—Demonetizing greenbacks, and permitting them to be redeemed in gold.

Twelfth.—Paying interest on bonds in advance.

- Thirteenth.*—Keeping \$100,000,000 gold reserve in the treasury.
- Fourteenth.*—Creating a monetary system that necessitates reserves of any kind, and which takes that much money from circulation among the people.
- Fifteenth.*—Advancing 90 per cent. in currency on bonds, and not stopping interest on the bonds to that extent.
- Sixteenth.*—Depositing government money in national banks without interest.
- Seventeenth.*—Giving away 200,000,000 acres of government land to corporations.
- Eighteenth.*—Permitting the banker to collect usury on the bonds, on their bank notes, and on deposits of individual and public funds.
- Nineteenth.*—Demonetizing silver, thereby doubling every debt.
- Twentieth.*—Selling \$50,000,000 of bonds to buy silver for small change, which was substituted for the fractional currency.
- Twenty-first.*—Permitting the Credit Mobilier to plunder the nation of \$150,000,000 in money.
- Twenty-second.*—Refusing to pay the soldiers in the same kind of money that was paid to the bondholders.
- Twenty-third.*—Contracting the currency and confiscating untold millions of the people's wealth.
- Twenty-fourth.*—Voting themselves back salary.
- Twenty-fifth.*—Permitting the railroads to issue watered stocks and bonds for four times the value of the property, thereby compelling the people to pay hundreds of millions of dollars yearly more than they should.

Twenty-sixth.—Permitting the formation of trusts which compel the people to pay billions of dollars annually more than they should.

Twenty-seventh.—Failure to compel all corporations to pay into the public treasury their net earnings above three per cent. on the actual value of the property.

Twenty-eighth.—Permitting the railroads and other corporate interests to plunder, oppress and pauperize the people.

Twenty-ninth.—Failure to take from the banks the power which they have so often abused when confederating with the national administration to transfer the people's wealth into the hands of the creditor class.

A PRETTY PENNY POPPY SHOW—WHAT IT COSTS UNCLE SAM.

Premium on U. S. bonds-----	\$ 119,863,386
Interest on U. S. bonds-----	2,573,969,586
Principal of U. S. bonds -----	<u>12,448,729,860</u>
Total from 1862 to 1894-----	\$15,142,562,832
Usury to National Banks-----	9,000,000,000
Usury to Private Banks and Trust Companies--	13,000,000,000
Loss on Farm Products -----	13,750,000,000
Excessive charges on railroads-----	9,000,000,000
Telegraphs, telephones and usury other than that of the banks -----	17,000,000,000
Trusts in sugar, iron, coal, salt, meat, flour, oil and other articles of consumption-----	30,000,000,000
Total for 30 years-----	<u>\$106,892,562,832</u>

This vast sum represents nearly double the present assessed value of all the real and personal property in the United States, but does not include the steals by Congress—such as giving away 200,000,000 acres of the people's land, the Credit Mobilier and kindred transactions aggregating untold billions. The sinister hand of John Sherman is seen in all these infamies, and in most of them his is the guiding spirit.

“Colonel,” said the Judge, “You would consume the remainder of the session if you were to give a com-

plete list of the laws by which the people have been swindled ; just put in the whole statutes, and defy any member of Congress or any one else to name one single



act that has been passed in the interests of the people in thirty years. That will cover the case.”

“I wanted to mention,” said the Colonel, “enough to show how insignificant were the charges against

President Johnson, as compared with the monstrous crimes committed against the people by every Congress and President since his day. The repeal of the purchasing clause of the Sherman law, the issue of bonds and the contraction of the currency by retiring bank circulation, and withdrawing loans, must ever be regarded as among the gravest crimes that ever blackened the history of any nation."

"How about the refusal of Congress," asked the Judge, "to remonetize silver and to repeal the national bank act, to retire all demonetized money and to issue full legal tender, in lieu thereof,—and to increase the circulation of legal tender money in sufficient volume to restore prosperity?"

"We may well disregard the acts of omission," replied the Colonel. "The record will be sufficiently damaging without going into that."

"If," said the Senator, "Cleveland had adopted Carlisle's suggestion to pay out silver when greenbacks were presented for redemption, and the bankers were given to understand that they could not raid the Treasury of its gold, and thereby force a bond issue, no greenbacks would have been presented for redemption. Cleveland vetoed the bill to coin the seigniorage, which would have added \$55,000,000 to the volume of the circulating medium. Rothschild's Launcelot Gobbo in this country, the New York gamblers and their man Friday, and his cuckoos, mistook the people of this country for a lot of idiots. They argued with all their force that the repeal of the Sherman law, the cutting off of a coinage of \$4,500,000 of legal tender money every month, the depreciation in the bullion value of

silver, and the consequent diminution of commodity values would be a good thing for the people. On the same principle, they argued that, if to take from the people \$54,000,000 of their money each year, and to



FOOT-PADS IN WALL STREET.

depreciate the values of their commodities 25 per cent. was a good thing, the further contraction of the currency and the consequent further depreciation of all values, was a better thing. In other words, that Cleve-

land's 'object lesson,' impoverishing and pauperizing the nation, was a blessing; that the issue of \$162,315,480 coin bonds (out of which Cleveland and his confederates were reported to have received twelve million dollars brokerage), with a yearly interest charge of \$7,492,616, or a total interest charge during the life of the bonds of \$124,778,480¹—was also something



HIS RAKE-OFF.

to be thankful for. The further discrediting of silver, with the consequent depreciation of the value of products twenty-five per cent.; the bringing on of a panic which decreased all values one-half, or from sixty-six billions to thirty-three billions of dollars (an amount less than our debts, public and private, by ten billion dollars), which wiped out the life-earnings of ninety-nine one hundredths of our people, and brought

desolation and sorrow to every class except one — these are things for which we should be especially grateful. If these heinous crimes are not sufficient for Cleveland's impeachment, and the punishment of his confederates, then justice is dead, and the hope of the Republic is gone!"

¹ Of these bonds \$100,000,000 bear five per cent. interest, and run for ten years, the remainder four per cent., and run for thirty years.

“The Senate came within one vote of impeaching Johnson, whose offenses cannot be compared with the crimes Cleveland has committed,” said the Colonel. “Do you believe the Senate would vote to impeach Cleveland; or are too many of its members in the service of the same master?”

“There are many things which govern the actions of members of Congress,” replied the Senator, “and it is difficult to tell.”

“I notice,” said the Judge, “that in June, 1788, in the Virginia Convention, George Mason objected to the pardoning power being vested in the President, so far as it related to ordinary crimes. Mr. Madison, in reply, said: ‘There is one security in this case to which gentlemen may not have averted. If the President be connected in any suspicious manner with any person, and there be grounds to believe he will shelter that person, the House of Representatives can impeach the President. They (evidently referring to the Senate, or the Senate in connection with the House) can remove him if found guilty; they can suspend him when suspected, and the power will devolve upon the Vice-President.’ Mr. Madison, in discussing the power of the President, used the following language: ‘What will be the motives which the President can feel for



THE PRICE OF HIS
PERFIDY.

the abuse of his power, and the restraints that operate to prevent it? In the first place, he will be impeached by this House before the Senate for such an act of maladministration.’¹

“Story speaking of the trial of Blount, 1788-9, says: ‘In the argument upon Blount’s impeachment, it was pressed with great earnestness that there is not a syllable in the Constitution which confines impeachment to official acts, and it is against the plainest dictates of common sense that such a restraint should be imposed.’

“During the trial of Judge Chase, Feb. 26, 1805, Mr. Manager Nicholson said: ‘If, therefore, the President of the United States should accept a bribe, he certainly cannot be indicted for it, and yet no man can doubt that he might be impeached.’ (Judge Chase’s trial, p. 564.)

“In the same trial, Manager Randolph says: ‘It has been contended that the offense to be impeachable, must be indictable. For what, then, I pray you, was it that this provision of impeachment found its way into the Constitution? If the Constitution did not contemplate a distinction between an impeachable and an indictable offense, whence this cumbrous and expensive process, which has cost us so much labor and anxiety?’²

“Mr. Story, in discussing what are the functions to be performed in impeachment, says: ‘The offenses to which the power of impeachment has been and is ordinarily applied as a remedy are of a political charac-

¹ Annals of Congress, 1804-5. vol. I, p. 517.

² Annals of Congress, 1804-5, p. 642.

ter. What are aptly termed political offenses, growing out of personal misconduct or gross neglect or usurpations, or habitual disregard of the public interests in the discharge of duties of political office.' ”²

The Judge then took from a shelf Book IV. of Blackstone's Commentaries, and read, commencing page 5, on “Crimes and Misdemeanors;”—

“ ‘An act committed or omitted in violation of a public law, either forbidding or commanding it. This general definition comprehends both crimes and misdemeanors, which, properly speaking, are mere synonymous terms, though in common usage the word ‘crimes’ is made to denote such offenses as are of deeper and more atrocious dye, while smaller faults and omissions of less consequence are comprised under the gentler name of misdemeanors only.’

“ ‘Manager Wickliffe, in the trial of Judge Peck, said :

“ ‘Take the case of the President of the United States. Suppose him base enough, or foolish enough if you please, to refuse his sanction to any and every act which Congress may pass. This is a power which, according to the Constitution, he can exercise. Will it be contended that he could be indicted for it as a misdemeanor in any court, state or federal? Yet where is the man who will hesitate to remove him from office by impeachment?’ ”¹

“ ‘Whether Cleveland shall be impeached by the present Congress or not,’ said the Senator, “his name and that of John Sherman will go into history with

¹ Story on Constitution, sec. 762.

² Peck's trial, 1831, p. 309.

records darker than those of any of the cruel tyrants who persecuted their subjects in the olden times. Kings, emperors and princes have drawn from their subjects their hard-earned money, in the form of taxes and forced loans, and have then thrown the money into the melting-pot, adding to the molten mass 5, 10 or 20 per cent. of baser metal, and after recoinng the mixture, have forced it upon the people. This has been considered one of the crimes of kings. These offenses were openly done; but what shall be thought of those who have drawn from the people their hard-earned money under false pretenses, and with a portion of it, subsidized the press of the nation to advocate a system that shall forever compel the producers to pay an unjust tribute; cause all surplus money to be deposited in the commercial centers, and by means of loans and discounts control the business of the entire country, until, for *self-preservation*, the people are *forced* to vote for a system which will reduce the Americans to the condition of the ryot of India, the moujik of Russia, or the fellah of Egypt!

“The treason of Arnold could not be compared with that of Cleveland and Sherman. As Arnold, to gratify some real or fancied injury, thought only to surrender a small force under his command, while these men, pretending to be the friends of the people, Judas like, have betrayed the industrial millions with a kiss, and turned them over, manacled, shackled and bound, to their masters.”

“Cleveland,” said the Colonel, “is not President of the United States. He knows nothing and cares nothing about the country, he assumes to rule. He is

simply a satrap placed in power by the Plutocracy for the purpose of extorting their earnings from the American toilers in order to fill the coffers of the capitalistic class of Europe and America.

"Do you think Congress will take any action looking to the impeachment of Cleveland and Sherman?" asked the Judge.

"If it were justice instead of politics we had to deal with," replied the Senator, "the answer would not be difficult. Sherman is at the head of one of the old political parties, and Cleveland at the head of the other. All the leaders who are seeking political preferment must court these men. They are intrenched, not in the affections of the people, but in the interests of the usurers and corporations, and shielded by the strong arm of the Government. It is amazing how so intelligent, independent and self-reliant a people as the Americans are should be such zealous partisans that they cannot see that those who control both the old parties are working for the same interests."



REED.

I don't have to coquet with the bankers. They know where I stand.

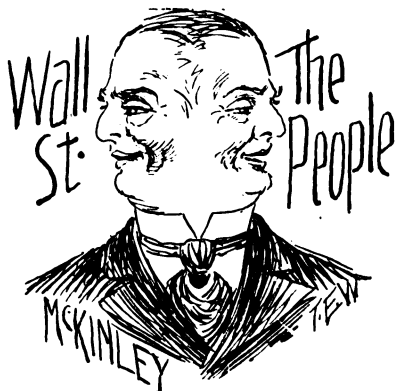


MORTON.

"I am an English banker myself."

"Senator," remarked the Colonel, "if I may be personal, one of the old parties has kept you in office for many years."

"The views I entertain are shared almost unanimously by the people of my state," replied the Senator, "and those of my party in Congress who entertain similar views



men are not, as a rule, sincere. Look at the presidential candidates ; not one of them dares to give expression to his views on the money question, if he has any. They turn to the people with 'a freer use of silver,' or 'more extended use of silver,' a dollar that 'shall maintain a parity with every other dollar,' a 'one hundred cent dollar for the working man,' 'protection for the farmer,' 'full wages for the laboring man.' Then they hurry off to Wall Street, and see what kind of a bargain they can make there. Look at McKinley, riding over the country in

have endeavored to secure proper legislation as party measures. But we are hampered by caucuses and the rules of Congress, which allow the minority to govern, so that the majority are not responsible to the people. Our public

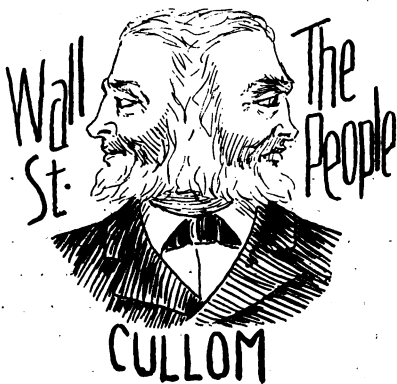


a special car, carrying a bottle with which to nurse his tariff baby, and hoping to ride into the presidential chair on a false issue and under false pre-



tenses; he is very careful not to give expression to his views on the question that means more to the American people than any other in the history of the nation; the question of liberty or slavery. While in New York, he consults as to his chances for the nomination with Depew and those who control one branch of his party; hurrying to Washington, he immediately calls upon John Sherman, and reports progress made in New York; then he repairs to the White House, and interviews the leader of the other branch of his party."

"Harrison, D. B. Hill, Tom Reed, Cullom and



Allison are all playing the same despicable role," said the Colonel. "The farce will be enacted of holding two conventions, naming two candidates, adopting two platforms, — either of which will be satisfactory to the Money

Power of Europe and America. The old party managers, in turn, go before the people and 'point with pride' to the achievements of their respective parties. A man must have fallen pretty low in the scale of human degradation when he can point with pride to the wholesale robberies committed by these parties.

"These are days of great statesmen," added the Colonel.



"Gentlemen, it is past the hour for a recess," remarked the Judge. "The Colonel has promised to give us some figures on per capita circulation, and the

Senator on the power of interest, at our next session, and I will endeavor to have something further on contraction."

Go to now, ye rich men, weep and howl for your miseries that shall come upon you. Your riches are corrupted and your garments are moth-eaten; your gold and silver is cankered; and the rust of them shall be a witness against you; and shall eat your flesh as it were fire. * * * * Behold the hire of the laborers who have reaped down your fields, which is of you kept back by

fraud, crieth; and the cries of them which have reaped have entered into the ears of the Lord Sabaoth. Ye have lived in pleasure on the earth and been wanton; ye have nourished your hearts as in a day of slaughter; ye have condemned and killed the just and he doth not resist you.—

James v., 1-16.

CHAPTER XI.

CIRCULATION, ALLEGED AND ACTUAL—Contraction of Bank Loans and Discounts Consequent on the Conspiracy—No Wonder We Had a Panic—Less than Fourteen Per Cent. of the Money Deposited on Hand in the Banks—How the Whole Bank Iniquity Could be Simply and Quickly Wiped Out—Put them in the Hands of Receivers—The Bank Ring an Insatiable Monster Preying on the Vitals of the People.

True to his word, when the three Statesmen met in council on the eleventh day, the Colonel produced and read the following figures, regarding money in circulation, from the report of the Secretary of the Treasury for 1894, at page cxv :

	General stock coined or issued.	In Treasury.	Amount in Cir- culation.
Gold coin, including bullion in treasury,	\$ 627,293,201	\$131,316,471	\$495,976,730
Standard silver dollars, including bullion, in treasury,	548,000 032	495,435,370	52,564,662
Subsidiary silver, . .	76,249.925	17,738.968	58,510,957
Gold certificates, . .	66 387.895	48,050	66,339,849
Silver certificates, .	337,148,504	10,157,768	326,930,736
Treasury notes, act July 14, 1890,	152,584,417	17,902,988	134,681,429
U. S. notes (green- backs).	346,681,016	80,091,414	266,589,602
Currency certificates, act June 8, 1872, .	59,235,000	300,000	58,935,000
National Bank notes, .	206,854,787	6,635,044	200,209,742
Totals,	\$2,420,434,781	\$759,626,073	\$1,660,808,708

“ In this table,” observed the Colonel, “ it is plain

that the Secretary has attempted to deceive the people by resorting to several remarkable duplications in order to swell the apparent amount of money in existence. In the first place, he counts both gold coin and standard silver dollars, including bullion in the Treasury, and the gold and silver certificates and Treasury notes of 1890, issued against this silver and gold, amounting altogether to \$556,120,820. Next, he includes \$59,235,000 of currency certificates (act of June 8, 1872), which were issued against the greenbacks already counted, making a total duplication of \$615,355,820. Deducting this amount from the Secretary's 'General stock coined or issued,' we have, as the real amount coined or issued, \$1,805,078,961. As a matter of fact, when we deduct from the alleged total 'In the Treasury' these duplications of gold and silver certificates treasury notes and currency certificates (inclusive of the amount said to be in circulation), we find the actual amount in Treasury reduced to \$144,270,253.

"The amount of coin in circulation, as given in the official figures," further explained the Colonel, "does not take into account that which has been lost or consumed in the arts in the past thirty years. The basis of the estimates of gold is taken from the report of Director Linderman in 1872. Director Kimball has made three revisions of this estimate, and in '85 he deducted \$30,000,000, and in his report says: 'As a moderate estimate for the amount of gold consumed in the arts, a further reduction of \$15,669,981 was made, and also one of \$4,654,714, in all \$50,324,695.' In his report for '89, Director Leech says: 'The elements

of uncertainty in these official tables have been, first, the actual consumption of coin in the industrial arts, and second, the amount of coin which finds its way out of the country without being recorded.' ”

“The amount of coin used in the arts is much larger than is generally supposed,” said the Judge. “For example, here is a watch charm, a present, made of a \$5 gold piece. The amount annually used in this way, and which is carried out of the country by American travelers abroad and by foreigners returning home cannot be estimated with any degree of exactness.”

“The ‘Commercial and Financial Chronicle,’ of February 9, 1889,” said the Colonel, “has an article which Director Kimball makes a part of his report as follows: ‘In years past, we have often insisted that there must be an error in the item, because the most industrious inquiry fails to bring to light a very considerable portion of it. At present there are at least \$275,000,000 of the total that cannot be accounted for. Since the New York banks turned their gold into the treasury and obtained gold certificates for it, the government’s gross holdings of gold have become large. On January 1, 1888, it held, gross, \$324,773,677; it had outstanding gold certificates issued against it, \$120,388,448; hence its net holdings were \$203,885,219. Even of these certificates afloat, it is impossible to trace more than seventy-six and a quarter millions in all, and of the gold not in the treasury, only about one hundred millions can be found. So whichever method the investigator may adopt—whether by counting the gross gold in the treasury, with an

estimate for circulation, deducting certificates which are not in bank and in the treasury, or by taking the course we have pursued—the result reached will be the same. Contrast this fact with the other, that on the 1st of January, 1889, there were \$60,799,321 silver dollars in circulation in the United States, the remainder of the three hundred and seven millions being in the form of silver certificates. Of that sixty and three-quarters millions of silver dollars, we venture to say that every inhabitant who, during the last year, has tendered a five-dollar bill in payment of some small purchase made, has nine out of ten times had offered to him one or more silver dollars in change. Such ubiquity in the case of sixty and three quarters millions of silver dollars prove clearly enough that even if there was a little gold coin passing from hand to hand, it would often be met with. Still, in the following statement, locating the gold in the United States, we have made a very liberal allowance for circulation:

Gold coin and bullion in Treasury, less certifi- cates outstanding---		\$203,885,219
In national banks :		
Gold -----	\$70,825,187	
Gold certificates-----	75,334,420	
Gold Clearing-house cer- tificates-----	7,399,000	
	<hr/>	153,558,607
In state banks, etc. :		
Gold -----	\$27,015,951	
Gold certificates -----	937,710	
	<hr/>	\$27,953,661

In actual circulation, gold and silver certificates	\$40,000,000
Total gold in sight and es- timated in circulation	425,397,487
	<hr/>
Total in country-----	\$704,608,169
Total hoarded, January 1, 1889-----	\$279,210,682

“In the above it will be seen that we allot \$40,000,000 to circulation, and even with that deducted there are still \$279,210,682 unaccounted for. From these facts and conclusions, it is unavoidable that either there are to-day at least \$279,000,000 in gold hoarded by the people of the United States, or else that the government mint figures are extremely erroneous.

“These figures,” continued the Colonel, “although made up by the ‘Commercial and Financial Chronicle,’ are adopted by Director Kimball and made a part of his report. It is well understood by every one who has investigated the subject that the government reports largely over-estimate the amount of money in the country. The total amount of silver, according to the report of the Secretary for 1894, is :

Standard silver dollars including bullion in the Treasury-----	\$548,032,000
Subsidiary silver-----	76,249,925
	<hr/>
Total-----	\$624,281,925

“The government reports would have us believe that every piece of gold or silver coined still remains in

the country. Senator Sherman has stated that the entire silver circulation wears out and is renewed once in thirty years. Without endorsing this opinion, it would be at least fair to suppose that a large amount of the gold and silver that has been coined is not now in existence.

“ In 1878, when the law which forbade the further destruction of greenbacks was enacted, it was estimated by the Treasury Department that there were \$346,681,016 outstanding. No one knows whether this amount was correct or not. The Government, in its report, does not take into consideration the money that has been carried out of the country, lost, burned, or otherwise destroyed.

“ The total issue of fractional currency, including re-issues, was \$368,720,079. The largest amount in circulation at any one time was in 1874, when it reached \$46,912,003. The act of June 21, 1879, declared that \$8,375,934 had been lost or destroyed. The act of June 14, 1875, provided for the retirement of all fractional currency, since which time there has been \$299,210 redeemed. Senator Sherman stated in a speech in 1891 that \$6,915,749 was probably lost. This would make an absolute loss of 33 per cent. in 16 years.

“ Senator Stewart said in a speech in the Senate a few years ago, ‘ The greenbacks and the treasury notes have been in circulation for twenty-eight years, and were used during the rebellion, in the theatre of war. A deduction of at least \$50,000,000 ought to be made for the loss of greenbacks.’ Senators have frequently stated in Congress that proper re-

duction should be made for such loss. Secretary Windom declared before the Finance Committee that certain amount should be deducted from the statement, in order to show the true amount in circulation.

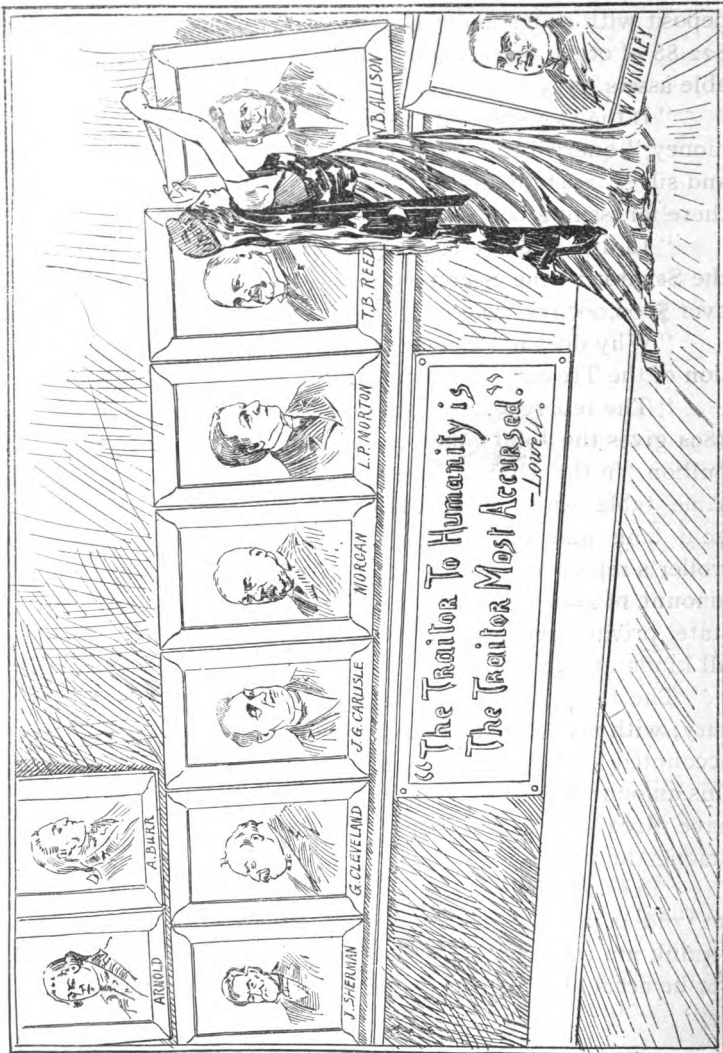
“ It is impossible to state the exact amounts held as reserves, the laws governing state, private and savings banks and trust companies differing in the various states. Some states require greater reserves than others, the range being from 10 to 25 per cent. of deposits. The aggregate deposits, according to the Comptroller’s report for 1894, of banks other than national were \$2,973,414,101. Probably 15 per cent. would be a fair estimate of the average reserve these institutions are required by law to hold. To recapitulate :

Total currency “coined or issued,” according to the U. S. Treasurer.....	\$2,420,434,781
Gold coin and bullion counted twice.....	\$66,387,899
Silver, coin and bullion counted twice.....	489,732,921
Greenbacks counted twice (Currency certificates, Act of June 8, 1872).....	59,235,000
National Bank reserves (according to report of Comptroller for May 4, '94).....	452,103,214
Reserves of banks other than national.....	446,012,115
Lawful money deposited with the Treasurer to secure national bank notes.....	23,706,669
Government deposits in national banks.....	14,314,529

Deposited with the various states (as per Treasurer's Report for 1894, p. 27, under the Act of June 23, 1836)	\$28,101,644	
Currency in the Treasury, as per Secretary's report for 1894, p. 115, \$759,626,073, less gold and silver coin and bullion and greenbacks counted twice, \$28,409,706, and gold and silver certificates, treasury notes and currency certificates, issued against currency in the Treasury and said to be in circulation, 615,355,820, leaving a balance in Treasury of.....	144,270,253	
Loss on greenback circulation ...	90,000,000	
Loss on national bank note....	20,685,478	
Loss on fractional currency.....	6,916,690	
Loss on gold coin in circulation..	260,000,000	
Loss on silver coin.....	35,000,000	
Gold exports in excess of imports for 1895.....	30,117,376	
Silver exports in excess of imports in 1895.....	27,631,789	
Total unavailable for circulation.....		2,194,215,487
Actually available circulation.....		<u>\$226,219,294</u>

or, estimating the population of the United States at 70,000,000, a *per capita circulation of \$3.27 and a fraction.*

"I have just received the report of the Secretary of the Treasury for 1895," said the Senator. "Here it is. Let me read what the Secretary says: 'Treasury Assets, June 30, 1895, \$842,148,189 84.' From this amount, however, he deducts \$28,101,644.91, on



COLUMBIA ADDS TO HER GALLERY OF EXECRATED CELEBRITIES.

deposit with states under the law of 1836, and \$1,418, 822.88 of other unavailable funds, leaving the available assets \$775,310,559.50."

"If the Government has that amount of available money," queried the Colonel, "and most of it is in gold and silver, as stated by the Secretary, what occasion is there for issuing bonds?"

"In his attempt to deceive the people," replied the Senator, "the Secretary has counted something over \$600,000,000 twice.

"Why does not Congress provide for an investigation of the Treasury Department?" asked the Colonel.

"The report of the Secretary of the Treasury for 1894 gives the total amount of Gold coin, including bullion, in the United States, at \$627,293,201. The same table shows that there is in the Treasury, gold coin and bullion, \$131,316,471. The Comptroller's report for 1894, page 12, gives as the total amount of gold in all the banks, including national, state, private and savings, and in trust companies of all kinds at 133,398,786.

The amount of gold in the banks and in the Treasury, with my estimate of the amount which cannot be accounted for, aggregate \$524,715,257. If we deduct this amount from the total said to be in existence, we have \$102,577,944, which should be in circulation among the people.

"Does any one believe that there is this amount of gold coin in actual circulation among the people? I think my estimate as to the amount of coin that cannot be accounted for is considerably less than it should be."

“It would seem,” said the Judge, “that the Colonel has established his proposition. I have given some thought to this subject, and am inclined to believe his figures are conservative.

“I promised,” continued the Judge, “to give some further figures on contraction. I have made an examination of the reports of the Comptroller of the Currency, and find in the report for 1894, p. 7, the loans and discounts of the national banks were, on the 4th day of May, 1893, \$2,161,401,858; that during the progress of the conspiracy up to October 3, 1893, they had fallen to \$1,843,634,167, an actual contraction of \$317,767,691. In November the Sherman law was repealed, and on December 19, 1893, the loans and discounts were \$1,871,574,769, on May 4, 1894, they were further increased to \$1,926,686,824, and on October 4, 1894, to \$2,007,122,191, or an increase from October, 1893, just prior to the repeal of the Sherman law, to October 1, 1894, of \$163,488,024. If that doesn't show a conspiracy, I don't know what constitutes that crime !

“And that is not all,” the Judge resumed. “The loans and discounts of private banks, as given in the report of the Comptroller of the Currency for 1894, on page 10, for the year 1893, were, in June of that year, \$2,340,605,313, and by July, 1894, were \$2,133,628,978, a decrease of \$206,967,335; add this to the amount that the national banks decreased their loans and discounts, we have an aggregate of \$524,744,026. Is there any wonder we had a panic? The Comptroller's report for '94 shows deposits in the national banks to be \$1,728,418,819; cash on hand, \$422,428,192, thus

lacking \$1,305,990,627 of having enough money to pay their depositors.

“Banks other than national had deposits, in 1893, of \$3,070,462,682; amount of cash on hand, \$205,645,203, lacking \$2,864,817,577 of having enough to pay depositors. In other words, the banks altogether lacked \$4,170,808,106 of having money enough to pay their depositors.”

RECAPITULATION.

National Bank deposits-----	\$1,728,418,819
Private Bank deposits -----	3,070,462,682
	<hr/>
Total -----	\$4,798,881,501

CASH ON HAND.

National Banks-----	\$422,428,192
Private Banks -----	205,645,203
	<hr/>
Total-----	\$628,073,395

Not quite fourteen per cent. of the amount necessary to pay depositors!

The Cleveland-Carlisle-Rothschild-Belmont-Morgan Bank Ring conspiracy not only bankrupted the business interests of the country—the farmers and wage earners—but has also rendered the banks hopelessly insolvent. Perhaps the quickest and most effective method of wiping out the whole bank iniquity is for the depositors to demand their money and put the banks in the hands of a receiver, thus strangling the great red dragon that has preyed on us all.

“The Bank Power is more despotic than any



BUSINESS MAN BEFORE THE PANIC.

Home	\$20,000
Business	60,000
Real Estate	12,000
Stocks in home enterprises ..	8,000

Total assets	\$100,000
Debt	20,000

I am worth

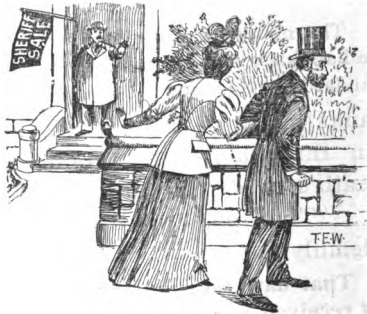
\$80,000

destruction is limited to what may be carried away or consumed by the torch, while the banker has the power to consume all values, and exercises it!

“The result of the withdrawing of deposits would not be an act of retaliation, but one of justice, a measure of safety.

“It would simply be disarming an outlaw, a danger-

ruler—less merciful than any master. Whether the people recognize it or not, they are its abject slaves. It is the arch enemy to the prosperity, peace and happiness of the people, and a menace to our free institutions. More dangerous than the midnight burglar, or the torch of the anarchist, as their



THREE MONTHS LATER.

Sold for \$10,000. Deficiency Judgment \$10,000.—Slavery!

ous foe—an enemy that defies all laws human and divine. It would remove the fatal clutch of an insatiable monster, unloose from the throat of the Nation a grasp that is strangling its prosperity and is threatening its very existence. The destruction of the



LORD ROTHSCHILD.
(From a recent photograph.)

The man who holds in his hands the destiny of nations—the happiness and prosperity of the people, because the money standard is made from scarce material,

Banks would permit the people to again behold the sun through its silver lining and to inhale a free breath of God's pure atmosphere in a redeemed land!"

"The people are thinking," said the Senator solemnly.

That hath taken off his hand from the poor, that hath not received usury nor increase, hath executed my judgments, hath walked in my statutes; he shall not die for the iniquity of his father; he shall surely live.—Ezek. xvii 18.

CHAPTER XII.

RESULTS OF THE CONSPIRACY—Failures by the Thousand—Millions Thrown Out of Employment—Loss to the Nation—The Calamity Worse than a Foreign War—More Disastrous than Floods or Drouths—Eighty-five per cent. of the Toiler's Product Absorbed in Usurious and Monopoly Exactions by the Banks and Trusts—National Wealth Reduced from \$60,000,000,000 to \$30,000,000,000—An Investigation of the Treasury Department Demanded—Grave Discrepancies in the Reports—Tremendous Power of the New Slave Masters—Party Control Maintained by a Standing Army of Political Mercenaries—Five Hundred Millions a Year Subscribed by the Money Power to Debauch American Manhood and Retain Political Control—Cleveland's "War Message"—It's real meaning—How Plutocracy's Guns are aimed—Open and Insolent Defiance of the People in the Bankers' Convention—Threats to Retire the Greenbacks with or without the People's Consent—Not War, but Peace the Country Wants, but if War Comes it Will be One of Workers of All Lands Against the Brigands—The Coming Day—Conclusion.

"Judge," said the Colonel; at the opening of the twelfth session, "you devoted some time at our last meeting to the national banking system. Have you anything further on contraction or conspiracy?"

"The safety of the government," replied the Judge, "demands that the national banking act be repealed, and that all money be issued by the Government and be full legal tender for all debts. As a result of the bankers' conspiracy, from the last day of May to the 30th day of December, 1893, a period of eight months, more than sixteen thousand bankruptcies and suspensions of industrial and commercial enterprises and companies had taken place, and more than six hundred banking institutions and firms had

been seriously injured or wholly ruined. The total amount involved in the bankruptcies and suspensions of these firms, companies and institutions during this period, counted in dollars, reaches into the billions. Probably more than five million of men, and three million of women and young people, who were before the panic contentedly at work on farms or in mines and shops, factories and mills, and engaged in the various pursuits of productive industry, were out of work on the 1st of January, 1894, and have remained unemployed ever since.

“Those thus thrown out of work, as a result of this conspiracy, at one dollar a day, a moderate estimate, would suffer a loss amounting to eight million of dollars a day. This aggregates a yearly loss to the productive industries of the nation of \$2,500,000,000. A war that would deprive the nation of this vast army engaged in industrial pursuits would be regarded as a calamity of unsurpassable magnitude. If our cities were to be devastated by flood or fire, or the great delta of the Mississippi inundated, or if the crops of the country were to be drouth stricken or otherwise destroyed, it would properly be regarded as a national calamity, and the sympathies of all the people would go out in unstinted measure to the sufferers. But we are visited by a calamity more terrible than any ever inflicted on us by the forces of nature or the wrath of man—yet it passes unobserved, except by the sufferers. Two and a half billion dollars loss in pay for labor, untold millions of loss occasioned by the fall in prices for the product of labor! The loss occasioned by reason of idle farms, mills, mines, factories, workshops—the lack of money to develop our matchless resources and set in motion all the industries which go to swell the wealth of the nation, can never be computed. Contentment comes with profitable employment; happiness in the use and enjoyment of honest gains. Take from man just remuneration for honest effort, and hope goes out, despair enters.”

"A people without homes will not quarrel with their rulers" (Bank Circular.)



"Is there no sympathy for the hungry mother ; nor pity for the starving babe."
 "Are there no tears for a dying nation."

“Suppose,” said the Colonel, “An invading army should land on our shores for the purpose of spoliation, and should plunder our cities, load its ships with the wealth which our toil has created, and taking up its destructive march across the continent, should gather all the surplus wealth in its train, establishing tax-collectors in every town and hamlet in the land empowered to ascertain in advance the probable wealth production in each district and then absorb the entire amount by levying a tax in the form of trust charges for transportation, sugar, meat, flour, water, coal, iron and usury besides a direct tariff averaging fifty per cent. on every article consumed, what would be the result?”

The head of the family figures the product of his own and his family's labor for the year at.....	\$1,000
Wealth consumed for actual living expenses.....	150
Wealth paid to the trust collectors for profits on sugar, flour, water, light, coal, cotton and wool fabrics, manufactured articles and for usury.....	850

Leaving a balance of..... \$0,000

“What would happen? A thousand Paul Reveres would be heard ringing the bells of alarm, and the people as one man would go forth to drive the insulting foe from our soil. Armies would be marshaled in battle array, fleets would steam from every harbor, and our keen falcons would be unloosed upon the broad ocean. The tories at home would meet with that speedy vengeance of an outraged people, which they so richly deserve.

“But here is a loss greater than would be inflicted by the presence of an army of a million of men invading our land. Our people seem to be hypnotized, or lulled to sleep under the powerful influence of some magic wand; they are dreaming of joys never to be realized. You have read of the bright, warm isles which gem the oriental seas, and are kissed by the fiery sun of the tropics; where the clove and the cin-

namon and the nutmeg grow ; where the torrid atmosphere is oppressed with a delicious, but fierce and intoxicating influence. But there are times when the simoom comes from the desert, and the whole atmosphere is filled with a subtle poison ; the parching heat is whirled by the advancing wind—suffocation and hemorrhage are produced—it is sudden, mysterious, invincible, and singularly fatal.

“Estimates have been made giving the total indebtedness, public and private, at upwards of \$40,000,000.000. The census for 1890 gives the national wealth at \$66,000,000,000, an average annual increase of \$2,200,000,000 from 1880 to 1890. The conspiracy between the national administration and the bankers deprives the nation of \$2,500,000,000 of wealth annually, as the result of idle labor. There is now no net gain in wealth, the values reported in 1890 have by the conspiracy of 1893 been reduced to \$30,000,000,000 ; the debts are \$10,000,000,000 greater than the value of our assets ; our interest charges at home and abroad amount to \$4,000,000,000 yearly.”

The Senator, who had been examining the report of the Secretary of the Treasury for 1894, said : “Colonel, the figures you gave the other day regarding the amount paid on the public debt could not have been correct. Commencing on page 127 of this report is a table giving all the expenditures of the United States from 1792 to 1894.”

Taking out his pencil and running up a long column of figures, he went on : “I find that the Government has paid, from 1862 to 1894, in premiums on bonds, \$119,863 386 ; interest on the public debt, \$2,573,969,586, and has paid on the principal of the debt, \$12,448,729 860, or a total of premiums, interest and principal on its bonded debt of \$15,142,562,832.”

“This vast sum,” said the Colonel, “represents just that much money robbed from the people, every dollar of it. There was never the slightest occasion

for issuing a single bond. If the Secretary of the Treasury had been authorized to issue a sufficient amount of legal tender money, probably \$1,500,000,000 would have been sufficient to have carried on the war, and if the money had been left in the hands of the people when the war closed, prosperity would have been ours. It is amazing how loyal the people of this country are to the traitors who have plundered and robbed them in this way. There is no accounting for the figures made by the department on account of this indebtedness. I gave those figures as I found them in the Treasurer's report, under other headings. The same figures were given by Senator John P. Jones in his speech in the Senate in January, 1894. You must recollect that John Sherman was Secretary of the Treasury for four years in person, and by proxy thirty years, which accounts, in a large degree, for these discrepancies, as well as for the enormous amount that the people have had to pay. The totals given in the expenditures are probably correct."

Continuing, after a pause, the Colonel said: "Congress should call upon the Treasury Department for a detailed report of what became of this money, to whom paid, and on what accounts. It is very clear that the Government never received any consideration for this vast sum. The Treasury Department must have been in partnership with the Bank Robbers, and it is the plain duty of Congress to take immediate steps to recover this enormous amount of money, together with a proper rate of interest, for the people from whom it was stolen."

"If," rejoined the Judge, "the Secretary of the Treasury was in partnership with the brigands, Congress must have been in partnership with the Secretary. The gigantic robbery of the past thirty years could not have been possible without the full knowledge of the leaders in Congress and the active co-operation of the Secretary of the Treasury. Infamous as has been

this robbery in the past, the present House of Representatives, as well as the Executive and his official family seem to be anxious to go still further and to adopt a policy which will enslave the American people. The new slave masters who have grown up under the present monetary and banking systems, have the power to reduce all property values one-half, and exercise it, by contracting the currency; but no debt has ever been reduced a dollar. Public officialism is debauched, corporate power enthroned—the earnings of toil wrongfully extorted from the toiler. The government is controlled by the maintenance of a standing army of 500,000 vampires to carry elections. The people are threatened by the new slave masters, starved into submission, or coerced by the vampires until we are no longer an independent, but a truculent and cowardly people. We have ceased to wear that lofty look of conscious pride which was once the birth-right of every American; burning shame has set its seal upon our brows—as we now wear the ignominious badge of bond slaves.

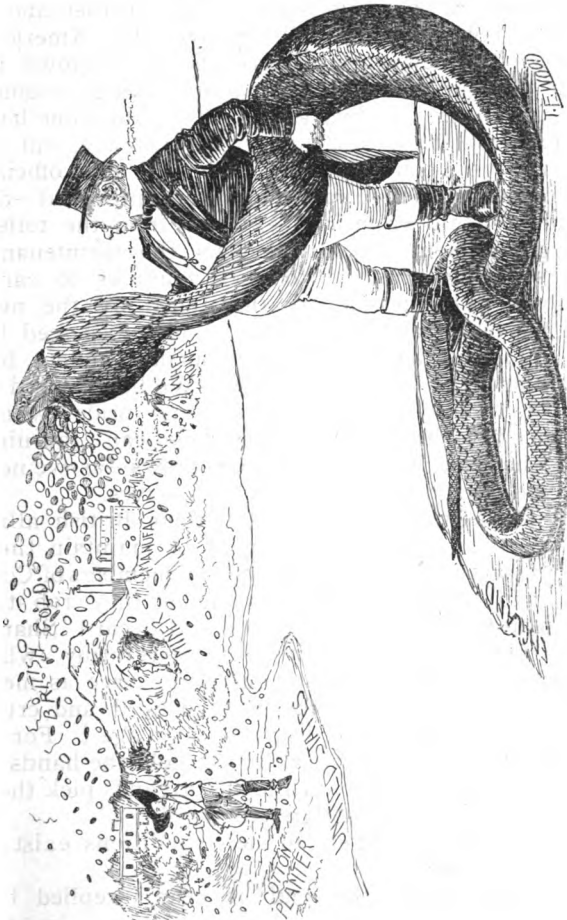
“The new slave masters and their British allies put up \$500,000,000 a year in gold to maintain their vampire army, to elect presidents and members of Congress. In return for this investment they rob the American producers of \$5,000,000,000 a year! Shame on the members of this political vampire army, who, instead of engaging in honest industry, serve as mere lackeys to a band of the most wicked and cruel tyrants that have ever disgraced any age! For a mere subsistence they are willing to hold the hands of their brothers and sisters while the brigands pick their pockets of five billion dollars yearly!”

“How much longer can these conditions exist?” asked the Senator.

“Thank God, the end is near,” replied the Judge.

After a short pause, the Judge proceeded: “There

is no profitable crop, except to those who control elections; no profitable business, except officialism and



THE BULLET FAILED ; THIS PLAN WILL SUCCEED.

that of the vampires, gamblers and usurers. The profits of all legitimate business are absorbed by these

classes. Five million wage earners are idle or unprofitably employed. Not including the direct robbery by the brigands, labor produced \$22,000,000,000 net increase in wealth in the ten years from 1880 to 1890."

"What have they to show for it?" asked the Senator.

"Four thousand millionaires and five million tramps," quickly replied the Judge.

"Labor," remarked the Colonel, "with sad remembrances of the past and visions of an extinct republic for the future, jostles his rags against the royal robes his toil has made, regales his hunger by the odor of viands he cannot taste, and walks with weary tread amidst the palaces which he has built, but may not enter."

"What do you think of Cleveland's war message?" asked the Colonel, addressing himself to the Senator.

"It seemed to meet with approval in both houses of Congress," cautiously replied the Senator.

"I notice that there were several senators," continued the Colonel, "yourself among the number, who did not vote for a boundary commission, implying a demand on England to submit to arbitration."

"I cannot see anything to arbitrate," responded the Senator. "It seems to me a piece of impertinence for this Government to volunteer in a matter where its advice has not been sought by either party to the dispute. What is the reason Cleveland does not challenge France to mortal combat on account of her dispute with Brazil? The same doctrine should apply in both cases."

"France might not understand the game, as England does," replied the Judge.

Continuing, the Judge said, "How can Cleveland go to war? Under his theory of finance, there is no money except gold, and this country has not enough of that kind of money to carry on a war for one week.

The Rothschilds have all the gold. Cleveland may have confidential advices from the great head of the new slave party as to where he stands."

After a short pause, the Judge resumed, "Gentlemen, we might as well speak truth to ourselves concerning this matter. The Money Power of two continents, aided by the head of the American government, did not entirely succeed in whipping the people of this country into obedient submission to their will by closing the Indian mints and completely outlawing silver in this country in 1893. The people have shown that they have some spirit left, and they rebel against bond issues and bank bills. The hostility on the part of the people against the infamous attitude of Congress and the President has reached the snapping point. It was not against England that the war message was directed. The slave party in England and America thoroughly understand this. The guns directed at John Bull were but toy cannon—the real guns are aimed with deadly effect against the liberties of our own people.

"History records that in all ages," continued the Judge, "when governments had become so corrupt that the people was about to revolt, a diversion of attention from the real purpose of the tyrants was created by the appeal to patriotism of a declaration of war. Napoleon III., seeing his throne beginning to totter, sent word to his ambassador at Berlin to insult the Emperor of Germany. A war spirit was aroused as the result in both countries and the war that followed cost France lives, treasure and territory."

"Members of Congress," said the Senator, "and the people generally take a different view of the President's action. Even in Colorado, where Cleveland has comparatively no followers, the people being either Populists or Republicans—they applaud the message. Congressman Shafroth, of Denver, called my attention yesterday to the 'Rocky Mountain News,'



THE REAL WAR AND THE SHAM!

Cleveland's Venezuelan pronunciamento was levelled, not at England, but at the American people.

which contained interviews with a number of judges and state officers approving the message."

"That signifies nothing," replied the Judge, "you can rest assured that the intelligent people of that state and of every other state cannot be deceived as to the real motive of the message. The truth of the matter is that the views of officials who hold office by virtue of the aid of the vampire army are of no more value than are the opinions of the slave drivers' attorneys in Congress. If you want an honest intelligent opinion, go to the unbought masses. Seek the truth and they will thunder in your ears their stern response.

"The fact is," went on the Judge, "Cleveland was away from Washington on what was presumed to be a 'duck hunt,' and Olney, the special attorney for the trusts, at the dictation of corporate wealth and greed, wrote the message. When Cleveland returned he was told that the Money Power had decided such a message to be necessary in order to force a bond issue, retire the greenbacks and strengthen the army. All Cleveland wanted to know was that it was in accordance with the desire of the Money Power. It is not at all probable that he troubled himself to consider the subject, or even read the message. All this was simply carrying into execution the repeated declarations of war against the rights and liberties of the people made by the Plutocratic press and to which special emphasis was given in the recent convention of the National Bankers' Association held in Atlanta, Ga., where it was defiantly announced—and the statement vociferously applauded—that 'if Congress refused to retire the greenbacks, they would be retired without congressional aid!' The special oracle of the Bank Ring, that willing and abject slave of these outlaws, Edward Atkinson, of Boston, declared in the same convention: 'If Congress shall pass legislation authorizing the retirement of the greenbacks, well and good. If it refuses—retire them anyhow!'"

"How can the national banks live," interrupted the Colonel, "without bonds? Their very existence depends upon a system of robbery and plunder."

"If the people are to be manacled, shackled and bound without their consent," proceeded the Judge, "is it not about time they were casting about for measures to avert this awful catastrophe?"

"Your theory then is," remarked the Senator, "that there is no danger of war with England?"

"None whatever," replied the Judge. "If you came into as close contact with the people as I do, their intuition on this point would reverberate through your whole system, and the truth would unfold itself to you."

"There is no doubt," rejoined the Colonel, "of the correctness of the Judge's conclusions. The Money Power has made an open declaration of war against the rights and liberties of the masses. They have declared for IMPERIALISM, and the challenge thus insolently thrown down must be manfully and heroically taken up."

"Oh for the voice of a Patrick Henry!" exclaimed the Judge, "that the people might be roused from their lethargy to a realizing sense and righteous resentment of their wrongs."

The Colonel resumed thoughtfully, "I served more than four years as an officer in the war of the rebellion; but I have since learned that the war was inaugurated for the purpose of permitting the new slave power to fasten its fatal clutch on the throat of the nation and strangle our liberties, blotting out the civilization of the nineteenth century. If there is to be any further bloodshed, let the conflict be waged in behalf of the liberties of the people; but no war should be waged at the dictation of the new slave party and with a view to our immediate enslavement. Honest toilers will shed no blood to perpetuate and intensify a system of bond and wage slavery.

"Here is a recent bank circular," continued the Colonel, "from which I read: 'A people without homes will not quarrel with their rulers!' The despots should remember that while a homeless people might not quarrel with their rulers, they certainly could not be expected to bare their breasts in defense of confiscated homes."

"There is a probability, however," interposed the Judge, "that they would fight to preserve or regain the rights guaranteed to them under the Federal Constitution, but which are constantly violated by a corrupt judiciary placed in power by the Plutocracy."

"The Russian Government," said the Senator, "desiring to show friendship for this country, has offered us all the gold we may require, but the money jugglers would not allow Cleveland to accept this offer."

"Notwithstanding the despotism of Russia," said the Colonel, that country endeared itself to every patriotic American heart, when in 1861, while France and England were plotting our destruction, there came from St. Petersburg these words: 'Russia desires above all things the maintenance of the American union as one indivisible nation.'"

"It is generally understood," resumed the Judge, "that Cleveland is simply the tool of the new slave party of both continents."

"He appears to have deceived a great many members of Congress as to his purpose," rejoined the Senator, "if your views are correct."

"Very few are deceived," replied the Judge. "Most of the Republican members of Congress are the agents of the slave party, and they are simply doing the bidding of their masters. Some of the Democrats may have been deceived, as they undoubtedly took the message to be a piece of political legerdemain in the interests of the Democratic party; but those who still possess sufficient patriotism to rise

above party, and who are not under the lash of the slave driver, were not deceived."

"It is not war that this country wants," said the Colonel, "but peace, prosperity and happiness. I can conceive of no *real* grievance that would be a sufficient cause for the honest, patriotic people of England and the United States to go to war with each other. When there is need for war, it will be when the aggressions of the slave party of the world become unbearable. Then the producing classes of all countries, like a band of brothers and sisters, will unite—not to fight among themselves while the Plutocracy picks their pockets, but to overthrow the present system of debt, wage and competition slavery, and rear in its stead a commonwealth of universal brotherhood, as taught by the Great Teacher. No civilization can long endure after the spiritual ideal is eclipsed. We stand on the brink of a new world, more wonderful than that discovered by Columbus. The light which filled our land two thousand years ago is blossoming to-day. The lark's prophetic voice makes melodious the vibrant air,—and lo, the East is purpled with the coming day. We are approaching a better, nobler, grander civilization! The trend of man is God-ward; but there must be present in the heart of man a strong and abiding faith in a fairer to-morrow."

END OF NUMBER ONE.



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PRACTICAL !

CASH OR CREDIT.

A Solution of the Money Problem.

BY PAUL TYNER.

A FEW SPECIMEN OPINIONS.

A GOLD BUG VIEW.

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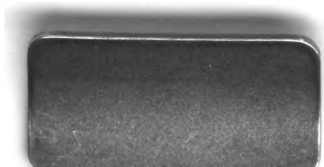
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