Seven Financial Conspiracies Which Have Enslaved the American People

Section 2, Pages 31 - 60

Mrs. Emery, the author of this pamphlet, lived in Lansing, Michigan. The content of the pamphlet, as the title implies, looks at the ways the author believes that the system of capitalism in the U.S. is unfair to workers. There are endorsements at the end of the pamphlet including three from Kansas newspaper editors in Abilene, Stafford, and Girard.

Creator: Emery, Mrs. S. E. V.

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now safe and yielding a handsome income. He is congratulating himself upon his ability as a financier, when he is accosted by the dealer, who informs him that he—the dealer—has on hand another variety of wheat, equally good as that he had just purchased, and since he had found Mr. Jones a keen, thrifty business man, he would present him with 900 bushels of it. The only expense to Mr. Jones would be the cost of handling, which would be one per cent of the value of the wheat, or $9. The wheat should be taken to Mr. Jones' granary, where he could loan it to his neighbors upon the most advantageous terms. Nothing would be required of him for twenty years; at the end of that time, unless they could enter into a new contract, it would be necessary for him to return the 900 bushels of wheat; nothing would be required of him for the use of it, although by judiciously loaning to his neighbors twenty fold had been returned to him.

Words could scarcely express the surprise of Mr. Jones upon hearing this irrational proposition. We may imagine him taking the $1,000 note from his pocket, and scrutinizing it with the gravest suspicions, or inspecting the shining gold pieces—his advance interest—to satisfy himself that they are not spurious. But being reassured, he hastens home to carry the news of his good fortune to the partner of his joys. He playfully drops the shining gold pieces into her lap, with the assurance that they are partial proceeds of the wheat, and that they are hers to invest in the new silk she had so long desired. Mrs. Jones expresses great surprise, for she had been previously informed that a $1,000 interest bearing note would be the return for the wheat. Mr. Jones complacently taking the note from his pocket, informs her that the gold pieces are simply the *advance* interest on his notes; he then expatiates upon the beauties and advantages of such a system, declaring that hereafter his notes *must* be drawn with interest payable in advance. Then with an air of haughty indifference, he informs her that beside the gold interest and $1,000 note, 900 bushels of wheat were being returned to him, and that the very men who hauled away the 1,000 bushels in the morning were returning with 900 to be replaced in his granary.

This announcement was too startling for truth-loving Mrs. Jones. She threw up her hands in horror; for twenty-eight years she had been the wife of Darius Jones, and for the first time in all these years she had occasion to doubt his veracity. But the unwelcome thought was checked as a shudder of fear ran through her frame. "Poor Darius," thought she, "must be insane." Great sobs of grief began to choke her utterance, when casually glancing out of the window, she saw a train of loaded wagons coming up the lane. She stood for a moment dazed, great beads of perspiration appeared on her forehead. She looked at Darius, at the approaching train, then nervously scanning the $1,000 note, she pushed it with the gold from her, and burst into a flood of agonizing tears. It was long before Darius could reconcile his wife to this mysterious proceeding, but there was a vein of ambition in her nature which dominated at times, and when she saw the benefits that must accrue from such a transaction, she not only became reconciled but regarded with pride the acumen that had so increased their material prosperity. From that time the Jones's moved in the most aristocratic circles, and were accounted among the "best" people of the community.

To many of my readers, no doubt, this little story appears like a most exaggerated fiction, but truth is stranger than fiction, and this truth is not only strange but startling. He who doubts its authenticity has only to read the laws which govern our national banking institutions, and in proof of the rapacity of the system let me add that there is today a bill pending in Congress, whereby it is proposed to make the bank circulation, not 90 but 100 per cent, the full face value of the bond; in other words, Mr. Jones proposes the return of a full 1,000 bushels of wheat in addition to his $1,000 bond and advanced gold interest. But the clear-headed, vigilant Weaver is on guard, and to him the people may safely entrust this momentous question. Further, the national banks, as depositories for the U. S. Treasury, today hold $59,000,000 of the people's money upon which they are not paying one cent interest, but are and have been for the last 20 years loaning it at from 8 to 10 per cent, or using it for effecting corners on the necessaries of life. At one time the First National Bank of New York—John Sherman's bank—had the free use of $43,000,000 of the people's money, at a time when its own capital stock was less than a quarter of a million. It was thus that *honest* John Sherman "cast anchor to windward" when he was the people's servant.

The founders of our government had a salutary dread of the bankers' influence making itself felt in shaping the national legislation. They anticipated the evils that we have seen in our days to result from allowing the banking interest to become dominant in the halls of Congress. We find, therefore, the Third Congress of the United States Senate passing the following resolution on the 23d of December, 1793:

"Any person holding *any office or any stock* in any institution *in the nature of a bank* for issuing or discounting bills or notes payable to bearer or order, *cannot be a member of the House whilst he holds such office or stock.*"

The resolution was signed by the President, George Washington.

At that time there were only three banks in the whole country. Yet even then Congress thought that the bank influence was such a standing danger to the maintenance of legislative purity that it deemed it necessary to provide against it by special legislation.

The three banks of 1793 have grown to over 3,000, and the banking interest as we have seen at one time had 189 representatives in Congress, the next largest representation being that of the legal profession, while the industrial classes were comparatively without any representation.

It is hardly necessary to point out the results of the large preponderance of bankers in Congress. It has for years been seen in the whole tenor of Congressional legislation. The interests of the industrial classes have been constantly and systematically sacrificed, while the interests of the moneyed classes have been persistently pushed to the front. Now, has the law of 1793 been repealed? If not, are there not enough honest men in Congress to see that it is

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put into effect. Unless something be speedily done to revive this law, our government will soon be openly, as it already is secretly, a bankers' government.

If anyone doubts that the national banking system was not deliberately planned for the purpose of robbing the people, he may be undeceived by a careful perusal of the following private circular, sent out to the bankers of the country by their secretary, James Buell. Here is the circular:

NATIONAL BANKERS' CIRCULAR.

DEAR SIR—It is advisable to do all in your power to sustain such daily and prominent weekly newspapers, especially the *agricultural* and *religious* press, as will oppose the issuing of greenback paper money, and that you withhold patronage or favors from all applicants who are not willing to oppose the government issue of money. Let the government issue the coin and the banks issue the paper money of the country, for then we can better protect each other. To repeal the law creating national banks, or to restore to circulation the government issue of money, will be to provide the people with money, and will therefore seriously affect your individual profits as banker and lender. See your member of Congress at once, and engage him to support our interest, that we may control legislation.

(Signed by the Secretary.) JAS. BUELL,
No. 147 Broadway (Room 4), New York.

Mark you it is especially the *agricultural and religious press* through which the secretary designs working upon the prejudices of the people. Surely not a very tame reflection upon the intelligence of these classes, but when we hear the so-called Christian minister upholding such a system of class legislation, it is evident that at least so far as such religionists are concerned Mr. Buell did not "reckon without his host."

Now we have no more right to condemn the men who have taken advantage of our banking laws than we have to condemn the liquor seller who complies with the requirements of the liquor law. They are both law-abiding citizens, both doing a legitimate business. The trouble is not with the individuals, but with the law. Comparatively few men will be better than the law makes them. So long as robbery is legalized, we must be afflicted with robbers. This morning the country is horrified with the news of a shocking railroad disaster, and the horror is magnified by the rumor that ghouls in human form perpetrated the most fiendish robberies upon the dead and dying; indeed it is even asserted that these fiends planned the disaster for the sole purpose of robbing the victims. But we have another picture. The life of our nation is trembling in the balance. A million of armed men face each other on the battlefield, the roar of artillery and the thunderous note of the cannon send desolation to thousands of stricken households; our country is one vast graveyard, and the land is red with fratricidal blood. In our nation's capitol are assembled the law makers of the land; among them are those who encouraged and urged on the war, who declared that "a nation is not worth a curse without blood-letting." These are they who sat in our congressional halls and speculated upon the most effectual means of robbing the widows and orphans of these dead and dying soldiers, who instituted laws by which the children and children's children of these helpless soldiers should henceforth become their wage-slaves, and the bondmen of their children through all generations. Laws which, unless repealed, are destined soon to crush out the liberties of the people and the life of our Republic. Theirs was legalized robbery—the railroad bandits wrecked only a train—but these a nation.

CHAPTER IV.

CONTRACTION.

THE third scheme of robbery was that of *contracting the currency* by destroying the greenbacks. In pursuance of this plan the act of April 12, 1866, was passed, whereby it was provided that a regular and systematic cremation of greenbacks should take place.

Let it be remembered that upon this government money, the greenback, the people did not pay interest. It was backed by the government, which made it safe and reliable, and issued in sums convenient for small as well as large business transactions. The money monger, with $1,000 in greenbacks, had found it necessary to *employ* that money in order to derive any profit from it, this added to his care, which apparently was the very thing he sought to avoid; investments in commerce and manufacturing required his personal supervision; investments in houses and land incurred taxation, risks, and often loss; but investments in bonds seemed quite suited to his esthetical tastes, for they returned a rich, golden harvest, without any of the annoyances of taxation, insurance or even the care of looking after his investments.

Is it any wonder he hailed with joy the contraction policy, and gladly gave his $1,000 in greenbacks (to be consigned to the furnace), in exchange for a $1,000 untaxed, interest-bearing bond? But what of labor seeking employment? Shylock has invested his property in bonds, he has no need of labor; true, labor must pay the interest on his bonds, but he has no employment for it. While this $1,000 was in government money it could have given two men employment in some profitable business; but with his money invested in bonds, he kicks labor into the street and growls about the inefficiency of the tramp law. He does nothing whatever to advance the interests of labor, but drains its life-blood in payment of his everlasting interest. By investing the $1,000 in bonds it is taken from circulation. There is $1,000 less for the people to do business with, and $1,000 more for them to pay interest upon.

Again, by contracting the volume of money it lowered the prices of other property and added that much more to the burdens of the debtor class. For instance, Mr. Burt bought a farm for $6,000, when wheat was $2 per bushel. He paid $3,000 cash, and placed upon it a mortgage for the remaining $3,000, which he expected to pay with wheat at $2 per bushel. A part of the $3,000 cash invested in the farm was Mr. Burt's savings from his services in the army. He was a good soldier, and bore testimony of having seen active service. He was one of the first to enlist, and stood by the old flag until the last shot was fired, then he returned home, determined to spend the remainder of his days in the enjoyment of that peace so nobly won; accordingly he purchased his farm, little dreaming of the vicissitudes that awaited him.

Before the first pay day came the money of the country had been contracted 25 per cent., the price of wheat had been reduced in the same ratio, from $2.00 to $1.50 per bushel. Neither the debt nor interest had in any way been contracted, and Mr. B. found it necessary to hire $250 to make up his payment. He had not been disappointed in his wheat crop, it was even better than he expected, but for some inexplicable reason the *price* was not what he expected. He was told there had been an over-production of wheat, that the supply was greater than the demand; and yet he knew that one of his neighbors, a day laborer, had never been so hard pushed to keep the wolf from the door. Tne laborer was sober and industrious, Mr. Burt often employed him, but since the price of wheat had declined, he must economize, and the first step in economy was to reduce the wages of his "help."

When the next payment came due, wheat brought but $1 per bushel, and Mr. Burt was obliged to hire $500 to meet his payment. In applying to a national banker for assistance, he found that "money was scarce, but he would try and get it for him at one per cent a month." Mr. Burt concluded to look farther, and after a long search found a "friend," who decided to let him have the amount at 10 per cent in *advance*. This, taken from the $500, left him $450. The other $50 was made up by selling a few sheep and the best cow. Heretofore the butter had furnished Mrs. B. the means for keeping the children respectably clothed, but now the cow had gone and there was no means of replenishing their clothing. Susan, John, Willie, and even little Mary, were extremely sensitive, and when their clothes began to be shabby their fondness for the Sunday school declined. Mr. Burt did not renew his church subscription that year, and it was very uncomfortable for him to sit in his pew and hear the minister preach about the worldly minded man, who thought more about the price of wheat than of his soul's salvation, and who grew so avaricious that he would not subscribe for the support of the gospel. Mr. Burt listened to what the preacher said, but his heart grew hard, his clothes grew shabby, and his attendance at church grew infrequent and finally ceased altogether.

A few weeks before the third and final payment came due, Mr. Burt sold his wheat for 75 cents per bushel; a fine crop, but it failed to meet the requirements of the contract, foreclosure followed, and Mr. Burt and family were turned penniless into the street. Setting out in search of work he unfortunately reached Michigan just after her tramp law had taken effect. Wandering from place to place, shabbily dressed and "without any visible means of support," he was finally arrested for vagrancy, and sent to the penitentiary. Disheartened and overcome by a feeling of disgrace, he soon sickened and died. His friends, ignorant of his whereabouts, knew nothing of his sad fate. Twenty-four hours after his death, on a bleak December day, a rough wooden box was landed at the basement window of the medical department of the Athens of Michigan, and a few days later a subject with care-worn look and locks prematurely grey, was laid upon the dissecting table. The students jocosely remarked that "the old fellow must have been a soldier, judging from the number of scars upon his person." But there was one student who did not join in the merriment of his companions. He earnestly scanned the features of the dead man, and half an hour after the dismissal of the class a missive was winging its way to the state penitentiary.

The next day the expressman brought a little package to the serious student, he opened it with trembling hands, alas, his conjectures were realities. The package contained a few articles of clothing, and in a little soiled packet he found some mementoes from his father's house, among them the picture of a beautiful maiden, his sister Mary, and by her side a young man in soldier's uniform. The blood curdled in his veins. He remembered when that picture was taken, though only a child, the occasion was indelibly fixed upon his mind. It was the day that his sister was married to the soldier—Joseph Burt—the pauper of yesterday, the victim of the dissecting knife. Spared from the shot and shell of the battlefield to die a pauper's death, and to suffer a fate that none but criminals should ever know. Ah, my country! where is thy gratitude?

Through the contraction of the currency Mr. Burt's debt was doubled, and what is true of this unfortunate debt is equally true of the debt of the government. Notwithstanding John Sherman said to the laboring people of Ohio less than a year ago that "the debt is nearly paid off," yet it is a fact that this debt is a greater burden upon us today than it was at the close of the war. That is, our debt-paying power has been reduced in a far greater ratio than the debt itself, and today it would take more bushels of wheat, more tons of hay, or more bales of cotton to pay our national debt than it would have taken at the close of the war. What is true of the debt is equally true of the interest, and notwithstanding we have paid interest enough to have twice paid the original debt, it will take more pounds of beef, pork, or wool, more day's labor to pay our interest this year than it took in 1866. The effects of contraction on the morals of the country is briefly depicted by a Georgia editor, as follows:

In 1868 there was about $40 per capita of money in circulation; cotton was about 30 cents a pound. The farmer then put a 500 pound bale of cotton on his wagon, took it to town and sold it. Then he paid $40 taxes, bought a cooking stove for $30, a suit of clothes for $15, his wife a dress for $5, 100 pounds of meat for $18, 1 barrel of flour for $12, and went home with $30 in his pocket. In 1887 there was about $5 per capita of money in circulation; this same farmer put a 500 pound bale of cotton on his wagon, went to town and sold it, paid $40 taxes, got discouraged, went to the saloon, spent his remaining $2.30 and went home dead broke and drunk.

There is no doubt but it was the avowed policy of the party in power to retire from circulation and utterly destroy every dollar of greenback currency. Words are inadequate to express the horror that such a movement would have precipitated upon the people. It is enough to know the results of ten years of such legislation. Ten years in which our government circulation was reduced nearly fourteen hundred millions dollars, and swept into the vortex of financial ruin thousands and tens of thousands of our grandest and truest men. In the words of a philanthropic journalist we will review the history of the ten years of contraction:

On the 12th day of April, 1866, congress passed a law authorizing the secretary of the treasury to sell 5-20 bonds, and with the proceeds *retire United States currency, including greenbacks.*

On Dec. 4, 1866, E. G. Spalding, a Buffalo, N. Y., banker, a member of congress, wrote to Secretary McCulloch as follows:
You, no doubt, now, to a certain extent, *have control of the currency of the country*, and I think that you will, of neces-

sity, *contract moderately*, so as to preserve a *tolerable easy money market*. There may be *occasional spasms or tightness* for money, but generally, I shall look for plenty of money, *for at least one year to come.*

When this letter was written the country was in possession of $1,996,687,770 currency.

During this year, there were but 520 business failures in the whole country, involving a loss of but $17,625,000.

Labor was well paid and fully employed.

1867.

This year the work of contraction was vigorously pushed, and there were 2,386 failures, with a total loss of $86,218,000.

1868.

During this year, $473,000,000 of money was destroyed, and failures increased to 2,608, with a loss to creditors of $63,774,000. Money began to be tight, and financial "spasms" were frequent.

1869.

During this year over $500,000,000 of money passed into the cremation furnace, producing 2,790 business failures, and a loss of $75,054,900. Money growing tighter and wages lower.

1870.

This year $67,000,000 of money was destroyed, and 3,551 failures took place, involving a loss of $88,242,000. Money very scarce and wages of labor were reduced all over the country.

1871.

Thirty-five millions of money this year is retired, with 2,915 failures and a loss of $85,250,000. More men out of work and wages cut down.

1872.

Only about $12,000,000 was destroyed this year, but such had been the strain upon the business of the country for the past five years that this proved the last straw to 4,069 business firms, involving a loss of $121,058,000. More cutting of wages and strikes talked of.

1873.

This year the storm reached its climax. Business had hoped that, with every returning season, prospects would brighten and money would become plenty. Instead of this, however, notwithstanding but $1,609,000 were destroyed, the people became panic-stricken, and 5,183 business firms were precipitated, with a loss of $228,499,000. Five hundred thousand men are thrown out of employment; wages cut down all over the country, and strikes are of frequent occurrence.

1874.

Notwithstanding the terrible results of the last year, the wine-press of contraction still creaks on its hinges of death, as round and round it sweeps out of circulation $75,484,000 certificates of indebtedness, which have been made legal tender money, $85,760,000 treasury notes, $6,335,045 legal tenders, $3,000,000 fractional currency, and $1,000,000 bank notes, producing 5,832 failures, and a loss of $155,239,000 to creditors. A million idle men began to tramp in search of work. Wages still decline, and strikes more numerous.

1875.

The volume of currency, this year, was contracted $40,817,-418 and the failures reach 7,740, with loss to creditors of $201,-060,000. Two millions of laborers out of work. Famine and hunger begin to stare them in the face, and "tramping" becomes a profession.

1876.

According to the most reliable estimates, the contraction of the currency this year, in the destruction of greenbacks, and the withdrawal of bank currency amounts to about $85,000,000, with 9,092 failures, and $191,000,000 loss, during *the first quarter of the year*. The aggregate failures for the year reached over 10,000, with losses not less than $300,000,000. This does not include losses to stockholders, by foreclosure and sale of railroads.

What a record for ten years! Who wonders times were hard, and men idle? Still with all this array of wreck and ruin, with the finger-board of contraction at the close of each year, pointing to the cause, the people were asleep, or on their knees praying for some interposition of Providence in their behalf, while John Sherman went marching on with the torch of death, to burn the remaining $300,000,000 of the people's money.

Three million men are out of employment.

Bankruptcies multiplying with great rapidity.

The tramp nuisance culminates.

Wages are cut down to starvation prices.

Strikes, riots and general consternation seize the people, and the circulation is cut down to $606,000,000.

1877.

The red torch of the vandal lighted up the country from Pittsburgh to Chicago. These are the footprints of the red-mouthed despot, the money power, which is still forging chains for the limbs of American industry, with a view to enslaving the American populace by robbing them of their homes and firesides, and thus controlling their life, liberty, and pursuits of happiness by controlling their wages through the control and monopoly of money.

These are God's truths which the people can heed and be saved, or heed not and the Republic be lost.

CHAPTER V.

CREDIT-STRENGTHENING ACT.

BUT we have not yet completed the enumeration of crimes perpetrated against the people of this country through this infernal system of legalized robbery. Having purchased their bonds with government money, depreciated from 38 to 60 per cent (on account of the exception clause) and having exempted them from taxation, with advanced interest payable in gold, it would seem that the climax of audacity had been reached. But who can fathom the greed of the money shark, or set bounds to the voracity of a civilized brigand?

The fourth act in Shylock's tragedy, by which the government and this great people were sacrificed, is familiarly known as the *credit-strengthening act*, by which the 5-20 bonds were made payable in coin. This act, approved March 18, 1869, added to the burdens of the people more than six hundred millions dollars. It is claimed by many bond holders and their leaders, that the act which authorized the issue of these bonds made them payable in gold. But there is no such possible interpretation of the act, and if they were issued payable in gold in the first place why did they pass the credit-strengthening act of 1869? The very fact that they passed that act four years after the close of the war, when the country was at peace with the world and itself, is proof beyond question that they were at first made payable in legal tender, and that this law was passed for no other purpose than that of doubling the wealth of the bond holder, which, of necessity, must and *did* double the burdens of the people. Farther, we have undeniable proof that the act was secured through the most soulless strategy, and that Grant, Sherman and Morton were parties to it. There is not the slightest doubt but that Grant's election to the presidency, and Sherman's appointment to the treasury were secured through their pledges to obtain the passage of this infamous act. Those who opposed the measure were denounced as repudiators, and in his inaugural address Grant warned his party that no repudiator of one farthing of the public debt would be trusted in public place. Immediately upon his inauguration an extra session of Congress was called. The first bill presented, the first bill passed, the first act approved, the first documeut signed by President Grant was this infamous credit-strengthening act, by which the people who placed him in power, were robbed of millions of dollars. Circumstantial evidence also proves beyond doubt that the election of Grant and the defeat of Seymour was a bargain and sale between the leaders of the old parties, and the most villainous betrayal of public trust ever practiced upon an unsuspecting people. There had been an attempt to pass the credit-strengthening act during the session of 1867 and 1868 but it failed. During its pending, a presidential nomination and election took place. The Democratic party nominated Horatio Seymour on a platform opposed to the coin payment of currency obligations. The Republican party nominated U. S. Grant on the urgent solicitation and petition of forty capitalists of New York City.

August Belmont was chairman of the Democratic national committee; he was also agent of the Rothschilds, who were in possession of several hundred millions of the 5-20 bonds, and particularly interested in the credit-strengthening act. As early as March 13, 1868, Baron Janes Rothschild instructed August Belmont that unless the Democratic party went in for paying the 5-20 bonds in gold it *must be defeated.* The first step was to have the convention held in New York City, and it convened July 4, 1868. Belmont was unable to control the convention, or at least that part of the platform pertaining to the coin payment of bonds. But besides being chairman of the Democratic national committee, he also owned a large interest in the New York *World*, the leading Democratic paper in the country. Although he had made a sale (doubtless a sham) of his interest in the paper, he could still control it more easily than he could control the Democratic convention, and on the 15th of October, only a few days before election, it came out with a double-leaded editorial denouncing Seymour as unavailable and unfit for president, and advised his withdrawal.

This action had the effect for which undoubtedly it was intended, that of demoralizing the Democratic party on the eve of election, thus insuring the election of Grant, who had pleged himself to the money power. During the previous session of Congress, Oliver P. Morton made a speech in which he said:

> We should do foul injustice to the government and to the people of the United States after we have sold these bonds, on an average of not more than sixty cents on the dollar, now to propose to make a new contract for the benefit of the bond holder.

Hon. Thad. Stevens, in speaking of the insatiate demands of the money bond-interest, said:

We were foolish enough to grant them gold interest, and now they unblushingly demand further advantages; the truth is, we can never satisfy their appetite for money.

And on his death bed, said:

Yes, we had to yield. The Senate was stubborn. We did not, however, until we found the country must be lost or the bankers gratified. And we have sought to save the country in spite of the cupidity of its wealthier citizens.

Ben. Wade, of Ohio, in a letter written at Washington, Dec. 13, 1867, expressed himself as follows:

I am for the laboring portion of our people, the rich will take care of themselves. * * * * We never agreed to pay the five-twenties in gold; no man can find it in the bond, and I will never consent to have one payment for the bond holder and another for the people. It would sink any party, and it ought to.

In regard to this policy John Sherman, in a speech delivered Feb. 27, 1867, said:

I say that equity and justice are amply satisfied if we redeem these bonds at the end of five years in the same kind of money, of the same intrinsic value it bore at the time they were issued. Gentlemen may reason about this matter over and over again, and they cannot come to any other conclusion; at least that has been my conclusion after the most careful consideration. Senators are sometimes in the habit, in order to defeat the argument of an antagonist, of saying that this is repudiation. Why, sir, every citizen of the United States has conformed his business to the legal tender clause. He has collected and paid his debts accordingly.

And in a letter dated Feb. 20, 1868, he said:

Your idea that we propose to violate or repudiate a promise when we offer to redeem the principal in legal tenders is erroneous. I think the bond holder violates his promise when he refuses to take the same kind of money he paid for the bonds.

The bond-holder can demand only the kind of money he paid, and he *is a repudiator* and *extortioner* to demand money more valuable than he gave.

John Sherman, at that time, was comparatively a poor man, and, no doubt, an honest man; his appetite for pelf had not been awakened, or at least, to that degree which permitted him to sacrifice honor in its getting.

In 1875 John Sherman said, "We are following in the footsteps of England," and no one knew better than he the scheme that had brought us to that deplorable condition. In 1879, this same John Sherman, then a millionaire, in a speech made in Toledo, said that "To *refuse* to pay the bonds in gold would be repudiation and extortion, and would be scoffing at the blessings of Almighty God." Think of it! A man becoming a millionaire out of a $5,000 salary, and then talk as if he had anything to do with Almighty God. But as John Sherman grew rich, the country grew poor; merchants were driven to bankruptcy, farmers were driven into debt, and finally off their farms. Workingmen were driven out of employment, and tramps thronged the highways. Despair and ruin sat enthroned in the hearts and homes of this great people.

The above, let it be remembered, is testimony from leading Republicans of that time, but who, upon the election of Grant to the presidency, either sealed their lips upon this subject or, like Sherman, openly and shamelessly advocated the abominable swindle.

Here let me add, that when the bill passed, legalizing this gigantic robbery, there were 189 bankers, and many bond holders in the two houses, while as lobbyists and agents of the heavy bond-holders there was an army of workers and feed attorneys, all working for the passage of that atrocious bill, while honest industry was powerless in self-defense. One shudders to think of these vandals in the temple of our liberty. They desecrated the sanctuary of our fathers, and despoiled the heritage of their children.

The blood curdles to think of Washington and that fratricidal conspirator at the head of the same government.

CHAPTER VI.

REFUNDING.

THE next and fifth step in the infernal scheme was that of refunding the national debt. Few people ever comprehended the enormity of that crime, and never was there a deeper laid plot to reduce a people to abject and hopeless servitude.

This act, approved July 14, 1870, provided for the refunding of the national debt. In other words, it was a scheme to perpetuate the debt and a plot against the people to keep them forever under the yoke of bondage. Webster's definition of the funding system fully expresses the design of Congress in passing this act; he says: To fund—to put into the form of bonds or stocks bearing annual interest. To refund is to renew these bonds or stocks, perhaps under a new contract, which changes the rate of interest, though the interest continues. Funding system is "a scheme of finance or revenue by which provision is made for paying annual interest on a public debt." Mark you, it is a *scheme*, and no provision is made for paying the debt itself. The refunding of this bonded, untaxed, interest-bearing debt is a calamity upon this people, for it has placed the burden beyond the control of the generation that created it; we have already paid interest enough to have twice paid the debt, and yet today it is a greater burden upon the people than it was at the close of the war.

The evil effects of this system are at this time especially apparent. With money enough in the treasury to pay half the public debt, the people are debarred this privilege, because the villainous act of refunding has postponed the time of payment from ten to twenty years. In consequence of this nefarious act, about $750,000,000 of the debt cannot be paid until 1907.

Consequently, with an enormous sum of money lying idle in the treasury (or what is still more intolerable, deposited with national banks which have been granted its free use for more than twenty years) the people are not only deprived of its use in their business, but are still compelled to pay interest upon the entire amount.

Now, would you have any confidence in the business ability of a man who would so arrange a large indebtedness that he should continue to pay interest upon the entire debt after he had accumulated the means for liquidating a large part of it? And yet this is the very policy embodied in the funding act of 1870. And further, the same party that enacted this law is today putting forth every effort for the expenditure of this surplus, in any and every other way than that of liquidating the national debt. The Direct Tax bill, the Educational bill, the River and Harbor bills, the Pension bills, bills to provide for coast defenses, and other innumerable bills for disposing of the surplus are, in the main, schemes concocted for the sole purpose of using this surplus in such a way as to prevent the payment of the bonds and to continue the infernal system of taxation which is wringing the life blood from the people, and which affords the only plausible pretext for maintaining party lines between the two old organizations.

But this is not all, during the present session of congress, the indomitable Weaver has made the startling discovery that this funding bill never passed Congress in the form in which it appears upon the statute books. By the changing of a single word the import of the entire bill was so changed as to make the four per cent bonds payable only *after* thirty years, instead of previous to that time.

The anarchism of 1887, under its worst construction, sinks into insignificance before the light of such diabolical assassination of law.

The object of funding our debt was to establish a bond system on the same plan of England's bonded debt. England's debt, which commenced with the same infamous banking system which we have adopted, was established two centuries ago. The interest on her debt supports a few idle aristocrats, but it has reduced to ignorance and degradation millions of her toiling people. Another object of funding our debt was to build up a moneyed oligarchy, and an aristocracy of wealth to compete with that of our ancient foe.

That those who have long controlled our govornment are determined to carry out their plan does not admit the slightest doubt. The bill of Congressman White, now pending, to refund the entire national debt into a fifty-year 2½ per cent bond, also the bill of Senator Farwell to perpetuate the national banks, adds to the evidences of their determination to saddle this interminable burden upon the American people.

There is but one interpretation to the funding act.

Its object is to compel our children and children's children, through all generations, to serve the children of these bond-holders. Voter, is this the legacy you intended to bequeath to your children? Is this the liberty they are to thank their fathers for? Born slaves to aristocrats! And yet this is the inheritance the money king would bequeath to the posterity of labor in America; this is what the old parties are asking you to do; this is what for twenty-five years you have been doing, bartering away this blood-bought inheritance, selling the birth-rights of your children. And what have you received in return? Mortgaged homes, endless taxes, unremitting and unrequited toil. Is this any better than the inheritance of slaves? And will you permit this bondage to continue? Are the ties of party so dear that liberty, home and family must be sacrificed upon its altar? In the name of your homes and the children that bless them; in the name of thousands of homes, and tens of thousands of wrecked and ruined lives I entreat you to break this party thralldom and smite down this iniquitous legislation.

CHAPTER VII.

DEMONETIZATION OF SILVER.

HAVING refunded and made payable in gold the bonds which had not cost their holders more than sixty cents on the dollar, the casual observer is satisfied that the last robbery has been perpetrated. But the busy brain of avarice is ever reaching out, not after new truths, but for gain, *gain*, GAIN; and we next find these civilized brigands have consummated a scheme for the *demonetization of silver*. This act, passed in 1873, destroyed the money quality of silver, and thus produced a farther contraction of the currency. The object of this act was first to prevent the payment of the bonds, and second, to increase their value.

Never in this country had there been an investment so safe and yet so reliable. Shylock, with his hoarded millions, could rest on beds of down. Neither fire, flood, mildew nor blight brought anxiety to him. He seemed to rest in assurance of the Divine favor, having obeyed the injunction to "lay up his treasure where moth and rust could not corrupt, nor thieves break through and steal." Indeed, the entire country had become sponsor for his wealth, for under the law every producer and millions of wage-workers had been instituted a vigilance committee to look after his welfare. Why should he not be opposed to having his bond investment disturbed? The government held that property in safe keeping, and did not charge a cent for the favor; it collected his interest and paid it over to him free of charge; it paid his gold interest in advance and exempted him from taxation; the insurance agent and tax gatherer were strangers to him, they did not molest, or make him afraid, and being thus fortified, he was content to let the producers of wealth eke out a miserable existence while he fared sumptuously every day. But it was not the American capitalist alone who entered into this murderous scheme for demonetizing silver. In the *Banker's Magazine* of August, 1873, we find the following on this subject:

In 1872, silver being demonetized in France, England and Holland, a capital of $500,000 was raised, and Ernest Seyd of London was sent to this country with this fund, as agent of the foreign bond-holders and capitalists, to effect the same object (demonetization of silver), which was accomplished.

There you have it, a paid agent of English capitalists sent to this country with $500,000 to buy the American Congress and rob the American people. In corroboration of this testimony we read from the *Congressional Record* of April 9, 1872, page 2,032, these words:

Earnest Seyd of London, a distinguished writer and bullionist, who is now here, has given great attention to the subject of mint and coinage. After having examined the first draft of this bill (for the demonetization of silver) he made various sensible suggestions, which the committee adopted and embodied in the bill.

So says Mr Hooper, who, at that time, was chairman of the committee on coinage, but I will farther add that I heard Hon. Gilbert DeLamartyr say that Judge Kelly told him that he (Kelly) saw the original draft of the bill for the demonetization of silver, and it was in Earnest Seyd's own handwriting. God of our fathers! A British capitalist sent here to make laws for the American people. England failed to subjugate us by the bullet, but she stole into our Congressional halls and by the crafty use of gold, obtained possession of the ballot, and today, American industry pays tribute to England, despite our blood-bought seal of independence.

Not only did the demonetization of silver prevent, or at least retard the payment of the bonds, but it added to the value of the gold in which these bonds were then to be paid. Every dollar taken from circulation adds to the value of that which is left, hence the demonetization of silver increased the value of gold. After England had demonetized silver, our silver dollar, containing 412½ grains, was not worth as much in that country by at least ten cents on the dollar, as our gold dollar containing 25.8 grains of gold. By destroying the money quality of silver, bonds became payable in gold only, thus adding immensely to their value. A British capitalist, holding $100,000,000 of our four per cent bonds, received an annual interest of $4,000,000, which paid in standard silver would be worth ten per cent, or $400,000 less than it would be if paid in gold. This would make a difference in his daily interest of $1,096. Is it not clear why English capitalists were anxious for the United States to demonetize silver, and why they could afford to send Ernest Seyd to this country with a capital of $500,000 to accomplish this object?

Just here will the reader stop for a moment and consider why the Rothschilds, who control the financial policy of England, as the brokers and security-holders of America control ours, why they could afford to pay, not only the paltry half million with which they bought the demonetization of silver, but many millions more had it been necessary? Our civil war opened the eyes of England. She knew that her welfare, nay, almost her existence, depended upon America's supply of cotton, meat and cereals; these were liable to fail, either in rebellion at home or in war with foreign nations. But she was the world's great creditor, for she held the bonds of all nations, and if she could make them payable in the dearest money in the world, it would enhance her securities many millions, and if she could insure herself an ample supply of wheat and cotton she would be independent of us under all circumstances. Now, since she owned and controlled all India, that great wheat and cotton country, she saw that, with India's cheap labor and the demonetization of American silver, she would have a double leverage over America and her productions. Silver money is used exclusively in India. England coins that money, and if, with eighty cents, she could buy silver, stamp and pass it for a dollar in payment for India's wheat and cotton, she not only gained the 20 per cent from her own subjects, but in consequence of the demonetization of silver in America, her debtors here were compelled to pay her at least ten per cent more than they would have paid had not silver been demonetized. Let it also be borne in mind that this discount, whether much or little, was so much new capital with which to open up the interior of India to compete with America and her productions.

The injury to the people of this country through the demonetization of silver can never, perhaps, be