dian Affairs, reported back the memorial of P. P. Pitchlynn, delegate of the Choctaw Nation of Indians, upon the right of that nation to be paid the money awarded to it by the United States Senate, April 9, 1859; which was ordered to be printed, and recommitted.

CRUELTY TO ANIMALS.

Mr. NEGLEY, by unanimous consent, introduced a bill (H. R. No. 1407) to amend an act entitled "An act to prevent cruelty to animals while in transit by railroad or other means of transportation in the United States;" which was read a first and second time, referred to the Committee on Commerce, and ordered to be printed.

RECONSIDERATION OF REFERENCES.

Mr. RANDALL. I move to reconsider the various votes by which bills, reports, &c., have been referred or recommitted to-day; and also move that the motion to reconsider be laid on the table.

The latter motion was agreed to.

Mr. COX. I move that the House now adjourn.

ORDER OF BUSINESS FOR TO-MORROW.

The SPEAKER. At the session to-morrow, which will be as in Committee of the Whole, no business to be transacted, the gentleman from New York, Mr. MERRIAM, will act as Speaker *pro tempore*.

The motion of Mr. COX was agreed to; and accordingly (at four o'clock and twenty minutes p. m.) the House adjourned.

PETITIONS, ETC.

The following memorials, petitions, and other papers, were laid on the Clerk's desk, under the rule, and referred as follows:

By Mr. AVERILL: The petition of citizens of Du Luth, Minnesota, for an appropriation to repair the breakwater in the harbor of Du Luth, to the Committee on Commerce.

By Mr. BANNING: The petition of Ann Henry, guardian of Mary Spriggs, minor child of Benjamin F. Spriggs, for a pension, to the Committee on Invalid Pensions.

Also, the petition of David Hicks, for compensation as wagonmaster of the Fourth Ohio Regiment, to the Committee on Claims.

By Mr. BEGOLE: The petition of R. Hawley & Son, of Detroit, Michigan, praying for the refunding of an overcharge of duty illegally collected upon certain importations of malt, to the Committee on Claims.

By Mr. BUTLER, of Tennessee: Papers relating to the claim of Charles J. McKinney, of Tennessee, to the Committee on War Claims.

Also, the petition of Mary A. Conkin, for a pension, to the Committee on Invalid Pensions.

Also, the petition of Eleanor Crawford, for a pension, to the Committee on Invalid Pensions.

Also, the petition of Nancy Crawford, for a pension, to the Committee on Invalid Pensions.

Also, the petition of Sarah Dukes, for a pension, to the Committee on Invalid Pensions.

Also, the petition of Rebecca English, for a pension, to the Committee on Invalid Pensions.

Also, the petition of Elijah Kilday, for a pension, to the Committee on Invalid Pensions.

Also, the petition of Mary Mitchell, for a pension, to the Committee on Invalid Pensions.

Also, the petition of Rebecca Yokely, for a pension, to the Committee on Invalid Pensions.

By Mr. CHIPMAN: The petition of Mary Cameron, daughter of Joseph Cameron, who served sixty-six years in the United States Army, for relief, to the Committee on Invalid Pensions.

By Mr. COBB, of Kansas: The petition of J. H. Ortman and others, route-agents in the mail service of the United States, for increase of compensation, to the Committee on the Post-Office and Post-Roads.

By Mr. FRYE: The petition of Stephen P. Benton, for relief, to the Committee on Revolutionary Pensions and War of 1812.

Also, remonstrance of the Board of Trade, Portland, Maine, against the repeal of the bankrupt law, to the Committee on the Judiciary.

By Mr. HALE, of New York: The memorial of Joseph L. Pearson, Gibson Brothers, and others, employing printers of Washington, District of Columbia, in relation to the practice of printing all the records certified from the circuit courts at the public expense, whether the United States be a party to the suit or not, and the execution of other work of a private character at the Government Printing Office, to the great injury of printers, not only of Washington, but of the whole Union, to the Committee on Printing.

By Mr. HANCOCK: The petition of Stanley Cooper and Sarah Cooper, his wife, for compensation for the occupation and destruction of property in Texas by the United States Army, to the Committee on War Claims.

Also, the petition of Charles Nordhausen, of Texas, for compensation for cotton seized and teams taken by the United States Army, at Brownsville, Texas, in 1863, to the Committee on War Claims.

Also, the petition of Nancy W. Bean, for compensation for the use of property by the United States in the construction of Fort Richardson, in Texas, and for the destruction of other property by the United States Army, to the Committee on War Claims.

By Mr. HUNTER: The petition of Charles McCarty, for a pension, to the Committee on Invalid Pensions.

By Mr. HUNTON: The petition of citizens of Winchester, Virginia, for the erection of a post-office building in Winchester, to the Committee on Public Buildings and Grounds.

By Mr. HURLBUT: The petition of E. B. Gilbert and others, citizens of Illinois, for an increase of pensions to soldiers of the war of 1812, to the Committee on Revolutionary Pensions and War of 1812.

By Mr. KILLINGER: Several petitions of citizens of Pennsylvania, for the repeal of the second section of the act of June 6, 1872, which reduces the duties on manufactured cottons, woolens, iron, and other staple commodities 10 per cent, to the Committee on Ways and Means.

By Mr. NEGLEY: Several petitions of citizens of Allegheny County, Pennsylvania, for the repeal of the second section of the act of June 6, 1872, to the Committee on Ways and Means.

By Mr. NIBLACK: The petition of Jane Hiland, guardian of the minor child of John Myers, for a pension, to the Committee on Invalid Pensions.

By Mr. O'BRIEN: The petition of Henry G. Tyson, one of the heirs of the estate of Seth Russell, praying for the payment of the French spoliation claims, to the Committtee on Foreign Affairs.

By Mr. ROBBINS: The petition of citizens of Rowan County, North Carolina, for certain modifications in the postal laws, to the Committee on the Post-Office and Post-Roads.

By Mr. ROBINSON, of Ohio: The petition of M. L. Mooney, Shaw Brothers, and L. L. Benson, druggists, of Cardington, Ohio, for the repeal of the stamp tax on medicines, to the Committee on Ways and Means.

By Mr. SAYLER, of Indiana: The petition of John H. Ehlers and others, citizens of DeKalb County, Indiana, for the repeal of the stamp tax on medicinal preparations, to the Committee on Ways and Means.

By Mr. SCOFIELD: The memorial of Napoleon Collins, commodore United States Navy, in favor of the distribution among the officers and crew of the United States steamer Wachusett, of the value of the rebel pirate Florida, captured in the bay of Bahia, Brazil, to the Committee on Naval Affairs.

By Mr. SMITH, of Virginia: The petition of R. D. Ruffin, for compensation for stores taken by the United States Army, to the Committee on War Claims.

By Mr. STANARD: The memorial of the Union Merchants, Exchange of Saint Louis, representing the necessities of the people of the Mississippi Valley, in respect to the transportation of their products and the improvement of their natural channels of commerce, to the Committee on Commerce.

By Mr. STARKWEATHER: The petition of Eunice Christie, of Ledyard, Connecticut, for a pension, to the Committee on Invalid Pensions.

By Mr. STORM: The petition of George Dayspring, for increase of pension, to the Committee on Invalid Pensions.

By Mr. TYNER: The petition of business men of Peru, Indiana, for an increase of currency, and such amendments of the laws as will authorize free national banking, to the Committee on Banking and Currency.

By Mr. VANCE: A paper relating to the claim of J. M. Roane for supplies furnished the Indian service in California between the years 1856 and 1860, to the Committee on Claims.

By Mr. WILLIAMS, of Massachusetts: The petition of H. O. Houghton and others, of Cambridge, Massachusetts, representing that a restoration of the duty on tea and coffee, or a revival or increase of internal taxes would be oppressive and burdensome, but recommending a repeal of the second section of the act of June 6, 1872, which reduces duties on manufactured cottons, woolens, iron, paper, and other staple commodities 10 per cent., to the Committee on Ways and Means.

By Mr. ——: The memorial of James Rea, late United States consul at Belfast, praying relief from losses sustained in the discharge of his official duties, to the Committee on Foreign Affairs.

HOUSE OF REPRESENTATIVES.

SATURDAY, *January* 24, 1874.

The House met at twelve o'clock m. Prayer by the Chaplain, Rev. J. G. BUTLER, D. D.

On motion of Mr. BECK the reading of the Journal of yesterday was, by unanimous consent, dispensed with.

ORDER OF BUSINESS.

The SPEAKER *pro tempore*, (Mr. MERRIAM in the chair.) The House meets to-day as in Committee of the Whole, for debate only; no business whatever to be transacted.

FINANCE.

Mr. BUNDY. Mr. Speaker, not having any written speech, and in fact having had no time to write one, I do not know how much time I may occupy in the discussion of a subject of more interest than anything else to the House just now. No subject commands so large a share of public consideration, and about which there are so many shades of opinion, as the general subject of the finances in this country. There are almost as many theories for its adjustment and settlement as there are members of this House. And therefore it is to be expected that I shall be in full accord with perhaps but a very few gentlemen here.

According to certain financial writers on the subject, there is only one view to be taken. The assertion made by their followers is that we have but one currency, or we ought to have but one; that gold and silver constitute the currency of the world, and therefore that it is the duty of the Government of the United States, by appropriate legislation, as rapidly as possible, and without regard to the effect upon the great interests of the masses, to get back to what is called the world's currency; and the road by which they intend to reach it is through contraction.

I propose for a short time to consider what the currency of the country, or of the world, if you please, is. I am not unmindful of the fact that the books are full of disquisitions on this subject. And they all tend in a certain direction, and that is toward specie. Now, Mr. Speaker, it seems to me that the people of the United States ought not to be asked, and we should not be compelled, to adopt the theory of any government or any people who have gone before us, unless that theory should be specially applicable and should be the best for us if adopted. The sovereign power of the country in establishing by law what shall be the currency of the country is the Federal Government. That power has acted. It has interdicted all the States, and prevented all the States by one means or another, from furnishing any part of the currency for the people of this country. It has taxed out of existence all the State banks, so far as power to issue paper money is concerned. Owing to the peculiar circumstances by which it was surrounded at the time, it is declared that there is a certain description of paper money which shall be the recognized lawful currency of the country, clothing it with the attribute which distinguishes it from all other paper issues, that of "legal tender."

I do not understand there is any prevailing disposition on the part of any considerable portion of our people to get rid in any form of that currency. The same power has established by legislation that which constitutes a dual system of currency, one the United States notes, and the other the national-bank notes, and it has provided that these national-bank notes may be and shall be redeemable in the legal-tender notes. Now, one of the main things to be accomplished in this direction by the Government has been effected; that is, whatever the national circulation shall be, it shall be of such quality as to entitle it to universal circulation, and have uniform value throughout the country. Now, sir, two things, therefore, have been accomplished: one is that the sovereign power of the country has determined what the circulating medium in the United States shall be, and the same power has clothed it with such attributes that it has a uniform value all over the country; and in these particulars no government has been more fortunate in providing for its people a currency of such value and stability for so long a period.

The remaining question, so far as that feature of the subject to be discussed is concerned, is as to its quantity; and here, perhaps, is the only debatable question that is connected with it. It is affirmed on the part of the contractionists that we not only have a sufficient quantity but that we have a redundancy. Now, I take it that there are two modes by which we can determine, and by which the people themselves can determine, as to the proper condition of this branch of the question. The first is by comparison; a comparison instituted as to the quantity of the currency or the circulating medium of this country established by law, and that provided by other governments for their people. The country that we have, perhaps, more to do with in a commercial sense than any other on the globe is Great Britain; and in the solution of this branch of the question it is but natural that we should look and see what she has done in the way of providing capital and currency for her people. In looking at that, sir, we find that she has a circulation of $600,000,000 in round numbers, and she has a population to be accommodated with that circulation of thirty-two million people. But that does not constitute her only banking capital; because here is a distinction between currency and capital. Her banking capital is not six hundred millions, but it is virtually thirty-five hundred millions; because the deposits in the banks of Great Britain constitute her banking capital as much as her gold and silver do. The deposits in the banks of our country constitute a part of our bank capital, and the capacity of the banks to loan or to discount is determined by the quantity of their deposits as much as by their capital, including their circulation.

Now let us see how we compare. Great Britain, having a circulation of six hundred millions and thirty million people, has an aggregate deposit of twenty-nine hundred millions in her banks. Put the two together and they make the aggregate $3,500,000,000. Her bank reserve for that large amount is only $116,000,000, or less than 4 per cent. of the whole sum. Taking the reserve out that has to be kept in the bank, as such, just as we keep our reserves in the banks as provided by our law, it still leaves her with an absolute banking capital, including circulation, that is available for the purpose of accommodating those who want discounts as our people do, a gross sum of more than $3,300,000,000 for thirty-two million people, or over $105 for every man, woman, and child in the kingdom of Great Britain.

Now let us see where we stand. We have an authorized circulation perhaps, in its various forms, including fractional currency, of about $756,000,000. But, Mr. Speaker, that is not the true amount of our circulating medium; because since it was issued by the banks and the Government there has been an absolute destruction in the paper money of the country amounting, I presume, to 10 per cent. or thereabouts. And therefore, Mr. Speaker, instead of having seven hundred and fifty-six millions of authorized circulation, we only have about seven hundred millions. Of that seven hundred millions there are more than one hundred millions constantly idle in the sub-treasuries of the country. That reduces it to six hundred millions. Of that amount there are twenty to forty millions in the State treasuries of the various States and the municipal corporations of the States of the Union. And there are one hundred and thirty-eight to one hundred and fifty millions constantly held, I believe, by the banks as reserve. Now where do you stand with your circulation? Why, sir, you have not $500,000,000 to-day that can be called the currency of the country for the purpose of making its exchanges.

But let us go to the question of deposits and see what the facts are. Instead of twenty-nine hundred millions in the various banking institutions of the country as deposits, you have only six hundred and sixty-four millions. Put your circulation as you have it, only that which is made available for the purpose of making exchanges in this vast country, and the deposits together, and you have not eleven hundred millions in a population of forty million people scattered over the continent. While Great Britain has one hundred and five dollars of banking capital and currency for every man, woman, and child in the country, the United States have but twenty-seven dollars. I submit, Mr. Speaker, whether that is sufficient for the vast and increasing business of this country.

I know very well that the contractionists, who are desirous of getting back to what they call specie payments, burlesque our ideas here, saying we are in favor of an indefinite inflation of the currency. No such thing, sir. But as I understand it—I speak for myself and nobody else—I am in favor of such an inflation of the currency of this country and putting it on such a basis as that we shall have a reasonable amount *per capita* to do the business of this vast country upon, and have that so diversified and diffused as that the people of all sections of this country, from north to south and from east to west, shall have their *pro rata*.

Well, then, when we make this comparison, the argument of the contractionists seems to fail. But then they instance France. France, with her seven hundred millions of circulation, it is said, has an abundance of currency for her people. They speak in eulogistic terms of its character because it is so nearly abreast with gold. Why, Mr. Speaker, if the wisdom of this country, financially, could be concentrated and crystallized as that of the French, how long would it be until our currency would be abreast with gold? Could we adopt a policy in this House, and by legislation enforce it, that would bring this country one hundred and twenty millions of gold annually more than we export from it, how long do you expect, on the principle of the old law of supply and demand, which governs prices and which also, by the way, fixes the rates of interest in this country—how long would it be before our greenback would command a dollar in gold? Instead of importing more gold than we exported during the last decade, our exports of the precious metals have exceeded our imports more than five hundred and twenty-six millions, the balance of trade, exclusive of precious metals, against us reaching the enormous sum of nearly three hundred and seventy-six millions, the latter sum being paid to foreign countries in the bonds of the Government and other money obligations. How can we ever reach specie payments with such a drain upon us to pay for foreign merchandise?

Why, sir, these gentlemen are so much in favor of contracting the currency of the country and getting back to gold and silver that they characterize a greenback (our national currency) as having the mark of Cain upon it. It goes out among our people branded, they say. Ah, Mr. Speaker, it may be branded; but if it is, then they had better think of the parallel they are invoking here. Let them remember that the mark was put upon Cain by the Almighty in order to prevent the slayer from taking his life, and vengeance sevenfold was denounced upon him who should destroy him. Take care that, in thus branding our currency, you are not incurring the same penalty that was denounced against the destroyer of Cain by contributing to its destruction.

Mr. Speaker, who is it that does more than any other class of people in this country to depreciate the value of our paper money; who has done it? Why, sir, in the first place it is the Government that put it forth, and made an unfair and unhallowed distinction between the promise of the Government to pay a dollar and a gold dollar. And that depreciation is intensified by those who speak in such contemptuous terms of it. Some of them are the law-makers of the country, too. It is said that it is a very mean bird that fouls its own nest. But how much more ineffably mean is the one that does it and then brags of the achievement!

Now one of the argments of these gentlemen, and the strong reason they give, why we should have a contraction of the currency, is because of the law of 1869, entitled "An act to strengthen the public credit." Ah, that was a legislative abortion, brought in here a monster, sent forth before its time into this breathing world half made up. Strengthen the public credit by the legislation that puts this brand of Cain upon its circulating medium! Why, what is the public credit? In this case it is nothing more nor less than the aggregate of the credit of the forty million people of this country, backed by a property worth $32,000,000,000. Strengthen the public credit by branding $400,000,000 of it as unworthy to circulate among men! A very strange way of doing it. Rather the effect of the act was and is to enhance the value of the Government bond in the hands of the money power, and depreciate the currency that the Government compels the masses of the people representing the industries and producing classes, constituting nine-tenths of the whole people, to receive and accept as their share of the public credit, for the only legitimate purposes of Government credit, that is, the creation of capital, which constitutes the basis for the Government credit.

These gentlemen, not satisfied with their work, now propose to oppress these nine-tenths of the masses by taking from them a part of that which has been provided as the means by which they are enabled to live. If they succeed, the period may be much shorter than they anticipate when, by reason of the great reduction in the current resources of the Government, the destruction of the industries of the country, these bonds may not be so valuable in their hand as now. They may "kill the goose that lays the golden egg."

Now, Mr. Speaker, what is the public credit, and how ought it to be considered by the people of this country? Why, sir, if you have a bond of the Government payable twenty years hence, and drawing but 5 per cent. interest, you say it is gold. But if you have a greenback of the Government, the Government and all the people are just as solemnly bound to pay it, and take care of it and keep it good, as they are the bond; yet by the legislation of the country it is not worth as much as the bond is in gold.

But it is said that gold is the "world's currency." What is the "world's currency?" What gives value to anything that circulates among the people of any country as the currency of that country? If it is a metallic currency, is it the metal? Or is it not the stamp that is placed upon it? Why, sir, I would have all Europe, and all the world besides, to understand, when they come to America, that our currency has all the attributes of money, and their currency must be brought to the standard of the greenback, just the same as they make us bring ours to their standard when we go to their respective countries. What ought we to say when they ask us by what authority we call this piece of paper five dollars? Our answer should be analogous to that of old Ethan Allen at Fort Ticonderoga, "By the authority of the American Congress and Almighty God." With such a stamp and with such security the greenback is the best currency in the world to-day. We have no fears of detriment to the country by an increase of its volume. Our people would hail the legal authority for such an increase, as the experience of the country indicates very clearly as being proper, as the children of Israel did the fall of the manna in the wilderness.

"The world's currency!" Why, sir, my friend from Pennsylvania [Mr. KELLEY] the other day, I think very fittingly, exposed that fallacy, when he instanced the fact that a man traveling from England to France, across the Channel, would have to convert his sovereigns into francs. We have had a very notable instance of this "world's currency." When the little unpleasantness between Germany and France was made up, you remember that Germany required the French to pay her a large sum of money. Now, the French had a specie currency—"the world's currency." Old President Thiers said to his secretary of the treasury, "We have the world's currency, the franc, with which to pay this indemnity to Germany." But says Bismarck, "No, sir; you do not; that is not 'the world's currency.' We have a 'world's currency' of our own here; and you have got to melt up your 'world's currency' and put it into our 'world's currency' before we receive it." "But," says President Thiers, "this is the 'world's currency,' and you must take it." I fancy I hear Bismarck say "*Nix komm heraus.*" [Laughter.] Now that may not be very good German, but it is germane to this subject. And in order to pay the war debt the French had to take their "world's currency" and melt it into the "world's currency" of Prussia.

Another thing. They had a world's fair and exposition over there in Vienna last summer. And they had a "world's currency" there, too. But the curious part of it is that during that fair the greenbacks of the United States were worth more at Vienna than the currency of Austria, "the world's currency," and brought a premium. A friend of mine, who was over there, to whom I said, "What could you do with the greenbacks; could you get anything with them?" replied, "O, yes; I got a premium on them."

The world's currency of the United States, the greenback currency, is to-day worth more at Vienna and on the Rhine than the bond of Great Britain. Now, I think that is about good enough. It seems to me that the quality is all very well, and that we have no right to say, by legislation or otherwise, that the dollar of the United States in the shape of a greenback shall not be a dollar for all purposes.

But, Mr. Speaker, I know that in talking in this way I am outside of precedents, and I am glad of it.

Mr. KELLEY. But you are on the foundations of eternal truth.

Mr. BUNDY. It seems to me that as a people we have been following long enough the precedents set us in centuries gone by.

Mr. KELLOGG. Will the gentleman allow me one question?

Mr. BUNDY. I am speaking without notes and off-hand; besides that I am a "granger," and am opposed to middle-men, and therefore I decline to yield the floor. [Laughter.]

Mr. KELLOGG. If the gentleman would tell us whether he would have greenbacks for all time, never paying them off, I would be very glad.

Mr. BUNDY. "Sufficient unto the day is the evil thereof." You cannot get from greenbacks to specie, for the reason that you have not got the specie; and you never will have so long as you export it, as you have been doing for the last ten years.

Mr. KELLOGG. Does the gentleman mean to say that we never should get there?

Mr. BUNDY. Ah! That is another thing. My idea is, Mr. Speaker, that in the progress of time this thing will regulate itself, just as our business interests have regulated themselves since the close of the war, and that we shall get back to specie payments by processes of nature, so to speak. Any spasmodic effort, any application of a violent remedy, will be a Cesarean operation, involving the life of the mother and the children at the same time.

Mr. Speaker, I was saying awhile ago that I am outside the line of precedents. Sir, it is a very easy thing to make a speech in favor of contraction and resumption. It is a very easy thing, and sounds very pretty to say, "Let us go back to specie payments;" for the writers on the subject are nearly all that way. The books that have been written on the subject have been written by men who were in the interest of the aristocracy of the country in which they were living. They were written in the interest of moneyed men, as against the laboring man and the masses of the people. I do not know that I can except from this remark any book on political economy that I know anything about. I admit that I have not read as much on this subject as some others; if I had I might have adopted their heresies.

The correct solution of this question, in my judgment, can only be reached by practical action, dictated by the surrounding and pressing exigencies and conditions of our own country, without being controlled by the precedents of countries and exigencies that have no sympathy or analogies for or with us. What other countries have done or may do may not at all be a guide for us, unless the conditions and exigencies were or are the same as ours.

Mr. KELLEY. The gentleman ought to except Henry C. Carey's works on political economy.

Mr. BUNDY. Not a single standard book in the schools, so far as I know, takes the right ground on this subject, because they have not admitted Mr. Carey yet, and they will not as long as they keep Adam Smith and Ricardo, and such works. I know but one professor in all the colleges of this country who seems to stand in the right position. He uses one of the common text-books in his classes, but at the same time tells his students all the while that its theories are all wrong, as applicable to our country. I mean Dr. L. D. McCabe, of Delaware, Ohio. The current theories on this subject have been put forth and advocated by men who have written in the interest of the upper classes, so to speak.

And, sir, how many volunteers we have coming now to Washington, and going before the Committee on Ways and Means, or the Committee on Banking and Currency, to tell them what ought to be done about this thing. The other day a gentleman from my own State had an audience before that committee and gave it as his opinion that there ought to be contraction. This gentleman came all the way from Cincinnati to tell the Committee on Banking and Currency that the true policy is to contract and get back to specie payments. Well, whom did he represent? He represented Third street. It is an easy thing for him to come here and tell the Committee on Banking and Currency that they should do that which, if done, would not only destroy the business interests of the country, but would multiply the paupers among us indefinitely.

Such men can come here and appear before our committees. But do you see here delegates from the mines or from the farms of the West? Are there here any representatives of those who dig in the soil or work under ground? O, no; they have no money; they cannot come. Are there deputations here from the one hundred and ten thousand men who are out of employment in the city of New York? Here and at the other end of the Capitol you will see fat, sleek gentlemen telling us what we ought to do about this question of banking and currency. Do you see any deputations here from the far West, where their corn is burned as fuel because it will not bear the cost of transportation to the sea-board? No, sir; for they have not the money to spare upon which to come, and they have no railroad passes. They are not here in force or out of force, Mr. Speaker. I think the aphorism of Bacon has been very strangely perverted in this country; instead of knowledge being power, money is power.

In such seasons of panic as we have had since September, $10,000 could set in motion more machinery and appliances to affect the public or legislative minds on the subject of the finances than $1,000,000 worth of other property would accomplish in the same time.

Money can and does establish newspapers and hires correspondents to fill them with communications in its interest; writes and publishes pamphlets, and sends lobbyists to the seats of the law-making power, thereby creating and crystallizing the most potent influences before other and more cumbrous property can move in the direction of its own interests. I do not complain of this, only referring to the difference in the capabilities of the two elements as facts.

Now, I would not antagonize capital and labor. They ought not to be antagonized. Capital and production must not be antagonized, and will not be unless the indiscreet friends of capital cause it to be done. Give each of them a fair chance. That is my position. Give us of the West, and of the South, and the Southwest, and the Northwest an equal chance with the East and the Middle States. Why, sir, I had some curiosity to analyze the vote given last Monday on the resolution of the gentleman from Indiana, [Mr. WILSON;] and the result of the analysis is very curious. All the Eastern States came in as a solid mass against the resolution; two-thirds of all the Middle States also were against it; but when you come to the South, the Southwest, the West, and the Northwest, you find that of the 135 votes for the resolution, 117 were cast by them, leaving only 18 yeas from the Eastern and Middle States, 13 of which were from Pennsylvania, 3 from New York, 1 from New Jersey, and 1 from Delaware. I will furnish the resolution referred to, the votes thereon, showing the yeas and nays, the number of those not voting, and the States to which they belong, together with the vote as recorded in the Journal of the House:

Mr. WILSON, of Indiana. I move that the rules be suspended, and that the preamble and resolutions which I send to the desk be adopted.

The Clerk read as follows:

"Whereas by reason of the present monetary stringency and the insufficiency in the amount of circulating medium, the industries and commercial affairs of the country have been greatly depressed; and whereas by reason of said stringency the revenues of the Government have been largely diminished, in consequence whereof Congress has been asked to increase taxation to the amount of $42,000,000; and whereas until the recent panic the revenues were ample to meet the current expenses of the Government: Therefore,

"*Resolved*, That instead of levying additional taxes the true policy lies in the enactment of such a law or laws as will relieve such stringency and supply the means necessary to the business wants of the country, by increasing the circulating medium, thereby reviving business, increasing revenues, and thus avoiding the necessity of increasing the present rates of taxation or duties, or the imposition of additional taxes or duties.

"*Resolved*, That the Committee on Banking and Currency be, and is hereby, instructed to prepare and report to the House, without delay, a bill for the purpose in the first resolution expressed, and that said committee have leave to report at any time."

YEAS—Messrs. Adams, Albright, Arthur, Ashe, Averill, Barber, Barrere, Begole, Bell, Berry, Biery, Bland, Blount, Bowen, Bradley, Bright, Brown, Buckner, Bundy, Burrows, Roderick R. Butler, Cain, Cessna, John B. Clark, jr., Clements, Clinton L. Cobb, Stephen A. Cobb, Coburn, Comingo, Conger, Cook, Corwin, Crittenden, Crossland, Crutchfield, Curtis, Danford, Davis, Dobbins, Donnan, Dunnell, Field, Fort, Freeman, Glover, Hancock, Henry R. Harris, John T. Harris, Harrison, Hatcher, Havens, John B. Hawley, Hays, John W. Hazelton, Hereford, Holman, Hubbell, Hunter, Hurlbut, Hyde, Jewett, Kelley, Killinger, Knapp, Lamar, Lamison, Lawrence, Leach, Lofland, Loughridge, Lowe, Lynch Marshall, McCrary, Alexander S. McDill, McNulta, Merriam, Monroe, Morey, Neal, Negley, Niblack, Nunn, Orr, Orth, Packard, Packer, Page, Isaac C. Parker, Pelham, Perry, Phillips, Pratt, Purman, Ransier, Rapier, Rawls, Ray, Richmond, Robbins, Rusk, Henry B. Sayler, Sener, Sessions, Shanks, Sheats, Sheldon, Sherwood, Lazarus D. Shoemaker, Sloss, J. Ambler Smith, Southard, Sprague, Stanard, Stone, Strait, Strawbridge, Sypher, Taylor, Thornburgh, Todd, Tyner, Vance, Waddell, Wells, Whitehead, Whiteley, Whitthorne, William Williams, James Wilson, Jeremiah M. Wilson, Wolfe, Woodworth, John D. Young, and Pierce M. B. Young—135.

NAYS—Messrs. Albert, Archer, Banning, Bass, Beck, Bromberg, Buffinton, Burchard, Burleigh, Caldwell, Freeman Clarke, Clayton, Clymer, Cotton, Cox, Crocker, Crooke, Darrall, Dawes, DeWitt, Durham, Eames, Eden, Eldredge, Elliott, Foster, Frye, Garfield, Giddings, Gooch, Gunckel, Eugene Hale, Robert S. Hale, Hamilton, Benjamin W. Harris, Hathorn, Joseph R. Hawley, Hendee, Herndon, Hersey, George F. Hoar, Hooper, Hoskins, Kasson, Kellogg, Kendall, Lowndes, Luttrell, Maynard, James W. McDill, MacDougall, Mellish, Milliken, Mitchell, Moore, Morrison, Nesmith, O'Brien, O'Neill, Hosea W. Parker, Parsons, Pendleton, Phelps, Pierce, James H. Platt, jr., Thomas C. Platt, Poland, Potter, Rainey, Randall, Read, Rice, Ellis H. Roberts, Sawyer, John G. Schumaker, Scofield, Henry J. Scudder, Isaac W. Scudder, Small, Smart, A. Herr Smith, George L. Smith, John Q. Smith, Speer, Starkweather, Storm, Swann, Townsend, Waldron, Wallace, Marcus L. Ward, Wheeler, Wilber, Charles W. Willard, George Willard, John M. S. Williams, William B. Williams, and Willie—98.

NOT VOTING—Messrs. Atkins, Barnum, Barry, Benjamin F. Butler, Cannon, Cason, Amos Clark, jr., Creamer, Crounse, Duell, Farwell, Harmer, Gerry W. Hazelton, E. Rockwood Hoar, Houghton, Howe, Hunton, Hynes, Lamport, Lansing, Lawson, Lewis, Magee, Martin, McJunkin, McKee, McLean, Mills, Myers, Niles, Pike, William R. Roberts, James C. Robinson, James W. Robinson, Ross, Milton Sayler, H. Boardman Smith, William A. Smith, Snyder, Standeford, Stephens, St. John, Stowell, Thomas, Tremain, Walls, Jasper D. Ward, White, Whitehouse, Charles G. Williams, Ephraim K. Wilson, Wood, and Woodford—53.

Vote on J. M. Wilson's resolution of the 19th instant.

States.	Yeas.	Nays.	Not voting.
EASTERN STATES.			
Maine		4	
New Hampshire		2	1
Vermont		3	
Massachusetts		9	2
Rhode Island		2	
Connecticut		3	1
Total		23	4
MIDDLE STATES.			
New York	3	18	12
New Jersey	1	4	2
Pennsylvania	13	9	5
Delaware	1		
Maryland		5	1
Total	18	36	20
SOUTHERN AND SOUTHWESTERN STATES.			
Virginia	6	1	2
West Virginia	1		
North Carolina	6		2
South Carolina	2	3	
Georgia	8		1
Florida	1		1

Vote on J. M. Wilson's resolution—Continued.

States.	Yeas.	Nays.	Not voting.
SOUTHERN AND SOUTHWESTERN STATES—Continued.			
Alabama	5	2	1
Mississippi	2		4
Louisiana	3	2	
Texas	1	3	2
Arkansas			2
Kentucky	5	4	1
Tennessee	7	1	2
Missouri	13		
Total	60	16	18
WESTERN STATES.			
Ohio	12	6	2
Indiana	12		1
Illinois	10	4	5
Michigan	6	3	
Wisconsin	4	3	1
Iowa	6	3	
Minnesota	3		
Kansas	3		
Nebraska			1
Nevada		1	
Oregon		1	
California	1	2	1
Total	57	23	11

RECAPITULATION.

Total South and Southwestern States	60	16	18
Total Middle States	18	36	20
Total Eastern States		23	4
Total Western States	57	23	11
Total	135	98	53

Why is that so? Why, because, Mr. Speaker, those gentlemen of the East have been liberally provided for; and I do not blame them for voting just as they do in sustaining the interests of their people, and they must not blame us for voting as we do. Our rights are equal here upon this floor, and we propose to keep them so. In the apportionment of the banking capital the Eastern States have seventy millions in excess over that which their population and wealth entitle them to. The Middle States have about nine millions of excess. The Southern, Southwestern, the Western, and the Northwestern States have a deficiency of nearly eighty millions. Now, Mr. Speaker, if the Eastern and Middle States insist upon contraction, or if they oppose an increase of the capital and currency, will they not, ought they not, to be willing to accept as a compromise the surrender of one-half of the excess of their authorized capital and currency to the Southern, Southwestern, Western, and Northwestern States, in proportion to the wealth and population of each? Then there would be an equitable division of the banking facilities among all the sections of our great country, according to the wealth and population of each. I have no hopes of effecting any such arrangement by the consent of the interested parties.

You of the Eastern and Middle States are provided for, and there will be no complaints on your part. Why should there be? You are fixed, and I could not dispose of your case better than by quoting from the language of the patriarch Job, when he said, "Doth the wild ass bray when he hath grass? or loweth the ox over his fodder?"

What we want in the first place is more currency; if we cannot get that, then an equitable division among the people of all sections of the country. We have no fears of any bad effects resulting from a legitimate and proper increase of the currency; and you having eighty millions more than your distributive share according to your wealth and population. We will be satisfied to have our deficiency made up to us. There must be something done to relieve the country. This state of things cannot and must not continue. If you have seventy-nine millions more than your wealth and population entitle you to, we are not afraid of any conjectured effects that would flow from making up our deficiency of near eighty millions, and the country will not suffer, but gain infinitely, by the operation.

I will here give an abstract of the report of the Comptroller of the Currency of November last, which will show in tabular form and in detail the population of the States by the census reports of 1870, the capital paid into the national banks in each of the States, the apportionment of each State according to population and wealth, outstanding authorized circulation of the banks in each State, the excess and deficiencies of each State, upon the basis of the population and wealth of each, and also the population and national banking capital, and what ought to have been the just apportionment, excess and deficiency to each group of States, Eastern, Middle, Southern, and Western States.

Comptroller's report of November, 1873.

States.	Population of States, 1870.	Capital paid in.	Apportionment on population and wealth.	Outstanding and authorized circulation.	Excess.	Deficiency.	Ratio of circulation to capital.
Maine	626, 915	$9, 540, 000	$4, 931, 018	$8, 029, 252	$3, 098, 234	....	84. 1
New Hampshire	318, 300	5, 185, 000	2, 947, 938	4, 624, 525	1, 676, 587	....	89. 0
Vermont	330, 551	8, 335, 012	2, 897, 976	6, 932, 030	4, 034, 054	....	83. 0
Massachusetts	1, 457, 351	91, 342, 000	19, 239, 189	59, 523, 671	40, 284, 482	....	65. 2
Rhode Island	217, 353	20, 504, 800	2, 750, 047	13, 385, 840	10, 635, 793	....	65. 0
Connecticut	537, 454	25, 384, 620	7, 033, 752	17 994, 648	10, 960, 896	....	70. 9
New York	4, 382, 759	110, 654, 691	58, 386, 213	60, 976, 006	2, 589, 793	....	54. 4
New Jersey	906, 096	13, 958, 350	9, 699, 482	11, 026, 890	1, 327, 408	....	79. 0
Pennsylvania	3, 521, 951	53, 510, 240	38, 593, 217	42, 055, 781	3, 462, 564	....	78. 6
Delaware	125, 015	1, 523, 185	1, 140, 273	1, 296, 615	156, 342	....	85. 1
Maryland	780, 894	13, 640, 203	7, 372, 451	9, 252, 847	1, 880, 396	....	67. 8
Virginia	1, 225, 163	4, 185, 000	8, 031, 242	3, 902, 342	....	$4, 128, 900	83. 1
West Virginia	442, 014	2, 596, 000	3, 144, 141	2, 360, 307	....	783, 834	90. 1
South Carolina	705, 606	3, 170, 000	4, 460, 345	2, 319, 500	....	2, 140, 845	68. 7
North Carolina	1, 071, 361	2, 100, 000	6, 457, 922	1, 819, 300	....	4, 638, 622	80 4
Georgia	1, 184, 109	2, 785, 000	7, 010, 887	2, 365, 605	....	4, 645, 282	81. 5
Alabama	996, 992	1, 569, 300	5, 762, 546	1, 541, 133	....	4, 221, 413	82. 2
Mississippi	827, 922	....	5, 039, 529	5, 876	....	5, 033, 653	0 0
Louisiana	726, 915	5, 250, 000	5, 230, 763	3, 646, 870	....	1, 583. 896	68. 8
Texas	818, 579	995, 000	4, 695, 740	930, 960	....	3, 764, 780	75 1
Arkansas	484, 471	205, 000	3, 144, 336	192, 495	....	2, 951, 841	90. 0
Kentucky	1, 321, 011	8, 263, 700	9, 621, 727	7, 637, 900	....	1, 983, 827	84. 4
Tennessee	1, 258, 520	3, 520, 481	8, 715, 318	3, 341, 736	....	5, 373. 582	86. 9
Missouri	1, 721, 295	9, 545, 300	15, 459, 409	6, 476, 193	....	8, 983. 216	64 9
Ohio	2, 665, 260	20, 093, 000	25, 385, 826	23. 876, 370	....	1, 509, 453	80. 4
Indiana	1, 680, 637	17, 611, 800	15, 184, 271	14, 706, 415	....	477, 856	81. 9
Illinois	2, 539, 891	20, 843, 000	24, 155, 430	17, 824, 209	....	6, 331, 221	77. 4
Michigan	1, 184, 059	9, 763, 500	9, 665, 657	7, 485, 043	....	2. 180, 614	73. 8
Wisconsin	1, 054, 670	3, 680, 000	8, 983, 203	3, 253, 316	....	5, 729, 887	83. 7
Iowa	1, 194, 020	6, 017, 000	9, 711, 381	5, 674, 385	....	4, 036, 996	88. 3
Minnesota	439, 706	4, 173. 700	3, 363, 645	3, 330, 414	....	33, 414	75. 0
Kansas	364, 399	1, 975, 000	2, 787, 854	1, 825, 496	....	962, 358	77 8
Nebraska	122, 993	905, 000	971, 692	809, 500	....	162. 192	87. 5
Nevada	42, 491	....	372, 052	11, 864	....	360, 188	0. 0
California	560, 247	3, 200, 000	6, 324, 183	....	....	6, 324, 183	0 0
Oregon	90, 923	250, 000	718, 277	225, 000	....	493, 277	90 0
Florida	187, 748	....	1, 127, 346	90, 000	....	1, 037, 346	0. 0
Total of States	38, 115, 641	429, 074, 882	350, 516, 278	350, 750, 334	80, 106, 549	79, 872, 493	......
Total of Eastern States	....	160, 291, 432	39, 799, 920	110, 489, 966	70, 690, 046	....	......
Total of Middle States	....	193, 286, 669	115, 191, 636	124, 608, 139	9, 416, 503	....	......
Total of Southern and Southwestern States	....	44, 184, 781	87, 901, 251	36, 630, 217	....	51, 271, 034	......
Total of Western States	....	97, 517, 000	107, 623, 471	79, 022, 012	....	28, 601, 459	......

If we had a sufficient quantity such a proposition need not have been mooted. The question after all is, whether we have enough? How shall we determine it? The law of supply and demand determines it to a great extent. The rate of interest testifies in the case. Is it possible that the quantity of the currency is sufficient to make the necessary exchanges of the country when the holders of the currency demand and receive 12 to 18 per cent. interest for it? Shall not this medium of exchange be measured by the same laws which govern all other commodities as to the quantity on the market?

If we have abundance why are the producers and manufacturers compelled to pay such rates of interest?

I heard a singular argument the other day put forth by a statesman. This gentleman said that we had so much currency that its purchasing power was depreciated, and the lender therefore had to charge greater rates in order to make his legitimate relative profits. Mr. Speaker, that will not do. Apply his rule to any other commodity and you will see that it will not do. By his theory, if you wanted cheap horses, cattle, or other property, the obtaining the object would be by destroying one-half of the whole number.

I undertake to say another erroneous idea seems to afflict the minds of the contractionists, and that is that the gold dollar is the absolute standard of value. Why, sir, it has often been demonstrated in the history of our country that a bushel of wheat would as frequently buy two dollars in gold as that one dollar in gold would buy one bushel of wheat in the market. This, I believe, will hold good in all the great markets of the world. How do you account for it? Is the "standard of gold" measured by the value of the wheat, or by the quantity of each on the market? Why, sir, the wheat measures the value of the gold as much, and I think more, than the gold does the wheat. When we have large crops of wheat, the crop of money becomes small by comparison, or relatively, and *vice versa*.

The quicker we cut loose from all these old worn-out heresies, which can have no possible perfect, or even modified, application to us or to our modes of thought and acting, and start on the plain, common-sense path dictated by the spirit and genius of a free and independent people, the sooner will we get rid of the difficulties which beset us on every hand.

Mr. Speaker, the contractionists say, "Let us come back to specie payments at once." Why, sir, if we had a circulation of three hundred and fifty millions of bank-notes, and four hundred millions in greenbacks to redeem it with, and had a suspension of all in September and October—if the men in New York could make a corner on our whole currency and the redeeming agency at the same time, what would have become of the interests of the country if specie payments had prevailed in harmony with the old plans on that subject in this or any other country? Your paper currency and business would have been involved in irretrievable ruin, as in other crises.

We know, sir, what powers of combination these men possess. See how opportune for their interests this financial disaster came. See if there is not evidence of collusion and combination between the capitalists and money-lenders of Europe and America. Just at the time when crops were short in Europe; at a time when they would be compelled to import large quantities of agricultural products from America; just at the time when our cotton crops as well as the more than average quantities of the other crops were required in Europe to make up their deficiencies and we were about in return to receive the "world's currency," or its equivalent, in exchange for our surplus products, the combined money power of Europe and America "made the corner." The result was that our produce was stopped *in transitu*—the prices reduced more than 25 per cent. Had this not been done the exportable commodities would have gone forward, realizing full prices paid to our own people. The balance of trade might have turned in our favor, and the gold that we have been compelled to export annually to pay our debts abroad would have remained with us; and in time "specie payments" would have resumed of their own motion, and the interests of the country have been protected and saved.

But, sir, the effect of this combination has been to turn our working-men out of employment, sending them adrift in every direction at the most trying and inclement season of the year. "Too much currency," you say. If we had enough, properly guarded and regulated, it would be impossible for the privateers to capture and corner it as they did. Can a corner be made upon the produce of the country except when under the influence of such panics? I think not. It has been tried in Chicago; but they cannot be maintained. Such curses are like chickens; they come home to roost, and the parties engaged are frequently involved in irretrievable ruin.

Mr. Speaker, on the question of the quantity of the currency, it seems to me, as I said before, that to state our case is a sufficient argument of it. If sufficient, why are we compelled to pay such dear rates for its use? But then, again, contemplate the difference between our condition and that of Great Britain, our banking capital and circulation twenty-seven dollars *per capita*, and theirs one hundred and five dollars, and the demands for its use in each country; our country stretching from the north pole to the equator, from the Atlantic to the Pacific, embracing forty million free, industrious (and ought to be a prosperous) people, and they would be prosperous if the legislation of the country favored all as much as it does part of our people—this vast area, embracing lands, forests, and mines of undeveloped and inexhaustible wealth, which could and would furnish five times our capital and circulation profitable avenues for investments and active operations in the development of our great and as yet undeveloped natural resources, capable of employing and sustaining five hundred million people. Great Britain, with her thirty-two million people, and one hundred and five dollars of banking capital and circulation each, covers an area not larger than one of the States of this Union, powerless to inaugurate an additional industry, those in operation far on the way to complete exhaustion, and with her great city of London, which, practically, is Great Britain for all commercial purposes, does not in fact need one-fourth the banking capital and circulation that we do. The Eastern States, with a part of the Middle States, may, as before stated, have a fair supply, for they are situated much like England is, without the undeveloped resources to set on foot new industries, and with the great cities of New York and Boston, which, through their clearing-houses, transact hundreds of millions daily on less than 4 per cent. in actual currency. Not so with us in the West, South, Northwest, and Southwest. Our sections, more sparsely settled, and denied by the Government our equal share of banking facilities, we have, in proportion to our needs, very limited facilities for transacting the business of our great producing region of the country.

But, Mr. Speaker, what has been the effect of our financial system of which this inconvertible and branded paper currency is so prominent a part, and which was adopted by the republican party? I do not refer to this matter in a partisan sense, only because the republican party was in power when it was adopted, and has sustained it since its birth. I am very glad to find so many of the friends of the proposition with me, from the South and West, of both parties. Sir, the country has advanced more in material wealth, and all the elements of civilization, since 1861, twelve years, than marked its progress in all the history of its past. The melting of the shackles off four million slaves, by the fervid heat of a fratricidal war, has not only resulted in their emancipation, but has stricken the shackles off thirty million white people. I have not the time to go into details, and have not the statistics present.

But, Mr. Speaker, I want to state a fact which is patent, and which can be seen, known, and read of all men everywhere—that under this policy of expansion, if you so call it, the United States has grown more in wealth and prosperity in the twelve years than it did in the whole seventy-one years of its previous existence. In 1860 all descriptions of property, including the estimated value of slavery, nearly four hundred millions, was estimated about $16,000,000,000. In 1870 the same description of property, with such additions as had been made in the decade, excluding slavery, (as it had been destroyed,) was estimated at nearly $30,000,000,000. The increase in the same ratio would indicate a grand total of more than $32,000,000,000 in 1873. These vast accumulations, Mr. Speaker, are the product of the laborers and citizens of the country who are now feeling so keenly the effect of the monetary panic. And, therefore, I say that the very best argument that can be adduced in favor of my theory of finance is to be found in your census tables demonstrating the unprecedented growth and prosperity of the country under this policy—more development and growth in twelve years than in seventy-one years before the adoption of this policy.

Now, Mr. Speaker, that which I am specifically in favor of is this. In the first place I understand that the Committee on Banking and Currency have reported that the permanent quantity of greenbacks in the country shall be $400,000,000. I do not care to increase that description of currency just now. I am aware that here I will differ with some of the friends of expansion. There are those who believe that the entire circulation ought to be greenbacks. They may be right. But it seems to me that our present system has merits in it, and that it ought not to be abandoned unless for paramount considerations. It also occurs to me that our dual system is better than a sole system of any kind; that in the system of national banks regulated by law, the Government retains a sort of supervision that it could not very well do if greenbacks were to constitute the sole currency. It is true we would save money in the way of interest, but is it not also true that the people would lose largely in the way of local taxation? I take it that greenbacks are not subject to taxation by local or State governments in the hands of the holders, because they are a Government credit.

Mr. HOLMAN. Will the gentleman allow me to ask him a question?

Mr. BUNDY. Yes, sir.

Mr. HOLMAN. For several years after greenbacks were first issued in 1862 they were subject to taxation. They were subject to a war tax I think as late as 1864, when they ceased to be the subject of taxation. Congress having yielded the right, might not greenbacks be made the subject of local taxation?

Mr. BUNDY. I am not a casuist in that particular, and hence do not know. But I think not, as a greenback has been determined by the State courts to be a token of Government credit, and hence not taxable. The courts in my State have decided that greenbacks, in the pockets of the individual, are not the subject of taxation at the time or on the day of the assessment. The Federal courts have affirmed these decisions.

Mr. HOLMAN. Was not the decision made under a law enacted exempting them from taxation?

Mr. KELLEY. I must protest against the gentleman from Ohio [Mr. BUNDY] being interrupted. He has said over and over again that he has no notes, and does not wish to be diverted from the line of his argument.

Mr. KELLOGG. No one would have thought of interrupting him had not the gentleman from Pennsylvania [Mr. KELLEY] first interrupted him.

Mr. BUNDY. I have but a few more remarks to make on this branch of the subject. I hold that the volume of greenbacks ought to be at least $400,000,000, and fully justify the Secretary of the Treasury in emitting the reserve held in his vaults.

As to whether the national banks should be supplanted by the sole system of greenbacks or not is an open question with me. I was, and am still, in favor of the three sixty-five bond payable in lawful money, and converted at the option of the holder into currency; and that such bonds shall be held and treated by the national banks as their reserve in place of their own notes and greenbacks, thereby releasing the latter, giving them the power of mobility to circulate, which would add more than one hundred and twenty-five millions to the volume of the currency. I have been staggered a little in the practicability of issuing these bonds to take the place of currency, and to act as an element of elasticity to the currency. I was talking with a gentleman who seemed to understand better than I did the arts and powers of the New York operators. He expressed the opinion that in some way they would manage to get possession of and control these bonds when they wanted to make a corner in the money market, and therefore they would and could not be converted into currency, as contemplated by their friends. If this could be done I am not certain that I would be in favor of issuing such bonds, but had rather risk some other expedient to expand and impart elasticity to the currency. Mr. KELLEY, the author of the bill introduced by himself, on that subject, can probably dissipate any doubts I may have. If so, I shall favor his proposition.

I am in favor of another thing, and that is that the national banks shall be prohibited from paying interest on current deposits or daily balances, and that they shall not be compelled by law to keep a reserve of 25 per cent. of their deposits in the banks to pay depositors. Let the banks and depositors fight their own battles. As I said some time since, the banks of England only hold one hundred and sixteen millions in reserve on a line of deposits and circulation of $3,500,000,000, less than 4 per cent. of the aggregate. There is no reason why our banks should be compelled to hold more.

In conclusion, we want a sufficient currency, and want it good. The latter attribute we have secured in a greater measure and for a longer period than any country ever did, following so closely upon a destructive war. The better way, and in my judgment the only way, to appreciate its quality is to enlarge its quantity to such a volume as, if endowed with the requisite elastic powers, will keep all the productive industries of the country in active and profitable operation; for from these and these alone must come all the means to pay the interest on our public debt, the pensions of the widows and orphans, and ordinary expenses of the Federal Government. The full and successful tide in the operations of these will give us the resumption of specie payments that will come to stay. The converse will buy bankruptcy of the people and Government, and ultimate practical, if not formal and actual, repudiation. The untarnished credit of the Government at home and abroad can only be maintained through the prosperity of its people in all the departments of their industries.

CIVIL RIGHTS.

Mr. ROBBINS. Mr. Speaker, in the discussion of this so-called "civil-rights bill," the Representatives of North Carolina have thus far occupied but little of the time of the House, and myself none at all, as I preferred to hear fully the advocates of the measure before giving my views. But a sense of duty will not permit me to remain silent longer on a subject so vitally important to the people of the entire South. The Northern States, whose people are nearly all of one race, will be little affected by this measure; and their Representatives here, knowing little of the practical difficulty of maintaining free government and social harmony among a heterogeneous population like ours, may think it a light thing to indulge in this theoretical and fanciful legislation, and thus to thrust a new factor into the great and novel problem which we of the South have to solve. But that spirit of comity and mutual good-will which should exist among all the sections of a common country, now irrevocably bound to a common destiny, ought to induce our northern countrymen to hearken with patience and deference to the protest which comes up against this measure from all those thirteen States whose welfare it most deeply concerns—States which, it is true, you lately overwhelmed on the field by your superior numbers, but whose heroism in the struggle and whose bearing under defeat entitle them to the respect of their brave adversaries. So important were those States in area, climate, soil, and resources that a dozen years ago you declared that their continuance in the Union was necessary to the "nation's life," as you phrased it. If that were so, are not their peace and prosperity in the Union essential to the nation's healthy life? If by an unwise policy you keep that half of the body-politic morbid and disordered, will not the nation—like my late constituents and supporters, the Siamese twins, after one was paralyzed—drag out but a diseased, enfeebled, and miserable existence?

The bill under discussion reads as follows:

A bill to protect all citizens in their civil and legal rights.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That whoever, being a corporation or natural person, and owner or in charge of any public inn; or of any place of public amusement or entertainment for which a license from any legal authority is required; or of any line of stage-coaches, railroad, or other means of public carriage of passengers or freight; or of any cemetery, or other benevolent institutions, or any public school supported, in whole or in part at public expense or by endowment for public use, shall make any distinction as to admission or accommodation therein of any citizen of the United States because of race, color, or previous condition of servitude, shall, on conviction thereof, be fined not less than $100 nor more than $5,000 for each offense; and the person or corporation so offending shall be liable to the citizens thereby injured in damages, to be recovered in an action of debt.

SEC. 2. That the offenses under this act and actions to recover damages may be prosecuted before any territorial, district, or circuit court of the United States having jurisdiction of crimes at the place where the offense was charged to have been committed as well as in the district where the parties may reside, as now provided by law.

The following amendment is proposed to be submitted by Mr. MOREY:

Add to the end of section 2 the following:

And all of the provisions of the act entitled "An act to protect all persons in the United States in their civil rights, and furnish the means of their vindication," passed April 6, 1866, relating to the enforcement of civil rights, with the penalties therein provided, are made applicable in the prosecution of offenses under this act.

Whether Congress has the right, under the Constitution, to enact such a law, (which I do not believe,) or whether such right pertains solely to the States, (which is my opinion,) I will not stop to discuss, for not only has that question been fully debated already, but even if the right of Congress to pass this bill were undoubted, I should still oppose it on account of its ruinous inexpediency. My remarks will be confined altogether to the detection and exposure of the false political, social, and ethnological principles upon which this proposed legislation is based, and the injurious results necessarily consequent upon its adoption. If my treatment of the subject should seem somewhat speculative and discursive, I trust it may be pardoned, and attributed to my desire to avoid following in a beaten track and repeating what has already been said.

We have heard much in this debate about equality—the equality of men and of races of men. That kind of rhetoric has been fashionable in America for a century past. The illustrious Jefferson appears to have inaugurated it when he penned the celebrated sentence, "All men are born equal." That sentence was analyzed twenty-five years ago by another famous statesman of our country, and shown to be not only not true, but to contain more error and untruth than has ever been embodied, perhaps, in the same number of English words. It is a sentiment which may serve very well, and often has served well, as the war-cry of revolutionists, but calm philosophy, ay, plain common sense, smiles at its absurdity. "*All* men born equal." Why, sir, *no two* men are born equal, or ever live to become equal. In face, in form, in fortune, in intellect, in everything, each man is unlike every other. Not equality, but infinite inequality and variety, is the law of this universe. It has been said that "Shakespeare never repeats." Such was the compass of his genius, that every effort of his mind evolved a new idea. Does God, then, repeat? No, sir. Each thought emanating from the All-perfect mind is a new thought, and each act a new creation. He made the oak to battle with storms, and the daisy to shelter underneath; the eagle to soar above the clouds, and the mocking-bird to sing in the thicket. All nature is full of contrasts and unlikenesses. And not only does this variety pertain to the natural world, but in that higher realm to which faith points us, "one star differs from another star in glory." So that from the grains of sand and the rocks, upward through the living, the animate, the intelligent, the spiritual, the angelic existences, to the very throne of God, all being is one grand chain of progressive and successive links, whereof there are no two of them equal or alike.

The fanatical spirit which threatens utterly to dominate this country seeks to reduce everything and everybody to the plane of mediocrity and a common average. It hates superior excellence. It is a leveling spirit, leveling downward and not upward. In the eyes of these so-called universal-equality men no doubt the forests look deformed, because the oak, and elm, and pine overshadow the minor shrubs; and the starry heavens appear to them imperfect, because Sirius, and Arcturus, and Aldebaran shine out proudly eminent among their little companions. And these men would think it an improvement if they could bring down all the trees to the level of the black-jack, and all the stars to the size of the north star. But fortunately these things are beyond their power, being protected by a constitution which our radicalists and higher-law men cannot, and therefore do not, violate and trample on. But there is one thing which these fanatical levelers might do, and to be consistent they ought to do it at once. Above your head, Mr. Speaker, I see the image and presentment of the eagle—our national emblem. In the name of equality, sir, I demand what business has he there? He is a monarch—the king of birds. He is no fit emblem for us in these times—no proper representative of the prevalent ideal. I suggest that he be torn down, as the French tore down the monogram of the Emperor. Do you ask me what bird could with propriety be put in his place? The crow, sir. He is a bird of medium size, and therefore embodies well the idea of the levelers. His plumage is of the favorite color, so popular with the dominant party. [Laughter.] I will not—because it would seem ungracious—carry out the parallel in its details, and show how fit an emblem for the times he is in other respects, such as his thieving propensities, and the like. [Laughter.] I think what has been suggested is sufficient to satisfy you that if this bill is to pass, the so-called reformers should at least amend it, by providing that the eagle shall henceforth come down from his proud perch, and the crow be exalted in his stead. [Laughter.]

The gentleman from Massachusetts [Mr. BUTLER] seemed himself to abandon the idea of the absolute equality of men; for he formulated his doctrine in these words: "That every man has the right to become the equal of another, if he can." In some sense that may be conceded as true. But that is not what this bill proposes. It does not propose to leave the negro to be the equal of the white man, "if he can;" for our laws amply provide for that now. by opening to the negro every avenue to progress and emolument which other men possess. But this bill seeks to make the negro equal to the white man by pulling the white man down to the level of the negro; by providing that the white man shall be nothing, have nothing, and enjoy nothing, unless he sees to it that the negro shall be, have, and enjoy precisely the same thing

Sir, since it is impossible for any one man to be equal to or like any other man, is it not more philosophical to say that such a thing can be no proper object of human effort or ambition? Our rights are limited by our duties, and our duties are measured by our capabilities. "To whom much is given, of him shall be much required." I lay this down as the true doctrine—that every man has the right, and is bound by the duty, to fill the sphere and move in the orbit to which God and nature have assigned him, as indicated by his peculiar natural endowments, which, being different in each individual and in each race, point out for each a different part to perform. If we could change this, and compel all to revolve in one and the same orbit, we should overthrow eternal laws and reduce the world back to chaos.

In speaking of the characteristics of the negro, I do not mean any disrespect to him. I respect all men as men and as the children of a common Father, and I trust I have a heart to wish well to all and to do good to all. But, sir, the negro is not a black white man. He is a different man, with different talents, different duties, and different rights. In saying this I do not deny unity of origin and a common ancestry to the human family. I believe in these things, because such seems the plain teaching of that Book which southern men generally rely upon as the embodiment of perfect truth.

Do you ask me, then, whence sprang the huge dissimilarities which mark the several branches of this common family, and which have thus distinguished them for ages? That is a question which has puzzled the brains of scientists for centuries, and it would be presumptuous in me to attempt its solution. But we are told in the Book of books that there was a period when "the whole world was of one language and of one lip, (as the Hebrew has it,) and while they were engaged in building a lofty tower, as a common rallying point, for the purpose of preventing their own dispersion, this design of theirs being opposed to the design of the Creator, He came down and, by an exertion upon the whole race at once, of that omnipotent power by which He first made man out of the dust of the earth, divided them up into tribes, and nations, and races, and scattered them abroad over the world, giving to each division a different speech, and probably, at the same time, a specific physical type; for that great changes were wrought in man's physical constitution about that period is proven by the fact that previously men lived nine hundred years, while ever since then the measure of their days is three-score years and ten. But this is a digression, and this is not the time or place to follow up the idea. If we were in a lyceum discussing ethnology, I would enlarge upon and fortify it. Here I merely throw out the hint, to be laughed at by fools, but to be pondered by those who realize the mystery and (as Carlyle says) "the deep tragedy of human life."

But, sir, no matter how the races originated, they do exist and are not alike. The negro is different from the white man. In some things he excels the white man. He has much music in his soul. He can outsing, outdance, outlaugh, and outfrolic the white man. He is more docile, more self-satisfied, more imitative, more affectionate, more passionate, and perhaps more naturally eloquent than the white man. He is the world's "merry-andrew." He is the world's star actor on the comic stage. Such are the endowments of the negro; and some of them are noble qualities, and by no means show that the negro may not fill a useful and important place in the world's future civilization. But when you come to the grand tragic and heroic parts in the drama of humanity, where will, force, courage, forethought, the sense of masterdom, and the instinct of dominion are required to shine, the negro fails. Despite all that we have heard on that subject, the negro is no fighter. To prove that he is, we are pointed to the records of the recent war between the States. Yes; infuriated with whisky, he was brought to the scratch a few times, only to be sacrificed without result.

Mr. WALLS rose.

Mr. ROBBINS. I do not wish to be interrupted.

Mr. WALLS. Did you ever meet the negro on the battle-field?

Mr. ROBBINS. Yes, sometimes; and whipped him easily too. It was my business for four years on the battle-field to meet all comers without regard to "race, color, or previous condition of servitude."

The gentleman from Massachusetts [Mr. BUTLER] has given us a glowing account of how he sent in a column of three thousand negroes to take a redoubt at Newmarket Heights, protected, he says, by two lines of strong abatis, and manned by one thousand of Lee's veterans. Relying solely on the weight of his column and the energy of the charge, he says he uncapped the muskets of his men to prevent their firing. And he says they took the redoubt with a loss of five hundred and forty-three killed, and that the thousand rebels were so frightened—of course they were not hurt, as his men had no caps on their muskets—that they did not stop running for four miles. Now, far be it from me to charge that gentleman with intentional or conscious exaggeration. I have always thought it was cruel and unjust in Prince Hal to accuse Falstaff of lying when he recounted his fight with the supposed travelers on Gadshill. I have always believed that Sir John did really see eleven men in buckram, though it was dark, and only Hal and Poins were there. Allowance must be made, sir, for excitement of fancy in combatants rehearsing their own exploits and "fighting their battles o'er again." [Laughter.]

Being absent, wounded, at the date spoken of by the gentleman from Massachusetts, of course I cannot speak of the facts from personal observation. But from many comrades who were thereabouts at the time I have always understood that when Ord's column of white troops surprised and took Fort Harrison, which was the center and key of our rebel position, whatever posts to the left of it were given up at all were abandoned at once under orders and without serious resistance, their isolated situation rendering them untenable. A handful of skirmishers, moved by the instinct of old fighters, may have given a parting shot or two as they were ordered away.

Four or five were usually wounded in battle to one killed outright. If five hundred and forty-three were killed in that negro column, two thousand or twenty-five hundred others must have been wounded; so that it is really wonderful that the small squad left should have been able to terrify so thoroughly with their uncapped muskets that thousand old powder-burnt rebels! There does not appear any good reason for their running in such wild dismay; and no one knows better than the gentleman from Massachusetts that the men he used to meet in battle were not given to running away without a good reason.

Mr. Speaker, it appears now that we men of the South must have been under a strange delusion. Those serried lines which used to charge us with such terrible vigor looked like white men to us; and if the field ever remained in our hands, we always found that the slain heroes who strewed the ground so thickly were, alas! our white American brothers—all honor to them; all honor to the heroic dead on both sides who laid down their lives for their principles! We thought then that the masses of heroic white troops led by Grant, and Sherman, and McClellan, and Meade, and their compeers, were the men we ought to dread; but we learn now that it was the hero from Massachusetts and his colored troops that we had most reason to fear. Wonderful that we should thus have been destroyed by that which then caused us so little apprehension!

I am told that the records of the war show that only some fifteen hundred negro troops were killed in the entire four years. That fact alone speaks volumes. We know that a single corps of white troops—Federal and Confederate alike—sometimes lost that many killed in one battle. Meagher's brigade of heroic Irishmen must have lost a large fraction of that number at Fredericksburgh. There was fighting indeed. And though I was their adversary there, yet in honor of their matchless gallantry I pray that the turf on their graves may be as green forever as their own Emerald Isle.

Look at one more fact. Nearly three years before the war ended the four million negroes of the South knew that its result involved the question of their liberty. Yet while the continent shook with the earthquake of war, and nobody was at home but old men and boys to keep them in order, those negroes seized no weapon and struck no blow. I do not mention it as a reproach to them. It merits rather the thanks of southern men. I mention it only to show that the negro is not like the white man. What race of white men would have remained quiet under the same circumstances? When the proclamation of emancipation was issued the peculiar patrons of the negro in the North expected him to rise and throw off the yoke and butcher our wives and children; and in the abundance of their philanthropy and humanity they hoped so, too. The result showed how little they knew of the negro character; and their whole policy since, ay, this very bill to-day, shows how little they still understand him.

Sir, the negro may excel in minor qualities, but he is lacking in those peculiar endowments of vigor, will, and force of character which give dominion in this rough world of ours. Wherefore it was said that "Japhet shall dwell in the tents of Shem, and Canaan shall be his servant;" and the white man has come all the way from Europe, and the Indian has been dispossessed, and the negro has been brought from Africa, that the prediction might be fulfilled here in America. Sir, the negro is a clinging parasite. He looks up to others as his superiors. He is an inveterate servant. Free him how you will, enfranchise him as you may, he still waits for guidance and submits to command. In all the Southern States to-day he is but the tool of political shysters, who prate of his bodily freedom while they enslave his soul. Even here on this floor (and I mean no disrespect to any fellow-member by this remark) he does nothing, he says nothing, except as he is prompted by his managers; even here he obeys the bidding of his new white masters, who move him like a puppet on the chess-board.

The old system of negro slavery, as once existing in all the States, is forever dead and buried, and I have no tears to shed over its grave. I always believed it would come to an end before a great while, because I saw it was changing; and whatever thing changes must die. There is in the universe but One eternal, because there is but One immutable. Sir, slavery had fulfilled its mission, which was to civilize and christianize an originally savage race. It was God Almighty's school to which he sent the negro to be trained and developed. Practically, and as human nature is, it seemed the only system by which he could have been protected, fed, clothed, and cared for, while gradually acquiring civilization from the more cultivated race in whose presence he dwelt. This line of remark may seem digressive, but I adopt it in defense of my native South. She is often derided for her slow material progress in the past, and her late social system is denounced as the cause. Sir, I have heard these revilings of my people till my spirit burns within me.

I stand here to-day as an independent and fearless vindicator of the South. I hope I shall not be charged with improper sectionalism in so doing. Other parts of the country feel free to talk of themselves here. When we were talking of the centennial celebration yesterday we heard Pennsylvania boast of the glorious events that have made her renowned; and Massachusetts took up the refrain and sounded her own praises, too. They had a right to do so. But surely if it is consistent with national sentiment for some States to boast their renown, it cannot be wrong for other States to defend themselves against unjust reproaches.

It was not slavery, sir, which kept the South back; it was the presence there of four millions of men who came to us at first utterly untrained savages; and these we had to govern, train, and improve, as best we might. Herein it was our mission to expand our moral and material forces, and it entailed upon us great burdens; for these men were awkward and unskillful laborers, whereby our efforts were of necessity confined to the coarser and more primitive kinds of human industry; and thus we suffered infinite material loss. The North, with her skilled and educated laborers and artisans, was at liberty to devote herself to the more complex and refined industrial pursuits, with consequently higher profits and more rapid growth in affluence. To have freed our slave laborers, and set about directly educating them in schools, was, for many reasons, a practical impossibility. If we had freed them much earlier than they were set free, and thrown them on their own resources, they would have perished in their helplessness. When they were freed, immensely advanced as they then were in practical knowledge of the arts of civilized life beyond their original condition, consider what immense cost and labor it has required on the part of this great Government, through the machinery of the Freedmen's Bureau and other agencies, to hold that race up till it got able to stand alone.

While the North, therefore, can point to her great cities, her wide commerce, and her abounding wealth, as the results of her efforts, may not the South truthfully say that the grand work of civilizing and elevating a whole race has been mainly hers? I do not claim, nobody pretends, that the great and beneficent results which, under Providence, we have thus wrought out were directly and consciously aimed at by us with deliberate purpose. In our dealings with the Africans we were, of course, mainly prompted by those ordinary motives of self-interest which move human nature everywhere; just as were the Yankee slavers who deported the negro from his native land and sold him to us. He owes none of us, North or South, many thanks. But I do maintain that his removal from Africa, and temporary subjection in this country, have been the divinely appointed means of his civilization and Christianization. These things seem so obvious to me that I content myself with simply stating them and leaving them for the reflection of all candid minds.

Neither ought the negro, or his *soi-disant* friends, to indulge perpetual bitterness, as if in all those events any wrong or any strange thing has happened to him. We may speculate upon the absolute right of every human being, under all circumstances, to liberty and self-control. These are fine abstractions. But the order of nature and of Providence, which is practical, seems to be that every man, every nation, and every people shall first pass through a stage of subjection and pupilage under some superior authority before arriving at maturity and enfranchisement. Each individual man passes through this stage of youth and subordination to his parents before he becomes of age. The leading of Israel into Egypt and into bondage was as wonderful and as necessary as their exodus therefrom. And as for nations, Spain, France, England, and the United States, and all others, I believe, first went through a period of dependence on some superior power or mother country before they reached independence and autonomy. The negro race, therefore, in being required first to serve and to be protected, and to learn, has only obeyed a law of human development, universal in its application.

Looking at what has been done for him, the negro has perhaps done less, as yet, for himself and the world than any other man in history. In his own land he has always been and still is a savage. Against his own will, the English and Yankee slavers stole him from

Africa and sold him into southern servitude, and as soon as they had done so and got the money, began to roll up the whites of their eyes over the sin of slavery and to plot for his freedom. Against his will, the southern master trained him to regular labor and civilized habits, and gradually fitted him for liberty. Then in a grand conflict of arms among white men, in which he took no important part, he was freed. Afterward white men, voluntarily, without any effort of his, enfranchised him, made him a voter, and empowered him to hold office. As a freeman and voter he has put bad men in power, made suffrage a farce, destroyed public credit, ruined States, and disgraced republican institutions; and the return he makes is to clamor for more power and more privileges that he may further blight and mildew and waste our general welfare and prosperity. Is it not time to call a halt in this wild, negro-toting legislation? Is it not best to content ourselves with the ample guarantees which have been provided to protect the negro in his rights of life, liberty, and property, and set to work to see if we can save the institutions of this country, the good name of republican government, and the cause of human rights throughout the world?

France and Spain, our earliest allies, led by our example, have both, since 1789, struck many a resounding blow for liberty and popular institutions. But both, being recently freed from tyrants and given a choice of their destiny, seem to be retrograding back to monarchy, and inviting again the yoke of the despot. Why is this? It is because our example no longer cheers and encourages them. When they look this way they see South Carolina, Florida, Mississippi, Louisiana, under so-called republican governments, crushed, despoiled, oppressed, and ruined—all this the work of the negro and his baser allies. Thus our example rivets chains on the necks of the nations.

Central and South America and Mexico find it impossible to establish good and stable governments. They breed revolutions and disorders as putrefying carcasses breed worms. It is because they are mongrel nations. They have no unity of race, interest, or sympathy; no common aspiration, no concord, no cohesion. Still, in pursuit of a vain and crazy theory of universal equality, born from the brains of immeasurable fools, you propose to follow in their footsteps and mongrelize half this nation, thereby rendering its healthy life impossible. Is it not time to call a halt?

It is impossible to undo what has been done, and nobody proposes to attempt that now, nor ever, unless by common sense and common consent and by peaceable means. But we can avoid going further on the down-hill road. Sir, it is time to recur to the doctrine in which is bound up the salvation of this country—the doctrine that this is the white man's land and ought to be a white man's government. I wish I had time to review the record of the great leaders of the radical party in the first few years after the war, and show how indignantly they then spurned the idea of making the negro a suffragan and political power in this country. They have long since gone beyond their scruples then. Party greed and ambition drove them on; and the same motive pushes them still on to propose this last and most ruinous of all their measures. If any happy future remains for this country, it must soon be delivered from that party and its reckless policy. This, sir, I repeat, is the white man's land, and he is responsible for its welfare. The temple of liberty founded here, and toward which all the downtrodden nations turn their faces to pray for deliverance, is committed to his charge. Let all the gentiles come, if they list—Chinese, Indian, Malay, African—and worship, and be amply and chivalrously protected while they worship in its outer courts; but the consecrated priest who ministers at the altar should be only the white man.

In my opinion this is not the permanent home of the negro. He is sojourning here as a school-boy under a course of tuition. He will graduate after awhile and leave school. He is not increasing in numbers. By the census reports, the African race in this country, during every decade before the last, increased on an average about 22 per cent.; during the ten years from 1860 to 1870, half of which period the negroes were in their former state of servitude, they gained 9.7 per cent. only, much less than half the former rate. We may infer, then, that the 9.7 per cent. was gained before 1865, and that from then to 1870 (under freedom) they increased none, but rather declined in numbers. The overshadowing white race is increasing rapidly in the land. In any event, then, the negro will in course of time be reduced to comparative insignificance. But for the present he is here in sufficient numbers, and makes up a sufficient fraction of the population in thirteen States, to be a tremendous hinderance to the harmony and progress of the South, if this kind of legislation is to prevail. But in proportion as the negroes become educated and their pride and self-respect are developed, they will feel they are in a land where, in spite of all laws and pretenses, they are looked upon as pariahs and inferiors, and they will pine for a country where they can be the real, not merely the nominal, peers of all. Then will come the voluntary exodus; whether to Central America, or Cuba, or Africa (more probably) to carry back civilization and the gospel to their fatherland, where the white man cannot carry it, I will not venture to speculate, for the womb of the future yet holds these things.

Mr. Speaker, these ideas of mine may seem novel, and my utterance of them in this place and on this occasion may appear extraordinary. I desire it may be distinctly understood that no individual and no party is responsible for what I have said except myself only. But I have carried out my purpose not to go over ground already trodden in this debate; and I have offered these suggestions, also, with design, that I might aid, if possible, in stemming the tide of fanaticism and mongrelism, which, if it should continue to advance, would ultimately sweep over our whole land and destroy every vestige of its former beauty and glory.

You have heard how this bill, if passed, will destroy our southern free schools. Not only is that true; it is true, also, that it will destroy the white republican party in the South. If I desired only party advantage, and not the welfare of the people of my country, I would wish you to pass this bill; for no respectable white man in my country is in favor of it; all are bitterly against it, and all will desert you if you pass it. But the evils which this bill would entail on us are too great a price to pay for any mere party success; and I therefore hope if it comes to a vote it may be voted down.

If you destroy our reviving free schools what is to become of us? And especially what is to become of the orphans of our soldiers? The negroes will fare better than they. Private schools supported by northern donations, by Friends' societies, by liberal contributions from negro sympathizers everywhere, dot our hills, and are filled with negro children. I do not complain of this; I rejoice at it; for I want all educated, by whatever means. I am an enthusiastic friend of universal education. It is of vital importance to the South that her newly enfranchised race should be well instructed. But our poor white soldiers' orphans are forgotten. No heart has a pulsation for them, except the hearts of their poverty-stricken living comrades. We are striving to build up the ruined foundations, and again to consecrate the moldering shrines of learning for their benefit; but in step the misguided negro and his, perhaps, well-meaning but mistaken patrons, and say we shall not do so unless we admit him there too, despite what we know is for his good and ours; and notwithstanding we everywhere provide for him out of our free bounty (for we pay all the taxes) exactly equal, though separate, privileges of education. If this shall be forced on us in spite of our protest, surely the curse of Heaven, in response to the orphan's cry, will smite the wicked, besotted, reckless rulers of this country.

The masses of the negroes of the South do not desire this enforced association in churches, in graveyards, hotels, schools, and elsewhere. They know full well, especially, that too intimate intermingling of the young will deprave our children and corrupt theirs. It is the idle, mulatto, paper-collared gentry, who hang around the street-corners and study how to live without that faithful industry to which our worthy colored men of the South devote themselves, who keep up this agitation. In North Carolina, as in the other Southern States, the whites and blacks are living together in amity and concord. In politics only do they differ. In regard to every other matter the black man goes to his old white master for counsel as to his surest, faithfulest, and most honorable friend. Has he a little money to lay up? "Old master" is his most trusted savings-bank. Is he about to make a trade? "Old master" is his most judicious adviser. Is he in trouble? He flies for protection to "old master." Is he in court and his reputation, the all-important question, involved? "Old master" is there ready to swear for him and stand by him when everybody else knows he is unworthy. He was formerly faithful to "old master," and "old master" is still faithful and partial to him. Such is our universal experience in the South. And natural laws are gradually settling all questions concerning the proper social relations between the two races on a practical and reasonable basis. Why, then, come in with your theories and experiments, and out of mere wantonness disturb our peace? Shall we never have done with this empirical legislation? Shall we never have done with this endangering of our social and political machinery by subjecting it continually to new and unnecessary strains? Why not leave time to crystallize the heterogeneous elements and solidify and beautify the fabric of our marvelously strange and novel southern civilization?

But some one may say, "If the negroes do not desire it, the law will be a nullity, and will give you no trouble." Ah! but there will always be restless and ill-intentioned individual negroes to thrust in the apple of discord among us. Especially will there always be base white men to prompt them to do so if they need prompting.

In conclusion, I earnestly appeal to the majority here to spare us, under all our misfortunes, the untold evils of this ill-devised measure. However you may receive the declaration, I do aver that we of the South mean well by the negro, we mean well by you, we mean well by the whole country. By our votes in favor of the centennial celebration at Philadelphia, we have shown our interest in the common national glory. By our recent support of extraordinary aid for the outfit of the Navy, in apprehension of difficulty with a foreign power, we have proved our loyal purpose to assist in maintaining the national honor and our readiness to march with you in every future emergency under the "old flag." We have been sorely tried, sorely humiliated. Crushing defeat on the field above all things tries the manhood of a people. We can, however, recuperate from that when we remember that it was not Englishmen, nor Frenchmen, nor Prussians, but it was only our fellow-Americans in superior force who did or could thus overwhelm us. But try us no further; trample on us no more; sport with our miseries no longer. Else you will break the spirit of a generous race, you will quench their manly hope, you will obliterate their pride and ambition, you will paralyze their patriotism, and you will doom one-half of this glorious land to perpetual blight, despair, and desolation.

Mr. CAIN. Mr. Speaker, I had supposed "this cruel war was over," and that we had entered upon an era of peace, prosperity, and future success as a nation. I had supposed that after the sad experience of more than five years, after we had sought to heal the wounds the war had made, after we had passed amnesty bills, and, as we thought, had entered upon the smooth, quiet road of future prosperity, we would meet on a common level in the halls of Congress, and that no longer would we brood over the past; that we would strike out a new line of policy, a new national course, and thus succeed in laying broad and deep the foundations of the future welfare of this country; that every man, of every race, of every section of this country, might strike hands and go forward in national progress.

I regret, however, that it again becomes my lot to answer a member from a neighboring State—North Carolina. It was my misfortune a few Saturdays ago to have to answer a gentleman from the same State [Mr. VANCE] in relation to strictures upon my race. I regret that it becomes my duty again, simply in defense of what I regard as a right—in defense of the race to which I belong—to meet the arguments of another gentleman from North Carolina, [Mr. ROBBINS,] to show, if I can, their fallacy, and to prove they are not correct.

The gentleman starts out by saying that if we pass the pending civil-rights bill it may indeed seem pleasant to the northern people, but to his section, and to the South, it will be death. I do not think he is correct, for the reason that they have in the South suffered a great many more terrible things than civil rights, and still live. I think if so harmless a measure as the civil-rights bill, guaranteeing to every man of the African race equal rights with other men, would bring death to the South, then certainly that noble march of Sherman to the sea would have fixed them long ago. [Laughter.]

I desire to answer a few of the strictures which the gentleman has been pleased to place upon us. He states that the civil-rights bill will be death to that section. I cannot see it in that light. We lived together before the war—four millions of colored men, women, and children, with the whites of the South—and there was no special antagonism then. There might have been some friction in some places and in some cases, [great laughter,] but no special antagonism between the two races in the South. I fail, therefore, to see the force of the gentleman's argument. I would like to ask why, in all conscience, after the measures of education, these noble efforts to educate these "barbarians," as he terms us, for two hundred years or more—after all the earnest efforts on their part, with their superior civilization, and all the appliances which the gentleman from North Carolina [Mr. ROBBINS] claims were brought to bear on these "barbarians"—I ask why there was no such antagonism then, but just at this time? Why, sir, if it be true, as the gentleman says, that such philanthropic efforts have been put forth for the education and improvement of the black race, there would be no occasion for antagonism. It is, I believe, a law of education to assimilate, to bring together, to harmonize discordant elements, to bring about oneness of feeling and sentiment, to develop similarity of thought, similarity of action, and thus tend to carry forward the people harmoniously. That does not seem to have been the case, if the argument of the gentleman from North Carolina is correct. Now, look at the fallacy of the gentleman's argument. This race of barbarians, in spite of all their disadvantages, had been educated to such an extent that the white community of the South were not afraid of them after their emancipation. Is not that singular?

The gentleman further states that the negro race is the world's stage actor—the comic dancer all over the land; that he laughs and he dances. Sir, well he may; there are more reasons for his laughing and dancing now than ever before. [Laughter.] There are more substantial reasons why he should be happy now than during all the two hundred years prior to this time. Now he dances as an African; then he crouched as a slave. [Laughter and applause.]

The gentleman further states that not more than eighteen hundred negroes were killed during the four years of the war. The gentleman forgets some battles; he forgets Vicksburgh; I presume he does not remember Petersburgh; he does not know anything of Fort Pillow. He knows nothing about all the great achievements of the black men while Sherman's army was moving on to victory. He forgets who entered Charleston first; he forgets who entered Richmond first; he forgets all this in the blindness of his prejudice against a race of men who have vindicated themselves so nobly on the battle-field. But I will grant the gentleman the charity of dwelling no longer on that point.

Mr. Speaker, the gentleman states that during the struggle for freedom four millions of negroes lifted no hand to liberate themselves; that no stroke was made by them to deliver themselves from their thralldom; yet a few moments afterward he makes the statement that their kind-heartedness prevented them from rising up and destroying the wives and children of the rebel soldiers who were at the front. I accept the admission. Sir, there dwells in the black man's heart too much nobleness and too much charity to strike down helpless women and children when he has a chance to do so. No; though the liberty of our race was dear to us, we would not purchase it at such a dastard price as the slaying of helpless women and children, while their husbands and fathers were away. I would scorn the men of my race forever if they had lifted their hands at such a period as that against helpless women and children, who were waiting in silent anxiety the return of their natural and lawful protectors. Our strong black arms might have destroyed every vestige of their homes; our torches might have kindled a fire that would have lighted up the whole South, so that every southern man fighting in the army would have hastened back to find his home in ashes. But our race had such nobleness of heart as to forbear in an hour of such extremity, and leave those men their wives and children.

Sir, I mean no disrespect to the gentleman, but I think the facts will bear me out in the statement that on every occasion on the battle-field where the black man met the white man of the South there was no flinching, no turning back, on the part of the black man. He bravely accepted his part in the struggle for liberty or death.

The gentleman says he still looks upon the whites as the superior race. That may be the case in some respects; but, sir, if they educated us they certainly should not find fault with us if we follow out what they have taught, and show ourselves obedient servants.

But, Mr. Speaker, there is another point. The gentleman states that we would make no movement to achieve our liberty. Why, sir, the education which those gentlemen gave the southern slaves was of a peculiar kind. What school-house in all the South was open to the colored race? Point to one. Name the academy where you educated black men and black women as lawyers or doctors, or in any other department of science or art. Point out the county. Give us the name of the district. Tell the name of the school commissioner. Name the teacher. I will name one. Her name was Missa Douglas. And for the attempt to educate those of our race she was incarcerated in prison, and remained there for five years. That is the only instance, so far as I remember, of the education of the colored people of the South.

Examine the laws of the South, and you will find that it was a penal offense for any one to educate the colored people there. Yet these gentlemen come here and upbraid us with our ignorance and our stupidity. Yet you robbed us for two hundred years. During all that time we toiled for you. We have raised your cotton, your rice, your corn. We have attended your wives and your children. We have made wealth for your support and your education, while we were slaves, toiling without pay, without the means of education, and hardly of sustenance. And yet you upbraid us for being ignorant; call us a horde of barbarians! Why, sir, it is ill-becoming in the gentleman to tell us of our barbarism, after he and his have been educating us for two hundred years. If New England charity and benevolence had not accomplished more than your education has done we would still be in that condition. I thank the North for the charity and nobleness with which it has come to our relief. The North has sent forth those leading ideas, which have spread like lightning over the land; and the negro was not so dumb and not so obtuse that he could not catch the light, and embrace its blessings and enjoy them. Sir, I hurl back with contempt all the aspersions of the gentleman on the other side against my race. There is but very little difference, even now, between the condition of the whites of the South and the condition of the blacks of the South. I have given some attention to the statistics of education in the Southern States. I find this pregnant fact, that there is about 12 per cent. more ignorance existing among the whites in the South than there is among the colored people in the South, notwithstanding the slavery of the colored race. I wish I had the reports here, that I might show the gentleman how the facts stand in reference to his own State especially, because, if I remember correctly, his State shows there is a preponderating aggregate of ignorance in the State of North Carolina, amounting to 60 per cent. and upward, compared with the entire number of the inhabitants in that State.

Tell us of our ignorance—the ignorance of the colored race! Why, Mr. Speaker, it appears to me to be presumption on the part of the gentleman to state that we—we whom they have wronged, whom they have outraged, whom they have robbed, whose sweat and toil they have had the benefit of for two hundred years; whose labor, whose wives, whose children, have been at their beck and call—I say it ill-becomes them to taunt us now with our barbarism and our ignorance. Sir, if he will open to us the school-house, give us some chance, we would not have to measure arms with him now. But even now, Mr. Speaker, although there is such disparity between us and him so far as relates to education and resources, even now we fear not a comparison in the condition of education in the last eight years between the whites and the blacks of North Carolina.

The gentleman, moreover, states that the reason why they did not educate the colored race was that the colored man was not ready. Not ready, Mr. Speaker; if I had that gentleman upon the floor, with my foot upon his neck, and holding a lash over him, with his hands tied, with him bound hand and foot, would he expect that I should boast over him and tell him "You are a coward, you are a traitor, because you do not resist me?" Would he expect me to tell him that when I had him down under my foot, with his hands tied and the lash in my hand lashing his back? Would he tell me that, in conscience, I would be doing justice to him? Oh, no, no! And yet such was the condition in which he had my race. Why, sir, the whipping-post, the thumb-screw, and the lash, were the great means of education in the South. These were the school-houses, these were the academies, these were the great instruments of education, of which the gentleman boasts, for the purpose of bringing these barbarians into civilization. [Applause.] When men boast, they ought to have something to boast of. When I boast, Mr. Speaker, I shall boast of some noble deed. I will boast not of the wrongs inflicted upon the weak; I will boast not of the outrages inflicted upon the indigent; I will not boast, Mr. Speaker, of lashing the weak and trampling under foot any class of people who ought to have my sympathy, nor will I reproach them for being ignorant, when they have been kept away from every means to educate them.

He says we are not ready for it. How long would it have taken us to get ready under their kind of teaching? How long, O Lord, how long! [Laughter and applause.] How long would it have taken to educate us under the thumb-screw, to educate us with the whip, to educate us with the lash, with instruments of torture, to educate us without a home? How long would it have taken to educate us under their system? We had no wives; we had no children; they belonged to the gentleman and his class. We were homeless, we were friendless, although those stars and stripes hanging over your head, Mr. Speaker, ought to have been our protection. That emblem of the Declaration of Independence, initiated by the fathers of the Republic, that all men are born free and equal, ought to have been our protection. Yet they were to us no stars of hope, and the stripes were only stripes of our condemnation.

The gentleman talked something, I believe, about buzzards or crows taking the place of our brave eagle. Sir, the crow would, I think, more beautifully represent the condition of the South now—the croaking bird, you know. They have been croaking ever since the rebellion came on, and they have been croaking against emancipation and the Constitution ever since. They are a nation of croakers, so to speak. Like the crow they are cawing, cawing, cawing, eternally cawing. [Great laughter.] Mr. Speaker, you will pardon me, for I did not expect to speak this morning.

The gentleman says the negro has done less for himself than any other race of men on earth; and he instances the German, the Irishman, the Scotchman, the Englishman, and the Frenchman, as having done something. But he forgets the men of those nationalities come from stations which are the proud, educated, refined, noble, advancing nations of the earth. He forgets that those nations of which he speaks, from which those men have sprung, have given, and are still giving, to the world some of the brightest minds that ever adorned the galaxy of human intellect.

But he tells us that the negroes never produced anything. Well, sir, it may be that in the gentleman's opinion negroes have never produced anything. I wonder if the gentleman ever read history. Did he ever hear tell of any persons of the name of Hannibal, of Hanno, of Hamilcar, of Euclid—all great men of ancient times—of Æsop, and others? No, sir; no; for that kind of literature does not come to North Carolina. [Great laughter.] It grows, it flourishes, on the free mountain peaks and in the academies of the North. That kind of literature comes to such men as Wendell Phillips, as Lloyd Garrison, as Charles Sumner, as Benjamin Butler, and other distinguished men, men of the North, men that are thinkers, men that do not croak, but let the eagle ever soar high in the conception of high ideas. They are ideas that belong to a free people; they are not consistent with or consonant with slavery. No, sir; they do not tell the negro of Euclid, the man that in his joy cried out "Eureka, I have found it;" no, that is not the language for the slave. No; that is not the language they teach by the whip and the thumb-screw; no, sir; it is not that.

But I must pass on. The gentleman says that the black men in the South, since emancipation and enfranchisement, have put bad men into office. Well, sir, that may be true, and I regret that we have put so many bad men in office. No one regrets it more than I do, but they were not colored men after all. [Great laughter.] They were not black men, those bad men in office, who have done so much to deteriorate the value of the country. Not at all. Why, sir, they did not elect our distinguished friend [Mr. VANCE] from North Carolina by black votes. They did not elect Mr. Holman, or a gentleman of some such name, in North Carolina. They did not run the State in debt. They were not the men who took the cash; they were simply mudsills who did the voting, while another class of individuals did the stealing. That is the difference.

Well, Mr. Speaker, I beg to say that we did the best we could; and one of the results of our education was that we had been taught to trust white men in the South. We trusted them, and if they did wrong it was no fault of ours; not at all. I presume the gentleman who addressed the House to-day had some colored constituents who voted for him and sent him here. I will not dare to say, however, that he is a bad man. He may be one of the very best of men; but I think he has some very bad ideas, so far as my race is concerned. [Applause.]

The gentleman says that this is a white man's land and government. He says it has been committed to them in a sacred relationship. I ask in all conscience what becomes of our black men and women and children, to the number of five millions; have we no rights? Ought we to have no privileges; ought we not to have the protection of the law? We did not ask any more. The gentleman harps upon the idea of social equality. Well, sir, he has not had so much experience of that as I have had, or as my race have had. We have some objections to social equality ourselves, very grave ones. [Applause.] For even now, though freedom has come, it is a hard matter, a very hard matter, to keep sacredly guarded the precincts of our sacred homes. But I will not dwell upon that. The gentleman knows more about that than I do. [Laughter.]

The gentleman wishes that we should prepare ourselves to go to Africa, or to the West Indies, or somewhere else. I want to enunciate this doctrine upon this floor—you have brought us here, and here we are going to stay. [Applause.] We are not going one foot or one inch from this land. Our mothers and our fathers and our grandfathers and great-grandfathers have died here. Here we have sweated. Here we have toiled. Here we have made this country great and rich by our labor and toil. It is mean in you now to want to drive us away, after having taken all our toil for two hundred years. Just think of the magnitude of these gentlemen's hearts. After having taken all our toil for two hundred years; after having sold our wives and children like so many cattle in the shambles; after having reared the throne of great king cotton on our labors; after we have made their rice-fields wave with luxuriant harvests while they were fighting against the Government and keeping us in bondage—now we are free they want us to go away. Shame on you! [Applause.]

Now, Mr. Speaker, we are not going away. We are going to stay here. We propose to stay here and work out this problem. We believe that God Almighty has made of one blood all the nations upon the face of the earth. We believe we are made just like white men are. [Laughter.] Look; I stretch out my arms. See; I have two of them, as you have. Look at your ears; I have two of them. I have two eyes, two nostrils, one mouth, two feet. I stand erect like you. I am clothed with humanity like you. I think, I reason, I talk, I express my views, as you do. Is there any difference between us? Not so far as our manhood is concerned, unless it be in this: that our opinions differ, and mine are a little higher up than yours. [Laughter.]

The gentleman states that this idea of all men being created equal is a fallacy, announced some years ago by Thomas Jefferson, that old fool-hardy man, who announced so many ideas that have been woven into the woof of the nation, who announced so many foolish things that have made this nation strong, and great, and powerful. Sir, if he was in error, I accept the error with pleasure. If he was a foolish man, I would to God that North Carolina had been baptized in that foolishness about two hundred years ago. [Great laughter.]

The gentleman also states that if you pass this bill your power over the South will pass away; that the power of the republican party in the South will pass away. Sir, let me tell the gentleman that behind this bill are nine hundred thousand voters; that, like the warriors of the tribe of Benjamin, every one of them is left-handed and can "sling a stone at a hair's breadth;" that each will come up stronger and mightier and more infused with power than ever before when you pass this bill giving them their rights, as other men have them. They will come up as never before to the support of the republican party, and they will make the South a source of joy and gladness.

The gentleman also talks about the colored people deteriorating. Sir, who tills your lands now? Who plants your corn? Who raises your cotton? I have been in the South during the last ten years. I have traveled over the Southern States, and have seen who did this work. Going along I saw the white men do the smoking, chewing tobacco, riding horses, playing cards, spending money, while the colored men are tilling the soil, and bringing the cotton, rice, and other products to market.

Sir, I do not believe the gentleman from North Carolina wants us to go to Africa; I do not believe it. It was a slip of the tongue; he does not mean that the black people should leave North Carolina; not a bit of it. If they did you would see such an exodus of white people from that State as you never saw before, for they would follow them wherever they might go. [Laughter.]

Sir, we feel that we are part and parcel of this great nation; and as such, as I said before, we propose to stay here and solve this problem of whether the black race and the white race can live together in this country. I make the statement that I regard it as essential to their welfare and interests that they should live together in this country. Why not? I can see no reason why not, if they contribute their quota to the advancement of progress and civilization. Sir, the mechanics of the South are almost altogether colored people. The carpenters, the machinists, the engineers—nearly all the mechanics in the Southern States are colored people. Why can we not stay here and work out this problem?

I ask Congress to pass this bill for the reason that it would settle this question, once and forever. The gentleman says that he does not desire that the colored people shall be crowded into the schools of the white people. Well, I do not think that they would be harmed by it; some few of them might be. But experience has taught us that it is not true that great harm will come from any such measure. I think, therefore, that if we pass this bill we will be doing a great act of justice, we will settle for all time the question of the rights of all people. And until that question is settled there cannot be that peace and harmony in the country that is necessary to its success.

The gentleman says the colored people and the white people are living together now in North Carolina in amicable relations. I am glad for that admission, for he rounded off all that he had said before by that last sentence. He said that the two races could not live together, and yet at the close of his speech he says that the whites and blacks are now living in North Carolina in amicable relations. Sir, if they are so living now, why not hereafter? Will peace and good order be destroyed because all are to have their rights? Sir, I do not think so.

I close with this thought: I believe the time is coming when the

Congress of the United States, when the whole nation, will recognize the importance of the passage of this bill in order to settle this question once and forever. I regard the interests of the black man in this country as identical with the interests of the white man. I would have that set forth so clearly and unmistakably that there should be no antagonism between the races, no friction that should destroy their peace and prosperity. I believe Almighty God has placed both races on this broad theater of activity, where thoughts and opinions are freely expressed, where we may grasp every idea of manhood, where we may take hold of every truth and develop every art and science that can advance the prosperity of the nation. I believe God designed us to live here together on this continent, and in no other place, to develop this great idea that all men are the children of one Father. We are here to work out the grand experiment of the homogeneity of nations, the grand outburst of the greatness of humanity, by the development in us of the rights that belong to us, and the performance of the duties that we owe each other.

Our interests are bound up in this country. Here we intend to stay and work out the problem of progress and education and civilization. I say to the gentleman from North Carolina, [Mr. ROBBINS,] and to the gentleman from Virginia, [Mr. HARRIS,] and to the gentleman from New York, [Mr. COX,] who discussed civil rights the other day, and to gentlemen from the other States, that we are going to remain in this country side by side with the white race. We desire to share in your prosperity and to stand by you in adversity. In advancing the progress of the nation we will take our part; and if the country should again be involved in the devastation of war, we will do our part in the struggle. We propose to identify ourselves with this nation, which has done more than any other on earth to illustrate the great idea that all races of men may dwell together in harmony, working out together the problem of advancement and civilization and liberty.

Mr. Speaker, we will drive the buzzard away; we will scare the crow back to North Carolina. We will take the eagle as the emblem of liberty; we will take that honored flag which has been borne through the heat of a thousand battles. Under its folds Anglo-Saxon and Africo-American can together work out a common destiny, until universal liberty, as announced by this nation, shall be known throughout the world.

NATIONAL FINANCES.

Mr. BIERY. Mr. Speaker, it is my desire to make some remarks upon the subject of the currency. It is true this House has listened to a very able speech to-day upon this question; yet as there are differences of opinion upon this subject, and as it is one of great breadth, there is no danger of exhausting it in one day.

I start out with this idea, that the volume of the circulating medium in use in the business of the country, as it now stands, is insufficient. In other words, that part of the currency which actually circulates must be increased in order to give prosperity to the industries of the country. By reference to the official figures, as set forth on page 11 of the Report of the Secretary of the Treasury, I find that the amount of United States currency is $388,424,649.23. Add to this the maximum national-bank circulation, $350,000,000, and we have the sum of $738,424,649.23 as the actual amount of our circulating medium.

If the whole volume of this currency were in circulation there might not be so much reason for complaint as to its volume. But from this circulation we must deduct the reserves held by the banks. The reserves held in redemption cities is $112,152,056. The reserves held in States and Territories amounts to $97,765,876. Thus we have a deduction of $209,917,932, leaving only an actual circulation of $528,506,717.23. Taking a population of forty millions, the gross amount would average only $18.25 per head, while the actual amount of available currency is only $13.20 per head.

By referring to the official figures, it will be found that in the year 1868 the average circulation in England, Ireland, and Scotland was $19.48 per head; in France, $25.05 per head. It is to be remembered that both England and France have a very dense population, and their business can be transacted very largely by business paper, and on the evening of the business day there is only an adjustment of balances. But in America we have a vast area of country and a great agricultural population, living far from banks and places where deposits can be kept, so that frequently men must keep hundreds of dollars in their pockets or in their houses. Taking these facts into consideration, in connection with our limited amount of circulation, it must be obvious to any man who has any knowledge of common arithmetic that our circulating medium is too small.

I beg to refer in this connection to another fact which increases the stringency of the financial difficulty under which the country is now laboring. I refer to the unequal distribution of the circulating medium. I hold in my hand a circular, by a gentleman from the South, the figures of which I believe are in the main correct. According to its calculations New England has of the national-banking currency $31.15 per head; the Middle States only $12.80; the Southern and Southwestern States only $2.98; the Western States, excluding California and the gold-paying States generally, only $7.11. This unequal distribution of the circulating medium, if these calculations be correct, adds, I say, to the difficulty of the present financial panic.

The aggregate amount of currency being about double that of the national-bank issue, the gross currency per head is about as follows: New England, $62.30; Middle States, $25.60; South and Southwest, $5.96; Western States, $14.22.

But proceeding on the basis ascertained from the official figures, giving only $13.20 to each person throughout the whole country, we may arrive at a conclusion as to the sufficiency of the present volume of currency sufficiently accurate for all practical purposes.

See how this must operate upon the great manufacturing interests of the Middle States. Take for instance Pennsylvania with her vast capital invested in iron-furnaces. Going along her rivers and streams in the eastern and southwestern parts, you scarcely ever get out of sight of smoke-stacks, where rolling-mill after rolling-mill is seen upon our lines of railway, where car-shops and machine-shops dot every valley, where every species of iron manufacture and other industrial pursuit is found. Tell me whether a circulating medium of $13.20 per head is sufficient to do the business of that State, where the investments of capital in manufacturing establishments must be so great?

Go from the eastern part of my State into my native county, where oil by millions of gallons is pumped out of the earth and sent to market, until this vast production has become one of the greatest commodities of national export. Consider the vast amount of money that must be required to carry on that business, and then say whether $13.20 per head is enough to do it.

Go to the inexhaustible coal-fields of the eastern, central, and western parts of the State, requiring many millions of dollars to operate them, and tell me whether $13.20 per head is enough to operate them.

Men tell us the currency is sufficient in volume. Let us see. Let us come back to a time when we had settled down to a safe peace footing—in 1868.

Mr. KELLEY. I ask that the House be brought to order; I wish to hear what my colleague is saying.

Mr. BIERY. I was about stating that coming back to July, 1868, at a time when we had settled down to a peace footing—at that time, when we had come down from a state of great inflation, as it is called, which existed at the close of the war in 1865, I find these figures, which are taken from official sources: We had at that time of Treasury currency, according to the report of the Treasurer, $444,196,262; of seven-thirties, which were convertible (and I will make the same remarks as to the balance of the table from which I am reading—and serving really as so much currency)—January 1, 1868, $240,201,300; in 3 per cent. certificates, June 30, 1868, $50,000,000; of national-bank notes, July 1, 1868, $294,208,264, of State-bank notes—for many State banks had not yet gone into the national-banking system—July 6, 1868, about $4,000,000; giving this country at that date a circulation of $1,033,395,826, averaging, on a population of 38,000,000, $27.18 per head.

At that time every species of business in this country was prosperous. Panics were not known at that time. It is true prices were a little higher, but they were coming down gradually. They had risen as a matter of necessity during the war, but they were lowering. It was finally conceived that this circulation was too high, and we must come down to specie payments. From one end of the country to the other certain men loomed up and commenced to cry specie payments; that the country was going to ruin unless it would come to a permanent specie basis of values; that these fictitious prices of real estate and every other commodity possible in the market could not be allowed in a country like this.

One of the best arguments, although of course it seemed foolish to everybody when it was made, in reference to specie payments, at the time when we had only about $140,000,000 of coin—gold I mean—in this country, with a currency of at least $700,000,000—the best argument, I say, I ever heard advanced, under the circumstances, about coming to specie payments, was advanced by the late editor of the New York Tribune, Horace Greeley, when he said that "the only way to resumption was to resume." These men kept on in their clamor in reference to the resumption of specie, and what was the course adopted? The course which the authorities finally adopted was the redemption of its convertible securities, which at the time served not only as a circulating medium, but as an instrument of flexibility, as my friend from Philadelphia [Mr. KELLEY] very cheerfully acknowledges.

At the time they adopted the course of redeeming these convertible securities they contracted the currency still more by throwing back into the vaults of the Treasury "greenbacks" at the rate of $4,000,000 per month, until $44,000,000 were thus retired. Contraction was the plan adopted in order to resume specie payment, and they pursued that course until last September, when they were overtaken by a storm. When these men were overtaken by the panic, which was brought about by their ruinous plan, they began to point their fingers at each other and said, "You did it; you did it." They began to seek as to what was the cause of the panic, the ruin of which, to the business interests of the country, has already resulted in enough to pay one-quarter of the bonded debt of the United States.

Go to my district, if you please, and mark there the furnaces which last spring and last summer and all along until September blazed forth their bright lights at night as so many beacon-lights on the way of prosperity. Look there at those stacks to-day—black, almost every fire extinguished. The rattle of the rolls in the rolling-mills is no longer heard; the trip-hammer is no longer heard beating the iron; and men with strong arms and willing hearts, who earn by the sweat of their brow the bread which feeds their wives and children, ready to work to-day, who cannot get employment, because the men who have their capital invested say they cannot get currency to pay their hands.

Now, Mr. Speaker, I beg to refer to a little incident here which will serve as an illustration of what this plan of contraction does in reference to our manufacturing districts. It is this:

One of our largest manufacturing companies had to resort to a certain species of order, or due-bill, for the payment of their hands, simply because they could not get the currency. They issued those orders in large quantities. When I was at home during the holidays one of their hands, a client of mine, came to me and said, "Can you take that order for a fee I owe you?" I said I would, and I took it for the fee in place of thirty dollars in money. Yet to-day not only men from the East, where they have, as I have shown, a largely preponderating amount of capital per head, but men on this floor from my own State, I am sorry to say it, advocate still farther contraction in the currency, and make the coming down to specie payments the great cry. I tell you, sir, that if you come down to specie payments by that road you will bring the United Statesinto the meshes of bankruptcy.

While this contraction was going on all the industrial interests of the United States increased a little over 45 per cent.; and in addition to that, the territory over which the circulating medium is spread has been almost doubled. Instead, then, of contracting the currency, if any change at all had been made it ought to have been increased in order to keep up with the advancement of the requirements of the nation.

It is argued by the contractionists that the late panic was brought about by speculation and overtrading. Now let us see who these speculators were. In the first place, we have large amounts of capital employed in the different manufacturing interests all over this land. As a general thing, those men must have every dollar that belongs to them, either as companies or corporations, for the legitimate uses of their business. They cannot afford to buy farms with their money and cut them up into lots and speculate in that way. They cannot afford to go to the stock-board and speculate with their capital there. Their capital is all employed by the legitimate wants of their business. That is one kind of speculation. In the next place we have thousands of men all over the large prairies of the West, whose business it is to plow the ground, put in the seed, to reap the harvest, and bring their wheat to market. That is another class of men who are engaged in this speculation. Then at the mills and the furnaces, to which I have referred, and in the manufacturing interests generally, there is a large class of people who labor from day to day, and from their daily toil and earnings they lay up a little, which they pay, at the beginning of every month, into a building association, which holds a mortgage on the little house in which they live, and which in a few years they will be able to pay for in that way. That is another kind of speculators that were engaged in these vast speculations bringing about the recent panic. Sir, these speculators of whom there has been so much said are a myth.

I propose, Mr. Speaker, a plan in order to increase the circulating medium, which would to a great extent give relief and do it speedily. The United States issues only 90 per cent. of circulating notes to the national banks; that is, for the amount of bonds which these banks respectively have deposited in the Treasury of the United States. I propose that the Government shall issue to these banks an amount of circulating notes equal to the amount of their bonds which they have on deposit. I am aware that I find certain gentlemen objecting to that plan. They will say it is not safe for the Government to issue circulating notes equal in amount to the bonds; because those bonds might depreciate and then the note-holder would not be paid in full for the amount of his note; also, that if national banks should go into liquidation, the attendant expenses would cause a depreciation of the notes unless protected by a reserve. The latter of these objections is readily answered by stating that the national banking law of 3d June, 1864, section 26, suspends the payment of interest to every bank, on its bonds, from the day it fails to redeem its circulating notes. The accruing interest then would be ample guarantee for all the expenses incurred by liquidation.

As to the other objection, let me say that those bonds have not sold under par for a number of years. They are quoted above par and considerably above par on the stock-boards every day, and those bonds will not go below par until the men who cry contraction shall have succeeded in crying down the solemn obligations of the Government of the United States as "a vicious currency," "an inflated currency," "a pledge which the Government never intends to redeem," "a fraud upon its face;" not until they have done that, and until they have added to that the prostration of all the material interests of this country that will put it in such a condition as to be unable to pay the taxes already imposed and current expenses of the Government; when the Secretary of the Treasury of the United States shall call for sums of money to pay arrears of Government expenditures not only in amounts of $40,000,000, but when he shall call for hundreds of millions, and call in vain, then, sir, it will be that even the Secretary of the Treasury will find it very difficult to get the gold to pay the interest on the bonds that are held by foreign bondholders. When all that shall be brought about, then both greenbacks and bonds will be below par, and will sink in one boat to the bottom—when no one will have your bonds or your greenbacks.

Sir, every man who argues in favor of further contraction, every man who opens his mouth and says we must resume specie payments by the road of contraction, contributes so much to the ruin of the finances of this country. I can respect the men who opposed us during the war. I can respect gentlemen who have, on the other side of the House, all along told us the day would come when your national debt would be repudiated—I would respect them to-day for standing with the contractionists and so going down by that road, because they would be at least consistent. But for men who have been standing with the party now in power, for men who, I believe, are honest and who mean right, but who are wrong in their judgment, now to clasp hands across "the bloody chasm," to shake hands with those on the other side, to drive this nation into ruin, I cannot comprehend what they mean.

Mr. SPEER. Will my colleague allow me to ask him a question?

Mr. BIERY. I will.

Mr. SPEER. Does he say that those who differ with him upon this question are prompted by a desire to ruin this country? or is it not in their judgment rather the course best adapted for its interests?

Mr. BIERY. I do not say that the men who differ from me are prompted by a desire to ruin the country. I said this, that every man who speaks in the interest of the resumption of specie payments by the road of contraction will aid in the ruin of the country; that is, in my judgment they will aid in accomplishing that result, and I believe my judgment is right upon this point.

Mr. TOWNSEND. Allow me to ask a question?

Mr. BIERY. Certainly.

Mr. TOWNSEND. I want to know if the gentleman thinks that when the Government pays its debts in specie, as it has promised to do, that action will tend to the ruin of the country?

Mr. BIERY. If the Government were able to-day to pay its promises in gold, I would say that it would be a sad spectacle of a pretendedly honest Government not to do it. But my friend from Chester, [Mr. TOWNSEND,] and every other man who argues as he argues, might as well honestly confess that we have not gold enough to-day to pay our bonded debt or our greenbacks. You might as well come down to that at once, and say that we cannot do it. I think the pledge of the Government ought to be sufficient guarantee that every promise that has been issued by the Government will be performed in due time.

Sir, let us, if you please, go a little into the history of the greenback, and see what that much-abused "inflated currency" has accomplished, or rather has not accomplished. When the first issue of that kind of currency was put out your Treasury was empty. You had no money to pay your soldiers in the field. You had no money to buy equipments for your Army. You had no money to buy your horses for the service. You had no money to buy anything to further the successful prosecution of the war. But wise men took it into their heads to issue greenbacks; and what did they do?

Sir, you might have sent friend after friend down upon the bloody battle-fields, and each blue-coated boy there might have put his wife and children into that friend's care, and said to him, "When you go home, take care of them and see that they do not suffer." Yet there would have been a lingering doubt in the mind of that soldier that, because of other duties, those friends would not perform that mission. But when you sent the greenback to the soldier in the field, when you put into his hand that promise to pay, which is called by some a "fraud upon its face," and when he mailed it to his family, he was sure that that would take care of them while he was fighting the battles of his country. Sir, the greenback was one of the most potent weapons that the Union Army had during the long and bloody struggle through which this country passed. Ever since the issue of that luminous "fraud" it has been the only medium for the redemption of national-bank notes, for the discharge of your obligations to the Government; except national-bank notes, the only medium by which you have been enabled to keep out of the clutches of grasping creditors, inasmuch as the law recognized it as a legal tender. Sir, with these "frauds" you have paid and are now paying your honest debts.

Now men come here and join those who said at the time the greenback was issued that in a few years it would not be worth the paper on which it was printed. I recollect well when I saw the first greenback. It was on the Alleghany River, in the oil regions of Pennsylvania. I was standing by the side of one of my democratic friends, when a republican friend came up and showed us one of the new bills, a new sight to us—a one-dollar bill, I believe. We looked at it, and my democratic friend said, "In a few years that bill will not be worth the paper on which it is printed." I told him at the time he would see the day when he would be glad to exchange his farm for that kind of currency. That day has long since come.

Now, I hear men who stood with us in sentiment all during the late struggle, who have held and now hold the same sentiments upon other national affairs—I hear them proclaim in loud voices and eloquent terms that this greenback circulation is nothing but an inflated currency, and unless brought to a level with gold without delay, ultimate ruin will be the result.

I think there is no man here who has not a sincere desire to return to specie payments. The only thing we differ about is the road which we shall travel. If we travel by the road of contraction, I can see nothing but ruin ahead. But is that the only road? I maintain that before we can arrive at specie payments we must have a prosperous country; all the manufacturing, mining, agricultural, and commercial interests of the country must be in a flourishing condition. And as we produce only about $60,000,000 of gold per year, and as the interest on our bonded debt is in round numbers $100,000,000 annually, (of which by far the greater portion goes to foreign bondholders,) it will be seen very readily that so long as we depend upon our own gold we will not be able to resume specie payments permanently, unless we can so adjust our financial affairs as to fund our debt at a lower rate of interest.

We must turn the balance of trade with other nations permanently in our favor, but before we can come to a condition of prosperity, such as will warrant that, we must start our mills and our manufactories; we must give the western man a fair chance to bring his produce to market cheap; we must have our mines reopened and in a producing condition; we must bring home out of foreign hands our bonded debt, and let our own people here hold it at a lower rate of interest, say 3.65 per cent., which they are very willing and very ready to do, if you only give them a chance. Then, sir, when we shall have accomplished that, we shall return to specie payments by a very easy process.

Mr. SPEER. As my colleague has said that it will be a very easy thing for the Government to negotiate a new loan at 3.65, I wish to ask him why the Government, in negotiating its last loan at 5 per cent., was obliged to put it in the hands of the syndicate and have it taken in Europe?

Mr. BIERY. I will answer the gentleman. Put into this new bond a clause providing that it shall be convertible into currency at the pleasure of the holder, and you will see how soon your people will take it; while if you issue a long loan, and put it upon the syndicates and everywhere else, nobody will touch it. Let this bond be made convertible into currency on demand, and our people will take it very quickly.

Mr. SPEER. Is it not the universal experience of nations that long loans are taken at lower rates than short ones?

Mr. BIERY. I must decline to be interrupted further.

The fact is acknowledged by the Secretary of the Treasury on the nineteenth page of his Report for 1873, that under the present circumstances we cannot resume specie payments. He says:

It is not possible to resume and maintain specie payments with so large an amount of notes in circulation and so small an amount of gold in the country.

I take this to be conclusive on that point. Hence I say we must travel another road. The plan I propose would give us at once a loosening of the reserves of $138,310,661. This amount of money alone, thrown into circulation, will ameliorate very much the present condition of things. In addition to that, I would favor the plan advocated by my distinguished colleague from Philadelphia, [Mr. KELLEY,] of issuing three sixty-five convertible bonds. I may, perhaps, dissent from that portion of his plan relating to the volume. I might desire to limit the volume to a certain amount, say to the amount of the indebtedness of the United States for the time being. This would overcome one objection to his plan, which is, that by issuing an unlimited number of three sixty-five bonds the debt of the United States might be doubled, and in this manner the Government would make nothing by paying interest at the rate of 3.65 on double the present amount of its debt. Still, as my colleague has studied this subject more extensively than I have, and understands it better than I do, I will not undertake to dictate to him.

Mr. KELLEY. If my colleague will allow me, I will say that at the close of his remarks I propose to endeavor, in a friendly way, to remove the objection of the gentleman from Ohio [Mr. BUNDY] to the plan now under consideration, and I will answer my colleague's objection at the same time.

Mr. BIERY. I thank the gentleman for his proposition.

Mr. Speaker, it is very frequently urged that the national banks should be prohibited from paying any interest or premium on deposits or current balances. Now, while that might prevent the flow of money to large money centers, such as Wall street and other places, I apprehend that it would operate injuriously to the banks themselves, and it would do it in this manner: the moment you restrict a national bank from paying interest on deposits or current balances, that moment you give every State savings-bank, every private banker, every broker-shop, an advantage over the national bank. You cannot reach these, except, perhaps, by a tax on their deposits; and so long as they are not prohibited by heavy taxation, they will pay interest on deposits and current balances. Hence, in the eyes of many people, they would be at a premium in comparison with the national banks. I would, say, give the national banks these three sixty-five convertible bonds, and let them hold them instead of their present greenback reserve, thereby loosening that part of the greenback circulation. I would issue these three sixty-five bonds in such number as to make them an instrument of flexibility; so that any one having a little money to deposit for a short time may buy them, and hold them until such time as he may need the money.

There is one provision, however, which I think ought to be made in reference to the national banking system. It is not unfrequently the case that there is intimately associated with a national bank a broker's shop, conducted either by individuals interested in the bank or perhaps by the directors, though I do not mean to make any such charge positively. By proper and potent penalties, I would prohibit any director or any one who can control the deposits of a national bank from engaging in a private broker's business in connection therewith; so that when men come to a bank, and ask for a loan, they shall not be put off with the statement "We have no money, but perhaps they have some over there."

By loosening the reserve and issuing the three sixty-five convertible bonds, I believe that in a very short time business would revive, and revive permanently.

One of my colleagues, in conversation with me the other day, remarked that the currency was redundant at the present time, as was shown by the fact that it is so very cheap in New York, Philadelphia, and elsewhere. Why is it that the currency seems redundant? For the redundancy is only apparent. The reason the currency seems redundant is because of the great amount of money that is not employed to-day, as it would be employed in our productive industries if they were in their normal condition of activity. Give a guarantee to the manufacturer, to the merchant, to the miner, and to those in other industrial pursuits, that you will not have another lock-up next fall; make such provision that when the produce of the West is to be moved the currency shall adjust itself to the demands of business, and you will see how long currency will be redundant in the city of New York or Philadelphia. The men engaged in business pursuits will take that currency and make it do its legitimate work in the productive industries of the country.

What use was there in having a panic about the 1st of last September? Who would have dreamed four weeks before, nay, two weeks before it occurred that there would be a panic in a few days, when every manufacturing interest of the country was at work, when every mine was being pushed to the extent of all the resources it had, when the whole country was in a condition of prosperity, greater perhaps than it had ever known before, when the West had crops, superior in amount to any it had raised for years, when there was plenty and prosperity everywhere; what cause, would any reasonable man ask, was there for a panic? Yet, as with a thunder-clap, it came down upon the whole nation and prostrated the industries of the land.

Give us a currency which will adjust itself to the business interests of the country; that, when the people require it, they can get the money requisite to carry on their business—not in a one-handed way—not at the rate of 50 per cent. of its capacity. Give us a currency which will measure the value of the demand of the whole business interest of the country; and in twelve years hence we will have followed in the same track, in reference to which my friend from Ohio [Mr. BUNDY] spoke this morning. In the next twelve years we will see this country shall have done more than it did during all the previous years of its existence.

Sir, the vast mineral resources of Missouri, Indiana, Kentucky, Tennessee, Upper Alabama, and Georgia, all those vast mineral deposits, have not yet been touched. The iron mountains in Missouri have, to be sure, a few small stacks at their feet, but they are few in number to what they ought to be. There ought to be a city with a hundred smoke-stacks and furnaces smelting that iron ore. Lately they have discovered block-coal in Indiana, which is used in smelting iron ore, and they take it out in measurably large quantities, I believe. They ought to take it out in larger quantities. You ship thousands and thousands of tons of iron and copper ore from the mineral regions of Michigan. You ought to ship from 100 to 500 per cent. more than you do now. And when the vast prairies of the West begin to have furnaces blazing all along their streams, with locomotive works, car-shops, and boiler and machine shops, and every other description of manufactures, then western men will scold us eastern men no longer on account of cheap transit. Then the men of the West will begin to see the value of having furnaces and iron-works of every character, with thousands of laborers to consume their agricultural products at home. The land in the valley in which I now live not many years ago sold at thirty dollars an acre. Now go there and see the change. Land, not in the city, but out in the country, farming land, is held at from $150 to $500 an acre. And why? Because we have manufacturing establishments in great numbers. We used to sell the grain raised in our county, and send it away to market elsewhere. What do we do now? We not only consume all the grain we raise there, but we have to import grain from the West to feed the men who work in our factories and mines. That, sir, is the result which has been produced by manufacturing industries in my district, and they will produce the same results precisely elsewhere.

But, Mr. Speaker, in order to carry them on we must have more money, What we want, sir, is currency. Every day the leading business men in my district, who have thousands upon thousands of dollars invested in iron furnaces and other iron-works, write to me and ask: "What are the prospects for more money?" All I can say in reply is that there are so many different opinions here that it is hard to tell. What they want is, not only action in the right direction, but speedy action. Shall we have it? I hope the committees which have appropriate bills under consideration will hasten the day which will bring this House to a direct vote on that question by yeas and nays. Let us come to it and decide what we are going to do.

I heartily thank the House for the very kind attention with which they have listened to me.

FINANCE.

Mr. KELLEY. Mr. Speaker, I listened with profound interest to the remarks of my friend from Ohio, [Mr. BUNDY;] and rise now to make a suggestion or two in connection therewith, not in the way of dissent, but in the hope of elucidating two points on which he said he entertained doubts. So grateful am I to him for the expression of the true foundations and limitations of currency, and of the true laws of finance, that I could not speak at this time if my words were to imply dissent from his premises or argument.

One point on which the gentleman expressed doubt was the question of local and State taxation, as to how far these might be affected by the substitution of greenbacks for national-bank notes. It occurred to my mind as he spoke that he was under a slight misapprehension. It was this: that if greenbacks were substituted for national-bank notes, the banks as corporate institutions would go out of existence, and that their capital might be withdrawn from the community in which it is now employed. Neither of these results would, I apprehend, occur. The capital, should it be withdrawn from banking, belonging to the county or the locality in which the bank exists, would be embarked in other pursuits equally subject to taxation. But, sir, I apprehend that were the change made, were we to make our currency uniform by giving effect to the principle which the leading minds of England now claim to be her right and duty, namely, to stamp all the money of the realm with the impress of the government, and thus give to the government and the people the profits resulting from its issue instead of giving them in that country to the Bank of England, and in this to the national banks—were that great change effected, the banks would be relieved from the tax on circulation, which is the only distinctive tax they pay as national banks. The taxes levied on their property, on deposits and other sources of profit, are levied on private banks and State banks by the same provisions of law. They would, therefore, in banking on greenbacks be released from the tax on circulation, and would have a larger amount of currency with which to discount paper than they now have. The proposition involves no hostility to banks.

For instance, they now have but 90 per cent. of the par value of their bonds in bank-notes. They would then, by the sale of their bonds, have 15 per cent. above their par or face value, that being the current price of the bonds in the market; so that each bank having been released from the tax on circulation would have $115 of active banking capital where it now has but $90. I apprehend, therefore, that every national bank would take to doing business as State and private banks now do. There would then be no national-bank notes, our currency would be uniform, and there would be no legal demand for a reserve with which to redeem bank-notes. The Government would not require banks to hold a reserve of greenbacks with which to redeem greenbacks, and the law of reserve would be simply the law of sound banking. Each bank would hold only an amount of currency sufficient in the judgment of its officers to meet its current liabilities to depositors.

Again, sir, should we issue the three sixty-five bonds, the reserve would probably be larger, and more amply secure depositors, than it has ever done, and for this reason: A reserve, whether of gold or legal-tender paper, is unprofitable, as it lies dead and unproductive in the vaults of the bank. The officers of banks are therefore constantly tempted by their own interests and the demands of customers to draw unduly upon their reserve. If, therefore, banks and bankers could hold three sixty-five convertible bonds which should be in fact the equivalent of currency upon the instant in every city in which there is a sub-treasury, and also be available as domestic exchange, as they would be, between all parts of our country, they would be receiving a profit upon their reserve; it would no longer be dead capital but be productive, and they could therefore afford to and would hold a larger reserve than is now usual, and give more absolute security to their depositors than has been given by any system of banking that has ever prevailed within the limits of our country.

I come now to a question not raised by the gentleman, which, as he stated, had been suggested to him by others, which is, cannot such bonds be manipulated by the capitalists of the country, or by the thieving gamblers of Wall street, whom no law or principle of honesty has ever restrained? This question is a pregnant one. The practices of these men cannot be too severely denounced. They have stolen greenbacks and gold, and stocks and bonds, as the Erie Railroad was stolen. The morality that prevails among such pious men as Daniel Drew, and Cornelius Vanderbilt, the founder of a Methodist University somewhere in the South, and their associates, is, as I have elsewhere said, so false and selfish that it would be spurned by most of the inmates of the penitentiaries of the country; and yet their manipulations of the stock and gold exchanges affect the value of corn and cotton in the field and of coal and ore in the mine, and every species of property throughout the country. That class of capitalists would if it were in their power manipulate these bonds, when issued, I have no doubt. But can they do it? I think not; and in assigning my reasons for this opinion, I address myself also to the query of my friend and colleague from the Lehigh district [Mr. BIERY,] who inquired whether the provisions of the bill I had the honor to present should not embrace a proviso to the effect that the debt of the United States should not be increased by issuing more three sixty-five bonds than the present total of gold-bearing bonds. Though I believe such an event to be impossible, I may say in passing that I see no objection to inserting such a provision in the bill.

I turn now to the proposition of the gentleman from Ohio, [Mr. BUNDY.] There are at this time at least $250,000,000 waiting to be handed to the Government in exchange for three sixty-five bonds.

Mr. HAWLEY, of Connecticut. Allow me to ask the gentleman if that indicates a scarcity of currency?

Mr. KELLEY. I will tell you what it indicates. It indicates the condition of health shown by the falling man, who with flushed cheeks and swollen eyes drops speechless upon the pavement as he walks. His hands and feet are cold and numb, and his limbs are bloodless, the circulation having gone to the brain or the heart. Sir, the banks are now gorged with unemployed currency, because the limbs of industry are paralyzed; the forge and furnace glow no longer, and the loom and the spindle give shelter to the spider, that instinctively seeks a quiet corner in which to spin and weave its web. The toiling man who had earned from two dollars to five dollars per day in productive industry is eating the bitter bread of idleness and charity, and his unemployed boys and girls seek their food at the door of the soup-house. Give them employment and wages by putting into circulation a sufficient volume of money to animate the industries of the country, to rekindle the fires in your forges and furnaces, and to employ the one hundred and ten thousand idle laborers in the State of New York, and the forty-odd thousand in Philadelphia, and you will find that there will be no large accumulation of money in the banks of either New York or Philadelphia. It will then go into circulation.

Mr. DAWES. I thought you were going to put $200,000,000 of it in the Treasury.

Mr. HAWLEY, of Connecticut. Allow me——

Mr. KELLEY. I had rather not be interrupted now. We will soon have general discussion on the subject. I am answering questions already, and would like some of the contracting bullionists, some of the extortionists, who are in favor of sweeping the accumulated earnings of the poor into the coffers of the rich, to come forward, as I have done on another occasion, and offer themselves to be catechized. When they shall do this, I will guarantee that they will not want more than three or four of their antagonists to question them at a time. I am content with two—my colleague, [Mr. BIERY,] and the gentleman from Ohio, [Mr. BUNDY.]

Mr. DAWES. Suppose you answer a question once; I will put a question to you.

Mr. KELLEY. I am trying to answer the gentleman from Ohio, [Mr. BUNDY.] When I shall have done that I will be glad to hear the gentleman from Massachusetts [Mr. DAWES] demonstrate that he can give employment to idle people by further contraction of the currency.

Mr. DAWES. Well, what I want——

Mr. KELLEY. Mr. Speaker, when I shall have done I will await the gentleman's demonstration; but for the present I decline to yield to him, or be interrupted by him.

Mr. DAWES. Then just answer his question.

Mr. KELLEY. When the gentleman gets the floor let him put his question. When he shall establish his right to guardianship over me, he may then instruct me as to what question I must reply to, and with whom I may talk, and from whom I must keep apart.

Mr. DAWES. Well, just answer Mr. BUNDY's question.

Mr. KELLEY. But, sir, the gentleman has no more a supreme right on this floor than, as I said the other day to another gentleman, he had. And I assert to him, as I did to that gentleman, that there are men on this floor who have a right to be heard, though they were born and brought up outside of New England.

Mr. DAWES. That is not fair and civil.

Mr. KELLEY. I have exhausted all fair and courteous means of securing my right to proceed.

Mr. DAWES. Give me a moment to set myself right; that is all I ask.

Mr. KELLEY. I proceed to the question I was considering; can such bonds——

Mr. DAWES. Allow me to set myself right.

Mr. KELLEY. Mr. Speaker, I have said to the gentleman that I decline to be interrupted by him, and I again decline. I have some rights as well as he, and I am going to maintain them. I did not meddle with him, and he shall not impose his will upon me.

If there shall be $250,000,000 of these three sixty-five bonds issued, or if there shall, as I believe there will, be $500,000,000 of them issued within one year from the time they may be promulgated, I want to know what combination of speculators will be strong enough to manipulate or corner them. The banks cannot invest $300,000,000 or $500,000,000 in them, and the combinations of Wall street are exhausted by fifteen or twenty millions of dollars. If banks, bankers, or speculators should under such circumstances attempt to hoard or corner either greenbacks or bonds, what would be the result? Why, sir, when money became more scarce than usual—for that would be the object of hoarding them—other holders of the bonds would carry them to the Treasury and have them redeemed, and thus greenbacks, instead of being applied to the purchase of 6 per cent. bonds, would replenish the circulation, and they who had invested $5,000,000, $10,000,000, or $15,000,000 in the attempt to corner them would find themselves in the vocative. The cardinal merits of the convertible-bond system are the low rate of interest at which they will be taken in consideration of their convertibility, and the fact that they would preclude the possibility, of corners, by which the business of the country has been so frequently and so disastrously affected.

The larger the volume of these bonds within the limits of our indebtedness the less practicable would it be to manipulate them or the currency. The more widely they should be distributed over the country the less practicable would it be to control them. For if the lock-up were attempted in Wall street the banks and insurance companies, finding that a high rate of interest prevailed, would send their bonds to the sub-treasury and get greenbacks for them. If the scarcity of money and high rate of interest prevailed in Chicago, or Saint Louis, or New Orleans, whoever held convertible bonds in those cities, whether merchant, bank, or banker, would send them to the sub-treasury and get greenbacks for them. And I again say in the existence of an interconvertible temporary loan you have an absolute guarantee against the possibility of a lock-up of the credit or money of the country in any of its forms.

I did not intend, sir, to speak so long as I have done; but being on the floor I proceed to strengthen one of the leading positions of my excellent friend from Ohio, [Mr. BUNDY.] He exhibited some striking proofs of the fact that we have not currency enough for the cheap and safe transaction of the legitimate business of the country. Before this system of contraction, which has involved so many of our best people in ruin, began, we had no other currency than greenbacks and national-bank notes. The credit system had almost disappeared from the interior districts of the country. Workmen were no longer sent to stores with orders and compelled to buy what the store-keeper might have at his price, but received their wages in money, and bought where they could buy cheapest and most agreeably to their tastes. The farms of the country had been freed from mortgage and judgment to a greater extent than ever before or than is now the case, and the prevailing rate of interest was low. The business of the country was then conducted so largely on a cash basis that the discounts in the banks ran down to such an extent that one-half of their investments were in Government securities; indeed, in default of business paper in which to invest their means, they held at the close of 1865 one-fourth of the national debt of the country. How is it now? There is now practically no currency accessible to the masses of the people. Workmen—the relatively few who are employed—are paid in orders on stores, and most of the business of the country is transacted on credit. The national banks on the 12th of September last had swollen their discounts to $944,220,000; and while, on the 1st of October, 1865, they held $189,988,000 of reserve to a total of discounts of $487,170,000, they had, on the 12th of September, 1873, a reserve of but $113,132,000, with discounts amounting, as I have said, to $944,220,000.

I have heretofore said on this floor that in proportion as you contract the currency—the current money of the country—you compel an expansion of the credit system and erect an inverted pyramid, standing on its apex, and with its broad, inverted base so ill-balanced that it must ere long topple over and bring ruin to the business of the country. I propose to illustrate this truth by adding to the proof adduced by the gentleman from Ohio.

In the report of the Comptroller of the Currency, on pages 44 and 45, I find under the title "shin-plasters" this statement:

In my last report I called the attention of Congress to the issue of bills of credit by the State of Alabama, which issues are prohibited by section 10, article 1, of the Constitution of the United States; and also to the issue of unauthorized currency by various corporations in the South, and the necessity of legislation to prevent this abuse. The issue of such unauthorized currency is increasing in various directions. Railroad corporations in the Southern States had been issuing, for some years past, notes for circulation, of different denominations, many of which are similar to the following:

$10.] CENTRAL RAILROAD BANK, SAVANNAH, GEORGIA.

Fare-ticket, X.

Good for the fare of two passengers one hundred and twenty-five miles.

The Central Railroad and Banking Company of Georgia, Savannah, December 1, 1871.

———— ————, *President.*

———— ————, *Superintendent.*

I am informed that these issues are redeemed by the railroad company, and that quite extensive arrangements are being made by manufacturing companies and corporations to issue similar devices. Such circulation is also being issued by the mining corporations of Lake Superior, and by Zion's Commercial Co-operative Institution in Salt Lake City. Similar issues are also made for circulation in the State of Maine, which purport to be drawn on (or by) parties residing at Saint Stephen, New Brunswick. Issues of this character will be likely to increase in the present anomalous condition of the currency, unless Congress shall legislate them out of existence by inflicting such penalties, or assessing such taxes, as will deter the corporations in question from engaging in such illegitimate practices.

But, sir, suppose Congress were to legislate those issues of unauthorized currency out of existence, would that remedy the evil, which is far more wide-spread than the Comptroller indicates? Here is a one-dollar note of the Phœnix Copper Company, of Phœnix, Michigan. How many of them are in circulation I cannot tell. It reads as follows:

PHŒNIX COPPER COMPANY.

PHŒNIX, MICHIGAN, *June* 28, 1873.

Three days after date, without interest, for value received, the Phœnix Copper Company promise to pay to bearer, at the office of the treasurer, in Boston, one dollar.

F. G. WHITE, *Agent.*

B. 1083.

Let me read you this other obligation, which is like unto it:

No. 271.] THE SAGINAW MINING COMPANY.

A. G. Slone, Secretary.

ISHPEMING, MICHIGAN, *April* 11, 1873.

Pay to George Pelmear, or bearer, one dollar, value received, and charge to the account of

J. P. MITCHELL, *Agent.*

To the CLEVELAND ROLLING-MILL COMPANY,
Cleveland, Ohio.

Here is another, from a point nearer to my home, and shows the want of currency in the region of country between Philadelphia and New York.

[No. 50, E.]

NEWTOWN, *November* 20, 1873.

PHILADELPHIA, NEWTOWN AND NEW YORK RAILROAD COMPANY:

Six months after date pay to James H. Sellers & Co., or bearer, one dollar, and charge to our account.

JAMES M. SELLERS & CO.

To CHARLES WILLARD, *Treasurer Philadelphia, Newtown and New York Railroad Company, Newtown, Bucks County.*

Accepted November 20, 1873. Payment secured by a deposit of first-mortgage bonds with Newtown Banking Company.

CHARLES WILLARD,
Treasurer.

Now, sir, suppose we can so legislate that the laboring man at Ishpeming or Phœnix, Michigan, shall not be paid in one-dollar drafts on Boston, Massachusetts, or Cleveland, Ohio, shall we thereby restrict the system of private credits by which they are so often defrauded? By no means. Why, then, should not greenbacks take the place of these private issues? To compel their withdrawal without such substitution would be to further contract the currency. Why should private firms and corporate companies have the advantage of issuing these notes, and the profit resulting from their loss or destruction, to the exclusion of the national currency, which bears the imprint of the Government, and the redemption of which is secured by the credit of the nation and the property of the people?

But, sir, could we perform the miracle of preventing such issues while withholding an adequate amount of lawful money from the people we would not have reached the root of the evil inflicted by the contraction of the volume of legal currency. I have here a letter which I received by yesterday's mail, which shows that under the infernal contraction policy we have pursued, and which gentlemen would press still further, the few laboring men who now find employment are handed over, bound as with gyves, to the money-lenders and credit-mongers of the country. It is from as reputable a citizen as there is in Philadelphia, and it illustrates fully the condition of the best classes of working people in that vicinity. It presents the statement of James Corr, who is in the stone, lime, and coal business. I will read the whole communication:

I sold Serrill $120 worth of coal and lime, $75 each; took for them two dry-goods orders, $75 each. These I handed to Mr. Beatty for stone. Beatty passed them off to his men who quarry for him, first getting the orders accepted and divided into small amounts to suit the wants of the men. I sold John Geisse the stone, and took orders on groceries for 90 per cent. of the bill; the rest in money.

PHILADELPHIA, *January* 21, 1874.

Hon. WILLIAM D. KELLEY:

DEAR SIR: I have just written the above from the lips of James Corr, a man who has been a gardener in my employ for the ten years previous to the last two. Since then he has been in the stone, lime, and coal business, and neither he nor those he deals with can get a discount in bank, mainly because the money business is a monopoly. Do not let any one delude you with the idea that money is plenty. It is not with this class of people, and they are the ones who create our wealth.

What a picture that is of James Corr, and yet a majority of our laboring men do the same. Of course labor loses by such changes, because of the risk and uncertainty.

Who among us shall be ingenious enough to devise a statute that shall prevent ill-clad or starving people from toiling for these orders, and getting what they can for them, or those upon whom the orders are drawn from taking advantage of their necessities? Why, in the name of humanity, I ask, shall we not emancipate the laborers of the country from thralldom like this by issuing currency enough to reanimate the business of the country and give employment to its industrious but idle and suffering millions, and by making that currency interconvertible with three sixty-five bonds prevent the recurrence of such crises as that which has caused the misery they are enduring?

Mr. DAWES. I do not rise to discuss the pending question, but for quite another purpose; to put on record my surprise at the temper of the gentleman from Pennsylvania, [Mr. KELLEY,] and my wonder as to what food he feeds upon. I do not set myself up here, nor have I anywhere else, as a teacher of the science of finance; and it is perhaps for this reason that I do not understand the manner of those who do. I have sat patiently in another place and heard the gentleman four long days. I was invited by him to come here last Saturday to hear him, and to put such questions to him as I pleased.

Mr. KELLEY. The gentleman is a little mistaken on that point.

Mr. DAWES. I came here and spent as much time as I could. I regret that I did not take warning to-day from the fate of those who came here then upon a similar invitation, and who ventured to put questions to the gentleman. I was invited a few moments ago, as I was about to leave this House, to stay and hear the gentleman; and when I ventured, very respectfully, here in my seat, to suggest to him I would like to have him answer a question put to him, the manners of the teacher came down upon me; and I have only to put upon record my astonishment, and my satisfaction that I do not feed upon any such meat as he does. When I set myself up here as a teacher on this subject, and undertake to say to people they do not know anything about it, it will be quite time enough for me then to be lectured by the gentleman from Pennsylvania, that I come from New England, and, therefore, have no right to put any interrogatory to him.

Sir, I have not occupied one minute's time of this House on this question. The gentleman had an hour and a half last Saturday, and I do not know how much more this Saturday. I always sit patiently, and I always learn when I listen to the gentleman from Pennsylvania. I do not always agree with him; I sometimes put inquiries to him for the purpose of hearing him remove the doubts I have. If the gentleman serves notice on me now that all I have to do is to sit still while he talks and not question anything he may utter on this floor, why then I shall take such course as will best comport with my idea of duty.

The gentleman suggested to the gentleman from Connecticut [Mr. HAWLEY] that there were $250,000,000 waiting to be invested in his three sixty-five bonds, when the gentleman from Connecticut responded, "Does that indicate any lack of currency?" The gentleman went on and stated it was the condition of a man with the blood flowing from his extremities into his head and was dying of apoplexy, while his limbs were palsied. I ventured quietly, here in my seat, to ask him to give us the benefit publicly in the RECORD how locking the money up in the Treasury would send it back into the limbs. That was the head and front of the offense for which I have been lectured. Others, last Saturday, warned me, which I forgot, not to put interrogatories to the teacher.

Now, sir, if he had not consented, taking his own time, to have answered the interrogatory put to him, I should not have got up. Interrogatories which are troublesome to answer I find are an occasion for this treatment.

Sir, I have served a great while here with the gentleman from Pennsylvania. He has had no more patient listener to what he has said on this floor than myself. He has had no man upon this floor who appreciates his ability here or in the committee-room more than I do. He has had no man more cheerful than I have been to give him, here or elsewhere, the full credit of the measure of his ability, and I assume none of it myself.

I confess to an ignorance on this subject, and a desire to be taught. I have not attempted to teach any man whatever upon it. I have sat at the feet of all these men as an honest and sincere listener; and when I have a trouble about their doctrines and they invite me to put an inquiry, I object; and that is all I have to say to being treated in the manner I have been by the gentleman from Pennsylvania today, announcing here that if I put interrogatories I place myself in the attitude of thinking New England owns this House.

Sir, I claim no more upon this floor than the humblest member of this House. I sought no place in this House whatever. I have never asked to be assigned to any duty in this House whatever since I have sat here. I have humbly and modestly, as well as I thought I was able, discharged such duties as were devolved upon me by that Chair. I never had the idea I knew one-quarter as much as any other man on this floor on anything which ever came up. And I am not to be told I arrogate to myself, or to the section from which I come, that I own this House, or have the right to demand categorically from any man he shall answer my questions. If my friend from Pennsylvania does not want any questions put to him he has but to say to me, as one gentleman would say to another, he does not want them, and I will not trench upon his rights as a gentleman upon this floor.

Mr. KELLEY. If I have done injustice to my friend from Massachusetts [Mr. DAWES] I am very sorry; because he cannot possibly hold me in higher esteem than I have held him during the more than twelve years that we have been associated on this floor. But, sir, I think the record will show that I protested at least four times against his interruptions. And I think the record also shows that during those twelve years respectful interruptions have been as acceptable to me as to any other man on this floor.

I remember one speech in which I replied to the interruptions of twenty-one gentlemen, and I believe that I was not charged with failing in courtesy to any of them. And I appeal to the gentlemen who were present last Saturday, to say whether I made any other protest than that the question should not be thrust upon me at an inopportune moment, and should be pertinent to the particular line of argument, and therefore not divert my thought.

I do not mean to recur to that. I believe that, had I fully apprehended the scope of the questions put to me by the gentleman who put them, I could have answered them in a single sentence, satisfactorily to myself and to him. Other gentlemen around me put numerous questions, and I do not think they found me unwilling to respond to them to the best of my ability. I took the floor to-day with no thought of making a speech, but with the simple purpose of accepting an invitation implied in the course of his remarks, which was repeated privately by the gentleman from Ohio, [Mr. BUNDY,] to answer two difficulties in his mind. That was all. And when I declined four times to be interrupted, I think that should have been enough. If I had asked a gentleman a second time to allow me to interrupt him, and he had declined, I would not have persisted. I would feel I had been guilty of rudeness if, after a gentleman declined to be interrupted the first, then the second time, and then absolutely, I had still pressed my question upon him; and I should feel that, under such circumstances, he would be justified in using such language as would silence my tongue for the time being. And that is all I meant to do. I meant to express no disapproval of the long public career of the gentleman from Massachusetts. But I did feel, and do feel now, that having firmly said I declined interruption, the gentleman ought to have intermitted or omitted it. And I believe mutual apology, made as publicly as we can make it, will be the best thing; and that on Tuesday morning when we meet in the room of the Committee on Ways and Means we shall both have forgotten what has transpired to-day; for no measure of glory to be derived from his acceptance of me as his teacher, with the sublime humility he has exhibited to-day, would compensate me for the loss of his friendship.

Mr. HAWLEY, of Connecticut. I wish to say just a single word. I was not in the House at the moment the gentleman from Pennsylvania [Mr. KELLEY] declined to be interrupted, and I was not aware that he had done so when I addressed my question to him.

TIMBER-PLANTING ON WESTERN PRAIRIES.

Mr. ARMSTRONG asked, and by unanimous consent obtained, leave to have printed as part of the debates some remarks on the bill in relation to timber-planting on western prairies.

CUBA.

Mr. WALLS asked, and by unanimous consent obtained, leave to print as part of the debates some remarks on Cuba.

FORTY-FOUR MILLION LOAN.

Mr. MERRIAM asked, and by unanimous consent obtained, leave to print as part of the debates remarks on the legality of the issue of the forty-four million reserve.

FINANCE.

Mr. MELLISH. With the permission of the gentleman from Pennsylvania, [Mr. KELLEY,] I desire to address one question to him.

Mr. KELLEY. I will answer the gentleman's question if in my power.

Mr. FIELD. I move that the House do now adjourn.

Mr. COX. I wish to say one word about the experience we have had to-day, especially with respect to the performances in the gallery and on the floor of the House. I do this with the hope that hereafter no Saturday afternoons may be set apart for such an exhibition to the whole nation as we have had to-day. We have had a little unconsequential colored minstrelsy on the one hand, and a lot of useless personal explanations on the other. This is neither deliberation nor legislation. It does not help us forward in our duties; and I hope that from next week we will dispense with these Saturday afternoon sessions. I move that the House do now adjourn.

The SPEAKER *pro tempore*. The gentleman from Michigan [Mr. FIELD] already has the floor for the purpose.

Mr. MELLISH. The gentleman from Pennsylvania [Mr. KELLEY] has consented to yield to me for a moment.

Mr. KELLEY. I will be very glad if I can to answer any question the gentleman may put to me.

Mr. MELLISH. I want to state a simple proposition.

Mr. COX. I insist on my motion to adjourn.

Mr. MELLISH. If my colleague [Mr. COX] will allow me a moment to state a proposition, I think it may, perhaps, be deemed worthy of consideration by the House.

The plan will be to have five hundred millions of greenbacks out; then, that the Government shall loan greenbacks (from an additional supply thereof) to any person who offers United States bonds as security for the loan—100 per cent. on 6 per cent. bonds, and 90 per cent. on 5 per cent. bonds; interest to be paid on the loan at 7.3 per cent., payable semi-annually.

That is a proposition which I simply submit for consideration without committing myself to it. By this plan the speculators of Wall street, if they wish to operate with the currency, have got, in the first place, to possess themselves of United States bonds. That is an expensive operation. It would swamp even Jay Gould and all his confederates to attempt any dangerous operation in them. People who hold United States bonds are generally solid people, who do not go into such operations. The next thing is to withdraw currency after getting the bonds. This will swell the currency. That of itself is a more difficult operation than the whole transaction under the 3.65 scheme. And remember, that a sudden purchase of even a few millions of United States bonds in Wall street would put up the price and spoil the transaction. In the one case—under the 3.65 scheme—you shrink the currency, and then swell it; in the other you swell it, and then shrink it. Speculation, of course, is possible under this system. But it is not nearly so handy to bull stocks and then bear them, as it is to bear them and then bull them.

And now, if the gentleman from Pennsylvania [Mr. KELLEY] will allow me, and the House will allow me, I would like to ask him a question. But I do not wish to trespass on the patience of the House.

Mr. COX. Although the gentleman from Pennsylvania should answer it, that would not make legislation.

Mr. RANDALL. Give him another week to answer it.

Mr. MELLISH, (amid considerable confusion and cries of "Let us adjourn.") I want to ask the gentleman from Pennsylvania if his scheme of three sixty-five bonds would not furnish the prettiest opportunity to the manipulators in Wall street? The gentleman will recollect that the Government had some difficulty with the Tenth

National Bank in regard to its attempt to lock up currency. Will not the effect of the three sixty-five bond scheme be this: that the Government itself will do what it sought to punish the Tenth National Bank for doing? Suppose a combination in Wall street should put $10,000,000 or $15,000,000 in a pool, take it to the Treasury and turn it into three sixty-five bonds, does not that contract at once the currency to that extent? Stocks go down, and then these speculators, when they have succeeded in getting Government and other stocks down low enough to suit them, take their three sixty-five bonds to the Treasury and change them into currency with which to buy stocks at low prices. Does not the Government thus aid them to tamper with the currency? And will not the effect——

Mr. KELLEY, (interrupting.) If the gentleman will allow me to answer his first three questions, I will then stay here with him alone and answer the rest, while the House can adjourn. [Laughter.]

Mr. SPEER. Is it in order to move that five thousand extra copies of these interrogatories be printed for the use of the House?

Several MEMBERS. Let us adjourn.

The motion to adjourn was agreed to; and (at four o'clock and ten minutes p. m.) the House adjourned until Monday next.

PETITIONS, ETC.

Petitions, memorials, &c., were introduced and referred under the rules as follows:

By Mr. BURCHARD: The petition of Samuel Stewart and other soldiers, for an act to equalize bounties to $8.33⅓ per month, to the Committee on Military Affairs.

By Mr. NIBLACK: The memorial of the State Board of Agriculture of Indiana, against the extension of certain patents, to the Committee on Patents.

By Mr. ROBINSON, of Ohio: The petition of W. B. Russell and others, asking for a modification of the stamp tax on drugs, to the Committee on Ways and Means.

By Mr. SMITH, of Virginia: The petition of J. B. Pointdexter, asking pension for services during the war of 1812, to the Committee on Pensions.

By Mr. SPEER: The petition of citizens of Huntingdon County, Virginia, asking that the duty on tea and coffee be not revived, to the Committee on Ways and Means.

By Mr. THORNBURGH: The petition of Gilbert Reed, for pension &c., to the Committee on Invalid Pensions.

IN SENATE.

MONDAY, *January* 26, 1874.

Prayer by the Chaplain, Rev. BYRON SUNDERLAND, D. D.

The Secretary proceeded to read the Journal of Friday last.

Mr. MORTON. If there are no Senators desiring to hear the Journal read, I suggest that the reading be dispensed with.

The PRESIDENT *pro tempore*. The Senator from Indiana moves that the further reading of the Journal be dispensed with. The Chair hears no objection, and the reading is dispensed with.

REMOVAL OF POLITICAL DISABILITIES.

On motion of Mr. NORWOOD, by unanimous consent, the bill (S. No. 133) to relieve Thomas Hardeman, jr., of Georgia, of his political disabilities, was considered by the Senate, as in Committee of the Whole.

Mr. GORDON. I move to amend by inserting after "Georgia," in the fifth line, the words, "and William L. Cabell, of Dallas, Texas."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in. The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to relieve Thomas Hardeman, jr., of Georgia, and William L. Cabell, of Texas, of their political disabilities."

Mr. EDMUNDS. I desire to enter a motion to reconsider the vote by which the bill was passed.

The PRESIDENT *pro tempore*. The motion to reconsider will be entered.

PETITIONS AND MEMORIALS.

The PRESIDENT *pro tempore* presented a letter addressed to him by William A. Booth, president of the Importers' and Grocers' Board of Trade of the city of New York, containing a preamble and resolutions adopted by the board, asking for the adoption of certain amendments to the bankrupt law; which was referred to the Committee on Finance.

He also presented a letter from William A. Booth, president of the Importers' and Grocers' Board of Trade of the city of New York, transmitting a revision of commissioners' draught, prepared under the auspices of the board, containing a large number of suggestions of amendments to the laws in regard to collecting the customs; which was referred to the Committee on the Revision of the Laws.

Mr. FRELINGHUYSEN. I present the petition of Dr. David Murray, who left this country under a contract to attend to the educational interests of Japan; and of Horace Capron, formerly Commissioner of Agriculture, who left this country to attend to the agricultural interests of Japan; and of some 25 other citizens of the United States, and residents of Japan, representing that an indemnity was stipulated, by a convention of 1864, to be paid by the government of Japan to the United States for alleged damages suffered by American shipping at the Straits of Simonooski; that this indemnity proved to be largely in excess, so that after the liquidation of all claims properly chargeable against this fund a large unexpended balance remains in the possession of the United States, and that one-half of the indemnity yet remains to be paid by the government of Japan, and praying that the United States will remit the payment of the installments not yet paid by Japan, and will grant the unexpended balance now in the possession of the United States, with all the accrued interest, to Japan, to be used as a trust fund for the promotion of education in Japan.

In connection with this memorial, I have also a letter from Dr. Murray, stating that the ministers of Holland, England, and France, who are interested in this indemnity, have demanded that the second installment be paid, but that our minister has not made such demand, but has sent to the State Department for instructions; and also a letter from the minister of education in Japan stating that the Japanese government would be most happy to devote this fund to the purposes of international education. I move that this memorial and the letters be referred to the Committee on Foreign Relations.

The motion was agreed to.

Mr. SARGENT. I present a letter from the Secretary of the Navy, it being a correction of a letter published in the book of revised estimates relating to appropriations; there being an error in the original that the sum of $2,000,000 is named instead of $1,500,000; and in the original the schedule letter referred to is omitted. I move that this letter be printed, and referred to the Committee on Appropriations.

The motion was agreed to.

Mr. SARGENT presented the memorial of the Legislature of California, praying for the restoration of certain lands to the public domains; which was referred to the Committee on Public Lands.

Mr. JOHNSTON presented the petition of H. H. Page and other citizens of Virginia, and the petition of George E. Prichett and other citizens of Virginia, praying for the appointment of a commission of inquiry concerning the alcoholic liquor traffic, its relations to pauperism, crime, the public health, and general welfare; which were ordered to lie on the table.

He also presented the memorial of 25 disabled veterans of the war of 1861, inmates of the National Military Home at Hampton, Virginia, asking Congress to pass a law equalizing the system of paying bounties, &c.; which was referred to the Committee on Pensions.

Mr. BOREMAN. I present a petition of a number of citizens of West Virginia, calling attention to the fact that one of the piers of the railroad bridge that spans the Ohio River at Steubenville is in a leaning condition and unsafe for railroad purposes, and asking that measures be taken to secure a safe transit for passengers and freight over the bridge, and also representing that it materially interferes with the free navigation of the river. I move that this petition be referred to the Committee on Commerce.

The motion was agreed to.

Mr. PRATT. I present the petition of William N. Denny, of Vincennes, Indiana, who represents that while holding a commission as captain in the Fifty-first Regiment Indiana Volunteers, and acting as major of that regiment, he was, on the 3d day of May, 1863, at Rome, Georgia, captured by the command of General Forrest and taken to Libby Prison, and detained there from the time of his capture until the 25th day of March, 1865, when he returned to his regiment, having made his escape; that his commission as major was received at his regiment on or about the 30th of June, 1863, but by reason of his capture and detention he was prevented from being mustered in as a major, in consequence of which his pay and emoluments as major have been retained by the War Department; that he received his pay as captain, but has not received the difference between the pay and emoluments of captain and major. He prays that an act may be passed by Congress authorizing and directing the War Department to allow and pay him the difference between the pay and emoluments of captain and major. I move the reference of this petition, together with the evidence accompanying it, to the Committee on Military Affairs.

The motion was agreed to.

Mr. HAMLIN presented the memorial of Jarvis Patten, grandson and heir and for the co-heirs of Robert Patten, deceased, praying to be indemnified for spoliations committed by the French prior to the year 1801; which was referred to the Committee on Foreign Relations.

Mr. RAMSEY presented a petition of citizens of Minnesota, praying for the establishment of a post-road from Redwood Falls to Springfield, in that State; which was referred to the Committee on Post-Offices and Post-Roads.

He also presented a petition of citizens of Minnesota, praying for the establishment of a post-route between Anoka and Princeton, in that State; which was referred to the Committee on Post-Offices and Post-Roads.

He also presented two petitions of citizens of Minnesota and Dakota, praying for the improvement of the navigation of the Red River of the North; which were referred to the Committee on Commerce.