

TELLER'S GREAT SPEECH

He Exposes the Humbug of Tariff Legislation.

THE TROUBLE FOUND.

Finance is the Mighty Question - Sherman's False Prophecies Ridiculed - What He Said Last October - Give Us More Money and Prosperity Will Come - The Situation.

In the senate on March 6th, an hour or so was sacrificed in reading extracts from New York daily papers in which certain senators were charged with using knowledge which their official positions gave them concerning the action to be taken on the Wilson tariff bills by the finance committee, to speculate in stock of the sugar trust, and in personal explanations and denials. During this discussion Senator Teller, Republican senator from Colorado, made the following wholly impromptu speech. He said: Mr. President, the proceedings for some time past have been, it seems to me, very irregular, but quite interesting, and I could not take the floor to denigrate any senator who may think he needs to make a personal explanation from doing so. Therefore, if any senator feels that he ought to make an explanation, I am quite content to hold the floor to him now. Mr. President, the tariff question is a pretty big question, I admit, and it is one, I suppose, the public is just now particularly interested in. But I do not rise to speak of the tariff, have I risen to enter into a discussion of the silver question. The bill for the coinage of the seigniorage that is to be put upon its second reading is not a silver bill in the sense that I would speak of it as a silver bill. It is a money bill. It provides for the coinage of \$100,000,000 of what, as it stands in the treasury, is worthless silver bullion. It will, when coined into money, be the equal of \$100,000,000 of gold now in the treasury. We are about to enact a tariff with reference to the revenue. It seems to me before a bill is passed we should ask the question whether we have it there. I do not know we can intelligently legislate on the tariff question until it is determined. Therefore, in favor of taking it up. The friends of tariff reform in this country are occupying at the time exactly the position the friends of the repeal of the Sherman law occupied in the latter months of 1893. We told then that the distress prevailing in this country was the result of the act of 1890, and the Sherman act. We were told by both sides of the chamber, by those who to-day are in favor of the proposed modification of our tariff and by those who are opposed to it, that we had to do to bring peace and prosperity to the people of the United States was to repeal the Sherman law. For one I did not believe it. I felt confident that it was not the remedy for the evils we were suffering from. Now we are told by the other side of the Chamber, pass the bill as it came from the committee, or as it may come from the committee of this body, and prosperity will come, all the mills will start up, the people who have been tramping for work will find employment; and by this side of the chamber we are told (by the people who told us last year that if we would repeal the Sherman act, prosperity would come,) that all we have to do now to insure prosperity is to convince the people of the United States that the Wilson bill is not going to be a law.

A FALSE PROPHET.

I propose to read an extract from a speech made by the distinguished Senator from Ohio [Mr. Sherman], not because he took any more active part, or was any more pronounced in his views in that direction very many others on this side of the Chamber or on the other, but because in a few words he expressed what was expressed here by a number of senators in language substantially the same as he expressed it. It was the key of the whole campaign that was made from the 7th of August to the 28th of October, when the bill was passed. We heard it there; we hear it in the newspapers; we heard it everywhere; we heard it ad nauseam, at least to those who knew how false it was. Now I read from a speech which the Senator from Ohio made on the 17th of October, 1893. He said: "Why should we not try and vote? Why should we be here seventy odd days without a single vote on any question? Let us try it. If we would try it tomorrow after all the long debate that has been had, and dispose of this question as we think best for the people of the United States, while you are assuming your responsibility we would gladden the hearts of millions of laboring men who are now being turned out employment."

Mr. President, they are still out.

"We would relieve the business care of thousands of men whose whole fortunes are embarked in trade. We would relieve the farmer and his product for free transportation to foreign countries, now clogged for the want of money."

In the present condition of affairs there is no money to buy cotton and corn and wheat for foreign consumption. Break down the barrier now maintained by the Senate of the United States, check this viper called obstruction to the will of the majority, give the Senate free power and play, and in ten days from this time the skies will brighten, business will resume its ordinary course, and the clouds that lower upon our house will be in the deep bosom of the ocean buried."

Mr. President, there is a prophesy from a prophet of long standing, and yet not a single promise that he then made has after five months come true. Where there was then one idle mill there are two now. Where there was one man tramping the country looking for labor there are three or four now. Where there was one soup house there are a hundred to-day. Where there was distress to a limited degree it is now unlimited, and I state but a trite fact that is known to everybody when I say that in the history of this country there has never been an hour in which there was so much destitution, in which there was so much want and so much distress, as there is at this hour.

Mr. President, it did not come from the threat of the Wilson bill. It did not come from the passage of the act of 1890, called the Sherman act. The repeal of that act was without influence upon the condition of the country, except to make it worse. The passage of the Wilson bill will be as powerless for good as the passage of the bill repealing the Sherman act. The retention of the McKinley law upon your statute books, its reinforcement in full force, will be as powerless to bring prosperity to this country as was the act repealing the Sherman law. Away back of the Wilson bill and away back of the Sherman law there were agencies at work that have put the world in the condition which has brought so much distress and so much disaster not to us alone but to all mankind. Mr. President, there will be no prosperity in this country until we reform our financial system. There will be no prosperity in the world until the world reforms its financial system. I make a distinction between the financial system and the revenue system of the country because

the first refers to the monetary circulation. In other words, until the world changes its monetary conduct with reference to circulation, there will be no improvement in the condition of the world's affairs. We are not suffering in this country any more than they are suffering in Europe. They are suffering to-day in Germany, in Great Britain, in Italy. They are suffering in every part of the world where the baneful influence of a single gold standard has been felt.

AMERICAN LABOR.

I believe in the protection of American industries, and I believe above all in the protection of American labor. I do not care very much any more about the protection of American capital. The time has come when American capital can protect itself; but I do care for the protection of the American laborer. But I say here, the protective system cannot bring or maintain prosperity in this country on a gold standard alone. If you put this country upon a gold standard and adopt any sort of revenue system you choose, you are bound to put down the wages of the American laborers and producers. When I speak of the American laborers I do not speak of those who work by the day for day's wages. I speak of the 20,000,000 who produce in this country. These people are to be crucified by this system, and they will be crucified with the McKinley law or without it until you change your monetary system.

I agree with those who say there will be greater prosperity if the millions who are now without labor can be employed; but I understand very well that the great prosperity which has come to this country has been largely due to the fact that in no part of the world has labor been so well paid as in this; and because it was so well paid, nowhere else in the world has it been so honorable as it has been here. As you decrease the amount you pay to a man for his labor, so you lower the scale of honor in which he stands as a laborer. So it is not merely a question of food and raiment. It is a question of condition. It is a question of opportunities. It is a question of hope.

I cannot for myself see the degradation of American labor without bitter feelings against those who shall cause such degradation. It has been our boast and our glory that we could open the door to all men alike for position, for honor, for promotion, for success. Your financial system is rapidly changing that condition.

THE BEST WAY TO SERVE GOD.

I do not speak of it in derision, but I am receiving every day petitions and letters from the good people in all sections of the country, praying that we shall recognize in the Constitution of this country the power of Almighty God. Oh, Mr. President, I wonder what the people who are thus spending their time can think of the future condition of their fellow-men. The American people are a Christian people, and we do not need to crystallize in statute or Constitution our recognition of the Supreme Being, as the fountain of all power and all goodness; that is a part of the common law of the Republic. What we should be concerned about now is not the recognition of the Almighty, but the recognition of the rights of man. It is our mission as legislators to deal with men and their interests. That is our duty, our first and our last and our only duty, for when we have properly discharged that duty to our fellow-men we will have discharged our duty to Almighty God.

THE GREAT QUESTION.

The Senator from Iowa [Mr. Allison] says that the tariff question is a great question. I beg the Senator's pardon; it is a

little question. Infinitely above that is the monetary question. At the fountain of all prosperity, all civilization and all progress is the monetary system of a country. There is no chapter in the history of the world but which shows that for progress and refinement a nation is dependent upon the correctness of its monetary system; so the question of money in this country overshadows, in my judgment, all other questions.

Mr. President, every day convinces me more and more that we have reached a point in the history of this country where it is almost certain that we are to make a retrograde movement and take a downward course. General prosperity is likely to be a thing of the past. I am willing to join the opponents of an improper tariff measure in any reasonable opposition to it, but I am not willing that the money question shall be made subordinate to it, or that it shall be made a football by those who are not in favor of a proper monetary system for the purpose of defeating what they think to be a bad tariff bill. The subject is too great and too sacred to be thus treated and so far as I am concerned I shall confine my opposition to the revenue bill within the strict rules of parliamentary opposition. I shall not feel myself under obligation to contest that bill as I contested the repeal of the Sherman law, because the evils that will result from it, even from my standpoint, should it become a law, are not anything like the evils that have followed and will continue to follow the repeal of the Sherman law itself was so valuable, but because it was the last thing that kept us on a practical bimetallic standard, and its repeal was the complete annihilation of bimetallicism in this country in the true and proper sense, and the putting of the country upon a single gold standard.

EFFECTS OF MONEY FAMINE.

I attribute the unfortunate condition of this country to improper and wicked monetary legislation. We predicted a great fall in the price of silver; we predicted that with that fall would come the fall in price of all other products as well as that of human labor. Now, five months have passed since the act was repealed. Since that time silver has fallen from 70-odd cents to 58, with a fair prospect of its continuing to fall. All other products have fallen accordingly. Wheat has gone lower than it ever was in the history of the world for four hundred years. Labor in this country has fallen 25 per cent. within the last eight or ten months, and the greater proportion of the shrinkage has occurred since the 28th day of October.

The great banks in the banking centers, not only in the United States, but of all the world, are filled with money. The bank of England, semi-national at least in its character because of its connection with the Government, holds to-day more reserve money than it ever held at any other time in its history. It holds many millions more than it held when we repealed the Sherman act. Business in Great Britain is as it is here - at a standstill. Will somebody tell me why it is when there is an abundance of money in New York, an abundance of money in London, an abundance of money in Berlin, an abundance of money in Paris, that all the new enterprises of the world are practically abandoned and in distress?

Mr. President, it will not do to say there is money enough. There is not enough. There is enough money in the world for the business being done, but the business of the world is not being transacted because there is not money enough to transact it.

Has it occurred to anybody to figure up what the reduction in the spendable income of the American producers and wage earners has been within the last year? In one of the leading daily papers it was declared a few days since that the spendable income of the laboring people of the United States under this reduction of 25 per cent. had decreased \$2,000,000,000 a year, and that is not an overstatement. I hold in my hand an extract taken from the New York Tribune of yesterday showing the condition of the country. It is true that the editor of this paper attributes the whole difficulty to the threat of tariff legislation, which I do not. Speaking of a year ago it says:

"A year ago Wall street was waiting for President Cleveland and bonds. The bonds have been issued, and railroad stocks which then averaged \$6 per share now average \$50, while trust stocks which then averaged \$79.49 now average \$52.05 per share. Money then loaned at 15 per cent. and now at 1 1/2 per cent. Strikes for higher wages were in progress then; now with wages about 20 per cent. lower, all the great cities are raising funds to feed the unemployed. Payments through clearing houses were then \$5,088,000,000 in February, but this year \$3,217,000,000, a decrease of 36.6 per cent. In the iron, cotton, woolen, and shoe industries, employing about 1,000,000 persons a year ago, the work is now equivalent to about 620,000 full time, and with wages averaging about \$1.60, against \$2 then, so that a little less than \$1,000,000 is now paid for labor, where \$2,000,000 was paid a year ago."

The article is contrasting February of last year with the present February. Further on it says:

"Ordinary indications count for little when business is in such a state. Railroad earnings show for the third week of February a decrease of 14.48 per cent., and for the second week 14.62 per cent., as compared with the corresponding week of February last year, according to the Financial Chronicle, and Dun's Review shows a loss of 13.5 per cent. on trunk lines, 13 on Granger roads, 19.7 on other western roads, 7.8 on Southern, and 17.1 on South-western roads. According to the real estate record, the new buildings projected for the week were, in value, about \$660,000 against \$1,716,000 last year."

That is in New York City.

"The decrease in foreign imports at New York has been 37 per cent. for February, with a slight increase in domestic exports. Custom receipts at all points in February were 28.7 per cent. less than last year; but the decrease in the internal revenue was only 2.4 per cent. Still the Treasury gained last week only \$800,000 gold, while losing \$1,200,000 silver and putting out \$1,600,000 more paper. The flood of money from the interior has not ceased, but about \$3,200,000 came in last week, and the cash in banks rose to \$208,700,000. Gold began to go abroad, \$1,250,000 to Havre and \$536,412 to Havana last week, while \$895,074 in silver also went to London."

Speaking of cotton.

"Takings of northern spinners in February were but 59,741 bales, against 157,508 last year, while exports were 489,715 bales, against 297,965 last year."

The cotton grower, not finding the market that he has heretofore found in his own country, was compelled to send the cotton abroad at the European price.

"The cotton industry is using up cotton on hand and several mills have stopped already with print cloth hardly salable at 2.75 cents."

ALL GOLD STANDARD NATIONS SUFFER.

That is but a brief statement of the condition of this country now since the repeal of the Sherman act. There has been and is now financial distress in all the countries of the world which have large debts payable in gold. Guatemala, which owes considerable to Great Britain, has suspended payment. Costa Rica, Ecuador, Peru and the Argentine Republic have virtually suspended payment. We have by the gold standard virtually

bankrupted the world. Germany has been so much disturbed by her finances that she has appointed a commission to determine upon a remedy. India has been so much distressed by the change of the monetary system of that country on the 26th of June last by Great Britain that there is no resemblance to the favorable conditions which existed previous to that time. Interest has gone from a reasonable rate to 10 and 12 per cent. at the banks of Bombay. Trade with India from Great Britain is at a standstill. Trade with China and the isles of the sea in the Asiatic section of the world is disturbed and overthrown.

Mr. President, there is a condition of distress everywhere in this country and out of it such as never before was known. The only countries that are at all tolerable in their finances are those which have maintained the double standard or have been upon a single silver standard. The countries I have named, and I may include Spain and Portugal, are absolutely unable to pay their debts, and the people who hold claims against these countries must scale them down.

BANKRUPT RAILROADS.

What shall I say of the railroad companies of this country?

There are not a dozen railroad companies in the United States to-day that are not in financial distress. But take the great system known as the Atchafalpa and Sante Fe. It is in the hands of receivers and practically bankrupt. The old Erie system is in the hands of receivers and is bankrupt. So are the Reading, the Northern Pacific, and the Union Pacific. These roads may be reorganized and the holders of securities may get together and agree upon some kind of an arrangement by which they will take other and different securities for them, but they will not be paid, and the holders will take them, with the hope that some day they will unload them on somebody else.

The Northern Pacific can never pay its great debt. The same is true of the Union Pacific. I mean under existing conditions. The Government of the United States has a claim against the Union Pacific and other Pacific railroads of sixty-odd million dollars. Somebody says the entire indebtedness amounts to \$150,000,000.

Mr. PETER. It amounts to more than that sum.

Mr. TELLER. It does not make any difference how much; it is absolutely gone. The holders of the first mortgage bonds will take the bonds in spite of every thing unless the Government steps in and pays them off. Union Pacific stock a few years ago sold for 70 and 75 cents on the dollar, and a few years before that it was at par in the market. When it fell below a dollar it was bought up in this country by hundreds and thousands of poor people who put their money in it. A senator tells me that it sold at one time at 130. The last time I observed the quotations it was selling in the market at 19.

Mr. MORRILL. It has been 44.

Mr. PLATT. Nineteen is the preferred stock.

Mr. TELLER. The people who put their money in this railroad have been swindled out of it, not by mismanagement, but by the condition that has been forced upon that part of the country through which it runs. Our monetary system took the country out there by the throat, and not only this great road, but others are to be the sufferers from this vicious monetary system of ours.

Silver can no longer be mined with profit in one mine out of a hundred; every intelligent mining man knows that he is standing by the complete extinction of silver mining on this continent. I predict that in six

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