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THE CONCENTRATION OF WEALTH, ITS CAUSE AND RESULTS.

BY HERMAN E. TAUBENECK.

PART I.

WHOEVER has talent for observation, and taste for the study of political revolutions, cannot fail to discover that we are standing on the threshold of a great conflict,—a conflict between concentrated wealth on one side, and the organized wealth-producers on the other. The longer this issue is kept in the background the harder the struggle will be when it does come, for come it must. Great questions, like heavy trains, move slowly; but when they do move, the opposing forces meet with the clash of colliding worlds. Evolution and the progress of ideas have the same effect on laws and governments as they have on customs and habits; and the older a form of government is, the less it suits the present condition of the world. Laws which are considered right and just in one age are often repealed as wrong and unjust in another.

Nations count their strength and prosperity by the values produced by those who dig in the mines, till the soil, and toil in the workshops. These are the creators of wealth, and no government can exist long which neglects and oppresses these three classes. "Wealth," says the politician, "must be dug out of the earth." This is true; but it is likewise true that it is the first and highest duty of every government to protect those who are doing the digging.

THE GREAT PROBLEM.

The great problem which confronts the American people to-day is how they can prevent the rapid concentration of wealth into the hands of a small percentage of their population. The immediate and direct cause of all the distress and discontent in our land is due to *the unjust and unequal distribution of wealth.* Society is divided into two great classes, the one immensely rich, and the other correspondingly poor. History teaches that the greatest calamity that can befall any nation is the concentration of its wealth. There has been no nation that flourished and fell but what the concentration of wealth always preceded the fall. History does not record one exception. The *Progress*, of Boston, in 1889 published the following:

> The eloquent Patrick Henry said: "We can only judge the future by the past." Look at the past! When Egypt went down, two per cent of her population owned 97 per cent of her wealth. The people were starved to death. When Persia went down one per cent of her population owned the land. When Babylon went down two per cent of her population owned all the wealth. The people were starved to death. When Rome went down, 1,800 men owned all the known world.

What was France before the revolution of 1789? Nothing but an aristocracy of wealth and birth on one side, and millions of half-clad, half-fed, impoverished toilers on the other. And what was the outcome? The bloodiest revolution known to history. They reaped exactly what they sowed.

In the United States.

It requires but little observation to discover that we, as a nation, are drifting into the same channel, and that unless something is done we also shall reach the same destination,— with only this difference: in our age of steam and electricity we are travelling ten times faster and shall reach our destination ten times more rapidly than the nations that preceded us. It is only a question of time until the same cause which produced the French Revolution, the downfall of Rome, and the destruction of every nation of antiquity, will, unless trammelled up, also destroy this nation. We shall reap what we have sown, as they did.

Great Increase of Wealth.

It is true that we are the wealthiest nation on earth; and there never was a period in the history of mankind in which the ability of the race to create wealth was as great as at the present. To-day one man, with the aid of improved machinery, can create as much wealth in three hours as he could have created, fifty years ago, in thirteen hours. At the present time a farmer can do as much work in five hours as he could have done forty years ago in eleven hours.

The Census Report tells us that every month in the year we, as a nation, create $150,000,000 more wealth than we consume. Every time the sun sets the people of the United States produce over $5,000,000 more wealth than they use in the same time.

The New York *World* of December 19, 1889, and the Chicago *Tribune* of December 20, 1889, published a table compiled from authentic sources, giving the assessed and actual value of the wealth of the United States for the different decades beginning with 1850. Following is an extract:

YEARS.	ASSESSED VALUE.	ACTUAL VALUE.
1870.	$11,342,780,366	$30,068,518,507
1880.	16,902,993,543	43,642,000,000
1890.	23,719,000,000	61,459,000,000

The per-capita wealth in 1870 was $780; in 1880, $870; and in 1890, nearly $1,000.

Ex-Senator Ingalls, in a speech delivered in the Senate, January 14, 1891, said:

> Notwithstanding all the losses by fire and flood during that period of twenty years, the wealth of the country increased at the rate of $250,000 for every hour. Every time the clock ticked above the portal of that chamber, the aggregated, accumulated, permanent wealth of this country increased more than $70. Sir, it rivals, it exceeds the fiction of the Arabian Nights. There is nothing in the story of the Lamp of Aladdin that surpasses it. It is without parallel or precedent; the national ledger now shows a balance to our credit, after all that has been wasted and squandered, expended, lost, and thrown away, of between sixty and seventy thousand million dollars.

Who Owns the Wealth?

So far as our ability to create wealth is concerned, no one need complain. There is plenty for all; but this is not the question at issue. The question to-day is, who owns this enormous increase of wealth which we, as a nation, have accumulated within the last thirty years? Does it belong to the farmer? NO. Because the price of his products for years has been steadily below the cost of production, and we have more tenant farmers and mortgaged farms in the United States to-day than at any other period in the history of the country. Do the laborers, the men who dig in the mines and toil in the workshops, own this wealth? NO. Because their wages, in spite of a protective tariff, have been coming down every year, until to-day strikes, lock-outs, and boycotts have become part of the regular order. It is a sad fact that those who have created and dug this wealth out of the earth own but a trifle of it.

The question then is, if the farmer, miner, and artisan do not own this wealth, who does own it? In answer to this question we will call three eminent witnesses to the stand, whose opinions are regarded as high authority, and who have made a careful investigation of this subject. One is George K. Holmes, in a review of the eleventh census, published in the *Political Science Quarterly* for December, 1893. The second is an article by Thomas G. Shearman published in the September and November *Forum* for 1889; the other witness is Charles B. Spahr, who has made a careful investigation of "the present distribution of wealth in the United States," compiled from the records of the Surrogate Courts in the State of New York.

MR. HOLMES'S ESTIMATE.

Mr. Holmes estimates the total wealth of the United States at sixty billions of dollars, and the total number of families at 12,690,152; which, if the wealth were equally divided, would give each family $4,728. The result of Mr. Holmes's computation is as follows:

WEALTH DISTRIBUTION BY CLASSES.

1,440,000 farm-hiring families worth $150 above debts of indefinite amount	$216,000,000
752,760 families owning incumbered farms worth less than $5,000, deducting incumbrance and other debts of indefinite amount, and allowing $500 for additional wealth	1,359,741,600

1,756,440 families owning free farms worth less than $5,000, allowing $1,000 for additional wealth above debts of indefinite amount	5,309,569,600
5,159,796 home-hiring families worth $500 above debts of indefinite amount	2,579,898,000
720,618 families owning incumbered homes worth less than $5,000, deducting incumbrance and other debts of indefinite amount, allowing $500 for additional wealth	1,142,531,550
1,764,273 families owning free homes worth less than $5,000, allowing $2,000 for additional wealth above debts of indefinite amount	6,749,076,593
11,593,887 families worth	$17,356,837,343

Thus, 11,593,887 families own $17,356,837,343 of our nation's wealth; while the other 1,096,265 families own $42,643,162,657.

Appalling as these figures are, yet no one can feel their full weight until analyzed. Here we have 11,593,887 families, each possessing, on an average, property to the value of $1,496, and 1,096,265 families, each possessing property to the value of $38,898. If we allow five persons to each of these two classes of families and divide their wealth among them equally, we receive $299 as the average per-capita wealth for 57,969,435 of our population; while the other 5,481,325 of our population will have an average per-capita wealth amounting to $7,780.

Mr. Holmes in his summary uses this language:

Ninety-one per cent of the 12,690,152 families of the country own no more than about twenty-nine per cent of the wealth, and nine per cent of the families own about seventy-one per cent of the wealth. . . . Among the 1,096,265 families in which seventy-one per cent of the wealth of the country is concentrated, there is still further concentration which may be indicated by taking account of the wealth of the very rich. The New York *Tribune's* list of 4,047 millionaires affords the best basis for this. . . . Without going into details, the conclusion adopted in this article is, that the 4,047 millionaires are worth not less than ten or more than fifteen billions, say twelve billions, or about one-fifth of the nation's wealth. This gives an average of about $3,000,000.

We are now prepared to characterize the concentration of the wealth of the United States by stating that twenty per cent of it is owned by three-hundredths of one per cent of the families; fifty-one per cent, by nine per cent of the families (not including millionaires); seventy-one per cent, by nine per cent of the families (including millionaires); and twenty-nine per cent, by ninety-one per cent of the families. . . .

Only nine per cent of the wealth is owned by tenant families; and the poorer class of those that own their farms or homes under incumbrance and those together constitute sixty-four per cent of all the families. As little as five per cent of the nation's wealth is owned by fifty-two per cent of the families; that is, by the tenants alone. Finally, 4,047 families possess about seven-tenths as much as do 11,593,887 families. . . . It will not do to let the few become exclusively the employers and the creditors. They are not qualified to exercise such a trust; and even if they were, the time must nevertheless come when the masses of the people will find their interest less in raising the standard of living than in promoting their independence by accumulating wealth. Beyond some varying point cost of living becomes inexcusable extravagance.

Mr. Spahr's Estimate.

Mr. Charles B. Spahr recently published the result of his investigation on the "Distribution of wealth in the United States." Although he arrived at the same conclusions that Mr. Holmes and Mr. Shearman did, yet he pursued an entirely different line of investigation.

In 1892, the New York legislature passed an act requiring the Surrogate Court to keep a public record of all estates, whether real or personal, brought under their jurisdiction, with the estimated value of each. Mr. Spahr, with the assistance of the clerk of the Surrogate Court, collected the facts from the court records, as the basis for his estimates. In his summary, he gives the distribution of wealth for the whole country, as based upon the returns of the Surrogate Court of the State of New York, as follows:

In other words, there are about seven million property-owning families, and only five and a half millions who could justly be spoken of as propertyless. If, then, we assume that the latter, as a rule, have household property worth $150, the final table stands as follows:

THE UNITED STATES, 1890.

ESTATES.	NUMBER.	AGGREGATE WEALTH.	AVERAGE WEALTH.
The wealthy classes, $50,000 and over,	125,000	$33,000,000,000	$264,000
The well-to-do classes, $50,000 to $5,000,	1,375,000	23,000,000,000	16,000
The middle classes, $5,000 to $500,	5,500,000	8,200,000,000	1,500
The poorer classes, under $500,	5,500,000	800,000,000	150
	12,500,000	$65,000,000,000	$5,200

If we add to the families of the "wealthy classes" the families of the "well-to-do classes," we have 1,500,000 families owning $56,000,000,000 of the nation's wealth, or an average of $37,333 per family; while the other 11,000,000 families own $9,000,000,000 of the nation's wealth, or an average of $820 per family. Twelve per cent of the families own eighty-six per cent of the wealth, and the other eighty-eight per cent of the families own only fourteen per cent of the wealth.

Again, the estates of the "wealthy classes," those who own $50,000 worth of property and over, constitute but one per cent of the families, and they own fifty-one per cent of the wealth; while other ninety-nine per cent of the families own but forty-nine per cent of the wealth. One family of the "wealthy classes" owns more property than ninety-nine families of the other classes.

Mr. Spahr in conclusion says:

The conclusion reached, therefore, is as follows: — Less than half the families in America are propertyless; nevertheless, seven-eighths of the families hold but one-eighth of the national wealth, while one per cent of the families hold more than the remaining ninety-nine.

On the same subject Mr. Spahr quotes from the Massachusetts Bureau of Labor Report, as follows:

Part II of the report of the Massachussetts Bureau of Labor Statistics for 1894 publishes the inventoried probates for the entire state of Massachusetts during the three years 1889, 1890, and 1891. Although the estates for which no inventories are filed are, as a rule, the largest, the following concentration of property is exhibited:

INVENTORIED ESTATES IN MASSACHUSETTS, 1889, 1890, AND 1891.

	NUMBER.	VALUE.
Under $5,000	10,152	$16,889,479
$5,000 to $50,000	3,947	53,489,893
$50,000 and over	509	85,179,416
	14,608	$155,558,788

In other words, the estates of $50,000 and over aggregated fifty-five per cent of the total amount of property; while estates less than $5,000 aggregated but eleven per cent of the total.

MR. SHEARMAN'S ESTIMATE.

Mr. Shearman, in the *Forum* for September, 1889, after making liberal deductions, arrived at the following conclusions:

At this reduced rate the amount of wealth in the hands of persons worth over $500,000 each in the United States, would be as follows:

200	persons	at	$20,000,000	each	....	$4,000,000,000
400	"	"	10,000,000	"	....	4,000,000,000
1,000	"	"	5,000,000	"	....	5,000,000,000
2,000	"	"	2,500,000	"	....	5,000,000,000
6,000	"	"	1,000,000	"	....	6,000,000,000
15,000	"	"	500,000	"	....	7,500,000,000
24,600						$31,500,000,000

This estimate is very far below the actual truth. Yet even upon this basis we are confronted with the startling result that 25,000 persons now possess more than half of the national wealth, real and personal, according to the very highest estimate ($60,000,000,000) which anyone has yet ventured to make of the aggregate amount.

In speaking of the wealth of seventy of our wealthiest millionaires Mr. Shearman says:

Making the largest allowance for exaggerated reports, there can be no doubt that these seventy names represent an aggregate wealth of $2,700,000,000, or an average of $38,500,000 each. No information has been sought concerning those worth less than $20,000,000, but the writer accidentally learned of fifty other persons worth over $10,000,000, of whom thirty are valued in all at $450,000,000, making together one hundred persons worth over $3,000,000,000; yet this list includes very few names from New England, and none from the South. Evidently it would be easy for any well-informed person to make up a list of one hundred persons averaging $25,000,000 each, in addition to ten averaging $100,000,000 each. No such list of concentrated wealth could be given in any other country. The richest dukes in England fall below the average wealth of a dozen American citizens; while the greatest bankers, merchants, and railway magnates of England cannot compare in wealth with many Americans.

Incomes and income tax. In speaking of the average income for the different classes by families, Mr. Shearman says:

As each worker has employed on an average three persons, including himself, the people may be divided into 15,000,000 families, or rather groups of three. (The actual number of real families was much less. It was under 10,000,000 in 1880, averaging five persons each.) On the basis of the careful estimate of Mr. Atkinson, 14,000,000 of these families must have been supported upon incomes of less than $400 (in my judgment less than $350), 700,000 on less than $1,000, and the other 300,000 on larger incomes.

According to this estimate, which no one has yet had the courage to challenge, 93.3 per cent of the families in the United States live upon incomes less than $400, and ninety-eight per cent on an income less than $1,000; consequently an income tax exempting all incomes of a thousand dollars and below will practically exempt ninety-eight per cent of the families in the United States.

In the November number of the *Forum* for the same year, Mr. Shearman compares the incomes of American millionaires with those of Great Britain, as follows:

The facts already stated conclusively demonstrate that the wealthiest class in the United States is vastly richer than the wealthiest class in Great Britain. The average annual income of the richest hundred Englishmen is about $450,000, but the average annual income of the richest hundred Americans cannot be less than $1,200,000, and probably exceeds $1,500,000. . . . The earnings of four-fifths of American families do not average as much as $500 per annum.

Another Statement.

In the same number Mr. Shearman also gives a table estimating the "distribution of wealth" by families, "on the basis of the Boston tax returns." He divides the families into three classes, rich, middle, and working, as follows:

DISTRIBUTION IN CLASSES.

Class.	Families.	Wealth in millions.	Average per family.
Rich,	182,090	$43,367	$238,135
Middle,	1,200,000	7,500	6,250
Working,	11,620,000	11,215	968
	13,002,090	$62,082	$4,775

On this basis, 40,000 persons own one-half of the wealth of the United States; while one-seventieth part of the people own over two-thirds of the wealth. . . . It may safely be assumed that 200,000 persons control seventy per cent of the nation's wealth, while 250,000 persons control from seventy-five to eighty per cent of the whole. . . . The United States of America are practically owned by less than 250,000 persons, constituting less than one in sixty of its male population.

On another page Mr. Shearman estimates that the distribution of wealth in the United States, on the basis of the British income returns, is as follows:

Class.	Families.	Wealth in millions.	Average per family.
Rich,	235,310	$43,900	$186,567
Middle,	1,200,000	7,500	6,250
Working,	11,565,000	11,175	968
	13,000,310	$62,575	$4,813

On this basis 50,000 families would appear to own one-half of the national wealth. . . . The number of the very largest millionaires [in

the United States] has been kept down to very nearly the limit of the writer's personal information; while, in his judgment, there must be at least as many more of whom he has not heard. If this surmise is correct it would add, at once, $2,500,000,000 to the share of wealth belonging to the millionaire class, and would confirm the writer's rough estimate in the *Forum* for September, that 25,000 persons own just about one-half of all the wealth of the United States.

It requires a second thought for the mind to grasp the magnitude of these figures. If the wealth of the United States averages $1,000 per capita, then for each person who owns one million dollars, there must be 1,000 persons without property; for each person who owns ten millions, there are 10,000 persons without property; and for each person who owns one hundred millions, there must be 100,000 persons without property. For the 25,000 persons who possess $31,500,000,000 of the nation's wealth, there must be 31,500,000 persons in the United States without property.

These last figures are corroborated by Mr. Holmes's statement, where he says: "As little as five per cent of the nation's wealth is owned by fifty-two per cent of the families."

The English and Spanish Systems Compared.

If we estimate the total wealth of the nation at sixty billions of dollars, and remember that it has taken the American people two hundred and seventy years to accumulate it, and that within the last thirty-five years 25,000 persons out of a population of 70,000,000 people have absorbed one-half this wealth, how long will it be, if this process of concentration continues, until our country will be in the same condition as Egypt, Rome, and other nations were when they fell? It is doubtful if chattel slavery, from the day the first negro landed upon American soil up to the time the negroes were set free, produced a single millionaire. Yet the dollar, in the form of organized capital, within thirty years has produced at least 20,000 millionaires. This is the difference between the two systems of slavery, of which the "Hazzard Circular" speaks. One is the Spanish system, which controls labor by owning the body; while the other is the English system, which controls labor by controlling the volume of money. In outward appearance the master has become more refined; but in practice he is as unrelenting and heartless as under the Spanish system. Nothing in society is more degrading and despotic than the tyranny of concentrated wealth.

CAMERON AND INGALLS.

Senator Don Cameron, of Pennsylvania, in a letter dated June 11, 1894, addressed to the Republican League clubs in session at Denver, Colorado, said:

The single gold standard seems to me to be working ruin with violence that nothing can withstand. If its influence is to continue for the future at the rate of its action during the twenty years since the gold standard took possession of the world, some generation, not very remote, will see in the broad continent of America only a half-dozen overgrown cities keeping guard over a mass of capital and lending it out to a population of dependent laborers on the mortgage of their growing crops and unfinished handiwork.

In commenting upon Mr. Shearman's figures, Senator Ingalls, in a speech delivered in the Senate January 14, 1891, said:

Mr. President, it is the most appalling statement that ever fell from the lips of man. It is, so far as the results of democracy, as a social and political experiment, are concerned, the most terrible commentary that ever was recorded in the books of time; and Nero fiddles while Rome burns. It is thrown off with a laugh and a sneer as the "froth on the beer" of our political and social system. . . .

Our population is sixty-two and a half millions, and by some means, some device, some machination, some scheme, some incantation, honest or otherwise, some process that cannot be defined, less than a two-thousandth part of our population have obtained possession, and have kept out of the penitentiary in spite of the means they have adopted to acquire it, of more than one-half of the entire accumulated wealth of the country. . . .

Our society is becoming rapidly stratified — almost hopelessly stratified — into the condition of superfluously rich and hopelessly poor. We are accustomed to speak of this as the land of the free and the home of the brave. It will soon be the home of the rich and the land of the slave. . . .

A financial system under which more than one-half of the enormous wealth of the country, derived from the bounty of nature and the labor of all, is owned by a little more than thirty thousand people, while one million American citizens, able and willing to toil, are homeless tramps, starving for bread, requires adjustment. A social system which offers to tender, virtuous, and dependent women the alternative between prostitution and suicide, as an escape from beggary, is organized crime, for which some day unrelenting justice will demand atonement and expiation.

Why do not the political leaders of this country, who have charge of the government, raise their voices against this evil, and provide a remedy by which the wealth can be more evenly distributed? They know the evils which follow the concentration of wealth. Why do they not protect the people of this country from the fate that has befallen the older nations of the world. Simply because the conventions which nominated them were controlled by the twenty-five thousand millionaires who own the wealth; consequently a politician has more to fear from one man of wealth than from a hundred or a thousand men who create it; and because the people in the past have thought more of their party than of their property. The politician will never act otherwise until the people rise and demand their rights in legislative halls.

The Cause.

The next question is, Why is it that within the last thirty years more wealth has been concentrated in the hands of a few people than during the 246 years which preceded them? Why is it that those immense fortunes have been accumulated in such a short time? There must be a cause for it, otherwise these conditions could not exist. Is it because the millionaires have worked harder than other classes? No. Is it because they have saved their earnings better? No. *It is because Congress has so shaped our laws that the wealth has been legislated out of the pockets of the masses and into the pockets of the classes.* These millionaires are the result of a system of class laws, which caused the wealth to flow in one direction. Every time these laws legislated one dollar into one man's pocket, they also legislated one dollar out of somebody's pocket. I do not mean that Congress can create wealth, but I do say that our lawmakers can grant special privileges to one class at the expense of all others, and this is what Congress has been doing within the last thirty-five years. All that is necessary to prove this is to study the financial history of the United States since 1860.

The Exception Clause.

In 1862 Congress passed an act authorizing the Secretary of the Treasury to issue legal-tender Treasury notes, known as greenbacks. That act also provided for two exception clauses on the back of each note, which said, "This note is receivable for all debts, public and private, except interest on the public debt and duties on imports." Every debt could be paid with these notes except those two; by law they were payable in coin. This act created such an unnatural demand for coin that a gold dollar or a silver dollar at one time was worth $2.85 in greenbacks.

Thus every dollar the banker and money-broker made in exchanging coin for greenbacks, was money legislated into their pockets and out of the pockets of the people. This demand for coin was created by law. These two exception clauses were placed on the back of these notes for the special benefit of that class who owned the coin. Congress so shaped the law that the money-brokers could reap a rich harvest at the expense of the people.

(*To be concluded in* THE ARENA *for October.*)

THE CONCENTRATION OF WEALTH, ITS CAUSES AND RESULTS.

BY HERMAN E. TAUBENECK.

PART II.

THE NATIONAL BANKING ACT.

IN 1863 Congress passed the National Banking act, which enabled the bondholder to deposit his bonds with the Secretary of the Treasury and receive ninety per cent of their face value in banknotes, with which to start a bank.

To illustrate our National-Bank system, we will suppose that in the city of St. Louis are five persons who own $20,000 each of United States bonds. These five persons can organize a National Bank as follows:

First. They will deposit their bonds with the Secretary of the Treasury at Washington, D. C., as security for the banknotes to be issued.

Second. The Secretary of the Treasury will then issue to them $90,000 in banknotes, and charge them a tax of one per cent per annum to pay for printing and engraving.

Third. These five persons can then take these banknotes, return to St. Louis, open their bank, and loan the notes to the people.

This is the way National Banks are created. They are only creatures of the law, and derive all their rights and privileges from Congress. (*a*) These five persons will have $100,000 in bonds deposited at Washington, drawing interest from the government. (*b*) They will have $90,000 in banknotes loaned to the people at home, upon which they receive interest. Thus, with an original capital of $100,000 in bonds to start with, this law has increased their capital to $190,000, or, in other words, it enables them to receive *two interests upon one investment*. By law they are permitted to harvest two crops where they plant but one. Thus, every dollar of profit which has been made out of this system since

1863 has been money legislated into the pockets of the bankers and out of the pockets of the people. It is a difficult task to find out the amount of wealth this act has legislated out of the pockets of the people. Mr. N. A. Dunning, in the *National Watchman* for June 22, 1893, says:

No other business can show such enormous profits or has become such a menace to our free institutions. Below are given the figures of the profits of one bank, the First National Bank of New York City. These figures are from a speech of Senator Vest's in 1888. It will be of interest to read them carefully. The statement begins with 1873. The capital stock was $500,000. The surplus, dividends, and annual profits are given below:

	DIVIDENDS.	SURPLUS.	PROFITS.
1873	$75,000		
1874	70,000		
1875	60,000		
1876	60,000		
1877	60,000	$736,700	
1878	60,000	1,142,700	$466,000
1879	600,000	1,767,700	1,225,000
1880	150,000	2,441,800	824,100
1881	200,000	3,010,500	798,700
1882	200,000	3,477,700	667,200
1883	200,000	3,437,700	160,000
1884	200,000	3,718,100	550,400
1885	200,000	4,322,800	734,700
1886	200,000	5,095,500	972,700
1887	200,000	534,800	489,300

Let every reader of this article consider well the importance of this table, — $6,668,100 profit on $500,000 in ten years. . . . All this vast amount has been contributed by labor in production for the use of a tool of exchange that the government should furnish. This is the tribute paid to a single bank. From it can be estimated what 3,700 banks have received.

Every banknote which goes into circulation costs the people double interest: First, the government issues bonds and pays interest on them; second, the bankers deposit these bonds and receive ninety per cent in banknotes, for which the people, to get them into circulation, must also pay interest. Thus, under the National-Bank system it costs the people from ten to fifteen per cent annually for every dollar of banknotes put into circulation. Suppose the government should issue this money directly to the people, and pay it out for debts and the expenses of running the government? This would pay off the bonds, stop the interest, reduce taxation, and put the money into circulation without paying any interest whatever.

Class Legislation.

Think of the class legislation which surrounds our National-Bank system? Has Congress ever enabled the farmer to reap two crops of corn or cotton where he planted but one? No. Has Congress ever enabled the laborer to receive pay for two days' work when he has worked but one? No. Has our government ever permitted the farmer, merchant, manufacturer, or any other citizen, *except the bondholder*, to deposit his property with the Secretary of the Treasury, and receive as a loan ninety per cent of its value from the government? No. Why then should Congress grant this privilege to the bondholder and exclude all others? Is it any wonder that under such a banking system, which permits one class to reap twice where they plant but once, the wealth of our country has become concentrated within the last thirty years?

Suppose Congress should by law provide ways and means by which the farmer could reap two crops where he plants but one? Would not he also prosper and accumulate wealth as easily as the National Banks have done? The financial policy of our government for more than thirty years has been an exceedingly paternal one for the bankers and bondholders, but an exceedingly infernal one for the farmer and the laborer. These are harsh words, but not harsh enough by a thousandfold to express the honest indignation for any law which will permit one class to reap twice where they have planted but once, at the expense of every other class.

Democracy of Jefferson.

Think of Grover Cleveland and many other leaders of the Democratic party calling themselves followers of Jefferson and Jackson! When Jefferson said, "A privileged class is a dangerous class." In a letter to Mr. Taylor dated May 28, 1816, he said:

> The system of banking we have both equally and ever reprobated. I

contemplate it as a blot left in all of our constitutions, which, if not converted, will end in their destruction, which is already hit by the gamblers in corruption and is sweeping away in its progress the fortunes and morals of our citizens. . . .

And I sincerely believe, with you, that banking institutions are more dangerous than standing armies, and that the principle of spending money, to be paid by posterity, under the name of funding, is but swindling futurity on a large scale.

In 1803 he wrote to Mr. Gallatin:

This institution [National Bank] is one of the most deadly hostilities existing against the principles and form of our government. . . . Ought we then to give further growth to an institution so powerful, so hostile? . . . . Now, while we are strong, it is the greatest duty we owe to the safety of our constitution to bring this powerful enemy to a perfect subordination under its authorities. The first measure would be to reduce them to an equal footing with other banks, as to the favors of the government.

On September 11, 1813, he wrote to Mr. Eppes:

Bank paper must be suppressed, and the circulating medium must be restored to the nation, to which it belongs. . . .

Treasury bills, bottomed on taxes, bearing or not bearing interest as may be found necessary, thrown into circulation, will take the place of so much gold or silver, which last, when coined, will find an afflux into other countries, and thus keep up the quantum of medium at its salutary level.

Andrew Jackson said:

If Congress has the right, under the Constitution, to issue paper money, it was given them to be used by themselves and not to be delegated to individuals or corporations.

This is Jeffersonian Democracy, and is indorsed by all Democracy's great leaders, as Calhoun, Benton, and hundreds of others.

The Contraction Act.

In 1866 Congress passed the Contraction act, which authorized the Secretary of the Treasury to receive United States currency and greenbacks and exchange them for interest-bearing bonds. The purport of this act was that any person holding United States currency or greenbacks could take them to the Secretary of the Treasury, have them destroyed, and receive bonds in exchange.

This act, from 1866 to 1873, destroyed more than one-half of the money of the United States. The following table, for which I am indebted to Congressman Davis, of Kansas, gives the volume of money for each year from 1866 to 1873, as published by the Chicago *Inter-Ocean* in 1878:

YEAR.	CURRENCY.	POPULATION.	PER CAPITA.
1866	$1,803,702,726	35,537,148	$50.76
1867	1,330,414,677	36,269,502	36.68
1868	817,199,773	37,016,949	22.08
1869	750,025,989	37,779,800	19.85
1870	740,039,179	38,568,371	19.19
1871	734,244,774	39,750,073	18.47
1872	736,340,912	40,978,606	17.97
1873	733,291,749	42,245,110	17.48

This table informs us that our money volume was contracted from $1,803,702,726 in 1866 to $733,291,749 in 1873, or from a per-capita circulation of $50.76 to one of $17.48. Within seven years this act destroyed more than one-half of the volume of money and decreased the price of all property in a corresponding ratio, so that in 1873 one dollar would buy as much products and property as did two in 1866. All writers on political economy agree "that the price of property increases or decreases in the same proportion as the volume of money is increased or decreased." This is an immutable law of finance which no government can annul. The late Professor Walker said:

> That prices will fall or rise as the volume of money is increased or diminished, is a law that is as immutable as any law of nature.

The United States Monetary Commission Report says:

> While the volume of money is decreasing, although very slowly, the value of each unit of money is increasing in a corresponding ratio and property is falling in price.

Suppose the value of all the property in the United States is $65,000,000,000, and the volume of money, as published by the Secretary of Treasury, September 1, 1896, is $1,539,-169,643. We then have $42.23 worth of property for every dollar of money. Therefore, every time we destroy one dollar of money we reduce the value of our property $42.23. A reduction of one-half of our money volume would carry with it a destruction of $32,500,000,000 in the value of our property, and a corresponding increase in the value of all credits.

Suppose (other things being equal) we destroy one-half the freight cars in the United States. What would be the result? Then one car would have to do as much work as two are now doing. The demand for cars would be twice as great as their supply. This would double their value.

Again, suppose (other things being equal) we destroy one-half the corn in the United States; what would be the result? Then our demand for corn would be as great as it now is, but the supply only one-half. This would double the value or price of corn. This is the law of supply and demand. The value of every article which enters the channels of trade and commerce is subject to this inexorable law. Whenever the supply is increased beyond the demand, prices will go down; but when restricted and cut off, they will go up.

Again, suppose (other things being equal) our government destroys one-half the volume of money in circulation, as the Contraction act of 1866 did, what would be the result? Then one dollar would have to do as much work as two are now doing. The demand for money would be doubled; this would also double its value, its purchasing power, so that one dollar would buy as much property as two dollars will buy to-day. What effect would this have on the industries of our country?

First. It would reduce the value of property one-half; it would reduce wages and the price of farm products one-half; it would destroy the ability of the debtor class to pay by one-half; so that two bushels of corn or two days of work would pay no more debts than one will pay to-day.

Second. It would double the value of all credits, as bonds, notes, mortgages, and other securities. It would double the value of the rate of interest. It would double the value of the salaries of all public officials. Why? Because the purchasing power of the money would be doubled, so that the creditor and the fixed-income classes could buy as much labor with fifty dollars as they now can with one hundred, and it would be just as hard for a debtor to pay a debt of fifty dollars as it is now to pay one hundred.

Thus the supply and demand of money is as great to determine the price for which labor and property shall be sold, as the supply and demand of products and property combined; just as a decrease in the supply of any one commodity, say corn or cotton, affects its price only, so a decrease in the volume of money will affect the price of all commodities alike. Suppose the supply of each article which enters the channels of commerce and trade should be cornered by a few speculators, that is, a special corner for each article produced? Think of the power of these corners to fix prices which the people would have to pay! Again, suppose on the opposite side of these corners we should have one more corner, a corner on money. The power of this one corner on money would be as great to fix the price of products and property as all the other corners combined.

Suppose you loan your neighbor one hundred dollars, for which he agrees to deliver you one hundred bushels of wheat next fourth of July? Again, suppose that between now and next fourth of July Congress should pass an act declaring that a bushel of wheat shall consist of 120 pounds instead of 60 pounds, and compel your neighbor to measure his wheat by this new bushel? What would be the result? Why, you would be getting two bushels of wheat for one, and your neighbor would have to cultivate twice the number of acres, do twice the amount of work next year, to pay that debt, that he would have to do this year, when he borrowed the money. By law the value of your note would be doubled, and the ability of your neighbor to pay destroyed one-half. An act of this kind would be looked upon as a crime, and could never be enforced. No statesman or party dares to go before the people advocating such a law; but the Contraction act of 1866, which destroyed one-half of our money volume, accomplished this identical thing, with this difference only, that the Contraction act doubled the purchasing power of money and left the size of the bushel measure as it now is; while this other law would double the size of the bushel measure and leave the purchasing power of money as it was in 1866. The one would reduce the price of wheat one-half, while the other would double the number of pounds constituting a bushel. The one ro inst as effectively as the other; either way, the creditor receives twice as much as is justly due him.

What difference is it to the creditor class whether Congress passes an act doubling the size of the bushel measure, yard stick, pound weight, or number of hours constituting a day's work, and leaves the purchasing power of money as it is, or leaves the weights and measures as they are, but destroys one-half of the volume of money, doubling its purchasing power, so that the creditor class can buy as much for one dollar as they formerly could for two? The only difference between the two acts is, that one would be putting more wheat and corn into the bushel, more cloth in a yard, more cotton, beef, and pork into a pound, and more hours of labor in a day's work, while the other act would be "squeezing" more wheat, more corn, cloth, cotton, beef, pork, or hours of labor into a dollar. An honest dollar is not one which contains one hundred cents' worth of material, but one with a purchasing power neither larger nor smaller when a debt is to be paid than when the debt was made. Between debtor and creditor, every other kind of dollar is a dishonest dollar. It is as honest to have an arbitrary and ever-changing bushel measure, yard stick, or pound weight as it is to have a dollar with an ever-changing purchasing power.

If debts should decrease in the same ratio as the price of products and property decreases, then there would be no loss; but this is not the case. It matters not how much wages and the price of products fall, a debt will not decrease a dollar unless you pay one.

Suppose a farmer borrows $500 when wheat is worth one dollar per bushel and gives a mortgage on his farm, due in five years from date? Again, suppose that before the mortgage is due, Congress destroys more than one-half of the money volume (as the Contraction act of 1866 has done), and the price of wheat is reduced down to fifty cents per bushel; then the farmer will have to raise two bushels of wheat, do twice the amount of work, when the debt becomes due than when he borrowed the money. By legislation the price of his wheat would be destroyed fifty per cent, and the value of the mortgage would be doubled. The farmer and his mortgage-holder would travel in opposite directions, and the more the money volume is contracted, the farther apart they are driven, until the sheriff makes final settlement.

The United States Monetary Commission of 1876 said:

> A decreasing volume of money and falling prices have been, and are, more fruitful of human misery than war, famine, or pestilence. They have wrought more injustice than all the bad laws ever enacted. . . . The true and only cause of stagnation of industries and commerce, now everywhere felt, is the fact that falling of prices is caused by the shrinking volume of our money. That is the great cause. All others are collateral, cumulative, or really the effect of that one cause.

Senator Ferry, of Michigan, said:

> It is easy to see why moneyed men want contraction. The shrinkage then, which others must suffer, would be compensation in their expanded purses. It would be robbing Peter (the people) to pay Paul (the millionaire).

Abraham Lincoln, as published by Mrs. Todd in "Pizarro and John Sherman," page 119, says:

> If a government contracted a debt with a certain amount of money in circulation, and then contracted the money volume before the debt was paid, it is the most heinous crime a government could commit against the people.

It is doubtful if Congress ever passed another act which committed such wholesale plundering of the industrial classes as the Contraction act of 1866. Every dollar the creditor and fixed-income classes made, on account of the increased purchasing power of money and the decreased price of property, was money legislated into their pockets and out of the pockets of the people. By legislation, the value of the property of the creditor class was doubled, the rate of interest was doubled, the value of the salaries of all public officials was doubled; while, on the other hand, the value of the property of the industrial classes was reduced one-half, wages and the price of farm products were reduced one-half, and the ability of the debtor class to pay was reduced one-half.

No person is able to tell how many millions, yes, billions of dollars' worth of property, this law transferred from the debtor to the creditor class. The panic of 1873, with its train of evils, was the legitimate offspring of the Contraction act of 1866. This panic was created by law, it was legislated upon the people for the benefit of the class who live upon the interest of bonds, notes, and mortgages. It robbed ninty-nine wealth-producers for the benefit of one wealth-absorber.

THE CREDIT-STRENGTHENING ACT.

In 1869 Congress passed the Credit-Strengthening act, which changed the contract between the government and the bondholders. When the bonds were issued the bondholders bought them with greenbacks, and they were also payable in the same kind of money, but the act of 1869 changed this contract and made them payable in coin.

First. Congress depreciated the greenbacks by placing two exception clauses on the back of each note.

Second. Then the bondholders bought the bonds with this depreciated currency, worth, on an average, about sixty cents on the dollar.

Third. Then Congress changed the contract and made the bonds payable in coin, thereby legislating forty cents on every dollar's worth of bonds into the pockets of the bondholders and out of the pockets of the people.

Congressman Plumb, of Illinois, in a speech made in the House of Representatives, March 5, 1880, estimated the amount this act of legislation took out of the pockets of the people and put into those of the bondholders, at $900,000,-000. He said:

When the act to strengthen the public credit was passed, there was outstanding, as stated by the then Senator Hendricks, of bonds, the interest of which was payable in coin, and the principal in greenbacks, a total of $1,600,000,000. The interest on this entire debt, with the exception of $215,000,000, was at six per cent. At the time of which I am speaking, both bonds and greenbacks were greatly below the par of gold, a discount which, as stated by Senator Davis, amounted in the aggregate to $900,000,000; that is, if these bonds could be brought up to a par with gold, it would put this vast sum into the pockets of those who held the bonds.

Hon. Thaddeus Stephens 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.

Hon. Ben Wade, of Ohio, said:

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 bondholder and another for the people. It would sink any party, and it ought to.

Even John Sherman, in a letter dated February 20, 1868, 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 bondholder violates *his* promise when he refuses to take the same kind of money he paid for the bonds. . . . The bondholder can demand only the kind of money he paid, and he is a repudiator and extortioner to demand money more valuable than he gave.

Land Grants.

From 1850 to 1872 Congress donated over 155,000,000 acres of public lands to railway corporations, and, in addition, millions of dollars to assist in their construction in the way of donations by States, counties, cities, and towns.

Mrs. Marion Todd, in "Railways of Europe and America," in which she quoted from the House Miscellaneous Documents of the Public Domain, Vol. 19, pp. 268, 753, says:

If all railroads had complied with the original contracts it would have required 215,000,000 acres of the public domain to satisfy the requirements of the various laws. In 1880 the estimate at the General Land Office was, that it would require 155,514,994 acres; very nearly 60,000,000 had relapsed or been forfeited to the government. The State of Ohio contains 25,576,960 acres; this makes the territory of our public lands granted to railroads, six times as great as the State of Ohio — almost an empire itself. November 1st, 1880, the Auditor of Railway Accounts estimated the value of public lands granted railroads at $391,804,610.

Every dollar these corporations realized out of the sale of these lands, and every dollar donated by States, counties, cities, and towns, was money legislated into their pockets and out of the pockets of the people. There is where the Stanfords, Huntingtons, and hundreds of other millionaires came from. They accumulated millions because the public domain was taken from the people and given to them.

Demonetization of Silver.

In 1873 Congress demonetized silver, and it is doubtful if any other act was ever passed by a legislative body so surreptitiously as this one. That act destroyed one-half of our metal money, and increased the demand for gold to double its former amount. This act placed the American farmer at a disadvantage in the markets of the world with the farmers of every free-coinage nation.

Had it not been for the demonetization of silver in the United States it would have been impossible for India to open her wheat market and her cotton fields in competition with us. Think of the disadvantage at which it placed the American wheat- and cotton-grower. The price of a bushel of wheat in the Liverpool market for more than a generation has been one ounce of silver. The values of the two have remained in touch for more than a quarter of a century. Just as the price of silver went up or down, wheat followed. If we single out any one year, say 1892, and find what the demonetization of silver has cost our wheat-growers, we can then make an estimate of what it has cost since 1873. The average London price for silver in 1892 was 87.1 cents per ounce. In that year an Indian farmer could ship a bushel of wheat to Liverpool, receive an ounce of silver for it, take this silver home to the mints in India, have it coined into rupees at the ratio of 15 to 1, worth $1.37 legal-tender money in India. An American farmer could also ship one bushel of wheat to Liverpool, receive an ounce of silver for it, bring this silver home to the United States, and sell it for whatever he could get, which averaged about 86 cents per ounce. Thus, the Indian farmer realized $1.37 for his bushel of wheat delivered at Liverpool, while the American farmer got but eighty-six cents, a difference to the disadvantage of the American farmer of fifty-one cents per bushel. But suppose we should have had free coinage of silver in the United States in 1892, at the ratio of 16 to 1, what then would have been the price of wheat in that year? Then an American wheat-grower could have taken a bushel of wheat to Liverpool, received his ounce of silver for it, brought this silver home, taken it to the mint, and have had it coined into standard dollars worth $1.29 per ounce.

Thus with free coinage of silver, as advocated by the People's Party, the American farmer would have received $1.29

per bushel for his wheat delivered at Liverpool, where he only received eighty-six cents, a difference of forty-three cents per bushel. The same is true of cotton or any other of our exports which comes in competition with the products of free-coinage nations.

Sir Moreton Frewen, in his remarks before the silver convention held in Washington, D. C., 1892, said:

> The price of wheat in this country is its price in London or Liverpool, less the cost of carriage from here there; and the London price of wheat is, under ordinary conditions, one ounce of silver per bushel of wheat. Your farmers will always have to sell a bushel of wheat, say in Chicago, for an ounce of silver, less freight charges to London. If, then, silver is worth $1.29 per ounce, the London price of American wheat is $1.29; while if silver is worth ninety cents, then your wheat will realize only ninety cents. This is a statement that will bear close examination, and it is the sum of the importance of the silver question to your nation.
>
> When in Punjaub, three years ago, I went very closely into the cost of producing wheat there. In that one Indian province the area devoted to wheat-growing is twice that of the wheat area of Great Britain.

Let us stop and think, for a moment, what the crime of 1873 has cost the American farmer. The loss sustained by the cotton-planter and wheat-grower for seventeen years from 1873 to 1889, as given by Senator Jones, of Nevada, in a speech delivered May 12th and 13th, 1890, was as follows:

> According to the figures given by the Bureau of Statistics the average price received each year of the seventeen was 13.1 cents per pound. 2,500,000,000 pounds, at 13.1 cents per pound, equal $327,000,000, showing a difference of $83,000,000; that being the average for each separate year for seventeen years, or a total for the entire period of $1,411,000,000, which represents the loss in debt- and tax-paying power suffered by the cotton-planters by reason of the demonetization of silver. . . . A like computation with regard to wheat will show a loss in debt-paying and tax-paying power of not less than $100,000,000 a year to the farmers of the North and West by reason of the demonetization of silver — a total of $1,700,000,000 in the article of wheat alone in seventeen years. . . . Thus a loss, wholly unnecessary, of more than $3,000,000,000 in debt-paying and tax-paying power is shown to have been inflicted on the farmers and cotton-planters of this country.

Again, in his speech delivered during the extra session of Congress in 1893, Senator Jones further stated that the loss sustained by the wheat- and cotton-growers of this country for the eight years preceding 1893, averaged, for wheat, $200,000,000 and, for cotton, $100,000,000 per year, making a total loss of $1,200,000,000 for the four years following 1889. If we add to this amount the $3,000,000,000 loss sustained for the seventeen years previous to 1889, we have the enormous sum of $4,200,000,000 which the demonetization of silver has cost the American farmer on wheat and cotton only. Our Congress has for twenty years used the silver taken out of the American mines as a club to drive the American wheat and cotton out of the market of the world. It seems almost impossible that the American farmers, intelligent and enterprising as they are, would go to the polls for twenty years and vote for men and parties who have annually legislated over $250,000,000 out of their pockets. Suppose Congress should pass an act declaring that all the wheat grown in the United States should be sold for forty cents less per bushel in the Liverpool market than the wheat grown in India? Does anyone believe that a law of that sort could be enforced? No. It could not stand thirty days. But this is exactly what Congress has done by closing the mints of the United States against the white metal.

These are some of the laws that have created the two extremes in our society, "the tramp and the millionaire." Our country has a territory large enough to furnish homes for five times our present population, with mines rich enough to furnish the useful metals for the inhabitants of the globe, and with productive capacity and inventive genius beyond any other nation on earth. Yet, in spite of all these wonderful resources, a majority of our population are homeless, and one per cent of the families own more property than the other ninety-nine per cent.

This concentration of wealth, which has been going on for thirty-five years, can be directly traced to legislation. The immense fortunes that have been accumulated are the result of a system of class laws. Four times out of five, when you see or read of a millionaire, you are safe in saying, "There is a man who has accumulated wealth because Congress has legislated it into his pockets;" and four times out of five, when you see a mortgaged farm, a tenant farmer who once owned the soil he cultivates, and a homeless laborer, you are safe in saying, "There is a man who has met with adversity because Congress has legislated the wealth he created out of his pockets for the benefit of the millionaire." Our government, like a huge threshing machine, has turned out the grain to the few, and the chaff and straw to the many. Class law is the reason why honest hands wither and honest hearts break as the gaunt spectre of starvation hovers over the hovels of the poor. Unjust legislation is responsible for the condition of many of those who produce and yet go hungry, of many of those who make clothes but go ragged, and of many of those who build palaces but are homeless.

William Barry, in the *Forum* for April, 1889, in speaking of European conditions, used the following language:

> The agrarian difficulties of Russia, France, Italy, Ireland, and wealthy England show that ere long the urban and rural populations will be standing in the same camp. They will be demanding the abolition of the great and scandalous paradox whereby, though the power of production has increased three or four times as much as the mouths it should fill, those mouths are empty; the backs it should clothe are naked; the heads it should shelter are homeless; the brains it should feed, dull or criminal; and the souls it should help to save, brutish. Surely it is time that science, morality, and religion should speak out. A great change is coming. It is even now at your doors. Ought not men of good will consider how they shall receive it, so that its coming may be peaceable?

Noah Webster, more than a century ago, said: "An equal distribution of property is the foundation of the Republic." Daniel Webster, upon this point, remarked: "Liberty cannot long endure in a country where the tendency is to concentrate wealth in the hands of a few."

The Cincinatti *Enquirer*, during the campaign of 1896, published the following quotation from Chauncey M. Depew, and commented on the same as follows:

> Mr. Depew, of New York, has a national reputation as a scholar, an orator, and Republican politician. He never speaks without knowing or believing what he says to be true. In a recent interview by the *Inter-Ocean*, he said: "There are fifty men in New York who can in twenty-four hours stop every wheel on all railroads, close every door of all our manufactories, lock every switch on every telegraph line, and shut down every coal and iron mine in the United States. They can do so because they control the money which this country produces."
>
> If this is true, and we have no evidence that the statement is false, how lamentable and deplorable is the condition of 70,000,000 people! There can be no doubt that whoever controls a country's money controls its

industries and commerce, whether the number be fifty or as many millions. What a travesty on the declaration that this is a government of the people, by the people, for the people, when fifty men in the nation's metropolis can make beggars and slaves of 70,000,000 of people in twenty-four hours! It is no marvel that the patriot Lincoln, in anticipation of the possibility of such a final result, should have had greater anxiety for the safety of his country than during the darkest hour of the civil war. The *Enquirer* asks, with earnestness and sincerity, if it is not time that the people were more interested in the supreme issue of the hour? . . .

We have no roster of the names of the fifty New Yorkers who hold in their hands the destiny of the millions, but we can state with much assurance that there is not a silver-money man in the list. This single fact ought to arouse every voter.

Every friend of a people's government ought to realize that the question to be decided at the polls in November is not whether a Republican or Democratic President and Congress shall enact and administer laws. The perpetuity of the government is in peril. Are the masses of the people capable of self-government? The control of the money, Depew truthfully says, clothes its possessors with absolute power over a country's industries. . . . There is something radically wrong in the administration of any government when fifty men are permitted to exercise control over the industries and commerce of 70,000,000 of people. The common voter is not anxious to consult the wishes or ask the consent of any foreign power before determining the financial status of his own country.

The demonetization of silver, one-half of the constitutional money of the United States, was accomplished by a conspiracy composed of foreign syndicates and our national bankers. The conspiracy has been sufficiently successful to clothe fifty men with absolute power over the industries. . . . The scheme of the conspirators embraces the entire subjugation of the masses to the money power. . . . Never in the history of the world has there been an example of such rapid creation of wealth, and such wonderful absorption in the hands of the few.

The sad experience of other nations as to the baneful effects of the concentration of wealth is before us. Will the American people heed the warning ere it is too late, or will history repeat itself in the twentieth century and in this fair land, as it has done in other ages and nations? The same cause which produced the French Revolution and the downfall of Rome and other nations of antiquity is also undermining our society and institutions to-day. We shall reap what we sow, as they did. We cannot shift the responsibility or escape the consequences by ignoring the impending danger.

WHO IS RESPONSIBLE?

At last we come to the question, "Who is responsible for these conditions?" To this question there is but one answer: The voters are responsible for all. Our laws depend upon how we vote, just as the shadow on the wall depends upon the object standing before the light. *Voting is like farming. We reap exactly what we sow*, and to-day we are reaping the follies and mistakes sown ten, fifteen, and twenty years ago. If we have bad laws and dishonest officeholders, who is to blame? Our politicians? Partly, yes; but the most blame must fall upon the voters, who are clothed with almost supreme power to protect their interests at the ballot-box. If they do not use this power to their own advantage, they have no one but themselves to blame. Before we can have good and just laws, we must have good and honest law-makers; and before we can have good and honest lawmakers, we must have wise and patriotic voters. We shall never have a change in our laws until we make a change in our voting. That must come first; and if the people cannot do this, they ought not to complain or expect relief. At the ballot-box they voted this system of class laws upon themselves, and there also is the only place they can vote it off. Through legislation we received the laws which oppress; and through legislation alone can they be repealed in a peaceable way. And I, for one, will say that, so long as we have a free ballot, no one has the right to think of settling this question in any other way or at any other place than the ballot-box. Because, if a good citizen violates a bad law, it always encourages a bad citizen to violate a good law; and it is a thousand times, nay, a million times better to prevent a crime than to punish one.

Just as self-preservation is the first law of nature, so the protection of our interests, our welfare, at the ballot-box is the first duty of the voter. It is not enough that we think right or talk right; we must act right and vote right. One vote will do more toward shaping the laws of our country than a hundred resolutions or a thousand petitions.

The Knights of Labor and Trade Unions have for twenty years petitioned Congress and State legislatures to abolish the convict-labor system, and what have they accomplished? Nothing but to see their own free labor reduced nearer to the convict system every year. Had they despoited their petitions in the ballot-box in the form of a ballot, this system would have vanished long ago. It is high time that the wealth-producers awake to the situation which surrounds them, and cease to be the tools of others' profit and the creatures of others' pleasure.

If the majority of the voters in our country are not interested enough in their own welfare to throw their party prejudices aside for a common cause, then it is only a question of time until our republic will be lost. If the farmer, the miner, the artisan, and all wealth-producing classes cannot stand united and banded together at the ballot-box for their own good, then we shall prove to the world that we, as a people, are no more capable of preserving our liberties and institutions with the ballot than the people of the older nations were without the ballot. But I believe that, when this conflict between organized capital and the wealth-creators comes squarely before the people to be decided at the polls, as come it must; when the storms now low down on the horizon meet, and our political sky is overcast with clouds, then I believe that the people will rise in their majesty, as they have risen in the past, and be wise enough to know their rights, heroic enough to conquer them, and generous enough to extend them to others.