

By Mr. MYERS: The memorial of the American Steamship Company of Philadelphia, the Boston and Philadelphia, Swiftsure, Lorillard, and Philadelphia and Southern Mail Steamship Companies, the Pennsylvania, and Philadelphia and Reading Railroad Companies, the International Navigation Company, the Commercial Exchange of Philadelphia, the Insurance Company of North America, the Delaware Mutual Insurance Company, and merchants of Philadelphia, urging the prosecution of the work on the light-houses on the Bulkhead Shoal and Pea Patch in the Delaware River, to the Committee on Appropriations.

Also, the petition of Joseph Nock, for extension of his letters-patent No. 10310 for a hinge for inkstand covers, &c., to the Committee on Patents.

Also, papers relating to the claim of the officers and crew of the United States steamer Sciota, for the moiety of the proceeds of eighty-three bales of cotton picked up at sea, to the Committee on Naval Affairs.

Also, papers relating to the claim of the officers and crew of the United States steamer Vicksburgh, for the moiety of the proceeds of seventy-eight bales of cotton picked up at sea, to the Committee on Naval Affairs.

By Mr. O'BRIEN: The petition of Magdalen Bodein, mother of Antone Bodein, late private Company K, First Maryland Volunteers, for a pension, to the Committee on Invalid Pensions.

By Mr. O'NEILL: The petition of Ruth Isabella Naylor, widow of Captain Charles Naylor, asking that the pension to her late husband may be continued to her during her life, to the Committee on Invalid Pensions.

Also, the petition of Josephine O. Repsher, formerly Josephine O. Likens, for a pension, to the Committee on Invalid Pensions.

By Mr. PARSONS: The petition of Peter Jepson, guardian of the minor child of Levi Forsyth, late private Company F, One hundred and twenty-fourth Ohio Volunteers, for the removal of the charge of desertion from said Forsyth, to the Committee on Military Affairs.

By Mr. PHILLIPS: The petition of Henry S. Bulkley and John Wright, for relief, to the Committee on the Judiciary.

Also, a paper for the establishment of certain post-routes in the State of Kansas, to the Committee on the Post-Office and Post-Roads.

By Mr. PIERCE: The petition of certain consumers of iron and steel, for a reduction of tax on steel of foreign production, to the Committee on Ways and Means.

By Mr. PLATT, of New York: The petition of Trumansburgh Post No. 33, department New York, Grand Army of the Republic, for donation of a piece of ordnance, to the Committee on Military Affairs.

By Mr. SHERWOOD: The memorial of the Toledo Woman Suffrage Association, in relation to woman suffrage in the Territories of the United States, to the Committee on the Judiciary.

By Mr. SHOEMAKER, of Pennsylvania: The petition of citizens of Luzerne County, Pennsylvania, for increase of pension to certain disabled soldiers, to the Committee on Invalid Pensions.

By Mr. SMITH, of Pennsylvania: The petition of Catherine Yetter, widow of Peter F. Yetter, for a pension, to the Committee on Invalid Pensions.

By Mr. TAYLOR: The petition of citizens of Westmoreland County, Pennsylvania, that a pension be granted to Mrs. Lydia A. Douglas, to the Committee on Invalid Pensions.

Also, the petition of citizens of Westmoreland County, Pennsylvania, that a pension be granted to Mrs. Ellen Walton, to the Committee on Invalid Pensions.

Also, papers relating to the claim of James R. Porter, for a pension, to the Committee on Invalid Pensions.

By Mr. THORNBURGH: The petition of George W. Wells, late private Company I, First Tennessee Volunteers, for a pension, to the Committee on Invalid Pensions.

By Mr. VANCE: The petition of Stephen M. Hunnicutt, late of Company E, Third North Carolina Mounted Infantry, for relief, to the Committee on Military Affairs.

Also, a paper relating to the claim of A. B. Welch, to the Committee on War Claims.

Also, a paper relating to the claim of J. J. Welch, to the Committee on War Claims.

Also, the petition of S. F. Plemmons, S. A. Burnett, and others, (with draught of a bill,) for a post-route from Lee post-office, Madison County, North Carolina, to Big Creek post-office, Cocke County, Tennessee, to the Committee on the Post-Office and Post-Roads.

By Mr. WELLS: The petition of Child, Pratt & Fox, to be compensated for stores furnished the Quartermaster's Department of the United States Army in the year 1861, to the Committee on War Claims.

Also, the petition of the Quarterly Conference sitting at Centenary church, Saint Louis, Missouri, for the payment of the claim of the Southern Methodist publishing house at Nashville, Tennessee, to the Committee on War Claims.

Also, the remonstrance of the State Grange of the Patrons of Husbandry of the State of Missouri, against grants of public lands to corporations or to aid in private schemes, to the Committee on the Public Lands.

Also, the memorial of several hundred tobacco manufacturers and dealers of the State of Missouri, for the abolition of the import duty on mass or stick licorice, to the Committee on Ways and Means.

Also, the memorial of the State Grange of the Patrons of Hus-

bandry of the State of Missouri, for the improvement of the Mississippi River and its important tributaries, to the Committee on Commerce.

By Mr. WHEELER: The petition of William N. Bulkley, of Brooklyn, New York, for additional legislation for the safety of life and property on board United States vessels, to the Committee on Commerce.

Also, the petition of citizens of Ogdensburgh, New York, for the passage of the bill for the construction of a ship-canal around the Falls of Niagara, to the Committee on Railways and Canals.

By Mr. WHITTHORNE: The petition of John E. Tulloss, of Williamson County, Tennessee, for relief, to the Committee on War Claims.

Also, a paper for the establishment of a post-route from Columbia to Campbellsville, in the State of Tennessee, to the Committee on the Post-Office and Post-Roads.

By Mr. WILLIAMS, of Michigan: The petition of A. E. Calkins, late second lieutenant Eighth Michigan Cavalry, for arrears of pay, to the Committee on Military Affairs.

By Mr. WOODFORD: The petition of Barbara Patti, widow of Gregory Patti, late seaman United States Navy, to be placed on the pension-rolls, to the Committee on Invalid Pensions.

By Mr. —: The petition of Dr. J. R. Bryan and Mrs. E. T. Bryan, of Philadelphia, for relief, to the Committee on Claims.

IN SENATE.

TUESDAY, March 10, 1874.

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

DEATH OF EX-PRESIDENT FILLMORE.

Mr. CONKLING. Mr. President, yesterday morning the sitting of the Committee on the Judiciary was unavoidably prolonged five minutes past the hour at which the Senate meets. Thus detained, I was to my regret, absent at the moment when allusion was made to the death of MILLARD FILLMORE, and when the Senate immediately adjourned. Indeed I had supposed the day of the funeral to be the day the Senate would observe, in harmony with the action of other departments, as indicated by the President of the United States in his feeling published announcement.

The death of Mr. FILLMORE having been once brought to the notice of the Senate, I do not refer to it again merely to express my respect to his memory or my sympathy for those who more immediately mourn for him. Of the political conflicts in which he appeared, of the measures he espoused, or of the part he played in the national drama, this is not the time to speak. But his long career, the exalted trusts he held, his arduous lot, the urbanity and dignity of his bearing, and above all his blameless and spotless private life, suggest thoughts upon which we might dwell with profit and propriety. I forbear, however, to attempt his eulogy, having risen for a different purpose.

I invite the attention of the Senate to the action due to the occasion. Of precedent and usage, we have none. There is no instance of the death in like circumstances of one holding relations to the Senate like those held by Mr. FILLMORE. He was Vice-President of the United States, and so President of the Senate, and in that character he became Chief Magistrate of the Republic. His death, therefore, differs from all others in our history, save one, and differs from that one in time and circumstance. Mr. Van Buren died on the 24th of July, 1862. Congress was not in session. Mr. Pierce died on the 8th of October, 1869. Congress was absent in vacation. Mr. Buchanan died on the 1st of June, 1868. Congress was in session, and the House of Representatives appointed a committee of its members to attend his funeral. On the day of the funeral, the 4th of June, the Senate adjourned, there being no proceeding save only a mere announcement of the event by Mr. Buckalew and a motion to adjourn. Mr. Buchanan, however, although an ex-President, had never been the chief officer of the Senate. Mr. Tyler died in January, 1862. Congress was in session; but civil war was flagrant, and the posture of Mr. Tyler and of the State whose citizen he was forbade expression or observance here. Mr. Tyler's is the only death during a session of the Senate of one who was President of the United States and also the presiding officer of the Senate by the choice of the nation.

It is known to the Senate that the House of Representatives has appointed a committee of its members to attend on its behalf the funeral of Mr. FILLMORE. It will, I think, be agreeable to the Senate to evince its respect and sensibility in the same way. I send to the Chair and ask the adoption of a resolution.

The PRESIDENT *pro tempore*. The Senator from New York offers a resolution, and asks for its present consideration. It will be read.

The Chief Clerk read as follows:

Resolved, That the Senate has heard with deep regret of the death of MILLARD FILLMORE, formerly Chief Magistrate of the United States and Vice-President, and that a committee of three Senators be appointed by the Chair to attend the funeral on behalf of the Senate.

Mr. FENTON. Mr. President, remembering as we do the long and distinguished services of ex-President FILLMORE, the purity of his

private life, and the dignity of his retirement after having filled the highest position in the Republic, I had prepared, and have in my hand, resolutions which seemed to me appropriate to the Senate, but my colleague has anticipated me, and it only remains for me to second his resolution, and ask its adoption.

Mr. HAMLIN. Mr. President, I rose just now for the purpose which has been indicated by the Senator from New York, [Mr. FENTON,] to second the resolution which was offered by my friend who sits near me, [Mr. CONKLING.] It seems to me both fit and proper that this body should pay some respect to the individual who at one period of time presided over its deliberations. I am one of the very small number of members in this body who then held a seat here, and I am gratified to be able to say at this time, that I shall carry with me, so long as my memory shall last, a recollection of the urbanity, the courtesy, and the ability with which the duties of the chair were then so eminently discharged; and having been then in a very small minority in this body, I can now bear testimony to the perfect impartiality with which the rights of that minority were at all times recognized, conceded, and protected. Filling so broad a space in the affairs of the public, we should be derelict in the duty we owe to ourselves, to the body, and to the country, were we to do less than that which is indicated in the resolution which has been offered.

The PRESIDENT *pro tempore*. The question is on the resolution offered by the Senator from New York.

The resolution was agreed to unanimously.

Mr. CONKLING. Mr. President, for reasons approved by other and older Senators, it seems objectionable for me, should the Chair assign me a place on the committee just raised, to be absent during the next two or three days. I ask (regretting to be compelled to do so) that my name be omitted from the committee. If the engagements of my colleague permit him to visit Buffalo, I ask that the place which would be given me may be given him.

The PRESIDENT *pro tempore* subsequently appointed Messrs. FENTON, HAMLIN, and BAYARD, the committee.

JOURNAL.

The Journal of yesterday was read and approved.

PETITIONS AND MEMORIALS.

Mr. RAMSEY presented the petition of C. De Montreville, M. D., grandson and heir, and for the co-heirs of Cornelius R. Suydam, A. C. De Montreville, and H. Townsend Coles, deceased, original claimants, praying indemnification for spoliation committed by the French prior to the year 1801; which was ordered to lie on the table.

Mr. OGLESBY presented the petition of Dr. B. Hahn, of Columbia, Monroe County, Illinois, praying to be compensated for services in the late war, and for the value of a horse killed in the service; which was referred to the Committee on Military Affairs.

He also presented a joint resolution of the General Assembly of the State of Illinois, requesting their Representatives and instructing their Senators to procure a law of Congress preventing railroads or transportation companies from making unjust charges or discriminations; which was referred to the Select Committee on Transportation Routes to the Sea-board.

Mr. INGALLS presented a petition of a large number of citizens of Jackson County, Kansas, praying for the removal of what is known as the Prairie Band of Pottawatomie Indians, and for the opening of their reservation to sale and settlement; which was referred to the Committee on Indian Affairs.

He also presented a petition of citizens of Kansas, praying for relief in certain cases where homestead entries have been canceled and lands awarded to railroad companies; which was referred to the Committee on Public Lands.

Mr. HAMLIN presented a resolution of the Legislature of Maine, in favor of converting the United States arsenal at Augusta, Maine, into an arsenal of construction; which was referred to the Committee on Military Affairs.

Mr. SCHURZ. I present the memorial of the National Merchants' Exchange of Saint Louis, embodying certain resolutions passed February 21, 1874, recommending that the proposition made by Mr. James B. Eads, to open the mouth of the Mississippi on certain conditions, be adopted. The memorial states that all "the resolutions were approved and unanimously adopted by the board, and a meeting of the exchange at large being called, were unanimously adopted by the members of the association." I move the reference of the memorial to the Select Committee on Transportation Routes to the Sea-board.

The motion was agreed to.

Mr. CONKLING presented a memorial of citizens of Albany, and a petition of citizens of Utica, New York, numerous signed, protesting against the extension of the patent granted to Henry A. Wells, April 25, 1846, for improvements in machinery for making hat-bodies; which were referred to the Committee on Patents.

Mr. COOPER presented the petition of James E. Temple, of Memphis, Tennessee, son and heir, and for the co-heirs of William Temple, deceased, praying to be indemnified for spoliation committed by the French prior to the year 1801; which was ordered to lie on the table.

Mr. HOWE presented a memorial of the Legislature of Wisconsin, in favor of the passage of a law giving bounties to the surviving soldiers who served in the war with Mexico and were honorably discharged; which was referred to the Committee on Pensions.

He also presented a joint resolution of the Legislature of the State of Wisconsin, in relation to improved water communication between the East and the West; which was referred to the select Committee on Transportation Routes to the Sea-board.

Mr. FENTON presented the petition of Samuel H. Leavitt, late Company C, Eighty-sixth New York Volunteers, praying payment of arrears of pay as lieutenant; which was referred to the Committee on Military Affairs.

Mr. LOGAN. I present a petition containing 335 names of the principal business men of the city of Peoria, Illinois, asking for an increase of the currency or free banking; also the petition of 2,454 citizens of the State of Illinois, praying for the same thing. I move their reference to the Committee on Finance.

The motion was agreed to.

Mr. WRIGHT presented the petition of William Mason, with additional evidence, praying that his claim for damages under a contract for furnishing guns may be recommitted to the Committee on Claims; which was referred to the Committee on Claims.

He also presented the petition and accompanying papers of Mrs. E. E. Hebert, of Louisiana, asking compensation for property taken by the United States Army; which was referred to the Committee on Claims.

He also presented a resolution of the Legislature of Iowa, instructing the Senators and requesting the Representatives in Congress from that State to use their influence and to vote for the modification of the homestead law of the United States in behalf of officers, soldiers, and seamen honorably discharged from service; which was referred to the Committee on Public Lands, and ordered to be printed.

Mr. PRATT presented the petition of George Richards, praying for an increase of pension; which was referred to the Committee on Pensions.

Mr. MORRILL, of Maine. I present the petition of W. G. Nichols, William McGilvrey, and 8 other persons, residents of the State of Maine, who represent that they were citizens of the United States and engaged in commerce in strict conformity to the laws of the United States, that their property was destroyed by armed cruisers other than the Alabama, Florida, or their tenders, or the Shenandoah after she left Australia, and that they have received no compensation for such loss, and they pray for compensation out of the Geneva award. I move that this petition be referred to the Committee on the Judiciary.

The motion was agreed to.

Mr. BOUTWELL presented a memorial of Bradford & Folger, creditors of the New England Mutual Marine Insurance Company of Boston, in relation to the Geneva award; which was referred to the Committee on the Judiciary.

Mr. BOUTWELL. I also desire to lay before the Senate a resolution passed by the Legislature of Massachusetts, and ask that it be read, laid on the table, and printed.

The Chief Clerk read as follows:

COMMONWEALTH OF MASSACHUSETTS, in the year 1874:

Resolved rescinding and annulling a resolution passed December 18, in the year 1872, relating to Army registers and national flags.

Resolved by the senate and house of representatives in General Court assembled, That the resolution passed on the 18th day of December, 1872, at the extra session of the Legislature of that year, relating to a bill introduced in the Senate of the United States concerning the Army Register and regimental colors of the United States, be, and hereby is, rescinded and annulled.

Passed. Sent down for concurrence.

SENATE, February 11, 1874.

S. N. GIFFORD, Clerk.

HOUSE OF REPRESENTATIVES, February 13, 1874.

Concurred.

GEORGE A. MARDEN, Clerk.

SECRETARY'S DEPARTMENT,
Boston, March 3, 1874.

I certify the foregoing to be a true copy of the original resolve.

OLIVER WARNER,
Secretary of the Commonwealth.

Mr. BOUTWELL. I wish to call the attention of the Secretary to the fact that there is a letter from his excellency the governor, which should be read also.

The PRESIDENT *pro tempore*. The letter will be read.

The Chief Clerk read as follows:

COMMONWEALTH OF MASSACHUSETTS, EXECUTIVE DEPARTMENT,
Boston, March 3, 1874.

SIR: By vote of the 27th ultimo the General Court requested me to forward to our Senators and Representatives in Congress copies of the resolution passed by the present Legislature, rescinding and annulling the resolve passed by the Legislature of 1872, concerning the Army Register and national battle-flags. It gives me pleasure to comply with this request, and herewith I inclose a copy of said resolution.

I have the honor to be, your obedient servant,

W. B. WASHBURN.

Hon. GEORGE S. BOUTWELL,
Washington, D. C.

The resolve was ordered to lie on the table and be printed.

Mr. WEST presented the memorial of the New Orleans Chamber of Commerce, praying that national aid be extended by Congress to the Texas and Pacific Railroad Company; which was referred to the Committee on Railroads.

He also presented the memorial of the New Orleans Chamber of Commerce, on the subject of the removal of obstructions at the mouth

of the Mississippi; which was referred to the Select Committee on Transportation Routes to the Sea-board.

Mr. HAGER. I present a joint resolution of the Legislature of the State of California, in regard to the congressional election in that State. The elections in our State are biennial. As the law now stands the next congressional election will take place the coming fall. It will be the only election in the State of California this year. Elections are quite expensive there, and the Legislature desire to have a change until the State election, which occurs in the following year. I move that the resolution be referred to the Committee on Privileges and Elections.

The motion was agreed to.

Mr. BOGY presented the petition and accompanying papers of Child, Pratt & Fox, praying compensation for stores furnished the Quartermaster's Department of the United States Army in 1861; which were referred to the Committee on Claims.

Mr. NORWOOD presented the petition of Rosa Rachel Wyatt, praying payment for stores and supplies taken by the Federal Army in Bryan County, Georgia; which was referred to the Committee on Claims.

The PRESIDENT *pro tempore* presented the petition of Henry Cook, praying to be allowed a pension; which was referred to the Committee on Pensions.

He also presented a memorial of citizens of Walworth County, Wisconsin, praying for the issue by the Government of legal-tender notes in lieu of the present national bank notes, and that the volume thereof may not be subject to undue contraction or expansion; which was referred to the Committee on Finance.

Mr. CONKLING. I present the petition of L. P. Morton, Chester Griswold, and other citizens of character in the State of New York, the holders of bonded indebtedness against the State of Louisiana. Their petition recites that the Legislature of that State is engaged in a process of repudiation; and they pray the passage of the bill introduced by the Senator now occupying the chair, [Mr. CARPENTER,] or of some tantamount legislation which will protect their rights. I move the reference of this petition, with an accompanying paper, to the Committee on Privileges and Elections, as that committee is already charged or to be charged with the subject.

The motion was agreed to.

NEW MEXICO LAND CLAIMS.

The PRESIDENT *pro tempore* laid before the Senate a letter of the Secretary of the Interior, transmitting three reports of the surveyor-general of New Mexico on private land claims in that Territory; which was referred to the Committee on Private Land Claims.

DISTRICT GOVERNMENT INVESTIGATION.

Mr. MORRILL, of Maine. The Committee on Appropriations, to whom was referred the bill (S. No. 583) making an appropriation to defray the expenses of the joint select committee to inquire into the affairs of the District of Columbia, have instructed me to report it back and recommend its passage, and to ask for its present consideration, as there seems to be immediate necessity for the fund.

By unanimous consent, the bill was considered as in Committee of the Whole. The bill appropriates \$10,000, to be added to the contingent fund of the Senate, and to be drawn on the order of the joint committee, for the expenses to be incurred in the investigation of the affairs of the District of Columbia.

Mr. CONKLING. I am not going to object to this bill; far from it. I ventured the other day to make an inquiry about it; and I should be glad now if the Senator from Maine would state what is to be done with so large a sum, and what is to be, as far as he knows, the whole required appropriation. That the Senator from Maine may not suppose that I am unduly curious, as I see the chairman of the Committee on Transportation is present, I wish to mention a fact. The Committee on Transportation, sitting during the recess for weeks and months, visiting many States, traveling many thousand miles, and taking a heavy volume of testimony, I am informed by the chairman of the committee—he will correct me if I am in error—expended, aside from the earnings of the stenographer, about \$3,000. Am I right?

Mr. WINDOM. That is right.

Mr. CONKLING. That was the expense of a committee conducting an investigation in several widely separated States for many weeks and traveling thousands of miles. In this instance the Senate has listened to memorials stating with earnestness, and apparently stating with supposed definite information and conscientiously, grievances and wrongs, the scene of which is the city of Washington. A committee has been raised to hear these grievances, and before, as the public journals report, a charge or specification has been made, we are called upon to appropriate \$10,000, to carry forward the inquiry. If it were paid to witnesses, \$10,000 would pay the attendance fee of five thousand witnesses summoned for a day each from Washington; they receive two dollars a day. I cannot suppose that half the sum stated will be needed as fees of witnesses, and would be well pleased to hear from the Senator from Maine some statement of the necessity, and if he can give it, an opinion whether \$10,000 is to be the whole of the appropriation, or whether we are to be called upon for more.

I need not say, I hope, that I will vote, and vote promptly, for all appropriations necessary to make this a thorough investigation; but I want to guard against voting an unnecessary sum, and having wit-

nesses and pretended witnesses and schemers understand that so much money may be obtained if a way can be found to get at it, thus tempting them to besiege the committee with applications and importunities to testify or furnish evidence or to do various things which perhaps would be better and more honestly done by those moved from higher considerations than the hope of getting traveling expenses or fees.

Mr. MORRILL, of Maine. Mr. President, from the nature of the case, it is impossible for the Committee on Appropriations to have any definite information as to what may be the expenditure required for this investigation, and I suppose it is really out of the power of the investigating committee itself to indicate specifically what expenditures it may find necessary. The Senator from New York will understand that it involves the expense of witnesses, of course. Then it involves a very large expenditure undoubtedly in the way of stenographers and clerks if the thing is carried on in the way these matters are generally. The Committee on Appropriations have no experience on this subject which justifies them in the belief that this investigation, if it is carried so far as we have reason to believe it may be, will cost less than the sum named in the bill; and I should be very glad myself to find that the expense will be brought within the limits of this appropriation.

The Senator from New York has alluded to the expenditure of a committee, which leads me to make a remark upon the general subject of our expenditures in this class of investigations, and I should be very glad if the attention of the Senate of the United States could be brought to this subject so as that we would get rid of this method of investigating affairs. We have standing committees to which all these matters appropriately belong, and by referring such matters to them we should certainly save very great expense, in my judgment. The Senator alludes to the Transportation Committee. So far as I have been able to judge, the affairs of that committee have been conducted with great economy; but the expenditures are not over yet; they have not been all audited and adjusted. So far the expenditures are \$9,328.77 paid. How much remains behind unsettled we do not know.

Mr. CONKLING. That is \$3,000 for the stenographer and \$6,000 for all the other expenses.

Mr. MORRILL, of Maine. I have no specification of items.

Mr. WINDOM. If the Senator will allow me, I desire to say that the entire expenses of the committee during the summer have been audited, with perhaps the exception of one or two hundred dollars, not amounting to over \$200; and \$200 will not increase the entire expenditure of the committee, over and above the stenographic expenses, to the sum of \$6,000.

Mr. MORRILL, of Maine. What does the Senator understand to be the whole amount of money paid out on this account?

Mr. WINDOM. Over \$9,000, including the stenographer; and there were over a thousand pages of evidence taken by the stenographer.

Mr. MORRILL, of Maine. I make no comment on the subject; my attention was called to it by the statement of the Senator from New York; but I have before me an exhibit of the expenditures of this committee, as well as an exhibit of the expenditures for all the special and general committees of the Senate who were charged with special investigations during the Forty-second Congress, and the aggregate amount is \$167,125.47.

Mr. CONKLING. For investigations alone?

Mr. MORRILL, of Maine. Simply investigations, special investigations.

Mr. CONKLING. For the last session?

Mr. MORRILL, of Maine. No, sir; for the Congress.

Mr. CONKLING. The last Congress?

Mr. MORRILL, of Maine. Yes, sir; the Forty-second Congress.

Mr. CONKLING. Please give the aggregate amount.

Mr. MORRILL, of Maine. It is \$167,125.47. The expenses of the Select Committee on Alleged Outrages in the Southern States were \$80,419.97. I believe that was a joint committee. The Committee on Privileges and Elections inquiring into certain charges of bribery and corruption in connection with the recent senatorial election in Kansas expended \$18,201.79. The Joint Select Committee on Retrenchment—

Mr. ANTHONY. The Senator will allow me to remind him, as I see the chairman of that committee is not here, and the second member of the committee is in the chair, that those great expenses were in bringing witnesses from a long distance. It cost four or five hundred dollars apiece, I think, to get witnesses here from Kansas, and many of them were not worth much when they came.

Mr. MORRILL, of Maine. Certainly that is true.

The Joint Select Committee on Retrenchment expended over \$13,000. Then there were the expenses of the investigations in regard to elections in Louisiana, Kansas, &c., \$13,300. I have no purpose to refer to this except in response to the Senator from New York, who queries whether it is not possible to control an investigation comprehending so much, both in interest and magnitude, as the one set on foot now, within \$10,000. I say my own experience in regard to these matters does not justify any belief that we are likely to bring it within that sum. So the Committee on Appropriations had no hesitation in reporting this sum, and particularly as it is within the control and audit of the investigating committee itself.

Mr. SARGENT. Will the Senator allow me to ask whether his

statement includes the expenses of committees of the House of Representatives of the same character?

Mr. MORRILL, of Maine. No; only the committees on the part of the Senate.

Mr. HAMLIN. My colleague dropped an expression upon which I should like a little more information from him. He says he thinks from the information the Committee on Appropriations have that this \$10,000 will not be likely to cover the expense. I should like to know really what that information is.

Mr. MORRILL, of Maine. My colleague should not understand me as saying that. I say in the beginning it is very difficult to have any information on the subject which would justify a reasonable judgment as to what the cost will be, and the experience of the committee, drawn from similar investigations, does not authorize an inference that it will come within this amount, and I mentioned some of the investigations here under our own jurisdiction close at hand. A great deal may be said about this one way and another, which it is hardly worth while for me to take up the time of the Senate with at the present time. I offered a resolution some days ago which was calculated to control these expenditures; but objection was made to it and it went over. At some future time I will renew it.

The Senator from Rhode Island remarks very properly that a great deal of these expenditures comes from the habit of drawing testimony from remote portions of the country, summoning witnesses from a long distance. Take, for instance, the investigation of matters in Kansas, running up to twenty-odd thousand dollars. That was chiefly from the necessity of drawing witnesses from that distance; and each witness cost (without reference to the time which he might be kept here) perhaps \$400, or between \$300 and \$400. The same thing goes on constantly. That might be checked to some extent, but, after all, the remedy in my opinion is to confine these investigations to the appropriate committees of the Senate. Do that, and we shall have less of them. We shall have them more thorough and at less expense, because we have got our machinery. The moment you make a special committee, you institute new machinery for the whole performance, new clerks, new stenographers, and all that sort of machinery.

Mr. HAMLIN. Inasmuch as an investigation has been ordered into the affairs of this District, I want to see it carried forward thoroughly, fully, without any qualification; but I am one of those who believe that an appropriation of \$10,000 will insure an expenditure of \$10,000 in doing that thing, while an appropriation of \$5,000 would only involve the expenditure of that amount doing precisely the same thing and doing it precisely as well. That is my judgment. Therefore, if the appropriation were for half the sum, I think the work would be accomplished for that. If, however, it were found at any subsequent period of time that more means were actually required, more means could be supplied. But if you make the appropriation of \$10,000 now, you virtually invite the expenditure of that sum; and I think, if we carefully consider the figures to which my colleague has already referred, we shall find that \$5,000 would be vastly a larger appropriation to be expended in this investigation than the expenditures in any one case to which my colleague has alluded, because they were of a peculiar character, many of them were distant from this place, the meetings of the committees were held distant from this place, or the witnesses were called from a very long distance to this place; and this involved large expenditures. According to my recollection, he stated that the Committee on Retrenchment, in their investigation in New York, spent about \$3,000. I do not recollect the exact figures, but it was in the neighborhood of \$3,000, and it was an investigation long and thorough.

Mr. MORRILL, of Maine. That was \$13,639.55.

Mr. HAMLIN. That expenditure would be equal to \$40,000 in this case, if you consider the circumstances under which that investigation was made compared with those of the one to be made here now, where the witnesses are directly on the spot. The Committee on Retrenchment sat five weeks, I believe, in New York, and then they were here calling witnesses from New York, being obliged to be here to take care partially of their official duties out of committee. They were obliged to call witnesses in large numbers from New York. Without going into the details, I cannot doubt, and the Senator looking at me, [Mr. HOWE,] will correct me if I am wrong, that the expenses of that committee were largely in summoning witnesses from New York here.

Mr. HOWE. Very largely.

Mr. HAMLIN. For these reasons I think it would be wiser, more economical, and better calculated to do justice to the case to limit this appropriation to at least one-half of what the committee reported. I therefore move to strike out "ten" and insert "five" before "thousand."

Mr. PRATT. I rise to make an inquiry of the Senator from Maine who sits farthest from me, [Mr. MORRILL,] I ask him to restate the amount of expenses of the joint select committee for investigating the alleged outrages in the Southern States. I did not catch the amount.

Mr. MORRILL, of Maine. I think I gave the amount—\$80,419.95.

Mr. PRATT. I was a member of that joint committee—composed, I believe, of thirteen members—and it will be remembered that it was in session from the early part of summer, in the year 1871, until the meeting of Congress the succeeding winter. It was in session

here in the city of Washington during the summer months, and in the fall months the committee was broken up into sub-committees who visited various Southern States. I was one of the sub-committee of five that visited the States of Tennessee, Alabama, and Mississippi. That sub-committee were engaged day after day, and frequently their sessions were protracted into the night, for a period of six weeks. They took testimony in the towns of Huntsville, Montgomery, Demopolis, and Livingston, in Alabama, and at Macon and Columbus, in Mississippi. They had with them a clerk, a stenographer, and a deputy sergeant-at-arms. The sum total of the expenses of the sub-committee traveling to these various points, paying bills of every kind, was within the sum of \$5,000, and they were occupied industriously day after day, for the period I have stated—six weeks or more. The witnesses in some instances had to be called from a considerable distance, one witness I remember a distance of about two hundred miles; and frequently they came distances of twenty, thirty, forty, and fifty miles; and yet the bills of this sub-committee, all told, were within the sum of \$5,000. It does seem to me that that sum is quite sufficient to defray the expenses of this joint committee sitting here in the Capitol, and deriving their testimony principally from citizens living here.

Mr. MORRILL, of Maine. I have no object to procrastinate this debate, and do not desire to say anything further in regard to the subject. I only express my own belief that if you cut this down to \$5,000, they will come back for \$5,000 more; and it seems to me that as none of us can tell how much it will cost, we might as well leave it in the hands of the committee to whom we have confided this subject; and as the bill itself subjects the audit to the committee, and they have the control of it, I hardly think there is any danger in allowing the bill to go as it is. Still I shall make no objection to the amendment.

The PRESIDENT *pro tempore*. The Senator from Maine [Mr. HAMLIN] moves to amend the bill by striking out \$10,000 and inserting \$5,000.

The question being put, a division was called for, and the ayes were 28.

Mr. BAYARD. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ANTHONY. I wish to give the committee all it asks. I do not suppose it will spend any more than is necessary. The accounts are to be audited by the committee. We do not require them to spend \$10,000; but authorize them to spend \$10,000 if, in their judgment, it shall be necessary.

Mr. SHERMAN. I simply wish to inquire whether the expenses of the stenographer and printing are to be paid out of these \$10,000; or what portion of the necessary expenses are to be paid out of the \$10,000?

Mr. MORRILL, of Maine. Let the bill be read. It specifies.

Mr. SHERMAN. Does it include printing?

Mr. ANTHONY. O, no.

Mr. SHERMAN. But it includes the stenographer?

Mr. MORRILL, of Maine. Certainly.

Mr. CONKLING. Nothing but the stenographer and witnesses.

Mr. SHERMAN. It seems to me the chief expense of this committee will be the stenographer; and I have often thought the Senate ought to adopt a reform in that direction by employing a stenographer by the year. I know that we pay stenographers for reporting in a single case, perhaps, as much as the whole expense of the committee. For instance, the expenses of the stenographer of the Committee on Transportation, of which I happen to be a member, it seems, are about \$3,000, while the entire expenses of the committee, traveling all over this country for weeks and weeks, were only \$6,000. If this \$10,000 covers the expense of the stenographer, with the mass of papers that it is said are before the committee, the sum is not too much; but I am disposed at the outset to vote for \$5,000, because it is very easy for us to increase the amount. As a matter of course it is easy to increase the amount hereafter; but if you once appropriate \$10,000, it is very apt to be expended. I, therefore, shall vote for the smaller sum.

I merely rose to call the attention of the Senate to the importance of changing the method of employing stenographers by this body. It seems to me that the resolution authorizing a committee like this ought not to authorize them to employ a stenographer, but there ought to be some officer by that name designated for the use of the Senate at a reasonable salary, say \$5,000 a year, if you please, to do that kind of work for all the committees, when called upon. I have no doubt that one stenographer in that way would render all the service that is needed in that line, and thus save a very large sum of money in the course of the year.

Mr. SARGENT. It was the judgment of the Committee on Appropriations, when this matter was before them, that an expenditure of \$10,000 would be needed for this purpose. It is apparently the judgment of the joint committee that this amount is needed, from the fact that the Senator from Ohio, [Mr. THURMAN,] who is acting chairman of the committee during the illness of the Senator from Massachusetts, [Mr. BOUTWELL,] has introduced his bill, and proposed this as the amount with which the Treasury will probably be burdened. Now, I have great confidence in the chairman and acting chairman of the committee, and in their discretion and their desire to guard the Treasury, and I pay great regard to any recommendation which they make

in this matter. I think the Committee on Appropriations were right in reporting this amount. I trust it will not be cut down one-half, because there is no obligation on the part of the investigating committee to expend more than is absolutely necessary to carry on the investigation, and they are not likely, considering their character, to spend more because we appropriate the larger amount.

Mr. CONKLING. May I ask the Senator a question?

Mr. SARGENT. Certainly.

Mr. CONKLING. The Senator observes that it was the judgment of the Committee on Appropriations that this sum would be necessary to do this work. May I ask him for the elements of that judgment, for the data upon which it was formed?

Mr. SARGENT. We reasoned quite largely upon the cost of similar investigations, running from \$80,000 down to \$3,000—of course a very large opportunity to strike an average, but this is far below the average.

There are some practices which have grown up in these investigations which perhaps ought to be corrected, and which I have no doubt a vigilant chairman of a committee could correct without the necessity for legislation; but if these practices shall have become so strong that only legislation can cure them, it will not be done by cutting down the amount of the appropriation, which would seem to stint the object and show Congress to be unfavorable to the particular investigation. In that case the remedy is by legislation, which shall particularly name the mischiefs which are desired to be corrected. For instance—I did not intend to speak of it, but I will do so in order to direct the attention of the Senate to, I think, one of the abuses connected with all these investigations, and with this investigation if the circumstance shall occur more glaring than in many others—it is understood that the stenographer who reports is entitled to fifty cents per folio of one hundred words for all that is printed, whether furnished to him in print or writing; whether a mere exhibit appended to the original testimony which he takes down and copies out, or not. I do not know that fifty cents for one hundred words is too much for the testimony actually taken down and copies of which are handed to the clerk of the committee. But when you supplement to that a large mass of exhibits which have been handed in, in this case I understand some one or two thousand pages of written matter furnished by the District authorities in answer to questions which have been put by the committee, which probably will not even be touched by the stenographer, the abuse is evident. It is the custom of these committees to send such matter to the Public Printer to be printed for the use of the committee; and it must be printed for their convenience, because to copy it out for the use of each member, or having one member to wait until another has got through with it, would cost very much more and would be extremely inconvenient. Hence this matter scarcely goes into the hands of the stenographer at all. But I understand the custom is to allow him to charge fifty cents a folio for all the mass of matter, and in this case it cannot amount to much less than the book which I hold in my hand. [Exhibiting a bulky document.] I believe that the chairman of this committee can say that this is not a just construction of the custom heretofore existing for the compensation of such person; or that if it is the custom, it will be broken up.

Mr. CONKLING. Is it a good way to enable him to say that, to vote \$10,000?

Mr. SARGENT. I say that, still voting the \$10,000.

Mr. CONKLING. My point is this: is that a good way to enable the chairman of the committee to make a stand against this thing of paying for a great volume as if it were written out when it has never been touched?

Mr. SARGENT. I do not think it is. I am not arguing that the appropriation of \$10,000 rather than \$5,000 will direct the attention of the chairman to these things; but I do think the discussion of this matter will direct his attention to it, and he will be very apt to inquire into the authority to pay the stenographer for reporting documents with which he has no connection, except from their being stitched in the same report; and it is the duty of the clerk of the committee, if there is a clerk to the committee, to make up such documents and append them to the report.

Mr. WINDOM. I wish to say that the rule the Senator from California refers to is not an invariable rule. I know that Mr. Brailley, the stenographer of the committee of which I had the honor to be chairman this summer, did not make such charges. If the matter furnished only covered two or three pages, or half a dozen pages of manuscript, he did charge for it; but where printed matter was submitted he did not; and I did not certify to his charges; he did not make them.

Mr. SARGENT. I am very glad to hear of the exception; and I think it should become the general rule. Now the Senator from New York inquires, what is the basis upon which we judge that \$10,000 is the proper amount? I ask him upon what basis does he judge, what are the elements of his calculation, that \$5,000 is sufficient?

Mr. CONKLING. With my friend's permission I beg to make two observations. First, the Senator has stated in part the basis on which the committee judge, which is that such a volume as he holds up in print is to be paid for, say, at fifty cents for one hundred words. The Presiding Officer of this body and I, in professional ways, are able to estimate somewhat the size of such a charge as that—fifty cents for one hundred words—unknown to any fee-bill in ancient or in modern times.

Mr. SHERMAN. Is not such a charge often paid for recording deeds?

Mr. CONKLING. Recording deeds is very different. Now the Senator from Minnesota impairs entirely the basis which my friend from California referred to, and he shows that there is not even a usage, enormous as I think such a usage would be, warranting any gentleman in charging for a great mass of labor, none of which he performs. But I have not answered the question, and I will answer it now, and I will do it by an inquiry. I ask my friend whether in the course of his long experience in the House and his shorter experience here, he can name an instance in which an investigation has cost \$10,000, or any such sum, if it were conducted at this Capitol, and consisted in the examination of witnesses residing here? And I add to my question my testimony, that although within the last fourteen years I have been a number of times upon investigating committees sitting here, and examining witnesses who were here, and not paid for coming here, I have never known an instance which I can recall, in which the expense has been as great as \$5,000 would be in this case. Of course, I distinguish between such a case as this and bringing witnesses from Kansas or even witnesses from New York.

Mr. SARGENT. There is no instruction to this committee limiting the investigation to witnesses summoned from this city. If there were there would be very much force in the remarks of my friend from New York. But one of the questions before this committee is the expense and the comparative expense between this and other cities of the improvements which have gone on here. It is alleged on the one side that these improvements have cost 25 per cent. less than such improvements in Chicago, New York, or any other city of the Union. On the other side it is alleged that most enormous prices have been paid, a third or a half more than in any other city in the Union. How are you going to get at the facts in that matter? I suppose by summoning experts from Chicago, Saint Louis, or any other city where the members of this committee may think there are men residing who can throw light on that proposition. I speak merely of that instance, and I have no doubt there are other points as to which it may be necessary to obtain the testimony of persons living at a distance, and I think that is a complete answer to the question of my friend.

I am aware that there have been investigations in this matter on the part of the other House, which I had supposed to be thoroughly exhaustive; many of these things have been gone over by the regular committees of the House; for instance, I may allude to the investigation in the last Congress by the District of Columbia Committee. I think if we could get at the cost of that committee we should find that it equaled \$10,000, for it ran over several months; there was a very large number of witnesses, and the volume of the report was very large when it came from their hands. After these investigations in one House or the other have taken place, as this question is still urged on the attention of Congress, and anything we have done heretofore to investigate this matter or put it at rest has been entirely futile, I desire that every advantage shall be put into the hands of this committee, either by expenditure of money or by their expenditure of time, their own time or that of Congress, by which this thing shall be ventilated clear to the bottom, that it may be known whether these assertions which go out from this city to papers in all parts of the country that we have a "Boss Tweed" administration of District affairs are true or false—in justice to the gentlemen who have charge of the interests of this city and the legislation of Congress. If they are innocent, if these are slanders, I want it to be as clear as daylight, that if the blush of shame can be brought to the face of the slanderers, it may mantle their cheeks. On the contrary, if they are right, and there is this corruption beneath the surface, which they insist upon exposing and ought to be exposed, let this committee be as vigilant as they are, and let them show that this corruption does exist, and these men be hurled out of office, as they deserve to be if they are corrupt and unfaithful in the discharge of their duties there. Now, by cutting down this committee to \$5,000, I do not believe they can discharge this duty; and I do not further believe that by putting \$10,000 at their disposal, they will spend one dollar more than is necessary.

For these reasons, and for reasons influencing the Committee on Appropriations, I shall vote against the amendment, and for giving them an amount adequate to the purpose.

Mr. STEWART. If the point suggested by the Senator from California is thoroughly examined, I am willing to see \$10,000 expended on it. That point is, what is the comparative cost of the improvements in different cities? The government of large cities has become in modern times, in the United States, a very serious problem. Almost every administration of almost every city is more or less involved by the influences that surround them, and they are not able to get things done for anything like the same price that private individuals can. There are so many influences at work about them that it is universally admitted, among men who speak of these things, "You have got to conciliate voters," and conciliate this influence and that influence; and it would be a good thing for the people of the United States to commence the investigation for what reason it is that public works in cities are so enormously expensive.

I know nothing of the details of this matter. I do not know what will be developed. I see that a great deal has been done. Whether it has been done cheaply or not, or whether it has been done comparatively cheaply or not, I do not know, because I have not the facts;

but it does seem almost impossible, where the voters must be satisfied and where they elect the officers, to get city expenditures anywhere within reasonable bounds. It perhaps results from the fact that so many administer the affairs of cities who have no interest in the money to be expended. There is no such difficulty in the country; it is in the cities. Popular government is government by the masses in cities who want to be employed, they voting for their employers, and in consequence the price of making improvements in the cities of the United States is alarming. I believe in this city there has been more done for the same amount of money, by the looks of things, than usually occurs. But whether that be so or not, I should like to see the testimony. I do not think the fact that there has been more or less done would necessarily imply that there had been more or less fraud. I do not think that is a controlling element; but there are combinations, and influences are arranged in cities by which they run up prices beyond all calculation. I believe this city could be much more cheaply governed if you were to apply the principle of the Constitution that Congress should have the exclusive right of legislation here. If there was no other legislative body, and no body of men to conciliate but the Government of the United States here at the capital, as was provided in the Constitution, I believe then we could get the minimum of expense for public works in cities and set an example to the rest of the country. I should like to have a comparison drawn as to the expense of these works, and an investigation as to the embarrassments and reasons that create the necessity for high prices, if there are any, so that we can judge something of them, so that we can judge something of this experiment of having a sub-legislative body in the District of Columbia. I do not believe there is any such necessity. Let us have something of an idea of whether that has had anything to do with the increased expense of public improvements. If the committee think that \$10,000 is necessary in order to carry on this comparison, if they are carrying on this comparison, I certainly think it would be of great importance. If they say \$10,000 is necessary, let us have the investigation, and let us vote all that is necessary for the purpose.

Mr. SAULSBURY. Mr. President, it seems to me that there is a very strange opposition to this resolution. The Senate has appointed a committee to investigate charges that have been preferred against the management of the affairs of this District. I suppose there is no Senator here who has not the utmost confidence in every member of the committee; not only that he will discharge the duties imposed upon him impartially and faithfully, but that he will do it with as much economy as is practicable. That committee has come here and asked for an appropriation of \$10,000 to defray the expenses of that investigation. What will be the aspect to the country if the Senate now opposes granting that sum of money? The impression will go out and be heralded through every paper in this country that the Senate is disposed to cover up the frauds that are alleged to exist in this District.

The PRESIDENT *pro tempore*. The morning hour having expired, the Senate resumes the consideration of the unfinished business, which is the bill (S. No. 432) to amend the act entitled "An act to provide for the redemption of the 3 per cent. temporary-loan certificates, and for an increase of national-bank notes," approved July 12, 1870, on which the Senator from Illinois [Mr. LOGAN] is entitled to the floor.

Mr. LOGAN. I took the floor, as I stated at the time, with a view of yielding to the Senator from Michigan [Mr. FERRY] if he was well enough, and if not I should occupy it myself. He being here and ready now to occupy the floor, I yield to him, that he may speak first.

Mr. MORRILL, of Maine. I trust the Senator from Michigan will allow us to take the vote on this appropriation bill. I suppose there will be no further desire to speak on the subject.

Mr. FERRY, of Michigan. If there is no further discussion, I am disposed to yield for that purpose. I will first yield to the Senator from Massachusetts, [Mr. BOUTWELL,] who I observe desires the floor.

The PRESIDENT *pro tempore*. The pending order will be laid aside informally.

Mr. BOUTWELL. The state of my health is such that I cannot attend, for the present at least, the meetings of the joint special committee on the affairs of the District of Columbia. I have therefore to ask the Senate to excuse me from further service upon that committee.

The PRESIDENT *pro tempore*. The Senator from Massachusetts asks to be excused from further service on the joint committee for investigation of matters in the District of Columbia. Is there objection?

Mr. THURMAN. I hope the Senator will not ask to be excused. I hope he will soon be in sufficient good health to attend that committee. He has taken part so far in laying the foundations for the investigation that I should hope he would feel at liberty to continue. I hope he will not ask to be excused.

Mr. BOUTWELL. Mr. President, I have only to say, in response to the kind suggestion of the Senator from Ohio, that I think it is due alike to the Senate and to the government of this city that the meetings of the committee should be attended by the members, and I foresee that for some days it would be prejudicial to my health to attend the meetings. I therefore cannot do otherwise than ask the Senate to excuse me.

The PRESIDENT *pro tempore*. The Senator from Massachusetts asks to be excused. Is there objection? The Chair hears none, and he is excused.

Mr. THURMAN. I only wish to make a remark. I have been in attendance on the District investigating committee this morning. I should feel inclined to move to postpone the pending order so that the bill reported by the Committee on Appropriations to meet the expenses of that committee might be considered now and passed upon; but I am told that while I was not in the Senate, while I was discharging my duties upon that committee, that bill came up and some remarks were made to which it may be proper that I should reply. As I heard not one word of them I prefer to read them in the paper before I reply. I shall therefore ask the Senate to-morrow in the morning hour to take up that bill and pass it.

WEST POINT VISITORS.

The PRESIDENT *pro tempore* announced the appointment as members of the Board of Visitors to the Military Academy at West Point, on the part of the Senate, Messrs. HOWE and DENNIS.

REPORTS OF COMMITTEES.

Mr. STEVENSON, from the Committee on the Judiciary, to whom was referred the bill (H. R. No. 826) for the relief of Elias C. Boudinot, reported it with amendments.

Mr. CLAYTON, from the Committee on Military Affairs, to whom was referred the bill (H. R. No. 1772) for the relief of William N. Williams, late a second lieutenant of Indiana Volunteers, reported it without amendment.

He also, from the same committee, to whom was referred the bill (H. R. No. 1271) for the relief of John T. Watson, of Cincinnati, Ohio, asked to be discharged from its further consideration, and that it be referred to the Committee on Claims; which was agreed to.

Mr. CONOVER, from the Committee on Revolutionary Claims, to whom was referred the petition of Jesse E. Peyton, attorney of Mrs. Elizabeth Montgomery, heir of Captain Hugh Montgomery, praying compensation for the services of her father and for losses sustained by him in the revolutionary war, asked to be discharged from its further consideration; which was agreed to.

Mr. OGLESBY, from the Committee on Indian Affairs, to whom was referred the bill (S. No. 349) to create a reservation in the Territory of Washington for the Cœur d'Alenes and other Indian tribes therein named, reported adversely thereon; and the bill was postponed indefinitely.

He also, from the same committee, to whom was referred the bill (S. No. 37) for the relief of persons for damages sustained by reason of Indian depredations, reported adversely thereon, and asked to be discharged from its further consideration; which was agreed to.

He also, from the same committee, to whom was referred the bill (S. No. 348) to amend an act entitled "An act for the restoration to market of certain lands in Michigan," approved June 10, 1872, and for other purposes, reported adversely thereon, and moved its indefinite postponement; which was agreed to.

He also, from the same committee, to whom was referred the bill (S. No. 420) to amend an act entitled "An act for the restoration of certain lands to homestead entry and to market in the State of Michigan," approved June 10, 1872, reported it without amendment.

Mr. INGALLS, from the Committee on Indian Affairs, to whom was referred the bill (S. No. 297) to authorize the Secretary of the Interior to use certain unexpended balances of appropriations remaining on the books of the Indian Office, June 30, 1873, asked to be discharged from its further consideration, and that it be referred to the Committee on Appropriations; which was agreed to.

He also, from the same committee, to whom was referred the bill (H. R. No. 1331) for the relief of Joab Spencer and James R. Mead, for supplies furnished the Kansas tribe of Indians, reported it without amendment.

He also, from the same committee, to whom was referred the bill (S. No. 355) to provide for ascertaining losses sustained by citizens of Oregon by reason of Indian depredations, and the bill (S. No. 513) to provide for ascertaining losses sustained by citizens of Southern Oregon and Northern California by reason of Indian depredations in 1872 and 1873, asked to be discharged from their further consideration; and the bills were postponed indefinitely.

He also, from the same committee, to whom was referred the bill (S. No. 278) to provide for the manner of paying annuities to Indian tribes under treaty stipulations or legal enactments, reported adversely thereon; and the bill was postponed indefinitely.

Mr. WRIGHT, from the Committee on the Judiciary, to whom was referred the bill (S. No. 457) to abrogate and declare void a certain portion of the treaty with the Sioux Indians, concluded April 29, 1868, reported it with an amendment.

He also, from the Committee on Finance, to whom was referred the bill (S. No. 459) for the relief of William J. Patton, reported it without amendment, and submitted a report; which was ordered to be printed.

Mr. WRIGHT. The Committee on the Judiciary, who were by a resolution of the 12th of March last instructed to inquire and report at the December session of the Senate whether the Union Pacific Railroad Company, or any company authorized to build a branch road to connect therewith, or any assignee of such company, will be entitled to lands or bonds for any road which such company may hereafter construct, have had the same under consideration, and have instructed me to submit a report accompanied by a bill.

The bill (S. No. 587) declaring the true intent and meaning of the Union Pacific Railroad acts, approved July 1, 1862, July 2, 1864, and July 3, 1866, and for other purposes, was read and passed to a second reading, and the report was ordered to be printed.

Mr. LOGAN, from the Committee on Military Affairs, to whom was referred the bill (H. R. No. 1037) making appropriations for the construction, preservation, and repair of certain fortifications and other works of defense, asked to be discharged from its further consideration, and that it be referred to the Committee on Appropriations; which was agreed to.

He also, from the same committee, reported a bill (S. No. 588) approving the action taken by the Secretary of War under the act approved July 15, 1870; which was read and passed to a second reading.

He also, from the same committee, to whom was referred the bill (H. R. No. 1933) to amend the thirty-first section of the act entitled "An act for enrolling and calling out the national militia, and for other purposes," approved March 3, 1863, reported it without amendment.

He also, from the same committee, to whom was referred the bill (H. R. No. 368) for the relief of James Long, reported it without amendment.

He also, from the same committee, to whom was referred the bill (H. R. No. 498) to settle the accounts of Captain A. B. Dyer, reported it without amendment, and submitted a report thereon; which was ordered to be printed.

He also, from the same committee, to whom was referred the bill (H. R. No. 1930) for the relief of William J. Scott, late aid-de-camp on the staff of General Spear, reported it without amendment, and submitted a report thereon; which was ordered to be printed.

He also, from the same committee, to whom was referred the bill (H. R. No. 363) for the relief of Lucius A. Roundtree, reported it without amendment, and submitted a report thereon; which was ordered to be printed.

He also, from the same committee, to whom was referred the bill (H. R. No. 1779) for the relief of William E. Childs, reported adversely thereon; and the bill was postponed indefinitely.

Mr. KELLY, from the Committee on Military Affairs, to whom was referred the petition of W. L. Parvin and Henry A. Green, late California volunteers, reported a bill (S. No. 589) for the relief of W. L. Parvin and Henry A. Green; which was read, and passed to a second reading.

Mr. SHERMAN, from the Committee on Finance, to whom was referred the bill (S. No. 586) creating a port of delivery at Helena, in the State of Arkansas, asked to be discharged from its further consideration, and that it be referred to the Committee on Commerce; which was agreed to.

Mr. McCREERY, from the Committee on Indian Affairs, to whom was referred a resolution of the Legislature of California, in favor of an Indian reservation in Siskiyou County, in that State, asked to be discharged from its further consideration; which was agreed to.

SUSAN D. GALLOWAY.

Mr. LOGAN. I am instructed by the Committee on Military Affairs, to whom was referred the bill (H. R. No. 1577) for the relief of Susan L. Galloway, to report it back with an amendment. I will state to the Senate that this bill has passed the House twice and the Senate once, and failed to be signed by some neglect.

The amendment of the committee is to insert "D" in lieu of "L" as the letter of the middle name. The bill is for relief, and one that the evidence sustains thoroughly, and as that is the only amendment, I ask the Senate now to agree to it.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which provides for the payment to Susan L. Galloway, widow of Captain James L. Galloway, late of Company E, First Florida Cavalry, the full pay and emoluments of a captain of cavalry from April 23, 1864, to August 31, 1865.

The amendment of the Committee on Military Affairs was to strike out the letter "L" and insert "D."

The amendment was agreed to.

The bill was reported to the Senate as amended; and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time. The bill was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Susan D. Galloway."

ENROLLED BILL SIGNED.

The PRESIDENT *pro tempore* signed the enrolled bill (H. R. No. 1553) to amend the act entitled "An act to encourage the growth of timber on western prairies," which had previously received the signature of the Speaker of the House of Representatives.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. CLINTON LLOYD, its Chief Clerk, announced that the House had passed the following bills; in which it requested the concurrence of the Senate:

A bill (H. R. No. 1956) for the relief of Willard Davis;

A bill (H. R. No. 2086) for the relief of R. W. Clarke, postmaster at Brattleborough, Vermont;

A bill (H. R. No. 763) for the relief of Oliver P. Mason;

A bill (H. R. No. 2087) for the relief of Julius Griesenbeck, of Waco, Texas;

A bill (H. R. No. 2088) for the relief of James Lillie, postmaster at Lisbonville, Ray County, Missouri;

A bill (H. R. No. 764) for the relief of John Dold;

A bill (H. R. No. 692) for the relief of William Chester;

A bill (H. R. No. 650) for the relief of John Brennan;

A bill (H. R. No. 2089) for the relief of Mrs. Louisa P. Molloy;

A bill (H. R. No. 2090) for the relief of Jacob Harding;

A bill (H. R. No. 2091) for the relief of the heirs and next of kin of Colonel William Northedge, deceased;

A bill (H. R. No. 753) for the relief of Peter S. Patton;

A bill (H. R. No. 2093) for the relief of General Samuel W. Crawford, United States Army;

A bill (H. R. No. 2094) for the relief of William A. Snodgrass, late lieutenant Company H, Thirty-ninth Ohio Veteran Volunteer Infantry;

A bill (H. R. No. 2094½) granting an increase of pension to Mary C. Bell;

A bill (H. R. No. 52) granting a pension to Mary Swift, daughter of Thomas Truxton, deceased, late commodore in the United States Navy;

A bill (H. R. No. 814) granting a pension to Olive S. Breed;

A bill (H. R. No. 280) granting a pension to Ann Crane;

A bill (H. R. No. 240) granting a pension to John C. Farnam;

A bill (H. R. No. 330) granting a pension to Mrs. Penelope C. Brown, of Tennessee, widow of Stephen C. Brown, late a private of Company C, Eighth Tennessee Cavalry Volunteers;

A bill (H. R. No. 2095) granting a pension to Charles McCarty;

A bill (H. R. No. 2097) granting a pension to Sophronia Austin;

A bill (H. R. No. 2096) granting a pension to James Roach;

A bill (H. R. No. 2098) granting a pension to Mrs. Nancy Parkhurst;

A bill (H. R. No. 2099) granting a pension to Mrs. Elizabeth Cope-land;

A bill (H. R. No. 360) granting a pension to Oliver C. Denslow;

A bill (H. R. No. 2100) for the relief of Martin Hoff, Casper Doerr, and George Gebhart, citizens of Saint Louis, Missouri;

A bill (H. R. No. 2187) authorizing and requiring the issuance of a patent for certain land in the county of Scott, in the State of Missouri;

A bill (H. R. No. 1200) for the relief of the sureties of the late Jesse J. Simkins, collector of the port of Norfolk, Virginia;

A bill (H. R. No. 1201) authorizing the payment of prize-money to the officers and crew of the United States steamer *Bienville*;

A bill (H. R. No. 225) to amend the act entitled "An act to establish the western judicial district of North Carolina;"

A bill (H. R. No. 2350) authorizing the Secretary of the Treasury to issue certificate of registry and enrollment to the schooner *Almina*, and changing the name to *Minnie*;

A bill (H. R. No. 2356) granting a pension to Edward Jardine, late colonel and brevet brigadier-general United States Volunteers; and

A bill (H. R. No. 2359) to authorize the Secretary of War to reserve from sale ten thousand suits of old and disused Army uniform clothing, now in the Quartermaster's Department of the Army, and to transfer the same to the National Home for Disabled Volunteer Soldiers.

The message also announced that the House had passed the following bill and joint resolution:

A bill (S. No. 302) for the relief of Dr. Edward Jarvis; and

A joint resolution (S. R. No. 6) in relation to the bronze statue of Jefferson, presented to Congress by Uriah P. Levy, late an officer in the United States Navy.

RECOMMITMENT OF A BILL.

Mr. JOHNSTON. The Committee on Revolutionary Claims have instructed me to move that the bill (S. No. 418) for the relief of the administratrix of the estate of Lieutenant Joseph Wheaton, deceased, be recommitted to that committee.

The motion was agreed to.

PRINTING OF A BILL.

Mr. BOREMAN. I introduced the other day a bill (S. No. 543) to provide for holding the district court at Martinsburgh, in the district of West Virginia, which was not printed. I move that it be printed.

The motion was agreed to.

COMMITTEE SERVICE.

Mr. LOGAN. I desire to make a motion, with the consent of the chairman of the Committee on Education, which is agreeable to him. It is to add one member to that committee.

The PRESIDENT *pro tempore*. The Senator from Illinois moves that one member be added to the Committee on Education and Labor. The motion was agreed to.

By unanimous consent the Chair was authorized to appoint the additional member of the Committee on Education and Labor, and Mr. PEASE was appointed.

BILLS INTRODUCED.

Mr. NORWOOD asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 590) for the relief of Rosella Rachel Wyatt; which was read twice by its title, and referred to the Committee on Claims.

Mr. KELLY asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 591) granting the right of way to the Seattle

and Walla Walla Railroad and Transportation Company, and for other purposes; which was read twice by its title, referred to the Committee on Territories, and ordered to be printed.

Mr. WEST asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 592) granting a pension to John R. Gaines; which was read twice by its title, and referred to the Committee on Pensions.

Mr. BROWNLOW asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 593) to admit certain sculpture free of duty; which was read twice by its title, referred to the Committee on Finance, and ordered to be printed.

Mr. STEVENSON asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 594) for the relief of Charles M. Briggs; which was read twice by its title, and referred to the Committee on Claims.

POSTMASTERS' COMMISSIONS.

Mr. RAMSEY. With the consent of the Senator from Michigan I ask the Senate to consider a small House bill, simply providing that hereafter the Postmaster-General shall issue commissions to the postmasters appointed by the President. They are now issued by the Secretary of State.

The PRESIDENT *pro tempore*. The Senator from Minnesota asks unanimous consent to proceed to the consideration of the bill indicated by him.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. No. 919) to provide for the issuing and recording of commissions to postmasters appointed by the President, by and with the advice and consent of the Senate.

The bill provides that hereafter the commissions of all postmasters appointed by the President, by and with the advice and consent of the Senate, shall be made out and recorded in the Post-Office Department, and shall be under the seal of that Department, and countersigned by the Postmaster-General, any laws to the contrary notwithstanding.

Mr. CONKLING. What is the object of that?

Mr. RAMSEY. These commissions have been issued by the State Department, and the President in his message and the Postmaster-General suggest that the duty had better be transferred to the Post-Office Department.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. CLINTON LLOYD, its Chief Clerk, announced that the House had passed the following bills; in which it requested the concurrence of the Senate:

A bill (H. R. No. 921) to prevent the useless slaughter of buffaloes within the Territories of the United States; and

A bill (H. R. No. 2450) to provide for the apportionment of the Territory of Wyoming for legislative purposes.

NATIONAL-BANK CIRCULATION.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. No. 432) to amend the act entitled "An act to provide for the redemption of the 3 per cent. temporary-loan certificates, and for an increase of national-bank notes."

Mr. FERRY, of Michigan. Mr. President, I said on the first week of the session that "lack of currency was primarily the cause of the derangement, and want of elasticity, a second incident, intensified the panic. To remedy this recurrence for the future, the resolution proposes that banking shall be open and free to all, individuals and associations, without limitation of capital."

By a small majority the proposition of free banking under the amendment proposed by the honorable Senator from Pennsylvania [Mr. CAMERON] was, on the 19th of last month, rejected. A few Senators, and enough to have carried the amendment, were fearful that free banking would work too easy, and, it might be, too great expansion, and preferred a limitation to the volume of currency by statute. The law of supply and demand, they thought, would not be as wise as the law of metes and bounds. They could safely vote for a definite amount of expansion, but could not as prudently support a measure which would break the monopoly of circulation into a volume regulated by flexible wants under universal privilege. I confess, Mr. President, that I did not share the apprehensions of excessive expansion under a free system of banking as much as I deprecate the continuance of a financial monopoly which holds in its narrow grasp the monetary possibilities of over forty millions of people.

To extend the present enjoyment of the privilege of banking by the few, to the many, comports with the spirit of our institutions, and, like air, light, and water, broadens into a common possession.

The Constitution vests the power to create money or emit bills of credit, and the regulation of the value, in Congress—the sovereign legislative will of the whole people. This was well enforced by President Buchanan in his message of 1857, as follows:

"It is one of the highest duties of government to insure the people a sound circulating medium: the amount of which ought to be adapted, with the utmost possible wisdom and skill, to the wants of internal trade and foreign exchange."

To commit this trust and privilege to a small minority, while it is denied to the great majority, is not a just exercise of representative power. If its benefits are substantial to the few, they are equally essen-

tial to the many; the greatest good to the greatest number is the highest achievement of statesmanship. It is predicated upon the welfare of the State. The good of the whole assures the best interest of the parts, and the minority, in finances as in politics, should be governed by the will of the majority.

Adequate currency gives activity to labor and profit to industry. The Government has taken from the States the power to supply the country with currency, and is therefore bound to provide an ample volume for its business needs. It owes the people the right to issue their own credit without interest, in the form of money, to meet this want.

The advocates of resumption have assumed a personality for the Government distinct and apart from the people, to mystify the issue.

The Government is simply the agency of the people, charged to do their will, and for their financial necessities to put in the form of money the people's promises to pay. It is for their necessity and is their own expedient. In money of their own creation, stamped with the seal of their own Government, and made a lien on the whole national wealth, they have perfect faith, and ask for no other and want no better circulation.

A free-banking system for the country is a great step in the right direction. It is anti-monopoly and in the interest of the whole people. It is a stimulus to national industry, and tends directly toward the more rapid national development. Restricted, as now, it becomes an object of prejudicial distrust; made free to all, it works into the favor and faith of all. Currency in some form is indispensable to the industrial necessities of the nation. Without a proper medium of exchange the growth of the country and the accumulation of wealth would be arrested. All nations have found it necessary to make up the volume of circulation through paper money. The distinguished statesman of South Carolina (Mr. Calhoun) said in 1839 of this necessity:

"It is, then, my impression that in the present condition of the world a paper currency in some form, if not necessary, is almost indispensable in financial and commercial operations of civilized and extensive communities."

"The famous statesman of Virginia (Mr. Jefferson) implied the character of the paper issue in writing: 'Bank paper must be suppressed, and the circulation restored to the nation to whom it belongs.'"

The necessities of our late war made it imperative to give emphasis to this as never before in the annals of the nation. From the transition from State-bank issue to Government and national-bank issues, the nation settled into two forms of currency as best adapted to the necessities of war, and they have proven beneficial for the country in a state of peace.

Based upon the credit of the whole wealth of the nation, its stable value has in war and peace been well measured by the people. In the midst of the recent financial panic it stood the test of such a revulsion, and proved to be the most reliable currency the nation has ever used. One form of national issue would, in my judgment, be another advancing step in the perfection of our monetary system. The whole currency of the nation would then wear one face and value; made lawful money for all purposes, there would be no national discredit stamped upon it, and it would become the equivalent of gold; issued by the people, authenticated by their government, bearing the national honor, and the people held to pay, they would have full faith to use; for it would be the people's money, and bearing their own measure and seal of value. It would become as stable as the stability of the Republic.

I am strengthened in this view by the reply to my question during the delivery of the able speech of the honorable chairman of the Committee on Finance. The question and answer were as follows:

"Mr. FERRY, of Michigan. I ask whether, in the Senator's judgment, the value of the currency in France depends so much on the convertibility of the notes into bonds, or on their being made lawful money for all purposes, which our greenbacks are not?"

"Mr. SHERMAN. I have no doubt that it would greatly advance our greenbacks if they were allowed to be received at the custom-houses for duties."

France has a circulation of seven hundred millions of currency, made lawful money for customs as well as all other public and private dues, and it stands at a discount of only $\frac{1}{4}$ per cent., and under specie suspension at that. May I remind the honorable chairman also of the part he took in the debate and passage in the Senate, in 1882, of the amendment of the Committee on Finance making Treasury notes a legal tender for customs and all public and private debts except interest upon bonds and notes? By reference to the *Globe*, second session Thirty-seventh Congress, part 1, page 789, it will be seen that the chairman then, Mr. Fessenden, was against it, but the honorable Senator from Ohio [Mr. SHERMAN] favored it, saying:

"I do believe there is a pressing necessity that these demand notes should be made a legal tender if we want to avoid the evils of a depreciated, dishonored paper currency."

Contended for then, why cause the depreciation of greenbacks now by denying the remedy? While holding to this belief, I am not so wedded to choice, nor so presumptive, as to discard any advance in the right direction because the whole is not reached at one step. With substantially one-half of our circulation a Government issue, and a legal tender for nearly all purposes, the freeing the remainder from the objectionable character of a monopoly, and thus diffusing it into the people's privilege and possession, the two would substantially run parallel in commercial channels, and compete for public favor. A fair opportunity would then be given for the practical test of relative merits. Time would sooner or later elect which answers best

the purposes of money, and practice settle all questions of theory. Both freely issuable and both as generally in circulation, the people could best determine how long it would be well to suffer the burden of an annual payment of many millions of coin interest on the bonds underlying the national currency as the boon for national denial of lawful money to this form of the volume of circulation. Whenever they should have sufficiently endured the grievance of this annual draft upon their industrial resources as to ask that all of the currency be made issuable by the Government, as the legal-tenders or greenbacks now are, the further step would inevitably follow that the Government should not refuse to receive its own issue for customs dues, nor longer so discredit its money, but rise to the full measure of credit by declaring national faith by full national use of the authorized money of the land. When such an overwhelming blow shall be enacted against the traffic in gold, kept up through thousands of merchants compelled as now to barter for coin to pay their customs, when the Government could, without competition, secure its needed coin itself to meet all its obligations, it will be a wise as well as an economic reflection, worthy of congratulation, that the national medium of circulation ceases to wear the national discredit which kept it so long from becoming equivalent to coin.

Were we there now there would be no need of the labored efforts to enact the convertibility of our currency into interest-bearing bonds, and to that extent swell the public debt; nor the necessity for futile attempts to work through commercial ruin a resumption of specie payment, for resumption would then be reached by the costless and natural union of coin and currency into equivalent value. Together, then, they would serve the national purposes. Gold as the standard, and currency the full measure, of value, both would then join and become the medium of exchanges.

Prominent financiers have foreshadowed as much. McCulloch wrote that—

"If there were perfect security that the power of issuing paper money would not be abused—that is, if there were perfect security for its being issued in such quantities as to preserve its value relatively to the mass of circulating commodities nearly equal—the precious metals might be entirely dispensed with."

So Macleod, in his *Theory and Practice of Banking*, wrote:

"The simplest and most perfect form of a currency is that which represents nothing but transferable debt, and of which the material is of no intrinsic value, such as paper. It is only when States have reached a high degree of civilization that they adopt this perfect form; before they attain that the material of it entirely consists of something which has an intrinsic value, such as gold or silver."

From many minds of experience it might further be shown that security is the essential element of any form of money.

I here, for the present, dismiss this financial desideratum of a perfect paper money for a future occasion, and for the people to press, trusting that time will prove the healer of all monetary ills.

The alternative now stands before us of expansion in some form or resumption; commercial life or commercial death; either diffusion of wealth, or monopoly of wealth. The question involves the prosperity of the producer, else the enrichment of the non-producer; whether the laborer shall walk more erect, or the capitalist more proudly strut.

Mr. Calhoun stated it thus:

"The subtle and artful contrivances of modern times have been substituted for the brute force and gross superstition of ancient, as a means of allotting so small a share of the wealth of civilized communities to those by whose labor it was produced, and so large a share to the non-producing class."

The distinguished Senator from Vermont, [Mr. EDMUNDS,] in the debate on the 22d day of January last, put the issue as between the borrower and lender in this wise:

"As was said, I believe, by a Senator, about another subject entirely, there is an absolutely irrepressible conflict, therefore, between the people who wish to borrow and use other men's money and the people who have the money themselves."

Mr. President, the vote upon the pending question will announce upon which side of these "contrivances" or this "conflict" Senators choose to array themselves.

Under free banking there would be freedom and profit to industry. Restricted banking is monopoly of riches and crippled industry. A system of free banking tends to equality of circulation; monopoly of banking creates inequality. One is republican, the other is anti-republican. One erects an aristocracy, while the other dethrones it.

Expansion, or free banking, involves no more increase of our national bonds. Resumption looks to the issue of more of the national bonds and the expansion of our public debt.

Throughout this whole debate I have looked in vain to the advocates of resumption for some plan of substantial relief, but they all wield their theories to *more* national bonds. They offset what they term "inflated currency" with inflated bonds. Recognizing the fact that we have so little coin in the country, that resumption is practically an impossibility, still their plan for resumption is to issue more bonds, and by their sale provide coin for resumption, which involves simply the process of issuing bonds as fast as the currency is presented for redemption—an automatic system of perpetual exhaustion. As fast as bonds are sold, and the coin exhausted by redemption, more bonds and more coin must answer more demands for redemption. The flow into the Treasury would be currency, and the outflow would be coin, till it would be found that the consequent contraction of the volume of currency, through redemption, would be replaced by the interest-bearing bonds of the Government.

There is a difference in method of exchange among the advocates

of resumption. Some would resume direct by coin resumption, and others propose to resume indirectly by conversion into bonds. One method makes the Government sell its bonds and hand over the coin to the bill-holder, and the other method is to hand to the bill-holder bonds and let him wait for his coin.

It is an ingenious scheme, for it withholds notice of the inevitable effect such conversion would have upon our bonds. As bonds are not gold, but promises to pay gold at some *definite* time, they are no nearer gold than currency promises to pay gold at some *indefinite* period; all the difference being that one bears interest and the other does not. Whatever the currency is appreciated by conversion, in like measure depreciates the bonds; so that the national bonds suffer what the national currency gains. Both stand alike pledged by the same total wealth of the nation. If expansion of currency depreciates it, upon like principle expansion of bonds depreciates them. Contraction of the currency adds no more value to the remainder, as long as the amount contracted reappears in an equal increase of bonds, for the national indebtedness is not lessened. By the interest involved on the bonds the obligations to pay are increased, and diminish value rather. Change of form is not lessening of obligation, and cannot be an increase of value. If a man owes \$100,000 in notes, and changes them into obligations to pay lands, houses, and horses, aggregating the same value, his credit is not strengthened, for he still owes \$100,000 in property, and his financial standing is measured by his debt in either case. So the Government buying gold with its bonds, the nation owes for its bonds. No financiers have ever yet discovered a way by which a person or people can borrow out of debt. If the advocates of contraction can show us how to do this, I shall come to their aid as the easier method, by far, of relieving the people of financial embarrassments.

That I do not misapprehend the dilemma, I give it as the debate has impressed the distinguished Senator from Wisconsin, [Mr. HOWE,] whose subtle satire is often wielded with pungent effect in the exposure of sophistry. Impliedly against any *great* expansion of currency and seeking for some feasible way to effect resumption, he comments in this wise in his remarks on the 15th of last month:

"The Committee on Finance does not seem to be entirely agreed what should be done, and I believe the country is not quite harmonious on that question. If I understand the proposition of the chairman of the committee, he recommends that we now set our faces toward the resumption of specie payments and that we achieve that end within a given time. If I understand the Senator from Delaware, [Mr. BAYARD,] he recommends to us that we achieve it at once. If I understand the Senator from Michigan, [Mr. FERRY,] he would recommend to us to resume specie payments when the printing of national notes shall be numbered among the lost arts."

"Mr. President, if I know that my neck is sure to be broken, it has always been an open question with me whether I would rather have it done to-morrow or next year; and so I should hesitate to choose between these recommendations of the Senator from Ohio and the Senator from Delaware, for I should feel very certain that broken necks were to be the result. This country is doing business on a scaffold a great way up from solid ground. You are sustained there by a statute. Repeat it, and down you come. Undertake to resume specie payments now or next year, undertake to convert your whole volume of paper into specie now or next year, and I think disaster would be the inevitable result. I am so sure of that, that rather than agree to either of those expedients I think I should join the Senator from Michigan and go up in his balloon and not come down at all."

Puzzled, then, it would seem, as to what was best to do, the honorable Senator wisely chooses to avoid falling from grace by looking upward for salvation. Faithful as he always is to the logic of his convictions, he has seen no practical way of escape from industrial and financial embarrassments, except through expansion, which he approves and has supported.

The distinguished Senator from Massachusetts, [Mr. BOUTWELL,] late at the head of the Treasury of the United States, where his opportunity and discrimination have afforded him acquaintance with the intricacies and movements of finance, brings to such rare observation the ability for which he has just fame, and has favored the country with views presented with force. With all of his ability, however, his position seems anomalous, and in my judgment untenable. He proposes the perilous voyage between Scylla and Charybdis.

I cannot better state his policy of neutrality than to quote his words:

"Thus, Mr. President, I have presented the considerations which influence me to do what I can to hold the Government of the country to its present policy, believing that a forcible contraction of the currency will end in disaster, believing also that the expansion of the currency, however it may be effected, will lead to the evils which we have experienced temporarily during the last autumn and which are the necessary result of every local expansion of a currency, whether it be of paper or of coin. The Senator from Missouri, I think, must bear witness to the fact that the accumulation of coin in Germany has compelled the government to be constantly on the alert to prevent the evil results of inflation."

While such a policy might have been pursued without detriment when the business of the country was prosecuted with its usual activity, under no commercial disturbance; albeit during a period of stagnation, following a commercial panic, with confidence shaken in financial circles, such a course of inaction must, upon principles of common experience, entail greater prostration and cumulative disaster. With commercial paralysis fallen upon the country, the suggestion of no relief must be fraught with greater fatality to industrial interests. The annals of the country furnish conspicuous instances of the fallacy and peril of the theory of general apathy. It came near fatal illustration under a Chief Magistrate who officially pronounced against the right of disunion, and at the same time denied the power to prevent disunion. Such policy the people repudiated.

Later still, when this neutral doctrine was being antagonized at arms, an illustrious general, famous for his skill in organizing victory, surpassed it only by his *masterly inactivity* in postponing victories, and this, too, the people rejected, under another leadership, whose pertinacious activity crowned successive victories with final triumph.

The honorable Senator from Ohio, I mean, Mr. President, the distinguished Senator [Mr. THURMAN] who very laudably aspires to make the fourth estate of democracy the first estate of the Republic, has, during the two months the subject of finance has been before the Senate, maintained remarkable reticence. Were it not that the columns of the *Globe* and *RECORD* of senatorial proceedings stamp him the ready and elaborate debater of every subject within the range of human knowledge, this unusual silence would not have been so noticeable. Not till the 17th of last month did he take part in this debate, and opened thus:

"Mr. President, I have not said a word on this great subject, and if the Senate is not impatient to adjourn at this hour I should like to occupy about fifteen minutes."

Purposely, it seems, did he step out of his way to throw ridicule upon one side of a grave subject.

Adding, also:

"I take my full share of the responsibility for talking on other matters. On this, fortunately for me, I have perfectly clean skirts."

How fortunate! The distinguished Senator has very recently been rehonored by his State to another term in the United States Senate. Upon what, with other assurances, as understood by the democracy of Ohio?

Let me read a paragraph from a recent number of the *Cincinnati Enquirer*, wherein, in answer to the remark that it would "be glad to hear of Senator THURMAN redeeming the promise he made during our late canvass," it puts its grievance in these words:

"Last fall when the panic began Senator THURMAN justly characterized it in his speeches as the result of an effort on the part of the creditor East to force the debtor South and West into a violent resumption of specie payment, by which the debt of \$100 would really cost the debtor \$150. Senator THURMAN went further, and declared if God would give him strength to reach Washington his voice would be heard resisting this effort on the part of eastern capitalists, which, if successful, would end in wide-spread financial ruin. This contest has now been going on for over two months, and our distinguished friend has made no sign."

Verily, "made no sign," except to advocate recommitment of the subject without instructions to a committee already announced by resolution to be in favor of resumption.

Waiving comments upon the honorable Senator's vote not appearing in favor of the Cameron amendment to make the banking monopoly free to all; nor for like object and convertibility of Treasury notes into low-interest bonds under the Gordon amendment; nor in favor of reconsidering the vote that carried the Cooper instructions to the committee to report a bill providing for the convertibility of Treasury notes into gold coin or 5 per cent. bonds of the United States; neither in favor of the Merrimon amendment to increase the currency forty-six millions; searching in vain for his votes on these important questions, the honorable Senator's pent-up views and votes finally break out in a satirical descent upon a substitute "offered by the Senator from Michigan," [Mr. FERRY,] because it proposes practical measures to "give stability and elasticity to the circulating medium." The honorable Senator derides it in different ways, one of which is in this wise:

"If it was made out of India-rubber it would not be stable. It is to be stable, that is, to be fixed; and it is to be elastic, that is, it is not to be fixed."

The honorable Senator, it seems, could not forego derision lest some one might readily comprehend that a currency could be stable in *value* and elastic in *volume*. Nor did it occur to me, when I drew up the text of my amendment, but was discovered when the Senator spoke, that I had presumed somewhat upon the fairness of commentators.

The upshot of the distinguished Senator's criticism and sense of duty is in his own closing paragraph, thus:

"I shall therefore vote to refer back the whole subject, whenever I can get the opportunity to do it, to that committee, and without any instructions whatever."

The Senator has voted nothing, and proposes to do nothing. I submit such apathy to the commentary of history, solemnized by the lips of divine judgment, and hoary with the lapse of ages, in the admonishing words:

"I know thy works, that thou art neither cold nor hot: I would thou wert cold or hot. So then because thou art lukewarm, and neither cold nor hot, I will spew thee out of my mouth."

Invoking this utterance of the past upon a proposed policy of apathy, affecting the financial and industrial arteries of the nation, it would not be at all strange if ere long public necessity retort, and spew such policy out of the nation's mouth.

The Senator from Missouri, [Mr. SCHURZ,] in his carefully elaborated speech delivered a few days since, summoned his rhetorical power to cast contempt upon the currency of the country and to charge disgrace for its issue upon the American name. That I do not mistake the honorable Senator, I quote his words:

"Mr. SCHURZ. There are other persons, I fear, who are depreciating the credit of the country. They are those who want to continue a money system which introduces into all transactions of business the element of chance and deception; a money system which by that deception injures not only the foreigner who may invest his funds here, but our own people: a system of irredeemable paper money which has time and again fallen under the contempt of civilized mankind. Those, I say, are

depreciating the credit of the country who in the very midst of the nineteenth century, with all the lights of universal experience around them, still strive to maintain, to confirm, and to perpetuate a disgrace like that. I tell the Senator from Pennsylvania I can think of nothing that would be better calculated to elevate the American character and to raise the credit of the country in the eyes of the world than a speedy deliverance from that system."

He declares our currency to be "a system of irredeemable paper money which has time and again fallen under the contempt of civilized mankind." When and where, pray? Was it in the quick response from Europe to the first gun fired on Sumter, that "the American bubble has burst?" The Republic had not then founded its money upon the credit of the nation. The knowledge that its bonds were 12 per cent. below par at the close of President Buchanan's administration, with the Treasury bankrupt, and the assumption that we had no resource but foreign aid, European speculation upon our existence as a Republic was as groundless an estimate placed upon our circumstances and resources as the honorable Senator's value put upon the character of our currency. The American Republic then received, we know, the expressed contempt of Europe. But when the honorable Senator declaims that our paper money has fallen time and again under the "contempt of civilized mankind," I must say, for his recollection and for the rest of mankind, that this new system of United States paper money clothed, equipped, fed, and paid an army of citizen soldiery who carried successfully through an unprecedented war at home, in the face of hostile sympathy and aid abroad; sweeping away in the track of battle the cruel apple of domestic discord, and reuniting a discordant people; that it indispensably assisted in rehabilitating broken sections, and in raising the nation to the rank of a first power; that it so improved our fallen credit that the bonds of the Republic standing as low as 36 in gold in July, 1864, have so risen in value that foreign capitalists seek them with avidity at above par in gold. That with its aid hundreds of millions of public indebtedness have been paid during years of prosperity since the war, and under which the nation grew in material wealth as never before. All these achievements essentially gained through the instrumentality of a currency based upon the credit of the whole nation, and yet it is characterized as a "disgrace" to the nation. With its aid and trial, as the best expedient we could devise, it has extorted from the Senator himself, elsewhere, comments which should free it from the category of disgraceful or valueless agencies.

The honorable Senator was pleased to speak, in other connection, of the national-bank bills in this wise:

"They are, moreover, founded on the secure basis of Government bonds payable, principal and interest, in gold. Their circulation is, therefore, not local, but national in the widest sense of the term, just like that of greenbacks. They are just as safe, and in one sense they are even more so, for they have behind them the solid foundation of a United States bond, payable in gold, and at the same time the ability to pay of the bank that issues them. * * * The breaking of the bank that issued it does not injure its value in the least."

Now I ask, after such an indorsement of the character of our currency, and with the known fact that no nation has ever before established a paper money system based upon such aggregated wealth, and that though new, its trial has proven it to be more secure and reliable than any other banking system the world has ever witnessed; I repeat, is it fair, is it just to the American people, or creditable to the candor of the honorable Senator, to attempt to disparage such a system by coupling it with Marco Polo's story of China's currency, centuries ago?

I read a paragraph from the honorable Senator's quotation from Marco Polo's *Travels*, taken from his speech, as follows:

"All of these pieces of paper are issued with as much solemnity and authority as if they were of pure gold or silver; and on every piece a variety of officials, whose duty it is, have to write their names and to put their seals. And when all is prepared duly, the chief officer deputed by the Kaan smears the seal intrusted to him with vermilion, and impresses it on the paper, so that the form of the seal remains stamped upon it in red; the money is then authentic. Any one forging it would be punished with death. And the Kaan causes every year to be made such a vast quantity of this money, which costs him nothing, that it must equal in amount all the treasure in the world."

It will be remembered that this Chinese currency was made in vast quantities, and each issue cost the Kaan nothing, and is, in amount, equal to "all the treasure in the world." And further on the Senator states that new issues were made to take up old, by an exchange of one new for five old. Then the honorable Senator cites a Persian monarch of the thirteenth century, who "imitated a similar system, which produced great distress." He also cites the Scotch financier, Law, at the beginning of the eighteenth century, who "carried it to the full extent of progressiveness." Next, he names the French *assignats*; and these, he says, "were pieces of paper money, enough to cover all the land, and to wrap up all the articles bought and sold." Finally, he quotes the continental money, issued without limit, and without any national credit.

These, Mr. President, are samples of the parallels drawn to disgrace our national currency; a currency necessarily limited—based upon the total wealth of the nation, whose bonds are above par in coin in the markets of the world.

No one questions the ingenuity of the Senator to cite convenient precedents upon which to rear argument and reach conclusions which are, in his judgment, the overthrow of the theory he combats; and I give these as a sample of his researches.

Let me give another instance. The honorable Senator is striving to show the disastrous effects of paper money upon consumers.

I ask the Secretary to read his words, which I send to the desk.
The Secretary read as follows:

"Let us see how it works. The importer or the wholesale merchant in New York, when putting up his goods for sale, will first add to the gold price the premium on gold. That is universally conceded. But he knows that the premium on gold or the discount on the currency fluctuates, and that if it be inflated it will certainly depreciate. If he sells on credit, however short that credit may be, he runs this risk: that the sum he receives in paper money for his goods will not represent the same gold value which the same sum represented at the time when the sale was made; and here an important element comes into the calculation of prices, which has been left out by all the Senators who, taking the opposite view, have discussed this subject. It is the element of risk. The importer, or the manufacturer, or the wholesale dealer, must protect himself against the contingency of fluctuation; and thus he puts upon the price of his goods a certain percentage to cover that contingency. In other words, he makes his customers pay for the gambling risk which he himself has to run. The jobber who buys from the importer or the manufacturer has to put his gambling risk upon the price again, for he runs the same chance. The western or southern wholesale dealer who buys from the jobber has to do the same thing once more, for he again runs the same chance. Then the western or southern retailer, into whose hands the goods finally pass, has to do the same thing again, if he sells on credit, for he again runs the same chance. Thus two, three, or four gambling risks are put upon the price of an article before the commodity, as it issues from the hands of the original seller, passes into the hands of the consumer; and thus the rise in the price of commodities goes far beyond the premium on gold, especially when the fluctuations of the currency, as inflation will always make them, are tending in the way of depreciation.

"Now go to New York, and every candid merchant will tell you the same story. I know of merchants in New York who actually changed the prices of their commodities during the violent fluctuations of the currency six times in one week; and one told me himself that he had done so several times in one day, always lowering or raising the gambling risk he had put upon the price of his commodities as circumstances changed. And experience teaches us that merchants are apt to be very quick in putting up prices and very slow in putting them down.

"Hence it is clear that, while the farmer or planter gets for his product only the gold price, with the gold premium added at the place of sale, he must pay for all he has to buy the gold price, with the premium added, and an additional amount covering the gambling risks of three or four dealers through whose hands the purchased articles must pass before they reach him, and that additional amount covering the gambling risk will naturally grow very much higher when the currency is inflated and in process of depreciation. The conclusion is inevitable that in this point of view, the correctness of which cannot be questioned, an irredeemable fluctuating currency cannot be anything else but a curse to the agricultural interest, a curse the more oppressive as inflation goes on; and the more inflation there is, the more the farmer will lose in buying in proportion to the prices at which he has to sell."

Mr. President, let us analyze this. The importer in New York adds to his gold price the premium on gold. The Senator adds to this a speculative risk price, to cover the possible fluctuations of currency till the maturity of the buyer's note. Call this risk, for illustration, 5 per cent. Next the jobber adds his risk "contingency of 5 per cent.," for "he runs the same chance." Then the western or southern wholesale dealer, who buys from the jobber, has to do the same thing, adding 5 per cent. more; lastly, the western or southern retailer, "into whose hands the goods finally pass, has to do the same thing again," making 5 per cent. more; and the Senator concludes:

"Thus, two, three, or four gambling risks are put upon the price of an article before the commodity, as it issues from the hands of the original seller, passes into the hands of the consumer."

Here then, according to the Senator, we have four risk prices; and say, for illustration, 5 per cent. each, put upon the importer's gold price, and gold premium added. This would be 20 per cent. above the actual currency price of the importer, and solely to meet a speculative contingency. Suppose such an extraordinary thing should happen as a depreciation of our currency of 20 per cent., between the day of the importer's sale in New York and the consumer's purchase at the West or South. The western farmer's or southern planter's wheat or cotton, or other commodities, would, of course, correspondingly rise in price. The honorable Senator concedes this in saying:

"The farmer or planter gets for his product only the gold price, with the gold premium added, at the place of sale."

If, then, the premium on gold, or, which is the same, the depreciation of currency, has been 20 per cent. meanwhile, he gets it for what he has to sell, and can pay it for what he has to buy. But suppose, as the case would really be, that the currency had not materially depreciated by moderate expansion, and the farmer or planter found 20 per cent. extra price put upon the wares he sought to purchase, he would demur to the exorbitant price. The merchant would tell him how it crept up, risk by risk, upon each sale from the importer to his purchase. But the farmer or planter would say there has been no such increase of premium on gold, and to prove it converts his currency into gold, at the rate it was when the importer sold; and offers the gold to the merchant for the goods he wants, with the 20 per cent. risk contingency price taken off, else he will not purchase, but send to first hands himself. This exposes the fallacy of the Senator's reasoning. In truth, the importer does add to the price of his goods the premium on gold, when his price then becomes a currency price, and no longer a gold one. He is made good for the exchange into currency; and all subsequent purchasers buy with currency, and at currency prices, and pay with the currency avails of currency prices of products.

This is one of the specimens of the honorable Senator's sophistry, palmed off under the attractive decoration of a master of rhetoric, without solidity, to meet the distressful facts and logic of a crippled condition of national finance.

Elsewhere the honorable Senator has declared in this same speech that volume of currency does not depend upon either area of country, population, productions or value, involved alone, but upon all com-

bined. When, however, we show the United States to possess the most of these in combination, and with less circulation than other nations, thereupon some other basis is claimed.

In another part of his speech the honorable Senator argues that the quantity of coin in a country is the test of the proper amount of currency to meet the real requirements of legitimate business. I read his words:

"In the first speech that I made on this subject I stated a principle which furnishes a test. I said, assuming that the people have confidence in the Government issuing irredeemable currency, that currency will not necessarily depreciate or stand at a discount as to gold as long as it simply supersedes and does not exceed in volume the gold and silver, and the bank currency based upon gold and silver, which formerly sufficed to transact the business of that country; but the condition of confidence remaining the same, the irredeemable currency will depreciate, will be at a discount as to gold, as soon as its volume exceeds that quantity. When such depreciation steadily continues under the same conditions of confidence, it is a sure sign that the volume of currency is in excess of the real requirements of the legitimate business of the country."

When this is combated by experience and common sense, which teach that the reduction of the business of any commercial country to the sum of its coin would be ruinous, and that practically the total of coin is not the possible measure of volume of business, any more than it can be made the measure of volume of currency, the honorable Senator attempts to break the force of conviction by resort to his fund of illustration. Hear him from his speech, as follows:

"It has actually been asserted in this body that the precious metals can no longer remain the standard of value in any country. Why? Because the aggregate quantity and value of the precious metals in existence do not equal in value the aggregate amount of all the products of industry and agriculture; an idea just as original and as luminous as it would be to say that a yard-stick cannot remain a standard measure of length because a yard-stick is not as long as a roll of cloth or of carpet whose length is to be ascertained, or because all the existing yard-sticks in the world put together would not have the same length as all the objects whose length is to be measured."

If the Senator means by this illustration that yard-sticks represent coin and rolls of carpet the business of the world, the answer palpably is that, if there were but as many rolls of carpet in length equal to all the yard-sticks of the world, or could the total carpet await the measurement of the yard-sticks extant, the simile would be sound; but, unfortunately for his argument, and for the world, there are vastly more rolls of carpet than yard-sticks, and all the carpet presses for measurement at the same time. Here lies the difficulty with our own country, which has more "rolls" than "sticks," and which lack of supply the Senator is not for his country inclined to avow, but indirectly admits in his reference to some of the European powers. He said what I now read:

"We have heard it asserted that an irredeemable currency must be a good thing after all, because there are three countries in Europe—Austria, Russia, and Italy—whose economic development has been somewhat rapid of late, while those countries have an irredeemable paper currency. Nobody who knows anything about those countries can be ignorant of the fact that the sudden development referred to has been brought about by great and beneficent changes in their political and social organization, setting free and putting to work all the productive forces of society, and that the leading statesmen of those countries are day and night racking their brains to find means by which to get rid of that curse of an irredeemable paper money, which is here represented as the very source of prosperity."

Verily, Mr. President, it has been the incalculable services of our currency, and which the Senator seems determined not directly to admit, that has wonderfully been "setting free and putting to work all the productive forces of society" of this nation, as well, and which fortifies the advocates of expansion of this beneficent agency, to meet the demands for its good offices, so enriching the country with the rewards of its mission. The present bondage and inutility of dormant forces of society, painfully witnessed, intensify the zeal of the upholders of a medium which has shed blessings instead of curses upon the land. To restore the activity that sets to work the productive forces of society is the simple end sought by an adequate increase of the animating means.

It is the misfortune of our day, Mr. President, that, like those European states, so prosperous, we are afflicted with kindred statesmen who, as they, "are day and night racking their brains to find means by which to get rid of" what they please to term "the curse of an irredeemable paper money," but which the people value and bless as the "very source of their prosperity."

Hear from one of these statesmen racking his brain for solace tendered to the lacerated and impoverished South and West—one section suffering from its losses, the other from its contributions and enterprises.

The comfort tendered is in these words of the honorable Senator, [Mr. SCHURZ:]

"If they want to regain their former wealth they must adopt the same methods by which wealth is created elsewhere; they must produce more, much more than they spend, and they must carefully husband and gradually accumulate their surplus earnings. That is the way to create wealth and capital available for future production. It is a somewhat slow and painful process, but it is the only effective process that will be really effective. This applies more or less to the people of the whole country. This is a hard fact."

Truly a very "hard fact;" but not so hard as the unrelenting exaction of contraction and resumption, entailing more destruction of capital and more misery.

Increase of currency based upon the solid bonds of the Government is no watering "trick," but a valuable means of developing capital. Capital cannot create itself without the aid of somebody, or some agency, whose good offices of development aggregate into

capital. The Government seeks to step in and perform this welcome trust, but the honorable Senator from Missouri, [Mr. SCHURZ,] with his coadjutors, rather than give currency to such a Government medium, prefers to have the people suffer the "painful process" longer. It is, as he says, "slow but effective;" and adds, "this applies more or less to the people of the whole country."

To the people of the whole country, then, the rigid Senator replies, rather than longer suffer the "disgrace" of a currency which he has defined "as founded on the secure basis of Government bonds payable principal and interest in gold," specie resumption must be declared, though it prove a "painful process" and a "hard fact."

This is to deny the means of relief and pity the sad results! The nation will tell the honorable Senator to contract his tears, and instead, to expand the money. The honorable Senator further attempted to prove that prices under currency were more prejudicial to the producer. If there is anything in "inflation," it must be general and applicable to all values; and the producer who was able to produce more than he consumed on a gold basis, must as well on a currency basis produce more than he consumes—the relation, of the income and outgo on the two bases, necessarily equals. His benefits are greater on a currency basis in this particular, his net gains are nominally larger, and such surplus increases in value in just the proportion that currency and gold approach to an equivalent, for the shrinkage is then his gain. But here is the honorable Senator's logic:

"The Senator from Massachusetts on my left [Mr. BOUTWELL] said that the influence of a depreciated currency does not raise general prices more than the amount of gold premium if the depreciation of the currency remains steady at the same point. But the difficulty is that the depreciation of the currency does not remain steady at the same point. You might just as well say that when we have a heavy fall of snow late in the winter or early in the spring there will be no freshets in the rivers, for if the snow does not melt it will not increase the volume of the water. That is perfectly correct; but the difficulty is that the snow will melt, just as an irredeemable and inflated currency will fluctuate and will depreciate."

All know that the fall or increase of snow of itself does not cause the freshet, any more than the increase of money causes its depreciation. Heat, rain, or like element, applied to the fallen snow, converts it into the freshet, just as the heat of distrust or kindred element of weakness, depreciates any commercial or financial exchange or value. Let the credit of the source of money be maintained, and any increase within the measure of undiminished credit, will work no depreciation of the value of such money, be it currency or of a different nature. In other words, other conditions being equal, an increase of volume causes no decline in the exchangeable value of currency.

An increase of our currency to the extent of forty-six millions, as proposed by the instructions to the committee, certainly no sane mind will contend, can weaken public confidence in the nation's ability eventually to redeem, and therefore cannot work a depreciation of the value of the currency dollar.

The honorable Senator from Missouri [Mr. SCHURZ] did not materially differ as to the causes of depreciation of our currency when he said in another part of his speech—

"What are the causes which produce the disturbance of values through an irredeemable currency? There are two: first, lack of popular confidence in the issuer of that currency; and, secondly, the relation the quantity of the currency bears to the actual requirements of the business of the country. The first of these causes, the lack of confidence in the issuer, operated during the war, while the stability of our Government was still in question, and hence the fact that the fluctuations of the currency went far beyond the fluctuations that would have been caused by the relation of the quantity of the currency to the actual requirements of the business of the country. That cause, lack of confidence in the issuer, has not operated since the Government showed that it could maintain itself, and also demonstrated its ability to work in the direction of a redemption of its liabilities. But, sir—and I wish the Senate to mark this—that cause will commence to operate again as soon as the quantity of the currency has increased to such an extent as to render the ability or willingness of the Government, or of the banks ultimately, to redeem their promises in public opinion doubtful."

Admit this; is there to-day any lack of popular confidence in the issuer of that currency? The best answer is that during the panic, when people, if at any time, would doubt the value of their possessions, that currency was hoarded as carefully as gold.

To the second test, "the relation the quantity of the currency bears to the actual requirements of the business of the country," I may say that our greatest prosperity was when we had a greater volume of currency than we have to-day. Our national growth is in proportion to the development of our resources, and the volume of business bounds this development and consequent growth. Were it possible, under free banking, to induce all of the home and abroad holders of our outstanding \$1,600,000,000 of bonds to deposit them with the Secretary of the Treasury and receive thereon \$1,440,000,000 of currency, it would not equal the volume of various forms of circulation we had at the close of 1866, for we then had \$1,571,787,780.

The direct reply may justly be to "the actual requirements of the business of the country"—the Senator's test—that no more currency for bonds would exchange than the business could make more profitable than the bonds, with equal safety; and this legitimate business demand would be no such implied increase of volume as could discredit the security of a currency whose value was every day enhanced by its immediate stimulus to national production and increased national wealth.

The honorable Senator from Missouri [Mr. SCHURZ] had occasion some days since to criticise the statement I made, that the rate of interest upon money was regulated by the law of supply and demand—that a redundant circulation gave lower rates, and a stringent circu-

lation caused higher rates of interest. He since admits the statement substantially in what I quote from his late speech. He said:

"The other day I received a letter from Omaha, in Nebraska, complaining very much that interest ranges there at 12 to 24 per cent., while in Boston and New York, as the letter stated, it ranged only from 6 to 8. That is undoubtedly true. In New York and Boston we can hear exactly the same complaint, that interest ranges there from 6 to 8 per cent., while in London and Amsterdam it ranges from two to three; and the reason of the difference between Omaha and Boston, and between Boston and Amsterdam, is exactly the same. In London and Amsterdam there are large accumulations of loanable capital; centuries have been spent in piling it up; larger accumulations of loanable capital than in New York and Boston. And in New York and Boston there are larger accumulations of loanable capital, also the growth of centuries, than in Omaha in Nebraska, or in Hannibal in Missouri. Now, if we could transport the accumulation of wealth existing in Amsterdam and London bodily to New York and Boston, then the rate of interest at the latter places would not be any longer 6 and 8 per cent., but it would be 2 to 3 per cent.; and if we could transport all the accumulated wealth of New York and Boston to Omaha and Hannibal, then, in all probability, the rate of interest there would cease to be 12 to 24 per cent., and it would range at 6 to 8."

Precisely this effect wherever the loanable money is in greater supply than the demand. Where the demand, as now, for loanable capital is greater than the supply, the necessities of debtors are at the mercy of creditors, and rates then fluctuate with the pressure of each case. When the supply is in excess of the active demands of business, debtors then share with creditors the stipulation of terms, and the rates are more moderate. If we are to wade through the sorrows and ruin of fortunes, with poverty broadcast over the land, in order to reach specie resumption, before the nation can begin to acquire the loanable capital to supply the demands of business, what capital remains, when specie is thus resumed, will be centered in the few and the business will have departed from the many. It would be a contraction of both business and capital, far worse for the country than all the gain of contraction of the currency for resumption can possibly be to those who are so clamorous for it. The profit to the few would be small compared to the great loss to the body of the people.

There are but two compulsory ways to resume. One is by an increase of the coin of the country, and the other by the decrease of the volume of currency; one involves more burdens of debt, the other more losses of fortune. I cannot assume the responsibility to advise either. There is a practical way to resume, encouraged by the progress made, the prosperity enjoyed, and wealth attained by the past years of national growth and gradual approach toward resumption since the war ended. England took twenty-six years of suspension, from 1797 to 1823, to relieve herself of her continental war. We have not yet taken half that time with a war of vaster magnitude. Why precipitate the natural approach to resumption? Why not yield the needed increase of means to restore and quicken the prosperity that advanced us toward resumption from 144, the price of gold when Lee surrendered, to 111, the price at the breaking out of the panic? It should constantly be kept in mind that among the essential achievements of this derided and worthless currency, the escape of this great nation from overthrow, stands as the living memorial of the service rendered to the American people and to the cause of civilization by this vilified, berated, and scouted national medium of exchange. The nation lives as the trophy of this denounced instrument, and will outlive all of its detractors or defamers, under whatever metaphor they may seek to enshrine themselves.

The irredeemability of the currency is the bane of the system, in the judgment of the Senator. What is his remedy? Not redemption in coin, for he admits the impossibility of redeeming seven hundred and fifty millions of notes with but forty millions of available coin in the Treasury, and but one hundred millions besides in the whole country. To redeem, the two must in one way or the other meet. The Senator would avail himself of the opportunity of the present prostration of business, by further impoverishment and misery, in order to reach the solution of our difficulties through specie resumption. He would break down more of the enterprises, prostrate more of our business men, throw more of the people out of employment, and carry desolation and starvation into more of the households of the land, that the finances of the nation may be brought to a specie standard.

It is in vain that the Senator from Massachusetts, [Mr. BOUTWELL,] late from the financial chair of the Administration, deprecates the ruin to follow any attempt to contract the currency to reach specie resumption. It matters little that financial minds of ripe experience protest against the fatal step of proximate resumption. The Senator from Missouri [Mr. SCHURZ] demands, in behalf of foreign capitalists, an early return to specie payment, that the nation may no longer be disgraced by an irredeemable currency, nor foreign money seeking American investment longer be jeopardized. The honorable Senator, to further magnify the mortifying condition of the country, introduced as argument a letter from some foreign capitalist seeking the Senator's advice about the safety of American investment, which I read as the Senator gave it:

"A few days ago I received from a friend in Europe a most significant letter, to which an answer was requested. The writer is a merchant who desires to retire from business. He writes to me to this effect: 'I can realize out of my business several hundred thousand dollars, and should like to invest my money at a good rate of interest. I have thought of investing it in the United States on mortgage security, which, as I am informed, bears from 8 to 10 per cent.; but I learn also that you are likely to inflate the currency in the United States, which, of course, will result in depreciation. I would now ask whether it would be safe for me to make such an investment in mortgage loans in the United States while there is a chance that your legal-tender money may depreciate so that I would lose more by the depreciation of capital invested than I would gain by the interest I might get.'

"I shall tell that gentleman: 'Send your money here and tell all your friends to send theirs as soon as we enter upon a policy that will be directed toward specie payments,' for then I shall know that the value of the capital so invested will be safe; but I should not consider it honest advice, did I tell him to convert his gold into our paper money, as long as there is danger that the paper money might be depreciated by inflation."

This is his estimate of United States securities:

"If I were worth \$10,000,000 and had it all to invest in loans, I would ask for no better security than mortgages on real estate in the United States. The question is this: whether a man investing a certain sum in mortgages, when he retires his capital two or three years hence, will not by the depreciation of the currency lose 20 or 30 or 40 per cent. of the value of his capital; whether the dollar that he invests now will be worth just as much when that dollar will be returned to him. That is the question."

Here it appears that a foreigner seeks American investment upon United States real estate security, which the Senator says is as good security as he wants. This is certainly a queer way to sustain the credit of one's country, to forecast a very improbable contingency of a depreciation of our currency, 20, 30, or 40 per cent.; to make out that a foreign friend may lose more by the depreciation of capital invested than he would gain by the interest he might get! Very singular contingency to cast against an adopted country! Any one conversant with the business of loaning on real estate, or with the negotiation of any permanent loan, knows well that the longer the loan has to run the more desirable it is to the capitalist. Frequent replacements are avoided. Foreigners understand this well, and always choose a longer running bond, at lower rate of interest, as the better investment. The Senator's foreign friend would doubtless stipulate for as long a loan as possible for his surplus capital.

The chances, judging from the past years, would be that our currency would then be nearer par than it now is; but if not, the foreign friend could as well reinvest his loan on such unquestioned security as real estate, until the currency became equal to coin and thus realize the extra profit of the premium he received for his gold when he made the first loan. In this scrupulous regard for the interest of a foreign capitalist it may not be out of place to remind the honorable Senator, if it escaped his notice, that while his foreign friends were taking our bonds at thirty-six cents and upward in coin—the value of currency then, in the throes of our struggle—and for which purchases we were thankful and showed our gratitude by paying them promptly at one hundred cents in gold, when many maintained they should be paid at their face in currency; it is worthy of his remembrance, I may say, that at the same time there were other German friends of ours who proved their loyalty to their adopted country by risking not only fortune but life, and such as survived the war, returned to their homes to find body and estate sadly shattered. They took their pay in currency, instead of gold. They have willingly and uncomplainingly suffered the loss of change of values. No murmur comes from them. They upheld the honor of the Government in the shock of battle. They have lost no faith in the nation in the trials of panic. They cheerfully meet, with other citizens of the United States, the fluctuations incident to any system in the natural course of business, for their faith has been tried and not found wanting in the nation, which has pledged itself for the integrity of its authorized money. These friends, I would remind the honorable Senator, have greater claims for his forbearance, to drive them to more losses by early resumption, in order to please a foreign friend and aid him to increase the profits of his loans.

Why not advise all his foreign friends to bring their coin here and hasten resumption without contraction? But he insists, not a dollar of investment here till a policy is adopted of resumption, but with it, they should come with hundreds of thousands of capital. Why, sir, if the honorable Senator's advice were so potent as to move such a mountain to Mahomet, the sum of his highest hopes—the return to specie payment—could at once be effected by the deportation of coin from Germany to America, and I beg of him in behalf of a country so "disonored" with "irredeemable currency," to address himself at once to the herculean task of his eventful life. Such a solution would be the signal for a grateful people to pay homage to the masterly achievement.

In his great undertaking I would remind the Senator of two facts which may mitigate his distress.

German capitalists abroad hold largely of our national bonds. They have witnessed the funding of a part of them into lower rates of interest, maintaining meanwhile their value at par in coin. That they understand that our national currency is based upon these coin par value bonds, with but 90 per cent. of currency issued for each 100 per cent. of bonds, and the bonds pledged for the redemption of the currency; and as the highest evidence of this security and value, in the midst of a panic the people of the United States hoarded their currency, and cared not to exchange it for gold even at a small premium.

The other fact is that Europeans seem to understand their interests so well that they interpose obstacles to the transfer of coin to our borders. The honorable Senator from Massachusetts [Mr. BOUTWELL] in his recent speech gave his experience while Secretary of the Treasury, and stated the fact that even the Geneva award of fifteen and a half millions of coin could not be transferred, but was adjusted by an exchange for our bonds in European markets; with the further statement that if necessary, foreign official interposition would follow any attempt to move coin in any substantial quantity from Europe to America.

Now, sir, in the face of these two facts to which I have called the Senator's attention, my answer to his foreign friend, questioning an investment in the United States, with United States bonds at par in coin and its currency based upon this pledge of the whole wealth of the nation; with Europe ingeniously and inflexibly withholding its coin from our vaults; and all this forcing a query and causing such a discredit of American security as to lead this foreign friend to hesitate about placing money here, my answer to him would be, hesitate forever. The credit, the faith, and the honor, of the United States are beyond question with the American people, and they are growing wiser than further to enrich other nations at the expense of their own. I tell the Senator that the tribute we are now paying for foreign faith costs this nation over one hundred millions of money annually, and the quicker we supply the people with adequate means to develop and husband their own resources, the greater will be our wealth and our credit and our independence. Europe wants us to check our enterprises and cripple our resources by forced resumption, for she is envious of our growth and jealous of our power. To make the New World tributary to the Old is the gist of the financial theories of the books. To make the New independent of the Old World is the financial problem of American aim.

The honorable Senator studies the books of the past, with the dim lamp of speculation; we open the volume of the present under the sunlight of experience. We revere the theories of olden time, just as we venerate the ages, but prefer business sense for a new era of finance, and choose to follow practical minds for the active necessities of the nineteenth century. The honorable Senator from Missouri, holding a seat in the Senate of the United States, denounces the money which the people have issued as a disgrace, and which the people cherish and value as no currency was ever valued before, and assumes from a European stand-point to shape a financial policy for the people who have so highly honored him. Not satisfied to deride and undervalue, in terms, the currency of the nation, he classifies it with the illimitable paper money of China, and the assignats of France, all without substantial security, while that of the United States is so valuable that the notes of any suspended bank are worth a premium of 5 per cent. for reissue under a new organization—the demand for banking currency to meet the unsupplied business wants causing this enhanced value. Not a dollar of any bank in liquidation since the national currency was issued but has borne a premium, I would remind the Senator. To cast further ridicule upon such a circulation, in the climax of his derision, the Senator exclaimed:

"Let every man issue his note for all his debts—past, present, and prospective—and then let us enact a law making that note legal tender."

Driven to such straits to advocate and fortify a policy of resumption, which prudent financiers unhesitatingly declare would be ruinous to the country, it is not strange that, to the appeal of prostrate industry suffering for more currency, the Senator should respond, by an increase of our bonds. Ruin of our industries is well understood to be an increased sale of foreign products, and more impoverishment of our people by such increased foreign indebtedness. To the demand for more money to save our industries, his answer is more foreign debt. Less paper money without interest, and more paper bonds with interest, is the financial policy of the astute Senator.

He tells the country that but one million of the twenty-five millions already issued of the greenback reserve has found its way out of New York and New England, and in the face of this inequality refuses to end the monopoly of banking by opening it to all.

Speculators, he adds, are the ones who ask for more money, and still he declines to break the power of those speculators, who hold in Wall street the lever of national disturbance, through the instrumentality of banking monopoly.

The honorable Senator has frequently quoted from the Chicago Tribune during this debate to fortify his stand against an increase of currency or free banking. In his late speech, however, to anticipate the force of a very recent editorial in that paper, favoring free banking, he had it read as a part of his speech, and garnished it with an ingenious application, which the editor will hardly thank him for, nor the public be cheated by the rhetorical disguise.

I may add, in passing, that while the Senator finds comfort and pleasure in berating and discrediting the circulation of the people's government and the people's money, he will have occasion to learn by suggestive experience that the people will not idly tolerate senatorial flourishes to brand the country with national dishonor.

The honorable Senator from Ohio [Mr. SHERMAN] holding the distinguished position of head of the financial organ of the Senate, submitted his views some days since upon the monetary situation in a speech of remarkable ability. Charged as he is with the responsible duty of devising ways and means for the financial demands of the country, and bringing to his aid many years of thought and experience, he stands before the country as the exponent of a matured judgment upon questions of finance. Notwithstanding, the situation in which the country finds itself, extorts from the able Senator doubts upon the feasibility of any suggested plan for relief and stability. Regarded as the financial oracle of this body, his official utterances demand, and are given to invite, the broadest scrutiny.

Let me, therefore, quote from his speech, delivered January 16, 1874, on page 24, which I ask the Secretary to read.

The Secretary read as follows:

"Now, I have only to say, very briefly, that there are various modes, to none of

which do I intend to commit myself until the whole subject is finally discussed, by which this can easily, without trouble, without difficulty, be accomplished. There are three modes that have been proposed in debate in the Senate, and a multitude come to us from the people, but I will group them into three classes.

"There is, first, the proposition to accumulate gold in the Treasury with a view to the actual redemption of our notes in coin. That is supported by two bills now before the committee; one introduced by the Senator from Vermont, [Mr. MORRILL,] and the other by the Senator from New Jersey, [Mr. FRELINGHUYSEN.] What are the objections to this plan? They seem to me to be these: In the first place any attempt to accumulate large masses of gold in the Treasury, lying idle to await some future event not fixed by act of Congress, would not be a wise use of the public moneys. In the next place, I entirely object to conferring upon the Secretary of the Treasury the power of issuing one hundred millions or any lesser sum of 6 per cent. bonds with a view to buy gold to hoard in the Treasury to maintain resumption. I believe that it is impossible, in the very nature of things, to maintain the resumption of specie payments at all times and under all circumstances; and if anything has been established by modern experience, it is that all nations can do that issues paper money is to maintain it at a specie standard in ordinary times; but, in times of panic, such as by periodical revulsions come over every country, specie payments cannot be maintained. They can scarcely be maintained in England, and are not now maintained in France, although they approach them. Therefore, every plan for specie payments ought to have some provision for the temporary suspension of specie payments, or some means by which in times of great panic and financial distress there may be a temporary departure from the specie standard. I say this not that it ought to be so, but simply as a matter of demonstrated experience shown by the history of almost all commercial nations of Europe.

"The second plan is the actual payment of the United States notes and their cancellation; in other words the plan of contraction. In the first place, this plan, while it operates, does so with such severity as, in a popular government like ours, to cause its suspension and repeal. Undoubtedly, the most certain way to produce specie payments is by retiring the notes that are dishonored, paying them off, taking them out of circulation. But the trouble is, the process of contraction is itself so severe upon the ordinary current business of the country that the people will not stand it; and in this country the people rule. The policy of Mr. McCulloch, already commented upon, if it had been continued further, would have undoubtedly brought us to a specie standard; but with great distress, great impoverishment, and with more difficulty than was really necessary to accomplish the object in view.

"These are the difficulties that occur to me as against these two policies.

"There is a third plan. This plan, which in my judgment presents the easiest and best mode of attaining specie payments, is by taking some bond of the United States which in ordinary times, by current events, is shown to be worth par in gold in the money markets of the world, where specie alone is the standard of value, and authorize the conversion of notes into that bond.

"I do not intend to consume much time upon the discussion of these different plans, because they are all open for debate, and I do not intend to commit myself."

Mr. President, the advocates of resumption are all driven to some expedient for gold to warrant any advance toward specie payment. The fact that the average annual product of gold of the country for the past five years has been but forty-two millions; that the excess of our exports over our imports of coin and bullion for the same time has been two hundred and seventy-five millions—an annual average of fifty-five millions—reducing the total gold in the land to one hundred and forty millions, and but forty-five millions of that available in the Treasury, as exhibited by the February statement of the public debt; with these facts, it is the sheerest folly for them to contend for practical resumption of seven hundred and fifty millions of currency with such a petty moiety as forty-five millions controllable by the Government, and the unavailable one hundred millions in works of art and other forms in the possession of the people. Worse than this. Our imports of merchandise and other industrial products, last fiscal year, were one hundred and sixteen millions in excess of our exports, and to supply an approximation of coin for what would be needed for an effective resumption, this balance, or whatever the balance might be against us, in foreign exchanges, must be included in the total of coin necessary to maintain specie resumption. None knows this better than the honorable chairman of the Committee on Finance.

If resumption can be effected it must be by the people surrendering what coin they individually hold, and by a sale of bonds for gold to make up the requisite amount. How is the gold to be secured if the bonds can be sold? The honorable Senator from Massachusetts [Mr. BOUTWELL] stated in the hearing of the honorable chairman that even the Geneva award of fifteen and a half millions could not be transferred to our shores, and that Europeans would either place obstacles in the way of a transfer of coin to America, or drive our bonds out of their markets. What alternative, then, is to be employed? If it be gradual accumulation of coin in the Government vaults, this seems injudicious in the judgment of the honorable chairman. He very wisely concluded, as he has stated, that not only would the "attempt to accumulate large masses of gold in the Treasury, lying idle to await some future event not fixed by act of Congress, not be a wise use of the public moneys," but, with equal clearness of conviction, stated the impossibility of maintaining specie payments at all times, enforcing this truth by the experience of foreign countries, when he says specie payments "can scarcely be maintained in England, and are not now maintained in France."

Notwithstanding all this, the honorable chairman lifts this impracticable theory of the gold dollar above the practical one of the currency dollar, for he declared in another paragraph of his speech that "we have rejected the true god (gold) and set up an idol (currency) of our own." Devoted as he is to that glittering image, he proposes, so far as he has expressed his preference, as the curative expedient, the conversion of currency into United States bonds. He proposes that the false god, currency, be transmuted into the motley god, bonds. How currency, consisting of 100 per cent. national credit is rejected as "false," and bonds composed of 100 per cent. national credit and 5 per cent. interest also in promise, is embraced as the "true god" is such a revelation of polemic divinity as surpasses all my ingenuity and comprehension. Let us for a moment consider how

true and how false these respective measures of values are, and how great their claims to unchangeability, as their merit for devotion, are. The best form of a standard of value is perhaps put in the words of the honorable chairman in his speech, page 1, as follows:

"The most obvious of these axioms, which lies at the foundation of the argument I wish to make to-day, is that a specie standard is the best and the only true standard of all values, recognized as such by all civilized nations of our generation, and established as such by the experience of all commercial nations that have existed from the earliest period of recorded time." *

And on page 5:

"Of late years much difficulty has grown out of the slightly varying value of silver and gold, as compared with each other, and the tendency of opinion has been to adopt gold alone as the standard of value. The United States has twice changed the relative value of these metals, and other modern nations have been driven to similar expedients. At the Paris monetary conference, held in 1867, which I had the honor to attend, the delegates of twenty nations represented agreed to recommend gold alone as the standard of value." *

Then on page 27:

"Why, sir, this is not the first time we have changed the standard. We did it in 1835; and we have changed the value of our gold coin twice within my recollection. We have changed the value of silver two or three times. The monthly fluctuations that happen in the city of New York sometimes are greater than all the amount of difference between our paper money and gold now."

It will be borne in mind that this *infallible* gold-god was, in 1835, adulterated with alloy, and depreciated in value 6 per cent.

In the midst of the late panic—the very crucial test of our greenbacks—they stood but 6 per cent. below par in gold, precisely the percentage of depreciation in 1873; that was made in the gold standard in 1835.

The honorable chairman attempts a solution of the difficulty in what he says on page 5:

"The failure to distinguish between the standard of value and the medium of exchanges occasions many of the errors into which so many fall, and nearly every Senator who has spoken on one side of the question has fallen into this error."

That this clearness of discrimination between standard of value and medium of exchange may be made apparent by this assumed non-interchangeability of terms, let me read a paragraph from the distinguished Senator's speech made in 1862 when he was advocating the issue of the legal-tenders or greenbacks. I read from the Congressional Globe, second session, Thirty-seventh Congress, part 1, page 790. The Senator then said:

"Congress is not prohibited from emitting bills of credit or from making a standard of value, nor are these powers expressly conferred. Congress has repeatedly issued bills of credit; it has fixed gold and silver as the standard of value and made them a legal tender. Certainly gold and silver coin is the best standard of value, for it has inherent value in all commercial countries; but if in the course of events gold and silver cannot be had in quantities sufficient to form a medium of exchange for the increased wants of the country, then Congress may establish another medium of exchange—another standard of value. This was twice done by establishing a bank of the United States. I much prefer the credit of the United States, based, as it is, upon all the productions and property of the United States, to the issues of any corporation, however well guarded and managed."

Mr. President, the advocates of expansion, or free banking, and an increase of the volume of currency to meet the expanding wants of the people, stand now as the honorable Senator from Ohio—then also of the Committee on Finance—stood when he thus spoke; and we only seek, as he then sought, to "establish another medium of exchange, another standard of value."

In that same debate, in 1862, on page 763 of same volume, the very distinguished Senator from Maine, Mr. Fessenden, then the chairman of the Committee on Finance of the Senate, gave, in another form, his commentary on the instability of gold as a standard, in these sagacious words:

"Money in the market is always worth what it will sell for; it is an article of merchandise like everything else."

Taking these two eminent statesmen, SHERMAN and Fessenden, of 1862 as the standard, I had not departed far from financial orthodoxy when in my remarks on the fourth day of this session, while speaking on the subject of the conventionality of a monetary standard, I said:

"The idea that gold, as such, without Government authentication, is money is a figment. It has its value with other precious metals, and like silver, copper, iron, lead, cotton, and wheat, is a commodity, worth just what it will sell for in market. It can, no more than the other articles named, become a circulating medium, until made so by the nation using it. Its form, quality, and value as a currency must be approved and stamped upon it by the Government, before it becomes a medium of exchange. The monetary standard, whatever it be, is conventional."

May I not add the reasons given in Parliament, when the Bank of England suspended in 1797, upon the instability of coin as a standard? It was then said—

"That specie payments were of no benefit to England, as the specie when drawn from the bank went abroad. That it was better to stop specie payments while specie and bullion could be kept in the country by that means."

How could the wisdom of this, I ask, be advanced by the conversion of our currency into 5 per cent. coin interest-bearing bonds, and so establish a system of manipulation by which currency would run to the Treasury and there be transformed into bonds to float abroad and swell our public debt? We already pay annually over one hundred millions of coin interest on obligations now outstanding. This conversion system is to increase this large annual outlay of coin interest, and sooner or later draw on our resources further for the payment at maturity of these additional bonds. No, sir; it is the constitutional duty of the Government to supply a safe and ample medium of exchanges at the least possible cost to the people. In doing this in the form of currency without interest the Government is but

emphasizing the advice of the honorable Senator from Ohio [Mr. SHERMAN,] when he said in 1862:

"I much prefer the credit of the United States, based as it is upon all the productions and property of the United States."

If this could be said and urged with force in 1862, in the opening years of the war, and amid disaster to our arms and a creeping distrust over the certainty of our success, how much more sound and potent is it to-day, after complete triumph, and years of peace and prosperity!

Doubt then pervaded the financial circles at home and especially abroad, and our credit suffered in consequence. Faith now enters into all of the money centers of the globe, and the credit of the nation is beyond question. I do not overstate this, for the honorable chairman, [Mr. SHERMAN,] last December, as will appear in the CONGRESSIONAL RECORD of the 12th of that month, remarked that—

"Our credit is so good that we do not have to induce anybody, by any provisions of law, to buy our bonds."

With the admitted impossibility of resumption for lack of coin; with the declared necessity for use of currency as the national medium of exchanges, it logically follows that the needed volume for the business of the country should be supplied. This will be provided for by an increase, or under free banking, with the quantity properly regulated by the law of supply and demand. Based upon the nation's wealth and faith, and issuable only upon the unquestioned bonds of the Government, not a doubt can creep in to affect the credit of bonds or currency, and the expansion of circulation will run parallel with the expanding wants of the country.

That more currency is really needed is indirectly recognized by what the honorable chairman stated in his speech on page 29, while contending for his process of specie resumption. He said:

"Why, sir, I do honestly believe that if now there was a plan of redemption agreed upon by which notes could be converted into coin or bonds at the pleasure of the holder, all restrictions upon the amount of currency were repealed, the amount of currency thus at par with gold would be greater than it is at present, and its purchasing power would be just exactly 11 per cent. more."

If the amount of currency then, with all restrictions removed, would necessarily be greater to meet current demands of business, the same unanswerable demands plead to-day for the removal of restrictions to quantity, that the business necessities may be satisfied.

In this connection I may be permitted to refer to what I expressed in the first week of the session; and I read what I then said:

"In defiance of moderate expansion, United States notes have gradually worked up to nearly the value of gold. It is no just conclusion that a further moderate increase will widen the marketable space between the two. The fact of our experience is against such conclusion. Excess of currency did not cause the present depression in business. As long as business prospered, stimulated by enough circulation to supply the ordinary wants, currency and gold approached each other. When the business of the country outgrew the volume, stagnation followed, and the further appreciation of currency ceased. Were we on a gold basis this natural business demand for an increase would be met by our annual forty million coin product. Upon a currency basis this necessity and fact are ignored, and a reasonable increase denied. Over the ruin of industries and the prostration and pauperization of the people some would enforce contraction to effect resumption. Not even to restore the country to its condition before the panic would they yield to a judicious increase. Former prosperity gave us a natural and certain appreciation of our currency. They seek an unnatural precipitation, by contraction, to resume even at the expense of that prosperity. The let-alone policy is to let business stagnate and let the people suffer rather than depart a step from the kindred and more dangerous plea of contraction."

We are not without experience upon the policy of contraction, whether through the conversion of currency into 6 per cent. interest bonds or, by retiring gradually a portion of the circulation.

The three hundred millions of greenbacks issued under acts of February and July, 1862, were made convertible into 6 per cent. coin interest-bearing five-twenty bonds; and in the act of March, 1863, authorizing one hundred and fifty millions more, it was provided that the convertibility of the greenbacks into bonds should cease July 1, 1863. Thus convertibility was authorized, but allowed for about a year, and prohibited upon less than four months' notice to the holders, who now hold many of those notes bearing upon their reverse side the express promise of conversion, while the fact stands that that promise continues to be practically broken.

What has been our experience under the policy of direct contraction? This policy urged by the then Secretary of the Treasury, known as the McCulloch policy, was embodied in the act of April 12, 1866, directing that not more than ten millions of greenbacks should be retired within the six months following the act, and that thereafter not more than four millions in any one month should be retired. Gold at the date of this act stood at 128; the next month of May it had advanced to an average for the month, of 131, and continued to advance. February 4, 1868, an act was passed suspending further contraction when it was found that forty-four millions had been retired, leaving the volume of greenbacks in circulation three hundred and fifty-six millions, instead of four hundred millions, the volume outstanding April 12, 1866; and gold had risen fourteen cents, an advance under contraction, from 128 to 142.

Indirect contraction by conversion into 6 per cent. bonds, and direct contraction by retiring gradually the currency, having been after trial abandoned, and the policy of masterly inactivity declared perilous and ruinous, what alternative is there left but the wiser one of an adequate currency to give activity to labor, profit to industry, and prosperity throughout the country. Europe has pursued this judicious course by providing for its people circulation, whether of

gold, currency, or both, a much larger *per capita* of its population than the United States.

From the Bureau of Statistics the following facts and estimates are drawn, showing the real, active circulation, on a gold basis, of the respective countries named. The bank reserves in each country, it will be observed, are deducted:

Countries.	Circulation.	Population.	Per capita.
Great Britain.....	\$683,000,000	32,000,000	\$21 34
France.....	1,509,000,000	36,000,000	41 91
Germany.....	704,000,000	39,400,000	17 87
United States.....	587,700,000	41,000,000	14 33

"Thus, placing the circulations of the several countries on a gold basis, which is necessary to a true comparison, we find that the amount in this country is \$14.33 per head; in Germany \$17.87; in Great Britain \$21.34, and in France \$41.91. Taking population into account, our circulation is about one-third that of France, two-thirds that of the United Kingdom, and four-fifths that of Germany."

Now let me give the *per capita* of the circulation of the United States since 1830—on a gold basis prior to 1862, and on a currency basis since.

Circulation per capita in 1830, and every year from 1836 up to the present date.

Year.	Circulation per capita.	Year.	Circulation per capita.
1830.....	\$7 20	1855.....	\$16 40
1836.....	14 00	1856.....	16 10
1837.....	14 00	1857.....	16 70
1838.....	12 50	1858.....	14 00
1839.....	13 40	1859.....	15 40
1840.....	11 20	1860.....	14 50
1841.....	10 79	1861.....	13 70
1842.....	8 00	1862.....	21 00
1843.....	6 90	1863.....	27 40
1844.....	9 10	1864.....	28 50
1845.....	9 40	1865.....	27 90
1846.....	9 90	1866.....	23 60
1847.....	10 70	1867.....	22 80
1848.....	10 10	1868.....	21 00
1849.....	10 50	1869.....	20 00
1850.....	12 20	1870.....	19 10
1851.....	14 20	1871.....	19 00
1852.....	14 50	1872.....	18 11
1853.....	14 80	1873.....	17 79
1854.....	15 80		

This criterion has been disputed as being an arbitrary ratio, and in no way a legitimate basis upon which to adjust the circulation of any country. The honorable chairman so assumed when he said in his speech:

"Sir, area and population are not the things that demand currency; it is business, wealth, production."

The honorable Senator from Massachusetts [Mr. BOUTWELL] negatively asserts as much when the obstacle in the way of adjusting a proper ratio is, as he stated, national poverty. His words were:

"The difficulty in the way of resumption can be expressed in one word which I have never yet had the courage in this connection to use. That word is poverty; not individual, but national poverty."

The honorable Senator from Missouri [Mr. SCHURZ] disagrees with his distinguished supporters severally, but agrees with them combined. He said:

"But I ask what are the circumstances determining the volume of currency necessary for the real requirements of the business of a country? * * * It cannot be extent of territory alone. It cannot be population alone. I ask, then, is it the amount of productions, the number of exchanges, and of values involved? * * * Neither of these elements alone, therefore, will determine the amount of currency which is necessary for the business of a country, but all of them combined will."

Answering these honorable Senators as to an adequate currency, fixed by the wealth, poverty, area, population, and production, or by all of them combined, I give the national growth, volume of circulation, ratio of circulation to wealth, for past years, as well as a table of population, and percentage of increase or decrease, for years obtainable from official sources; together with area in square miles; length of railroads and telegraph lines, in miles, of four of the great powers of the world, and let the public pronounce upon the relative inadequacy of our circulation by a just comparison.

In 1850 the real and personal wealth of the United States was \$7,135,780,228; the volume of circulation was \$203,800,000; the ratio of circulation to wealth as \$1 to \$35.

In 1860 the real and personal wealth of the United States was \$16,150,616,668; the volume of circulation was \$461,000,000; the ratio of circulation to wealth as \$1 to \$35.

In 1864 the real and personal wealth of the United States was \$20,000,000,000; the volume of circulation was \$750,000,000; the ratio of circulation to wealth as \$1 to \$27.

In 1870 the real and personal wealth of the United States was

\$30,068,518,507; with \$859,000,000 as the volume of circulation, \$1 to \$35 would be the ratio of circulation to wealth—the ratio of 1850.

In 1870 the real and personal wealth of the United States was \$30,068,518,507; with \$1,111,000,000 as the volume of circulation, \$1 to \$27 would be the ratio of circulation to wealth—the ratio of 1864.

In 1874 the real and personal wealth of the United States is \$35,000,000,000; with \$1,000,000,000 as the volume of circulation, the ratio of circulation to wealth would be as \$1 to \$35—the ratio of 1850.

In 1874 the real and personal wealth of the United States is \$35,000,000,000; with \$1,296,000,000 as the volume of circulation, \$1 to \$27 would be the ratio of circulation to wealth—the ratio of 1864.

In 1874 the real and personal wealth of the United States is \$35,000,000,000; we have \$750,000,000 as the volume of circulation, which is but \$1 to \$47 as the ratio of circulation to wealth.

It is thus seen that on the basis of the ratio of circulation to wealth on a coin standard in 1850 and 1860, namely, that of \$1 circulation to \$35 of wealth, the volume of circulation in 1874, on a coin standard, should be \$1,000,000,000; and as compared to the ratio of 1864, of \$1 to \$27 of wealth, the volume of circulation of the country in 1874 would be \$1,296,000,000 of currency, instead of \$750,000,000, the present volume.

I now submit a table of population and increase or decrease for respective years, being the latest comparison officially obtainable:

Countries.	Date.	Population.	Date.	Population.	Gain or loss.	Per cent.
Great Britain	1863	29,800,000	1871	31,800,000	Gain, 2,000,000	.7
France	1863	37,380,000	1872	36,100,000	Loss, 1,280,000	.35
Germany	1863	35,430,000	1871	41,060,000	Gain, 5,630,000	1.6
United States.....	1860	31,443,321	1870	38,555,983	Gain, 7,112,662	2.3

Not to be unjust in this tabulated comparison of European countries in the percentage of gain or loss given here for a less number of years than a decade of the United States, I add the proportion to make up for the deficient years, and find Great Britain's increase of population for ten years to be $\frac{1}{10}$ per cent.; the loss of France $\frac{1}{10}$ per cent.; the gain of Germany nearly 2 per cent., while that of the United States is $2\frac{2}{5}$ per cent.

Let me now give a table of area, railroads, and telegraph lines, in miles, of the same countries, respectively for 1873:

Countries.	Area.	Railroads.	Telegraph lines.
	Sq. miles.	Miles.	Miles.
Great Britain.....	121,111	15,497	22,000
France	204,091	10,954	26,226
Germany	208,619	13,005	22,076
United States.....	3,611,844	71,109	70,511

With this relative extent of territory of the several countries, the vaster area of the United States in comparison is illustrated with significant force in the great system of railways and electric wires creeping apace with the development of the territorial and commercial demands of the nation. With 6,427 miles of road constructed in 1872, and 4,005 miles in 1873, in these two years building nearly as much as the whole railway system of France, and but little less than the whole of Germany, the financial wants of a nation like this find no adequate measure by the comparative needs of compact nations, covering less than one-eighteenth part the territory of the United States.

With such rapidly increasing wealth as the late census has revealed, and the constant increase of our population in far greater ratio than that of European nations; with the multiplied enterprises necessitated by such development, this growth must either be facilitated by sufficient means, or be dwarfed by a policy looking more to contraction, than to expansion, of the riches and prosperity of the nation. Every intelligent observer knows well that the broader the country the greater the time consumed in making exchanges, and of necessity the greater volume of circulation needed to carry on the same total of labor and business.

The honorable Senator from Missouri [Mr. SCHURZ] expressed this when he said:

"But the same amount of production, the same number of exchanges, the same values involved, will require far less currency where there are superior facilities of rapid communication, of banking and clearing-house systems, than where they do not exist."

And further he said:

"Let us in this light compare England with the United States. In England, as well as in all European countries, the number of persons receiving salaries and wages is far greater in proportion than in the United States, and every one who is acquainted with those countries knows it. There are large armies there, large navies, which we have not. The number of private servants is much larger than here. The number of operatives and daily laborers is still greater. Now, although the population of the United Kingdom is only thirty-two millions, while ours is forty millions, yet the number of persons receiving salaries and wages is not only in proportion, but actually greater, much greater in England than here; and although wages rule higher here than they do there, yet I think I do not venture much when I say that the aggregate amount paid in wages and salaries in England is much larger than it is in the United States."

Mr. President, the avowal is here formally made by an honorable Senator, whose early days were spent in Europe, and who has the past

season revisited the scenes of his nativity, confirming his earlier impressions by recent observation, by comparatively declaring the currency of his adopted country a disgrace to the American name, because it does not bear the sovereign character of European countries. He especially draws comparison between the United States and the United Kingdom of Great Britain.

His words are significant and invite apprehensive criticism. Let me repeat. He said:

"Now, although the population of the United Kingdom is only thirty-two millions, while ours is forty millions, yet the number of persons receiving salaries and wages is not only in proportion, but actually greater, much greater in England than here; and although wages rule higher here than they do there, yet I think I do not venture much when I say that the aggregate amount paid in wages and salaries in England is much larger than it is in the United States."

Then because more men are employed at lower wages there than here, but for the reason "that the aggregate amount paid in wages and salaries in England is much larger than it is in the United States," we must imitate England and Europe, and study her writers upon finance, and adopt her policy of industry and her system of monetary exchanges.

We know that wages are lower in Europe than in America. We know that more men are compelled there to work for low wages than are here employed. We know that that vast force of low-paid operatives are also the dependents of a formidable array of salaried dignitaries, and commercial princes, with titles of dukes, marquises, earls, counts, lords, and barons. We know that the feudal system, so long in vogue there, is the boon of aristocracy and the bane of the masses. We know that its policy is to make the rich, richer, and the poor, poorer. We know that around every merchant prince, moneyed aristocrat, and landed lord, cluster numberless tenants, serving the purposes of their exacting masters, like so many serfs doing the bidding of their unrelenting chiefs. That this mass of toilers are poorly paid and provided for by weekly, monthly, or yearly stipend, with no thought but work and pay, and the supply of both provided by the credit of employers, who are the financial centers of those laboring retinues, and use vastly less money than credit, is also well known.

Here in a free Republic: fewer men work for wages, and at great deal higher rates. Fewer live on salaries. The large majority of the people are their own operators. They think, devise, and arrange their own pursuits; dependent upon themselves and not upon others. They control and provide for no large dependent communities, and therefore have a restricted credit, and use more money daily, than credit. Such an enterprising and active people, made up of nearly as many centers of operation as there are men, educated to individual thought and action by the sovereignty of citizenship and the responsibilities of a free republic, with no one; from the President down to tide-waiter, wearing any other title but American gentleman, which nothing can dispossess but conduct of self-election:

To compare the wants of such an independent, industrial, intelligent, enterprising, well-paid, and inventive people, spreading over a still unoccupied extent, and developing resources of yet untold riches, with nations massed within unyielding boundaries, of limited resources, whose wealth is determined by the products of subsidized nations, and cheapened industry; whose people are divided between dependent toil and titled aristocracy—to make a comparison between two such peoples, for the purpose of fixing the character and volume of the money needed for one, thriving under republican freedom; by enforcing for such the nature and amount of money required by the other, moving under monarchical forms of limited powers and benefits, is such a reversal of the spirit and scope of modern progress as to evoke my unqualified repudiation. Europe's feudal system of "capital owning labor," bequeathed to America in the relic of industrial slavery, was, in a war of sections, effectually and forever disposed of in that form. The restored Union of the States has been constructed upon that grave. If that system is to reappear in the form of financial bondage, in another section, and the irrepressible conflict is to marshal the South and West against the East, let it come, for the issue will be as inevitable and emphatic, as the late contest, and upon the grave of this bondage, will be constructed the American system of, labor owning capital.

In Europe, with the facilities of compact nations—wherein commercial exchanges between extreme boundaries are made daily; where low wages and abundance of money cheapen all modes of travel and traffic and all means of living; where, by wise foresight and sagacious statesmanship, its money centers have become the clearing-houses of the world, and all the nations of the earth made tributary to European wealth—bills of credit of various forms are the greater share of the financial volume of its circulation.

The United States, with less money than muscle and more brains than capital; whose broad area requires thirty days instead of one to make its commercial exchanges between productive extremes; wherein high wages and scarcity of money enhance modes of travel and transit, and increase the cost of living; where, by following the theories of a past age, when steam and electricity were not known as wonderful industrial elements; and by trusting too implicitly to foreign statesmen, who planned for America to plod for European riches; this nation finds that a larger share of its industry and exchanges is made up of money, and less of credit.

America is younger, and has not yet acquired the enormous credit of the older states of Europe. She hopefully bides her time, and

meanwhile plies her energies and resources with a currency of her own. Has there been enough? Shall there be more?

From this exhibit and comparison, very well and generally understood by the people, it must be conceded that the general impression that the volume of currency was inadequate had much to do with the extent and character of the panic. The public judgment is as well grounded to-day that the currency is insufficient to answer the necessary demands of the country. Notwithstanding this, an attempt to meet this just demand for an increase of currency is assailed with exaggerated depreciations and alarming forebodings of consequent ruin to the land. The honorable chairman has indulged in this when saying—I read from his speech, page 15:

"I say to Senators that if now, in this time of temporary panic, a great part of which, as I shall show you, has already passed over, we yield one single inch to the desire for paper money in this country, we shall pass the Rubicon, and there will be no power in Congress to check the issue. * * * And when you have passed the Rubicon and have fulfilled the pledges you have already made to the people of the United States, where can you stop? Where our ancestors stopped at the close of the Revolution; where the French people stopped in the midst of their revolutionary fervor!"

The honorable Senator from New Jersey, [Mr. FRELINGHUYSEN,] on the 17th of last month, sketched the frightful apparition of French *assignats* as a warning to an increase of our own currency. *Assignats* were mere assignments of sequestered lands, which could not be possessed till formally put up for sale. Thus based and thus obstructed, with no national security, and an issue of 45,000,000,000 francs, equal to \$9,000,000,000 of our money, can this be a worthy or noticeable parallel to our national-bank issue, based upon 90 per cent. of bonds of the nation, secured by the total wealth and honor of the country, and necessarily limited at the utmost by the outstanding bonds of the United States? There are less of these bonds than we had of different forms of circulation in 1866, and still the supposititious issue of the possible maximum of what we once endured is made the occasion of invoking the specter of \$9,000,000,000 of French *assignats*. Poor substitute, indeed, for argument upon a grave national subject. When in February, 1863, it was proposed by the House of Representatives to add to the volume of currency, an issue, under a national banking system, of three hundred millions of national-bank notes, the honorable chairman, then a member of the Finance Committee, seemed possessed with like alarm, which found expression as follows, as I read it from the Globe of the third session of the Thirty-seventh Congress, part 1, page 842:

"We must check it; we must put a stop to it; whatever may be the hazards, we must check this over expansion and overissue. * * * I say it is a danger before which a lost battle sinks into insignificance, and if we permit this inflation to go on, we shall do our country a greater harm than the confederates can possibly do by defeating any one of our armies."

This vain terror was substantially repeated by the honorable Senator recently with zeal and fervor. We had, in 1863, three hundred million of greenbacks and one hundred and sixty millions of State-bank issues, making four hundred and sixty millions, and the proposition was to add three hundred millions of national-bank issue, to make a total of seven hundred and sixty millions of circulation, and evils of such terrific character were to befall the nation. Did they follow? Gold was then 154. We had in December, 1864—the following year—seven hundred and ninety-five millions of currency; in December, 1865, nine hundred and forty-six millions, with gold at 145; in December, 1866, the volume in various forms of circulation reached \$1,571,000,000, and gold declined to 134; and in December, 1867, there was \$1,022,000,000 in circulation, with gold at 133—a decline of twenty-one cents on gold upon an increase of circulation of \$262,000,000 over that in 1863, when such fearful prognostications were uttered, while the country prospered in spite of those ominous utterances. The evil omens predicted to-day, to follow expansion, will equally prove to be the morbid speculations of a timid policy, and find as little fulfillment as they did before.

But we hear further from the honorable chairman that—

"We are bound by public faith and good policy to bring our currency to the gold standard; that such a result was provided for by the financial policy adopted when the currency was authorized; that a departure from this policy was adopted after the war was over and after the necessity for a depreciated currency ceased, and that we have only to restore the old policy to bring us safely, surely, and easily to a specie standard."

The war ended substantially by the surrender of Lee to Grant, April 9, 1865, and gold stood then 144. To-day it is 111. Has this proven a departure from the faith and policy to bring our currency toward a gold standard?

But more. The honorable chairman has called attention to the solemn pledge the nation has made; and the honorable Senator from New Jersey [Mr. FRELINGHUYSEN] urged this with renewed force. What was the pledge which stands as a lion in the pathway of an expansion of the currency? First, it is asserted that if the expansion is sought through an increase of the greenbacks, it is a violation of public faith. It is thus stated by the honorable chairman:

"An increase of paper money beyond four hundred millions would be a clear and palpable violation of the public faith. * * * It was a solemn promise that, under no circumstances, never, would we issue more than four hundred millions of paper money, and an additional reserve of fifty millions pledged to pay a debt then existing and which has since been paid."

The act of June 30, 1864, is the one which it is claimed made the promise. What did it provide? Let me read:

"That the Secretary of the Treasury be, and he is hereby, authorized to borrow,

from time to time, on the credit of the United States, \$400,000,000, and to issue therefor coupon or registered bonds of the United States, redeemable at the pleasure of the Government, after any period not less than five nor more than thirty years, or, if deemed expedient, made payable at any period not more than forty years from date."

Then came the second section:

"That the Secretary of the Treasury may issue on the credit of the United States, and in lieu of an equal amount of bonds authorized by the preceding section, and as a part of said loan, not exceeding \$200,000,000, in Treasury notes of any denomination not less than ten dollars, payable at any time not exceeding three years from date, or, if thought more expedient, redeemable at any time after three years from date, and bearing interest not exceeding the rate of 7.3 per cent., payable in lawful money at maturity, or, at the discretion of the Secretary, semi-annually. And the said Treasury notes may be disposed of by the Secretary of the Treasury, on the best terms that can be obtained, for lawful money; and such of them as shall be made payable, principal and interest, at maturity, shall be a legal tender to the same extent as United States notes, for their face value, excluding interest; and may be paid to any creditor of the United States at their face value, excluding interest, or to any creditor willing to receive them at par, including interest."

And then comes the proviso:

"That the total amount of bonds and Treasury notes authorized by the first and second sections of this act shall not exceed \$400,000,000, in addition to the amounts heretofore issued; nor shall the total amount of United States notes, issued or to be issued, ever exceed \$400,000,000, and such additional sum, not exceeding \$50,000,000, as may be temporarily required for the redemption of temporary loan."

It is thus seen that at the very time this limit was fixed by "solemn promise," that no more than four hundred millions of United States notes should be issued, two hundred million Treasury notes were then already authorized, so that the promise covered really six hundred millions legal-tenders; and we have but four hundred millions to-day. That is stating it less than it was. We actually had at that time an authorized issue of legal-tenders of four hundred and fifty millions, old demand notes sixty millions, and legal-tender Treasury notes two hundred millions, making a total of seven hundred and ten millions. That I am not mistaken, let me refer to a debate in the Senate April 1, 1866, when the honorable chairman then stated the whole issue of legal-tenders of various forms, after the old demands and part of the greenbacks were retired, to be \$602,973,048, and the total volume of circulation to be \$913,665,947.

When this "solemn promise" of June 30, 1864, referred to, was made, gold was 250, on a total volume of circulation of about eight hundred millions, and a bonded debt of \$1,766,408,291. April 1, 1866, when we had a total circulation of \$913,665,947 and a bonded debt of \$2,624,889,891, gold stood at 128. How much, under such an array of currency and bonded debt, the public faith was violated, the fall of the gold barometer is the most fitting answer.

If scruples still linger in the breast of any as to the letter, if not the spirit of the promise, standing in the way of the needed increase of circulation, I may point to the way for removal by repeal, in the language of the honorable Senator from Ohio, uttered January 9, 1868. (I read from the Congressional Globe, Fortieth Congress, second session, page 407:)

"Mr. SHERMAN. * * * The act of June 30, 1864, limits the amount of United States legal-tender notes to \$400,000,000. That act contains a provision in the nature of a compact by which it is provided that in no event shall the amount of United States notes issued or to be issued ever exceed \$400,000,000. This is made a part of the loan of that date, and is in the nature of a compact so far as a provision, which is repealable like any other act of Congress, can be called a compact." * *

In emergencies, expedients any more than blessings never go single. As another insuperable barrier in the way of any further increase of the currency, the pledge of March 18, 1869, is quoted and pressed. The honorable chairman has scarcely spoken without ringing the changes of this solemn pledge. What is that pledge?

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to remove any doubt as to the purpose of the Government to discharge all just obligations to the public creditors, and to settle conflicting questions and interpretations of the laws by virtue of which such obligations have been contracted, it is hereby provided and declared that the faith of the United States is solemnly pledged to the payment in coin or its equivalent of all the obligations of the United States not bearing interest, known as United States notes, and of all the interest-bearing obligations of the United States, except in cases where the law authorizing the issue of any such obligation has expressly provided that the same may be paid in lawful money or other currency than gold and silver. But none of said interest-bearing obligations not already due shall be redeemed or paid before maturity unless at such time United States notes shall be convertible into coin at the option of the holder, or unless at such time bonds of the United States bearing a lower rate of interest than the bonds to be redeemed can be sold at par in coin. And the United States also solemnly pledges its faith to make provision at the earliest practicable period for the redemption of the United States notes in coin."

It will be observed that the pledge does not determine the time of fulfillment.

The honorable chairman, however, enforces it thus in his speech:

"I rest upon this pledge of the public faith. Under what circumstances was it made? The condition of our currency, the obligation of our bonds, the nature of our promises, had been discussed before the people of the United States in the campaign of 1868; various theories had been advanced; and the result was that those who regarded the faith of the nation as pledged to pay not only the bonds of the United States, but the notes also, in coin prevailed, and General Grant was elected President of the United States. On the eastern portico of the Capitol on the 4th of March, 1869, he made this declaration:

"A great debt has been contracted in securing to us and our posterity the Union. The payment of this, principal and interest, as well as the return to a specie basis, as soon as it can be accomplished without material detriment to the debtor class or to the country at large, must be provided for. To protect the national honor every dollar of Government indebtedness should be paid in gold, unless otherwise expressly stipulated in the contract. Let it be understood that no repudiator of one farthing of our public debt will be trusted in public place, and it will go far toward strengthening a credit which ought to be the best in the world, and will ultimately enable us to replace the debt with bonds bearing less interest than we now pay."

* * * "Congress made this promise five years ago. The people believed it and business men believed it. Four years have passed away since then, and your dollar in greenbacks is worth no more to-day than it was on the 18th of March, 1869, and no act of yours has even tended to advance the value of that greenback to par in gold, while every affirmative act of yours since that time has tended to depreciate its value and to violate your promise.
 "It is the promise of a great, proud, and rich people, who mean what they say, that every practicable means shall be used to that end."

What does "practicable means" import? The lexicographer defines "practicable" in this wise:

"That may be done, effected, or performed by human means or by powers that can be applied. It was possible for Archimedes to lift the world, but it was not practicable."

Hence, it was not so much the declaration of good faith as it was the acts of good faith.

It has not passed from the memory of Senators that during the campaign of 1868 doubts were often expressed by opposition partisans in respect of the payment of the national obligations, whether in coin or currency.

To settle this doubt, so far as words could do it, the President in his first inaugural, and Congress in its first act presented for the signature of President Grant, declared the intention of the Government to pay its obligations in coin.

At that date, March 18, 1869, the volume of circulation was seven hundred millions, and the total debt of the nation was \$2,525,463,269. The five-twenty 6 per cent. bonds of 1862 stood in market at 89, and the ten-forty 5 per cent. bonds of 1864 were at 81, and gold was 132.

The average prices of gold in the following months were, April, 133; May, 139; June, 138; July, 136; August, 134; September, 136; showing an advancing rate upon this official and legislative declaration of good faith. When, however, by October, 1869, \$56,968,187 of the public debt had been paid, gold declined to 130. December 31, 1869, \$76,716,306 of the public debt had been paid, gold fell to 121. On July 1, 1870, when \$139,000,000 of the public debt was canceled, gold had dropped to 112. The total amount thus paid of the public debt was \$272,684,493. Our five-twenty 6 per cent. bonds then reached par from 89, their value in March, 1869, and gold had declined from 132 to 112. In the face of this decrease of public debt, and price of gold, and the appreciation of our bonds from 89 to 100, in coin, is it a just reflection upon the practical good faith and execution of a solemn promise to say, as the honorable chairman did in his speech—

"Congress made this promise five years ago. The people believed it and business men believed it. Four years have passed away since then, and your dollar in greenbacks is worth no more to-day than it was on the 18th of March, 1869; and no act of yours has even tended to advance the value of that greenback to par in gold, while every affirmative act of yours since that time has tended to depreciate its value and to violate your promise."

Let the public judge, with the facts, of the national fidelity.

Furthermore, the pledge of the act of 1869 exacted that—

"None of said interest-bearing obligations not already due shall be redeemed or paid before maturity, unless at such time United States notes shall be convertible into coin at the option of the holder."

As United States notes are not yet "convertible into coin," have we not rather violated the solemn promise in this respect? Let the honorable chairman answer. I read from his speech:

"Sir, let us see what has been done. We have paid \$400,000,000 of the public debt, and we boast of it—of debt not due for years. We have paid to redeem that debt a premium of \$40,000,000. In other words, we have paid \$440,000,000 to redeem four hundred millions of debt not yet due, and we have not redeemed a single debt that was due in March, 1869; but, on the contrary, we have increased the kind of debts then due more in proportion than the increase of our population."

Again:

"But this promise to pay in coin extended to the bondholder. We promised to pay the bondholder gold for his bond and the people gold for their greenbacks. We have fulfilled our promise to the bondholder. We have paid him in gold. We have bought the gold. We have paid him at a premium of 10 per cent. on our currency."

"Sir, I regard it as the proudest achievement of the American people that so soon after the war they so faithfully and honorably redeemed their obligation to the bondholder. I demand the same honorable fulfillment of your promise to the noteholder."

Having violated our solemn promise in paying unmatured public debt to the extent of four hundred millions; having faithfully "fulfilled our promise to the bondholder," it is hardly with sober grace that the demand is made for a fulfillment of promise to the noteholder. The people make no demand that greenbacks should be paid in gold. In the midst of the panic, when gold could be obtained for greenbacks at 2 per cent. premium, the people cared not to convert into coin. In the worst days of the panic gold stood at 6 per cent. and greenbacks 4 per cent. premium.

There may be such a thing as sticking in the bark on this plea of public faith. Some have the art of putting things; the people have a way of applying things.

The honorable chairman in his speech referred to the proposition once urged, of paying our obligations in greenbacks, as follows:

"If the old idea of Mr. Pendleton had prevailed, that these bonds should be paid in greenbacks, then there would be a motive for us to depreciate the greenbacks in order to pay off our bonds at the cheapest rate."

And, by the way, I would add, supported in 1867 by the honorable Senator from Ohio, [Mr. THURMAN,] when he said:

"The principal (bonds) was payable in whatever was the legal tender of the country."

These remind me of a singular counterpart, occurring in the debate

on the bill for the contraction of the currency, January 15, 1868, contained in the Congressional Globe, second session Fortieth Congress, page 522. House bill No. 213, to suspend further reduction of the currency, being under consideration—

"Mr. SPRAGUE. A word in reference to the holders of the different securities, who now demand that they shall be paid in gold, and to that end the whole attention of Congress and of the Government of the country has been directed. What injustice, may I ask, is there in paying the holders of these bonds seventy dollars in gold when they took them at fifty dollars in gold?"

"Mr. SHERMAN. There is none in the world, and we have the right now to go into the markets in New York and buy the different bonds for seventy, or seventy-two in gold, or whatever the market price is, if we have the gold with which to do it. There is no difficulty in that; the trouble is that we have not the gold."

When no prudent business man ever permits himself to buy his own payable paper at a discount, it is, in behalf of a Government contending for acts of good faith, suggested by one of its financial organs that it is right to pay redeemable obligations at 28 to 30 per cent. discount in coin, and wrong to pay such obligations at their face in greenbacks—the equivalent of the coin price. I can only say, in answer to the scrupulous prating for "involute public faith," that I commit the art of fixing the point where bad faith ends and where good faith begins to the domain of commercial ethics, and let the public pronounce judgment upon these two samples. The honorable chairman has not always indulged in this morbid tenacity for constitutional scruples. When the lamented Mr. Fessenden was chairman of the Committee on Finance, the honorable Senator, who was then a member, but who now graces its head, antagonized the then chairman on his scruples. I read from the Congressional Globe, Thirty-seventh Congress, second session, page 790:

"The chairman of the Committee on Finance gave us a very handsome lecture; a very able discourse upon the importance of preserving the public faith; and he desired to impress upon us—and did impress upon me—the necessity of not affecting the obligation of contracts. We must not in any emergency, under any stress of circumstances, affect the obligation of contracts between private individuals. Did that Senator overlook the first contract, the contract between the Government and the soldier, the Government and the men who feed and clothe your armies? We must pay the soldier in money; we must pay the contractor in money. There is a contract, an obligation between the contractor and the soldier and the Government, that must be observed. The same obligation of good faith rests upon us to pay every dollar that is due from us to our own creditors, as well as not to impair the obligation of contracts between others. How can you do it? * * * I have shown that you cannot do it in gold. * * * There is no other way except to issue to your creditor the note of the United States, in such form, with such sanctions, as will enable him to use it as money. If we can believe the testimony of others and the light of reason, the only way we can do this is by stamping them with the same national sanctions with which you stamp your gold and silver coin."

"If we can compel one citizen to take this paper money, why not another and another? Is it any less the violation of contract in the one case than in another? Do not all citizens hold their property subject to our unlimited power of taxation? Do not all share in the blessings of Government, and should not all share in its burdens? Shall we inflict a loss only on those who trust, labor for the Government, and relieve the selfish, avaricious, idle, unpatriotic citizen who will neither fight for, lend to, nor aid the Government? Sir, to make all these share in the burden of the war, and to relieve those who risk life and property in its defense, I would waive a constitutional scruple."

From these idle deprecations, lest the public faith be violated, in supplying the people with sufficient means to enable themselves to vindicate and maintain their credit and the public faith, let me pass to another form of intimidation and entreaty. It is in memorial guise, and best formulated in the language of the honorable chairman, which I read from his speech, page 37:

"But, sir, there is one other reason why all these plans and all these schemes of more paper money ought not even to be debated here. An increase of paper money beyond four hundred millions would be a clear and palpable violation of the public faith. In the darkest hours of the war, when every patriot trembled, when our fate hung in the balance, when our armies were before Richmond, when our armies were on the march through Georgia to the sea, when everybody felt that the danger of inconvertible paper money was likely to strike us from the list of nations, when our paper money then outstanding had fallen so that it took \$2.80 to buy one dollar in gold, gold being at a premium of 280, then it was that we entered into a stipulation with the public creditor, which is a part of the act of 1864, a part of the act under which we borrowed money and pledged the public faith."

Although, as I have already quoted, in this same speech it is declared as of world-wide congratulation that it is regarded "as the proudest achievement of the American people, that so soon after the war they so faithfully and honorably redeemed their obligations to the bondholder," nevertheless it is implied in the quoted allusion to the "darkest hours of the war," that it was the danger of inconvertible paper money that threatened "to strike us from the list of nations," and it was so fallen in value "that it took \$2.80 to buy one dollar in gold;" and that the "stipulation with the public creditor" in the act of 1864, was the solemn pledge that rescued the nation from annihilation, and recovered the value of our greenbacks.

It is no disparagement to the distinguished chairman of the Committee on Finance to remind him that it was not mainly his valuable aid in framing this "stipulation with the public creditor," but really the triumph of our arms, which solved the doubt resting upon the unity of the nation, and was the immediate cause of the rapid decline in gold.

Then, again, it is bruited that the people protest against increase of currency and demand resumption, and actions of boards of trade and chambers of commerce are invoked to affirm this report.

The Senator from Vermont [Mr. MORRILL] in his last speech told us:

"Therefore Senators need not hug that pleasant idea to the soul that they are benefiting the great agricultural community by continuing paper money; and if they are not benefiting the agriculturists, see what evidence that nobody is benefited

we have in the meetings of those engaged in active business throughout the country, representing all portions of the country, in boards of trade, especially that one recently held at Baltimore, the National Board of Trade, which voted on the question of resumption, as we have seen by their memorial, and out of forty-four representatives, only nine were opposed to resumption, and of these there were a majority even from the Western States in favor of it. Take the question in New York; take it in Baltimore; take it in Philadelphia, or in Boston; they all speak with but one sentiment; they are overwhelmingly in favor of a return at an early day to specie payments; and if these men cannot speak for the business interests of the country, who can?"

This organized pressure is no new embodiment of convenient public sentiment. Similar bodies with like assumption and pressure appeared in 1862, and representing sentiment then in favor of making greenbacks a legal tender for customs and other public and private dues, then in accord with Senators who now hold opposite sentiments upon the nature of Government issues. I read from the Congressional Globe, second session Thirty-seventh Congress, part 1, page 789:

"In the first place, I will say every organ of financial opinion—if that is a correct expression—in this country agrees that there is such a necessity in case we authorize the issue of demand notes. You commence with the Secretary of the Treasury, who has given the subject the most ample consideration. He declares, not only in his official communications here, but in his private intercourse with the members of the committee, that this clause is indispensably necessary to the security and negotiability of these demand notes. We all know from his antecedents, from his peculiar opinions, that he would be probably the last man among the leading politicians of our country to yield to the necessity of substituting paper money for coin. He has examined this question in all its length and breadth. He is in a position where he feels the necessity. He is a statesman of admitted ability and distinguished in his high position. He informs us that without this clause the attempt to circulate as money the proposed amount of demand notes of the United States will prove a fatal experiment.

"In addition to his opinion, we have the concurring opinion of the Chamber of Commerce of the city of New York. With almost entire unanimity they have passed a resolution on the subject after full debate and consideration. That resolution has been read by your Secretary. You have also the opinion of the committee on public safety of the city of New York, composed of distinguished gentlemen, nearly all of whom are good financiers, who agree fully in the same opinion. I may say the same in regard to the Chambers of Commerce of the city of Boston, of the city of Philadelphia, and of almost every recognized organ of financial opinion in this country. They have said to us in the most solemn form that this measure was indispensably necessary to maintain the credit of the Government, and to keep these notes anywhere near par. In addition, we have the deliberate judgment and vote of the House of Representatives. After a full debate, in which the constitutionality, expediency, and necessity of this measure were discussed, in which all the objections that have been made here and many more were urged, the House of Representatives, by a large vote, declared that it was necessary to issue demand notes, and that this clause was indispensable to their negotiation and credit."

"There is no other way except to issue to your creditor the note of the United States in such form, with such sanctions as will enable him to use it as money. If we can believe the testimony of others and the light of reason, the only way we can do this is by stamping them with the same national sanction with which you stamp your gold and silver coin."

"If we can compel one citizen to take this paper money, why not another and another? Is it any less the violation of contract in the one case than in another? Do not all citizens hold their property subject to our unlimited power of taxation? Do not all share in the blessings of Government and should not all share in its burdens? Shall we inflict a loss only on those who trust; labor for the Government, and relieve the selfish, avaricious, idle, unpatriotic citizen who will neither fight for, lend to, nor aid the Government? Sir, to make all these share in the burden of the war, and to relieve those who risk life and property in its defense, I would waive a constitutional doubt."

I have read this from the Globe merely to show the views then held as to the duty of Government to make its currency of the highest type and above depreciation. Chambers of commerce and boards of trade were then invoked to make greenbacks lawful money for all purposes, which would have made them equivalent to coin, as the old demand notes were, and as French currency, under suspension, now is, and have removed all possible objections of Senators to free banking. Now like bodies are brought to bear against increase of currency or free banking, and they would as loudly protest against a proposition to make greenbacks to-day a full tender for public and private uses, which would, in my judgment, cut the gordian knot of depreciated currency. It matters little to call attention to the unjust inequality of the present distribution of currency. Congress, recognizing this, passed an act in 1870 providing for the withdrawal of twenty-five millions from the Eastern States, and its redistribution in the remaining States of the Union, but the law is practically a nullity. The Comptroller of the Currency has reported the practical difficulty in enforcing the statute.

The pending bill, looking to the execution of that law, meets a formal protest from Rhode Island, and one of its distinguished Senators ably presses that protest with an argument against the injustice and peril of such withdrawal. He declared that Rhode Island had no more currency than she needed. What has New England of the national bank currency? The Comptroller of the Currency reports the *per capita* of circulation in the named sections as follows: New England, \$31.15; Middle States, \$12.80; South and Southwestern States, \$2.98; Western States, \$7.11. The United States on an equal distribution would have \$9.18.

New England, then, has *per capita* \$21.97 more than the national average; the Middle States, \$3.62 more; the Southern States, \$6.20 less than that average, and the Western States, \$2.07 less.

What is needed for New England ought to be the measure of other States. This illustrates the great inequality.

When we propose to repeal the statute of withdrawal, and let New England have all of her \$31.15 *per capita*, and modestly ask for forty-six millions for the deficient States, under the substitute of the honorable Senator from North Carolina, [Mr. MERRIMON,] that is stoutly antagonized by the East.

This seems a very poor appreciation of and response to the generosity the West and South exhibited only two years since upon no valid claims whatever. It will be remembered that after the act of February 2, 1872, passed for the apportionment of Representatives to Congress among the several States, according to the ninth census, Vermont especially, through her able chairman of the Committee on the Judiciary, now absent, striving, I am glad to say, to recuperate an overtaxed system—Vermont, New Hampshire, and New York plead for additional Representatives, and each with less than half a ratio, unrepresented by the act of February 2. A supplemental act was passed May 30, 1872, to enlarge their representation, even under a declining population compared with the West.

To exhibit the increase of population of New England and New York, now combined against the West and South on the financial question, and the increase of the rest of the States and Territories, that the relative increase of population between the two sections may be appreciated, I give the population of 1860 and 1870, according to the census of each year, as follows:

Population.	1860.	1870.	Increase.
New England.....	3,135,283	3,487,924	354,641
New York.....	3,880,735	4,382,750	502,024
Total.....	7,016,018	7,870,683	*856,665
Other States and Territories.....	24,427,303	30,685,300	†6,257,997

*Being an increase of 12 per cent.

†Being an increase of 26 per cent.

I also subjoin a table, which I ask may be printed, and which will show how generously the West and South acted toward the East then, in the matter of apportionment of Representatives, and now that we ask for rights under an equal apportionment of circulation that generosity is negatived.

Table showing the deficit and excess of population in different States below and above the Representative ratio of 135,239, (basis of first apportionment, census of 1870,) and also showing the nine States to each of which an additional Representative was assigned by act of May 30, 1872.

States.	First apportionment.	Population below ratio of 135,239.	Population above ratio of 135,239.	Additional apportionment.
Maine.....	5	49,380	47,822	1
New Hampshire.....	2	.....	60,073	1
Vermont.....	2	.....	.....	.....
Massachusetts.....	11	30,378	.....	.....
Rhode Island.....	2	53,125	.....	.....
Connecticut.....	4	3,502	.....	.....
New York.....	32	.....	55,111	1
New Jersey.....	7	.....	40,577	.....
Pennsylvania.....	26	.....	5,577	1
Delaware.....	1	.....	.....	.....
Maryland.....	6	30,540	.....	.....
Virginia.....	9	.....	98,012	.....
North Carolina.....	8	10,551	.....	.....
South Carolina.....	5	.....	89,411	.....
Georgia.....	9	.....	56,958	.....
Alabama.....	7	.....	50,319	1
Mississippi.....	6	.....	16,488	.....
Louisiana.....	5	.....	50,720	1
Ohio.....	20	39,520	.....	.....
Kentucky.....	10	31,379	.....	.....
Tennessee.....	9	.....	131,369	1
Indiana.....	12	.....	57,769	1
Illinois.....	19	.....	60,350	.....
Missouri.....	13	36,812	.....	.....
Arkansas.....	4	54,485	.....	.....
Michigan.....	9	.....	56,908	.....
Florida.....	1	.....	52,509	1
Texas.....	6	.....	7,145	.....
Iowa.....	9	.....	64,641	.....
Wisconsin.....	8	27,242	.....	.....
California.....	4	.....	19,291	.....
Minnesota.....	3	.....	33,989	.....
Oregon.....	1	.....	.....	.....
Kansas.....	3	41,318	.....	.....
West Virginia.....	3	.....	36,297	.....
Nevada.....	1	.....	.....	.....
Nebraska.....	1	.....	.....	.....

Moreover, if we heed the suggestion that inasmuch as the present banking system cramps the capital of the country, by, first, a premium of 10 per cent. paid on bonds pledged for security of circulation; then a margin of 10 per cent. additional security by receiving but ninety dollars currency for each one hundred of bonds; next 15 or 25 per cent. of the circulation held as reserve, making in all 35 to 45 per cent. idle capital, leaving only 65 or 55 per cent. of bank capital active to transact the national banking business of the country, and join by saying there ought not to be opposition to the national banks, then we are commended. But when it is proposed, through the substitute of the honorable Senator from Pennsylvania,

[Mr. CAMERON,] to relieve this close corporation of banking of this idle capital burden, by sharing it, under free banking, with the whole people, commendation turns into denunciation, and a majority of the Senate defeats it.

If we appeal to the generosity of bankers and point to their extraordinary profits—many of the banks, in their declared dividends and surplus carried to the capital stock, averaging annually profits of from 15 to 20 per cent.—and ask that the privilege of such lucrative business be extended to others, New York and New England capitalists and gold-brokers appear in force to defeat the slightest concession. They surround this Capitol with the cry of "Money plenty in New York;" "The crisis is ended," and assume to say that the country wants resumption, no matter what the destruction is to the industrial pursuits of the land or the disasters to private or corporate fortunes.

The people, who in the main are debtors, held to their employments to save themselves from ruin, have no time nor means to spare to make themselves heard by confronting creditors and capitalists at this Capitol.

The proportion of creditors to debtors of the country is as 1 to 9. Against the interests of nine-tenths of the population, it is proposed to frame legislation for the interests of one-tenth. Resumption is gain of the shrinkage of value between currency and gold to the one-tenth and loss of it to the nine-tenths.

This same spirit of monopoly is graphically portrayed editorially in the Chronicle of 29th of last January, under comments upon opposition to needed appropriations involving employment to the many about this District, who go "hungry to bed," or "hear their children cry for food." I read from this article, descriptive of like monopolists:

"If they can only succeed in defeating the passage of relief bills, money will remain 'tight,' note-shaving will continue to be lucrative, and these marvels, in their own eyes, of public probity will rejoice in their assured victory over those whom they have ruined; and unless 'saved by grace' will certainly go where such note-shavers ought to go."

Tightness of money increases the opportunities for exaction, and enhances to a ruinous extent the rates of interest. Prostration of industry, check in manufactures, arrest of traffic and travel, are the results of hostility to an adequate currency, and are the fragments lying along the perilous way of resumption.

When we reflect that the annual increase of national wealth is but 3½ per cent., and rates of interest for business now range from 10 to 24 per cent., it needs no gift to foresee how the borrowers of the land are being pressed into the meshes of the lenders. The producers fast bend under their burdens to the feet of the non-producers. General stagnation of industry is foreseen if not yet foreknown; while the fewer money-mongers, like undertakers, thrive most when commercial death abounds.

The product of national wealth in 1860 was \$4,000,000,000; in 1870 over \$5,000,000,000. It must have been last fiscal year \$10,000,000,000.

Commercial credit is indispensable to the industries of so growing a nation. It must be individual if not national credit. When money was adequate, enterprise quickened, business thrived, resources developed, and wealth augmented. Prosperity smiled upon our land the past years succeeding the war. My worthy colleague, [Mr. CHANDLER,] who, however, differs with me upon the policy to be pursued, spoke justly upon this point, when he said in his speech on the 20th of last month—and I read from the RECORD of that day's proceedings.

In speaking of 1865, following the war, he said:

"The people were out of debt all over the country. They had obtained high prices for everything they had to sell during the war. The farmers were out of debt, the business of the country was transacted for cash, and the whole country was comparatively out of debt, but the Government was not."

How much better for individual interests and for the general prosperity it was for the nation to extend its credit, and thus put means into the hands of its people to pay as they went, we have the gratifying record of past experience to assure. It has been tried and is worthy of imitation. It were better that the discount or depreciation of 10 per cent. upon our circulation be recognized by the people in the multifarious transactions of the country, and that a sufficient volume be provided for their wants, to stimulate industry and ingenuity, and for the benefit of all, than to contract the means and subject the people to the ruinous rates of interest, of an individual credit system. When money is adequate, rates of interest, decline; when stringent, interest advances. In the summer months, when money accumulates largely in New York, rates are quite nominal; at other seasons the rates are seriously prejudicial.

To-day it is boastfully reported that the crisis and consequences are over, because money is plenty in New York.

Plenty it may be on call simply, but not to save even New York merchants, much less borrowers out of the city. What is commercially termed gilt-edged paper goes begging even now in Wall street at 10 to 15 per cent.

The startling proof that former years of prosperity, under a better supply of currency for the wants of the country, are giving way to gradual but inevitable disaster, is seen in the record of business failures throughout the States, given by the mercantile agency for the four years past.

In 1870 and 1871 the volume of currency, increased by the fifty-four millions of 1870, was to the extent of business demands of those years a fairer ratio than the volume is now to the wants of the present.

The failures given for 1870 are 3,551, with liabilities of \$88,242,000; those of 1871 are 2,915, and liabilities \$85,252,000; in 1872 they were 4,069, and liabilities \$121,056,000; and last year (1873) the number of failures was 5,183, and the liabilities \$228,499,000. There were more failures in 1873 than in 1872 by 1,100, and with an increase of liabilities of \$107,443,000.

This gives us the total results of the prevailing conviction that the currency of the country was falling below the necessities of the people. It grew into brooding apprehension that measurably checked industry and trade and broke out into the disasters of panic and its cruel effects. Who would add to this ruin by apathy or contraction? Let the record tell.

The Comptroller of the Currency in his report, as I have already noticed, states that the national-bank currency is divided, per head, as follows: New England, \$31.15; Middle States, \$12.80; South and Southwestern States, \$2.98; Western States, \$7.11.

The volume of Treasury notes or greenbacks is larger than the national-bank currency; therefore like division of that would give, per head, in round numbers of both currencies, to New England, \$62; Middle States, \$26; South and Southwestern States, \$6; and Western States, \$14.

New England enjoying \$62 *per capita* of circulation has not been heard to ask for a contraction of this for fear of "inflation;" nay, Rhode Island protests against any contraction of New England's quota.

What would this *per capita* be for the whole country? Twenty-four hundred and eighty millions. If it is no inflation for New England, by parity of reason, it should be none for the whole country. Under free banking, if all the outstanding bonds of the Government were held at home and deposited with the Secretary of the Treasury for national currency, 90 per cent. would be but fourteen hundred and forty millions of currency as the whole possible volume. New England's present quota of currency would for like quota to the whole nation give a volume of twenty-four hundred and eighty millions. The absurdity of the cry of "inflation" is rendered more deceptive when it is used to defeat an increase of only forty-six millions on the plea of resumption.

New England is solid for resumption, except the honorable Senator from Rhode Island, [Mr. SPRAGUE,] whose mammoth business enterprises have not been the least of his honors, and whose wise forecast supports expansion. New York is solid also. The East then, with its centralization of capital, aided by ancillary money-centers in different States, and supported by the Golden Slope, holds its grasp, and will not relax, even to equalize the unequal supply of circulation in the South and West.

A section, class, and capitalists, may conspire and combine to dictate the monetary basis of a free country; but in behalf of the multitude—the mass of business and industrial architects of the country's fortune—we shall continue to protest and act.

If defeated now, time will add to our ranks. The example of a combination against us of capitalists, class, and section, will make apt scholars in causing the reappearance in this Chamber and yonder Hall, of Representatives of toilers, classes, and sections, in union, and holding party subordinate to country, that the interest of the whole, above that of a part, may be respected.

The people then will boldly put, as they now quietly hint, the question, "Why, if bonds are deemed a good conversion for currency as a step toward specie resumption, why can like bonds, fortified by 10 per cent. margin, possibly jeopardize the needed volume of currency for which they are pledged? The people will need to know why the difference is made between the two, and the question, though here adversely taken, must yet pass the tribunal of public judgment, whether the monopoly of banking shall still be tolerated to enrich the few, or be ended by opening its privileges and benefits to the many.

Mr. LOGAN. Mr. President—

Mr. GORDON. I hope the Senator will give way for a motion to go into executive session.

Mr. LOGAN. Certainly.

HOUSE BILLS REFERRED.

The PRESIDENT *pro tempore*. Before putting that motion, the Chair will, with the indulgence of the Senate, present the House bills on his table, for reference.

The following bills from the House of Representatives were severally read twice by their titles, and referred to the Committee on Pensions:

A bill (H. R. No. 2094½) granting an increase of pension to Mary C. Bell;

A bill (H. R. No. 52) granting a pension to Mary Swift, daughter of Thomas Truxton, deceased, late commodore in the United States Navy;

A bill (H. R. No. 814) granting a pension to Olive S. Breed;

A bill (H. R. No. 280) granting a pension to Ann Crane;

A bill (H. R. No. 240) granting a pension to John C. Farnam;

A bill (H. R. No. 330) granting a pension to Mrs. Penelope C. Brown, of Tennessee, widow of Stephen C. Brown, late a private of Company C, Eighth Tennessee Cavalry Volunteers;

A bill (H. R. No. 2095) granting a pension to Charles McCarty;

A bill (H. R. No. 2097) granting a pension to Sophronia Austin;

A bill (H. R. No. 2096) granting a pension to James Roach;

A bill (H. R. No. 2098) granting a pension to Mrs. Nancy Parkhurst;
A bill (H. R. No. 2099) granting a pension to Mrs. Elizabeth Cope-land;

A bill (H. R. No. 360) granting a pension to Oliver C. Denslow; and
A bill (H. R. No. 2356) granting a pension to Edward Jardine, late colonel and brevet brigadier-general, United States Volunteers.

The following bills were severally read twice by their titles, and referred to the Committee on Military Affairs:

A bill (H. R. No. 763) for the relief of Oliver P. Mason;

A bill (H. R. No. 764) for the relief of John Dold;

A bill (H. R. No. 2091) for the relief of the heirs and next of kin of Colonel William Northedge, deceased;

A bill (H. R. No. 2093) for the relief of General Samuel W. Crawford, United States Army;

A bill (H. R. No. 2094) for the relief of William A. Snodgrass, late lieutenant Company H, Thirty-ninth Ohio Veteran Volunteer Infantry; and

A bill (H. R. No. 2359) to authorize the Secretary of War to reserve from sale ten thousand suits of old and disused Army uniform clothing now in the Quartermaster's Department of the Army, and to transfer the same to the National Home for Disabled Volunteer Soldiers.

The following bills were severally read twice by their titles, and referred to the Committee on Post-Offices and Post-Roads:

A bill (H. R. No. 753) for the relief of Peter S. Patton;

A bill (H. R. No. 692) for the relief of William Chester;

A bill (H. R. No. 2086) for the relief of R. W. Clarke, postmaster at Brattleborough, Vermont;

A bill (H. R. No. 2087) for the relief of Julius Griesenbeck, of Waco, Texas;

A bill (H. R. No. 2088) for the relief of James Lillie, postmaster at Lisbonville, Ray County, Missouri; and

A bill (H. R. No. 2089) for the relief of Mrs. Louisa P. Molloy.

The following bills were severally read twice by their titles, and referred to the Committee on Claims:

A bill (H. R. No. 650) for the relief of John Brennan;

A bill (H. R. No. 1956) for the relief of Willard Davis; and

A bill (H. R. No. 2100) for the relief of Martin Hoff, Casper Doerr, and George Gebhart, citizens of Saint Louis, Missouri.

The following bills were severally read twice by their titles, and referred to the Committee on Territories:

A bill (H. R. No. 921) to prevent the useless slaughter of buffaloes within the Territories of the United States; and

A bill (H. R. No. 2450) to provide for the apportionment of the Territory of Wyoming, for legislative purposes.

The following bills were severally read twice by their titles, and referred to the Committee on Finance:

A bill (H. R. No. 1200) for the relief of the sureties of the late Jesse J. Simkins, collector of the port of Norfolk, Virginia; and

A bill (H. R. No. 2090) for the relief of Jacob Harding.

The bill (H. R. No. 225) to amend the act entitled "An act to establish a western judicial district of North Carolina," was read twice by its title, and referred to the Committee on the Judiciary.

The bill (H. R. No. 2350) authorizing the Secretary of the Treasury to issue certificate of registry and enrollment to the schooner Almina and changing the name to Minnie Davis, was read twice by its title, and referred to the Committee on Commerce.

The bill (H. R. No. 1201) authorizing the payment of prize-money to the officers and crew of the United States steamer Bienville, was read twice by its title, and referred to the Committee on Naval Affairs.

The bill (H. R. No. 2187) authorizing and requiring the issuance of a patent for certain land in the county of Scott, in the State of Missouri, was read twice by its title, and referred to the Committee on Public Lands.

EXECUTIVE SESSION.

Mr. GORDON. I now renew my motion that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at four o'clock and fifty-five minutes p. m.) the Senate adjourned.

HOUSE OF REPRESENTATIVES.

TUESDAY, March 10, 1874.

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

The Journal of yesterday was read and approved.

VIOLATION OF REVENUE LAWS.

Mr. DAWES. I am instructed by the Committee on Ways and Means to ask the House to adopt the following resolution.

The Clerk read as follows:

Resolved, That the Secretary of the Treasury be directed to communicate to this House the amount of money paid since November 30, 1873, to the 1st of March, 1874, by any person or persons, in the settlement of suits, judgments, or claims made by or in behalf of the United States, for the violation of the revenue laws at

the Boston and New York custom-houses; the amount and date of all such payments, and the names of the persons making the same, respectively; also what portion of such sum was paid into the Treasury of the United States; designating in each case the amount thereof so paid in as duties, and what portion of cash, (if any,) was paid elsewhere than into said Treasury, and to whom.

The resolution was adopted.

Mr. DAWES moved to reconsider the vote by which the resolution was adopted; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

WEST VIRGINIA.

Mr. THOMAS, of Virginia. I ask unanimous consent to present the following preamble and resolution.

The Clerk read as follows:

Whereas the convention which assembled at Wheeling in the year 1861, looking to the formation of a new State out of a part of the territory then embraced in the limits of the State of Virginia, and now known as the State of West Virginia, did, by an ordinance of the 20th of August, 1861, stipulate and agree that the new State proposed to be formed should take upon itself a great proportion of the debt of the Commonwealth of Virginia prior to 1st January, 1861, to be ascertained in the mode therein provided; and whereas the constitution framed by said convention, and under which the State of West Virginia was admitted into the Union, did, in express terms, assume to pay an equitable proportion of said debt, and did require the Legislature of that State to provide a sinking fund for that purpose; and the State of Virginia having assented to and acquiesced in the formation of the new State of West Virginia upon the terms and conditions aforesaid, and the Congress of the United States having, in the act admitting West Virginia into the Union, approved and ratified the proceedings in the premises; and whereas the State of West Virginia, though often and earnestly requested to do so by the State of Virginia, has neglected and refused to adjust and settle the debt aforesaid, and to provide for the payment of her just and equitable proportion thereof: Therefore,

Resolved, That the Committee on the Judiciary inquire into and ascertain what legislation, if any, is necessary on the part of Congress to require the State of West Virginia to take upon herself the payment of a "just and equitable proportion" of the debt of the State of Virginia prior to the 1st of January, A. D. 1861, and to report by bill or otherwise.

Mr. RANDALL. How does that resolution come in?

The SPEAKER. The gentleman from Virginia asks unanimous consent that it be considered.

Mr. RANDALL. I object to its present consideration. I do so because I see no Representative from West Virginia present. I have no objection to its being referred.

The resolution was referred to the Committee on the Judiciary.

CONTRACTS FOR INDIAN SUPPLIES.

Mr. ADAMS, by unanimous consent, submitted the following preamble and resolution; which were read, considered, and agreed to:

Whereas repeated complaints have been made of fraud, unfairness, and irregularity in the matter of contracts for Indian supplies and transportation for the fiscal years ending June 30, 1873, and June 30, 1874, by which it is alleged that contracts have been awarded at rates greatly in advance of those at which other responsible persons propose to furnish the same supplies and render the same service, and in many instances privately without due advertisement as required by law, thus defrauding the Government to an alarming extent: Therefore,

Resolved, That the Committee on Indian Affairs be directed to make thorough investigation into the facts connected with the transactions above referred to, and make report thereof to this House, setting forth in detail what grounds, if any, exist for the complaints referred to; what persons, if any, in connection with the administration of Indian affairs are responsible therefor, or are in any way interested therein; and what legislation, if any, is necessary to prevent like abuses in the future; that said committee have power to send for persons and papers, and have leave to report at any time.

Mr. ADAMS moved to reconsider the vote by which the resolution was adopted; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

AGREEMENT WITH BANNAK AND OTHER INDIANS.

Mr. LAWSON, from the Committee on Indian Affairs, reported a bill (H. R. No. 2448) to ratify an agreement concluded November 7, 1873, with the Bannack and other Indians in Southern Idaho; which was read a first and second time, referred to the Committee of the Whole on the state of the Union, and ordered to be printed.

INCREASE OF TAXATION.

Mr. E. H. ROBERTS. I desire to make a brief statement to the House.

On Monday of last week, in some remarks I had the honor to submit to the Committee of the Whole, I took occasion to say that the Secretary of the Treasury, in a letter to the Committee on Ways and Means, had recommended an increase of \$42,000,000 in the amount levied in customs duties and internal-revenue taxes. In the same connection I submitted the letter upon which that remark was based, and the letter was printed in the CONGRESSIONAL RECORD.

The Secretary of the Treasury in his annual report, upon page 9, after referring to the falling off in the revenues, said:

Should such be the case, I recommend additional taxation judiciously laid, so as to be the least burdensome upon the people and business of the country, rather than a resort to borrowing money and increasing the public debt.

In the same report he states the deficiency at \$13,530,000, besides \$29,000,000 for the sinking fund, making over \$42,000,000 in all.

In the letter which I submitted, the Secretary had repeated the language which I have just read, and had presented a detailed statement from the Commissioner of Internal Revenue, upon which it was stated taxes could be levied amounting to \$22,150,000 a year. He had also submitted a statement in reference to the duties on tea and coffee, from which a yearly average of duties had been collected of \$18,841,000.

Upon these facts I inferred that the Secretary desired that taxes should be levied to the amount of \$42,000,000, and used the word "recommendation," a word which he had used in his annual report, and which he had quoted in the letter I had the honor to submit.

The Secretary of the Treasury, however, does not desire to have it understood that he even then recommended an increase of taxes to the amount of \$42,000,000 a year; and I now state, so that I may not have even the appearance of doing him an injustice, that it was rather an inference from his letter than his direct statement which led me to the conclusion that he desired, and indicated a wish, for an increase of taxation to the amount of \$42,000,000. At his request now, I say that it was not his intention to be understood then as recommending such an increase of taxation.

Mr. DAWES. I did not hear the commencement of the statement of the gentleman from New York, [Mr. E. H. ROBERTS,] and I desire, in order that I may set myself right if I am mistaken, to inquire of him if he was authorized to state to the House that the Secretary of the Treasury at no time this session has urged upon the House the imposition of whatever taxes would result from the specific levies which he recommended in his own letter; and, further, whether he is authorized by the Secretary of the Treasury to announce to the House and to the country that the Secretary no longer desired any additional taxation to be imposed.

Mr. E. H. ROBERTS. Mr. Speaker, I am not authorized by the Secretary of the Treasury to make any statement different from the letter which he submitted to the Committee on Ways and Means in December; and I only desired to say that my statement that he recommended such an amount of taxation was an inference from that letter which I then had the honor to submit.

Mr. DAWES. I merely desire that I may not stand in the position here, before this House or the country, as undertaking to oppose as a policy of the Secretary of the Treasury what the Secretary of the Treasury may now have it go out to the country that he never recommended.

I have endeavored to be entirely faithful to that officer; and wherever I have found it necessary to differ from him, I have done it frankly, and stated wherein that difference has existed. I have understood the Secretary of the Treasury not only to recommend the imposition of taxes, but to feel it his duty to press it upon the consideration of the House. I shall be exceedingly gratified if anything has occurred in the increase of receipts of the revenue, in the revival of industry, or from any other source, that shall lead either him or any other officer of the Government to feel that there is less necessity now than there seemed to them in December to urge upon this House the necessity of the imposition of taxes.

My only solicitude in seeking the floor now is to ascertain if through some other organ the Secretary of the Treasury is desirous of suggesting to the House that after all he is not quite so anxious for taxes.

Mr. E. H. ROBERTS. I trust the gentleman from Massachusetts will not assume from my correction of the use of a word which the Secretary of the Treasury thinks is broader than his letter, that the Secretary desires any other organ in this House than that leader of the House upon whom Massachusetts, as well as the House, has been accustomed so much to rely.

DANIEL STICKNEY.

On motion of Mr. PAGE, the Committee on the Post-Office and Post-Roads were discharged from the further consideration of the bill (H. R. No. 1905) for the relief of Daniel Stickney, postmaster at Presque Isle, Maine; and the same was referred to the Committee on Claims.

MASSACHUSETTS MUSEUM OF FINE ARTS.

Mr. PIERCE, by unanimous consent, introduced a bill (H. R. No. 2449) to authorize the trustees of the Massachusetts Museum of Fine Arts to import and retain, for two years, free of duty, a collection of pictures for exhibition, on their giving bonds for the re-exportation of the same within that time; which was read a first and second time, referred to the Committee on Ways and Means, and ordered to be printed.

MARE ISLAND NAVY-YARD.

Mr. LUTTRELL, by unanimous consent, submitted the following resolution; which was read, considered, and agreed to:

Resolved, That the Secretary of the Treasury be requested to furnish this House with full information in regard to the necessity for a better supply of fresh water, and for the construction of improved sheds at the Mare Island navy-yard.

STATUE OF JEFFERSON.

Mr. COX. I ask unanimous consent to take from the Speaker's table the joint resolution (S. R. No. 6) in relation to the bronze statue of Jefferson presented to Congress by Uriah P. Levy, late an officer in the United States Navy.

The joint resolution was read. The preamble recites that the late Commodore Uriah P. Levy, while a lieutenant of the United States Navy, in 1834, procured in Paris a bronze statue of Jefferson by the celebrated sculptor David, which was presented by him, through Congress, to his fellow-citizens of the United States, and to which attention is now called by his brother, Jonas P. Levy, who requests that the statue, if not accepted by Congress, shall be returned to the heirs of the late Commodore Levy; and the resolution accepts the statue with grateful appreciation, and directs the officer in charge of public buildings and grounds to properly prepare and place the same in the National Statuary Hall of the Capitol.

There being no objection, the joint resolution was taken from the Speaker's table, received its several readings, and was passed.

Mr. COX moved to reconsider the vote by which the joint resolution was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

ORDER OF BUSINESS.

Mr. GARFIELD. I call for the regular order of business.

The SPEAKER. The regular order being demanded, the morning hour begins at twenty-four minutes past twelve o'clock, and reports are in order from the Committee on the Territories.

APPORTIONMENT OF WYOMING.

Mr. McKEE, from the Committee on the Territories, reported a bill (H. R. No. 2450) to provide for the apportionment of the Territory of Wyoming for legislative purposes; which was read a first and second time.

The bill, which was read, provides that the apportionment of the Territory of Wyoming for the election of the Legislative Assembly of said Territory, shall be made by the governor thereof, in accordance with the provisions of the act of Congress entitled "An act to provide a temporary government for the Territory of Wyoming," approved July 25, 1865, provided that for the purpose of such apportionment it shall not be necessary to take a new or additional census or enumeration of the Territory, and that the powers conferred upon the governor by the bill shall be continued in full force until an apportionment shall be made by the Legislative Assembly of the Territory, under the provisions of the organic act thereof.

Mr. McKEE. I suppose there is no objection to that bill.

Mr. G. F. HOAR. I desire to inquire if that bill affects in any way the qualifications for suffrage in that Territory?

Mr. McKEE. There is not a word about woman suffrage in it.

Mr. G. F. HOAR. But I ask whether it affects the qualification for suffrage?

Mr. McKEE. Not at all.

Mr. HOLMAN. I trust the gentleman from Mississippi [Mr. McKEE] will explain how it becomes necessary to vest in the governor this very important power.

Mr. McKEE. It becomes necessary because the Legislature has failed to act on the subject. Under the organic act creating that Territory the governor was empowered and ordered, as in other Territories on their creation, to district and apportion the Legislature, that power to continue until after the first session of the Legislature. The Legislature of Wyoming, instead of passing an apportionment law themselves, delegated this power to three men, who were to establish and put in force an apportionment act. Congress on the 21st of February, 1871, repealed and annulled that act of the territorial Legislature, on the ground that the Legislature could not give power to three men to make a law of the Territory. Congress further authorized the governor to perform that duty for that session. The Legislature has just adjourned, and has failed to report an apportionment law, and now there is no binding apportionment law in the Territory.

Mr. HOLMAN. No apportionment for representatives has been made by the Legislature at any time?

Mr. McKEE. None at all.

The bill was ordered to be engrossed and read a third time; and being engrossed, it was accordingly read the third time, and passed.

Mr. McKEE moved to reconsider the vote by which the bill was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

PROTECTION OF BUFFALO.

Mr. FORT, from the Committee on the Territories, reported back, with a recommendation that the same do pass, the bill (H. R. No. 921) to prevent the useless slaughter of buffaloes within the Territories of the United States.

The question was upon ordering the bill to be engrossed and read a third time.

The bill was read.

The first section provides that it shall hereafter be unlawful for any person who is not an Indian to kill, wound, or in any manner destroy any female buffalo, of any age, found at large within the boundaries of any of the Territories of the United States.

The second section provides that it shall be, in like manner, unlawful for any such person to kill, wound, or destroy in said Territories any greater number of male buffaloes than needed for food by such person, or than can be used, cured, or preserved for the food of other persons, or for the market. It shall be in like manner unlawful for any such person or persons to assist or be in any manner engaged or concerned in or about such unlawful killing, wounding, or destroying of any such buffaloes; that any person who shall violate the provisions of the act shall, on conviction, forfeit and pay to the United States the sum of \$100 for each offense, (and each buffalo so unlawfully killed, wounded, or destroyed, shall be and constitute a separate offense,) and on a conviction for a second offense may be committed to prison for a period not exceeding thirty days; and that all United States judges, justices, courts, and legal tribunals in said Territories shall have jurisdiction in cases of the violation of the law.

Mr. COX. I do not know whether that bill has been sufficiently matured by the committee.

Mr. FORT. I shall be glad to hear from the gentleman.

Mr. COX. I have been told by buffalo hunters that it is utterly impossible, while on the run, to tell the sex of the buffalo until it is run down and killed. This bill fixes a penalty for something that cannot possibly be a crime. It also gives to the Indian a preference in the business of killing buffaloes.

Mr. CLEMENTS. The penalty is only for killing. You can tell the sex after the buffalo is killed. [Laughter.]

Mr. FORT. The object of this bill is to prevent the early extermination of these noble herds from the plains. It is estimated that thousands of these harmless animals are annually slaughtered for their skins alone; that thousands more are slaughtered for their tongues alone; and that many thousands, perhaps hundreds of thousands, are killed every year in utter wantonness without any object whatever except to destroy them. This bill has been carefully considered by the committee, and, so far as I am advised, there is no opposition to it from any quarter. Very many persons who are in the habit of hunting these animals have given me their opinion that there is no difficulty whatever in reference to the subject mentioned by the gentleman from New York, [Mr. Cox.] This bill does not contemplate the prohibition of any person joining in a reasonable chase and hunt of the buffalo. It provides that it shall be unlawful for any person at any time to kill a female buffalo, and that it shall be unlawful for any person except an Indian at any time to slaughter more of the male buffalo than is needed for the market or for their own use. So far as I am advised, gentlemen upon this floor representing all the Territories are favorable to the passage of this bill. I now yield to the gentleman from Arizona, [Mr. McCORMICK.]

Mr. COX. Would it be in order to move to strike out the clause excepting the Indians from the operation of this bill? The Secretary of the Interior has already said to this House that the civilization of the Indian is impossible while the buffalo remains upon the plains.

Mr. FORT. Who has the floor, Mr. Speaker?

The SPEAKER. The gentleman from Illinois [Mr. FORT] has the floor, and he yields to the gentleman from Arizona, [Mr. McCORMICK.]

Mr. McCORMICK. As preliminary to what I have to say, I ask the Clerk to read an extract from the New Mexican, a paper published in Santa Fé.

The Clerk read as follows:

The buffalo slaughter, which has been going on the past few years on the plains, and which increases every year, is wantonly wicked and should be stopped by the most stringent enactments and most vigilant enforcement of the law. Killing these noble animals for their hides simply, or to gratify the pleasure of some Russian duke or English lord, is a species of vandalism which cannot too quickly be checked. United States surveying parties report that there are two thousand hunters on the plains killing these animals for their hides. One party of sixteen hunters report having killed twenty-eight thousand buffaloes during the past summer. It seems to us there is quite as much reason why the Government should protect the buffaloes as the Indians.

Mr. McCORMICK. Several years ago I introduced a bill to restrict the killing of the buffalo, and made a speech upon the subject. I have some hesitation in speaking upon the bill now before the House, as I am not familiar with it; indeed, I do not know by whom it was introduced. But I have no hesitation in calling the attention of the House to the importance of the subject. There is no doubt that thousands and tens of thousands, perhaps hundreds of thousands, of buffalo are slaughtered annually on the western plains in mere wanton sport.

I have here a letter from General Hazen, from which I will read a single extract. He says:

I know a man who killed with his own hand ninety-nine buffaloes in one day, without taking a pound of the meat. The buffalo for food has an intrinsic value, about equal to an average Texas beef, or say twenty dollars. There are probably not less than a million of these animals on the western plains. If the Government owned a herd of a million oxen they would at least take steps to prevent this wanton slaughter. The railroads have made the buffalo so accessible as to present a case not dissimilar.

I agree with the gentleman from New York [Mr. Cox] that there are some features of this bill that will probably prove impracticable. But let us amend it, and make it practicable so far as possible. Indeed, I do not believe that any bill will entirely accomplish the purpose for which this bill is presented; but I think we ought to make an enactment that will at least have a tendency in that direction.

The buffalo is not only valuable for food for the Indians, but is of great value for food for the white man. I was stimulated in part to present the bill I introduced some time ago from the fact that I had been snow-bound, with a hundred other passengers, on the Kansas Pacific Railroad, and for some days we subsisted entirely upon the meat of the buffalo, having fortunately found at a picket station the carcasses of some five animals lately killed by soldiers. And I may say that the meat of the buffalo is regularly served at most of the stations upon that road in Kansas and Colorado. The meat of these animals is valuable, therefore, not only to the Indians, but to the settler and traveler; and their wanton destruction ought, if possible, to be stopped. It would have been well, both for the Indians and the white men, if an enactment of this kind had been placed on our statute-book years ago.

It will not do to say that the extermination of the buffalo will end our troubles with the Indians upon the plains. Those troubles will continue to a greater or less extent so long as there is an Indian, and

I know of no one act that will gratify the red man more than to protect from reckless slaughter, at the hands of so-called sportsmen, the noble game upon which he has so long subsisted, and the true value of which he well appreciates.

Mr. HOLMAN. I am surprised that my friend from New York, [Mr. Cox,] upon so humane and meritorious a measure as this, should raise any captious objection because we cannot well make its provisions more definite. I regard the bill as an effort in a most commendable direction. Indeed, it is most remarkable that to this hour the inhuman slaughter upon the plains of herds of cattle which are alike beneficial to the Indians and the whole country should not have been forbidden by positive law. I trust that this bill will pass; that, even if it be found insufficient to accomplish the object, we shall at least inaugurate legislation on this subject. For one I thank the gentleman from Arizona for having brought forward the measure, and I trust the House will promptly pass it.

Mr. McCORMICK. I ask the Clerk to read a letter from Colonel Brackett, of the Second Cavalry.

The Clerk read as follows:

OMAHA BARRACKS, NEBRASKA,
January 30, 1872.

SIR: I have read with a great deal of interest the letter of General Hazen to you respecting the needless killing of buffaloes. What he says is strictly true; and there is as much honor and danger in killing a Texas steer as there is in killing a buffalo. All the reports about fine sport and good shooting are mere gammon. It would be equally as good sport, and equally as dangerous, to ride into a herd of tame cattle and commence shooting indiscriminately. The wholesale butchery of buffaloes upon the plains is as needless as it is cruel. Hundreds and hundreds of them have been killed in the most wanton manner, or for their tongues alone. It is time that something should be done for their protection; and I trust you will make an effort to have Congress interfere in their behalf. It is an abuse of language to call the killing of harmless and defenseless buffaloes sport.

I am, sir, very respectfully, your obedient servant,

A. G. BRACKETT,
Lieutenant-Colonel Second United States Cavalry.

Mr. COX. Mr. Speaker, I would not have objected to this bill but from the fact that it is partial in its provisions. Three years ago I introduced a bill on this subject, modeled after that of the gentleman from Arizona, which I ask the Clerk to read. My bill does not undertake to make impracticable provisions as to whether buffaloes shall be killed by Indians or white men, or as to the kind of buffaloes to be killed, whether male or female, or of what age. I do not think the killing of buffaloes amounts to game. I would just as soon shoot my mother's cow in the barn-yard as kill buffaloes for sport. There is no sport in such occupation. The point is this: we ought to save this portion of our public meat for some good purpose. The Secretary of the Interior has told us that the Indians never can be civilized until the buffaloes are extinguished. What does he mean by that? I ask members of the Administration party what he means by that. Nobody answers; no one can answer. [Laughter.] The buffaloes are to be extinguished exactly as the Indians are ultimately to be extinguished. Now, what I want is a bill that will impose a penalty on every man, red, white, or black, who may wantonly kill these buffaloes. I ask the Clerk to read the bill which I introduced three years ago.

The Clerk read as follows:

Be it enacted, &c., That excepting for the purpose of using the meat for food, or preserving the skin, it shall be unlawful for any person to kill the bison, or buffalo, found anywhere upon the public lands of the United States; and for the violation of this law the offender shall, upon conviction, before any court of competent jurisdiction, be liable to a fine of \$100 for each animal killed, one-half of which sum shall, upon its collection, be paid to the informer.

Mr. COX. I hope that bill may be adopted as a substitute for the one now presented.

The SPEAKER. Does the gentleman from Illinois, [Mr. FORT] yield to allow the gentleman from New York [Mr. Cox] to offer a substitute?

Mr. FORT. No, sir.

Mr. POTTER. I would like to know whether the greatest destruction of buffaloes within the last few years has been by the Indians or the white people?

Mr. COBB, of Kansas. Will the gentleman from Illinois [Mr. FORT] permit me to answer that question?

Mr. FORT. From all the information coming to me I believe that the wanton killing of buffaloes is always done by white men; that the Indian never goes into a herd of buffalo and shoots them down out of mere wanton wickedness. That is always done by white men; and it is the cause, as I am advised, of much collision between the white men and the red men, the red men objecting to having the buffalo killed in that manner.

Mr. POTTER. I understand that the killing of buffaloes for the sake of their skins has been carried on very largely during the last few years. I ask by whom that has been done?

Mr. FORT. I understand it is done by professional hunters.

Mr. POTTER. White or red?

Mr. FORT. White.

Mr. ELDREDGE. Last fall, when traveling in the West, I met several parties who, I was informed, were on their way to the buffalo region to kill buffaloes in mere sport. They were men from abroad, foreigners, who had come to this country to have the honor of saying that they had killed a buffalo. I was told that they went to the plains and shot down these animals, not even desiring to take their tongues or their pelts, and left them to rot upon the plains. If a measure can

be devised which shall prevent such wanton cruelty and wickedness, it seems to me no man ought to object. I prefer the bill, as I understand it, to the substitute offered by the gentleman from New York, [Mr. Cox,] for the reason that the latter has in it pay to the informer, and I am not in favor of this moiety business, this informer business, this employment of spies. Nor, indeed, did I suppose that the gentleman from New York was in favor of having these creatures kept in our legislation any longer; I want them all struck out. I am surprised that the gentleman from New York should come in here with any such provision. I am not talking against the gentleman from New York at all, but against his bill.

Mr. GARFIELD rose.

Mr. ELDREDGE. One word further. These same travelers, these foreigners, who go out to kill the buffalo in wanton sport, are also protected by our military force. We not only allow them to come here and kill the buffalo wantonly and wickedly, but at the same time we afford them protection by our arms.

Mr. BARRY. Not only that; but they are furnished horses by the Army to go out to kill the buffalo, as well as protection by escort of soldiers.

Mr. GARFIELD. Mr. Speaker, this bill, as I have glanced at it on the Clerk's desk, is every way right. If there is a single point suggested by any gentleman, it has been satisfactorily answered. But I have understood, and indeed I have heard it said, and said before the Committee on Appropriations, by a gentleman who is high in authority in the Government, the best thing which could happen for the betterment of our Indian question—the very best thing which could occur for the solution of the difficulties of that question—would be that the last remaining buffalo should perish, and he gave this as his reason for that statement: that so long as the Indian can hope to subsist by hunting buffalo, so long will he resist all efforts to put him forward in the work of civilization; that he would never cultivate the soil, never even become a pastoral owner or controller of flocks, never take a step toward civilization, until his savage means of support were cut off; and that his great support, the quarry, if I may use the word, out of which he secures the very meat he feeds on, is the herds of buffalo which roam over the plains of the West. The Secretary of the Interior said that he would rejoice, so far as the Indian question was concerned, when the last buffalo was gone.

Now, if the barbarism of killing buffalo for mere wanton sport has any compensation in it, perhaps it may be this is a compensation worthy of our consideration. I should like to know from gentlemen, especially those in charge of Indian affairs, whether they believe this theory is a sound one, and whether the very processes of civilization are not in their own course sweeping away the ground upon which Indian barbarism plants itself? It may be possible in our mercy to the buffalo we may be cruel to the Indian. It is the only possible objection which can be urged to this bill; and without at all indorsing the theory, I only offer it for the consideration of the House.

Mr. FORT. I cannot understand why the Secretary of the Interior should have used this language to the gentleman or to his committee, but certainly as an individual I am not in favor of civilizing the Indian by starving him to death, by destroying the means which God has given him for his support.

Mr. ELDREDGE. There is just as much propriety in depopulating our rivers, in destroying the fish in our rivers, as in destroying the buffalo in order to induce the Indian to become civilized. We may as well not only destroy the buffalo, but the fish in the rivers, the birds in the air; we may as well destroy the squirrels, lizards, prairie-dogs, and everything else upon which the Indian feeds. The argument, Mr. Speaker, is a disgrace to anybody who makes it.

Mr. CONGER. I cannot conceive the propriety of establishing game laws in the United States for the simple use of the Indians. A great part of our expenditures of money, from year to year, is to feed the Indians, to get them on reservations where they may become civilized by cultivating the soil. Now, we have followed that policy for several years, in endeavoring to get every class of Indians in the United States upon reservations, in order to civilize them in that way; to get them upon reservations, so they shall not be able to go forth to hunt anything whatever.

As a matter of fact, every man knows the range of the buffalo has grown more and more confined year after year; that they have been driven westward before advancing civilization.

In my boyhood the buffalo ranged this side of the Mississippi. They have been driven before the advance of civilization and settlement, until now they range from Mexico to the British possessions around the Saskatchewan, merely passing through our territory up and down once, twice, or three or four times a year, having no abiding place in our territory. There is no place in the United States territories where the buffalo are anything else to-day but migratory herds. Why should we protect them for the Indians? Why should we deprive the settler of the right to kill the buffalo wherever he may be killed? Why should we deprive the hunter, as these animals of passage pass up and down through our land, of the privilege of capturing them for their hides as robes for the American people—a necessary use to us in the northern climates of the United States?

The game laws were established in England after the Norman conquest. They were enforced rigidly by the Normans. But there was no law which gave the native inhabitants of the soil, the Britons or Saxons, the right to kill an animal there. The game laws were estab-

lished for the benefit of the conqueror alone. We, on the other hand, propose to pass a universal game law in the United States for the benefit of the Indian and the Indian alone, shutting off the settlers, the pioneers, those who, perhaps, may be starving there; making it a penal offense for the poor settler to kill a buffalo cow for food under the penalty of \$100. I am not one of those who would extend that cold, merciless treatment to the settlers who go upon our frontier and settle the territories of the United States.

Mr. Speaker, I look upon this law as utterly useless. There is no law that Congress can pass that will prevent the buffalo disappearing before the march of civilization. They never approach settlements. Along the lines of our railroads, where settlements and villages are planted, they dart through between these in the night in their migrations north and south. Now, Mr. Speaker, my objection to this bill is this: that there is a privilege given to the wild, savage Indian that is not given to the poor civilized settler. My next objection is that the bill is utterly worthless in point of fact. There is no law which human hands can write, there is no law which a Congress of men can enact, that will stay the disappearance of these wild animals before civilization. They eat the grass. They trample upon the plains upon which our settlers desire to herd their cattle and their sheep. There is no mistake about that. They range over the very pastures where the settlers keep their herds of cattle and their sheep to-day. They destroy that pasture. They are as uncivilized as the Indian.

Efforts have been made for a hundred years to domesticate the buffalo and to make hybrids between the buffalo and our cattle. All such efforts have utterly failed. There is no domestic buffalo in the land to-day, after a hundred years of careful effort in that direction, except the poor, puny specimens you see in the museums, starved and drooping, as in the Lincoln Park at Chicago. And who that looks at these poor, miserable specimens of civilized buffalo will desire to see them domesticated, if that were possible, in our land?

Mr. FORT. I yield three minutes to the gentleman from Connecticut, [Mr. HAWLEY.]

Mr. HAWLEY, of Connecticut. I am very glad, Mr. Speaker, to see this bill. I think every man who has any of the spirit of a sportsman in him must be glad to see it. I mean the real sportsmen, not the men who gallop on horses after the buffalo to shoot them down with as much sense, as the gentleman from New York [Mr. Cox] well expressed it, as a man would shoot down his mother's cow in the barn-yard. But the real sportsmen will be glad to have the game law which we have in the older States also in the Western States, not to prohibit the shooting of any class of game, but to protect them during certain periods of the year.

These men who call themselves sportsmen, but who have not the spirit of real sportsmen, go out in breeding time and kill the animals without reference to their condition, and in a short time would destroy them from off the face of the earth. Such men are not fit to have guns in their hands. The real old hunter of the West is not a man of that sort. Very few men go out to settle in the West who depend on their guns for their subsistence. Yet it is very convenient for settlers and also for parties of soldiers or emigrants to be able to come across a buffalo. I say, then, let us preserve them from wanton destruction.

Mr. NESMITH. How does the real sportsman kill the buffalo?

Mr. HAWLEY, of Connecticut. The real sportsman kills the buffalo when he needs it, for food or for its hide. I do not object to the way in which you shoot them at all.

Another gentleman here says that he is in favor of wiping out the buffalo, because that is the only way in which you can get the Indians upon their reservation. I think the gentleman from Wisconsin [Mr. ELDREDGE] answered that theory. As well might you burn all the grass in the Indian country and around it, kill every bird, dig up every root, destroy every animal whatever, and take away from the Indian the means of living, and in that way you will, perhaps, be able to get them under your control, and be able to board them at the Fifth Avenue Hotel and civilize them to your satisfaction.

I am in favor of this law, and hope it will pass. The Indian does not wantonly destroy the buffalo. He kills them for their meat and for their hides, but he does not slaughter them indiscriminately, because he knows that on the buffalo he depends for his support. Sir, I object to the inhumanity of gentlemen who wish to wipe out the buffalo in order to get the Indians upon reservations.

Mr. FORT. I yield now for three minutes to the gentleman from Kansas, [Mr. LOWE.]

Mr. LOWE. I think there is a policy on this subject which should be adopted, if possible, and enforced by national legislation. It is not a question simply of sentiment in behalf of hunters, nor is it simply a matter of sentiment in behalf of the Indian. As is well known to everybody whose attention has been directed to this subject, there are still vast herds of buffaloes ranging along the western plains from the British possessions to the northern boundary of Texas. These animals are valuable for many purposes, and their utility should be made available to the people of the country.

As I understand the object of this bill it is to prevent the wanton destruction and useless extermination of the race of buffaloes. The mere hunting and killing of them for amusement ought to be prevented, and for the reason that these herds are useful for food, and their hides are useful for commerce and the arts of life. Let us,

therefore, if this bill proposes a remedy in that direction, preserve them for the use not only of the Indians but of our own citizens on the frontier. In the Territories and border States there are thousands and thousands of our own citizens who hunt these animals at the proper season of the year, not simply for the purpose of amusement or destruction, but for the purpose of subsistence. I do not wish to see this cut off from them, nor do I wish to see the Indians deprived of their means of subsistence. It will not do in this age of civilization and Christianity to attempt to exterminate the Indians by starving them to death; but we wish to preserve these animals not only for the use of the Indians but for the use of our own citizens for food and subsistence, and to preserve their hides as articles of commerce, luxury, and comfort.

Mr. FORT. I now yield three minutes to the gentleman from Kansas, [Mr. COBB.]

Mr. COBB, of Kansas. I merely desire to say a word or two. The gentleman from Michigan is entirely mistaken in his effort to be the champion of the frontier settlers on the buffalo question. So far as he is concerned it seems to be only a measure to prevent elegant gentlemen, like the gentleman from Michigan, coming out there in the sporting season and killing the buffaloes that not only feed the Indians, but the settlers also, and their wives and children. In their behalf and as their representative, I decidedly object to the gentleman from Michigan pretending to represent the settlers in this respect. Many gentlemen come here from Europe who desire to visit the plains and hunt the buffalo and bring back some token to show that they have shot buffaloes; but the fact is that the value of these animals, roaming the plains, is not to the Indian, but to the settler who is compelled to subsist on the meat of the buffalo, and who desires this law passed to protect his herds, just as you would desire a law passed to protect the herds of the East if they were assailed by vandals from Europe or from some other section of the country.

Mr. FORT. I now yield three minutes to the gentleman from Kansas, [Mr. PHILLIPS.]

Mr. PHILLIPS. This bill, if gentlemen will observe, applies only to the Territories, and seems to be desired by the gentlemen representing the Territories. The argument made here that it would interfere with herds of cattle and sheep has no point. Wherever settlers invade the Territories the buffalo leaves the country. The Indians only kill buffalo in the unoccupied or uninhabited Territories. The fact is that ranchmen kill the buffalo by hundreds and by thousands, and skin them, and leave their carcasses on the plains to rot. This bill seeks to prevent that, and I think it is so far a just one. Those are the only points involved in this question.

Mr. FORT. I now yield three minutes to the gentleman from Missouri, [Mr. PARKER.]

Mr. PARKER, of Missouri. I have no desire to say anything on this bill. But there seems to be some misconception in the minds of some of my friends here as to the position of the Secretary of the Interior on the Indian question. This bill for preventing the useless killing of buffalo seems to have led to a discussion of the Indian question somewhat. The position of the Secretary of the Interior is this: it is one forced upon him by the demands of the settlers in the Western States and Territories. His position is simply that if you would prevent collision between the whites and the Indians in that country, and civilize the Indians, you must confine them to their reservations. He has been forced by experience to this position from the fact that all the depredations committed by these Indians upon the settlers in the West have been committed by bands of hunting parties who have come down from the reservations to hunt the buffalo. Only last summer, in the State of Nebraska, eighty-odd peaceful Pawnee Indians were killed by Sioux hunting parties.

You may take it as an established fact that whenever depredations are committed upon white settlers in that country, it has been by parties of young Indians who are off on a hunt. And so long as these Indians are permitted to leave their reservations upon the pretext that they are hunting game for their support, so long, in the opinion of the Secretary, and in my opinion also, will you have depredations upon the western settlers.

My friend from Kansas [Mr. LOWE] says you never can civilize the Indians by starving them. Sir, look at your mammoth Indian appropriation bills and you will find that you are appropriating just as much, ay, even more, for these hunting or roaming Indians as you are for those who are becoming civilized and confining themselves to their reservations.

Another word upon this point. In my judgment, the great key to the solution of this Indian problem is to confine these Indians upon as small a tract of land as possible, and if possible to make it a necessity for them to learn to labor and to get a sustenance from the soil as the white man does, and not depend upon the rivers and the plains to furnish them their fish and their game. That is the reason why the Secretary of the Interior entertains this opinion. It is not out of any desire to starve the Indians into civilization, because the fact is that these very Indians who go off upon the hunt are the class who are fed most largely out of the bounty of the Government. They are necessarily fed, because they will not work so long as they can hunt, and they must be sustained. The civilized Indians—the Choctaw, the Cherokee, the Creek, the Seminole, and many other tribes I might mention—have long since abandoned the hunt, and as a consequence of such abandonment they are becoming civilized and Christianized,

and preparing themselves to assume a position similar to that held and enjoyed by any citizen of this country.

I think the position of the Secretary of the Interior from that stand-point is a sound one. This bill may be a good bill, one necessary to preserve the animals from wanton destruction. But I do not believe it is necessary to preserve them in order to support and maintain and civilize the Indians. I believe that so long as these buffaloes exist it will have just the opposite effect, so long as you pursue the present Indian policy.

Mr. FORT. I will yield two minutes to the gentleman from Michigan, [Mr. CONGER,] to answer some remarks made by the gentleman from Kansas, [Mr. COBB.]

Mr. CONGER. I was not aware, until the gentleman from Kansas [Mr. COBB] reproved me for speaking on this subject, but that it was competent for any gentleman on this floor to express his sentiments. And I was also not aware that the gentleman represented a Territory when he assumed that this was his particular prerogative. This bill refers only to Territories. I thought the gentleman came here under the broad seal of a State. Therefore, in regard to his remarks, I do not acknowledge the corn on that cob. [Laughter.]

I have this to say to the House, and no one will deny it, that the buffalo within the United States are as migratory as the wild goose or the wild duck that flies back and forth between the North and the South. They do not live within our borders. They are driven from there as their home, and their summer residence, and partly their winter residence, is far up on the Saskatchewan, in the British possessions. They pass down over our plains into Texas, and even into Mexico. They are mere animals of passage. There has never been a game law of any kind in the United States, or in any State, that prevented the citizens of a State from capturing, while on their passage, for food or game, any migratory bird or animal. My objection, then, to this bill is, that it will prevent the killing of the buffalo at those seasons only when they are passing from place to place, and the killing of them by the settlers, whether in Territories or States. I do not think the measure will tend at all to protect the buffalo.

Mr. McCORMICK. This bill will not prevent the killing of buffaloes for any useful purpose, but only their wanton destruction.

Mr. FORT. I yield to the gentleman from New York, [Mr. HOSKINS.]

Mr. HOSKINS. Mr. Speaker, I do not wish to prolong the discussion upon this bill; for it seems to me it has been already talked all to pieces. I simply desire to say that the principle sought to be incorporated in this bill is no new principle. In almost every State, I believe, especially in the old States—I know it is so in the State which I represent in part—there are laws upon the statute-book to protect at certain seasons of the year the fish in our lakes and rivers. We also have game laws, which prohibit the wanton killing of fowls or birds at certain seasons. This bill only applies the same principle to the wanton destruction of buffaloes at particular seasons. It does not prevent the killing of buffaloes for food or for their skins; but it does prevent men going into the Territories and shooting down the buffalo, simply taking their skins or horns for trophies and allowing their bodies to rot upon the plains. The bill is designed to prevent the wanton and uncalled-for destruction of these animals at certain seasons of the year; and by this means the meat of these animals will be preserved for those who may legitimately hunt buffaloes for that object. I repeat that the bill does not propose to apply any principle which is not already recognized in many States of the Union.

Mr. FORT. I yield three minutes to the gentleman from Iowa, [Mr. KASSON.]

Mr. KASSON. I wish to say one word in support of this bill, because I have had some experience as to the manner in which these buffaloes are treated by hunters. It is one of the saddest recollections of my hunting experience that I have witnessed, and in the beginning took part in, the wanton slaughter of these roamers of the plains. The buffalo is a creature of vast utility as food to the frontier settler and to the emigrant; and, strange to say, in some regions of country I have been dependent upon these animals for fuel with which to cook my food. This animal ought to be protected; and one reason in favor of such protection is the very reason that has been urged against such a measure. The buffalo being a migratory animal, passing from State to State, there is no one State that can regulate the subject; and, more than that, the evil this bill is designed to reach arises from migratory bands of men passing from region to region, and slaughtering the animals for the mere amusement that may attend the occupation. I have seen the carcasses of these animals scattered over the plains, the hunter, after shooting the buffalo, pausing but to take the tongue; and they are killed in this way at a time when their skins are utterly useless. If there is any objection to this bill, it is that it does not go far enough in preventing the slaughter of the animal at the season when its skin is of no value whatever. I have at this session introduced a bill for the protection of fur-bearing animals in another portion of the country, and on the same principle I support any bill designed to protect, against wanton destruction, a creature so useful as the buffalo.

Mr. FORT. Mr. Speaker, this bill has now been discussed at some length, and no argument has been adduced against its passage so far as I have heard, except that these buffaloes herd upon and trample down the grass on which the domestic animals of settlers feed. The gentleman who advanced this argument is mistaken. He may inquire

of every man who has traversed the plains, every man who represents a Territory on this floor, and he will find that he is entirely mistaken on that point. Buffaloes are harmless animals, feeding upon the plains where no domestic animal ever goes.

The only other argument that has been adduced against the bill is that the Secretary of the Interior thinks the buffalo should all be killed off, in order that he may civilize the Indians. Shoot the buffalo, starve the Indian to death, and thereby civilize him! I would suggest that a shorter and more humane way would be to go out and shoot the Indians themselves—put an end to their existence at once, instead of starving them to death in this manner.

I call the previous question.

The previous question was seconded and the main question ordered; and under the operation thereof the bill was ordered to be engrossed for a third reading; and being engrossed, it was accordingly read the third time.

The question being taken on the passage of the bill, there were—ayes 132, noes not counted.

So the bill was passed.

Mr. FORT moved to reconsider the vote by which the bill was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

HEIRS OF JOHN JENKINS.

Mr. SHOEMAKER, of Pennsylvania, from the Committee on Revolutionary Pensions and War of 1812, reported back the bill (H. R. No. 1251) for the relief of the heirs of John Jenkins, a lieutenant in the revolutionary war; and moved that said committee be discharged from the further consideration of the same, and that it be referred to the Committee on War Claims.

The motion was agreed to.

HEIRS OF LIEUTENANT JAMES BARNETT.

Mr. CRUTCHFIELD, from the same committee, reported back the petition of Mrs. Matilda Barnett and others, heirs of Lieutenant James Barnett, of the Second Virginia Regiment in the continental establishment; and moved that the committee be discharged from its further consideration, and that the same be referred to the Committee on War Claims.

The motion was agreed to.

SOLDIERS AND SAILORS OF THE WAR OF 1812.

Mr. SPRAGUE, from the Committee on Revolutionary Pensions and War of 1812, reported back a bill (H. R. No. 2190) to amend the act entitled "An act granting pensions to certain soldiers and sailors of the war of 1812, and the widows of deceased soldiers," approved February 14, 1871, and to restore to the pension-rolls those persons whose names were stricken therefrom in consequence of disloyalty, with the recommendation that it do pass.

The bill was read, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the act granting pensions to the surviving soldiers of the war of 1812, approved February 14, 1871, be amended so as to read as follows: That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension-rolls the names of the surviving officers and enlisted and drafted men, including militia and volunteers of the military and naval service of the United States, who served in the war with Great Britain of 1812, and were honorably discharged, and the surviving widows of such officers and enlisted and drafted men: *Provided,* That such widows shall have been married prior to the year 1825 to an officer or enlisted or drafted man who served as aforesaid in said war, and shall not have remarried.

SEC. 2. That this act shall not apply to any person who is receiving a pension at the rate of eight dollars per month or more, nor to any person receiving a pension less than eight dollars per month, except for the difference between the pension now received and eight dollars per month. Pensions under this act shall be at the rate of eight dollars per month, except as herein provided, when a person is receiving a pension of less than eight dollars per month, and shall be paid to the persons entitled thereto from and after the passage of this act for and during their natural lives: *Provided,* That widows pensioned under this act shall, if they became widows after the 14th day of February, 1871, be entitled to a pension only from the day when they became widows.

SEC. 3. That before the name of any person shall be placed upon the pension-rolls under this act, proof shall be made, under such rules and regulations as the Commissioner of Pensions, with the approval of the Secretary of the Interior, may prescribe, that the applicant is entitled to a pension under the provisions of this act; and any person who shall falsely take any oath required to be taken under the provisions of this act shall be guilty of perjury. And the Secretary of the Interior shall cause to be stricken from the rolls the name of any persons when it shall appear by proof satisfactory to him that such names were put upon such pension-rolls by or through false or fraudulent representations as to the right of such persons to a pension under the provisions of this act. The loss of a certificate of discharge shall not deprive the applicant of the benefit of this act, but other proof of the service performed, and of an honorable discharge, if satisfactory, shall be deemed sufficient; and when there is no record evidence of service, the applicant may establish the same by the testimony of two persons who served in the same company or regiment.

SEC. 4. That all applications for pensions under the act to which this is an amendment, heretofore or which may hereafter be made, shall be considered and decided as though made under this act, and all laws now in force in regard to the manner of paying pensions, and in reference to the punishment of frauds, shall be applicable to all claims under the provisions of this act.

SEC. 5. That the Secretary of the Interior be, and he is hereby, authorized and directed to restore to the pension-rolls the names of all persons now surviving heretofore pensioned on account of service in the war of 1812 against Great Britain, and whose names were stricken from the rolls in pursuance of the act entitled "An act authorizing the Secretary of the Interior to strike from the pension-rolls the names of such persons as have taken up arms against the Government, or who have in any manner encouraged the rebels," approved February 4, 1862, and that the joint resolution entitled "Joint resolution prohibiting payment by any officer of the Government to any person not known to have been opposed to the rebellion and in favor

of its suppression," approved March 2, 1867, be, and the same is hereby, so far modified as to authorize the payment of claimants under this act: *Provided,* That the restoration and pension contemplated herein shall take effect from the passage of this act.

SEC. 6. That the surviving widow of any pensioner of the war of 1812, where the name of said pensioner was stricken from the pension-rolls in pursuance of the act entitled "An act authorizing the Secretary of the Interior to strike from the pension-rolls the names of such persons as have taken up arms against the Government, or who have in any manner encouraged the rebels," approved February 4, 1862, and where said pensioner died without his name being restored to the rolls, shall, on proof satisfactory to the Secretary of the Interior that said pensioner did not take up arms against the Government or in any manner encourage the rebels, be entitled to the arrearages of pension due said pensioner at the time of his decease. In case there is no surviving widow, then such arrearages of pension shall, upon similar proof, go to the minor children of such pensioner; and in case there are no minor children, then the arrearages of pension shall, upon similar proof, go to the heirs or legal representatives of such pensioner.

ORDER OF BUSINESS.

Mr. GARFIELD. I move that the rules be suspended and the House resolve itself into Committee of the Whole on the legislative appropriation bill; and I wish to say before the motion is put that the appropriation bills sent to the Senate are all acted on in committee there. There is now nothing sent to the Senate from the House for the Senate to act on. One of the three has passed and come back to us. The other two have been acted on and reported to the Senate, one without amendment, the fortification bill, and I have no doubt before two days the Senate will act on every appropriation bill we have sent to that body. We have now two bills in the House, and tomorrow shall have another in the House, and unless we can send over one of our bills very soon the Senate will have the right to complain the House has given them nothing to do.

We have been two weeks without any action on the legislative appropriation bill. Two days of the week are devoted to private bills—thus far almost uninterruptedly. Monday is taken up with general business, and the morning hour of the other three days is devoted to general business. There remain then but parts of Tuesday, Wednesday, and Thursday of each week in which the Committee on Appropriations can hope to have its bills put forward. I hope the House will allow us to go on and push through our bill as rapidly as possible, so the reproach cannot be made against us we are not keeping the Senate at work on these appropriation bills. I am willing to yield for references that will not take up much time, but for no other purpose.

Mr. MAYNARD. Will the gentleman from Ohio, before he yields the floor, inform us whether he proposes to extend general debate on this legislative appropriation bill, or to take it up when we go into Committee of the Whole on the state of the Union for amendment, paragraph by paragraph?

Mr. GARFIELD. One gentleman has the floor for debate, but I do not think it best this morning to provide for any limitation of the general debate, but to let it run, hoping before the day is out the House will consent to limitation of general debate; or if not to-day, that to-morrow morning at least we may vote to limit general debate. It is my desire to proceed with the bill, paragraph by paragraph, as soon as possible, and go forward with it as rapidly as possible until we finish it.

Mr. MAYNARD. It will be recollected by the House that the currency bill was made the special order for to-morrow. Will the Chair please indicate whether, if for any reason that bill should not be reached to-morrow, it will stand as a special order from day to day until disposed of?

The SPEAKER. It will, subject only to two things—the transportation bill which precedes it as a special order, and to a motion to go into the Committee of the Whole on an appropriation bill; otherwise it excludes every other order.

BANKRUPT LAW.

Mr. GARFIELD. I yield to the gentleman from New York [Mr. TREMAIN] to make a report.

Mr. TREMAIN. The Committee on the Judiciary have instructed me to report back a bill to amend the bankrupt law.

Mr. G. F. HOAR. I call for the regular order of business. I object; I know what the proposition to be reported is.

JOSEPH ANDERSON.

Mr. DUNNELL, by unanimous consent, from the Committee on Claims, reported back a bill (H. R. No. 643) for the relief of Joseph Anderson, and moved that the bill and the accompanying papers be referred to the Committee on War Claims.

The motion was agreed to.

TIMOTHY D. CROOK.

On motion of Mr. SMITH, of Ohio, by unanimous consent, the papers in the case of Timothy D. Crook were re-referred to the Committee on Claims.

BRIGADIER-GENERAL GEORGE F. HARTSUFF AND OTHERS.

Mr. SAYLER, of Ohio, by unanimous consent, submitted the following resolution; which was read, considered, and agreed to:

Resolved, That the Secretary of War is directed to communicate to this House copies of all telegrams and papers of whatever kind on file in his office relating to the case of F. W. Hurlt, late assistant quartermaster of volunteers; the resignation of N. H. McLean, late assistant adjutant-general United States Army, and the retirement of Brigadier-General George L. Hartsuff, United States Army.

Mr. SAYLER, of Ohio, moved to reconsider the vote by which the resolution was adopted; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

SOLDIERS AND SAILORS OF THE WAR OF 1812.

Mr. HOLMAN. I desire to make a parliamentary inquiry of the Chair. Does the pension bill reported to-day in the morning hour go over to the first morning hour for consideration in the House? Is it before the House for consideration, or is it still liable to the point of order?

The SPEAKER. The Chair would hold that it is too late for the point of order to be made now.

DEBT OF VIRGINIA AND WEST VIRGINIA.

Mr. HEREFORD. With the permission of the House I desire to make a brief statement. At the opening of the proceedings of the House, when I was absent from my seat in attendance upon the Committee on the Public Lands, of which I am a member, a resolution, offered by the gentleman from Virginia [Mr. THOMAS] in relation to the settlement of the debt of the State of Virginia prior to January 1, 1861, was referred to the Committee on the Judiciary. In that paper is embodied a "whereas" that, in my opinion, does great injustice both to the mother State and the State which I have in part the honor to represent upon this floor. It reads as follows:

And whereas the State of West Virginia, though often and earnestly requested to do so by the State of Virginia, has neglected and refused to adjust and settle the debt aforesaid and provide for the payment of her just and equitable proportion thereof: Therefore resolved, &c.

Now, Mr. Speaker, I cannot but believe that the sentiments therein expressed are not the sentiments of the people of the State of Virginia; because it is not true that the State of West Virginia has ever, at any time, refused, nor will she at any time in the future refuse, to pay to her mother State the last farthing of every part of that debt which she is equitably bound to pay. On the contrary she, some two or three years ago, appointed a commission to meet a similar commission in the city of Richmond to adjust this very debt; and that commission, appointed on the part of my State, went to Richmond, and reported to my Legislature that they were even denied an audience.

I do not believe that the people of the State of Virginia wish to say to the world that the youngest daughter of that State is a repudiationist, which she is not. She is willing on the proper adjustment of that debt to pay the last farthing that she owes. Some say that she owes nothing. Others say that she owes a small part. What the amount may be I am not here to discuss to-day. I only wish to do the State I have the honor in part to represent justice on this floor, and to deny the charge contained in the preamble to that resolution, that she refuses to pay any part of the debt which she honestly owes. I regret the entire spirit of these resolutions. Their sole tendency is to engender bad feeling between the two States, which I deprecate. We have been friends in the past, and will be in the future.

Mr. HARRIS, of Virginia. I wish to say one word in reply to my friend from West Virginia, [Mr. HEREFORD.] It is a question of so much interest to both States that it would be a matter for regret that any disputation should arise between the State of Virginia and her daughter, West Virginia—no, not her legitimate daughter, but a State carved from her side by the sword of usurpation.

My friend from West Virginia says that the commissioners on the part of West Virginia went to the city of Richmond, and were there denied an audience. I cannot speak officially as to that, or of my own knowledge, for I was not there. But the history of that matter, as I am informed and as is generally understood, is that the commissioners on the part of Virginia could not procure an audience with the commissioners of West Virginia unless a basis of settlement which would have brought Virginia in debt to West Virginia was first conceded. It was the official settlement Virginia desired, but which she could not get. The commissioners of West Virginia, upon a punctilio, left Richmond, and would do nothing. I admit that the State of West Virginia has nominally professed her willingness to pay her share of the public debt of Virginia, but she has accompanied that profession with a basis of settlement going back to the foundation of the government, and charging Virginia with all the improvements whenever and wherever made. They claimed that wherever a road was made in what is now Virginia, from the beginning of the government, it should be charged to the old State; that wherever a turnpike was made in East Virginia, it should be charged to the old State; that every dollar expended in East Virginia, from its first settlement at Jamestown down to this fatal separation, should be charged to the old State; and that then a balance should be struck on that basis. If this were admitted, our friends of West Virginia would not only bring the old State in debt to them, because East Virginia was settled and improvements made there long before the tide of emigration began to go West, but they would get as much money from Virginia with which to build up the State of West Virginia as would make it twice as rich as the old State itself. We have asked West Virginia to agree to a settlement of our State debt, and assume her just proportion; but she has steadily and persistently refused. We have asked her to refer the matter to arbitration—to a just arbitration by disinterested men; and still she refuses.

Mr. GARFIELD. I call for the regular order.

Mr. HEREFORD. Did not we send commissioners to Richmond? Mr. HARRIS, of Virginia. Yes; but they would not confer with ours. They simply "marched up the hill, and then marched down again."

ORDER OF BUSINESS.

The SPEAKER. The gentleman from Ohio [Mr. GARFIELD] insists upon the regular order; and the question is on that gentleman's motion to suspend the rules for the House to go into Committee of the Whole on the state of the Union to resume the consideration of the legislative appropriation bill.

Mr. SMITH, of New York. I rise to a question of privilege.

Mr. MCCRARY. I supposed that I had the floor. I desire to ask the House to proceed with the special order.

The SPEAKER. The Chair will state the position of business. The transportation bill, which the gentleman from Iowa [Mr. MCCRARY] has charge of, is the special order at half-past one o'clock each day, to the exclusion of all other orders whatever, except the motion to go into the Committee of the Whole House on appropriation bills. That exception having been made, the gentleman from Ohio is rightfully entitled to the floor to make that motion, which is the only motion that is properly before the House.

The question being taken on Mr. GARFIELD's motion that the rules be suspended and that the House resolve itself into Committee of the Whole House for the consideration of the special order, being the legislative appropriation bill, there were—ayes 86, noes 54.

So the motion was agreed to.

FUNERAL OF EX-PRESIDENT FILLMORE.

The SPEAKER. The gentleman from Massachusetts, Mr. DAWES, asks to be excused from service on the special committee to attend the funeral ceremonies of the late ex-President Fillmore, and the gentleman from New York, Mr. COX, makes the same request. In place of those gentlemen, the Chair names Mr. SWANN, of Maryland, and the gentleman from the Buffalo district, now at his home, Mr. BASS. Mr. TYNER. I also have notified the Chair that it will be impossible for me to go to Buffalo.

The SPEAKER. The Chair will indicate a substitute for the gentleman at a later hour.

LEGISLATIVE, ETC., APPROPRIATION BILL.

The House then resolved itself into Committee of the Whole on the state of the Union, (Mr. WOODFORD in the chair,) and resumed the consideration of the special order, being the bill (H. R. No. 2064) making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending June 30, 1875, and for other purposes.

The CHAIRMAN. The gentleman from Kentucky [Mr. BECK] is entitled to the floor.

Mr. BECK. Mr. Chairman, when the committee rose on last Thursday, having obtained the floor through the kindness of my friend from Illinois, [Mr. MARSHALL,] I said that I would endeavor, when this bill came up again, to make good what I had said in January last, that the appropriations of the current fiscal year were extravagant beyond precedent, and exceeded, for the first time during my service here, even the extravagant estimates of the Department. I said that I would endeavor to prove that the gentleman from Massachusetts [Mr. DAWES] was right when he asserted that to be the fact, and that he was wrong when, at the suggestion of the gentleman from Ohio, [Mr. GARFIELD,] he took back what he had said upon that subject. And I said I would further show that all the balances of appropriations made for the year 1871, limited by law for the service of that year, from which the Departments are all now drawing large sums of money, are being drawn from in plain, palpable violation of law; and that every officer—I did not say so before, but I say it now—who is drawing from those balances and expending them, as a disbursing officer, is amenable to all the pains and penalties under the law of 1846 against embezzlement. I said, also, that I would look into the extravagance of the Government in other regards. I think I did enough of that in my speech on Saturday last, and shall therefore confine myself at this time to the first three propositions, which will occupy all the time allowed me.

As it has always been my habit to allow all proper questions to be put to me while I am discussing any subject, trying to answer them as best I can, I ask it as a favor that gentlemen will not interrupt me until I have had time to complete the evidence on which I rely, as it is almost impossible to make a clear and intelligent statement, which involves complicated facts and figures, if I am required to answer any question which may suggest itself to any member on any subject while I am arraying the proofs on the points at issue between the gentleman from Ohio and myself.

I want to avoid a general political discussion for once if I can, (you know how hard it is for me to do it,) and present this matter simply as if this House was a jury, selected to determine the truth of the facts presented.

When I made the statement last January that the appropriations of the last session of Congress, for the current fiscal year, were extravagant, going even beyond the exorbitant estimates of the Departments, the chairman of the Committee on Appropriations [Mr. GARFIELD] became excited, if not indignant, and with an air of triumph, which was doubtless intended to silence, if not to annihilate a hum-

ble member like myself, told the House—but I had better read what he said, so that there may be no misunderstanding:

Now, Mr. Chairman, I call attention to another remark of the gentleman from Kentucky, [Mr. BECK,] which I cannot allow to pass unchallenged. It is my purpose, when the legislative appropriation bill comes up for discussion, to go quite fully into a statement of the relations of appropriations to estimates for a series of years past; but I will only now ask the indulgence of the committee to say that the gentleman from Kentucky is wholly in error when he says that last year Congress appropriated \$13,000,000, or \$15,000,000, or any other sum whatever, above the aggregate estimates sent to us by the Executive Departments. I deny the truth of that statement, and am prepared to maintain that denial against all comers.

That had a chivalrous ring; it sounded like the proclamations in the old days, when the knights were entering the lists and hurling defiance against all antagonists. We will see how he came out. I tried to convince him that he had better examine the authority I had for my statements; but he paid no attention to it, as the sequel shows:

Mr. BECK. I hold now in my hand a book prepared at the Treasury Department, which shows that the appropriations amounted to \$319,000,000, when the estimates amounted to only \$308,000,000. Here is the book, and the gentleman can examine it for himself.

Mr. GARFIELD. Who says that the appropriations amounted to \$319,000,000, and the estimates to but \$308,000,000?

Mr. BECK. The Secretary of the Treasury.

Mr. GARFIELD. The Secretary of the Treasury says that the aggregate of his estimates for next year is \$319,000,000.

Mr. BECK. No, sir.

Mr. GARFIELD. Will the gentleman turn to the final footings of the Book of Estimates?

Mr. BECK. My dear sir, I suppose you never saw this book before.

Mr. GARFIELD. I am familiar with that book.

Mr. BECK. You never saw it, or you would not talk in that way about it.

Mr. GARFIELD. I am perfectly familiar with the book, and I say to gentlemen that if they will turn to the ordinary Book of Estimates, I will give them facts which will, perhaps, help to guide us all. On page 36 the Secretary of the Treasury has summed up in one column this statement: "Appropriations for the year 1874, three hundred and six millions and odd dollars." In the next column, "Estimates for 1874, three hundred and eight millions."

Now, the Secretary of the Treasury is himself on record in the book before you, printed as the first document of this session, as saying that the total estimates laid before the last Congress for the year 1874 amounted to but \$308,322,256.27; and this is one of the sums from which the gentleman draws the inference that the appropriations made by Congress exceeded the estimates by some thirteen millions. I have seen this charge floating through the press; but I am surprised to hear the Secretary of the Treasury quoted as authority for it.

It is perfectly obvious from what I have read that the gentleman from Ohio intended to deny with all possible emphasis that the appropriations made at the last session of Congress amounted to \$319,600,000. His questions bristled all over with denial, and he told the House in the most solemn manner that the Secretary had told us at the beginning of this session that the total estimates for this year were \$308,000,000, and the appropriations \$306,000,000. I want these statements thus positively made to be distinctly remembered, in order to avoid shifting of issues now. He seemed to think it was a newspaper slander on the Secretary which I had picked up, and he would not be convinced even after I read the certificate of the Secretary himself to the truth of what I had said, as I did after submitting the Secretary's own book to his inspection, as the following shows.

This book is prefaced by the following notice, made by the Secretary of the Treasury:

NOTICE.

The following appropriations made by the third session of the Forty-second Congress, for the service of the fiscal year ending June 30, 1874, and for deficiencies for previous years, including the permanent and indefinite appropriations made by that and previous Congresses, are printed for the information of those concerned. In all estimates, disbursements, accounts, vouchers, settlements, and warrants affecting or relating to any appropriation herein authorized, the titles as printed in *italics* shall be quoted as the appropriation out of which payment is to be made.

WILLIAM A. RICHARDSON,
Secretary.

The summary is as follows:

Third session fiscal year 1874.

Legislative.....	\$6,636,074 61
Executive.....	9,888,147 42
Judicial.....	3,743,243 87
Foreign intercourse.....	1,874,515 00
Independent Treasury.....	499,660 00
Mints and assay offices.....	976,620 31
Territorial governments.....	280,038 57
Military establishment.....	36,732,025 17
Naval establishment.....	22,498,620 55
Indian affairs.....	6,468,977 44
Pensions.....	30,480,000 00
Public works.....	20,057,132 00
Rivers and harbors.....	6,102,900 00
Fortifications.....	1,899,000 00
Public lands.....	1,982,979 59
Postal service.....	6,496,602 00
Miscellaneous.....	15,674,164 29
Total.....	172,290,700 82
Permanent appropriations.....	147,361,943 49
(Book of Estimates 1873-74, page 158.)	
Additional for Navy in December.....	319,652,644 31
	4,000,000 00
Estimates for 1874.....	323,652,644 31
	308,323,256 27
Excess.....	15,329,388 04

The additions only are my figures. The amount of permanent appropriations is stated as obtained at the Department.

When I read that statement in the presence of the House, the gen-

tleman came over to my seat and again denied it. I give his language and my explanation:

Mr. GARFIELD. The gentleman will allow me to add to his reading the line at the head of the title-page, "Treasury Department, Warrant Division." In other words, the book comprises the appropriations made by warrant.

Mr. BECK. It does not say so.

Mr. GARFIELD. That is what the book is understood to be everywhere.

Mr. BECK. That is a mistake. It is a book giving the various laws making appropriations, showing every dollar of appropriation passed by Congress for the year. It does not contain appropriations paid by warrant, but appropriations made by law, whether set forth in estimates or not, and is swelled by appropriations for former years, for this District, and for other things not estimated for as current expenses by the Departments.

Notwithstanding the certificate of the Secretary of the Treasury that the book and summary set forth the appropriations made at the third session of the Forty-second Congress for the current fiscal year, and giving each bill in detail, and the amount appropriated by each, and my explanation of how it was made up, which was in every respect true, the utterly unwarranted statement of the gentleman from Ohio that it was only a book comprising the appropriations made by warrant, and was understood to be so everywhere, was accepted by the House and the country as the truth, and I was heralded to the world by the press as a slanderer of the Administration; convicted by the gentleman from Ohio of having made false charges of extravagance against the party in power. Even the leading paper in my own State, the Louisville Courier-Journal, edited by a warm personal friend, whose ability is equal to that of any journalist in the country, published as a good joke on me, that I had got hold of the wrong book, and that the gentleman from Ohio had exposed me rather unmercifully. I have never been able to obtain the floor in my own right since that time to put the matter right. I have it now, and intend to do so.

The gentleman from Ohio was perfectly aware, and he knew I was, that "appropriations made by warrant," as he chose to term it, or rather the amount drawn out of the Treasury during any fiscal year on the warrants of the disbursing officers of the Government, gave no just idea either of the actual appropriations for the year or of the expenditures for the legitimate service of the year. Knowing that, he evidently concluded that if he could either convince the House or obtain an admission from me of the truth of his statement, my assertion that \$319,652,000 had been appropriated this year, while only \$308,323,000 had been estimated for, would fall to the ground and be utterly disregarded. Of course he knew—as chairman of the Committee on Appropriations he could not help knowing—that it was impossible, when only half the fiscal year had run, that there could be any book showing the amount drawn out or appropriated by warrant for the whole year, which does not end till June 30, 1874; but it suited his purpose at the time, and the country temporarily believed his statement, absurd and impossible as it was, rather than mine, when it was proclaimed by such high authority that \$306,000,000 were all the appropriations for this year, and the estimates were over \$308,000,000, and that, as the Secretary had said so to this Congress in the Book of Estimates, it was a vile slander for anybody to state anything else as true, and he pledged himself to make a full speech, which would guide the House and the country in obtaining accurate knowledge of all the facts.

Mr. GARFIELD. Unless it is entirely agreeable to the gentleman, I will not interrupt him at all with any questions. But while he is on this point, or if he has concluded it, I simply wish to know whether I understand him now to state that he was right in saying that all the appropriations made at the last session for this fiscal year were \$15,500,000 in excess of all the estimates made for this fiscal year?

Mr. BECK. I said this—

Mr. GARFIELD. I simply would like to know whether he states that.

Mr. BECK. I will answer the gentleman. All the estimates for the fiscal year, as certified by the Secretary of the Treasury, were \$308,000,000, and the gentleman from Ohio and myself both acted upon that assumption. If he has got any private estimates in his pocket, sent in afterward, let me ask him—I do not want to be led away too far—how it is that, as he said himself, the Secretary of the Treasury is on record in the books before you, printed as the first document of this session, as saying that the total estimates laid before the last Congress, for the year 1874, amounted to but \$308,000,000? That was his own assertion—that was mine. Here is the Secretary's Book of Estimates for 1874 and 1875, laid before us on the 1st day of last December, after all these appropriations were passed, after all the deficiency bills were passed, after all the estimates bearing upon the last fiscal year had been sent in, for no estimates for deficiencies were sent in at this session until the other day, and they relate to the current fiscal year. There is the certificate of the Secretary of the Treasury that all the estimates for the year 1874 were \$308,000,000, printed in this book furnished us now. If that is not the truth I do not know what to rely upon. They are either all the estimates, or the Secretary is trying to deceive the House by sending them to this Congress as such in his Book of Estimates, and I will read them after a while. I desire to settle the question I am now considering first.

It became apparent to the gentleman from Ohio, notwithstanding the grand flourish he made in January, that he could not stand on the assumption that I had got hold of the wrong book, or that the facts I had stated could be successfully contradicted, especially when he found that the gentleman from Massachusetts, [Mr. DAWES,] after

the most careful investigation, had come to precisely the same conclusion as I had, the Treasury Department admitting that the appropriations exceeded the estimates, because, as they said, there were many items in the appropriations not embraced in the Book of Estimates. I had told him so in January, but he paid no attention to me. The gentleman from Massachusetts [Mr. DAWES] was more successful. He said:

I hold in my hand, not the Book of Estimates, but the Treasury Department copy of every appropriation bill passed last year, and I have on the three hundred and sixth page of it a summary of the appropriations for last year, and also for this year. I went to the Department and obtained this book. I asked them to put under these appropriations the permanent appropriations for last year and this year, and here are their figures, and I give them exactly as they gave them.

The gentleman from Ohio, who had the estimate book, says that the appropriations for last year were \$306,000,000, while this book says they were \$319,000,000. I sent a special messenger to the Department and asked them why there was that difference. They took the appropriation bills and pointed to the appropriations that made up the difference, and that never went into the Book of Estimates. One was an item of \$1,000,000 for the southern claims commission, and they pointed out a number of other items which never went into the book of the gentleman from Ohio, and that, they stated, was the reason why this book, which contains a printed copy of every appropriation bill, summed up \$319,000,000, while his book only summed up \$306,000,000.

That statement was a full and complete vindication of every word I had uttered in my speech last January, and a thorough refutation of all that had been so defiantly asserted by the gentleman from Ohio. He could not help feeling chagrined that his friend from Massachusetts should be so unfortunate as to follow my bad example, yet he had, reluctantly it is true, to admit the truth of what we had said. I again quote his own language:

Now, Mr. Chairman, let us see how the gentleman makes up his amount of \$319,000,000, as the appropriations for the current year. My friend from Massachusetts [Mr. DAWES] unfortunately followed the example of the gentleman from Kentucky, [Mr. BECK,] who made use of the same figures a few days ago in an attempt to sustain a charge against the Committee on Appropriations, that they had brought in appropriations and that the House had made appropriations larger than the estimates sent to us. I call the attention of the committee to that point. Here, sir, in the same book which the gentleman from Massachusetts has used, and which also the gentleman from Kentucky used, is a statement of all the moneys appropriated by Congress at its last session; and they amounted to \$172,290,700.82. That is the sum total, including all the regular appropriation bills, all relief bills, pension and claim bills, all bills of every sort appropriating money that were passed through the House under the lead of any committees or of any member. Now, in addition to that, the gentleman from Massachusetts, very properly, in order to find the total estimates for the year 1874, turns to the Book of Estimates for last year, which I hold in my hand, and finds that besides the sums appropriated by Congress at its last session there were estimated for under the head of permanent appropriations, for the year ending June 30, 1874, the sum of \$147,361,943.49. This large sum being added to the amount of \$172,290,700.82 which Congress appropriated the last session, makes \$319,652,144, the sum the gentleman named.

That is precisely what I said in January, and all I said, so that he has proved it all, and verified every figure I gave, notwithstanding his indignant denial then and his profound regret that the gentleman from Massachusetts [Mr. DAWES] should have been unfortunate enough to have followed my example and used the same facts I had.

It will be observed that he no longer makes the charge that this is a book of appropriations by warrants, (so called,) which was his original statement. That theory had to be abandoned, and in his own statement just read he admits it is a book containing all the appropriations made by Congress at the last session, just as I had said, and just as he had emphatically denied only three weeks before.

I hardly think even he will claim that he has made his first statement good against all comers, notwithstanding it was heralded all over the country that the Committee on Appropriations and the last Congress had been slandered by me when I charged that \$319,000,000 were in fact appropriated for the current fiscal year, embracing, of course, as the figures I furnished showed, the permanent appropriations. When it was proved to be so by the gentleman from Massachusetts the gentleman from Ohio had to admit the truth of every word I had said. I ask gentlemen to read the two debates, read the points made, and if the gentleman from Ohio has not squarely admitted everything that I had said then I do not understand the English language. I submit to the judgment of the House and the country, upon the facts I have presented, that I have made my first proposition good.

What is the next proposition? I had charged in January, and Mr. DAWES had proved in February, that the appropriations were for the current fiscal year in excess of those made by Congress for former years; that we were going from bad to worse in time of peace; and that retrenchment by Congress, in appropriations, was the proper remedy to be applied, and not taxation; that expenditures ought to be cut down; and that this was the place to enforce economy by legislation.

The gentleman from Ohio again came to the rescue of his Committee on Appropriations, and defended the action of the last Congress, charging that it was the addition of the sinking fund of \$29,000,000, embraced in the item of \$147,000,000 of permanent appropriations for the current year, which made the appropriations for the year appear larger than those for former years, in which he claimed it was not embraced. He closed with this statement:

But we have appropriated from all sources and for all purposes less money for the current fiscal year than the actual expenditures of the last year. I am quite willing to let the work of the Committee on Appropriations for the last Congress stand the comparison with former years.

In conclusion I will say, that when the legislative appropriation bill is introduced, which I hope will be to-morrow, or at furthest on Monday next, and when we come to its discussion, it is my purpose to address the House somewhat at length in regard to our expenditures and appropriations, and to propose some measures of

retrenchment which can be tested by votes. I should not have troubled the House at this time, if I had not deemed it important to correct the error into which the chairman of the Committee on Ways and Means has fallen. I am sure he will be glad to have an opportunity to make the corrections I have indicated.

Mr. DAWES. I will say to the gentleman from Ohio, [Mr. GARFIELD,] that I am always very glad to be corrected when anything I say needs correction. When I compared the expenditures of last year with the appropriations of this year, the gentleman insisted that the sinking fund was included in the appropriations, but not in the expenditures, of last year. I am satisfied, since his statement, that I was mistaken, and he was correct, as far as that item was concerned. I was led into the mistake by the method of book-keeping at the Treasury Department. They have not, for the last four years, separated the sinking fund from the other reduction of the public debt, and they gave me the expenditure for each year and the reduction of the public debt for that year, including the sinking fund, in separate columns, as I gave them to the House. But in the appropriations for this year the sinking fund is included. I therefore, in comparing expenditures for the last year with appropriations for this, should have either added the sinking fund to the expenditures of last year, or subtracted it from the appropriations for this year. That sum is \$29,000,000, not \$43,000,000. When this is done, I am happy to say that it nearly wipes out the increase of the appropriations for this year over the expenditures of last year. I am sorry it does not quite do so.

It is with these statements of the two distinguished gentlemen that I take issue. I care nothing about the mere grouping of their figures, or whether, technically, the gentleman from Massachusetts had made a mistake. I maintain that he was right in the substantial charges made by him when he proved extravagant appropriations against the last Congress, and that he was utterly wrong when he allowed the gentleman from Ohio to so far mislead him as to make him take back that statement; and I take issue with the gentleman from Ohio and his economical committee, and am quite willing to make the comparison between the work of his committee in the last Congress and that of former years, if he desires to take the responsibility on his committee. I do not place it there.

I believe he is as unfortunate in his last position as he was in his first. It must not be forgotten that by the purchase and conversion of bonds we have now at least \$25,000,000 less of interest to pay than we had four years ago, therefore our total expenses ought to be diminished by that sum, with the premium thereon, as that was all gold. But waiving even that, how do the facts appear? I turn again to the official figures of the Secretary of the Treasury. If we cannot get the truth out of them, as I said before, I do not know where to look for it. Gentlemen will please examine for themselves the last Book of Estimates, Executive Document No. 5, first session of the Forty-third Congress. On page 175 they will find the following tables vouched for as being true:

Total recapitulation by titles.

Objects.	Estimates for 1875.	Estimates for 1874.
Legislative establishment.....	\$3,961,405 62	\$2,973,274 40
Executive establishment.....	17,805,674 90	17,129,261 00
Judicial establishment.....	3,409,750 00	3,587,050 00
Foreign intercourse.....	3,347,304 00	1,396,754 00
Military establishment.....	34,881,618 10	32,894,854 64
Naval establishment.....	19,251,935 86	20,154,220 15
Indian affairs.....	6,765,779 61	5,700,975 28
Pensions.....	30,480,000 00	30,500,000 00
Public works.....	33,168,287 10	29,687,345 69
Postal service.....	6,811,363 00	7,410,602 00
Miscellaneous.....	10,704,381 42	9,596,974 52
Permanent appropriations.....	148,521,237 21	147,361,943 49
Grand totals.....	319,198,736 82	308,323,256 27

Turn to page 162 of the same book and it will be found that the sinking fund of \$29,000,000 is a part of the \$147,361,943.49 estimated for 1874. The estimates are \$308,000,000 in round numbers, and the appropriations are called \$306,000,000 in another table, when we know, and it is admitted by the Secretary, and by the gentlemen from Massachusetts, [Mr. DAWES,] and from Ohio, [Mr. GARFIELD,] that the appropriation, including the sinking fund, was in fact \$319,600,000, as I have already shown.

Turn again to the Book of Estimates of the year before last, Executive Document No. 5, third session of the Forty-second Congress, page 166, and the following table will be found under the official certificate of the Secretary of the Treasury:

Recapitulations by title.

Objects.	Estimates for 1873.	Appropriations for 1873.
Legislative establishment.....	\$3,421,812 40	\$2,282,672 80
Executive establishment.....	16,411,481 38	16,115,302 88
Judicial establishment.....	3,383,350 00	3,383,350 00
Foreign intercourse.....	1,208,634 00	1,343,804 00
Military establishment.....	31,422,509 88	29,252,216 54
Naval establishment.....	18,946,088 95	18,280,735 95
Indian affairs.....	5,445,617 97	6,336,362 91
Pensions.....	30,480,000 00	30,480,000 00
Public works.....	19,468,562 97	16,282,589 40
Postal service.....	5,474,001 00	6,425,970 00
Miscellaneous.....	11,081,741 44	9,630,998 82
Permanent appropriations.....	154,961,237 00	159,162,937 13
Unusual and extraordinary.....		437,488 03
Total.....	301,705,036 99	299,414,438 56

Look at page 155 of the same document, and it will be found that about \$29,000,000 for the sinking fund is embraced in both the estimates and appropriations for the year 1873 in the item of \$154,961,237 in the estimates, and in the items of \$159,600,425.16 in the appropriations. Gentlemen will not fail to observe further that the permanent appropriations for interest, sinking fund, &c., for the year 1873, were over \$10,000,000 more than the same items for the current fiscal year. Yet the total appropriations for the year 1873, with all this extra interest included, amounted, as the Secretary certifies, to \$299,414,428.56, or over \$20,000,000 less than the appropriations for the current fiscal year ending June 30, 1874. The difference is still more striking if the same test is applied to both years which the gentleman from Ohio applied to the current fiscal year in his debate with the gentleman from Massachusetts.

He showed that the \$172,290,700.82 were the regular appropriations for the working machinery of the Government, and the permanent appropriations of \$147,361,943.49, which made up the total expenditures of \$319,652,144, ought not to be charged to expenditures made by Congress, but to the debt, interest, and sinking fund. I agree with him that that is the test of economy or extravagance in the Committee on Appropriations and of Congress. Treat the preceding fiscal year in that way, and what is the result?

Total appropriations as shown by the Secretary and furnished to Congress, five months after the year expired, are..... \$299,414,428 56
Total permanent appropriations..... 159,600,425 16

Making as ordinary expenditures..... 139,814,003 40
Against like expenses this year..... 172,290,700 82

Difference against this year..... 32,476,697 42

Go back to the Book of Estimates for the year 1872 and you will find the following tables furnished by the Secretary, showing the estimates and appropriations for that year. See page —:

Objects.	Estimates for 1872.	Appropriations for 1872.
Legislative establishment.....	\$3,263,966 34	\$2,859,855 74
Executive establishment.....	17,238,165 50	18,771,337 16
Judicial establishment.....	2,348,750 00	2,368,750 00
Military establishment.....	28,488,194 00	28,035,849 50
Naval establishment.....	20,045,417 77	19,784,717 25
Indian affairs.....	5,021,569 03	5,593,602 41
Pensions.....	30,000,000 00	33,550,000 00
Public works.....	22,338,278 37	15,413,903 29
Postal service.....	4,694,383 00	4,694,383 00
Miscellaneous.....	14,305,428 60	7,505,550 60
Permanent appropriations.....	161,895,167 00	163,601,861 35
Unusual and extraordinary.....		579,289 05
Total.....	309,639,319 61	302,759,099 35

And on the opposite page, among the items which go to make up the amount of the permanent appropriations, will be found the following:

For interest on the public debt..... \$117,469,959
Sinking fund..... 29,366,933

Go still further back to the Book of Estimates for the year 1871, and you will find the following table, giving the estimates and expenditures for that year, as follows, on page —:

Objects.	Estimates for 1871.	Appropriations for 1871.
Legislative establishment.....	\$2,833,891 40	\$2,575,780 21
Executive establishment.....	21,321,804 00	19,655,856 70
Judicial establishment.....	1,575,990 00	1,529,850 00
Military establishment.....	33,845,747 75	29,590,936 42
Naval establishment.....	24,598,277 37	19,351,846 17
Indian affairs.....	5,048,334 51	6,672,383 80
Pensions.....	30,490,000 00	30,000,000 00
Public works.....	24,625,173 55	11,984,518 08
Postal service.....	5,427,131 21	727,000 00
Miscellaneous.....	6,631,267 83	12,145,336 67
Permanent appropriations.....	171,962,415 00	165,395,500 00
Unusual and extraordinary.....		1,008,078 39
Total.....	328,360,032 62	300,637,086 44

While on the opposite page of the same book, among the items of appropriations making up the permanent appropriations, the following will be found:

Interest on public debt..... \$119,965,776
Sinking fund..... 28,328,749

These four years illustrate and prove what I contend for, and of course disprove the statements of the distinguished gentlemen who contend that the appropriations for the current year compare favorably with those of former years, while the figures make the fact conclusive that the sinking fund is embraced in all the estimates and all the appropriations for each of the years the Secretary says so. His friends may accuse him of false statement or fraudulent concealment of truth; I do not. The figures further show, what I charged to be true, that the appropriations for the current fiscal year is the only instance in which Congress has appropriated more money than the

Departments asked for. The following table will show how the matter stands:

Appropriations for the year 1871.....	\$300,637,086 44
Permanent appropriations.....	166,403,578 39
Appropriations for ordinary purposes.....	134,233,508 05
Appropriations for the year 1872.....	\$302,759,099 35
Permanent appropriations.....	164,181,150 40
Appropriations for ordinary purposes.....	138,577,948 95
Appropriations for the year 1873.....	\$299,414,428 56
Permanent appropriations.....	159,600,425 16
Appropriations for ordinary purposes.....	139,814,003 40
Appropriations for the year 1874.....	\$319,652,144 31
Permanent appropriations.....	147,361,943 49
Appropriations for ordinary purposes.....	172,290,700 82

If these figures and tables do not sustain me and sustain all the charges of extravagance made against the present condition of things by the gentleman from Massachusetts, no argument I can make can add to the force of them; and if they do not prove that the sinking fund is embraced equally in each statement, I cannot understand how the conclusion can be avoided.

I will show presently how the gentleman from Ohio was able to create all the confusion he has succeeded in doing. By the use of other figures, taken from the book of warrants drawn upon the Treasury during any one year, for any money either in the Treasury or in the hands of the Treasurer as agent for any of the Departments of the Government, no matter whether the sums so drawn were derived from appropriations made by Congress, or from proceeds of sales of property made by the Bureaus of the War, the Navy, or the other Departments, and by discarding the appropriations made by Congress, or blending them with the proceeds of sales drawn on by the Departments during the year, and applied to pay their own accounts, about which Congress and the people know nothing, he succeeds in presenting certain aggregates, which he calls the expenditures for the years to which he refers. He had a holy horror of the book of warrants, when he thought I was using it in January. The acts of Congress and its appropriations were the only things to be considered then, as he claimed and I admitted. When he finds that I make good by the appropriations all I said, he flies to the book showing expenditures by warrants, in which all private payments by all Departments are embraced, as well as all appropriations by Congress, and in that way tries to show that the transactions of this year are not worse than those of former years. It may not be in the departmental transactions; the ships, arms, and other war material they could sell and draw on are getting scarce; but the action of Congress is getting correspondingly worse. That is what I affirm; that is what he denies; and I have taken up the yearly appropriations for ordinary expenses, which he admits is the true test of congressional extravagance, to prove it.

Even my friend from Massachusetts [Mr. DAWES] got a little befogged at that point, by getting the figures in the book of warrants mixed up with the appropriations. He seemed to have forgotten the fact, that when he and I were both members of the Committee on Appropriations, he being our chairman, the act of July 12, 1870, was passed; and I take occasion to say now, that in my opinion it was the best law ever passed since I have been in Congress. It was passed under the lead of the gentleman from Massachusetts, [Mr. DAWES,] and he deserves great credit for the part he took in it.

The following is one of its provisions:

SEC. 7. It shall not be lawful for any Department of the Government to expend in any one fiscal year any sum in excess of appropriations made by Congress for that fiscal year, nor to involve the Government in any contract for future payment of money in excess of such appropriation.

Gentlemen will carefully bear in mind this provision of law. It is in full force now; and the distinguished gentleman on the other side will be slow to admit that any of the heads of Departments or other disbursing officers of the United States have violated its provisions in the expenditure of public money, in view of the penalties prescribed for such violation by the act of June 14, 1866, which I shall quote presently, it being also unrepealed.

I have shown by the official reports of the Secretaries of the Treasury, and I do not intend to indicate that they do not state the truth, that all the appropriations for the fiscal years 1871, 1872, and 1873 ranged from say \$136,000,000 to \$140,000,000 a year for the ordinary expenses of the Government. If more was spent, who spent it? By whose authority was it expended? The law of 1870 expressly prohibited any excess of expenditure over appropriations made by Congress for the fiscal year. A charge that more was expended than the amount appropriated, whether made by the gentleman from Ohio or the gentleman from Massachusetts, is a charge that these officials are corrupt embezzlers of the public money, and ought to be in the penitentiary, instead of filling the high positions they hold. I make no such charge. If their figures are insisted upon they do.

Where do they get the figures upon which they rely? They turn to the finance report. Please recollect in the January debate how hard the gentleman from Ohio [Mr. GARFIELD] strove to make me admit, and he temporarily convinced the country, that \$319,000,000,

reported by the Secretary as appropriated by Congress for the year, was only the amount appropriated by warrant, as he called it. He knew, if he could get that admission from me, he would say at once that the warrants did not show anything definite about the expenditures of the year, as connected with the appropriations made by Congress, but were swelled up by all sorts of sales and accounts. Now, when driven to the wall, in order to make an exhibit to the country, which gives some plausibility to his assertions, he falls back on the expenditures by warrants; and there is the blunder my friend from Massachusetts [Mr. Dawes] committed, for he too fell back on the finance report. I repeat, the gentleman from Ohio fell back upon the finance report, and finds the following figures there:

The net ordinary expenditures for 1870 were \$164,000,000; for 1871, \$157,000,000; for 1872, \$153,000,000, and for 1873, \$180,000,000. I give round numbers only. There is appended to that report this note by the Secretary, which gentlemen were careful not to read:

NOTE.—This statement is made from warrants paid by the Treasurer up to June 30, 1866, the outstanding warrants are then added, and the statement is by warrant issued from that date. The balance in the Treasury June 30, 1873, by the statement, is \$159,293,673.41, from which should be deducted the amount deposited with the States, \$28,101,644.91, leaving the net available balance June 30, 1873, \$131,192,028.50.

The statement by warrants is very useful, as showing all money drawn from all sources, and on all accounts during a series of years, and is well known to all intelligent men to embrace many items and details not connected with congressional action. No one knows it better than the gentleman from Ohio.

It will not be denied that the law provides that it shall not be lawful for any Department of the Government to expend in any one fiscal year any sum in excess of appropriations made by Congress for that fiscal year. Yet the warrants drawn show that they do spend more, largely more, and unless they have other funds to draw upon than those appropriated, they are willfully and deliberately violating the law by so doing. Do the gentlemen charge that upon them on this floor? They will hardly admit it, yet their figures unexplained present that charge distinctly.

I do not charge any gentleman with willful perversion of facts. Concealment to bridge over a difficulty is not much better; but I do not charge that either. I can show in a few minutes how these warrants swell expenditures.

I hold in my hand the report of the Secretary of the Navy, sent to the House a year ago in answer to a resolution introduced by myself. In accounting for the proceeds of four hundred and odd ships sold since 1865-'66, and for all the material of the Navy disposed of, he says a large portion of it was refunded into the Treasury of the United States—which means put into the hands of the Treasurer as agent for the Department—and there it was subject to draft, and was drawn upon from time to time for what they called the debts and liabilities of the Department. It is out of this money that all claims are paid, and these sums swelled the aggregate of the expenditures during the fiscal year, as warrants are drawn upon them whenever the Department wants to pay claims. It is an extremely loose system; but I cannot go into that now. I have called attention to it often before.

Take the report of the Secretary of War made to the last Congress. The House, on my motion, called upon him for information as to what had become of the war material his Department had on hand when the war closed. He answered, and showed that the Quartermaster-General's Bureau had received and spent \$107,000,000 in excess of all appropriations by his warrants drawn on the Treasurer. He said all this had been used in payment of indebtedness of the Department, except \$2,000,000. Of course I never charged the Department or any officer with stealing the money. My complaint was and yet is that they spent it in ways Congress knew nothing of. But it was all deposited with the Treasurer of the United States, was drawn out by warrant issued by those Departments, and applied to what they call the debts of the Departments. What I propose to show now is that the figures which these gentlemen see fit to give us as the expenditures of the year embraced not only the appropriations of the year, but embraced all payments made out of proceeds of the sales of property made by the War, Navy, and all the other Departments of the Government. That is the way these things are accounted for.

Another suggestion to make this plain. A controversy occurred some time ago about the sale of arms to the French. The matter was discussed elaborately in the Senate, and information was called for. The Secretary of the Treasury put down the expenses of the War Department at \$35,000,000, and appended the following note, as his report for 1871 shows:

NOTE.—This is the net amount after deducting \$8,280,000 repaid into the Treasury as proceeds of sales of ordnance. The true expenditures were \$44,000,000.

These things show what are comprehended in the warrant book from which gentlemen take their figures. Will any gentleman on the other side rise on this floor and say in the face of the provisions of the law of 1870—with appropriations for the ordinary expenses of the Government for the year 1871 amounting only to \$134,000,000; for the year 1872, \$138,000,000; for the year 1873, \$140,000,000; and for the year 1874, \$172,000,000—that they had for the net ordinary expenses of the Government and for the items embraced in those appropriation bills expended each year \$15,000,000 or \$20,000,000 more than was appropriated? If they do, and if that is the fact, then every officer in the United States who has used that money is guilty of embezzlement, and instead of occupying his high place he ought, as I

said before, if the laws are enforced, to be in one of the penitentiaries of the country. Let them make the charge, if they should enforce the law against those who violate it. I propose calling attention to the law which punishes such conduct.

Here is the act of 1866. Section 2 reads as follows:

That if any disbursing officer of the United States—

And all these Departments become disbursing officers the moment the money is placed with the Treasurer, as it is then subject to their warrant.

If any disbursing officer of the United States shall deposit any public money intrusted to him in any place or in any manner, except as authorized by law, or shall convert to his own use in any way whatever, or shall loan with or without interest, or, for any purpose not prescribed by law, shall withdraw from the Treasurer or any assistant treasurer, or any authorized depository, or for any purpose not prescribed by law shall transfer or apply any portion of the public money intrusted to him, every such act shall be deemed and adjudged an embezzlement of the money so deposited, converted, loaned, withdrawn, transferred, or applied; and every such act is hereby declared a felony, and upon conviction thereof shall be punished by imprisonment with hard labor for a term not less than one year nor more than ten years, or by a fine of not more than the amount embezzled nor less than \$1,000, or by both such fine and imprisonment, at the discretion of the court.

Such is the law. I have already read the act of 1870 which provides that it shall not be lawful for any Department of the Government to expend in any one fiscal year any sum in excess of appropriations made by Congress for that fiscal year. I have shown—and no man can deny it—that the appropriations for the net ordinary expenses of the Government were from twenty to twenty-five millions a year less, on the average, than the gentlemen from Ohio and Massachusetts say have been expended as the net ordinary expenditures of the Government.

It is a little strange that I have to defend their own officers against their charges, by showing that the only way they can possibly be honest men is to make up the annual expenditures by warrant by the proceeds of sales of our property, which they claim the right to sell and dispose of without having any reappropriation made. If an investigation shall be ordered, that would be their defense, and the only defense they could make. And this is the way they assert their right to do so. Take the Army, for example.

An appropriation of \$1,000,000,000 was made for the Army in 1865. The war closed. Nothing like that amount was needed. Large numbers of mules, horses, wagons, munitions of war of all sorts, were left on hand. They sold them. Demand was made by myself and others, "Why do you not pay this money back into the Treasury?" The answer was, "The War Department was charged with it in 1865; if we pay it back to the Treasury, and it is reappropriated again, it will be a double charge, because that \$1,000,000,000 stands against us." They therefore kept it without reappropriation, to pay what they call their debts. The money was in the hands of the Treasurer, and they drew warrants on it, and those warrants as drawn went into these net ordinary expenses by warrant which these gentlemen now parade as though they were appropriations made by law, and all this is done to save Congress and its Committee on Appropriations from just charges of extravagance.

The Books of Estimates ought to tell the truth; if they do not, the gentlemen who have charge of them should be dismissed in disgrace for sending false statements to Congress in order to deceive the representatives of the people; if they tell the truth, it is beyond all question true that all my charges of extravagance, and as to the sinking fund, are sustained, as every one of the statements of appropriations and estimates which I have submitted proves my assertions. I ask gentlemen on both sides to read them when they are embodied in the RECORD.

It is absolutely certain that in each year, from 1870 up to the present time, both our appropriations and the estimates contain the sinking fund; contain all the interest; contain every item that is included in the appropriations or the estimates for each fiscal year; and the gentleman from Massachusetts, as I have already said, did wrong when he took back what he had said about the great expenses of this year as compared with others, at the request of, or rather under the clamor raised by, the chairman of the Committee on Appropriations. He was glad to do it; of course he was. It was right that he should be, if there was any loop-hole to be found whereby to shield his party from such glaring and extravagant appropriations and expenditures, for he showed that the expenditures for this year would exceed \$321,000,000, even though the interest on the public debt has been reduced nearly if not quite \$30,000,000, when expenditures ought to be at least that much less every year; and yet every year we see them swelling enormously, as the gentlemen, it seems to me, must know, from the exhibits they have themselves been compelled to make, although the distinguished gentleman from Ohio [Mr. Garfield] had a few weeks before put me down by bold assertion, and it had gone to the country that I had got hold of the wrong book, and that there were no such appropriations as I showed. Perhaps he thought he could silence the gentleman from Massachusetts, who would gladly be silenced in order to shield the party, and once more the papers have taken it up and have shown how the gentleman from Massachusetts [Mr. Dawes] was slandering his own party, and how the gentleman from Ohio was again the hero of the day, when the facts show, and the Books of Estimates show, and the appropriations show, when we trace the matter year by year, that the original statement of the gentleman from Massachusetts, in all its substantial ideas, was true—certainly that the appropriations

this year for ordinary purposes were largely in excess of the appropriations made for any former year; and that they will be all spent, and deficiencies called for besides. In this all agree, that the net ordinary appropriations and expenditures, and not the permanent appropriations, are the only true tests of extravagant legislation by Congress.

Mr. DAWES. Will my friend from Kentucky yield to me for a moment?

Mr. BECK. Yes, sir.

Mr. DAWES. I understood the gentleman to say that the gentleman from Ohio had silenced me because I was glad to be silenced in the interest of my party.

Mr. BECK. If I used the word "because," it was wrong. What I intended to say was, I had no doubt the gentleman was very glad to be silenced, and it was very proper that he should be if he could, for the good of his party. I take back the "because."

Mr. DAWES. Mr. Chairman, the gentleman from Kentucky does not quite do me justice in that respect, nor does he do the gentleman from Ohio justice, or else I suffer a good deal unreasonably. I admitted upon the floor of the House that the gentleman from Ohio was correct. I have since examined the figures, and I am still of opinion that the gentleman from Ohio was correct, with this exception, that he accidentally stated the sinking fund to be \$43,000,000, when in point of fact it was \$29,000,000. With that exception, I am still of opinion, after a careful revision of all his figures, that the gentleman from Ohio was correct in saying this, that in my comparison of the expenditures year after year I stated them correctly; but when I came to the appropriations of this year—not the expenditures of this year, because the year had not ended—I did not include the sinking fund in past years, although it was included in the appropriations for this year. I was glad to be corrected to that extent, wherever I was mistaken. I was desirous of being absolutely correct and accurate. And if I had done injustice anywhere, I was very glad to be corrected.

Mr. BECK. I have but about twelve minutes left.

Mr. DAWES. The Committee of the Whole will not take out of the gentleman's time that which I may occupy.

While I was glad to be corrected there, I do not think the gentleman from Ohio is correct in his other statement in reference to his comparison of the expenditures from year to year. The gentleman from Kentucky [Mr. BECK] is correct in that respect. While I would be glad to have it otherwise, I insist upon it that the figures bear out the gentleman from Kentucky in his comparison of the expenditures, while they do not bear me out in reference to excluding that single item of the sinking fund from the appropriations.

Mr. BECK. We will put them all in the RECORD.

Mr. BUTLER, of Massachusetts. How about the express business of the Post-Office?

Mr. DAWES. So far as I know, I was absolutely accurate about that.

Mr. BUTLER, of Massachusetts. That is, about that bolt?

Mr. DAWES. My colleague and I are not to be drawn into a controversy at this time. I got up to make a correction between the gentleman from Kentucky and myself. I know of nothing in the speech I made the other day that needs correction as it stands to-day; I adhere to that speech as it stands to-day. I gladly made a correction before I closed the speech, which is in the speech as printed, because I believed then, and on further examination of it I am confirmed in that belief, that the gentleman from Ohio, to that extent, was accurate.

Mr. BECK. In the few minutes I have left, I have two or three other things to say.

The gentleman from Ohio [Mr. GARFIELD] made a great speech in 1872, in which he said—for he is always promising and prophesying economy, which is, unfortunately, never realized:

I know it is not safe to attempt to forecast the future, but I venture to express the belief that, if peace continues, the year 1876 will witness our ordinary expenditures, exclusive of the public debt, reduced to \$125,000,000.

That means for the next fiscal year. Yet the estimates sent to us for 1875 are \$200,000,000, or very near it. He goes on to say:

The interest on our public debt reduced to \$95,000,000; making our total expenditures, exclusive of payment on the principal of the public debt, \$230,000,000. Judging from the experience of our own and of other nations, we may not hope thereafter to reach a lower figure.

And then he gives, also, the following figures, showing the reduction of yearly interest:

July 31, 1865, (maximum).....	\$151,832,651
March 1, 1869.....	126,389,550
March 1, 1871.....	114,852,089
July 1, 1871.....	111,439,385
July 1, 1872.....	109,223,622

The gentleman from Maine [Mr. HALE] was still more lavish in his promises. He said:

The expenditure has been so well kept in hand that to-day it is but \$120,000,000, including both the War and Navy Departments. Now, sir, that is to be reduced. That figure, low as it is compared with what it was five years ago, is, as the chairman of the Committee on Appropriations has said, to be brought still lower. The rule has been established, and there has been no year since the present Administration came in during which the expenditure has not been cut down, and the Committee on Appropriations, by its present report, shows that it can be still further reduced. This reduction is to go on, and I believe the lowest figure may perhaps be reached a year or two earlier than the gentleman from Ohio [Mr. GARFIELD] has stated.

Another member of the Committee on Appropriations, Mr. SARGENT, of California, said about the last Indian appropriations:

The amount appropriated for all purposes, including deficiencies, for the Indian service during the fiscal year, was \$6,362,062.91. The bill which the Commit-

tee on Appropriations have instructed me to report for the present year appropriates \$5,379,365.05; making a reduction of \$982,697.86, or nearly one million dollars.

Yet the Secretary of the Treasury shows in his last report to Congress that, instead of the Indian expenditures being \$5,300,000, they will exceed \$3,500,000, for the current fiscal year.

These are merely specimens of promises made before election. We know to our sorrow how they are disregarded.

A few words on another very important question, to which I wish to call the attention of the Committee of the Whole. It is to the wrongful, and, I may properly say fraudulent way in which the Departments are using money that belongs to the people, drawing it out of the Treasury every day, in palpable violation of law, to keep down the appearance of deficiencies. First, let me read the sections of the law. Sections 5 and 6 of the act of July 12, 1870, provide:

SEC. 5. That all balances of appropriations contained in the annual appropriation bills, and made specifically for the service of any fiscal year, and remaining unexpended at the expiration of such fiscal year, shall only be applied to the payment of expenses properly incurred during that year, or to the fulfillment of contracts properly made within that year; and such balances not needed for the said purposes shall be carried to the surplus fund: *Provided*, That this section shall not apply to appropriations known as permanent or indefinite appropriations.

SEC. 6. That all balances of appropriations which shall have remained on the books of the Treasury, without being drawn against in the settlement of accounts for two years from the date of the last appropriation made by law, shall be reported by the Secretary of the Treasury to the Auditor of the Treasury whose duty it is to settle accounts thereunder, and the Auditor shall examine the books of his office, and certify to the Secretary whether such balances will be required in the settlement of any accounts pending in his office; and if it shall appear that such balances will not be required for this purpose, then the Secretary may include such balances in his warrant, whether the head of the proper Department shall have certified that it may be carried into the general Treasury or not. But no appropriation for the payment of the interest or principal of the public debt, or to which Congress may have given a longer duration of law, shall be thus treated.

SEC. 7. That it shall not be lawful for any Department of the Government to expend in any one fiscal year any sum in excess of appropriations made by Congress for that fiscal year, or to involve the Government in any contract for the future payment of money in excess of such appropriations.

Under these provisions, it seems to me very plain that all unexpended balances for the service of any fiscal year should be covered into the Treasury at the end of two years. The last Book of Estimates, Appendix B, contains a statement showing the balances of appropriations in the Treasury on the 1st day of July, 1873, made for the service of the fiscal year ending June 30, 1871, limited by law to the payment of indebtedness and payments for that year. The two years required by law had certainly expired on June 30, 1873. They amount to over \$52,000,000. Yet the Secretary shows in the last Book of Estimates that, in the face of the law I have read, and in utter disregard of its provisions, these balances are still kept out of the Treasury, and are being drawn upon every day by the heads of the Bureaus and Departments. And he further reports that up to the 30th of September, 1873, about \$1,050,000 had been so withdrawn from these balances, \$500,000 of which were drawn by the Post-Office Department during the first three months of the current year.

I cannot conceive how Congress, if it has any decent respect for law or its own rights or authority over the public money left, can for a moment wink at such conduct or permit it to continue. If that is allowed, Congress might as well transfer its power over taxation and appropriations to the Executive Departments of the Government and tell them to do with the money of the people as they see fit. Surely we should try and correct this flagrant abuse.

I introduced some ten days ago a resolution, which was referred to the Committee on Appropriations, calling upon the Secretary of the Treasury to tell us what amount of these balances made for the year 1871, which ought now to be in the Treasury, but are wrongfully kept out of it, have been drawn out and expended since September last. The Committee on Appropriations have not thought it worth while even to report back that resolution. I hope they will do so. The Departments are, of course, drawing upon those balances every day, although there is not a fair-minded man in the country who, reading the law, will not say that at the end of two years the Departments had no more right to draw upon that money than they have to put their hands into my pocket and take out what I have there. The gentleman from Ohio [Mr. GARFIELD] explains that the claim of the Departments is, that if in the course of the two years they draw upon these balances, for no matter how small an amount, the balance continues available, and, if drawn upon in this way during each successive term of two years, they may be continued subject to draft indefinitely. But the provision of the law is, that these appropriations shall be covered into the Treasury two years after the appropriation made by law. The Congress of the United States makes the appropriation by law. No executive officer can make a law, or an appropriation by law; it was to prevent the possibility of such construction that the act of 1870 was passed. It is because executive officers are undertaking to make laws, are defying the law-making power, as well as the judicial authority of the Government, that this country is on the down grade leading into the frightful chasm of corruption and extravagance. It was to guard against just such conduct on the part of executive officers, as I said, that the laws were passed requiring money appropriated but not needed to be paid into the Treasury, and declaring it embezzlement to take any money from the Treasury of the United States except in accordance with law. The Departments are wholly disregarding these laws; and as they are doing it to keep down deficiency bills, so that the expenditures of their Departments shall not properly appear on the records against them, this House and the Committee on

Appropriations seem determined to countenance their acts. Of course every usurpation thus winked at encourages them and urges them on to others.

The resolution I offered and had referred was as follows; it ought to be reported back and passed at once:

Resolved, That the Secretary of the Treasury be directed to inform the House what portion of the balances of appropriations remaining in the Treasury July 1, 1873, made for the service of the fiscal year ending June 30, 1871, limited by law to the payment of indebtedness incurred during the year for which they were made, has been drawn during the current fiscal year by any of the Departments of the Government, or any of the Bureaus thereof, stating specifically from what items of said balances of appropriation the amounts have been drawn, and the purpose to which the money so drawn has been applied, so far as the records in his Department exhibit said purpose.

As a specimen of how these things operate, I cannot do better than remind the House of the legislation which rendered possible the consummation of the contracts reported to us the other day by the Secretary of the Treasury, made by him with a man by the name of Sanborn, and with others. I regret to say that my friend from Ohio [Mr. GARFIELD] managed the appropriation bill before the House containing the provision which has been construed to authorize them, and put it through. I have his speech here. In the record he represented it as harmless, if properly executed, and the House voted for the passage of the law. Yet under it Sanborn and two other men got control of the Treasury, demoralized all the internal-revenue service, and are to-day issuing letters of marque and reprisal against men all over the country. That is a specimen of the way executive officers usurp power when they can. Look at the report, and see also the letter of the Commissioner of Internal Revenue, protesting as far as he dared. Out of these things from which they are now collecting, the Commissioner of Internal Revenue for the year 1872 collected \$19,000,000 through his ordinary collectors, and for the year 1873 \$6,300,000. Yet the Secretary of the Treasury has so construed the law as to put into the hands of Sanborn and his associates the management of all this business, giving them 50 per cent. of all they can collect, and requiring all the internal-revenue officers of the United States to report to them in all such cases as they point out, or embrace in the drag-net they have spread, thus suspending the regular operations of those officers who would attend to the collection of our revenues for 10 per cent. Such proceedings carried on by the executive officers of the Government furnish only another evidence of the reckless disregard of law characteristic of the present Administration. As such I refer to it; its enormities will be exposed hereafter.

One other thing. I have given notice, and now give it again, that I shall endeavor (next Monday I shall make the effort, as the Committee on Appropriations does not deem it proper to do so) to suspend the rules as to make it in order to offer an amendment to the legislative appropriation bill striking out in the sixth section of the act of July, 1870, the words "without being drawn against in settlement of accounts;" so that it may be put beyond the power even of departmental construction to take these large balances out of the Treasury.

The Committee on Appropriations in 1870, in framing that legislation, and Congress in passing it, thought that they had closed the door against the Departments taking the money of the people beyond all peradventure. It seems almost impossible to do it. It has been the constant struggle of the Departments to escape the prohibitions and safeguards of that law. They have succeeded to a limited extent—always, allow me to say, against my protest, and always, I believe, against the protest of the gentleman from Massachusetts, [Mr. DAWES.]

Sir, the Secretary of the Treasury is before us now trying to have that provision nullified, so far as public works are concerned. (See Executive Document No. 146.) Mr. Mullett, the Supervising Architect, also insists that the law shall not apply to any of his operations, and the argument is that it had been repealed so far as it applied to the light-houses. On the strength of that he insists that he ought to be relieved from the operation of the law. From the day the law was enacted every executive officer has been denouncing it and complaining of those who took part in its enactment. A constant struggle has been necessary on the part of those who want to keep public money in the Treasury to prevent this law from being swept away. It has been evaded, as we now see but too plainly, by a construction which no fair-minded man can give; and it is no answer to say that this construction had been formerly sustained by any departmental or executive officer. Whatever may have been the rule of construction before, we put into the law the requirement that these appropriations should not be available two years after they were created "by law," the object being to preclude the very construction now adopted by the Departments, that appropriations could be made by warrant drawn by an executive officer. Yet, as I said, the Departments are still spending these balances. As appears from the official statement of the Secretary of the Treasury, over \$1,000,000 were expended during the first three months of the present fiscal year, more than two years after the expiration of the year 1871, for which the money was appropriated definitely and exclusively. There is now kept out of the Treasury, as the Book of Estimates shows, and as the gentleman from Massachusetts showed, \$72,000,000 of those balances for various years which ought to be in the Treasury, obtained from former appropriations. They are now kept floating by the Departments, liable to be taken and misappropriated by the officers of the Depart-

ment who have the money under their control. Yet we cannot even get information upon the subject; the Committee on Appropriations so far have failed even to report a resolution calling upon the Secretary of the Treasury to tell us what has been done with them. Is it not clearly not only my right, but my duty, to complain when such a state of things exists, and to expose as well as I may the monstrous wrong which is being done, so that other members may look into it and aid me in breaking it up? The balances for 1871 alone, which are now held on to with a grip which Congress alone can loosen, amount to over \$52,000,000. Surely it is worth the attention of Congress to prevent the further robbery of the people out of this vast sum.

I see that my hour is about to expire. I think I have made good what I said. I have shown, notwithstanding the denials of the gentleman from Ohio, that \$319,000,000 were appropriated for the current fiscal year; that the Book of Estimates furnished to Congress shows that the estimates were \$308,000,000; that the ordinary appropriations for this year, which determine extravagance in expenditure, are nearly \$30,000,000 more than they were for the year 1872; that they have increased every year from 1871 to this time. I have shown that in all the appropriations and in all the estimates, the sinking fund, interest, and every item that is in the appropriations for this year, were included. I think I have shown—if I have not, a reading of the law will satisfy any gentleman upon the point—that the \$72,000,000 of balances now held by the Departments, claimed by them to be subject to be drawn upon without consulting Congress, or saying, "By your leave," cannot be so drawn except in violation of law; and that every official who takes one dollar of that money out of the Treasury, as the Departments are doing now, comes under the penalties of the embezzlement act.

I have only time to say that Congress owes it to itself to put down the constant attempts on the part of the executive officers to use the money of the people without coming to the representatives of the people or going to the courts of the country for authority to do so. Until that is done you can have no honest administration, you can have no economy in the management of the affairs of the Government, you will be overwhelmed, and all honest efforts thwarted by secret rings who have influence, as they call it, with the heads of Departments, and their retainers, who do as they please in secret, without calling upon either Congress or the courts for their sanction in the expenditure of money. It was to get rid of this state of things that the law of 1870 was passed. I want that law retained upon the statute-book, and all its provisions rigidly enforced. If that is done, and not otherwise, honest administration is possible. The gentleman from New York [Mr. WOOD] showed conclusively in one of his tables the other day, if anything were needed further to prove what I have stated, that all ordinary expenditures are rapidly increasing to an alarming extent. The items for the Post-Office, for Indian affairs, for naval affairs, for the Coast Survey, judiciary, sub-treasury, and miscellaneous purposes, &c., prove that the total expenditures for these branches of the service in 1868 were \$97,000,000, while for this year they were \$135,000,000. I give the table itself, as follows:

Summary and comparative statement of expenditures in the several branches of the public service named from 1868 to 1873, inclusive.

Branch of service.	1868.	1873.
Post-Office	\$22, 730, 592	\$29, 084, 945
Indians	3, 988, 353	7, 951, 704
Naval	16, 288, 244	18, 296, 733
Coast Survey	455, 700	852, 828
Survey of public lands	373, 252	1, 128, 060
Surveyor-generals' offices	95, 209	414, 135
Judiciary	723, 378	3, 896, 131
Sub-treasury	260, 113	493, 661
Miscellaneous	53, 009, 867	73, 328, 110
Total	97, 924, 708	135, 376, 307

If I had time I could show how, by legislation, Congress has taken the money of the people and paid \$400,000,000 of bonds in gold, at a frightful sacrifice, it is true, cutting down our payment of interest while the appropriations are going up instead of being reduced. Before the hammer falls allow me merely to repeat that while debt and interest have been reduced, the ordinary expenses in every other Department of the Government, the War and Navy, the Treasury, the Interior, Post-Office, indeed all other Departments, have gone up. These things have gone from bad to worse year after year, until now, in time of peace, the ordinary appropriations, all of which are spent, have reached the frightful sum of \$172,000,000, as against about \$134,000,000 in 1871, and \$139,000,000 in 1872, and \$140,000,000 in 1873.

[Here the hammer fell.]

Mr. WHEELER. I yield my time to the gentleman from Massachusetts, [Mr. BUTLER.]

Mr. BUTLER, of Massachusetts. Mr. Chairman, I had not intended to take part in the general debate on this legislative appropriation bill, but there are one or two matters, accusations, which have gone to the country in the impassioned speech of the gentleman from Kentucky [Mr. BECK] which I think should carry their antidote with them.

The first is an accusation against the Secretary of the Treasury that

he has allowed drafts of money from the Treasury without warrant of law; and not only that, but in exact contravention of law. If that were so, and I really believed it, I would introduce a resolution for his impeachment to-morrow. But I think the learned gentleman has overlooked one or two considerations in that regard, which will be a perfect answer to his indictment.

I agree that moneys appropriated by law, after the time when they were to be covered into the Treasury by law, have been drawn out. That is the fact. Was that in contravention of law? If I understand it, and I think I do, this is an exact answer to the proposition of the gentleman from Kentucky: When we appropriate money here for any governmental purpose which may extend over a year—it may be the contract under which it is to be spent cannot be finished in two years or three years; therefore the contract is made for the work to go on, and the money is set apart to answer that contract, and it is only paid so far and so fast as the contract is fulfilled and the work done. Would he have, in order to have a public building which will take three years in erection, and for which \$2,000,000 is appropriated—would the gentleman from Kentucky have that money taken out of the Treasury in advance of putting up the building and paid to the contractor, so as to save its being covered into the Treasury, or would he have it set apart in the Treasury and paid as fast as the work progresses and the contract is finished? That is the whole of it; and that is provided for by law which applies to annual appropriations only. It is a legitimate action of the Secretary of the Treasury, and in my judgment in exact accordance with law, without which the business of the Government could not be carried on for an hour. Let us see.

Congress appropriates, for example, \$2,000,000 to erect a public building. It will take three years to put up that building. A contract is made to erect that building in that time. The contractor goes on with a view to having the money when he finishes his work and as he does his work, and under the law, if construed otherwise than as the Secretary of the Treasury has construed it, the contractor having only obtained \$1,500,000 payment for work done, the balance of the money would have to be covered back into the Treasury and the contractor left unpaid, broken up, and ruined. Now, does any body suppose that that was intended by Congress or anybody else?

And so with carrying the mails for the Post-Office Department. We appropriate so much money. A contract is made to carry the mails—a contract for four years. The contract may not be fulfilled within a year, but the money is there. What shall be done with it by the Postmaster-General? Shall he take the money out and pay the contractor before he does his work; or, shall he leave the money in the Treasury and pay him after the work is done?

It is all very plain and very correct; and I think my friend from Kentucky [Mr. BECK] cannot be in earnest in what he said about that. If he thinks—as he has said on this floor, if I understood him correctly in the heat of debate—that this money has been “fraudulently taken by the Secretary of the Treasury,” he ought to bring in a bill to impeach him. And I am sure if he refers it to my committee and shows the facts, there would be one member of the committee who would vote for impeachment, though he was the dearest friend I had on earth.

Mr. BECK. Will the gentleman allow me one word?

Mr. BUTLER, of Massachusetts. Certainly.

Mr. BECK. I said in regard to these public buildings that the Secretary of the Treasury was now, as is shown in his own letter, Miscellaneous Document No. 146, backing the Supervising Architect of the Treasury in asking us to allow him to pay this money out of the Treasury and repeal sections 5 and 6 of the act enabling him to draw it; which shows that he does construe it as we do.

Mr. BUTLER, of Massachusetts. That is what I say. We thus allow him by law to draw it for a proper purpose. He draws it as it requires to be expended. And it is a perfectly proper administration of the Treasury.

There is another matter to which I am glad the gentleman has alluded, because it allows me to say something about it to the House and the country.

He said, if I understood him correctly, that the gentleman from Ohio [Mr. GARFIELD] engineered the law of the Sanborn contract. I do not know how that may be. The gentleman from Ohio has done many a good thing in his life, and in my judgment he did not do a bad thing in this regard if he did it. I assume, for the purpose of what I mean to say, that the gentleman did urge the passage of the law.

I have seen in the public prints and elsewhere that I engineered that matter—they do me honor overmuch in saying so—that I engineered it on behalf of Mr. Sanborn; but they forgot to say that, having engineered it on behalf of Mr. Sanborn, I allowed two contracts to be made with two other parties. I am sure if I had engineered the matter for Mr. Sanborn he would have got the contract at first. I want to say here, in the face of the House and the country, that in the voluminous correspondence and mass of papers put on your desks about that contract, my name is almost the only one that does not appear there in any form. I, for one, did not know that Mr. Sanborn had the contract. I neither recommended that he should have the contract nor knew that he got it until after he had it. If he had asked me about taking the contract, I would have told him that if it was to find gold dollars in the earth and pay them into the Treasury of the United States, not to take it, because there would be envious

men, malicious men, lying men, who would insist that he had done it wrongfully, and would abuse him in the newspapers, if he was sensitive at all about that, and that he never would get money enough to pay him. I might have advised him not to take it, but he did not do me the honor to ask my advice in this behalf.

Now let us see what was this law for which the whole Administration has been attacked by a corrupt press, egged on by the very men, paid by the very men, who have cheated their country out of taxes for the last four years.

In the year 1870 we passed an act repealing the taxes on legacies and successions, and on various other things, gross earnings on railroads, and various other sources of revenue. We also passed an act that there should be no more assessors; and we abolished the whole body of assessors. From that hour no taxes could be assessed upon these delinquents; and by the law no collector of internal revenue as such could collect a tax that was not returned to him by an assessor on the list given him by an assessor. And, therefore, here were these legacies and succession taxes, and these taxes upon railroads, gross earnings, and dividends, which have been kept back, and which were still kept back for four years, could not and would not be collected. The limitation for assessments and suits for penalties runs out in five years. In a very few months more the law of limitation would run against all these taxes. Now those taxes were not assessed. Those taxes were not on any revenue officer's books. Those taxes to the amount of millions were being pocketed by the whisky ring, by the railroads, and by the heirs of rich successions who were not supporting the Government, while other poor men and their legacies had been taxed to their full amount.

Under these circumstances, without any engineering of mine—or, so far as I know, of the learned chairman of the Committee on Appropriations—it was thought best to do, what? To have them collected. How? By telling the collectors to go round and hunt them up? That they neither could do nor would do. How was any portion of these taxes to be got? Why, by offering inducements to somebody to go and look them up; by offering inducements to somebody to pay the expenses of looking them up, in the interest of the country, and the honest tax-payers of the country. A law was passed allowing the Secretary of the Treasury to make a contract giving not exceeding 50 per cent. to look up these things, which were not in any office—mark now, for I want to repeat this—not on any collector's books in the United States, and which were wholly unknown to such officers. Some one would be obliged to go, in the case of legacies and succession taxes, and examine all through the court records and the revenue returns and find out who had, and who had not, paid their succession taxes. Then he would be obliged to bring suit for the taxes, unless the parties, finding their delinquencies discovered, would pay without suit.

Now, what contract did the Secretary make? First, with Mr. Kelsey, a former member of this House, and once a member of the Committee on Appropriations—an honorable man, so far as I have ever heard—and he tried to do something with them, but not having that peculiar fitness for such employment, and energy which a man must have to succeed in such things, he gave up the contract, and threw it aside, without having collected a dollar, as I am informed, and as I believe. Then it was given to a man in Philadelphia, of whom I never heard, and he tried his hand at it, and gave it up as a matter that he could make nothing of. Then Mr. Sanborn, who for years and years had been the trusted agent of Adams Express Company, and had gone all over the country in looking up their business, who had peculiar fitness and aptitude for this work, applied, as I now understand, but as I did not know at the time, to the Secretary of the Treasury, and he undertook the contract. With the energy that distinguished his character, and with the skill with which he had done private business, he was enabled to discover these taxes. What was the first thing he did? He made the discovery of the names of the parties and corporations who were defaulters by going to the probate records, and by overhauling the settlements of estates in the various courts, and found the men that had not paid the taxes; also, by going and examining the railroad books, which the express business had peculiarly fitted him for, and ascertaining where the taxes had not been paid. He then came to the Secretary of the Treasury and gave a list of those whom he found owed the United States, in his judgment, and he said, “Now I have got this information, give me a contract to collect these taxes which I disclose to you for the first time, and which have lain three years dormant then, (four years now,) but, as the law is repealed, for which you will never get one dollar, and which your collectors under the law cannot collect, except as any other private individual could collect.”

Mr. BECK. Allow me a single question.

Mr. BUTLER, of Massachusetts. In a moment; just let me finish this statement.

Mr. BECK. It is not in connection with this matter.

Mr. BUTLER, of Massachusetts. I agree to that, and therefore I do not want to be interrupted at this time; I will yield to my friend in a moment; he knows that.

The question with the Secretary of the Treasury then was, “How shall I know, Mr. Sanborn, that you return all the taxes you get; you are not a bonded officer; you do not propose to give bonds?” “Well, sir,” said Mr. Sanborn, “this is the way you can be certain; your collectors are bonded officers, and when I get any of these cases ready

to be paid, the taxes shall be paid to your collectors of internal revenue, so that they may be returned to the Treasury; every dollar shall be returned to the Treasury, and I will not take out, or ask to take out, anything until after the moneys have been returned to the Treasury." That gave security to the Treasury that there would be no black-mailing of parties of amounts not returned, no loss of these taxes, that there would be a bonded officer to receive the money; and Mr. Sanborn said, "Ask your collectors to aid me in so much, and tell me what taxes have been paid, and I will bring the taxes to your officers ready to be paid, and then you will get the money, and I shall receive that which the law and the contract give me." A contract was given him, and then he went on and took measures by going to a party who was in default, and saying, "Your taxes amount to so much, and you will be prosecuted for them, unless you pay them," so that he might have them paid into the collector's hands, and returned to the Treasury. What happened? Why, the men who had kept back these taxes, and hoped that the five years would run out, found that they would be brought to book; the great railroads of the country, who were in default—the Erie Railroad, with half a million of these back taxes—

Mr. FOSTER. How much has been collected from the Erie Railroad?

Mr. BUTLER, of Massachusetts. None yet, and I will tell you why. The Erie Railroad, owing half a million of back taxes, set the newspapers on to Mr. Sanborn in order to get the law repealed, and to make a noise in Congress so that the time might run out during which the taxes could be collected. That is the reason why there has not been any collected from that road; that is the reason why the collection stopped. And the very men whose taxes were in default, who desired to retain them in their own pocket, have been the men who are here squatted, like "the toad at the ear of Eve," poisoning the minds of Congress against this effort to collect the taxes. They say that Mr. Sanborn got too much. Mark you, he paid all expenses; nay, he takes all the abuse. Nay, more, in my judgment he has not enough to pay him; but that is his affair.

The contract was given him by a present Senator from Massachusetts, against whom there has never been, up to this time, one word breathed impugning his honesty, integrity, and the propriety of his administration of the Treasury. And yet I see him advertised in the columns of a paper, whose former proprietor did not come to such a happy end as to make it a very great inducement for anybody to follow in his footsteps—I see him advertised in that paper as "the monumental thief of the age." What is his offense? It is that he attempted to save 50 per cent. of these delinquent taxes, rather than to lose it all. In a few months more there will be no more to be collected, because the statutes of limitation will run against it and in favor of those men who do not mean to pay their taxes to the Government.

Now, I do not desire any controversy with anybody on this floor on this subject; but when it comes, let it come when it may, I will tell you who are the men that are here poisoning the minds of members, from what States they come, and how much taxes they have unpaid. One member on this floor is very anxious about this matter. I should think he might be. Mr. Sanborn reports that he is behind in his taxes some thousands of dollars. I would be anxious if I were he.

Mr. BECK. Will the gentleman yield to me for a question?

Mr. BUTLER, of Massachusetts. I will, with pleasure.

Mr. BECK. What I want to ask of the gentleman is this: whether he supposed that in the remarks I made about the Sanborn contract, characterizing it as fraudulent, I had alluded to him in any way?

Mr. BUTLER, of Massachusetts. By no means; on the contrary, I said to my friend that I thanked him for making the allusion, as it gave me an opportunity to state what I could not state otherwise.

Mr. BECK. I surely never would have connected the gentleman from Massachusetts with such contracts as I understood these to be. If there is anything on earth that seems to me apparent, it is that these contracts, from their inception to the present time, are reeking and buoyant with corruption. That is the impression upon my mind.

Mr. BUTLER, of Massachusetts. I have no idea that anybody would ever attack me that knew anything about it. The difficulty is the papers who attack me do not know anything about it. I supposed my friend did know something about it, and therefore I had not the slightest fear from him, or that he would attack me. I wanted to state to the House and to the country the facts about this contract. Perhaps I did not hear correctly what my friend from Kentucky said.

Mr. BECK. I say that, so far as the evidence furnished us seems to go, the contracts are utterly corrupt in their inception and their execution.

Mr. BUTLER, of Massachusetts. All right; I understand now.

Mr. BECK. The expression I used was, "reeking with corruption."

Mr. BUTLER, of Massachusetts. Precisely; as corrupt as was the Secretary of the Treasury in paying these balances. It is easy to say "corrupt," but if you will show me how it is corrupt to have any man called upon to pay his taxes, who had not paid them, who had kept them back for three years, and who never meant to pay them if they were not forced out of him, and then collect them and pay them into the Treasury, I will beg that man's pardon, and that of the gentleman from Kentucky too; and that will be hard enough. [Laughter.]

Now, I am not to be frightened by hard words in this matter. If any one can gainsay or contravene one single word of what I have

said anywhere, on his responsibility, then I will be ready to meet him anywhere on my responsibility. I have stated to the House the exact facts which I have taken the pains to learn. The only thing I happened to know about this law was this: I had tried two years before to get a law passed to collect certain derelict and abandoned property; some large amounts of money that were in the hands of bankers in Europe, belonging to the Confederate States when they blew up, I wanted to get into the Treasury. I was opposed by gentlemen who thought it was not best to have it done, and the law failed. That was the law I undertook to "engineer" through, and I spoke of it when the committee reported this bill. I stated it substantially on this floor where I now stand; and that is all I had to do with it.

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

Mr. BUTLER, of Massachusetts. Yes, sir.

Mr. ELDREDGE. It seems to me that the necessity for this contract business with this man Sanborn was the failure to do their duty of the officers appointed to execute this business.

Mr. BUTLER, of Massachusetts. Very likely.

Mr. ELDREDGE. Would it not have been a much easier way, a better mode, more in consonance with republican institutions and republican administration, to have removed those officers who failed to do their duty, and to place in their stead good men and true men who would have executed the law, who would have assessed and collected these taxes, and not have allowed them to be in arrears for many years, so as to necessitate any such proceeding as is contemplated under the contract with Sanborn?

Mr. BUTLER, of Massachusetts. The gentleman asks in effect whether it would not be best for everybody to do what he ought to do. I agree that it would. But in the next place, the difficulty was this: the putting in of new officers under the law would not give them any more power than the gentleman from Wisconsin has to collect these taxes. The law for the assessment of the taxes (I am sorry the gentleman from Wisconsin did not listen to the statement I have already made) had been repealed. A collector can collect only those taxes which are assessed, and can collect only certain specified taxes. These amounts due as taxes had been concealed—had been kept back. It was the duty of the men who owed them to make returns under oath. The assessor could not say that Mr. A owed taxes, if he kept back his returns. Thus these men escaped for the time, and would have escaped forever—

Mr. ELDREDGE. Had they not escaped by the failure of the proper officers to do their duty with reference to these very taxes?

Mr. BUTLER, of Massachusetts. By no means; at least not in every case. In some cases I have no doubt that was the fact. I do not believe that all the officers appointed under the Government are the very best men. But admit that these men owing taxes had escaped by failure of the officers to do their duty; admitting that, was it not best to have those taxes, or a portion of them, collected? That is the point. The men owing the taxes had escaped by concealments, by fraud, by wrong.

Let me give a specific case arising under the Sanborn contract. It turned out from investigation here that certain men had received large dividends on Credit Mobilier stock. Mr. Sanborn says, "I propose to collect the tax on those dividends." Those men had escaped, because nobody knew at the time anything about their holding such stock. Now, the question is whether taxes, if justly due in that way, shall not be collected? That is all.

I wish my friend from Kentucky, [Mr. BECK,] when he makes his next speech, would, instead of dealing in general terms, come down to the facts and tell us where was the corruption, how it had been carried out, what was done about it. When he does so, if he can convince me that these contracts were conceived in corruption any more than that corruption which is an incident to original sin, I shall be very glad to go with him to root them out. But until he does so, I am not quite ready to denounce men generally; and whenever I may be found denouncing men generally on this floor, I want to be called to order. I only deal with individual men and with the exact facts. I say to any gentleman who has anything to say upon this subject, "Put your finger on any case, and I will examine that case with you, although it is not part of my business."

I yield the remainder of my time to the gentleman from Ohio, [Mr. GARFIELD.]

Mr. O'BRIEN. Will my friend from Massachusetts allow me to ask him a question?

Mr. BUTLER, of Massachusetts. Yes, sir.

Mr. O'BRIEN. I understand that the gentleman is defending the Sanborn contracts, and he wants to know where the corruption exists in those contracts. I ask him whether the Commissioner of Internal Revenue has not asserted that, in the ordinary course of the business of his Bureau, he could have collected every dollar of these taxes without any cost to the Government beyond the ordinary expenses of the Bureau?

Mr. BUTLER, of Massachusetts. I really do not know.

Mr. O'BRIEN. I understand that the Commissioner has said so.

Mr. BUTLER, of Massachusetts. Very well; if you know it, state it. I do not know it. [Laughter.]

Mr. GARFIELD. I yield five minutes to my colleague, [Mr. FOSTER.]

Mr. FOSTER. Mr. Chairman, at my instance a resolution was adopted by the House calling for copies of contracts, correspondence, and orders of the Treasury Department, in relation to what are now known as the Sanborn contracts. In response to that call we have received what is now embraced in the printed volume before me. I have also been authorized by the Committee on Ways and Means to report a bill to repeal the law under which these contracts have been made. I did not expect to say anything on this subject until that bill should be reported; but owing to the extraordinary statements made by the gentleman from Massachusetts [Mr. BUTLER] a word from me just now seems proper and fitting.

I have examined this report with considerable care; and I undertake to say here, in the face of the House and the country, that three-fourths of all the collections therein reported have been made by internal-revenue officers and by district attorneys holding office under authority of the Government. I undertake to say, further, that collections have been made over and over again in cases well known to the internal-revenue officials.

One case I may mention. A gentleman who is reported in this book as having paid a large sum has detailed to me the circumstances of that payment, which are about as follows: He owed a residuary legacy tax which had not been paid, as the amount could not be ascertained because of litigation. Some time last summer the internal-revenue officer of the proper district called upon him and asked him to settle this matter. He said, "I cannot settle it because of this litigation." "Sir," said the collector, "I will accept your statement of the amount due." He did accept the statement, and the gentleman paid the tax. The first he ever heard or saw of Mr. Sanborn was when he saw his name in this book.

Now, Mr. Chairman, the gentleman from Massachusetts has told the House that these Sanborn contracts were made for the purpose of collecting taxes that had been kept back. To show what kind of taxes were kept back and how these kept back taxes paid, I ask the Clerk to read a letter, with which I will close my remarks.

Mr. BUTLER, of Massachusetts. I hope the gentleman from Ohio [Mr. FOSTER] will give the name of the man he has referred to.

Mr. FOSTER. I prefer not to do so.

Mr. BUTLER, of Massachusetts. I do not like that way of doing. Let us have the name. Mr. Sanborn's name has been used enough. Let us have the name of this man, because I want to investigate that case.

Mr. FOSTER. I prefer not to give the name at present. Perhaps I may do so hereafter.

Mr. BUTLER, of Massachusetts. Whenever you are ready I shall be glad to have it.

The Clerk read as follows:

UNITED STATES INTERNAL REVENUE SUPERVISOR'S OFFICE,
DISTRICT OF PENNSYLVANIA, NEW JERSEY, DELAWARE,
MARYLAND, AND DISTRICT OF COLUMBIA,
March 4, 1874.

SIR: I wrote to you on the 25th ultimo with reference to the efforts being made by one Belsterling, claiming to be a deputy of Treasury Agent Sanborn, to collect "legacy and succession taxes" in this city, through the aid of the district attorney, and protesting against such procedure, on the ground that all that class of taxes were in the hands of the proper revenue officers, having been placed there by myself, and would all be collected in due time without any additional expense to the Government.

Further, in reference to this subject, I would say that some two months ago I informed District Attorney McMichael that all this class of taxes were in the hands of the revenue officers, and were not proper cases for these special Treasury agents to collect. Subsequently it appears the district attorney wrote to the collectors of this city, asking what cases of legacy and succession taxes were pending in their offices and uncollected. To which both Collectors Elliot and Pollock, of the first and second districts, answered that there were none, supposing that the district attorney referred to assessments which had been made, were on their lists and not collected, apprehending that he intended commencing suit for the payment of the assessments, &c.; not thinking for a moment that he referred to cases where assessments had not as yet been made.

Both of these collectors, however, have now informed said district attorney that all the estates liable to said taxes are on record in their offices; that I had furnished them lists, giving the names of all decedents whose estates were liable, together with the names and residences of the executors and administrators. In fact, I sent to collectors' offices, procured said lists, and showed him [Mr. McMichael] on those lists every name which had been reported to him by Mr. Sanborn's deputy or agent, and I am gratified to say that Mr. McMichael at once said he would take no further action in the cases.

I deem this explanation necessary, because I understand that the letters of Collectors Elliot and Pollock, above referred to, which were written under a misapprehension, have been forwarded to the Treasury Department, and the substance of which would appear to contradict flatly the statement made, in my letter to you, "that all such cases were on record in the collectors' offices."

I may further state, that I some time since directed the collectors of this city not to give Mr. Belsterling (who claims to be Mr. Sanborn's agent) any information from their records, and I have refused to do so myself. Mr. Belsterling holds no commission or appointment from the Government, and I cannot conceive that he has any authority or right to demand or receive official information from a Government officer.

Very respectfully,

ALEXANDER P. SUTTON, *Supervisor*.

Hon. J. W. DOUGLASS,
Commissioner of Internal Revenue, Washington, D. C.

Mr. GARFIELD. The gentleman from Connecticut wants two or three minutes, and not desiring to cut him off, I will yield him the floor for that time.

Mr. HAWLEY, of Connecticut. Mr. Chairman, I do not intend, of course, to discuss the wisdom of the original law under which these Sanborn contracts were made, but when the gentleman from Massachusetts [Mr. BUTLER] was in a measure challenging any person here

to bring forward a case which did not come within his description—a case in which men had withheld their taxes for three years and sought to evade them without intending ever to pay them—I thought I would, if opportunity afforded, mention to the House a case outside of his general description.

Now, sir, I do not say I will pass upon the wisdom of that law, for I have not sufficiently investigated it. I leave that to the committee which is about to report, and, I understand, to recommend the repeal of the law; but I will give a case which occurred in my district. The firm of George W. Williams & Co., State street, Hartford, Connecticut, (that is specific, and they are to be found,) is a firm of respectable and responsible druggists and manufacturers. Some two or three years ago, being about to make a very simple article, known as extract of ginger, (I would not advertise them if it were not necessary to answer the gentleman from Massachusetts)—being about to manufacture a certain article called the extract of ginger, which was not a compound or patent, but a perfectly pure and simple article, made according to directions in the pharmacopoeia, went up to the internal-revenue collector's office and asked his advice whether those bottles ought to be stamped. The collector's office advised him they did not come within the letter of the law, and they need not stamp that article. They went into the manufacture for two or three years, making an honest article—as all the Connecticut manufacturers do, of course. [Laughter.] It had a large sale. Last September a young man appeared in their office—it is said in the Secretary's report that his name was Simmons.

Mr. FOSTER. That is it.

Mr. HAWLEY, of Connecticut. No; it is not the distinguished collector of Boston, but a young man in Simmons's employ and sometimes under Sanborn, I believe. He appeared in their office, and said he had authority from the Treasury Department and wished to examine their books. They asked him for his authority, and he showed papers which seemed to vouch for the truth of his statement. They opened their books and he looked through them, and said they were indebted to the Government \$2,200 and over. In the book it is \$2,249. They expressed astonishment; they declared they had been advised by the officers of the internal revenue they were not taxable at all. He insisted they were, and unless they paid their tax forthwith he would take process against them and disgrace them in the eyes of Connecticut and of New England. They are responsible and worthy men, although timid, and have a high regard for their commercial reputation. They asked for delay. "How much delay will you give us?" "I will give you until to-morrow morning, at ten o'clock, to pay \$2,249." They went to the collector of the district, but without laying the case before him, as they ought to have done, asked, "Is this young man a lawful agent of the Treasury Department?" They said, "Yes; he showed his papers as he came through the town." They did not wish to be disgraced, and believed they had no way to test the case. They would otherwise have taken an appeal to Commissioner Douglass. They consented, therefore, to pay, and they did pay. When a few hours afterward they came to tell a few friends about it, they were told they had been foolish, unjust to themselves, unjust to the community, and unjust to the Government; that they should have kicked the young man out and appealed to the Treasury Department for a full hearing. They paid the money, having for two or three years gone on under the advice of officers of the Internal Revenue Department that they were not liable to be taxed on the articles they had manufactured. Now, Mr. Chairman, the law may be a just one, but the execution of it was infamous. That was black-mailing, if I know what black-mailing is.

Mr. FOSTER. And the Commissioner says the tax ought not to have been collected.

Mr. BUTLER, of Massachusetts. I am very glad we have got one case. It turns out that an apothecary went to his friends and got private advice upon the law, and did not pay taxes upon his patent medicines, and that after this had gone on for three years he was told that if he did not pay his taxes process would be brought against him. What is that process? He would be sued. He asked, "How long will you give us to say whether we shall be sued or not?" The answer was, "Till to-morrow morning, at ten o'clock; go to your counsel and take advice." He went and took advice of his friend and of the collector and of some others, it would seem, and then he concluded to do what he was bound to do—pay the taxes or have his case brought before a jury.

Is that infamous? Where is the infamy? I fail to see it. A man goes and says, "You have not paid your taxes; either do it within a certain time or process will be brought against you." He gives him a reasonable time to choose. He chooses and pays. And if the tax is wrongfully paid, it can be returned by the Secretary of the Treasury. Is there any evidence in that book, I ask the gentleman from Ohio, that they ever made any application to have it returned? I believe not. They have not got over their scare yet. That is all I desire to say.

Here the committee informally arose, and Mr. SCOFIELD took the chair as Speaker *pro tempore*, to receive a message from the Senate.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. SYMPSON, one of its clerks, informed the House that the Senate had passed, without amendment, the bill (H. R. No. 919) to provide for the issuing and recording of

commissions to postmasters appointed by the President by and with the consent of the Senate.

The message also informed the House that the Senate had passed with amendments, in which the concurrence of the House was requested, the bill (H. R. No. 1577) for the relief of Susan L. Galloway.

LEGISLATIVE, ETC., APPROPRIATION BILL.

The Committee of the Whole resumed its session.

Mr. HAWLEY, of Connecticut. I desire a moment to make an explanation.

Mr. GARFIELD. I yield to the gentleman for an explanation only, not to extend the debate.

Mr. HAWLEY, of Connecticut. The firm of George W. Williams & Co. did not behave in that matter with the wisdom and pluck which men usually display in my State in matters of that sort. The same game was tried with another firm.

Mr. BUTLER, of Massachusetts. I desire to say to the gentleman—

Mr. HAWLEY, of Connecticut. I do not yield just now.

Mr. BUTLER, of Massachusetts. The gentleman from Connecticut is speaking in my time.

The CHAIRMAN. The gentleman from Connecticut [Mr. HAWLEY] has the floor.

Mr. BUTLER, of Massachusetts. In my time.

The CHAIRMAN. The gentleman from Connecticut [Mr. HAWLEY] has the floor by favor of the gentleman from Ohio, [Mr. GARFIELD.]

Mr. HAWLEY, of Connecticut. I thought the gentleman from Massachusetts [Mr. BUTLER] had finished, and I asked the gentleman from Ohio to give me the floor for a moment. I understood that he did so.

Mr. GARFIELD. I did.

Mr. HAWLEY, of Connecticut. These parties might have conducted this matter with more pluck and decision. They should have gone to take the opinion of counsel that evening; and no lawyer in Hartford would have advised them to pay that. There is no lawyer familiar with the collection of revenue who would not have told them that they would have time to appeal to Washington. That they ought to have done. But they did not do that. So far as I am informed, they simply sent to the collector to ascertain if this young man was the duly authorized agent.

The question may be raised as to some other firms whether they applied for a return of the duty. This firm, George W. Williams & Co., did make due application to the Commissioner of Internal Revenue to have the amount refunded. And this is the statement which Commissioner Douglass made to me, that in the execution of his difficult, and sometimes embarrassing, duties he does find that a firm ought to have paid a tax during a period for some time past, and have not paid it because in some cases the departments told them they need not; in others, in perfect sincerity they had gone on, not knowing that they should have paid the tax. He says that if it is found that a firm has been behaving with due respect to the law and an honest purpose, not intending to evade the law, if their conduct heretofore has been honorable and law-abiding, he does not always think it necessary to go back and hunt through their books. He thinks that such a proceeding tends to bring the revenue laws into disrepute. But he tells them, hereafter you must do what is correct. He tells me that in this case he never would have collected this back tax, but if he had come to the conclusion that the parties should pay hereafter he would have so notified them and required them to begin from that day.

It is not so much the law that I am finding fault with, but it is the manner of the execution of the law that I object to. Make the execution of your revenue laws hateful, and you oppress and exasperate honorable men. It is only the manner of the execution of the law that I am speaking of.

Mr. GARFIELD. I see that the House desires to finish the discussion of this particular matter. I therefore yield back to the gentleman from Massachusetts [Mr. BUTLER] the time given to me, hoping I may get a portion of it back from the gentleman, or that I may have the floor yielded to me again.

Mr. BUTLER, of Massachusetts. I desire simply to comment on the new phase of this question, and that is, that if the collector found that men had not paid their back taxes he would not collect them. Where does he get that authority under the law? It is because of that very action of the collector, who will not collect back taxes, that we have been obliged to have these contracts. If he had not told these delinquent tax-payers, "Go and sin no more," there would have been no such necessity. Who gave the collectors their power of absolution? Where did they get the right to say, "I will not collect back taxes, nor will I look into the books of the delinquent party in order to find out whether they have paid their taxes or not?"

Mr. HAWLEY, of Connecticut. The Commissioner says that is the usual policy.

Mr. BUTLER, of Massachusetts. Very well; pardon me; I do not care whether the Commissioner says so or not. Taxes are to be collected honestly, fully, impartially. A man should pay all his taxes. Does the gentleman say that Mr. Sanborn's agents exacted any penalties of this firm to which he has referred? Did they take anything more than the exact taxes which were due? In this case of patent medicines, did they take one dollar more than was due, or did they demand only the honest and exact tax due to the United States. Is doing

that only made the ground of complaint? I do not know but what the Commissioner may have said, as the gentleman states; but if the gentleman heard him say so, I shall take it as a true report; if the Commissioner has stated that, when he finds taxes are due to the United States, he will not collect them, it is time the President of the United States got a new Commissioner. I hold it to be the duty of revenue officers, when they find that men have held back taxes from the Government, either willfully or mistakenly, to take the taxes and penalties, if any have been incurred, and not simply to ask them to pay the taxes only which they ought to pay in the future.

Does any man in the United States wish to condone these delinquent and concealed taxes justly due the Government, while the poor man or the farmer, who cannot conceal and put his property out of sight, is oppressed by taxation? If any man has this power or wish, he ought not to be permitted to exercise it. If the patent-medicine vendors of this country cannot be made to pay their just taxes on their wares, I hope the farmers will not pay theirs. Sir, I do not want to hear complaints from a patent-medicine vender that he is made to pay the just taxes due from him to the Government—taxes kept back for years, which he has not, so far as I know, even dared ask to have remitted, especially when no penalties have been demanded from the withholder. There might have been penalties exacted if he had done this willfully, but if he did it without intending wrong, then he ought at least to pay his taxes uncomplainingly, if nothing more. I am glad we have had the front of the offending of this Sanborn contract—this letter from the gentleman from Ohio [Mr. FOSTER]—because I know that in presenting his case he has put his best foot foremost.

Mr. FOSTER. Not yet.

Mr. BUTLER, of Massachusetts. The gentleman is mistaken; he does not put his worst foot foremost. What has been asserted here? First, that most of these taxes have been collected by the district attorneys and revenue officers. Well, sir, that is just what the contract provided, so that they should be collected by responsible officers of the Government. Under the Sanborn contract that was what was to be done after he had found out the delinquent cases. I said that at the very beginning, and I gave the reason why it was done: in order that there might be a responsible officer to handle the money.

Well, what is the other case—the other case which occurred in Hartford, Connecticut? An innocent patent-medicine vender, surrounded by lawyers, was called on to pay a tax on an "extract of pure ginger," and being so called on was given twelve hours to consider of it, or be sued for his taxes, and he concluded to pay it. That is here denounced as "infamous." He was simply called upon to pay his tax, that was all; and that is all there is about that case. And these are the men in whose behalf my friend from Ohio [Mr. FOSTER] says he is going to report a bill to repeal the law, in order that they may escape paying their taxes. And yet we are asked to put on more taxation, to increase the tax on friction matches, the poor man's tax, and also on tea and coffee; while the rich railroads, and patent-medicine vendors, and the whisky sellers are to be allowed to keep back their taxes, and the rich legacy and succession taxes are to be withheld by the rich men's sons, whose fathers have wrung money out of the people. This is what we are called upon to allow to be done. They are to escape taxation. Is that what you want to do?

Mr. FOSTER. The gentleman is very anxious about this matter.

Mr. DAWES. I want to protest against this debate.

The CHAIRMAN. The balance of the hour belongs to the gentleman from Massachusetts who has just spoken, [Mr. BUTLER.] To whom does he yield?

Mr. BUTLER, of Massachusetts. I will yield either to my colleague [Mr. DAWES] or to the other gentleman; I do not care which. I am willing to meet either or both of them.

The CHAIRMAN. To whom does the gentleman from Massachusetts yield?

Mr. BUTLER, of Massachusetts. I yield to the gentleman from Ohio, [Mr. FOSTER.]

Mr. FOSTER. The gentleman from Massachusetts is very anxious to have cases. Here is one on page 251 of this document, by Frank M. Green, who terms himself special State auditor of the Treasury Department, but who has I believe no appointment there. He collected \$6,099.43 from the Indianapolis and Saint Louis Railroad Company. I will read what the railroad company says about their non-payment:

In explanation as to the delay in payment of the tax, I would say that our treasurer called on the revenue officers at this place, asking for instructions as to making up the amount due; they seemed in doubt as to amount of tax due, and said they would apply to the Department for instructions. Since which time we have held ourselves in readiness to make the payment, but as we were not called on, did not press the matter.

Frank M. Green says to the Department, "I believe the statement as to cause of delay in payment to be true." Now there were \$6,000 collected from this railroad company, when the Internal Revenue Department had full knowledge of it; and for that service Mr. John D. Sanborn gets \$3,000. The whole effect of this law has been that instead of these gentlemen assisting the proper officers of the Government in the discovery and collection of taxes, the proper officers of the Government have been assisting Mr. John D. Sanborn, and have paid him \$213,000 for that purpose. This was largely collected by two gentlemen—one of them, Mr. Simmons, the supervisor in Massachusetts, and another, Mr. Lucien Hawley, of New York. One of these gentlemen has been indicted, and will probably go to the peni-

tentiary. The other has been promoted to be collector of customs at Boston. [Laughter.]

Mr. BUTLER, of Massachusetts. I admire the bravery of a man who attacks an absent man. Now, then, Mr. Lucien Hawley, of Brooklyn, collected \$4,000; that is all he collected out of \$231,000, and they indicted him for that.

Mr. FOSTER. Will the gentleman allow me to correct him?

Mr. BUTLER, of Massachusetts. I will be corrected.

Mr. FOSTER. On page 244 is a statement that Lucien Hawley collected the sum of \$99,685.24, of which Mr. Sanborn gets \$48,000. [Here the hammer fell.]

The CHAIRMAN. The hour that originally belonged to the gentleman from New York, [Mr. WHEELER,] and which was yielded to the gentleman from Massachusetts [Mr. BUTLER] has expired.

Mr. BUTLER, of Massachusetts. I would like to have four or five minutes longer.

The CHAIRMAN. Strictly speaking, the Committee of the Whole has no right to extend the time of any gentleman beyond an hour. If no objection be made, however, the Chair will permit the gentleman to proceed.

Mr. BUTLER, of Massachusetts. I will not be long.

Mr. HALE, of Maine. Being upon the Committee on Appropriations, I supposed I would be entitled to the floor next. If so, I will yield to the gentleman from Massachusetts.

Mr. BUTLER, of Massachusetts. When I spoke of \$4,000, for the collection of which Mr. Hawley is responsible, I spoke of legacies and succession duties. I spoke of them because he was indicted in that connection. I agree that after Mr. Sanborn gave him the notice in the case of the Delaware, Lackawanna and Western Railroad Company, the Lackawanna and Bloomsburgh Railroad Company, the Morris and Essex Railroad Company, the Utica, Chenango and Susquehanna Valley Railroad Company, the Warren Railroad Company, the Valley Railroad Company, the Oswego and Syracuse Railroad Company, and the Greene Railroad Company, Mr. Sanborn collected \$99,000.

Mr. FOSTER. Hawley collected it.

Mr. BUTLER, of Massachusetts. Pardon me; no, sir.

Mr. FOSTER. Sanborn says he did.

Mr. BUTLER, of Massachusetts. Hawley may have received the money as collector.

Mr. FOSTER. Sanborn says he worked up the case and collected it.

Mr. BUTLER, of Massachusetts. No, sir.

Mr. FOSTER. That is what Mr. Sanborn says, and he ought to be good authority.

Mr. BUTLER, of Massachusetts. Let us see exactly what Mr. Sanborn says. He says, "referring to the contract made with Mr. BUTT-WELL that the railroad corporations which I have named paid to him the full amount of taxes accrued and not heretofore paid on dividends, undivided net gains, and interest on stock and loans." Then he goes on to say, "The details of the indebtedness of the above companies have been ascertained and brought into shape by Mr. Lucien Hawley, supervisor internal revenue, at my request." That is, he brought the matter into the shape in which the amounts could be ascertained, and did it at the request of Mr. Sanborn; precisely as I said before. Now, I want no better case than this. I am very glad that this case is brought up. Here were \$99,000 due from these railroads for back taxes for three years, which lay neglected until the 3d of March, 1873, and in a few months more the time against them would have run out, and the people of this country would have been cheated out of \$99,000. They have got \$48,000. And while we are here at work squeezing the poor clerks out of their pittance of salary, paring down these little appropriations—while the chairman of the Committee on Appropriations is sweating over the estimates to see where he can pare down a little here and a little there—here were \$100,000 about to be run away with by these railroad companies, being their taxes upon dividends and stock, which Mr. Sanborn found out had not been returned by them. I wish we could let loose five hundred Sanborns on such rascals; and then we should not be obliged to raise a tax on the poor man's tea or coffee or matches. There are, Mr. Sanborn says, \$15,000,000 of these back taxes, and he only wants to be let loose and he will collect them. That will be more than you will get out of friction matches or any such taxes. I have not a word to say on the question whether the internal-revenue officers have done their duty. Until this debate the great fact has been concealed from the House and the country that most of these taxes are four years old; and the law for their assessment has been repealed since 1870; so that the taxes can only be recovered now by being ferreted out by somebody who has energy and perseverance, and is not afraid of any whisky ring or newspaper ring.

If this House repeals this law which has put this large sum into the Treasury, and thus let loose these railroad companies and these patent-medicine venders to run away with millions of taxes, we shall then finish our work by laying a tax on the poor sewing women's tea and cutting down the pay of the female employes in the Treasury. [Laughter.]

Mr. FOSTER. Mr. Chairman, I wanted to apologize to the House—

Mr. BUTLER, of Massachusetts. I think you ought to.

Mr. FOSTER. I wanted to apologize to the House for introducing here the names of absent gentlemen. But, Mr. Chairman, I think,

when it is known that they are represented here by counsel, they will pardon me. [Laughter.]

Mr. BUTLER, of Massachusetts. To that I answer, Mr. Chairman, that the gentleman either states what he knows to be true or he states that which he does not know to be true. If he knows what he states to be true, he should state it directly and fairly. I am not the attorney or of counsel for Mr. Sanborn. I have never been retained in a case by him under this contract; but I hope he will retain me when he gets after the rest of these railroad companies, to make them do justice to the Government and pay their overdue taxes. I will give him my best services in so good a cause, let me tell the gentleman from Ohio, very cheap. At one time God came down from heaven to punish misstatement with sudden death—the only occasion of the kind of which we have any such record. It was not that the man had said what was not true; he only kept back part of the truth. [Laughter.]

Mr. HALE, of Maine. I sought the floor for the purpose of giving away my time to the gentleman from Ohio, [Mr. GARFIELD,] who I believe proposes to answer some of the statements made by the gentleman from Kentucky. But as the Sanborn contracts have been discussed to-day, I want, before yielding the floor, to say a few words on that subject.

I go deeper than the gentleman from Connecticut, [Mr. HAWLEY,] in this, that I object to the law under which these contracts have been made and carried into force. I object not alone that the manner of executing the law is offensive, and must be so to our people, but that in its inception it was, in my view, wholly, radically, violently, wickedly wrong. I take occasion to say a word here, because when the law was passed I had the honor to be a member on this floor, and I opposed the enactment of the provision which at least put upon an appropriation bill, set these men, Sanborn and his fellows, loose on the country. I made that opposition on investigation, and after I had sought information from the then Secretary of the Treasury, who told me (and I believe he was honest and candid in his statement) that if the law, which he did not favor, should be passed, it would result in nothing; that if men came to him for authority to go over the country raking up claims for old taxes and menacing citizens with uncertain terrors if they did not pay, he believed that nothing would come of it; that while no good would come, no harm would result. I remember that I suggested to the Secretary of the Treasury that if he authorized irresponsible, greedy men (as they necessarily to a degree must be who would take this kind of contract) to go forth, and never heard from them again, while they had an offer of a large percentage if they would bring money into the Treasury, that very result would show either that they were without ground in their claims and had exaggerated their own knowledge and others' delinquency, or else that, hunting up delinquents, they had compounded with them for a sum equal to or more than what the Treasury Department would pay them. But the Secretary of the Treasury thought (and I had confidence in his judgment then, for he is a man I then respected, and now respect) that no danger would arise in that direction; and so no veto came from him on this project, and some of us, trusting to the best, voted, at last reluctantly for the provision. I opposed it with what strength I could in the debate, and have seen nothing from that day to this that has led me to think that my opposition was wrong.

I go further, sir, than the gentleman from Connecticut, [Mr. HAWLEY,] who has found a single instance in his own State of the offensive operation of this law. He cannot fail to see that his instance is not merely an isolated case, but that it proves the inevitable offensive operation of the system. I object to it because it is not in harmony with the spirit of our institutions—the reliance of the Government upon the people, and the faith of the citizen in the Government. It is not the proper way to deal with our business interests to send out a band of men with the indorsement of the whole Treasury Department to operate in this way. I do not know who Sanborn is; I never saw him; I know nothing about him; but, be he who he may, there should be no authority given even to the three best men that might be selected in this House, or in the Senate, to collect revenues, by threat or terror, and not by regular statute process, which should be open as day.

Sir, I object to it because of another thing. It will be found in the long run that any system of spies or informers, or special agents, who receive large sums out of what they collect of arrearages of taxes or for violation of law, will in the end result in no benefit to the Treasury. That fundamentally is the answer to the gentleman from Massachusetts, [Mr. BUTLER,] that the Treasury has been benefited. If you give to spies or informers anywhere a large share of what they collect for violations of the law, the inevitable result is your whole regular force in the country is paralyzed. The regular force of custom-house officers and of internal-revenue officers have as their bounden duty, not only to protect the Government from violations of the law, but to keep the law from being violated. But when a band of spies or moiety seekers or informers is set up and fostered, it is for their interest, Mr. Chairman, that the law should be violated. They strike in at a time when the law has been broken, and seek to take one-eighth, or one-quarter, or one-half of what belongs to the Government, by way of penalty for a law infringed. It is not for the interest of any Sanborn that the revenue laws

should not be broken. I object, further, to all this Sanborn affair, that 50 per cent. of what legitimately belonged to the Government is taken by the contractors. It is not the poor tax-payer that is relieved, but he is made to pay more money, that Sanborn and his ilk shall batten on their moieties.

One thing more. Such contracts can never be restrained and limited to good operation. An examination of the book in my hand will show, as would naturally be expected, that men procuring such a contract will aggrandize. Such a thing grows as it goes. No man can read this volume, sir, and not see the difference between the first guarded instructions of the Secretary of the Treasury, in which he suggests that it is not according to good policy that certain taxes should come within the provisions of these contracts, and his Department's position in a few weeks sanctioning the contractors' construction raking all things into their heap. If a district attorney anywhere suggests that a large sum ought not to come within the purview of the Sanborn contracts, and the Department, instead of sustaining that district attorney, upholds these men because they had grown as they went, aggrandizing in power so that at last, to read the report of the committee having the matter in charge, it looks as though the Department was being run for them and not they contributing to the Treasury Department, that was the misfortune of the Department. I do not believe it was in any way corrupt, but this connection has indisputably weakened it with the country.

I object, sir, for these fundamental reasons, to any such law as this. I bid this committee which has it in hand godspeed in their efforts to repeal it.

One thing more, Mr. Chairman. I hope this committee will go on and bring out everything they can find and report it all fearlessly. I acknowledge for one, as a member here, I was restive under the menace of the gentleman from Massachusetts [Mr. BUTLER] when he stood up here and, with the audacity which characterizes him alone, told this House that if gentlemen made themselves busy on this floor in effecting the repeal of this law they would hear from him as to taxes which were due and unpaid.

I do not know whom he had in his mind, and I do not care. I was one of those unfortunates who had not enough to be much taxed so as to be behindhand. But the gentleman in that threat represents the spirit of these Sanborn contracts. It is to menace, to terrify with all that is disturbing, and all the more so for its vagueness. It is to say to men, after the fashion of despotism, "Pay, or you will suffer." He says to the House, "Keep silence, or I will assail you." I do not know, I say again, to whom the gentleman referred. I know he did not mean me, and so there is no personal matter; but I regretted to hear it. I was restive as a member of the House under that menace. I trust there is no man here who, if he is inclined to speak his mind on these Sanborn contracts, will be delayed one moment by that threat.

I now yield to the gentleman from Massachusetts.

Mr. DAWES. Mr. Chairman I sought the floor to say to the House that in my judgment all this debate about the Sanborn contract is exceedingly premature. And I desire to express my amazement that my colleague should rush into the debate and insist on discussing the merits of the Sanborn contracts when in no way had his name been connected with them except by the public press; and as my colleague had proclaimed he was above any regard for the statements of the public press, I supposed he, in common with the rest of the House, would have been willing to wait until the Committee on Ways and Means, to whom the House had committed the matter for examination, might have made a report on the subject and the merits were legitimately before the House.

But, sir, my colleague has confessed to-day that the public press compels him to speak in his own defense. I should not if I had been in his place have hesitated to have defended myself, because I had not taken that position. But, sir, I do not think that he is exactly candid and fair in undertaking to defend the Sanborn contracts in reference to these railroads and other matters, and to invoke the prejudices of the House against the railroads in support of the contracts, when he has said they are just about becoming outlawed, and the effect of this action is to relieve them altogether. Why, sir, it is two years ago that this law was passed, when there were at least three years to collect these taxes, and the law gave nobody any new power. It clothed no officer with any power he did not have before. It only stimulated officers to a work which they have since done by farming out the revenue to them at 50 per cent. And there it lies; the whole of it lies in that single question.

Is it a matter of public policy, worthy to be maintained and defended to the country, that the only or the best method of collecting the revenues of the country is to farm them out for the percentage of 50 per cent.? These are taxes uncollected which ought to have been collected. The power of the law was sufficient to have collected them. The officers of the law had all the power before that they have now to collect them. It only lacked efficiency; that was all. That is what my colleague says lies in Mr. Sanborn, more than in all the other revenue officers of the Government, and which has been brought out into action, into full play, by the stimulus of farming out the revenue to him and telling him he shall have 50 per cent. of all he collects. That is the policy to be defended here on this floor. It is neither J. D. Sanborn nor Mr. Simmons nor anybody else. It is the proclamation to the country that the best method in which you can collect

our revenues, the only manner in which you can relieve the poor man of his tax upon his tea and coffee, or the patent-medicine man of his stamps, is to give some man who has got latent energy something that will stimulate and bring out of him what is sleeping dormant there till this day, by telling him that he shall have half of all that he can collect.

I think my colleague and others might be patient enough to wait until the Committee on Ways and Means report upon the facts after a hearing of Mr. Sanborn, as he has asked to be heard in his own defense, and after the hearing of any gentleman who can either defend or otherwise throw light on these contracts. I submit to my colleague and to the House that the whole thing to be maintained and defended is a policy, and the effect of that policy upon the country, the effect of it upon the execution of the law, and the effect of it upon those upon whom the law is administered. How is it found to work? Has the experience of other nations who have farmed out their revenues been such as to justify any such policy? Is it to be proclaimed that the only way to bring fidelity and efficiency to the administration of the law is to farm out the collection of the revenue at 50 per cent. of the gross amount collected?

Now, sir, let Mr. Sanborn go. Let any just or any unjust attack on my colleague through the public press go. But let him address himself to the question of policy, and say if, with all the revenue officers you have in the country it is true that you cannot find men who will do their duty with fidelity and efficiency, except as you stimulate their energy by giving them 50 per cent. of all they can collect.

Mr. FOSTER. I yield five minutes to the gentleman from New York, [Mr. E. H. ROBERTS.]

Mr. E. H. ROBERTS. I desire to protest against a judgment being passed on this whole subject until it shall be fully argued. I trust the gentleman from Massachusetts did not desire a one-sided statement of the case to prejudice the question whether or not the law under which these Sanborn contracts were made should or should not be repealed. The question whether there has or has not been some individual misconduct under those contracts is a much smaller question than whether the whole law is not wrong, radically wrong, from the beginning.

When the Committee on Ways and Means shall be allowed to report upon this subject I venture to predict that it will be shown that the original law was passed without a fair understanding in either House of its purpose; that it was passed while in this House it had been repeatedly declared that moieties should not be paid for the collection of internal-revenue taxes. The House had distinctly voted against giving power to the Treasury to appoint revenue agents for the purpose of collecting these internal taxes. It will be shown besides, Mr. Chairman, that at the time this law was passed the Internal Revenue Bureau was collecting these taxes—taxes of this identical class—day after day, month after month, by hundreds of thousands of dollars in the course of a year.

We are to meet the question, when a bill shall be presented for the repeal of this law, whether or not it is just and proper to set up in a free country a close corporation of contractors outside of the Government, to threaten, to make demands all over the country, and to compel the officers of the Government to assist them in their collections. Then it will be time, and then we will attempt to ask this House to say, whether this country wants money that it collects at the rate of 50 per cent.; whether, Mr. Chairman, it is wise policy for this country, on any pretext of reducing taxation, to put into the pockets of a single individual the sum of \$213,000. For one I am now prepared to say that the country does not want such blood-money, that money obtained at such a price is all too dear; and when the time shall come we will be ready, I venture to say, to discuss these questions. All I desire to do now is to protest against taking judgment in advance before there can be a full hearing upon this subject.

Mr. HALE, of Maine. I now yield five minutes to the gentleman from New Jersey, [Mr. PHELPS.]

Mr. PHELPS. Mr. Chairman, I do not take the floor to discuss the policy of this contract, nor the character of the gentlemen whose names are connected with it. I wish to give to the House only a simple narrative of facts; facts, it seems to me, different from any which have yet been elicited in this discussion. I state these facts simply to enforce this conclusion, that whether it be good policy or not to farm the revenue to insure a better collection, or whether these men be or be not the best men to give the duty to, it is not right to make a contract so inconsiderately as to distribute rewards that shall be totally disproportioned to the service rendered.

Services of this nature may be rendered which would justly entitle the party rendering them to a reward equal to 50 per cent. of the amount which was recovered. But there are cases falling within this contract of a different nature. Such is a case within my own knowledge, and to which I call the attention of the House. There were no services sufficiently valuable, no labors sufficiently arduous, to warrant an extraordinary compensation; and I claim that a contract that awarded it, however good in policy, is wrong in detail, and should be amended or annulled.

Four or five years ago there died in the city of New York a man who had spent there a long life of honorable activity. His success was sufficiently marked to make him well known to his fellow-citizens. His death received notice and comment in the city press; and after his death the particulars of his will were, by the same instrumentality,

spread before the public. In the will were bequests of a charitable and public nature; something, therefore, besides the ordinary curiosity of the public to impress the fact of the death of a prominent citizen and the disposition of his estate. Of this will I was made the executor. In the discharge of my duties as such I found that there were taxes to be paid which were scheduled under the two heads, "legacy" and "succession." To prepare for paying these a copy of the will was immediately filed in the office of the proper assessor. Under the law the succession tax fell due first. Accordingly, upon me as executor was served the usual notice from the assessor's office that a valuation was made, the assessment laid, and payment expected. Payment was made promptly.

Mr. BUTLER, of Massachusetts. When was that?

Mr. PHELPS. Four or five years ago; not more than five, and, perhaps, not more than four.

After the payment of the succession tax, when the legacies were ready for distribution, I made my returns of them to the same office, and paid the legacy tax. The estate so moved toward its final settlement. The tax upon succession and the tax upon all legacies were paid except the tax upon the residuary legacy. This tax, I need not tell a House composed of so many lawyers, could not be paid until the amount of the residuum was ascertained; that amount could not be ascertained until all claims had been settled, all accounts had been closed, all lawsuits ended. Then, and not before, could executor or assessor tell the value of the residuary legacy upon which the tax should be assessed and paid. The estate was large and mixed in a variety of investments. I should judge, from my experience as a lawyer in the settlement of similar estates in the city of New York, that few have been finally closed within so brief a period as five years; and I congratulated myself last March or April that, with the exception of certain matters in litigation, my duties were practically ended, when I received from the same office notice that a residuary tax had not been paid, and asking for a return of the value of the residuary legacy, that an assessment might be made. An interview followed, in which the assessor learned to his apparent satisfaction that the estate was not yet ready for settlement, but was progressing in that direction. The interview ended with the assurance on the part of my agent, who had charge of my affairs, that he would hasten the prosecution of certain suits which delayed the settlement of the estate, and would at the earliest moment communicate the results to the assessor's office.

Nothing was heard of the matter until perhaps August or September of last year. At that time I had a personal interview with the assessor, who said that the Government was anxious that all estates of this kind should be closed, and that it would be considered a favor to the officer and to the Government if the executor would, by conjecture, estimate or otherwise fix the value of outstanding doubtful and litigated claims, add it to the amount already ascertained, and return that total as the residuary legacy—the basis for the tax.

Mr. BUTLER, of Massachusetts. The assessors have been abolished for some two years.

Mr. PHELPS. It was an officer of the Government; I did not know his title. I do not know whether it was the assessor or the collector. I know only that it was the same officer that I had dealt with before; or at least he was one of them, and from the same public office.

Right here, lest I may forget it, I want to say that there was no demand or threat. The interviews were brief, but always pleasant and agreeable. There was no suggestion of dereliction; there was co-operation in a desire I expressed to lump the uncertainties, close the estate, and pay the tax before it was legally due. Nothing that I recall extraordinary or different from the interviews connected with the previous returns of taxes, except the fact that the officers seemed more anxious this time that the interest of the Government would be subserved by speedy payment; and I am not sure this anxiety was so marked as to excite my comment or notice at the time. There was nothing in this final transaction—the collection and payment of the residuary tax—that was different from the collection and payment of the succession and legacy taxes. Certainly there was nothing said or done to indicate that it was other than the act of the Government. The office was the same, the printed notices were the same, and the officers were in whole or in part the same.

In this personal interview of August or September with one of them who brought the blanks of the Government to me on which to make my returns, I told him I would be very glad to close the matter and get it off my hands. I told him further if, in his opinion, it was just to the Government that I should conjecture what would be the probable result of claims disputed or litigated which were still pending, and he was willing to accept such conjecture as I might make, I would do it. Upon consultation with him and with my friends I did make such an estimate as I thought proper and fair in the case, and upon it made my return. The tax was paid soon after at my New York office. I was away, and do not know to whom. I suppose it was paid to the same collector as before, or my attention would have been called to it by my clerks. What was the amount?

Mr. BUTLER, of Massachusetts. I can give the gentleman the amount, which is stated here. It is \$14,820.

Mr. PHELPS. That would be my impression—that it was about \$15,000. I supposed it had gone to the Government. I knew and suspected nothing to the contrary, until one day on the floor of this House my friend from Massachusetts now near me, said that it was in

the Sanborn contracts. I had not heard of these contracts before; I had not heard of Mr. Sanborn before. My curiosity was therefore naturally great to know in what way I could have gotten into the Sanborn contracts. Upon examination I discovered that the provisions of the contract were so loosely drawn—its reach was so carelessly defined—that cases like my own, in which I submit to the House that there was no dereliction of duty, but rather an anticipation of duty, clearly and from their nature came within its terms.

I will conclude now by only calling the attention of the House to the point I made in the beginning, and which is the only one I want to make; that even if it is right to farm out the collection of the revenue by contract, the contract should not be an exorbitant one. It is not fair to give \$7,000 to any contractor for merely instigating the officers of the Government to exercise ordinary energy and perseverance in a simple case like this. This tax, like its predecessors, would have been paid to the Government, there is no reason to doubt, when it became due; and the fact that it was paid sooner—before it became due—through the zeal which Mr. Sanborn put into the Government officials, is not sufficient reason for the Government to pay to Mr. Sanborn the \$7,000 which our revenue has lost.

The way I feel in this matter is this: When Congress tries so hard to pare down appropriations and curtail expenses, to save the poor man from further taxation and to keep for him his free tea and his coffee; when we wrangle over the cost of his friction matches, it is too bad to give to any contractors, however honorable, however efficient, the sum of \$7,000 for merely telling an officer of the Government to urge a well-known citizen to pay his taxes, when these officers had the will recorded in the office from which their notice came, when they knew the executor was responsible and could be forced ultimately to pay all that might be due to the Government.

Mr. BUTLER, of Massachusetts. Will the gentleman answer a question?

Mr. PHELPS. Yes; certainly.

Mr. BUTLER, of Massachusetts. Can the gentleman tell the House what was the date of filing that will?

Mr. PHELPS. I should think it was June, 1868, or June, 1869.

Mr. BUTLER, of Massachusetts. And assuming the tax to have been due at the time the will was filed, when would the five years have run out?

Mr. PHELPS. But this debt or tax is not incurred, so that the statute runs until the estate is settled. Only then can the amount be ascertained upon which the tax is levied and by which the debt is as ascertained.

Mr. FOSTER. What is the limitation?

Mr. BUTLER, of Massachusetts. Five years, when the legacy tax becomes due.

Mr. FOSTER. That does not become due until the amount is ascertained.

Mr. BUTLER, of Massachusetts. When the will is proved it becomes due.

Mr. PHELPS. No, when its amount is ascertained.

Mr. FOSTER. There is no limitation against the collection of the tax; there is a limitation against the assessment.

Mr. COX. Mr. Chairman, is debate limited to the other side of the House?

The CHAIRMAN. The floor belongs at present to the gentleman from Maine, [Mr. HALE.] If he yields to the gentleman from New York, [Mr. COX,] the latter will be recognized.

Mr. HALE, of Maine. I have promised to yield to my friend from Connecticut, [Mr. HAWLEY.]

Mr. COX. Well, Mr. Chairman—

The CHAIRMAN. The gentleman from Connecticut has the floor.

Mr. HAWLEY, of Connecticut. Mr. Chairman, it will be impossible for me to stay long in the way of the gentleman from New York, [Mr. COX,] because I am so anxious to hear him. My only desire in seeking the floor at present is to correct a misapprehension of the gentleman from Maine, [Mr. HALE.] I was sorry he misunderstood my remarks, as he did slightly; and as I had no opportunity at the time to correct his statement, he kindly yields me a moment now.

When previously upon the floor, I was, as I thought, careful to say that my only wish was to present a case under this law, not to go into a discussion of the law itself or the general policy of such laws. I rise now only to say that when the proper time comes, if this is not the proper time, (and we are making it such very fast)—when the proper time comes for discussing that law, I shall by speech or vote concur with those gentlemen who have most heartily denounced that law and all the practices under it. The law itself, from foundation-stone to turret, together with the whole system of moiety and Sanborn contracts from beginning to end, is, I think, from our experience, obviously demoralizing to the whole civil service, and discreditable and injurious in every way to the Government. This is all I wish to say just now.

Mr. HALE, of Maine. I now yield to the gentleman from Ohio, [Mr. GARFIELD.]

Mr. GARFIELD. I yield one minute to the gentleman from Pennsylvania, [Mr. RANDALL.]

Mr. RANDALL. I was a member of this House when the law now under consideration was passed, and I raised my voice as forcibly as I could against its passage. At the proper time, when the committee shall report all the facts, I think I can give the gentleman from Mas-

sachusetts [Mr. BUTLER] some cases which even he will hardly defend—cases where these officers have exercised their tyranny in the city of Philadelphia.

Mr. Chairman, how was this bill forced through the House? The majority passing the bill acted in full view of a prophecy then made of the results which would follow its enactment. The gentleman from Maine [Mr. HALE] at that time said in substance, and indeed almost literally, what he has stated to-day; and I, in my feeble way, as will be seen by reference to the printed debates, characterized the measure as a scheme by which designing men would practice extortion upon innocent merchants and corporations. This is just the use that has been made of this law in the city which I have the honor in part to represent.

This measure as embraced in a conference report was, after discussion, rejected in this House by a vote of 80 to 81, the conference report being rejected solely on account of this thirty-fourth amendment as it was then classified. The bill went to another conference; yet, notwithstanding that vote of the House, recruits were brought up here and the measure was subsequently passed by a vote of 87 yeas to 77 nays. I have here the report; but as I said I do not want to anticipate the discussion of this subject. I am unwilling, however, that the gentleman from Massachusetts [Mr. BUTLER] shall stand up here and say that nobody believes this law in its execution has been improper; for I know that in its execution it has been one of the most outrageous laws ever placed upon the statute-book, as constituents of mine—honest, upright people as any living in the State of Massachusetts—have had sorry reason to feel.

Mr. GARFIELD. I yield to my friend from New Jersey [Mr. PHELPS] for a moment, that he may read a single receipt.

Mr. PHELPS. I take one minute more of the time of the gentleman from Ohio, because on reading this printed copy of the Sanborn contract I find fortunately the receipt which was sent to me as executor; and I read that receipt as showing that there was not in the transaction, in its end, any more than in its beginning and progress, one thing to indicate the presence of other than governmental interest. Certainly nothing, at a time when no one had ever heard the name of Sanborn or knew him as other than a governmental official. It is signed by the Secretary of the Treasury:

TREASURY DEPARTMENT,
Washington, D. C., September 12, 1873.

SIR: I have to acknowledge the receipt, through Special Agent John D. Sanborn, of the sum of \$14,820, on account of legacy and succession tax due the Government from the estate of John I. Phelps, deceased.

Very respectfully,

WILLIAM A. RICHARDSON,
Secretary.

Hon. WILLIAM WALTER PHELPS,
Hackensack, New Jersey.

A MEMBER. On what page is that receipt?

Mr. PHELPS. On page 164; and on the same page I find two other cases known to myself and to which I direct the attention of the House. They involve names of much wider reach than the humble one I bear; still more easily could the Government, unaided by contractors, have found and exposed their delinquency, if there was any. One receipt here refers to the estate of William Curtis Noyes, *clarum et venerabile nomen*, than whom no lawyer better known throughout the country has died in New York during the last thirty years. Immediately below, on the same page, I find a receipt undoubtedly for the residuary legacy of Edmund Penfold, a man not of forensic fame or national reputation, like Mr. Noyes, but a man widely known for wealth and public spirit. I have no time to look further.

Mr. GARFIELD rose.

Mr. NIBLACK. I will not interrupt the gentleman for longer than a minute.

Mr. GARFIELD. I have only fifteen or twenty minutes left out of two hours.

Mr. NIBLACK. I only desire, Mr. Chairman, and I feel it due to myself, to say this is a subject with which I have been familiar from the beginning; that is, what are now known as the Sanborn contracts; and when it comes before the House on the report of the Committee on Ways and Means for a repeal of the law I shall then seek the floor and make a statement of the history of the law itself, in reference to which I took some part. I opposed it from the beginning, and I am not at all surprised at the developments which have been seen here of its operation. I did not anticipate this debate, and am not entirely prepared for it, and therefore have not sought the floor, but will ask to be heard when it comes regularly before the House on report of the committee.

Mr. GARFIELD. Mr. Chairman, the discussion of the public expenditures has, by an incidental remark of the gentleman from Kentucky, [Mr. BECK,] taken in its range the so-called Sanborn contracts. I am unwilling to believe the gentleman from Kentucky weighed the force of his words and meant from his heart what he said when he introduced the subject of the Sanborn contracts. He is a member of the Committee on Ways and Means. He is familiar with all that is being said and done in that committee in regard to the Sanborn contracts. I now hold in my hand a copy of the Congressional Globe, borrowed from him, with marks to indicate the legislative steps by which the moiety law, so known, became a law. I have every reason to believe the gentleman from Kentucky is perfectly familiar with all the steps which led to that law in this House and in

the Senate; first, by being here at the time, and secondly, by having carefully, I have no doubt, gone over the Globe in reference to it. And yet, with a kind of excitement I am unable to explain or understand, he said—and I wrote down on a paper here as he uttered them—these astonishing words:

This moiety law was engineered through the House by the gentleman from Ohio, [Mr. GARFIELD.]

I wrote them at the moment, that I might be sure to quote them as they were uttered by the gentleman from Kentucky. I am unwilling to impute conscious and premeditated wrong to any member; and I cannot but think in the heat and glow of his eloquence, at the end of his hour's speech, that these words flew from him like sparks from hot iron running through the rolls. I cannot doubt that he knew better.

Mr. BECK. I wish to say this: I do not know the exact language I used. I was showing to what extent executive officers are making contracts and allowing usurpations to progress under a law which at the time was passed under the lead of the gentleman from Ohio as chairman of the committee of conference, and explained by him at the time, as shown in the book I sent him, and which he assured the House could not bear any such significance as the officers of the Government have given it. My remarks were against executive usurpation, made under the law which he thought then was harmless or else he was blinded.

Mr. GARFIELD. A word as to the history of the law itself. A friend of mine a moment ago asked how is this—it seems everybody was opposed to this matter? How then came it to be a law? This is its history in brief: The proposition was brought to the Committee on Appropriations to add a clause empowering the Secretary of the Treasury to make special contracts for the collection of unpaid taxes. I went to the Secretary of the Treasury, now a distinguished Senator, and asked him whether it met his approval. I had been told he desired that put into the law; but the Secretary, in a full conversation on the subject, said there were already some laws of that sort about taking up wrecks which had been sunk in southern harbors during the war, and he showed me his books and said, "We never got a dollar from any of these things; and I do not believe in the policy, because it simply gives men power to go around and perhaps levy black-mail upon the people. I do not believe in giving people such power."

Reporting the fact to the Committee on Appropriations, that committee were unanimously against the clause. We rejected it in committee, and did not allow it to become a part of the text of the bill; it was the legislative appropriation bill, corresponding with the one now under debate. When the bill went to the Senate the rejected clause was inserted, and when the bill came back to the House and was referred to the Committee on Appropriations, the committee, adhering to its former opinion, unanimously reported to the House against the clause; and on their motion it was stricken out in the House, and the bill was sent back to the Senate, and finally went to a committee of conference. The committee of conference found the Senate not only united, but strong and determined, in favor of keeping that clause in the bill. There was faithfully presented to them the argument made in the House—made by the gentleman from Maine, [Mr. HALE,] a member of the committee; made by the gentleman from Pennsylvania, who has just spoken on the subject; made by myself—giving the reasons why we thought such a provision ought not to pass. The Senate, nevertheless, insisted that it should be kept in the bill. It was again brought into the House and attacked by members of the Committee on Appropriations, and the House voted down the conference report by one majority, and on that ground almost solely. It was again sent back to a committee of conference, and, if I remember rightly, a second conference report was voted down in the House. I am not quite positive, however, as to that. But at last, on the final conference report, which was made on the 3d day of May, I stated the objections which had been urged in the House by the Committee on Appropriations against the clause. I said to the House that the House conferees had undertaken to obviate those objections by putting into the law that no contract should be given to any man to collect taxes under this arrangement unless he filed his statement under oath, setting forth exactly what corporation, or what man, or what men, owed taxes that had not yet been paid; stating the amount that he believed to be so owed, and stating furthermore his peculiar means of knowledge and of getting hold of the facts. My words in the debate on April 29, when the first conference report was voted down, as reported in the Congressional Globe, were as follows:

No member of the Committee on Appropriations was more opposed or is more opposed to the idea of moieties than I. I was opposed to putting on the clause to which the several gentlemen have referred. We found the Senate making this statement. The Senate conferees told us they had reason to believe single corporations had covered up under the form of stock accounts and other bonds \$500,000 which ought to have been paid into the Treasury as an income tax. And they had reason to believe this provision would enable the Secretary of the Treasury to secure the repayment of that sum. The Senate conferees were a unit on this subject, and notwithstanding all the representations we made, they would not give way. I do not believe a better result can be had if we vote a dozen conferences. I have no personal pride in this conference report; but I say at this stage of the session, when this report has cost five sessions of the conference committee to produce the result, I should be sorry to see it defeated on this single point. I demand the previous question on the adoption of the report.

The Globe reports me as speaking on the 3d May, on presenting the final conference report, as follows:

Mr. GARFIELD, of Ohio. Mr. Speaker, there were two points especially made in the House against the Senate amendment, apart from the objections which were

directed against the entire principle of the proposition. The conferees have had four sessions in reference to this question. The Senate conferees were absolutely unwilling to recede from the amendment. After all these conferences we insisted that if the proposition was to be retained at all, there should be safeguards to obviate the special objections made in the House.

The first objection was, that irresponsible persons without character might make such representations as would induce the Secretary of the Treasury to give them a contract, and that this would be the last heard from them. The amendment in its present form (as members will have noticed if they have attended to the reading) provides that no contract shall be made with any person unless he first submits a written statement under oath, of what he believes to be the amount of money or property withheld from the Government unlawfully by any person, firm, or corporation, stating also the law that he believes to be violated; and the statements are to be so specific that they may enable the Secretary of the Treasury to know where the derelict property is and its exact status.

In the next place, the amendment in its present form provides, as a protection against black-mailing, that any person having such contract, who shall attempt to make settlement, or who shall receive money in the way of settlement without an express written order from the Secretary of the Treasury to that effect, shall be deemed guilty of a penal offense, and shall be punished therefor.

In the third place, it is provided that frequent reports shall, under the direction of the Secretary of the Treasury, be made by any person thus authorized to recover property. The committee of conference believe that the proposition in its present form obviates as fully as possible the evils apprehended by members of the House who objected to the measure.

Thus, with the amendment which the House conferees insisted upon as the only condition on which they would at all tolerate the clause, it was brought in and passed. The law thus guarded, as declared in my speech on presenting the report, could not be open to some of the worst objections there were to the law.

That is the history of the case, and I know of no single act, or part of an act, that has ever been more strongly insisted on by one body and opposed by another than that clause of the legislative appropriation bill two years ago.

Now, with that simple statement of the case, I am sure the gentleman from Kentucky himself will see the gross injustice of making the statement he did in saying to the House and the country that I or any member of the Committee on Appropriations engineered this legislation.

Mr. BECK. Let me ask the gentleman from Ohio this question: Did he not, after the explanation he made as to the provisions of the law as it passed the Senate, urge the House to vote for the measure as then amended, he being chairman of the conference committee? And did he not vote for it himself on the call of the yeas and nays?

Mr. GARFIELD. I certainly voted for the conference report, as the gentleman from Maine, [Mr. HALE,] as the gentleman from Indiana, [Mr. NIBLACK,] who signed the conference report did, although as much opposed to it as I was. But the gentleman well knows that such action was as wide apart as the poles from the position of engineering the provision.

Mr. RANDALL. If there were two out of three opposed to it, how was it got in?

Mr. GARFIELD. Simply because when two independent legislative bodies differ sharply on a clause in a bill that must pass they cannot both have their way. One or the other must yield or lose the bill.

Mr. RANDALL. The House had previously voted down the conference report which embraced that.

Mr. GARFIELD. The House had rejected the clause in its first shape, but not in its greatly restricted and modified form. If the law as it stands has been strictly followed, I do not see how any great abuse could result from it. Whenever this subject comes up in regular order on the report from the committee which has it in charge it will be time to enter more fully into the debate on its merits.

I desire now to respond to two things in the speech of the gentleman from Kentucky, [Mr. BECK,] in regard to expenditures and appropriations.

The proclamation of the gentleman from Kentucky, [Mr. BECK,] to which this House listened on Thursday last at the conclusion of my remarks, was among the most high-sounding *pronunciamentos* I have heard in many years. It was like the book that Hamlet spoke of, which "thundered in the index." Now that we have had the volume of the thunder-storm, it seems to me there has been a great deal less thunder in the book than there was in the index.

There are just two points of difference raised between the gentleman from Kentucky and myself, and only two. They have been discussed hitherto, and I discuss them now only to recall to the attention of the House what they are.

The first is the statement made by the gentleman from Kentucky that Congress, at its last session, appropriated \$15,500,000 more than all the estimates of all the Departments. I answered at the time: and to-day, after listening carefully to the gentleman's statement, I cannot, for the life of me, comprehend his logic or the basis on which he concludes that he was "right all the time," and sticks to it. Now, what is his proof? If gentlemen will listen to me for a moment, I will give them exactly his method of proof. It is this: He picks up the Book of Estimates, bearing date of December, 1873, the Book of Estimates written and published, he says, long after all the appropriations of the last Congress were made, and turning to page 176, he finds the Secretary of the Treasury saying, "estimates for 1874, \$308,323,256.27."

He then says, with an air of triumph:

There I have the authority of the Secretary of the Treasury himself for saying that all the estimates for 1874 amounted to \$308,000,000.

Now, the fault in his reasoning, or rather in his statement, is, that

he puts in a very important little word of three letters, and that is the word "all." He makes the Secretary say in this book that *all* the estimates for 1874 amounted to \$308,000,000. The Secretary says no such thing. Where does the Secretary get that \$308,000,000? I will tell the gentleman, as I have told him twice before. Here is the Book of Estimates of last year, the book sent to us in print the first day of the session in December, 1872, and there the Secretary makes his estimates, permanent and annual, and sums them up on page 168, under this heading: "Estimates for 1874"—that is for this year—"\$308,323,256.27;" and these are the very figures in millions and thousands and hundreds, in dollars and cents, which the Secretary says in his Book of Estimates for this year were the estimates for 1874, to wit, \$308,323,256.27.

Now, what man of any clearness of mind, or fairness of mind, will say that the Secretary now states that all the estimates for 1874 were \$308,000,000? Who does not see, who does not know, that that was what he last year estimated for in his Book of Estimates of December, 1872? And the gentleman has thrice repeated the declaration, that the Secretary says that three hundred and eight millions were *all* the estimates for 1874. Sheer stubbornness could go no further.

Now, Mr. Chairman, the Committee on Appropriations kept a record of the additional estimates sent into the House after the Book of Estimates of last year was received. Many of them were printed by order of the House. Here they are for the inspection of any who desire to know the truth. I will give some specimens from this volume, bound last year, by the care of the Clerk, and labeled, "Additional Estimates of Appropriations." I find in it, for example, "Estimates of deficiencies," and sent in, when? January 9, 1873; sent in a month after the Book of Estimates was on the tables which the gentleman quotes from, and the amount of deficiency asked for was \$5,221,264.10. Not one dollar of that five millions is in the Book of Estimates at all. Let me turn to another page. I read "Estimates for the building for the War, State, and Navy Departments." This was sent to the House by the Secretary of State, asking for \$2,652,833; and not one dollar of that sum was in the Book of Estimates. And yet this estimate was sent to Congress January 14, 1873. Now, for the convenience of the House and for the information of its members, I submit, and will have printed in the RECORD, a complete list of the official estimates that were sent to the House after the Book of Estimates was delivered to us last year, and that list gives the date of each estimate sent in, the object, and the amount asked for. The list shows a total from the different Departments of \$23,281,340.46 of additional estimates, not one dollar of which was in the Book of Estimates which the gentleman still asserts contains all the estimates of all the Departments. This amount, added to the amount recommended in the Book of Estimates, makes a total of more than \$332,000,000, a sum many millions more than all the amounts appropriated under the laws making permanent appropriations, and by the annual bills. I again pronounce the gentleman's charge as wholly untrue.

I here insert the list:

Statement of additional estimates received by the Committee on Appropriations of the House of Representatives during the third session of the Forty-second Congress, and subsequent to the rendition of the annual Book of Estimates.

[The date of the manuscript letter or the numbers of the executive documents submitting the estimate will be found in brackets.]

District of Columbia:	
For expenditures in improvement of Washington City, paving, grading, and curbing upon and adjoining the property of the General Government, in the city. [December 3, 1872].....	\$1,241,920 92
To reimburse the late corporation of Washington City for work done around Government reservations.....	188,002 75
To reimburse the board of public works for work done around Government reservations.....	106,533 00
To complete improvement of streets and avenues opposite and around Government property.....	913,497 26
To reimburse city of Washington for improvement of the avenues of said city, and for work done thereon not chargeable against owners of private property.....	1,000,000 00
Total.....	3,449,953 93

From State Department:	
For expenses of the American and British claims commission, [December 10, 1873].....	139,500 00
For the Texan frontier commission, [January 13, 1873].....	18,490 00
For Thomas J. Durant, translator, [December 10, 1872].....	3,000 00
For lithographic press and pressman.....	3,000 00
For international penitentiary Congress, [January 2, 1874].....	5,000 00
For new State, Navy, and War Department building appropriation, [Executive Document No. 94].....	2,652,833 00
For consulate at Vienna, Austria, [December 5, 1872].....	3,500 00
Total.....	2,825,373 00

From Treasury Department:	
For Coast Survey, [November 13, 1872].....	275,000 00
For public building, Fall River, Massachusetts, [December 9, 1872]..	100,000 00
For purchase of land, Sacramento, [January 3, 1872].....	30,000 00
For public building, Albany, New York, [December 11 and 12, 1872; January 28, 1873].....	150,000 00
For building for custom-house and post-office, New York, increased one story, [January 7, 1873; February 17, 1873].....	500,000 00
For Comptroller of the Currency, special contingent, and one clerk of class 4, [February 5, 1873].....	5,000 00
For heating apparatus Treasury building, [February 15, 1873].....	10,000 00
For assay office, New York, [January 15, 1873].....	22,000 00
For legislative expenses of Washington Territory, [December 17, 1872].....	26,980 00

For Commissioner of Customs, increase of force in his office.....	\$10,800 00
For United States Mint under coinage act, [February 27, 1873].....	10,000 00
For Boston post-office building, [December 12, 1872].....	800,000 00
For public building, Philadelphia, [December 27, 1872].....	500,000 00
For light-house at Southwest Ledge, Connecticut.....	50,000 00
For machinery for new mint, San Francisco, California, [December 10, 1872].....	250,000 00
For appraisers' store building, San Francisco, California.....	408,000 00
For public building, Rockland, Maine.....	50,000 00

By letter of Secretary of Treasury, January 9, 1873:

For Library of Congress.....	905 00
For Department of State.....	254,961 00
For Treasury Department.....	1,797,624 38
For War Department.....	2,831,800 00
For Interior Department.....	28,098 93
For Department of Agriculture.....	2,180 92
For Department of Justice.....	300,000 00
For Judicial Department.....	5,693 87
Total.....	8,419,044 10

From War Department:

For support of sixty transient paupers in the Providence Hospital, [November 29, 1872].....	12,000 00
For W. H. Shirley, work on rebel archives, [November 20, 1872].....	1,000 00
For surgical appliances for disabled soldiers, [Executive Document No. 19].....	6,000 00
For Medical Department of the Army, [Executive Document No. 172].....	8,000 00
For stoves for the Army, [Executive Document No. 49].....	100,000 00
For contingent expenses of the Quartermaster-General's Office, [Executive Document No. 50].....	10,000 00
For post hospitals for the Army, permanent repairs, [Executive Document No. 36].....	200,000 00
For preservation of Army clothing.....	300,000 00
For outstanding claims, penitentiary convicts, [Executive Document No. 133].....	5,000 00
For purchasing property near San Antonio arsenal, Texas, [Executive Document No. 45].....	11,000 00
For purchase of limited number of Gatling guns, [Executive Document No. 200].....	.....
Total.....	653,000 00

From Navy Department:

For eight steam sloops of war.....	3,200,000 00
For observation of transit of Venus.....	100,000 00
For owners of steamer Clara Dolsen, [January 7, 1873].....	91,200 00
For gas-works, Norfolk, Virginia, [January 15, 1873].....	10,000 00
For torpedoes and torpedo-boats, [January 16, 1873].....	150,000 00
For naval station, New London, Connecticut, [February 15, 1873].....	50,000 00
For award of court for rebel steamer Sumter, in prize.....	100,000 00
For clothing for Marine Corps, [January 20, 1873].....	18,000 00
For contingencies for Marine Corps, [February 13, 1873].....	10,000 00
For survey of isthmus of Tehuantepec, [February 24, 1873].....	50,000 00
For captors of rebel steamer Albemarle, [December 4, 1872].....	202,912 90
Total.....	3,982,112 90

From Interior Department:

For removal of Great and Little Osage Indians from Kansas in conformity to law and treaty stipulations, [Executive Document No. 183].....	1,240,000 00
To pay Osage Indians annual interest, [Executive Document No. 142].....	105,720 70
For survey of exterior boundaries and subdividing of Indian reservations, [Executive Document No. 64].....	500,000 00
For removal of stray bands of Winnebago Indians from Wisconsin, [Executive Document No. 38].....	50,000 00
For Indian depredation claims now pending in the office of Indian Affairs, [Executive Document No. 11].....	58,815 10
For sale of lands belonging to Kansas Indians, [Executive Document No. 83].....	10,000 00
To provide for the Kansas Indians, [Executive Document No. 74].....	15,000 00
To defray expenses of appraisal and sale of lands in Nebraska, [Executive Document No. 79].....	20,000 00
To defray expenses of sale of lands in Wisconsin belonging to Chippewas, [Executive Document No. 77].....	3,000 00
For purchase of land adjoining the White Earth reservation, Pembina, [Executive Document No. 103].....	35,000 00
For matron at the Pawnee agency, [Executive Document No. 28].....	800 00
For expense of removing the Otter Tail band of Pillager Indians, [Executive Document No. 102].....	25,000 00
For expense of removal of Cheyenne agency, [Executive Document No. 80].....	25,000 00
For indebtedness contracted by the agent for the Arickarees, Gros Ventres, and Mandans, [Executive Document No. 138].....	76,000 00
For incidental expenses of the Indian service, [Executive Document No. 206].....	40,000 00
Subsistence of Sioux Indians, [Executive Document No. 205].....	350,000 00
Relief of Mississippi and Chippewa Indians, [Executive Document No. 176].....	25,000 00
Expenses of holding general council in the Indian Territory, [Executive Document No. 53].....	14,000 00
Wagon-road to Red Lake agency for the Chippewa Indians, [Executive Document No. 76].....	5,000 00
For instruction to Indians, central superintendency, in the arts of civilization, [Executive Document No. 78].....	52,000 00
For collecting and subsisting stray Apaches in Arizona and New Mexico, [Executive Document No. 105].....	150,000 00
For subsistence of Navajo Indians, [Executive Document No. 215].....	54,989 02
For Columbia Hospital for lying-in women.....	15,000 00
For deficiency in the surveying service, public lands, [Executive Document No. 39].....	5,690 02
For deficiency in the appropriation for ninth census, [Executive Document No. 4].....	12,000 00
For maps and charts illustrating ninth census, [Executive Document No. 23].....	25,000 00
For extension of Capitol grounds, [Executive Document No. 47].....	281,878 68
For appraisal of squares 687 and 688, [Executive Document No. 129].....	20,000 00
For photolithographing in Patent Office.....	12,869 00
For clerical force in Pension Office, [Executive Document No. 30].....	20,000 00
For illustrating the geological survey of the Territories, [Executive Document No. 51].....	20,000 00
Total.....	3,254,762 53

Postmaster-General:

For messenger to Postmaster-General, [November 27, 1872].....	\$1,000 00
For chief of division of statistics, [December 11, 1872].....	2,500 00
For postal cards, [January 16, 1873].....	167,000 00
For Post-Office, for remodeling court-yard, and for special agents and contingent, [February 28, 1873].....	15,400 00
For salaries of topographer and others.....	1,064 00
Total.....	186,964 00

From the Attorney-General:

For expenses of United States courts, [Miscellaneous Document No. 23].....	300,000 00
Miscellaneous:	
For ventilating the Supreme Court room.....	2,500 00
For the Government printing, binding, and paper, [January 3, 1873].....	103,500 00
For propagating food fishes, [February 10, 1873].....	10,000 00
For vestry of Washington parish, [January 23, 1873].....	3,000 00
For Sisterhood of Saint John, [January 16, 1873].....	50,000 00
For Congressional Globe, [January 14, 1873].....	42,000 00
Total.....	211,000 00

RECAPITULATION BY DEPARTMENTS.

The President.....	3,449,953 93
The Secretary of State.....	2,825,373 00
The Secretary of the Treasury.....	8,419,044 10
The Secretary of War.....	653,000 00
The Secretary of the Navy.....	3,982,112 90
The Interior Department.....	3,254,762 53
The Attorney-General.....	300,000 00
The Postmaster-General.....	186,964 00
Miscellaneous.....	211,000 00
Total additional estimates.....	23,281,340 46

[Here the hammer fell.]

Mr. GARFIELD. I would like to finish what I have to say upon another point.

The CHAIRMAN. The gentleman can proceed if there be no objection.

There was no objection.

Mr. GARFIELD. I have no knowledge of the A B C's, or of the multiplication table, or of any other patent and indubitable thing, if this list, in connection with the Book of Estimates, does not answer all that the gentleman has alleged on this subject. Add to your \$308,000,000 in the Book of Estimates for last year the \$23,000,000 of additional estimates subsequently sent in, and you get \$331,000,000 of estimates that were sent in. How dare a man say that our appropriations exceeded all the estimates of all the Departments by \$15,500,000, or by any other sum? How dare he deny the demonstrated fact that the appropriations, including the sinking fund, were less than the estimates by many millions?

Now, Mr. Chairman, there is one other question between the gentleman from Kentucky and myself, and that is the statement in his high-sounding proclamation of last week, when he said, "I will prove that the gentleman from Massachusetts did not make a mistake; was not in error when he said that he had included the sinking fund in his statement of expenditures of previous years, as well as in the appropriation for this current year." And the gentleman from Kentucky would say that with his Ithuriel spear he had touched all the false logic and had driven all his opponents to the wall, and that the gentleman from Massachusetts had retreated from his own positions for fear of his party. I am very sure the gentleman from Massachusetts [Mr. DAWES] does not need or welcome any such defense. He is amply able to take care of himself. Should the time come when he needs assistance, I am sure he will ask to be delivered from such an ally.

Non tali auxilio,
Non istis defensoribus.

Not by such a right hand does he need any protection.

The whole question is in a nutshell. The gentleman from Massachusetts stated correctly from the books of the Treasury the expenditures for a series of years. Then in stating the appropriations for this year he included the \$29,000,000 of sinking fund estimated for in the permanent appropriations, but had not put in the sinking fund in his statement of expenditures for preceding years. Of course it would have been unjust to compare the expenditures of 1873, omitting the sinking fund, with the appropriations for 1874 that did contain the sinking fund. So soon as the error was pointed out to him the gentleman from Massachusetts with his usual frank manliness acknowledged the error, and that was the end of it.

But the gentleman from Kentucky, [Mr. BECK,] grieving that he had lost a much-desired opportunity for accusing Congress of outrageous extravagance, chides the gentleman from Massachusetts [Mr. DAWES] for correcting the mistake, and tries to defend the error itself. In attempting to do this he plainly confounds things wholly distinct from each other. He seems to think that what are called permanent appropriations relate wholly to the public debt and other extraordinary expenditures, and that what we call annual appropriations are only for ordinary purposes. And he thinks that when he shows that our annual appropriations, including claim bills and pension bills with the rest, have been increasing, he thereby proves that our expenditures are increasing. He does not notice the plain fact that many of the permanent appropriations are for ordinary expenditures. For example, the costs of collecting the customs, which amount

annually to more than seven millions, are among the permanent appropriations.

It proves nothing to his advantage to say that some of our expenditures are annually increasing. Of course they are, for some of them ought to increase.

The fact is that there are two forces all the while at work in our expenditures. The one is the force that is increasing, by the natural and proper growth of the Government. Can any rational man fail to see that there ought to be an increase in those functions of the Government that relate to the growth and development of the country? For example, the Post-Office Department is extending and increasing, by the growth of communication and the extension of railroads. No man in his senses supposes that we can raze the service to the measure of former years, and make its operations less year by year. I glory in the growth of every one of our Departments that represent the actual wants of a great and growing country. Nobody believes that we can cut down the State Department year by year; that is impossible.

Where abuses have crept into any Department we should correct them. Where unnecessary expenditures are being made we can cut them off. It is our duty also to cut down all those expenditures that grew out of the war, that were necessary in their time, but year by year, as the war bills are settled, become unnecessary, these can be dispensed with. The war expenditures have been decreasing for the last seven years, and have decreased more rapidly than our ordinary expenses have increased; so that on the whole there has been a decrease.

Mr. BECK. Does the gentleman from Ohio mean to tell the House that the collections made by the Post-Office Department directly from the people appear at all in the Book of Estimates?

Mr. GARFIELD. "The gentleman from Ohio" did not say anything about the revenues of the Post-Office, and he will not be diverted from his statement concerning the growth of a portion of our expenditures.

Mr. BECK. The gentleman from Ohio said the increase of the Post-Office was from the increase of business.

Mr. GARFIELD. I said the business of the Post-Office Department was growing, and ought to grow as the country expands and fills up.

Mr. BECK. Its growth does not appear in the estimates.

Mr. GARFIELD. Of course it does. All that we appropriate for it appears in the estimates.

Mr. BECK. The deficiencies?

Mr. GARFIELD. Certainly; the deficiencies of expenditures beyond the receipts. I have been showing that one class of our expenditures are annually increasing while another class—those growing out of the war—are annually decreasing, and that the decrease has been greater than the increase.

Now I come back to the question of the sinking fund. The gentleman from Kentucky stands on record as making a pledge that he would prove that the sinking fund was included in the expenditures for recent years, as given by the gentleman from Massachusetts. My eloquent and witty friend from Michigan [Mr. CONGER] expressed the hope that the gentleman would for once keep some of the promises he had been making for the last five years. To-day he has tried to redeem his promise, that he would convict the gentleman from Massachusetts [Mr. DAWES] of having "backed out," as he said, without just cause; that he would prove that the sinking fund was in the statement of expenditures for last year and the year before, and that the gentleman ought to have persisted in his first statement. I listened with the closest attention to his remarks on this point, and it must have been my dullness, for I could see nothing that approached a demonstration, nothing that gave even the faintest support to his proposition.

For lack of anything to answer, I will again give the proof that the gentleman from Massachusetts [Mr. DAWES] was in error.

I hold in my hand the last annual report of the Secretary of the Treasury. It is our official statement of expenditures for the year that ended the 30th of June last. On the fourth page I find the Secretary's statement of what the actual expenditures were; he gives it by items, and I quote it entire:

The net expenditures during the same period (the fiscal year 1873.) were—	
For civil expenses	\$19,348,521 01
For foreign intercourse	1,571,362 85
For Indians	7,951,704 88
For pensions	29,359,426 86
For military establishment, including fortifications, river and harbor improvements, and arsenals	46,323,138 31
For naval establishment, including vessels and machinery, and improvements at navy-yards	23,526,256 79
For miscellaneous, civil, including public buildings, light-houses, and collecting the revenue	52,408,226 20
For interest on the public debt	104,750,688 44
For premium on bonds purchased	5,105,919 99
Total, exclusive of the public debt	290,345,245 33

We thus have the official statement of the Secretary of the Treasury, which shows that the total expenditure of \$290,345,245.33—the amount given by the gentleman from Massachusetts, [Mr. DAWES]—does not include one dollar of payment of the principal of the public debt; and everybody knows that the sinking fund is for the payment of the principal of the public debt.

Now, after the \$290,000,000 were expended, there remained a sur-

plus of \$43,000,000. What was done with that? Twenty-nine million dollars of it were used for the sinking fund; the remainder was used in buying other bonds constituting the principal of the public debt. Now, in the spirit of comradeship and a desire to know just the truth, without any regard to partisan purposes, the gentleman from Massachusetts [Mr. DAWES] and myself went to the Treasury Department shortly after he had made his speech, and we sat down with the accounting officer—the man who makes up all the statements of the public receipts and expenditures. We went over the figures carefully, and found that the statement made in the annual report was strictly true; and I now affirm that, so far as my knowledge goes, there is not one member of the House, save the gentleman from Kentucky, who now denies that the statement was correct—that the gentleman [Mr. DAWES] had included the sinking fund in his statement for this year, and omitted it in those for preceding years.

Mr. BECK. The gentleman from Ohio ought to know that I do not deny that statement; but I proved it; \$290,000,000, with \$29,000,000 for the sinking fund, make \$319,000,000. Any man with the sense of a mouse knows that. I never denied it; it is what I said.

Mr. GARFIELD. O, is that all?

Mr. BECK. Do not \$290,000,000 and \$29,000,000 make \$319,000,000?

Mr. GARFIELD. Well, that is the only correct arithmetic I have heard from the gentleman.

Mr. BECK. I have not denied that; I have maintained it to be a fact. But the gentleman from Ohio denied that the \$319,000,000 was the amount of appropriations by law. He said it embraced appropriations made by warrant, and he promised to make good his position against all comers; and the gentleman now rises to misrepresent me as having denied that \$290,000,000 and \$29,000,000 make \$319,000,000.

Mr. GARFIELD. I am very glad to draw the gentleman out; and in order to pin him down to the case, here it is. The gentleman from Massachusetts gave these figures: "Expenditures for the fiscal year ending June 30, 1873, \$290,345,245.27; appropriations for 1874, \$319,000,000; an increase of nearly \$30,000,000 in our expenditures." Thereupon I rose to interrupt the gentleman from Massachusetts, and asked him if he had not included in his \$319,000,000 the sinking fund. "Certainly I have," said he, "but it was also included in the \$290,000,000, the expenditures of last year." That was the question at issue. I then gave him the proof that the \$290,000,000 did not include the sinking fund. He saw it, and promptly acknowledged the mistake. So far as I know, everybody else saw it, except the gentleman from Kentucky, [Mr. BECK.] Now to-day, on this floor, the gentleman from Kentucky says that the gentleman from Massachusetts was mistaken in acknowledging that the \$290,000,000 did not include the sinking fund.

Mr. BECK. I did not say that.

Mr. GARFIELD. That is what the gentleman has been saying in the hearing of the House at least three times.

Mr. BECK. I never have said any such thing.

Mr. GARFIELD. Then does the gentleman now say (and I yield to him that he may answer) that the \$290,000,000 of expenditures for last year does not include the sinking fund?

Mr. BECK. This is what I say, in a word: that the \$319,000,000 includes the sinking fund; deducting the sinking fund, it leaves \$290,000,000 as the appropriations for this year, less the sinking fund.

Mr. GARFIELD. But I speak of last year.

Mr. BECK. For last year \$299,000,000 were the total appropriations for the year; in that the sinking fund was included. If the Administration spent any more than that, it spent it in violation of positive law. That is what I said.

Mr. GARFIELD. Why does not the gentleman stick to the point? Did the \$290,000,000 expended last year include the sinking fund?

Mr. BECK. The expenditures of last year, as I showed to-day—not, as the gentleman from Ohio had maintained, expenditures by warrant, but appropriations by law—

Mr. GARFIELD. Will the gentleman answer that question? Did the \$290,000,000 of expenditures of last year include the sinking fund?

Mr. BECK. The \$299,000,000 of appropriations does. Now, he can make it to suit himself, and \$29,000,000 in \$299,000,000. Is not that the fact? Let me ask the gentleman to answer.

Mr. GARFIELD. At last, Mr. Chairman, the gentleman acknowledges that the \$299,000,000 expenditure of last year does not include the sinking fund.

Mr. BECK. I say it does.

Mr. GARFIELD. Thank you for that—

Mr. DAWES. It is not correct.

Mr. GARFIELD. It is good as far as it goes. It comes within \$9,000,000 of being true. The expenditures were \$290,000,000, not \$299,000,000, and did not include the sinking fund.

Mr. BECK. The sinking fund is included in every year's estimate and appropriations; but the gentleman from Ohio evaded it all the time.

Mr. GARFIELD. Of course the sinking fund is estimated for, and is among the permanent appropriations; but the \$290,000,000 of last year did not include the sinking fund, and the \$319,000,000, the total appropriations for this year, did include the sinking fund. If you take the sinking fund from the \$319,000,000, it leaves \$290,000,000 as the total appropriations for the current year. Thus the appropriations for the current year are no greater than the expenditures of last year. The gentleman cannot blot out these figures nor impair their force.

And this fact sweeps away utterly the assumption that since last year we have increased the expenditures by the sum of twenty-nine or thirty millions.

Mr. DAWES. Let me say a word.

Mr. GARFIELD. Certainly.

Mr. DAWES. Two hundred and ninety million dollars last year were the expenses independent of the sinking fund. Now, the sinking fund is to be added to that and taken from the \$43,000,000, as I stated to the House.

Mr. GARFIELD. Certainly that is so.

Mr. DAWES. That was part of the appropriation of last year, just as much as any other appropriation. I stated \$290,000,000 as the expenditures, and \$43,000,000 public debt. That is the way I stated it. The \$43,000,000 public debt I stated contained this \$29,000,000. That was a part of the appropriation. If you put it along with the \$290,000,000, it will trouble my friend on the right [Mr. GARFIELD] instead of my friend on the left, [Mr. BECK.]

I did not state it accurately at that time. My friend from Ohio correctly stated it to the House. He corrected me, because I should have stated it in this way: \$290,000,000, and \$29,000,000 of public debt which is contained in this \$43,000,000. We only paid that year, over and above the sinking fund, the difference between \$43,000,000 and \$29,000,000, which is \$14,000,000 of public debt independent of them. And when the Treasury Department made a report showing their expenditures were \$290,000,000 and \$43,000,000 they paid of public debt, they meant this—and the pity is they did not say so—that their ordinary expenses, independent of the sinking fund and public debt, were \$290,000,000. The sinking fund appropriated for was \$29,000,000 more, and they extinguished \$14,000,000 of public debt in addition to it.

Mr. GARFIELD. I agree to all the gentleman from Massachusetts has said; and it does not disturb any statement I have made. The \$43,000,000, of which he speaks, was the surplus of our receipts over all expenditures except payment of the principal of the public debt. Of this surplus, \$29,000,000 were used in paying the sinking fund, and the balance was used in buying other bonds; and was thus also applied to the reduction of the public debt.

Mr. HALE, of Maine. I move that the committee rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. WOODFORD reported that the Committee of the Whole on the state of the Union had according to order had under consideration the special order, a bill (H. R. No. 2064) making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending June 30, 1875, and for other purposes, and had come to no resolution thereon.

ENROLLED BILL AND JOINT RESOLUTION.

Mr. PENDLETON, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled a bill and joint resolution of the following titles; when the Speaker signed the same:

An act (S. No. 302) for the relief of Dr. Edward Jarvis; and

Joint resolution (S. R. No. 6) in relation to the bronze statue of Jefferson presented to Congress by Uriah P. Levy, late an officer in the United States Navy.

EXCUSED FROM COMMITTEE SERVICE.

The SPEAKER. The gentleman from New York, Mr. WHEELER, and the gentleman from Indiana, Mr. TYNER, ask to be excused from service on the committee to attend the funeral obsequies of the late MILLARD FILLMORE, at Buffalo, New York. There being no objection the gentlemen will be excused from further service on that committee, and the Chair will appoint in their places Mr. SAYLER, of Indiana, and Mr. MACDOUGALL, of New York. The gentleman from New York [Mr. BASS] who was appointed this morning will be chairman of the committee, and will make the necessary arrangements.

SUSAN D. GALLOWAY.

On motion of Mr. DUNNELL, by unanimous consent, the bill (H. R. No. 1577) for the relief of Susan L. Galloway, with an amendment by the Senate, to change "L" in the name to "D," was taken from the Speaker's table, and the amendment concurred in.

Mr. HALE, of Maine. I move that the House do now adjourn.

The motion was agreed to; and accordingly (at five o'clock and twenty-three minutes p. m.) the House adjourned.

PETITIONS, ETC.

The following memorials, petitions, and other papers were presented at the Clerk's desk, under the rule, and referred as stated:

By Mr. CHIPMAN: The petition of Bridget Collins, for a pension, to the Committee on Invalid Pensions.

By Mr. CLYMER: The petition of Jacob K. Dundore, for relief, to the Committee on War Claims.

By Mr. DAWES: The petition of Frances H. Plummer, widow of General J. B. Plummer, to be indemnified for loss of property during the war of the rebellion, to the Committee on War Claims.

By Mr. HAZELTON, of New Jersey: The petition of 59 citizens of Camden, New Jersey, in opposition to the imposition of a tariff duty

on tea and coffee; in opposition to any increase in internal taxes, and in favor of the repeal of the second section of the act of June 6, 1872, which reduced by 10 per cent. the duty on certain foreign imports, to the Committee on Ways and Means.

By Mr. HUNTON: Papers relating to the claim of L. F. W. Lake, to the Committee on War Claims.

By Mr. KELLEY: The petition of 53 employés of A. & P. Roberts & Co., Pencoyd Iron Works, Philadelphia, in opposition to the imposition of a tariff duty on tea and coffee, in opposition to any increase in internal taxes, and in favor of the repeal of the second section of the act of June 6, 1872, which reduced by 10 per cent. the duty on certain foreign imports, to the Committee on Ways and Means.

By Mr. KILLINGER: The petition of 195 citizens of Tamaqua, Schuylkill County, Pennsylvania, in opposition to the imposition of a tariff duty on tea and coffee, in opposition to any increase in internal taxes, and in favor of the repeal of the second section of the act of June 6, 1872, which reduced by 10 per cent. the duty on certain foreign imports, to the Committee on Ways and Means.

By Mr. LAWSON: The petition of Mary A. Thayer, for compensation for services in taking care of sick and wounded soldiers of the Federal Army and expenses incurred in the work, to the Committee on War Claims.

By Mr. MAYNARD: The petition of the executive committee of the board of trustees of Maryville College, Maryville, Tennessee, for relief for damages occasioned by the Federal Army, to the Committee on War Claims.

By Mr. O'BRIEN: The petition of William B. Hudson, for a pension, to the Committee on Invalid Pensions.

By Mr. PARSONS: The petition of 43 workingmen, employed by the Lake Erie Iron Company, of Cleveland, Ohio, in opposition to the imposition of a tariff duty on tea and coffee, in opposition to any increase in internal taxes, and in favor of the repeal of the second section of the act of June 6, 1872, which reduced by 10 per cent. the duty on certain foreign imports, to the Committee on Ways and Means.

By Mr. PIERCE: The petition of the trustees of the Museum of Fine Arts, of Boston, by Martin Brimmer, president, that they may be permitted to import free of duty a collection of pictures belonging to the Duke of Montpensier, upon giving bond for the re-exportation of the same within two years from the date of importation, to the Committee on Ways and Means.

By Mr. SESSIONS: Papers relating to the claim of Pardon Worsley, to the Committee on Claims.

By Mr. SHEATS: The petition of Z. P. Morrison, to be indemnified for delay and damages caused by the neglect of certain United States officers to approve his papers for starting a distillery, to the Committee on Claims.

By Mr. SHELTON: Resolutions of the New Orleans Chamber of Commerce, in relation to the Fort Saint Philip Canal, to the Committee on Railways and Canals.

Also, resolutions of the New Orleans Chamber of Commerce, favoring the placing the conduct of the improvement of the mouths of the Mississippi River under the control of Government engineers, to the Committee on Commerce.

Also, the memorial of the New Orleans Chamber of Commerce, praying that national aid be extended to the Texas and Pacific Railroad Company, to the Committee on the Pacific Railroad.

By Mr. SMITH, of Pennsylvania: Seven petitions, signed by 367 citizens of Lancaster County, Pennsylvania, in opposition to the imposition of a tariff duty on tea and coffee; in opposition to any increase in internal taxes, and in favor of the repeal of the second section of the act of June 6, 1872, which reduced by 10 per cent. the duties on certain foreign imports, to the Committee on Ways and Means.

Also, the petition of Samuel Sheaffer, of Maytown, Lancaster County, Pennsylvania, for a pension, to the Committee on Invalid Pensions.

Also, the petition of Harriet Leonard, of Lancaster County, Pennsylvania, for a pension, to the Committee on Invalid Pensions.

By Mr. SPEER: The petition of 53 citizens of Altoona, Pennsylvania, in opposition to the imposition of a tariff duty on tea and coffee, in opposition to any increase in internal taxes, and in favor of the repeal of the second section of the act of June 6, 1872, which reduced by 10 per cent. the duties on foreign imports, to the Committee on Ways and Means.

Also, the petition of 23 workingmen at Lewistown, Mifflin County, Pennsylvania, in opposition to the imposition of a tariff duty on tea and coffee; in opposition to any increase in internal taxes, and in favor of the repeal of the second section of the act of June 6, 1872, which reduced by 10 per cent. the duties on foreign imports, to the Committee on Ways and Means.

By Mr. SWANN: The memorial of Mrs. Jane Dulaney, widow of the late Colonel William Dulaney, United States Marine Corps, for a pension, to the Committee on Revolutionary Pensions and War of 1812.

By Mr. TREMAIN: Several petitions of members of the bar of the county of Albany, New York, for the division of the northern district of New York, to the Committee on the Judiciary.

By Mr. WARD, of Illinois: The petition of Mrs. Mary P. Wilson, for a pension, to the Committee on Invalid Pensions.

By Mr. WILSON, of Iowa: The petition of the Marietta monthly meeting of the Religious Society of Friends, in Iowa, for the appointment of a commission of inquiry concerning the alcoholic liquor traffic, to the Committee on the Judiciary.