

AN ENORMOUS LOSS.

AN EXPERIENCED MINER OF MONTANA WRITES A LETTER.

Mr. Joseph K. Clark in a Letter to General Paul Van Dervoort Gives Some Valuable Reasons Why Silver Should Be Remonetized.

Butte, Mont., Dec. 18, 1895.

Hon. Paul Van Dervoort, Omaha, Neb.

Dear Sir: Agreeable to promise I send you a few of the material facts relative to the silver question, and which I trust may throw a little more light on the great problem of the day—a problem with which many of the eastern people are not familiar.

In 1893, when the price of silver dropped to 59 cents per ounce, the deep silver mines of Montana, and in fact all mining states and territories, had sufficient ore reserves opened up and exposed to last from one to two years.

The great drop in silver, with its attendant general financial crash in 1893, so discouraged the silver producers that development work on the large mines came to a standstill, and only the reserve bodies of ore were taken out and treated. These reserves have been completely exhausted up to date, and no profit accrued to the owners.

I will cite you to the Alice, Moulton and Lexington, which were numbered among the largest silver producing mines of the world, and fifty other mines in Butte alone, whose machinery is now lying idle. There are in this, the greatest mining camp on earth, a few leasers working some of the best properties, and making only a bare living.

In Philipsburg, Granite county, the Bimetallic and Granite Mountain, two mines which have paid several millions of dollars in dividends, are now closed down on account of the low price of silver.

The Elkhorn, in Jefferson county, which has been a divident paying bonanza for fifteen years, recently published to the world the fact that it must succumb to the inevitable—that their great ore bodies were exhausted.

Look carefully over the mining field, and see if you can find one rich producing silver mine. The bonanzas, which held such conspicuous places in the mining world, are things of the past. Today but one is left—the Ontario, of Utah, and that is being worked at a small profit only.

It is true that there are left a few silver mines from which the rich bodies of ore have not been all taken out. These, however, will soon become exhausted, if steadily worked. When and where have any large silver mines been found of late years? The Molly Gibson, located in Colorado, is the only one, and like the Alice, Moulton and Lexington, it is lying idle today.

I mention these facts as evidence that silver mines are not being sought after or prospected for, because they may not be found, and would not pay if discovered. When one is found, in the search for copper, the claim is recorded, represented, and left idle in hopes that some day in the near future silver will reach a paying basis.

There are, no doubt, very many small silver leads yet undiscovered, and had silver not been demonetized, there would be today at least three thousand of them, in the states and territories, working steadily. These three thousand mines would give employment to fifty thousand men.

Look carefully now for the result of the labor and product of these fifty thousand miners.

These men, kept steadily at work, would cause, indirectly, the employment of from 500,000 to 1,000,000 workmen in the east, simply because to open and develop three thousand mines, vast amounts of machinery would be required, and the army of men engaged in these mines would have to be fed and clothed. To produce the machinery, clothing and food, would require the services of a ten times greater number of men. Again, the product of the mines would increase the number of wage earners who manufacture works of art—every article for which silver is used.

Remonetize silver, and at least one-half million men in the east who are now idle will have employment, and I firmly believe the number would be twice one-half million. At the same time there would be an increase in wages, for when the west is prosperous high wages are always paid, and high wages mean a more generous distribution of money.

The gold bugs say we "are making an overproduction of silver" that "it can be produced for 25 cents per ounce with profit." Let us look at this matter intelligently.

When we take into consideration the immense number of men who have been engaged in prospecting for silver mines; the hundreds of "mines" which do and never have produced; the millions of dollars expended in the erection of buildings, purchase and planting of machinery on properties which have never returned a penny of profit, or even returned the original investment, and with these expenditures made an honest comparison, it will be plainly seen that the gold bug estimate of 25 cents per ounce for cost of production loses its honesty of statement, and appears only as a ridiculous assertion, made with deliberate intention to falsify.

I will illustrate with indisputable figures how rapidly the silver production is falling off, and more particularly with the price at or near 67 cents per ounce.

In 1891 the production was \$75,416,500.

In 1892 the production amounted to \$74,989,900.

In 1894 it dropped to 49,500,000.

For 1895 the actual production will not exceed 33,000,000 ounces.

At this rate of decrease the production in 1896 will be less than 25,000,000 ounces.

Every laborer, artisan, mechanic, farmer, merchant and professional man in these United States should give this subject his earnest thought that his mind may more easily grasp the monetary situation with a realizing sense of its importance.

With our mines idle this decrease will continue until, in a very few years, silver will only be known as a by-product with copper and gold, and will not exceed, all told, over 15,000,000 ounces.

The demand for silver to be used in art and manufacture may possibly act in a certain degree as a stimulus to silver mining industry. Without a demand of this nature it will require the entire amount of the by-product to the art trade only.

With low prices where is the world's supply to come from? America will have no silver to sell. This country and Mexico have produced over one-half the silver in the world at this time. Mexico is using the greater part of all the silver she produces, and we can readily see how that country makes herself prosperous by so doing. She pays all her help with silver at a ratio of 16 to 1, and sells her products, aside from silver, in gold countries, receiving payment in gold. Such manner of transacting business makes silver countries prosperous, while gold countries deteriorate commercially and financially.

Many of the politicians of today are coupling silver with tariff. While I am for tariff, I am for silver first, as being paramount issue. Japan and China are both silver countries. They can as easily make or manufacture any needed article as can the United States.

With monometallism, Japan and China are given 75 per cent advantage to start with. The difference between gold and silver at present gives them 50 per cent advantage, while the difference in price of labor in other countries and ours is over 25 per cent; hence 75 per cent is a small estimate. With their cheap labor to contend with, how are we to shut out their wares and products? Can we raise the tariff high enough to do so?

This is one of the gravest questions we have to contend with. Shall we allow the gold bugs of England and the United States to reduce our free-born laboring classes to a level with the Mongolian or enslaved coolies of Asiatic countries? Emphatically, No!

But how prevent it?

The simplest thing imaginable. Throw political affiliations aside; ignore all party ties on this important issue, and vote for the presidential candidate who is known to favor the free coinage of silver at a ratio of 16 to 1.

Take John Sherman from 1873 to the present time for example, with Grover Cleveland and John G. Carlisle as auxiliaries, and see where they, with their monometallist proclivities and teachings, and administrative acts, have placed us. In the mining states and territories we see deserted towns, idle machinery, desolate houses, poverty, starvation, misery, misery, misery, and a terrible increase in the crime which follows and is the outcome of want and suffering.

Railroads, too, are mostly in the hands of receivers, and trains are running short-handed with crews working at pitifully low wages.

Farmers are in a still worse condition. For all they sell they receive less than the cost of production, and apparently do not know the cause. A few days since I met a farmer in Omaha, Neb. He told me corn in the country was worth but 12½ cents per bushel. That farmers were selling their hogs at so low a figure they had to do without meat at home. That they were compelled to do this to procure the necessities more essential to life, and also to pay their taxes. I regret to learn that this state of affairs exists to a great extent in all the agricultural states.

In some of the states farmers are burning corn because they have no money to buy coal, or they find corn so much cheaper, as fuel.

I ask in all honesty, Are such things necessary in a land so naturally blessed as our own America? So rich in its millions of resources?

Is there no remedy?

I answer, Yes! By the ballot. At the coming presidential election vote for a candidate who is a pronounced silverite, who favors the free coinage of silver and gold at a ratio of 16 to 1, and who will not betray your confidence after his election.

It will require several years to place us on the prosperous footing we enjoyed twenty years ago.

There are but few in the east who realize the great importance of this silver question or understand it in its entirety; who appreciate the fact that we have but just passed through the greatest silver producing era the world has known for four thousand years. It is the third of its kind, and covers a space of thirty-five years, or since the discovery of the famous Comstock in Nevada. With most of the silver nearly worked out history is liable to repeat itself, and may not favor us with another such production for a thousand or even five thousand years.

Allowing silver to be remonetized at 16 to 1, the production will increase but slowly. The reason is that the greater number of old mines are worked out, and there is but little hope of finding new ones of their past magnitude.

People in the east, generally, have but little knowledge of the silver mines in the Rocky mountains; know nothing whatever of their workings; are ignorant of how silver is produced, where it comes from, how it got there, or why it should become exhausted.

I have personally examined very many mines on the Pacific slope, and in the interior, and have reliable informa-

tion from other mines as to their present condition and wealth. I can say truthfully that the number of silver mines showing good ore below the 1,000 foot level will not equal the number of fingers on one's hands; and further, I may say that I am familiar with many mines throughout Montana, Idaho, Utah, Nevada and Colorado, which do not show good paying ore below the 600 or 700 foot levels.

Copper mines are not referred to. They are different. The copper mines of Butte, for instance, improve with depth, and some of them are nearly or quite 1,700 feet deep. They produce, however, but little silver. Seven million ounces per annum will cover all the by-product from copper and lead in Montana at the present time. Silver produced in this way is very expensive, as it must necessarily go through several treatments before it gets into fine bars. With silver at a low figure it does not more than pay for treatment when it is produced with copper.

I could give a thousand more reasons why this country should have free silver coinage at a ratio of 16 to 1, but my letter has grown longer than I at first intended it should be. The things mentioned are matters of history, some of them unwritten, it is true, but nevertheless truths that will remain with us forever.

With every wish for your success in the great cause you have so nobly espoused, I have the honor to be, very truly yours,

JOSEPH K. CLARK.

ENGLAND'S POLICY.

The Terror of the World—The Centralization of Wealth.

Philadelphia American: No engine ever proved so mighty, no instrument so powerful and unfailing, in the transference of property from the producing to the money lending classes, and the consequent centralization of wealth in the hands of the few, as the single gold standard. Having discarded silver and gained control over the gold money of the world, the creditor classes have the producing classes absolutely at their mercy, for, by displacing silver, the demand for gold has been doubled, and continues to increase as trade and population grow. And with this increase and increasing demand, gold has and must continue to rise in value, resulting in a shrinkage in the value of the property of the producers, and an increase in the burden of all debtors in a like ratio.

No one ever perceived this more clearly than Samuel Lloyd, who rose to the head of one of London's greatest banking firms, a firm afterward merged into the London and Westminster bank—the recognized chief of the moneyed interests during the second quarter of the century, the author of the bank restriction act of 1844—a man who influenced the policy of England, we might safely add of the world, more than any other man in his time. Lloyd's first great aim was to limit the issue of the bank of England and thus rigidly limit the currency of England to the gold available for money. This was accomplished by the bank act of 1844, which required that the bank of England hold pound for pound in gold its vaults against every pound of paper outstanding in excess of £14,000,000. Thus securing an inelastic currency that could not be increased in obedience to the increased demands of trade, save by addition to the stock of gold, Lloyd felt that he had placed the debtor classes prostrate at the feet of their creditors. The legal tender money being insufficient to carry on the trade, and being absolutely fixed, he saw that payment was only made possible to their debtors when the creditors saw fit to loan them the means. It followed that when the creditor classes chose to contract loans, payment became impossible, and they had it in their power to forfeit the property of their debtors.

Lloyd reasoned that with expanding trade, and a currency fixed absolutely by the quantity of gold in the country, money must rise in value as the demand thrown upon it by growing population and expanding trade increased, for he deemed it impossible that the production of gold would be such as to make possible an increase in the quantity of gold in use as money as fast as population and trade grew.

He perceived that as gold became more and more valuable it would become more and more difficult for debtors to pay their debts, and saw that debtors thus becoming more and more dependent on loans of the creditor class to enable them to meet payment of interest and principal, debtor would be forced—whenever the creditor classes systematically contracted loans—to surrender their property on such terms as creditors might dictate.

Will congress respond to the Groverian command? Not if the vote in the senate on the coinage resolution and the sentiments of senators be any indication. There is a remedy and the senate has seen it and consented to examine it. It is the free coinage of gold and silver. The passage of a free coinage law by the United States would create more real consternation in England than a declaration of war.—St. Louis Chronicle.

THE LATEST GOLD PLOT.

Only a "Stage Play" to Secure More Bonds and Taxes.

The final move in the latest gold plot has been made. The president's third message represents the danger that "threatens" us of losing an adequate gold reserve and requests that congress do not adjourn until it shall have passed remedial financial legislation.

Mr. Cleveland desires to fasten more firmly upon this country the rule of gold monometallism. His motive in this determination need not be speculated upon in this discussion. The friends of free silver, however, see a double meaning in each step which the president has taken since congress met.

His general message was Mr. Cleveland's first card. He pointed out that financial legislation was needed. He referred to the alleged absurdity of the silver craze, dismissing the claims of free coinage without argument. All his talk was of gold, and his message was plainly a suggestion for another bond issue.

For some inscrutable reason Mr. Carlisle's supplement to the president's message was delayed. Was this a play for effect? Mr. Carlisle came out boldly and said what Mr. Cleveland had hinted. Bonds, bonds, gold and bonds was the burden of his song.

Then the "war message" was sprung.

The hallowed shade of Monroe was called up and set to the ignoble task of tail-twisting for political effect. The ever-ready patriotism of the American people was roused, perhaps to a point upon which Mr. Cleveland had not calculated. There was much "war talk" and securities in Wall street took a great slump under the hammer of Lombard street. The Rothschilds conferred with other barons of London in one of those ostensibly "secret" meetings. Immediately the representatives in Wall street of British money lenders announced their intentions of withdrawing several millions of gold from the treasury.

On the gold basis things looked a little squally. While the country was in the throes of excitement, and those who fall down before the gold fetich were anxiously watching the fading reserve, came the president's third message advocating prompt action by congress to maintain the gold reserve. Close upon its heels followed the inspired story that a deep, dark British plot has been hatched to rob us of our credit through the reduction of our much-talked-of reserve. Then it was given out from the cabinet that the president favors the issuance of a billion dollars of gold bonds. England could never drain such a reserve as that—never! never! She could not, but the burden of a colossal debt would have been fastened on us.

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