der this law 2 men require more money than 1 man, 1,000 require more than 50 do.

Increase of Population.

In other words, as population increases there must be a corresponding increase in the volume of money or there will follow a practical shrinkage—that is, there will be less money per capita. Formerly there was added every year to the world's stock of money not only all of the gold, but all of the silver, except what was used in the arts, the silver being about equal to the gold. This in a measure kept pace with the increase in population, so that the increase in population would not necessarily affect prices, but now there is added annually only the gold that is produced, less what is used in the arts. In other words, there is added only one-half as much as there used to be, while the population is increasing at a more rapid rate than ever. The necessary consequence of this is and will be that if this gold standard is maintained prices must go on slowly and steadily falling throughout all the years to come. So that the demonetization of silver tended not only to reduce prices and thus paralyze the enterprises and the industries of the world, but it also creates a condition which must give us a slowly but steadily increasing paralysis.

Checks, Drafts, Etc.

It is true that about 95 or 96 per cent of all our business is done by means of checks, drafts, bank notes and other substitutes for money, and that only about 4 or 5 per cent of our business is done in actual cash, and this fact has misled many men, and we hear men argue that there is but little money needed; that other things have taken the place of money, and therefore it does not matter whether there is much money or little money. But these people lose sight of two things. First, that after all these checks, drafts, bank notes and other substitutes for money rest on money. Every one admits that you must have some money, even though it be a little, to base these things on. No man has yet claimed that you can do away entirely with money and use these substitutes and get along. This being so, it necessarily follows that there is a limit to the amount of credit which a dollar can carry. That is, there is a limit to the amount of the drafts, checks and bank notes that can be based upon a dollar. If this were not so, then if there were only one single dollar in the world all the business in the world could be done on credits based on that one dollar. But there is a limit to it.

Credit Rests on Money.

The second thing that is lost sight of by those people is that the enterprise, industry and business of the world is always so great that it exceeds the credit which a dollar can carry. In other words, the enterprise, the business and commerce of the earth are always carried to the uttermost point possible. They load every dollar up with all that it can carry, and therefore when you strike out any dollar from under this load a certain part of the load must come down. When the amount of checks or drafts is increased, does it not release a certain amount of money and cause it to lie idle. The enterprise of men will immediately reload all the money that is so released with every bit of credit it can carry. That is always the condition of the commercial and manufacturing world in prosperous times. It therefore follows that when you reduce the amount of money in the world under these conditions it is a much more serious matter than it would be if there were not these checks, drafts and other evidences of credit, because you destroy not only the given amount of money, but you pull down so much of the whole fabric of creditor business, if you please, which has rested on that money. So when you increase the volume of money, you not only make it possible to increase the amount of business in proportion, but you make it possible to increase the business 20 times as much as the actual increase in money, because every dollar of money will again be instantly loaded with credits.

Opening the Mints Will Increase Credits.

Therefore we say that opening the mints to silver will add to the stock of primary or legal tender money, and this will again be loaded with credits which will make possible an increase of business 20 times as great as the increase in money. We sometimes hear it asked, "How will you get that money into circulation, or what good will this increase in money do you if you have not anything to get it with, if you have no property or any collateral?" That question is purely American and shows that in some things at least we are yet new.

How Money Will Get In Circulation.

It needs but a moment's reflection to see that the additional money will get into circulation just as the money that is in circulation got there, and that when men again coin silver bullion into dollars or get certificates for it, which are legal tender, which can be used in paying taxes, which can be used in paying duties at the custom house, which can be used in paying debts, they are not going to let that money lie idle, because it will not make it profitable any longer to have it so. Money will cease appreciating in value then, and they will go to building houses, building shops, building railroads, manufacturing and doing business; they will start activity in 1,000 channels and 1,000 fields. That will be the result. There will be an immediate demand for brains and muscle. There will be an immediate demand for engineers, for skilled men, for clerks, for mechanics and for day laborers, and instead of laborers being obliged to tramp around over the country in search of work which they cannot find they will be sought for at their homes and requested to come over and go to work. The man who has nothing to sell except his muscle will find a market for that muscle. The man who has nothing to sell except skill will find a market for that knowledge, and very soon the whole community will feel the vivifying and the electrifying effect of an increase of blood and vitality in its veins.

Other Statesmen.

I would like to read to you the language of Mr. Goschen, a great banker of London and late chancellor of the British exchequer, one of the great statesmen and financiers of the world today. I should like to read to you the language of Mr. Giffen, the statistician of the British board of trade. I should like to read to you the report of the royal commission on gold and silver made to parliament in 1888. I should like to read to you the language of a number of other great economists and financiers, men who for years have been assisting in the management of the world's affairs, who for years have had their finger upon the pulse of the commerce and the business of the earth, who have watched the circulation of its blood and have felt its heartbeats, men who are not theorists, but who are first students and then practical men, and you would be astonished to see how their views are all in accord upon this great question. They hold that the law of supply and demand does apply to money. They hold that when the governments by law demonetize silver or wipe out any other actual money the governments thus by law reduce the world's supply of money. They hold that when the governments adopt a gold standard and make it the only legal tender money the governments by law increase the demand for gold, because by reason of the law more people must thereafter have gold than formerly had to have it.

Increasing Demand For Gold.

The work that was formerly done by silver has thereafter to be done by gold, and the necessary consequence of this is to increase the importance of gold, to double the number of people who have to have it, and in the end double the purchasing power of the gold dollar. Now, we insist that in harmony with the world's basic law of finance, in harmony with the entire experience of mankind, in harmony with the expressed views of the greatest statesmen, living or dead, the demonetization of silver doubled the purchasing power of gold, so that it took twice as much of the products of the earth to get a gold dollar and pay a debt or pay taxes thereafter, twice as much labor as it formerly did.

Destruction of Home Market.

The consequence was not only to do an injustice to the whole debtor world, but inasmuch as taxes, interest, debts and fixed charges remained the same it destroyed the purchasing power of the whole producing classes, because it took all they could scrape together to meet the fixed charges. This first destroyed business and necessarily forced the manufacturers to shut down because there were no longer purchasers for what they made, so that in turn labor stood idle, and it was no comfort to tell the laborer that if he had a gold dollar it would buy twice as much as it used to, for if there was no purchaser for what he made there was no way to get any kind of a dollar. Thus there followed naturally universal paralysis and distress.

Restore Purchasing Power.

We insist that, according to this same law, the restoration of silver will tend to again raise prices and again restore the purchasing power of the farming and producing classes, and with the restoration of that purchasing power, when the farmer can again spend money at the store, can again spend money at the shop, spend money at the college, spend money in travel, there will come universal activity. The manufacturer will again find a market for what he makes, and labor will be employed, and the tendency will be to revive universal activity and prosperity.

Mine Owner and Farmer.

Like the common run of gold standard orators, Mr. Schurz appealed to the prejudice of his audience by bringing in the mythical rich mine owner. Now, there are two things to be said in regard to the mine owners. First, a rich mine owner is largely a myth. They are all in distress. Second, the price of the mine owner's products has not fallen any more than have the prices of farm products. They stand exactly on the same level. As measured by gold, silver sells for just one-half what it did, and that is true on an average of all farm products. The mine owner has an enormous advantage over the farmer in breasting the hard times in this, that when he finds that it does not pay to operate his mine he simply shuts it up, and the people who suffer directly are the laborers who are thrown out of employment. But the farmer cannot stop farming. No matter how low products go in price, the farm has to go on as before. He must support his family there. He must make his taxes. He is obliged to go on cultivating his farm and raising more products whether they bring him big prices or a little price. So that the mine owner in the first instance does not suffer as much as the farmer and can protect himself in a manner that the farmer cannot. Therefore in the future I would suggest to the gold standard orators that they drag in the rich farmer and use him as a bugaboo, as the man who is going to profit by the restoration of silver. But to show the utter want of consistency, if not of good faith, I call your attention to the fact that throughout the whole of Mr. Schurz's speech he speaks of a 50 cent dollar. He describes the conditions that are going to exist after Mr. Bryan is elected and after the new regime has been introduced, and he tells you how silver dollars will be worth only 50 cents under the new order of things and the great injustice that will be done to creditors by giving them dollars that are worth in the market only 50 cents. He dwells on this in a manner that is pathetic, and, strange to say, he does this after having told his hearers that the mine owner was the man who was to be made enormously rich by the restoration of silver. Now, if the mine owner is to be made rich, it will have to be by raising the price of silver in the market, and, if by reason of the increased demand for silver and its use again as money the price of silver rises in the market, then there will be no 50 cent dollar. If all of the new silver dollars can be used to do exactly the same work that a gold dollar would do, then it is self evident that the gold dollar will have to come down from its high perch and be worth no more than a silver dollar.

Savings Banks.

During the last few years we have heard a great deal about the deposits in savings banks increasing. This allegation, like that of the rich mine owner and the 50 cent dollar, is constantly harnessed up and made to do duty by the gold standard people, and one would get the impression that instead of stagnation in industry and in business in this country there was the greatest activity and that all of our people were employed and that everybody was happy. But the fact is that, inasmuch as the savings banks pay a high rate of interest, higher than the ordinary commercial banks do upon deposits, people of large means in many cases deposit their money in the savings banks rather than in the commercial banks. They do this because money cannot be used profitably in business, and as they do not desire to loan it permanently they put it into the savings bank, where it can be withdrawn on short notice and where in the meantime they get the highest rate of interest, so that instead of the large deposits in savings banks at present being an indication that we are prosperous or that our laborers are employed they show in themselves that capital cannot be profitably or safely used in business or in manufacturing or any of the great industries of this country.

Panic of 1893.

Mr. Schurz attributes the panic of 1893 to the fact as he says: "The grave doubt arising in the public mind whether the government would be able to maintain the gold standard. We were then within a hairbreadth of a very widespread bankruptcy of the banks, and only the wisest management and the utmost efforts of the clearing houses prevented it." Now, Mr. Schurz is entitled to credit for being the only man in the world who made the discovery that the panic of 1893 was brought about by the cause he named, and he is entitled to the greatest credit because of the fact that he never ran a bank or a business or a manufacturing establishment or a railroad and was never engaged, so far as we know, in any commercial business. He had an established reputation as a rhetorician and as a man who could make an equally good speech on any side of any question. If the panic of 1893 was due to the cause to which he ascribes it, then we are liable to have panics of that character every year so long as the existing conditions continue; but, my fellow citizens, that panic was not local to the United States, and the depression that followed from it is not local, but exists all over Europe, and, in fact, nearly all over the world, and is most severe in the gold using countries. There was no doubt in the minds of the public at that time about England's maintaining the gold standard, nor about Germany maintaining the gold standard, nor about the other countries that had recently adopted a gold standard maintaining it, and yet in all of those countries the distress and paralysis are even more severe than in our own. Mr. Schurz may be able to patent his idea in this country, but his letters patent will be worth nothing in Europe.

Bond Sales.

But perhaps the strangest part of the speech is that which emphatically indorses and commends the bond issuing policy of the present administration. I ask you to consider this a moment. During times of profound peace in less than four years the national debt of this country has been increased $260,000,000, not to support the government, for President Cleveland declared expressly that this was not needed to support the government, as they had money in the treasury to meet the current expenses. It was done for the sole purpose of maintaining the gold standard by the government and of paying gold on obligations which on their face were payable not in gold, but in coin, which meant that they could be paid in other metal which the debtor—that is, the government—might select. This has been the law and the practice for centuries, and the governments of Europe always act upon it. Mr. Schurz suggests no change of policy, and he offers no remedy; therefore the existing conditions are to be continued, and if it was necessary to issue $260,000,000 of bonds in the last three years we are warranted in assuming that it will be necessary to issue a similar amount in the next three years, and that this will continue to go on. Do you think that this is the right policy for our government to pursue? Every time a bond is issued the oppression of the men who toil is increased. The interest on these bonds is not produced in the banks or in the offices of the cities. It has to come out of the industry of the country. It has to come from the products of a country, and the products of a country are created by the men who toil; the men who make and cultivate farms, who build and operate railroads; the men who build cities; the men who do the work of the land; the men who make our civilization possible. For I say to you that swallowtail coats and big shirt fronts never yet laid the foundation of empire; purple and fine linen never yet built a mighty state; perfumed handkerchiefs and bright neckties are not the forces that sustain the flag of our country in time of peril. The people who have to pay the interest on these bonds and ultimately have to pay the principal, whose sweat and whose toil have to produce the product to do it, derive not one farthing's benefit from these bonds. The men who get the benefit of these bond issues are the class of people who manage by the aid of government to lick the cream and devour the fruit of other men's industry. Let the American people follow the suggestions of Mr. Schurz, and our country will become a bond issuing country in perpetuity, and the farther down the vista of time the American patriot glances the darker will be the cloud and the heavier will be the burden which his children must face.

National Honor.

Mr. Schurz and Mr. Cockran wring their hands in horror over what they call the prospect of sullying the national honor and paying our obligations or the interest on our obligations in anything else but gold, and they point to the fact that in 1890 congress declared practically that it was the policy of this government to keep everything on a gold basis; that the world had accepted this, and for us to disregard that declaration would place us in the light of repudiators and dishonest men before the world. Just see how little substance it takes to enable a rhetorician to fill the air with ghosts. When was our great debt created? Long before 1890. And what kind of money did we get for the bonds we sold? We got paper for some and gold and silver for the remainder. Neither Mr. Schurz nor any other mortal has been able to point out wherein you wrong a creditor when you pay him in exactly the same money that he gave you. Neither he nor any other mortal has been able to point wherein you do an injustice to any man when you pay a creditor in money that has exactly the same purchasing power, that will buy as much property of any and every kind and as much labor as did the money he gave you. I will agree with Mr. Schurz that a creditor should not be paid in money the purchasing power of which is much less than was that of the money that he gave to the debtor, but if it is dishonest to pay a creditor in money that is cheaper than the money that he gave the debtor I ask you and ask the American people whether it is not dishonest to compel a debtor to pay a creditor in money that has twice the purchasing power as had the money which he got from the creditor? If paying the creditor in cheaper money than he gave the debtor is repudiation, I ask whether compelling a debtor to pay his debt in money that is twice as dear as the money he got is not robbery?

Bonds Payable In Coin.

What are the facts? For both Mr. Schurz and Mr. Cockran carefully avoid referring to them. Substantially all of the bonds and interest bearing securities of the United States now in the hands of our creditors at home and abroad provide on their face that they are payable not in gold, but in coin. No man could possibly be deceived in buying one of those bonds, and, with the exception of the bonds issued during this administration, they were not paid for in gold, but were paid for in coin, which meant gold and silver. What is true of the principal of these bonds applies equally to the annual interest. Every individual in the United States or in Europe that holds one of these bonds knew at the time he got it that the principal and interest were payable in gold or silver at the option of the government. You remember that a little over a year ago the president was so bent on fastening the gold standard upon our country that he asked congress to authorize the issue of gold bonds, which he said could be floated on a lower rate of interest, but congress refused to do it. Thereupon the government issued bonds of the same character that it had formerly issued—that is, coin bonds—and, according to the president, they brought less money in the market because of the fact that they were not payable in gold. The bankers got them cheaper than they could otherwise have got them by reason of the fact that they were payable in coin and not in gold. And yet, in the face of these well known facts, Messrs. Schurz and Cockran have the assurance to tell us that we will be guilty of repudiation and of sullying the national honor if we do not pay those bonds in gold. Suppose a man advocating the coinage of silver were to stand before an intelligent audience and make such an argument as that, what would they call him? As I remember it, one batch of bonds was sold in the market for about $17,000,000 less than the president assured us they would have brought had they been payable in gold. Yet these bonds are, like all other outstanding bonds that were sold, cheaper by reason of the fact that they were payable in gold or silver, and instead of the national honor requiring us to pay those bonds in gold national honor common sense and eternal justice alike forbid our paying those bonds in gold if to pay them in gold will cost the American people one dollar more than it would to pay them in silver. If it is wrong to unjustly withhold anything from the creditor that is due him under the contract, then it is a crime to compel a debtor to pay something that he does not owe.

Greenbacks, Etc.

But the bonds issued by the present administration were issued for the purpose of redeeming greenbacks and treasury notes in gold, and we are told that to pursue any other policy will be repudiation. Let us see. These greenbacks and treasury notes have been outstanding almost ever since the war, and not one of the several hundred millions that are outstanding is payable in gold. But this is not all. The government has taken pains all along to tell the world exactly what these bills would be paid in. On March 18, 1869, congress passed what was called the "credit strengthening act," reading as follows: "That the faith of the United States is solemnly pledged to the payment in coin or its equivalent of all of the obligations of the United States not bearing interest known as United States notes, and all the interest bearing obligations of the United States, except in cases where the law provides they may be paid in a currency other than gold or silver." Notice here the specific declaration made in 1869 that both the noninterest bearing obligations and the interest bearing obligations of the United States were payable in coin, gold and silver. Then, on Jan. 14, 1875, six years later, the specie resumption act was passed, to take effect Jan. 1, 1879. It did not provide for resuming in gold, but for resuming in specie, which meant gold and silver.

Matthews Resolution.

Three years later, on the 25th day of January, 1878, the senate passed a resolution which has become known as the "Matthews resolution," because it was introduced by Senator Matthews, a Republican from Ohio, and the house passed the same resolution on Jan. 28. This resolution reads as follows:

"That all the bonds of the United States issued or authorized to be issued under the acts of congress hereinbefore recited are payable, principal and interest, at the option of the government of the United States, in silver dollars of the coinage of the United States, containing 412½ grains each of standard silver, and that to restore to its coinage such silver coins as a legal tender in payment of said bonds, principal and interest is not in violation of the public faith nor in derogation of the rights of the public creditor."

Consider this resolution a minute. It was introduced by a Republican and passed by both houses of congress, and it expressly declares that all of the bonds already issued and all that may thereafter be issued under the acts of congress were payable, principal and interest, in silver dollars. This resolution did not change the character of the bonds nor of the obligation. It could not. It simply declared what was the law at that time—that is, that the government, being the debtor, had the option of paying in any kind of money named in the bond. And inasmuch as the bonds were payable in coin, and coin meant gold and silver, the government had the right that every debtor has of declaring which money it would pay in. If there had been a misunderstanding about the question before that, there was a notice to all the world. And, mark you, no fault was found with this; no bondholders complained at that time; neither the eastern nor the European bondholders sent their bonds over and claimed that there was a misunderstanding. They were not thrown on the market. There was no talk of repudiation. And if they were payable in silver then, when was the contract changed so as to compel us to pay gold now? A contract has two sides to it, and every increased obligation is supposed to carry with it an increased consideration. And even if it were true that congress had thereafter by mere resolution declared that all obligations should thereafter be paid in gold, it would not make them so payable. Congress, as a matter of fact, never made such a declaration. But if it had it would be void if it increased the burdens of the debtor. Suppose congress had by resolution declared that the holders of those bonds should give to the United States an additional sum of money to what they originally paid for them. Would the holders be obliged to pay? Nay, would not you have heard an outcry about robbery? If congress could not change the contract with reference to the creditor, it could not legally change it with reference to the debtor. So you see that under the contracts with the creditors and under the declarations of the government made to the world from time to time the bonds and the interest thereon, as well as the greenbacks and treasury notes, are payable in silver at the option of the government. And the eastern bankers so understood this all along and made no complaint, and it was not until Mr. Harrison was president and Mr. Foster was secretary of the treasury that they broached the subject of having these treasury notes redeemed in gold. This was in 1891.

Paying Greenbacks In Gold.

From Jan. 1, 1879, to Jan. 1, 1891, only a little over $34,000,000 of greenbacks were presented for redemption, or an average of a little over $2,500,000 per year. You see there was no run on the treasury then because the policy pursued by the treasury up to that time did not offer a special inducement to make a run on it, but at that time Mr. Foster and the Harrison administration yielded to the influence of the eastern bankers and ordered treasury notes to be redeemed in gold alone, and the Cleveland administration did the same. This was in the fall of 1891, and see what has happened since then. During the four years following that date $351,000,000 of greenbacks and treasury notes were presented for redemption and redeemed, and to carry out this policy of redeeming these notes in gold President Cleveland issued the $260,000,000 of bonds. Think of this amount! The burdens of the American people increased $260,000,000 in four years without benefiting the debtor a farthing. Had the same policy been pursued which we pursued before of redeeming these notes in gold or silver at the option of the government very few of them would have been presented. There would have been no disturbance in the money market and no necessity of issuing bonds.

Criminal Policy.

This policy was a criminal policy, and it is a child of and in keeping with this entire movement to fasten a gold standard upon the world. It is dishonest. It loads the people of this country with burdens for which it gives them nothing in return. It is a policy from which the masses of mankind all over the world derive no benefit—a policy which benefits only a few men who call themselves financiers, but whose mission in life seems to be to get something for nothing whenever they can get the government to assist them in doing so.

Amount of Products to Pay National Debt.

Let us see how the policy of the American government has affected the American people and who has derived the benefit of that policy. After we had resumed specie payments we were on the same basis with the other nations of the earth, and our national debt amounted to about $2,000,000,000. At that time wheat was worth upward of $1 per bushel, and the price of all other American products ranged in proportion. At that time it would have taken about $1,800,000,000 bushels of wheat or a proportionate amount of other American products to pay the whole national debt. Since that time we have been paying for nearly a quarter of a century, and at present the debt is a little less than $1,800,000,000, wheat is selling at less than 50 cents a bushel, and the prices of all other American products on the average are in the same proportion, and today it will take 3,600,000,000 bushels of wheat or a proportionate amount of other American products to pay the remainder of the national debt—that is, after we have paid for 20 years, after a generation has labored to reduce this debt, it now will take twice the amount of American products to pay the remainder of the debt that would have been necessary to pay the whole of the debt at the time we resumed specie payments.

Who Profits Now?

We are a producing nation, and the policy of our government has tended to reduce the prices of our products. Twenty years ago when a foreign bondholder took one of our $1,000 bonds and clipped off the interest coupons for a year, amounting, say, to $50, he could buy with them only from 40 to 50 bushels of wheat or a proportionate amount of other American products. Today when that bondholder clips off the coupons for a year's interest that same $50 will buy him 100 bushels of wheat or a proportionate amount of other American products.

I ask you, my fellow citizens, in whose interest has the American government been run during this time? And if this policy is to be continued, if this gold standard is to be maintained, if we are to go on with a constantly increasing population and a nonincreasing volume of money, then there must be a further and a continuous decline in prices over the world, and when another generation has spent its life paying at this national debt it will then take nearly twice as much of American products to pay the remainder of the debt then existing as it will take today to pay it. Is it any wonder that the gold standard people do not want this subject discussed? Is it any wonder that they charge that we are trying to arraign class against class when we call attention to what are simply the hard facts? The American people are the sufferers, and the only people who profit by this policy are the foreign and the eastern bondholders and their American agents. In one of the bond transactions under the present administration a New York banker and his associates, who represent English capital, made upward of $10,000,000 out of the government in a few weeks. Is it any wonder that those men want to continue this policy? Do you really think, my fellow citizens, that a policy which lowers the price of all American products while it increases the American debt can be said to be a wise American policy?

Indebtedness of This Country.

The indebtedness of our country, when you consider the vast corporation, municipal and other debts, almost baffles computation. It is nearly all held abroad. The interest has to be raised by the toil and the labor of American people. It has to be paid by American products. Shall we pursue a policy which will keep the price of American products down so low that it takes practically everything that the American nation can earn to annually pay the interest on that indebtedness, and thus destroy their ability to buy, which means a destruction of the American market? Can we reasonably hope for any prosperity in the future? Talk about maintaining this gold standard and paying these vast sums in gold! Why, there is not gold enough in all the world to pay a fractional part of the interest on our debt in gold, and in recent years we have repeatedly seen gold manipulated in such a manner that a few great institutions control it. In other words, they were able to corner the available gold. I have already shown you that in the entire United States there is only $127,000,000 of available gold. That includes all the banks have, and the amount of gold in sight in the world which is available at any time is very small, and we therefore must expect if we stay on this basis that gold will be cornered repeatedly from time to time. The speculators will profit, and the producers will suffer.

Steadiness of Standard.

Mr. Schurz claims that the gold standard is a steady standard and therefore desirable for the commercial transactions of the world. Other gold standard advocates have made the same declaration. It is impossible to understand why they have done so, for all the world's experience is to the contrary. England is a gold standard country. The Bank of England rests on a gold standard. France is a bimetallic country. While it has coined no silver since 1873, the Bank of France rests on the bimetallic basis. During the ten years from 1875 to 1884, inclusive, the Bank of England was obliged to change the rate of discount 66 times; the Bank of France only 13 times. In other words, during those ten years the bimetallic standard was five times as steady as the gold standard. And during the seven years from 1885 to 1891, inclusive, the Bank of England was forced to change the rate of discount 59 times; the Bank of France only 6 times. When one metal alone is the standard, it is affected not only by the change in production, but by reason of its limited quantity is subject to manipulation, whereas when the standard is supplied from two sources there is greater steadiness in the supply and the volume being so much greater it is more difficult to manipulate.

Prices and Legislation.

Mr. Cockran argues that you cannot change values, and then he uses this language, "A man may change prices by legislation." That sentence admits the charge made by the bimetallists and is in harmony with the views of the greatest European statesmen, who claim, with the bimetallists, that when the governments of the world demonetize silver they by legislation reduce the supply of money in the world, and when they adopt a single gold standard they by legislation increase the demand for gold, so that by legislation the law of supply and demand was in such a manner interfered with as to force up the purchasing power of gold to twice what it formerly was. If our committee were not so poor, I should recommend that they give Mr. Cockran a check for traveling 1,000 miles to make that admission.

Cockran on Wages.

Mr. Cockran further gave us the benefit of his views on political economy in this language, "Wages depend on production and nothing else." Again he says, "Wages depend absolutely on production." If this is correct and nothing further is needed than to produce, then all that is necessary is for the mills to start up and go to producing, and the more they produce the higher the wages they can pay, and everybody will be happy. If there are any manufacturers in the house, I ask you how this would strike you? Has Mr. Cockran covered the case? Is there not something wanting? Has he not left out the most essential element, and that is the market? No manufacturer can run his mills unless he has a market for the things which his employees make, and it is strange that all of the gold standard orators of the country persistently shut their eyes to the fact that until we restore the market there is no use of opening the mills. Wages depend on the prices paid for the things that are manufactured. The manufacturer cannot run his mills and pay high wages and accept low prices for his products. Labor creates property, and the price of that property must necessarily fix the scale of wages.

Opening Mills.

Major McKinley recently told some gentlemen that he thought it was more important to this country that we should open the mills to the laborer than to open the mints to the mine owners. This is an artful statement, calculated to deceive. Suppose he is taken at his word, and every mill owner in America opens up his mills. How long will they run? And, if they are obliged to shut down, why will they be? Because there is no market for the things they make, and I say to Major McKinley that the only key that will open the mills and keep them open is an increase in the volume of money in this country. Let prices gradually come up to the bimetallic standard, and you will restore the purchasing power to the country. The farmer will again be able to buy, the railroad will be busy, and every business will increase with the general prosperity. The manufacturer will be busy, and the bankers and merchants will again be doing business. That is the only way in which the mills can again be permanently opened.

Labor Paid In Gold.

I recently heard a gold standard man make this argument to laborers: "Why, you earn your bread by the sweat of your brow. You begin toiling early in the morning, and you work until night, and when night comes you want to be paid in gold. You want a dear dollar. You want a dollar of the greatest purchasing power to buy you as much of the comforts of life as is possible." A very seductive argument. It looks plausible on its face; but, like all the arguments offered on this gold subject, it is fallacious, calculated to deceive and utterly ignores the fact that the laborer needs a market for what he produces. It is an insult to the intelligence of the laborer to tell him that the gold dollar buys more than any other dollar if you do not at the same time tell him how he can make that gold dollar. If this subject of prices were the mere scramble between buyer and seller, then the idea that the dear dollars were in the interest of laborers might be correct, but the trouble is that a dear dollar not only in this country, but in all countries, lowers prices, and therefore means not only lower wages, but by lowering prices and leaving the fixed charges the same it destroys the market. It has disabled those people from buying who formerly bought. To the laborer it presents itself this way: A dear dollar and no market for the things he makes, the mill closed, himself out of employment and his family out of bread.

China and India.

China and India have lately been held up to us as horrible examples of the condition that we will reach if we coin both gold and silver. I have pointed out to you the effects that a reduced volume of money has upon the prosperity of a country—that as the volume grows smaller and smaller the people sink lower and lower. In China the amount of money in circulation is only about $2.50 per capita, in India about $3 per capita. And while many things in both countries and in other countries that have but little money in circulation have contributed to the present unhappy condition of the people the most potent of all causes has been the inadequate circulation of money. And if this gold standard is to be maintained for the world—if, as I have said, our population is to go on increasing at enormous rates all over the world and the volume of money does not increase—the tendency of our country will be directly toward the same conditions that exist in China and India.

Local Creditor.

But, says some one, if you add silver to the volume of money, will you not be injuring our own local creditors who have money loaned out? I say no—emphatically no. No creditor, be he banker or private individual, can possibly benefit or profit by having universal bankruptcy all around him. Every creditor, be he banker or merchant or private individual, does profit by having general activity around. It opens new channels for his capital, it creates a demand for his money, and he profits by general prosperity. There is just that difference between falling and rising prices. Falling prices not only injure the debtor, but if long continued they in the end destroy the creditor, while rising prices help the debtor and by producing general prosperity increase the prosperity of the creditor.

Not a Partisan Question.

In 1861, when the drumbeats called you to arms, you were not asked whether you were a Republican or a Democrat; you were not asked whether you were a Whig or an independent—you were only asked whether you loved the flag and were ready to fight for it. In 1896 the question is not whether you are a Republican or a Democrat, whether you are a Populist or a Prohibitionist. The question is, Do you love republican institutions and will you help maintain them? We are at the fork of the road. By turning to the left we pass permanently under a British policy; we go into the region of dear money and low prices—into the region of perpetual hard times for all men who toil; we go into the region where we will have Turkey, Egypt, India and Ireland for associates. But if we turn to the right; if we repudiate Hanna and his boodle; if we respect the memory of the fathers; if we again declare, as they did, that we are independent of every nation on earth, then this republic will leap forward on a new career of grandeur and of glory, a career of prosperity and of happiness, a career that will elevate the sons of men and be a blessing to the people of the earth.