PADDOCK ON THE CURRENCY

Sensible Views on the Question of National Finances.

AN ARRAY OF INSTRUCTIVE FACTS

Strong and Forceful Views Showing the Sen ator in Full Accord With Republican Principles - Sound Money the Foundation of Prosperity.

The following copious notes from a speech delivered by Senator A. S. Paddock at Verdon recently will be of interest to No-

brankans at this time: Mr. Chairman: It would be impossible for anyone to write a correct history of this country for the past thirty years, and par-ticularly for the period to which I have re-ferred, which should not at the same time ue a faithful chronicle of the splendid record and phenomenal achievements of the repub-lican party. One of the grandest chapters of this history must always be that which records the wise, judicious and honorable management of the national fluances by all republican administrations.
It will not be forgotten that when the lamented Lincoln came into the presidency

1861 the country was in a most depiorable Anancial condition. Under the operations of the tariff of 1846 and from other causes chargeable to the demo-cratic party our industries had fallen icto a

tate of paralysis.

One of the most disastrous financial crises known to any period of our history had happened in 1857. The consequences of this calamity were an exact repetition of those which followed the terrible crists of 1837 Our banking institutions, whose existence was taked upon state laws, were universally in a state of syncope or worse. Specie pay-ments had been suspended. Their note issues, which were the sole paper currency of the country at the time, were either alto-gether worthless or so generally discredited

as to be nevery valueless as a carrency Phousands of manufacturing and other business corporations, firms and individuals nad been forced into bankruptey. A largo number of the subservient tools of the slave power were representing our government in the foreign service, and thousands of others held executive, judicial, legislative and military positions at home. And wherever em-ployed they were diligent in the use of their official as well as their personal influence to create a sentiment of distrust and apprehension. They procialmed to the whole world everywhere, and on all occasions, the intention of the southern states to secode from the union and to make war, if neces-sary, to destroy it. The public credit had e so thoroughly impaired by these raise sufficient money from the natural resources of the government for its net oral-cary expenses, and it was nearly impossible o borrow. An attempt to make a small loan in 1860 resulted in success only by the pay-ment of a rate of interest which, taken together with the targe discount from par for which our bonds were required to be sold, amounted to nearly 12 per cent. No presient ever assumed the reins of government under circumstances so difficult and so seri-ous. The threat to dissolve the union and break up the government had at length be-come a terrible reality. Great leaders in this movement left the places held by them as members of the supreme and other federal courts, left their seats in the two nails of ongress, left their positions as officers in he army and navy (for which service they ad been educated by the government) and cent back to their several states to organize ebellion and war for the destruction of the Finally, the general situation was nion.

There was no money in the federal treas ory. The government had no credit. There was no system of revenue which would produce money, and one of the greatest rebelons known to history was already organized

and armed for its destruction.
President Lincoln at once summoned to his d the ablest men in statesmanship, the isest men in finance, and the best military plent at . his command and entered upon his ent task of saving the union.

But it is not my purpose in this connection o review generally nor in detail the great wors in the way of legislation and adminis-tration of the war period. And the only object I have in view at the present moment is call in a general way only so much of the financial history of republican administrations, beginning with that of the martyred president, as is necessary to show the re-markable results of their wise, courageous and patriotic service in this behalf. And l ope to be able to snow, what I believe, that he greatest possible injustice has been done he republican party by those who have lought to discredit and condemn its financial policies generally for partisan purposes.

The books of the treasury show that at the close of the war of the rebellion more than 8,000,000,000 had been expended in cash on ecount of the expenses thereof.

The ascertained debt of the government in 1865 was \$2,756,431,571,43. In 1880, under the splendid management of republican ad-

ministrations, this enormous debt had been reduced to \$1,919,326,745.75-a reduction of 887,104,825.68. Again, in 1865, according to the official statement of the scoretary of the treasury of date July 1, 1880, the annual interest charge on the national dept was \$151,000,000—in round numbers-and in 1880 it had been reduced to \$79,210,981, which was a reduction

charge in fifteen years.

And now the last treasury statement of the present year shows the further phenomenal reduction from 1880—about twelve years—of \$1,334,296,365.75 in the principal of be public debt, and \$55,598,246 in the annual nterest energe thereon.

of about \$70,000,000 in the annual interest

And here is another gratifying result: in 1870 the annual interest charge was \$118,784,960.84, of which amount it was then stimated that \$60,000,000 went to foreign tiolders of our bonds, showing that more than one-half of all the bonds were then hold by foreign owners. It is safe to say that penriy all the bonded indebtedness of the United States is owned now by our own citizens, and that interest payments to foreign mers amount to merely a nominal sum.

Or, stated more exactly: The result of this magnificent work in the way of reduction of the interest-bearing public debt, as shown by the treasury statement for July of the present year, is that the principal thereof has been reduced from \$2,756,431,571.43 in 1865 to \$585,030,380 in 2. and that a corresponding reduction of terest from \$151,000,000 in 1865 to \$23,615, 37 has been made.

Or, to be even more specific: The principal of the public debt in 1865 was 83.50 per capita, and the interest charge was \$4.57 per capits, whereas in July of the present year the principal of the public debt er capita is \$9.28, and the interest is about ents per capita, and our bonds represent ng this acht are almost exclusively owned

n our own country.

There is another very remarkable fact, and that is that this conscientious observance of all our financial obligations incurred on account of the great war of the rebellion, oth in the letter and the spirit thereof, has not only resulted in this enormous reduction of the principal and interest of the public debt, but it has at the same time operated to permunently establish the low rate of 2 per ent interest-thus bringing the average rate on all our interest-bearing debt, which in 1870 was 5.89 per cent, down to about 3.75 er cent, soon to be 2 per cent all around, while at the same time the average rate of nterest realized by the owners of these nds at the average current price thereof in the market during the month of July was

And this su gests another phase of this abject to which I wish to call the attention

Suppose the flat money schemes advocated by the creesbackers then and the alliance leaders now had been adopted in place of the grand business policy which I have described. The national debt could not have cen reduced and the interest charge must 6.7 invariably increased. But suppose the interest charge had remained at \$151,000,000, as it was in 1865—our present pension system would have been impossible. Let me you some figures to support of this state-

When the war closed in 1865 the pension li charge was \$8,500,000. The aggregate interest and pensions was \$100,000,000. isions have, however, increased to 150,000,000. The interest and pension nearly \$150,000,000. The interest and pension charge together for the past fiscal year were \$174,750,000, tess than \$13,000,000 of which is interest charge, as compared with the payment of \$160,000,000 in 1865, at the close of

the war, when the interest charge was \$151,000,000.

If the interest charge had fremained at \$151,000,000, with the present requirements of about \$150,000,000 for pensions, it would have taken \$300,000,000 to cover these two items, or more than three-quarters of all the revenues of the government, making the

present liberal pension payments an utter

mpossibility.
A great deal has been said about the numerous advantages resulting to the national banks from the privilege given them to issue currency notes. I have had prepared by one of the ablest experts in this state a comparative calculation as to the profits resulting from the use of \$100,000 by a national bank under this privilege or if used in general short time commercial loans.

(15,020 invested at 10 per cent produces . \$11,500 (15,00) Invested at 4 per cent bonds will purchase \$100,000 Income will carn \$4,000 carn Circulating notes \$10,000 (Circulating note

\$55,500 8,550 \$85.5 0 at 10 per cent ... m bonds and circu-12,550 Less tax on circulation. 900 Less cost of printing, etc. 100 Less namual reduction 1078 2,078

Net income..... Other small items of expense are legitimately chargeable to this fund, such as lees of bank examiner, cost of printing and pub-lishing five statements each year; the fees of an agent at Washington to witness the de-struction of circulating notes unfit for circulation and making annual examination of

onds in treasurer's bands, etc.
This statement explains why it is that a very large number of national banks have surrendered their circulation and most, if not all others, are anxious to do so. And now, Mr. Chairman, I pass to the cur-

ency branch of this great record. There have been periodical attempts to prove that this part of the financial policy of the republican party has bad for its object contractions of the currency for the benefit of the capitalistic class, at the expense of the mass of the people, always since the close of the war in 1805. To my notion a greater injustice has never been done any political party in the world than tais. The most notable of these efforts was in the panic year of 1873 and a little later during the resump-tion period from 1875 to 1880 and the recent I may say the present one, because its force has not yet expended itself. It is a significant fact that the same arguments which were used in 1880 to sustain the green-back policy, then a serious menace to the business interests of the country, are now being employed in support of the theory of our friends of the alliance organization in the same direction. I desire, therefore, to bring nto comparison the state of the currency

in these several periods to show the utter failary of this claim, In the regular official statement of the secretary of the treasury of date July 1, 1880, he placed the whole volume of the currency on August 1, 1865, at \$983,318,685.76, which included \$42,338,710 two years notes, and \$193,756,090 compound interest notes ag-gregating in round numbers \$236,000,000, concerning which he said that "these issues entered into circulation but for a few days, if at all." Deducting these, and we have, according to this statement, \$746,000,000 as his estimate of the volume of currency for that time, as against \$737,721,545.37 the year before the great panic. But it is to be remembered

that green backs were only worth in 1805 70.4 per cent, and placing the volume of the cur-rency at \$983,000,000, which includes, stated in round numbers, the two years notes and the compound laterest notes, the whole purchasing power of the currency in 1860 was only \$692,000,000 in round numbers, and in 1873, when the panic came, which at the time was directly charged to contraction, the purchusing power of the currency was 91 per cent on the dollar, and the aggregate value of the currency was therefore in round numbers \$711,000,000, an increase, or infla-tion, instead of contraction, of fully \$20,000,-000. In 1880 the purchasing power was 100 cents, and the volume of the curreccy in round numbers was \$735,500,000, making a still further increase of \$24,000,000, or, to be more definite, an increase of \$44,000,000 from 1865 to 1880, without counting the gold which was then rapidly returning into the circula-tion, and had already practically increased it by the addition of nearly \$500,000,000 as the result of the resumption of specio payments, making the currency volume in the treasury and in the circulation for that year about \$1,300,000,000, and it has constantly increased since. The recent state ment of the secretary shows a grand total on February 1, 1892, of \$2,220,377,074, of which \$1,525,756,251, since increased over \$16, 000,000, was in active circulation, a constant and unvarying increase in the per capita circulation from \$19.23 during the second year of Lincoln's administration to \$24.70 on February 1, 1892. The per capita circulation of France is placed generally at \$45, but the mass of the French people use checks and drafts to a very limited extent, whereas all but about 8 per cent of the business of this country is with such paper, which would make practically a per capita of \$25 in currency and \$230 in checks, aggregating \$255 therefore

per capita. France cannot theref properly used as an example for us. As I have before said the same arguments which were made in 1880 by our greenback friends are now being repeated by our allionce friends who think they would be bene fited by radically revolutionizing our currency, which, as to its form at least, has come to be considered by the whole world as about the safest and best ever devised by

human wisdom. Our greenback friends told us then that the volume of the currency was larger on the 1st day of September, 1865, than it ever has been at any one time, and 1 will give you a statement or table which was widely pubished in one of the text books of the green-onck party, and is adopted by our alliance friends now. Undoubtedly many of you

nave seen it. It is as follows: United States notes \$ 433,160,56 ational bank notes ompound interest legal tenders. emporary loan certificates. ertificates of indebtedness. Freesury notes, interest bearing 5 per cent Treasury notes past due....

830,000,00

Total September 1, 1865\$1,000,678,770 In answer to this statement, I say it is sus In answer to this statement, I say it is conceptible of proof, under the most liberal rule of estimates that can be possibly made consistent with the facts and the record, in the interest of inflation, as I have before indicated, that the true aggregate of the volume of currency in actual circulation at the time named was considerably less than \$800,000,-000, instead of \$1,995,678,770, as stated in the table which I have read to you. In order to make up this last enormous aggregate the 7.30's, \$880.000,000; the certificates of indebtedness, in round numbers, \$85,000,000; the compound interest legal tenders, in round numbers, \$217,000,000; the temporary loan certificates, \$107,000,000, and the 5 per cent treasury notes, \$32,000,000 (I state these last two items in round number also), all interest-bearing, are brought bodily nto the calculation, when it is a well known fact that they were all largely held by in-vestors, and out of circulation. It is true that a part of these issues had the legal tonder capacity, and so has gold this character-istic always, but when gold is at a premium of even a fraction of 1 per cent it is not found at all in the currency. And so it was in a large degree with these several evidences of indebtedness. In 1865 compound interest notes and 7 80's with accrued est were at a premium, and for every were much less likely to used as currency than even the 4 per cent bonds now are; for the higher the rate of interest of a time evidence of indebtedness of undoubted character the more liable is it to be hoarded by investors, particularly if the accrued interest is considerable and it is shortly to mature. It is probably true, how-ever, that in 1865 the banks held somewhat of these issues as a part of their receives as required by law, but the report of the comptroller of the currency for that year shows that the total amount of the bank reserve was only \$59,295,704. Undoubtedly,

too, they were paid out to some extent im-mediately after their first issue, but as soon

as any interest accrued they went into the

hands of investors, and thence were funded into long term bonus. Even Mr. E. G. Spaulding, who used to be quoted by our greenback friends—himself a rigid contrac-

onist-when arguing against inflation, made

have done so to strengthen his argument

against inflation.

He , believed the volume of the currency then too large, and wanted it reduced by retiring the green backs.

In the finance report of the secretary of the treasury for 1805 Mr. McCulloch says the paper circulation of the United States on the 31st of October was substantially as fol-

ows: United States notes and frac-8454,218,038.2 tional currency.

Notes of national banks. I
Notes of state banks, including
outstanding issues of state
banks converted into national
bank notes.

\$704,218,038 20 In addition to the United States notes there were also outstanding \$32,530,000 5 per cont treasury notes and \$173,012,140 comdoubtedly be safe to estimate that \$0,000,000 were in circulation as cumrency. The paper mensy of the country actively in the circulation October 31, 1835, was, therefore, \$734,218,038,20.

Of all the very able men wno in those days wrote upon the subject of finance arguing against inflation, and who would have naturally stated the case as strongly as the facts would warrant to justify their contention that the volume of the currency was then too large, not one placed the same in 1805 so high, into \$1,000,000,000, as do our greenback friends in the statement that I nave given you, of about \$2,000,000,000. Neither Spaulding nor Fawcett, although the statement of the latter s most liberal of ill, nor McCulloch, nor Fessenden, nor

Greeley, nor Cary.
I do not mean to be understood by this statement as going further than to endorse the republican policy of debt-paying and currency-protection as wise and necessary under the circumstances in which we were then placed, and to show that it did not re-

sult in a contraction of the currency.
As I have before stated, the greatest leaders of the party charged with the conduct of administration realized the importance of strengthening in every possible way the national credit, which had been so se-verely strained by the war demands. They knew that it was necessary to bring down the interest rates on our enormous public debt, which was a great burden to the people. They understood also very well that the lower the government interest the stronger the trend always to lower rates for the individual borrower. They knew that the surest way to gain t strong credit was to religiously observe the spirit as well as the letter of all contracts, particularly as to the character of the money in which payment was to be made, and when ever there was any accumulation of surplus revenues to apply them to a reduction of the debt, whether due or not. Their bonest efforts in this direction, as I have shown, have at length given us a innancial standing second to no other nation and reduced our interest account to the minimum in both volume and rate Indeed our success in reducing our public debt, principal and interest, has won for us the admiration of all nations, while at the

Our currency had been demoralized for a ong time. The demands of the war period for vast sums which we did not have had compelled us to borrow, and when we could not borrow to manufacture money. We had no way to make it except by the use of paper and printer's ink. This was an easy method, both as to the labor and the material employed-indeed, it was dangerously easy. dangerously cheap. This currency was alcharacter, and it was sure to become very soon an utterly valueless measure of values if adhered to. Certain bankruptcy and rum were ahead of us only a little way if we should succumb to the snare and delusion of flat money, which had taken possession of the minds of many and was a constant menace to the country. The wisdom and courage of the republican policies in that period of doubt and uncertainty, when there was a strong popular inclination to continue and enlarge indefi-

country, our national confidence and self

nitely the volume of our irredeemable cur-rency, saved the country from bankruptcy. The republican party was determined then as it is now, to have a currency, every dollar of which should be recognized all over the world to be as good as any other honest dollar. By this policy it has saved thousands of millions directly and indirectly to the gov erament, and to the people in their individual

This, in my judgment, has been a greater service to the agricultural than to any other industrial interest. In support of this view l desire to read briefly from an agricultura address delivered at Fairbury by me in large when the greenback craze was or and a great opposition to the re-demption of specie payments had arisen Standard of Value.

"Of all the people in this broad land, as one is more interested in the stability of the standard or measurement of values those who are engaged in agricultural pursuits. Take Nebraska, which is strictly speaking an agricultural state, for an illus-tration. Our products are principally breadstuffs and meats. For these gold or its equivalent is paid at the foreign commercial centers whence these articles are dis-tributed for consumption; out neither this gold paid by the foreign con-sumer nor its equivalent is ever seen by us if our currency at home, upon which all our transactions are based, is de-precised. By just so much as it is deprecipreciated. By just so much as it is depreciated do we receive less than the actual value of our products to the consumer, for before it reaches us it has to be sifted through the coin sieve, and there is left for us only depreciated greenbacks, out of which we shall have first paid in the cost of production from the time the ground is prepared for the seed through the season of planting, cultivation and harvest, and for the transmission of the resulting products, in whatever form shipped. to the consumer, through the hands of many middlemen who chiefly profit by such prem-lums, the discount for gold charged on such depreciated currency. Whatever the dis-count may be, the farmer has finally to pay nearly or quite all of it. The shippers and the commission men to protect themselves against the constant fluctuations in currency values always charge the producer a little more than the discount itself costs them. Every irregularity in the exchanges gives them an excuse to add a little more than the relative increase of cost resulting therefrom which generally increases their profit at the expense of the producer. The chances in-cident to the element of variableness—al-ways a characteristic of an irredeemable currency—are nicely calculated for the pro-tection of the middlemen everywhere; and this calculation almost always results in these chances running against the farmer, as the blanks in a lottery always run against

the ticket holders. "In addition to this, the farmer has to pay on everything he buys—his coffee, his tea, his sugar, his clothing for himself and family-the discount for gold which merchant and manufacturers are obliged to pay on a depreciated currency, and afterwards for that reason compelled to charge over against the consumer. Now, I maist, if ours and the countries to which we have been selling could all have been held to a uniform standard of values for the past few years, with our cur-rency at par with gold, the farmer in Ne-braska would have received at his farm as much in gold or its equivalent as he really has received during that period in green-backs, and so saved the promiums charged everywhere all along the extended line, from the time the ground was prepared for the seed to the delivery of the product, and the return to him of the money paid therefor by the foreign consumer, besides very many

dollars of currency discounts paid every year on the necessaries of life purchased for the use of himself and family. "There is yet another consideration: Capi-tal will not cease to be hourded, particularly will it not freely go into real estate, so long as there is any doubt whatever about our currency. So long as the currency may ap-pear to be permanently at a discount for gold, capital will be withheld from such investments. Capital is 'imid. You cannot convince its owner, whether he has \$1,000 saved as the result of his industry and thrift, or \$1,000,000 amassed by a life of great effort and equal economy, and the former is a capi-talist as well as the latter, that there is not talist as well as the latter, that there is not yet a lower depth of distress—lower values yet to come for everything, until the country has fairly and fully and squarely struck upon a coin bottom. When that point shall have been securely reached confidence will be fully restored and there will be a rapid appreciation of the values of real property, as well as a natural, healthy, permanent appreciation in the value of labor and all its products. Already we have proof of the correctness of this proposition in the experience the strongest statement possible for him to make as to the excessive volume of the cur-rency, and yet he only stated it at \$850,000,000 in 1865. If it had been possible for him to have made it \$1,000,000,000 he certainly would rectness of this proposition in the experience of the present year. Proportionally as the difference between gold and greenbacks has

of re-umption nearer to us, real estate in-vestments in our state have increased. Thousands of dollars have gone into farms, into improved lands and lots in Nebraska, this year, that would have not been so invested but for the great change in our fiscal condi-tions resulting from the comparative certainty of resumption in a few months at the latest. Many enterprises all over the country have been inaugurated this year that would not and would not have been commeed but or the changing of business cilities and improvement in business facilities and methods resulting from this rapid appreciation and near approach to par in gold of the value of green backs. We are at the very open door of resumption; let us not turn from it. Verily it is today the true secret of our growing prosperity, the very ground of our hope for the rapid development and up-building of our state. For along with it comes, as I have before said, Increased abliity to successfully compete for the com-merce and the trade of the world, and thus to command the necessary markets for our

"I have spoken of the idea entertained by many that the volume of our present cur-rency should be increased, or that something else, alike irredeemable in character, luter convertible with it, should be authorized. Now, we are all of us more or less familiar with the greenback. We like it; we believe in it. Human ingenuity never devised a better currency, if we curselves deal justly by it. Our duty is to make every dollar of it a true and honest dollar, and this can only be done by adopting such a policy in regard tion always, on demand, to faithfully perform the promise of redemption the paper itself conveys to every one who buys a dollar of it with his labor or the products thereof in any form whatsoever, i. e., to give in exchange for it exactly so much of com as it has cost a dollar to produce. All experionce hath shown that the medium of ex-change, the measure of value—whether it be used for wheat or corn or pork or any thing clse, must be such a thing as in and of itself, by the capital and skill and labor nccessary and actually used in producing it, is the relative equal of the commodity measured in respect of the employment of these very faculties and properties in the production of such commodity, othe wise it will possess the element of variableness, or be a fictitious or a fraudu-ient measure in exact degree as it possesses less of these essential characteristics of a true dollar, for the exact rule of exchange

everywhere is labor for labor." Silver, etc., in Relation to Currency.

Now, Mr. Chairman, in my opinion the trouble about the present situation is not so much from the insufficiency of the present volume as it is from the insufficiency of the metal money basis for the carrency required

As the thrifty father said to his son, "take care of the pennies and the dollars will take care of themselves," so I think that if we will take care of the currency basis the volume will take care of itself. In this connection, and because of its inti-

mate relation to the general subject of the currency, I desire to priefly review a few chapters of the past history of the money As to the causes which led up to the de-

monetization of silver, my viows are some-what different from those entertained by our alliance and radical silver friends. Long before the acts of 1873 and 1874, when it is claimed that silver was formally demonetized in this country, it began to pass into a state of nonuse as a money of commerce in all the great commercial nations. The act of 1853 was substantially a statutory admis-sion of this fact.

Commercial transactions had become so

enormous with the increase of populations and the consequent growth of commerce; competitions had become so sharp and the nargins of profits so small, that the coin meium of exchange which could be handled, stored and transported from one country or one commercial center to another most cheaply, when the state of the exchanges was such as to require coin shipments, was naturally employed.

And, therefore, in due course this became

the rule; because it was soon discovered that he who employed the dearer medium in such cases could not successfully compete with those who employed the cheaper.

Gold accordingly lunder these rapidly

changing commercial conditions came to be more and more and finally altogether used, and so the use of silver, on account of its greater relative weight and bulk with the resulting greater expense in using, fell off more and more, and grainally passed en-tirely out of service for this among the greatest of all coin uses. This nonuse also operated to lessen its value as a measure of because the demand for commercial use becoming less and less and finally ceasing limitations, and finally suspensions, of its coinage resulted, first in England and Ger many and afterwards in the other countries. This was the state of silver when our much criticised so-called act of demonetization was

True, our comage of silver dollars up to 1873 had been comparatively light, but silver under the process of demonstration in other countries was passing rapidly into the state of a commodity, and our mints under the rule of coinage then ou-taining were believed to be in danger of flooding from this great volume which in those countries had fallen into disuse with a constant trend to a lower level of value.

At the beginning, therefore, it was a commercial condition—a commercial evolution—and not a capitalistic theory which was responsible for the discredit and resulting demonetization of silver. Later, undoubtedly, capital took advantage of the situation to appreciate the value of gold, but probably apprehension, next to the increased commercial use of gold, bad more to do with the resuit than speculation. Albeit, the incontesti-ble fact stands that there has been an enormously increased demand for gold from the increased commerce of the world for actual use in its exchanges on account of the nonuse of silver. To this there has also been added the extraordinarily increased de for gold as the basis of commercial credits correspondingly increased. Then there have come enormously increased demands from the great governments of the world to strengthen their reserves and currency bases and for debt and interest payments, etc., and also vastly increased demands for the protection of untold millions of bonds and other securities issued by states, municipalities, corporations, etc., for which gold nayments, principal and interest, were piedged, on ac-count of the displacement of silver. The foilowing statement from the eminent political the calculations of that able statistician, Dr.

oetbeer, confirms this view. He says:
"According to calculations based upon Dr. Soetbeer's figures, there have arisen in the years 1870 to 1885, new demands for gold in Germany, the United States, the Scandi navian kingdom and Italy, which, taken aione, exceed the amount of the production of that metal in the same period (after making deduction for all the industrial employment and for the exportation to the east) by the sum of a milliard of france (about \$200, 000,000) in round numbers—that is by about a sixteenth of the total amount of gold money, which, toward the end of that period

ing the said period, but the above named mil increased demand from renewed commercial activity, or as may happen from increased distrust and loss of confidence, comes the upply will suddenly be found absolutely in-

any other paper currency. That would only aggravate present evils. It would only increase the dangers of the situation. It would be like building a six-story house on a foundation strong enough only for a structure of two stories. When the storm should come it would surely fail of its own weight and crush everybody and everything under it. The silver of the world must be under it. The silver of the world must be rehabilitated as money and brought into the

If you will stand by the republican party and re-elect President Harrison a way will be found. We are already started on the right track by the creation of an interna-tional monotary commission. We must bring the world to cur idea, and it is coming rapidly. But if we cannot accomplish this after a patient, conservative and persistent effort, we may be able to discover some sort of heroic remedy to relieve the patient. In any event, I, for one, am in favor of keeping a stiff upper lip. We ought to try to con-vince the world that we are determined to rehamiltate silver, and to do it in such a way as will be safe for ourselves and all the great commercial nations, and which will make it absolutely necessary for them to join us. The republican party will find a safe and sure way before long, just as in time past it has always found a way to tring the country out of every trouble. One thing is certain, we cannot safely add

another hair's weight through an increase of our paper currency to the over strain now upon the gold supply of the world. Silver. present conditions, is not an international money, not a money of commerce. is a dead weight. In this country gold has to stand as guarantor—so to speak—for sliver's contracts. Therefore, silver not only does not beig, but adds to gold's burdens. Gold is not only required to do its own, but the work of silver as well. Silver must be stand alone, but to do a full and equal day's work with gold in transacting the world's business and supporting its vast credit fabric. For this purpose every dollar of it must be made equal to every other honest dollar of every kind. Such dollars as at is proposed to put out under the subtreasury plan of our alliance friends would still further weaken gold and place new obstacies in the way of the rehabilitation of silver. Any assault upon general confidence taxes the strength of gold and increases the perils of the currency and business situation, and this scheme would be a positive injury instead of a help to the very interest sought to be benefited, because it would prove a dis-turbing, a confidence-destroying factor. It would retard the movement in support of the very interest sought to be advanced.

Now in order that we may better understand what our interest in the money metals is, let us see exactly how the account stands with these metals: The world's product of silver stated

or 189, 4,503,003 ounces per month 51,000,000 Used in the arts..... Total 1801—American product. Excess of home use over home product.
European requirements
for the arts.
For coinage in all countries outside the United 5,670,000

States Making all uses outside the United States..... All uses in the United 80,000,000 States 64,000,000

Total world's uso 153,000,000 153,000,000 Total world's excess of uses over produc-tion in 1891...... 9,590,000 \$3,711,845,00

Total gold and silver 87,651,423,000 I think it is a self-evident proposition that if the world's stock of silver available for colonge could be gradually brought to par and added to the present volume of gold cur-rency there would not be a dollar too much for the world's requirements for our constantly increasing money uses. To recapitu late: We have seen how enormously these requirements have increased from the busi-ness growth of the recent past. We have seen from the statement of Dr. Soetbeer, adopted by Mr. Boissevain, which is at least as good authority as is obtainable anywhere in the whole world, that jucreased demands upon the world's store of gold from 1870 to 1885, from only four countries, exceeded the

production for that period by more than 200,000,000. We have seen by the authori tative estimates I have given that the an nual excess in the use of silver beyond the amount annually produced in this country is about 5,000,000 ounces and that the world's uses exceed its annual production by about 9,500,000 ounces. This annual deficit, making a reasonable allowance for increased production, even without any additional demand for money uses, cannot very materially diminish. The United States produces a little more than two-fifths of the entire product of the world. We own more than on a seventh of the entire stock of the world's silver. We used at home about 5,000,000 ounces more than we produced last year, although our product for 1891 was larger by 3.830,000 ounces than it was in 1890. business safety of our country requires that our gold money shall be large-iy supplemented in some manner. One of the most important of our Americal industries is the production of silver. Neigh boring states with which we have a verlarge and remunerative commerce, whose in terests and ours are in many respects identi-

cal, are among the largest producers of silver in the United States. It is, therefore, manifestly our interest, both generally and locally considered, and our duty as well, to stand for the bimetallic standard, and to insist on the earliest possible conservative rehabilitation of silver. But we must advance to this result with such careful considera tion and prudence of method as not to dis-turb for a moment the true measurement of values. This I understand to be exactly the republican doctrine as enunciated by the Minneapolis convention. In consonance with this view the president has invited the great commercial nations chiefly interested, and they have accepted his invitation, to this monetary conference, which is to conside this whole subject matter, and it is hoped and believed that some action favorable to our view will be taken. It is certainly a move in the right direction, and cannot fall to prove useful. It is not to be expected that it will result in opening at once all the mints of the world to the free and unlimited coinage of silver. Indeed this would not be wise. If we can accure at first a consensus of the nations as to a common ratio of value between gold and silver, and a general admission as to the desirability of ultimate free and unlimited coinage by all, we shall soon afterwards find the way clear for a rapid and an enduring advance all along the line. The enduring advance all along the line. issue as to the ratte seems to have narrowed down between the French ratio of 1 to 15%

and the American ratio of 1 to 16.

other is not likely even to be considered by the conference, because none other is prac-

ticable or possible. We sometimes hear the

opinion expressed that the best way to settle

the comage controversy is to put silver

enough into the silver dollar to make it at

once equal in value to the gold dollar. If our ratio of 1 of gold to 16 of sliver should be

changed even to 1 to 20 an entire recoinage

of all our silver dollars would be immediately

We have in this country nearly

required. We have in this country nearly \$600,000,000 of silver in money use. The in-creased weight of silver required for this

new dollar, if all should be recoined, would

cause a shrinkage or contraction of more than \$100,000,000. If the ratio should be changed so as to require an amount of silver equal in commercial value to the present gold dollar it would cause an imme-

diate shrinkage or contraction of more than \$200,000,000. This would produce such a

financial panic as we have nover seen. It would cost the United States and France together in the way of contraction more than

\$400,000,000. The world's shrinkage under

this ratio, if subsidiary coins were also consid

In point of fact it is the

freedom from poisonous and

spurious ingredients, the ex-

cellence in flavor which gives

to Dr. Price's Delicious Flav-

oring Extracts of Vanilla,

Orange, Lemon, etc., their

wide popularity and increas-

The retail grocers are learning

that quality rather than price

is necessary to retain the

confidence of customers and

make a successful business.

What Is It?

ing sale.

had been distributed in Europe, the United States and Australia. "It follows, then, that in the other coun-tries taken together not only can there have been no augmentation of gold currency dur-

fiard must have been taken from their mon-etary circulation. And, besides, of the new demands I have only taken into account those of the four countries above mentioned, along with which, however, there must have been similar demands from other quarters."
And now, Mr. Chairman, the growth of
the business world since silver was practically demonstized has been immense, almost beyond the power of Suman calculation, and it all rests upon a basis of gold, which is growing thinner and thinner relatively every month. There is a universal burry and scurry and strife between the nations to secure from the general store more gold-each and all realizing that when the pressure of

idequate to meet it. There is nothing like enough now to go around. It is now apparent to the whole world that it has got to be largely supplemented by something else. This cannot be done, as some of our friends think, by an unlimited issue of irredeemable treasury or any other paper currency.

world's currency. How is this to be done!

ered, would be so great as to require three years of the entire world's production of both gold and silver to make it up, and long before it should be accomplished the sliver dollar would command a large premium for

Mr. Chairman, it is the unrequired surplus of any commodity or thing for which there is no purchaser which depresses its price. It is the state of the chances or probabilities of the sale of such surplus from day to day that makes the market price. This is the 10 per cent, or whatever it may the way of surplus which we can neither use nor sell at home, and for which we must find a foreign market, that makes the price for

The ratio permanently settled by the nations to be represented in the conference at either I to 15% or I to 15% and an increase in the demand for uses of silver money in Europe, if equal only to our purchas of 4,530,000 ounces monthly, would ma-such a draft on the surplus silver the world as to cause its price to gradually and naturally advance to par. And when it should reach par through such a method It would stay there. It would become a creat reserve money, thus relieving gold in a large degree for reserve uses. Except in the subsidiary denominations sliver can never come a free circulating coin. Indeed, silver dollar in its currency uses at the pres est time is rather of the nature of a sub-sidiary coin. It is too cumbersome, too heavy to be ever again used, even in ordinary transactions, except in small sums. But its value for reserve and other fiduciary purposes, when once accepted, will be perma-nently and unafferably established at par with gold, and every dollar thus used will contribute an additional dollar to the world's Currency.
I voted for the act of 1890, under which

4,500,000 ornees of silver button are chased each month, I now incline to opinion that it would be better to coin all of our home product, under certain limitations, than to continue these purchases. product of last year only exceeded these pur-chases of bullion by about 4,000,000 ounces. The paper currency issued for this bullion is payable in gold and silver, at the option of the owner. This is another tax upon our limited gold supply, which helps to therease the perils of the present financial situation. It operates to depress rather than appreciate the price of silver, because the characteris-tic of coin money for it is not recognized; and, second, while dealt in as a commodity only, it is not so dealt in in sufficient quan-tity to reduce the surplus to the point where appreciation in value must commence. I in-cline to the belief, therefore, that it would be safer for the government and the people generally, including the producer of silver himself, and better for the currency in the long run, to pay for our home bullion with the silver dollar coined out of it, with limitations as to its legal tender use and with the authority to issue cer tilicates thereon, payable in gold as well as silver, only in the discretion of the secretary

I am in favor of the free and unlimited coinage of both gold and silver as a princi-ple, but as a matter of governmental policy I am not in favor of this country acting alone for unlimited free coinage at the present time. It has been stated that I voted for the free and unlimited coinage bill in the last session of congress. This is not true, I was paired with Senator Gibson of Maryland who was for the bill while I was against it. Here is the letter stating our pair:
July 19, 1892. - Hon. A. S. Paddock, United
States Senate—My Dear Sir: The "pair"
between us, as arranged by Senator German

of the treasury. I am in favor of bimetal

with you, was entirely in accord with my views on the "silver bill." I was in favor of it, you were opposed to it. Yours very truly, Changes H. Gisson. If, however, there is a refusal in the conference to favorably consider some plan look ing to the amelioration of the present hard conditions resulting from the exclusion of silver from the world's money of commerce, I shall be in favor of such a policy on the part of this country, on safe and independ ent lines, as shall appear to be best calcu

lated to mitigate present evils.
But I do not think it will serve any good purpose at this time to anticipate failure on the part of the conference, and propose reme dies in advance of the fact.

Nonepo, Jowa, April 16, 1891. Dr. J. B. Moore, Dear Sir: My wife has used about six bottles of your Tree of Life and thinks that she has received greater benefit from it than any medicine she has

ever taken. Yours truly, L. H. BUFKIN.
Gen'l Agent and Treas. West College.
Since receiving the above testimonial, I am
in receipt of a letter and check from the Rev.
L. H. Lufkin of Toledo, lowa, April 25, to send Rev J W Kenworth, Crestline, Kan sas, six pottles of Meore's Tree of Life. For sale by gruggists.



-is marriage a failure? course 't'aint; s'pose I don't know my biz—
what am I here
for!" If the women only keep
healthy they keep in good spirits and cupid is in demand Let every enfeebled woman know this demand every en -there's a remedy that'll cure her, the proof's posi-

tive. It does what is promised.

Here's the proof—if it doesn't do you good within reasonable time, report the fact to its within reasonable time, report the tact to its
makers and get your money back without a
word—but you won't do it!

The remedy is Dr. Pierce's Favorite Prescription—and it has proved itself the right
remedy in nearly every case of female weakness. It is not a miracle. It wen't cure
everything—but it has done more to build
up enfeelfed and broken-down women than
any other medicine known.

MACKINTOSHES

any other medicine known.

Are WARMER for WINTER

Than CLOAKS Men's OVERCOATS

And Cost Less Money.

All LATEST FASHIONS at OMAHA RUBBER CO.,

1520 Farnam St., Cor. 16th.

Lady Cierks in attendance. SPECIAL SALE WEEK

Bring this ad. to get special prices. To all owners of lots or parts of lots on Woo worth avenue from Second street to Six

worth avenue from Second street to state street;

You are hereby notified that the undersigned three dislaterested freeholders of the city of Omaha, have been duly appointed by the mayor, with the approval of the city council of said city. to assess the damage to the owners respectively of the property affected by the grade of Weolworth avenue, from Second street to Sixth street, declared necessary by ordinance No. 334 passed November 1, 80, approved November 1 1892.

You are further notified, that having accepted said appointment, and daily qualified

You are further hothed, that having accepted said appointment, and duivy qualified as required by liw, we will, on the 3 th day of November, A. D. 1822, it the hours of 4,0 clock in the afternoon at the office of George 4. Paul, 15 5 Farnam street, within the corporate limits of said city, meet for the purpose of considering and making the assessment of calonge to the owners respectively, of said property, affected by said change of grade, aking into considering smedule benefits if aking into consideration special benefits, if

You are notified to be present at the time You are notified to be present at the time and place aforesald, and make any objections to or statements concern us, said assessment of damages, as you may consider proper.

GEORGE J. PAUL.

WILLIAM G. SHRIVER,
R. W. GIBSON.

Omaha, Nov. 15, 1892.

Ni6digt

N16d10t

Cures Others

action of AYER'S Sarsaparilla, when taken for diseases originating in impure blood : but, while this assertion is true of AVER'S Sarsaparilla, as thousands can attest, it cannot be truthfully applied to other preparations, which un incipled dealers will recommend, and try to impose upon you, as "just as good as Ayer's." Take Ayer's Sarsaparilla and Ayer's only, if you need a blood-purifier and would be benefited permanently. This medicine, for nearly tifty years, has enjoyed a reputation, and made a record for cures, that has never been equaled by other preparations. AYER'S Sarsaparilla eradicates the taint of hereditary scrofula and other blood diseases from the system, and it has, deservedly, the confidence of the people.

AYER'S Sarsaparilla

"I cannot forbear to express my joy at the relief I have obtained from the use of AYER'S Sarsaparilla. I was affileted with kidney troubles for about six months, suffering greatly with pains in the small of my back. In addition to this, my body was covered with pinaply eruptions. The remedies prescribed failed to help me. I then began to take AYER'S Sarsaparilla, and, in a short time, the pains coased and the pimples disappeared. I advise every young man or woman, in case of sickness resulting from impure blood, no matter how long standing the case may be, to take AYER'S Sarsapavilla."-H. L. Jarmann. 33 William st., New York City.



DR. C.C. WEST'S NERIVE AND BRAIN TREATment, a specific for Hysteria. Bizzine s. Fits. Neuraisia, Hendache, Servous Prestration caused by
liquor or tobacco. Wakefutness. Mental Depresion, Sofiness of the Brain causing insanity, misery decay, death. Fremature Old Age. Barreness,
Loss of Power in either sex, Impotency, Leucorrhea
and all Fennale Wenknessos, Involuntary Losses,
Spermatorrhea caused by overexection of the
brain. Self-abuse, over indulgence. A month's
treatment St. C for S. by mail. We guarantee six
boxes to cure. Each order for boxes with b will
send written guarantee to refund if not cured.
Guarantee issued only by Theodore F. Lewis, drugplet, sole agent, southeast corner buth and Farnam
ste, Cumba.



Anew and Complete Treatment, consisting o Suppositories, Ontmenat in Capsules, also in Box and Pills a Positive Care for External, Internal blinder Blasting thaning, Caronic, Rosentor Horalitary Piles. This Remedy has never been known to fail, Siper box. 6 for it; sent by mail. Way and er from this terrible disects where a written guarantee it positively given with 6 boxes or refund the monay if not cured Send stamp for free Sample. Guarantee Issued by Roina Koo. Deurgiste, Sole Arents, corner light and Houghlas streets. Om. ha. Neb.

Tutt's Tiny Pills enable the dyspeptic to cat whatever he wishes. They cause the food tonssimilate and nourish the body, give appetite and develop flesh. Price, 25 cents. Exact size shown in border.



Sealed proposals will be received at any time on or before 2 o'clock p. m. of the lifth day of December, 1892, for the printing of all bills for the legislature with such matter as may be ordered by either house thereof, to be printed in "bill form," which is shown and designated as class one (i) under the printing laws of the state of Nebraska.

For the printing and binding in cloth covers of one thousand (1,99) copies each of the biennial reports of the auditor of public accounts, trensurer, secretary of state, commissioner of public lands and buildings, and bureau of labor and industrial statistics; and five hundred (500 copies each of the biennial reports of the autorney general, superintendent of public instruction, state librarian and adjutant general; one thousand (1,000 copies report state board of transportation for 1292 and five thousand (3,000 copies report state board of transportation for 1292 and five thousand (3,000 copies report state board of transportation for 1292 and five state beard of transportation for 122 and five thousand 6,599, copies report state board of acriculture for 1822, and all other reports and documents that may be ordered printed by the legislature, except such as may enter into and form a part of the Journals, which class of work is known and designated as class three 31 under the printing lays of Nebraska. The bill work, executed under class one, shall be printed in small plea type, on paper fourteen (14) nehes long by eight and one-half Sta linches which since paper to be

The bill work, executed under class one, shall be printed in small plet type, on paper fourteen (ii) inches long by eight and one-half \$15 inches wide, single page, paper to be twenty-claft (20 pounds double cap to the ream, and except the title page, each page shall contain not less than twenty-live (23) lines of solid matter of seven (7) inches in length, and the lines shall be successively numbered, with a blank only in cach space between the lines.

The title page of said bills shall contain not less than eighteen (18) I ness as above, with three (3) inches additional space allowable for display title matter.

Each bill shall state what the bidder is willing to do the work-complete for, per page, for the three hundred (300 copies each bill, also the price for additional hundreds that may be ordered of the same bill at the same time as the original three hundred (300 inc. and na work composition, paper, press work, stitching folding and all work of material entering into the work required.

All work executed inder class one shall be delivered in good order by the con ractor to the office of the secretary of state within three days after the receipt of the order by said contribute office of the secretary of state within three days after the receipt of the order by said contribute from the chairman of the committee on printing, heither branch of the legislature.

All work executed under class three 3) shall be forty-diversive points to the ream, of twenty-four by thirty six white book. Each bid under class three shall state what the bidder is willing to do the work complete for, per page, on each report or item in the class, including composition, paper, press work, stitchin folding and all work or material entering into the work to have a subject of the page, paper to be forty-diversity or of the class in the said the committee on printing, in either branch of the legislature.

All work executed under class, including composition, paper, press work, stitchin folding the bid of the secretary of the secutive de

to reject any or bids. State Printing Board THOS H BENTON

Lincoln, Neb., Nov. II, 1892. ni7d.201