ROSEWATER AND ALDREGE

Full Stenographic Report of Edward Rosewater's part of the Debate Between Himself and W. J. Bryan.

With Every Sentence Quoted From the Speech of Judge Aldrege in Black-face Type,

MR. ROSEWATER'S OPENING SPEECH.

Careful Presentation of the Issue Involved in the Debate.

Mr. Chairman, Ladies and Gentlemen: I am conscious of the fact that I am no match in oratorical powers to the silver-tongued champion of free coinage.

(A voice: You bet you ain't.)

I am lacking in that irresistible magnetism which enables him to sway the emotions of the multitude.

(A voice: You are all right.)

Judge Gregory: I hope the audience will give to each of the disputants a full and fair hearing.

(Applause and blowing of horns.)

(Mr. John C. Wharton, in a stentorian voice: Let us have no comments at all, please.)

But he is thrice armed who has his quarrel just. Imbued with the conviction that the menace of unlimited coinage of silver is a most potent factor in the prevailing commercial distress and industrial depression, I feel confident that the most fervid appeals to passion and prejudice cannot overcome the incontrovertible logic of stubborn facts. (Applause.)

In all ages of the world there have been delusions in reference to money, and, in spite of uniform disastrous results, the credulous are ever ready to listen to the lenchings of any financial charlatan who claims that he has discovered a new way to multiply wealth or to reduce debt. **They refuse to apply to money that hard common sense which they exercise in dealing with everyday affairs of life.**

The best definition of true money is that by Henri Cernuschi, the most eminent champion of bimetallism, who declares "it is by the ordeal of fire that money may be tried. The coins which, being melted down, retain the entire value for which they were legal tenders before being melted down, are good money. Those which do not retain it are not good money." When Ulysses S. Grant was steering the ship of state into the harbor of safety and prosperity through specie resumption, the country was disturbed by the clamor of the flat delusionists, who denounced the use of metallic money as a species of barbarism, and boldly advocated the issue of irredeemable paper currency. Hundreds of thousands, yea, millions, of the American people were befogged by the sophistry of the greenbacker and actually pinned their faith to the doctrine that money is the creature of law and intrinsic value a mere fiction and figment of a diseased brain. And now you have heard the doctrine of the silver galvanized flatists declaiming against the fiscal policy of the government that has given to the people of the United States the most stable currency the nation has ever had. (Applause.) A great hue and cry is raised about the alleged violation of the constitution of the fathers and the so-called demonetization of the American money unit—the dollar of the daddies—and the demand is made that the hands on the dial of time be turned back twenty-three years, so that we may take a fresh start and place our entire financial and commercial fabric in the position of Mohammed's coffin when it was suspended in midair, without support from above or below. The day of miracles is past. Joshua once commanded the sun to stand still so that he would have time to thrash the Amalekites, and his behest was obeyed. But I doubt whether the apostle, William Hope Harvey, with a big H on the Hope, I doubt whether all the apostles of free silver, including the intellectual colossus who has just addressed you (laughter) can perform such a feat at the end of the nineteenth century. (Applause.)

POWER OF CONGRESS.

In the ceaseless procession of the centuries generations have succeeded each other like an endless chain over the great highway of human progress, but no institution devised by man has ever remained perpetual and unchangeable. No human mind has yet devised a form of government that is not subject to periodic change. The fathers of the republic had scarcely finished the organic law under which the free institutions, firmly established through the courage and self-sacrificing patriotism of the soldiers of the revolution, were to be perpetuated in the constitution of the United States, when they found that instrument defective and imperfect, and were impelled to submit to the people of the United States for their ratification the ten amendments which are known as the Bill of Rights. Within our own generation three other constitutional amendments have been found essential to the perpetuation of free government by the people, for the people. And yet we are admonished that the legitimate exercise of the constitutional powers that authorize congress to legislate with regard to the coinage of money is a dangerous infraction of the American constitution. The exact language of the constitution touching coinage is as follows:

"The congress shall have power to coin money, regulate the value thereof and of foreign coin, and fix the standard of weights and measures."

In the exercise of this power congress has the widest discretion. It may cause the coinage of silver alone, or gold alone. It may cause the coinage of both metals in any quantity and at any ratio, or at no ratio. The fact that the constitution prohibits states from making anything but gold or silver coin a legal tender does not necessarily abridge the powers of congress in restricting the mints to such coinage as, in its wisdom, it may deem necessary for the general welfare of the people. The states may under the constitution coin gold and silver, but nowhere in the constitution is there any provision for the free and unlimited coinage of any money metal. The first coinage laws enacted by the United States provided for the coinage of $10 gold discs called eagles, $5 gold discs called half eagles, $2.50 gold discs called quarter eagles and silver discs called dollars. These coins were designed as near as possible to have a coinage value equal to the commercial value of the metal. All honest coined money must necessarily conform to that idea. The ratio between the two metals was fixed at 15 to 1 by Alexander Hamilton, the first secretary of the treasury, because fifteen pounds of silver were exchangeable in the markets of the world for one pound of gold. That was the first ratio established under the constitution, and any ratio that varies materially from the commercial exchange ratio of the money metals is a delusion and a fraud. It was found after forty years of experience that the ratio of 15 to 1 was impractical, and the ratio was therefore changed as regards to silver dollars and gold coin in 1834; and as regards to silver coins of denominations less than a dollar, in 1853. Up to 1853 all American silver coins, large or small, were a legal tender for an unlimited sum. In 1853 the quantity of silver in all coins below the dollar was diminished. The coin consequently became debased and its function as legal tender for the payment of debt was limited to $5. Were these changes an infraction of the constitution? Did these changes constitute a crime against the American people?

CONTRAVENES COMMON SENSE.

The proposition that this country should coin silver for all the world in unlimited quantities at double its market value is contrary to the common sense of mankind. (Applause.) The section of the constitution that empowers congress to coin money and declare the value thereof, also empowers congress to fix the standard of weights and measures. If congress were asked to decree that two quarts shall equal a gallon, or that twenty ounces equal a pound, or sixty inches equal a yard, the decree would be regarded as an act of folly, although it might not seriously disturb the commerce of the country. But when congress is asked to convert 50 cents worth of silver into a dollar by the mere touch of the government stamp and make this coin a legal tender for all debt, whether contracted by a loan or by an exchange of commodities, gauged on the scale of 100 cents to the dollar, it would justly be regarded as an act of national depravity and dishonesty. (Applause.)

A republic rests entirely upon the morals of its people. What would be the effect in this country upon unborn generations of a story like this: At the close of the nineteenth century the people of the United States became so corrupt they repudiated one-half of their debts by paying them in money with only half of its face value. (Applause.) That our forefathers a hundred years ago fixed a unit of value in gold or silver, and fixed a ratio between them, is immaterial to us. Their example in so doing is no more binding on us than their methods of business, their means of transportation or the implements with which they sowed and reaped. It would be a sad commentary upon our intelligence if we had learned nothing in a hundred years. We do know that in fixing a ratio they attributed no magic to the government stamp, but sought diligently to ascertain the value of the two metals in the world's commerce centers, and conformed, as they thought, strictly to the market ratio.

We are confronted by a condition and not by a theory. (Applause.) **The consistent man is not the one who stands in one place always, regardless of the changing conditions around him; but it is he who, with intelligence and circumspection, adapts himself to the changed condition of affairs. For nearly a quarter of a century every progressive civilized nation in the world has been on a gold standard basis. The United States of America has been on a gold standard basis since 1834—or nearly sixty-two years. The gold standard nations are those that have reclaimed the world from barbarism and have given it all its learning and invention, where schools and churches abound, where the dignity of man is maintained and labor properly rewarded, and they control the commerce of the world. These nations, after testing gold and silver for hundreds of years, voluntarily adopted the gold standard. No nation today has the silver standard from choice. It is only because they are weak and helpless to remedy the evil that any of them remain on a silver basis. It is now proposed in all seriousness that the United States, the most progressive nation on the earth in intelligence and energy, shall abandon the standard of civilization and commerce and consort with half-civilized, half-clad people, who are weak and ignorant and who have little or no commerce; where bull fights abound and schools do not (applause); where human labor is in sharp competition with the meek and lowly jackass; where the breechclout is preferred to a full suit; and where the bulk of the people know no more about a standard of value than do the heathen about the standard of Christian religion. Surely we would do well to take a look at the company before we sit down to the feast. (Applause.)**

THAT HARVEY CHALLENGE.

The gentleman has asked me why and upon what grounds I claimed the reward offered by Mr. Harvey in the presence of a large audience, three weeks ago.

Mr. Harvey challenged any man or woman in that audience to find a paper published in the month of February, 1873, that had one solitary word in it concerning the act which brought about the suspension of the coinage of the American silver dollar. And I took that challenge up because there was not only one word, but more than half a dozen, yes more than two dozen or three dozen words published concerning it in The Omaha Bee. (Horns and applause.) Mr. Bryan compliments The Bee of 1873 as a great American newspaper. It had existed less than a couple of years. It was at that time the third paper in rank in this community.

Mr. Harvey's apostolic disciple very ingeniously comes forward and distorts the facts. The bill passed the United States senate on January 17, and it was in January that the greater part of the discussion took place, and he knew it all the time. So on its final passage the only report sent out to the press was that the committee of conference of the two houses had concurred in that bill on February 7, and on the 12th that it was signed by the president of the United States. The discussion concerning this matter had covered three years of time, from 1870 to 1873, and nobody made any very great ado about it, because nobody knew that we were going to have a revival of flatism under the free silver crusade. At that time we had the flat money craze and the greenbackers did not care a fig whether silver was demonetized or not, since there was no silver to demonetize in the United States at that time. There was not a silver dollar in circulation in 1873. Not a gold dollar in circulation anywhere. Paper dollars were worth 86 cents in gold, or about that.

MONEY OF THE 60S.

A silver dollar was of no concern to anybody. And for that matter this gentleman was comparatively young in 1860 and therefore knows nothing personally concerning money before 1873.

We who lived before that time did not know of the American silver dollar except as we might have seen them in the pawnshop or in the broker's office.

In 1860, except the kind of silver that was coined in Mexican and Spanish mints, there were shillings and bits and all that sort of thing, and the 18-cent piece, and this rag money that was worth 40 cents on the dollar if you took it out from one town to another. If you went to sleep one night with $10,000 in your pocket you would probably wake up in the morning worth $1,000 less. That is an honest fact. Men who lived in the period prior to the war will assure you that gold and silver was a very scarce commodity.

But my friend says that in 1873 a great crime was committed. What about the crime of 1853, when silver was entirely demonetized and knocked clearly out by being made only a legal tender for $5. Why, that great criminal congress of 1873 put silver up; put that depreciated half-dollar, the quarter and the 10-cent piece, which had been debased, to $10 legal tender. So that they actually did something for the common people, didn't they? They gave the common people a chance to have some—that is a good deal more than some of the gentlemen have done who have followed in the later congresses. (Great applause.)

MR. ROSEWATER ANSWERS BRYAN.

He Very Clearly Defines the Honest Dollar.

Mr. Bryan seems to be very anxious to know what I think on many very important questions of finance. He does not seem to care anything about what the effects of his proposition will be upon the nation or upon the people of the United States in general, so long as he can show that The Omaha Bee in 1873 did not discuss the crime of demonetizing that which did not exist.

My idea of an honest dollar is the dollar that is just what it represents. My idea of an honest dollar is one that, when it is hammered down and the stamp taken off of it, will be just as available and exchangeable for just as much as when the stamp was upon it. My idea of an honest dollar is that it will receive recognition by all the commercial nations of the earth, whether it is coined at Washington or whether it is coined in Paris, or whether it is coined in Vienna or Berlin. These are the honest dollars that pass current all the world over, if approximately they contain their bullion value.

Now as to myself, I certainly do not belong to the category of capitalists; I certainly did not stand in the position of a bloated capitalist, who, in 1873, was striving to put the American coinage upon the gold standard. In 1873 I was as poor as a church mouse and borrowing from $5 to $10 from every other man in town. I certainly was not in collusion with any banker then, and I am not today. I am just as anxious for the prosperity of Omaha and Nebraska as Mr. Bryan can be, I have just as much at stake in Nebraska as he has or ever will have, and I desire as much as he does to see the mountain states prosper and develop. I desire earnestly that the value of silver shall appreciate. It would be a great benefit to our people if the commercial conditions were such that the silver bullion mined in the mountain states would appreciate in value, for the trade of these people out west contributes largely to ours; but we cannot do it by any legerdemain or slight-of-hand, or by any fraud perpetrated under the guise of law.

My friend has said that he wants a dollar that is equal in purchasing power at all times. He wants a dollar that will exchange at all times and throughout all eternity for the same quantity of products. Well, my friend, you go and square the circle; you go and find perpetual motion, and you will have that kind of a dollar. (Applause.)

Whoever heard of such a thing! Where is there an economist on the face of the earth, a Chinaman, a Japanese, or a Mexican who would advance such a theory? Why, the idea! When we all know that the price of all products is governed by the law of supply and demand. He comes here and tells us that a dollar, to be an honest dollar, must purchase ten pounds of sugar from now on everlastingly. He says a dollar must purchase the same number of bushels of wheat, whether there is but one bushel raised or 1,000,000. Did you ever hear of such a farce of a proposition?

FINANCES IN MEXICO.

He says I am not going to answer him. Well, I am able to answer anything he has ever asked me. He says he wants to know why it is that a man who counterfeits a coin is sent to the penitentiary? Well, he is going to do it in a legal way. He is going to do his counterfeiting by law. He wants to have the United States stamp all the silver dollars that he can roll into the mint, "One dollar. In God we Trust," when he knows that would make an imposition and would place in the hands of the bullion-owner an advantage which would derange the entire system of our finance, destroy our commercial exchanges and finally bring about a single silver standard.

He is reminding me here that my brother has just come back from Mexico and talks about prosperity there. I know as much about Mexico's prosperity as does my brother. (Applause.) It is the prosperity that existed in the shadow of slavery, the prosperity which the United States enjoyed with 4,000,000 of men in bondage, the prosperity of the wealthy and the misery of the wretched and the poor and the enrichment of the few who control everything there is in that country. I want to ask you, furthermore, Mr. Bryan, to tell these people (you are asking me so many questions, answer me this), why is it that Mexico, with her free and unlimited coinage, cannot exchange her dollars for our dollars? Why cannot she exchange a dollar that has six grains more silver in it, and no "God we trust" on the back of it, for a dollar in gold? Why is it that she has got to give two of her dollars before she can get one dollar that passes current for one dollar among the nations of the world?

You have been talking about silver being demonetized. You know that it is not demonetized. You know that it has never been demonetized for but five years and sixteen days since the history of the United States, and during that time there were no silver dollars in circulation. Every silver dollar that has been in circulation since 1878 has been a full legal tender dollar and has been equal to a gold dollar. You know that you can pay all the debts, you can pay all the customs you can go anywhere in Great Britain or elsewhere and get a gold dollar for a silver dollar. Why is it that that silver dollar will pass in England just as well as in America? It is just because it is redeemable at Washington.

NOT LIKE A THIEF IN THE NIGHT.

Now about the crime of 1873. I want to give you a little information on that point. **The charge that silver was demonetized by a conspiracy, which succeeded in passing, like 1873, through congress surreptitiously, like the silent tread of the cat, is utterly baseless.** The preliminary steps toward dropping 412½ grains of silver dollar from the coinage was taken by the secretary of the treasury in 1870, three years before the act finally passed. His report and recommendation was referred to the senate, or rather to the finance committee of the senate, on April 28 of that year, and 500 copies of that report were ordered printed in May of the same year. The report was also submitted to the house on June 25, 1870. From that date until the final enactment of the bill the measure was discussed again and again. It was laid on the desk of the members, again and again. It was discussed for two and one-half years. It was discussed to such an extent that it filled 144 columns of the Congressional Globe, and in the discussion no opposition whatever was made to the provision to omit the silver dollar from the list of coins termed to be coin.

Why was this? Because every one knew that no silver dollar pieces had been in circulation for more than twenty-five years. That was all there was to it.

On April 9, 1872, ten months before the bill finally passed, Mr. Hooper of Massachusetts, who was in charge of the bill, explained to congress in unmistakable clearness its objects. It declared the gold dollar of 25.8 grains standard gold to be the unit of value, gold practically having been in this country for many years the standard or measure of value as it had been in Great Britain and most other European countries.

The silver dollar, which by law is now the legally declared unit of value, does not bear a correct relative proportion to the gold dollar. Being worth intrinsically about $1.03 in gold, it cannot circulate concurrently with the gold coins. The committee, after careful consideration, concluded that the 25.8 grains of standard gold constituting the gold dollar should be declared the money unit or metallic representative of the dollar of the country.

Why was not this bill generally discussed by the press and the public? Why was there so little said about it at the time of its enactment? Simply because there was no earthly interest in the matter. Neither gold nor silver were in circulation in 1873. The greenback dollar was then worth 86 cents. The only section of America where metallic money was then in use was in California, and possibly in Nevada and Montana. And in these portions of the country gold dust, weighed on the scales the same as were the 400 shekels that Abraham paid for the burial lot near Damascus, was the medium of exchange.

THERE WAS NO CONSPIRACY.

But our friend says there was a conspiracy. The Rothschilds and all the other money lenders of Europe concocted a scheme to demonetize silver in order to increase their income. Now, whatever may be charged against the Rothschilds and the money lenders of Lombard street, they were never suspected of being blanked fools. (Laughter.) The silver dollar was worth $1.03 in the melting pot in 1873, and why should they conspire to destroy the silver dollar which was worth more than gold, when they could just as well have paid themselves in silver and made a premium of 3 cents on the dollar, gold being the cheaper commodity. (Applause.) On every $1,000,000 the difference in the bullion value of coined silver and coined gold was equal to $30,000—a nice little pot for the Rothschilds—and yet there are people in this country credulous enough to believe that men would conspire and spend $500,000 to bribe congress in order to beat themselves out of $300,000 or $400,000, possibly out of several millions. (Applause.) Say the Rothschilds had $100,000,000 invested in American bonds and securities payable in coin, and could have paid themselves in silver dollars, merchantable at 103 cents by weight in the markets of the world. By exacting payment in silver they would have received a bonus of $3,000,000 on their loan. By exacting payment in gold they only received their $100,000,000. But Mr. Bryan and the other apostles of spurious coinage will never stop horrifying the American people with the tale of that awful Rothschild conspiracy. (Applause.)

Oh, my friends, is it reasonable to charge that these fellows in England wanted silver so much higher than gold and sent a man by the name of Earnest Seyd—that was the name of the man whom they have been charging with bribing congress, had sent that man to this country to corrupt the national legislature and induce it to undo the double standard under which we were sailing, when in fact we had been for years and years previous to 1873 without any silver standard or without any gold standard, having no metallic money in circulation—not even the little silver quarters and 10-cent pieces, nothing but shin-plasters, if I remember correctly.

Now, you talk about the stability of money. Those who know what the stability of money means know that the greatest curse the country has ever been subject to was the American banking system prior to the war, when money was lost every day, as I have stated, by reason of suspension of some bank or by reason of the depreciation of currency in one state or another. Illinois money did not pass at par in Ohio; Ohio money did not pass at par in Illinois; South Carolina money was worth 50 cents on the dollar in Ohio, and in the southern states, in Tennessee, for instance, the money of South Carolina, paper money, was taken at a discount of 50 cents on the dollar.

EFFECT OF UNLIMITED COINAGE.

But my friend says he is not arguing in favor of paper money that is to take the place of the present money. Now, what better does he want than we have got?

What will be the effect of unlimited coinage, "regardless of all the nations on the face of the earth?" Let me call his attention to the first of the crimes that preceded the crime of 1873.

All the nations of the earth that had any capacity for coinage had for centuries given unlimited scope to silver and gold taken out of the earth in every part of the world. In the year 1492, when America was discovered by Columbus, 10½ pounds of silver were exchanged for 1 pound of gold; in 1520 it took 11 pounds of silver for 1 pound of gold; by 1587 it took 14 pounds of silver for 1 pound of gold, and all the mints were going, "clickety-clack, clickety-clack," all the time.

Of course Mr. Bryan cannot explain the crimes perpetrated in those times. He cannot explain why all the nations combined could not maintain silver at the ratio that prevailed at the time when America was discovered by Columbus.

But let us go back to that prosperous country, Mexico, and we will find out the reason why. When they were digging out the silver by the hundreds of tons from the mines of Mexico, the world being flooded with silver, it began to depreciate in value, and continued to depreciate, notwithstanding all edicts of kings, emperors and potentates. They refused to exchange, in spite of their edicts, as much gold for silver as they had been doing at the time of the discovery of America by Columbus, or 100 years later, so that finally when the government of the United States opened its first mint fifteen pounds of silver were exchanged for one pound of gold. That was a much greater depreciation than we have seen since 1873.

The fluctuations continued from the period of the discovery of America, from the time of the opening of the first mint, down to the present time, but Mr. Bryan, our modern Colossus, like Atlas bearing the world on his back, can do that thing which all the nations of the earth could not do within the last 300 or 400 years. (Applause.) Mr. Bryan is a giant in intellect, I admit, but he is undertaking a contract which he never will fulfill. (Applause.) The silver dollar today is a full legal tender for all dues, public and private. It is as much a part of our primary money as it ever has been, all the declarations to the contrary notwithstanding. It is just as much a part of our money as the gold that we now have, and when Bryan talks about one-half of all the money of the United States being destroyed he is simply trying to hypnotize people, that is all. (Great applause.)

MR. ROSEWATER'S TEN MINUTES.

He Tells Why America Bought Gold in Europe.

Mr. Bryan has asked me to explain to you why the American people were obliged to buy gold in Europe in exchange for their bonds during the last year. I will just simply say, because there are so many Bryans in America. (Great disorder.)

I intended to cast no reflection upon Mr. Bryan. I simply say it because there are so many men just like him in America, men who are making the stability of our currency uncertain, so that the men who have money to loan insist upon getting back the kind of money that they have loaned. People who have money to loan, abroad and in America, are discounting the future because of the agitation and uncertainty that surrounds our monetary standard which threatens to place us upon a silver basis.

Three years ago I borrowed upon The Bee building the sum of $200,000. I had the privilege of renewing that loan at 4½ per cent in gold or 5 per cent in coin, and I renewed it at 5 per cent, because, individually, I had fears that some time or other within the next few years gold would go to a premium and people who were in debt would be suddenly crowded to the wall and have to pay their gold with gold interest. (Laughter.)

Mr. Bryan asks this question: "Why is it that the contracts are being made in gold?" It is simply because of the constant agitation and demands made by the silver states and the people interested in the silver mining countries, and because of the delusionists who are going about the country preaching the doctrine of the free and unlimited coinage of silver. It is because these people, by promulgating such doctrines, have rendered the credit of the country unstable. They have destroyed its credit, and when you talk about gold vacating houses in Omaha; when you talk about the idle workingmen wandering through the streets, why, sir, that merely means that credit, the great bulwark of American commerce, has been undermined.

CREDIT OF NATION DESTROYED.

Credit carries 98 per cent of all the business transactions of this country, and gold and silver but 2 per cent. You have destroyed the credit of the nation by this constant agitation. You have sown the wind, and now you are reaping the whirlwind. My friend, of course, wants to know what the effect is of a rising dollar, and he assumes that all species of property are equal in purchasing and selling power from year to year. Why he knows very well that during the war nearly all the cotton was destroyed in the south and we were importing cotton from abroad. He knows that a pound of cotton sold at that time for $1.03. Was it because we had only paper money? Not at all.

The reason why cotton commanded such a high price was because it was scarce and because we had to import it. Suppose during this season all the wheat of the United States should be destroyed by some unforseen calamity. Suppose the wheat crops of Russia and South America and India were short. Wheat would go up probably to $2 a bushel, and what would that have to do with silver? Money would have nothing more to do with the price of wheat than it would have with the price of corn or potatoes. I want to ask him whether he does not recognize that the real cause, the great and underlying cause of our present industrial distress, is due first in a measure to the industrial revolution through which we have passed in the last fifty years by reason of the introduction of machinery, and by reason of the lowering of the tariff. (Applause.) He ascribes this depreciation to silver. Why the depreciation of silver bullion should have such an effect upon other commodities is a proposition that is not plain to me. Why the custom of men who agitate this silver question to insist that cotton and grain and meat and all the products of the field and farm keep company with silver, and when silver goes up, cotton and all these various products go up. When silver goes down, cotton and other products go down. But the facts refute the theory. The fact is, for instance, today, that corn is higher in proportion to silver than it was when silver was away up.

In 1873 a bushel of corn at Chicago cost 46 cents, and in 1874 it went up to 65 cents, and the price was higher still in the following year, 1875. How can we account for that? Silver had been struck down. The whole monetary system of the United States had been destroyed, if we believe this gentleman, but corn kept going up. Mess pork in 1872 was $13.50 a barrel in New York. That was before the crime was committed. The year after the crime was committed, in 1874, mess pork went up to $19.50. In 1875, the year following, it went to $21.60. I would like to have Mr. Bryan explain why mess pork went up, while silver was going down.

CAUSE OF DECLINE IN PRICES.

The whole fabric of the decline of prices rests upon entirely different theories from that which Mr. Bryan would like to have you believe. As I go along I will explain more fully why the different articles and commodities have been going down, and why gold and silver have been fluctuating right along. I maintain that we who advocate the continuance of the present standard are greater friends of silver, truer and better friends of silver, than those who advocate its free and unlimited coinage. We believe in the widest circulation of silver on a parity with gold. We have maintained a larger volume of silver in circulation on a parity with gold than ever has been maintained before.

On the other hand, the free and unlimited coinage of silver would absolutely drive gold out of circulation. It would decrease the volume of primary money, as it is called, by nearly one-half, and thereby cause a shrinkage of prices instead of an advance. But my friend will not admit that, of course. I would like to have him explain, if his theory is carried into practice, how far silver will go up and when will silver come up to $1.29 an ounce? Will it go to $1.29 as soon as the government has decreed that the mints shall be open to it? Or will it come up to any extent, and how much? And when he has given me that information I will try and show him that he is simply deluded and laboring under a hallucination, not at all borne out by the experience of the past. (Applause.)

UNITED STATES A DEBTOR NATION.

Mr. Rosewater Answers Some Questions Asked by Mr. Bryan.

I have been again invoked to explain more fully concerning the relation of an appreciating dollar to the creditor class and to the debtor class, and I am willing to explain it so fully that my friend will be well satisfied, I hope.

The people of the United States are a debtor nation. That is strictly true. The progress that we have made, the marvelous progress that the United States of America has made within the last thirty years is due almost entirely to the fact that our credit was first-class in all parts of the world where money was abundant. It is due principally to the great achievements of the republican administrations, beginning with General Grant, in paying the national debt and reducing the national debt from nearly $3,000,000,000 down to below $900,000,000, that the credit of the nation advanced steadily for the last twenty years.

Why did it advance? Because the people abroad who had money to loan had confidence in the integrity of this nation. And if I had any one thing to say above all others, one motto would be inscribed above all the institutions of America, and upon every door post in every house in America, it would be honesty and integrity—integrity of purpose, integrity in debt paying.

What kind of money did you borrow? If you are in debt, Mr. Bryan, what kind did you borrow? You borrowed good, honest money, didn't you? You borrowed none before 1873; you borrowed none of the money that was based upon the inflated currency. You borrowed money, 100 cents worth to the dollar. Why do you want to pay it with depreciated money? Is it honest? Is it right?

IT WAS EQUAL TO GOLD.

Supposing you had borrowed an umbrella. Suppose you had been overtaken by a shower and entered a house and you had asked your neighbor whether or not he could loan you his umbrella. It was a silk umbrella, and you received the umbrella, promising to return it in due time, and in due time you should return him a cotton umbrella. Now, that is precisely the position you are taking now with regard to the currency question, with regard to the public debt. Every dollar that the people of the United States have borrowed was equal to gold, was on a standard of gold when it was borrowed.

Now do you believe that people would be foolish enough to loan money to any debtor in the United States on the very best security unless they had reasonable assurance that they would get just as good money as they loaned? And that is our interest. The debtor's interest is greater in keeping the credit of the nation up, in keeping the credit of your states and cities and individuals, than it is in paying with depreciated currency. (Great applause.)

You could not borrow a dollar if it was known that you did not intend to repay the loan you got in as good money as was made.

Do you want this country to repeal the laws that would enable any man to make a voluntary contract? Why don't you say that England should repeal the Magna Charta? The right of contract has been granted to every free people since King John granted freedom to the English. You talk about repealing that, why, sir, such a law would be a dead letter in every part of this country. As the no treat law has been in Nebraska.

My friend has said that machinery has had nothing to do with the lowering of prices, and that greater advances in labor saving machinery have been made prior to 1873 than have been since 1873. I beg to differ with him. I will only call attention to some of the changes that have taken place. We will take it in the business in which we both are presumed to be engaged—the business of printing newspapers. In 1882 they were still using that camel-back elephant ten-cylinder press that required ten men climbing over each other in order to print about 2,000 papers in an hour. I saw one of these in the office of the Cincinnati Commercial in 1873. In 1875 the first Webb perfecting press came into use. It was on view at the Centennial exposition and ran off 12,000 perfect papers in an hour with only one feeder. Now there are presses that print 96,000 papers in an hour. Two and one-half years ago I invested in twelve typecasting machines.

IN THE PRINTING BUSINESS.

We had seventy-two printers employed in our office at that time and immediately afterward we discharged forty-eight and twenty-four, I think, remained. The price of composition prior to the introduction of these machines was 40 cents per 1,000 ems for night work and 37 cents for day work, and now that composition costs us 14 cents per 1,000. And yet my friend, Mr. Bryan, will insist that he knows better than I do whether machines have caused the reduction of prices. The printers we have retained are getting better wages than they did before, but those who went out, have to seek a living in other directions. The men and women working eight hours in the day time earn $3.50 per day, and night work 50 cents for every hour, making $4 a day, so that these men earn $28 per week. But the poor fellows who were crowded out had to work their way into other avenues of trades, and some of them may be unable to get work, and how are you going to help it by free coinage? What has free coinage got to do with that? Why, sir, these free silver advocates remind one of those nostrum venders who are constantly claiming that they can cure consumption, cancer, epilepsy, bronchitis and every other known disease with one particular remedy, and it is that medicine, the free and unlimited coinage, which is guaranteed to cure and drive away all the ills that mankind is heir to. Now I believe that there probably are fifty different causes responsible for the reduction and lowering of prices, and that they brought about the depression of our industries and the commercial stagnation, but of all these, the constant tinkering with and disturbance of our monetary system is largely responsible for the destruction of credits. As I say, the credit business of this nation amounts to something like $95,000,000,000 per annum, where the circulation of money alone is only equal to about $18,000,000 in the United States.

THE DOWNWARD TREND OF PRICES.

Mr. Rosewater Quotes History to Prove His Position.

Mr. Bryan wants to know how we are going to restore prosperity to Nebraska and how we are going to help the people whose property has been lost by reason of their being so excessively indebted?

I will simply answer him in this way: Just as soon as he and those others who agitate the free and unlimited coinage of silver will stop their agitation; just as soon as the people who have money hoarded up and are holding it for fear that it will not be honestly returned to them are satisfied that they are going to get their money back, just such money as they have loaned, that so soon prosperity will begin to come and will continue, and will be greater and greater as the years go by.

He talks about the Rothschilds and their efforts to make money dearer. What does he know about making money dear?

The Rothschilds are loaners of money, and dear money with them means making a larger interest on their investments. Now, then, by establishing the gold standard among leading commercial nations, did they help themselves and make money dearer? Money today is paying but 1 per cent in the city of London, and in the city of Paris it has got to one half of 1 per cent.

Why is it that money is getting so low, so cheap? Have the Rothschilds conspired to make it so, or have they been foiled in all their conspiracies? Why is it that money is cheaper in the United States today than it ever has been, and yet commodities and all classes of property are also cheap? (Laughter). Why is it that property and all commodities are cheap? (Laughter). I repeat that question because you do not seem to understand what I am driving at. Property and commodities are cheaper because confidence has been destroyed, because there is no credit any longer, and men who can give the proper security are scarce and few, but the money at the same time and loanable funds in the United States are cheaper than they have ever been.

INTEREST RATES IN 1873.

In 1873 I borrowed $9,000 in this city at 12 per cent interest, and I paid $10,000 interest in six years on the $9,000 of money. I want to ask you whether money was cheaper then? That was the time, the good old time, when wheat was high and when all commodities were at least from 20 to 30 per cent higher than today, but yet money was dear, wasn't it? How did it come that money was dear in those days? Because there was a general demand back of it; also because there was ability to pay.

Now, then, the people of the United States have cheaper money today than they have ever had before. The only thing that has impeded the steady decline of the interest rate has been agitation of limitless free coinage of silver. If it had not been for this the government of the United States could have borrowed at 2½ per cent all the money that it wanted and it could have borrowed it, of course, either in our own country or abroad. The idea that money is very scarce here is preposterous. Six hundred millions of dollars in gold were offered to the treasury of the United States a few months ago, when they were wanting to borrow $100,000,000. That this $600,000,000, or the bulk of it, is in the United States just as much as it ever has been cannot be doubted. Now let us look back in the 70s. Steadily from 1870 onward there has been a continual increase in the volume of circulating medium. In 1873 there was not any gold or silver in circulation, and there was probably not more than $120,000,000 of gold and silver in the United States treasury to meet the wants and demands upon it to pay interest on the public debt.

Now then, since 1873, we have accumulated between $500,000,000 and $600,000,000 of silver and as much of gold. The total volume of money metal in the United States today in primary money (for silver is just as much primary money yet as gold) is about $1,100,000,000. According to my friend, Mr. Bryan, the marvelous increase in the volume of money, an increase that has been away ahead of the increase in our population, ought to have been also followed by an increase of prices, but prices have gone down, while the volume of money has steadily gone up. Now, what is the use of all his theories; what is the use of all his sophistry? Mr. Bryan tells you that nobody can tell how much silver would advance in price in case free and unlimited coinage is enacted into law, but we must try to see. Well, well, that is a very nice proposition! That same question was asked of the other apostle, Mr. Harvey, and he thought that silver might advance as high as 75 cents on the dollar, but there is not one of the leading silver agitators of the country that pretends to give anywhere an approximate idea as to what we may depend on if the government should venture on this experiment independent of any other nation on earth.

We know very well that there is a very precarious condition in commercial affairs in the nation, and there are just as many men, creditors if you please, anxious to have this government restored to prosperity, to have this nation do as large a volume of business, as there are debtors. There are some who do not see their way very clearly. They are not sure what policy ought to be pursued. But Mr. Bryan is not in doubt; he plunges right in. He says try it.

Why, sir, if a fellow on a locomotive, which has on a full head of steam, cries out chuck in more coal, double the amount of steam, keep piling on more coal and see what will happen. Why, Mr. Bryan would feel perfectly safe on that locomotive, but everybody in the cars behind it would be in as much danger as the man on the track in front of it. That is precisely the condition that would confront us with limitless coinage. There would be a bust up. (Applause.)

LOANS MADE IN GOOD FAITH.

The idea that you could prevent a man from making any contract he saw fit to make and having it fulfilled, provided that it was not against public policy, is preposterous. Every loan made by the government was made in good faith. The government loans were negotiated in England, Germany and in France in good faith on the idea that they would be paid in the standards prevailing among civilized nations, and not in the standard of Japan, Mexico and China. That is why I say that the debtor class of the United States is more interested in maintaining credits than in anything else.

Take the poor people here in Omaha or anywhere in Nebraska. Are they not more interested in maintaining the little credits they have got at their grocers, their butchers and their bakers than even in the depreciated money that you propose to supply them? They certainly are more interested in preventing you from doing any such thing than they are in allowing you to do it. What poor man would want to be paid in a currency that would not purchase as much for him as it does now?

Mr. Bryan has stated, of course, that the tariff had nothing whatever to do with the lowering of prices.

Well, I will just cite him one instance. He, in the congress of 1892, I believe, was instrumental in knocking down the tariff on wool. He was one of those in congress who could not see a sheep go by without giving him a kick. Why, sir, he was so anxious to relieve the farmer and laborer from the tax that he had it reduced. Now what is the result? Only four or five years ago wool was selling at from 30 to 35 cents a pound. In 1895 it was selling for 17 cents a pound. So he has lowered prices of that commodity. He has helped the farmer by lowering it, but I do not believe he will be able to explain to you that the refusal of the government to give us free and unlimited coinage is responsible for the decline in the price of wool.

A PROPHET OF ILL OMEN.

Yes, indeed, he says he can prophesy to a certainty that these same boom times will return again under a free and unlimited coinage act and will circulate money all along the line. Well, as a prophet of ill omen, Mr. Bryan can take the palm. In March, 1892, in a speech made in the house of representatives, he said that the tin industry of America did not amount to anything and never would amount to anything, and yet today there are thirty-four great tin milling establishments in the United States and 174 tin plate establishments, expending something like $4,000,000 for wages and employing over 5,000 working men. So much for his knowledge of what would happen and what may happen in the near future.

Now, my fellow citizens, I can do no better than to read to you from a standard on economics that no gentleman will dispute, one that Mr. Bryan must recognize as the highest authority, Mr. Francis A. Walker, in the last number of Economics, April, 1896, says this—although Mr. Walker deems that it would be desirable to have the silver interests assisted as far as possible, to have the development of the mines promoted, yet he says this: "Proposed inflation by act of government having for its object the raising of prices and the scaling down of debts, is a measure subject to the gravest impeachment on grounds not only of social justice, but of economic expediency, as well. It carries with it the sting of fraud and leaves behind it retribution swift, sure and terrible."

"The moralist is not more strongly bound than is the economist to denounce every measure having any such design or effect. The difference between an inflation of the money supply due to the discovery of new mines and fields of the precious metals, and an inflation due to act of government having the design and purpose to scale down debts, is just as wide as the difference between the natural death of a miserly rich man, bringing his estate into the hands of a generous and public-spirited heir, at which result all good men may rightly rejoice, and the murder of the miser for the purpose of changing the ownership of his property, which no plea of public spirit or generosity in the use of that property could make to be considered as any other than an atrocious and detestable act worthy only of condemnation and punishment." (Prolonged applause.)

ONLY A METAL PURCHASING POWER.

Mr. Rosewater Shows the Result of Free and Unlimited Coinage.

Mr. Bryan asks whether or not the machinery in The Omaha Bee has also caused a reduction in the price of The Omaha Bee?

My friend is not well posted about the newspaper business. The price of The Omaha Weekly Bee when it was eight pages, three or four