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SPEECH
OF
HON. JNO. E. KENNA,
OF WEST VIRGINIA,
IN THE
HOUSE OF REPRESENTATIVES,
SATURDAY, JUNE 8, 1878,
ON
THE CURRENCY.

The House having met for general debate—

Mr. KENNA said:

Mr. SPEAKER: On the 9th day of February last I had the honor to present to this House my views on the financial situation. It was my purpose then to furnish a brief synopsis of the legislation which has controlled and regulated the currency of the country and to expose to some extent the iniquities of a system which has spread ruin and starvation throughout the land. It is painful for a man who has the honor and welfare of his country at heart to realize that its financial history for sixteen years is a history of oppression and wrong. It is hard to be confronted by evidences, which no temerity can deny and no ingenuity explain away, that the dignity and character of governmental approval have been given to the conduct of the pampered few in its march of ruthless aggression, while the red seal of governmental sanction has stamped with a free frank the moneyed oligarchy in its rough ride over the down-trodden rights of a free and independent people.

Sir, it was no labor of love for me to devote an hour to the blackest chapter of financial infamies that ever cursed a people or disgraced a respected nationality. And yet I am proud to have participated in that debate. It was not without its fruits in actual legislation. It was not without its good results in the education of the people of the country to a proper understanding of the causes of their distress. Corrupt legislation in the interest of the money power has made of the American laborer well-nigh a pauper; but the debate in these halls and elsewhere, which has "snatched the mask of patriotism" from the face of spoliation and plunder, has made of that pauper an educated financier. He stands to-day conscious before God and man of the innocence and righteousness of his cause. He has worked and voted each recurring year with the hope that a season would bring him relief and he has seen disappointment and dismay to reward his anxiety and pains.

He has witnessed a great political party struggling to retain power and another to acquire it. He has been swallowed up in the whirl of excitement which the contest has aroused and like my Irish cousin who meant to cry "enough" he has lustily sung "hurrah" when he was under in the fight. But the time has come when his interests will be

his political issue, when the protection of his manhood will be his greatest thought, when the home and happiness of his wife and little ones will be the great, high goal at which his ambition is aimed. He knows his wrongs. He knows he has been crushed by an unrelenting power until between that power and him there is open war. I have been with him in the fight. I am with him now. I shall be with him to the end, because I believe that God and humanity are on his side. On his behalf and in his name I now give notice that this contest for relief shall not end when this session ends. It will be renewed with the next session and the next, and kept up without intermission, until honesty shall have superseded fraud, until justice to the masses shall be recognized as an element in national legislation, and until the wrongs which have invaded the financial system shall have been wiped out forever. The adjournment of Congress, instead of ending this struggle, will be the signal for its transfer to the polls. I know full well that there are those in the interest of the sharks and the Shylocks who hope for something from dissensions among the masses. It has been said that the breach in the democratic ranks by the greenback men will make an easy victory for the hard-money men over a divided foe. Sir, the wish is father to the thought. The idea that the greenback element of the country can be induced by vote or diversion to contribute to republican success is beyond belief. The revolt will be from the republican ranks. There is no conflict between the greenback men and the democracy, and that I propose to show. The democratic party has fought the battle of the people against the money power from the first. I will demonstrate that before I get through. The republican party has ruined and bankrupted the country and now seeks aid from the independent element by asking the distressed and suffering masses to lick the hand that has smitten them. They are reckoning without their hosts.

My own constituents are for greenbacks. Nine-tenths, ay, almost ten-tenths are earnest in their determination to maintain the good fight for financial relief. But they will not turn upon themselves and contribute their strength to the power which has driven them to the wall. The history of this financial policy is too well known for anybody to be deceived by pretense or fraud. The republican party conceived it; the republican party gave it creation; the republican party nursed it, fostered it, matured it, hugged it fondly to its bosom, until the infant monster grew to such proportions as to crush beneath its giant tread the prosperity of the American people. The democratic party has fought it from its inception; fought it at every stage of its growth; met it in battle array on forty occasions in the halls of Congress and a thousand on the stump.

Sir, the democratic citizen may point with satisfaction to the proud record of his party on the financial issues. The line has been distinctly drawn. The democratic party has opposed, the republican party has passed, all the measures which have multiplied the wants and increased the sufferings of the people. Look at the record of wrong as session after session has contributed to its infamous success. Turn for a moment from the thought of idle hands, desolated homes, and hungry wives and children, and ask of the inexorable record, as fate has inscribed it, who was

THE CAUSE OF ALL OUR WOES.

The answer, made by a persistent career of sixteen years, gives back the name of the republican party. Every vote and act has been recorded, and from the Journals of Congress, the best evidence known to man of the truth of these assertions, I will prove every word of what I have said.

TAXATION OF THE BONDS.

On the 28th day of June, 1862, the question of concurring in Senate amendments to an act creating bonds, &c., was before the House. Mr. Holman, a democrat, offered the following provision:

Provided, That nothing in this act shall impair the right of the States to tax the bonds, notes, and other obligations issued under this act.

Sixty-three democrats voted for this righteous amendment and not one voted against it. Of the republicans, only 8 voted "ay" and 77 voted "no." Thus the republican party defeated in the House the proposition to tax the bonds!

THE NATIONAL-BANK SYSTEM.

In February, 1863, the bill was pending for the charter of the national banks. The vote was taken in the Senate on the 12th and in the House on the 20th of that month. The bill involved the inauguration of a system which is as cordially hated by the masses of our people as ever was a measure hostile to their interests. On its passage in the Senate the democrats voted "ay" 2 and "no" 12, which was six to one against the system. In the House the democrats voted "ay" 3 and "no" 42, making fourteen to one against it. But who passed this bill and created the national banks? In the Senate the republicans voted "no" 9, "ay" 21, constituting a majority of more than two to one in its favor. In the House the republicans voted "no" 22 and "ay" 75, making over three to one in its favor. Thus the republican party foisted upon the country the national-bank system.

THE SUPPLEMENTAL BANK BILL.

On April 18, 1864, what is known as the supplemental national-bank bill was before Congress. It was a repetition of the evils of the charter act, and was intended to foster and perpetuate the national-bank system. The democrats voted in the House, 65 solid "no!" The republicans voted "ay" 80, and "no," only 1. In the Senate the democrats voted, 7 solid "no." The republicans voted "no" 2 and "ay" 30. Thus the republican party passed this objectionable act. On the same day, when Mr. Arnold offered in the House a resolution to provide for taxing State banks, Mr. RANDALL, a democrat, offered to amend by providing for the

TAXATION OF NATIONAL BANKS.

Notwithstanding that SAMUEL J. RANDALL, who is now Speaker of this House, stands and stood then among the first parliamentarians on the continent, on this resolution to tax national banks a republican Speaker, in the interest of the money power, arbitrarily ruled him "out of order." Every member familiar with the history of this body knows how potent is the voice of the Speaker for weal or for woe. On this occasion it was invoked for the defeat of a righteous measure and thus the republican party through its republican Speaker denied even a hearing of the cause.

In March, 1869, when the "act to strengthen the public credit," which ought to have been entitled

AN ACT TO SWINDLE THE PEOPLE,

came up for consideration, debate was cut off. Although it declared the currency indebtedness of the country to be payable in coin, and added \$500,000,000 to the public debt, it was passed under the "previous question"—the "gag law"—and debate was denied. It was a gigantic fraud. On its passage in the House only 1 democrat voted "ay," while 34 voted "no." Only 12 republicans voted "no," and 96 voted "ay." In the Senate the republicans voted—"no" 7, "ay" 42. The democrats voted solid "no." While this measure was pending in the Senate, Mr. THURMAN, a democrat, moved to add that—

Nothing herein contained shall apply to what is commonly called 5.20 bonds.

These bonds were payable in greenbacks, and this act was to make them payable in coin. It was to avoid the consummation of that outrage upon the people that Mr. THURMAN offered his amendment. The democrats voted solid for it. The republicans voted "ay," only 6, and "no" 31. Thus without amendment, in all its original injustice, the republican party passed this odious act. On March 29, 1869, Mr. Morgan, a democrat, offered a resolution to exempt salt, tea, coffee, sugar, matches, and tobacco, and

TO TAX THE BONDS.

This resolution was defeated. The democrats voted "ay" solid, 39; the republicans voted solid "no," 104. Thus the republican party in the House by unanimous vote again defeated an effort to tax the bonds.

In 1870 the act was pending which provided for funding the greenback bonds into coin bonds, and which

ROBBED THE PEOPLE OF \$500,000,000.

The democrats of the House voted solid "no," 54. The republicans voted "no" only 2, and "ay" 139! In the Senate the democrats voted solid "no." The republicans carried it, and thus the republican party is responsible for the wrong which resulted from this iniquitous measure; and when the Houses divided and a conference committee was appointed to consider the differences upon this bill, Mr. Brooks arose in his seat and told the republican Speaker, Mr. BLAINE, that the conferees were

"ALL ON ONE SIDE"

and that the minority was not represented. Having "set up" the committee, the republican Speaker contemptuously replied "it is not essential that it should be." In July, 1870, when Sherman's proposition was pending

TO INCREASE THE NATIONAL-BANK CIRCULATION

\$54,000,000, as usual in all these aggressive measures the previous question was demanded and debate refused. While the democrats voted "ay" only 4 and "no" 44, the republican party passed this bill. On June 14, when that same bill was pending, Mr. RANDALL, a democrat, offered a substitute which proposed to take up the national-bank notes, and

ISSUE \$300,000,000 IN GREENBACKS

in their stead. On this measure the democrats voted "no" only 6 and "ay" 41. The republicans voted "ay" only 10 and "no" 105. Thus this proposed issue of greenbacks was defeated in the House by the republican party.

At the same time Mr. Morgan, a democrat, offered a substitute which provided for

REPEALING THE NATIONAL-BANK ACT

and the substitution of \$400,000,000 in greenbacks, with full legal-tender qualities, for the national-bank notes. The democrats voted "no" 11, "ay" 34, or over three to one for the substitute. The republicans voted "ay" only 3 and "no" 116. Thus the republican party in the House defeated also this proposed financial reform.

On the 31st of January, 1870, Mr. McNeely, a democrat, offered the following resolution:

Resolved, That the national debt should be paid in strict compliance with the contract, whether it is made payable in gold or greenbacks; that the 5.20 bonds are payable in greenbacks or their equivalent, and we condemn the policy of the administration which is squandering millions of money by buying such bonds at a high rate of premium when the Government had the clear right to redeem them at par.

To this honest, fair interpretation of a contract in behalf of a people who were already overcast with the shadow of impending financial panic only 3 democrats could be found to vote in opposition, while

34 voted in its favor. Of the republicans only 1 voted for it and 119 members of the republican party laid it in its grave!

On the 17th day of January, 1870, Mr. McNeely made—

ANOTHER EFFORT IN BEHALF OF GREENBACKS.

He offered the following resolution :

Resolved, That the Committee on Banking and Currency be, and they are hereby instructed to report at an early day a bill providing for withdrawing from circulation the national-bank currency and for issuing, instead of such currency, Treasury notes usually known as greenbacks.

On this resolution looking to financial reform the democrats voted "no" only 2 and "ay" 53. The republicans voted "ay" 1 and "no" 112. Thus the republican party in the House slaughtered this further attempt at honest currency.

In 1872, after the policy of the Treasury had been well defined, when the Secretary was day after day

ALLOWING THE BONDHOLDERS TO ROB THE PEOPLE,

by treating the 5.20 bonds as coin bonds and negotiating them in defiance of the contract of their creation, which made them payable in currency, the following resolution was presented :

Resolved, That in the opinion of this House the Secretary of the Treasury in negotiating the loan authorized by the act of July 14, 1870, has neither increased the bonded debt nor incurred an expenditure contrary to law.

At the time this resolution was offered the policy of the Treasury Department was daily augmenting our national debt. It was daily fastening upon us that system which has since so cursed the country. This resolution gave emphatic approval to this whole ruinous policy, and invited and approved in advance the mischievous course which has since been pursued. It passed the House by a strict party vote. The democrats voted solid 86 "no." The republicans voted "ay" 110, and thus the republican party gave formal and official sanction to a line of policy which has scattered business calamity broadcast over the land.

In 1873 the

ACT DEMONETIZING SILVER

was passed. The country has been made aware of the manner in which this nefarious measure was smuggled and bulldozed through without even being read. Its contents were not known, the yeas and nays were not called on its passage, and hence the vote of members is not entered on the Journal. The RECORD does show, however, that Mr. Hooper, a republican, moved to suspend the rules and pass the bill. He had it in charge. He knew its contents. He knew it struck silver down and destroyed the double standard of our fathers. The RECORD therefore shows that a republican had charge of the bill, and, by a motion to suspend the rules, cut off debate and forced it to a vote. But the RECORD shows more. It shows that this giant swindle had been submitted to the republican Secretary of the Treasury, the republican director and controller of finances, and was by him approved. The RECORD on this point is as follows :

Mr. MERRIAM. Has this bill been submitted to the Secretary of the Treasury; and, if so, does it meet his approval?

Mr. HOOPER, of Massachusetts. It has been submitted to him and he not only approves it but strongly urges its passage.

Thus, Mr. Speaker, this monstrosity, this unmitigated villainy which struck down silver when it was higher in the market than gold, simply to make "money scarce" and increase the burdens of the country, was manipulated and carried through by a republican member of the House under the full sanction and support of the republican Secretary of the Treasury. Passed as the bill was, under suspension of the rules, without debate, and not even read, there is no evidence on

earth that any living man knew it demonetized silver except the Secretary and member I have named.

We come now to that

PRINCE OF DESTROYERS,

the resumption act of 1875. Like other similar acts it was passed without debate. Discussion was cutoff. The vote in the Senate stood republicans—"ay" 32, "no" only 1! The democrats voted solid "no." In the House the republicans voted only 24 "no," and "ay" 136, making more than five to one in favor of this great crime against the prosperity and happiness of the country. The democrats voted solid 74 to defeat it. In the Senate even Carl Schurz complained that he had "found the bill on his table to-day for the first time, and had not had time to read it or inform himself intelligently of its contents." In answer to this appeal for opportunity to understand this important measure John Sherman, the present republican Secretary of the Treasury, rose in his place in the Senate and boldly declared that he would "press the bill to its passage from that hour forward." Evidences that he kept that promise faithfully and too well are found in the blasted homes and fortunes and hungry women and children from the Atlantic to the Pacific Ocean.

These, Mr. Speaker, are the leading financial issues upon which the two great parties have divided. They mark the line between the money sharks on the one side and the people on the other. The republican party had the President and both branches of Congress during all that time. At the very threshold of the system Mr. Stevens declared to his republican associates on the floor of the House:

We are introducing new practices all around. We are making one currency for the people and another for other purposes.

And, sir, that policy was pursued from 1862 to 1875. The republican party pursued it. With a determined purpose, with unrelenting vigor, with a singleness of object that no human appeal could divert and no human misery deter, the republican party went madly on in this desperate financial career and never did it call a halt until

CONFRONTED BY A DEMOCRATIC MAJORITY

in the House of Representatives of the Forty-fourth Congress! It is a part of the financial history of the country, demonstrated by the record, that all the wicked legislation which has racked this country to the very verge of revolution—the whole of it—every act and deed, was consummated when the republican party had control of every department of the Government. It is also true that not one single act of which the people complain was ever passed after the democrats acquired control of the House. It is equally true that not one single act of relief was ever enacted until the popular uprising of 1874 gave to the democrats control of the House of Representatives. And, Mr. Speaker, it is a matter to be remembered to the everlasting credit of the democratic party that it encountered and vanquished at the first onslaught that gigantic money power to which the republican party has been for years as the plaything to a child! The first democratic House in August, 1876, raised the banner of financial reform by the passage of a bill

TO REPEAL THE RESUMPTION ACT.

The republican vote on the passage of that bill stood "ay" only 9 and "no" 56, or over six to one against the repeal. The democrats voted "no" 29 and "ay" 97; more than three to one in its favor. The bill passed the House by democratic votes, and thus the first battle against the Shylocks was left to be turned against the people by the republican Senate which failed to pass the bill. There the matter stood when the great political contest of 1876 came on. The result of that election returned a democratic majority to the House of Rep-

representatives, while the Senate is still republican. Those who have observed the proceedings since we assembled here will bear witness to the earnestness of the warfare that has been waged for financial relief. As early as November 5, 1877, we passed the bill

TO REMONETIZE SILVER.

The republicans, driven at last by a public sentiment which had twice routed them at the polls, yielded to this measure a fair support. They voted—"no" 24 and "ay" 67; not quite three to one. The democrats voted—"no" 10 and "ay" 97, or nearly ten to one in its favor. But when this measure to restore the dollar of our fathers was sent by a democratic House to a republican Senate it was there amended and emasculated until its value was well-nigh destroyed and finally vetoed by a republican President! On the 23d of the same month the

BILL TO REPEAL THE RESUMPTION ACT

passed the House. On this repeal the republicans voted—"ay" 28 and "no" 92, more than three to one against it. The democrats voted—"no" 29 and "ay" 104, more than three to one in its favor. This act was sent to the republican Senate, and there a Rip Van Winkle sleep of seven long months has held it fast.

On the 29th day of April the bill was passed

FORBIDDING FURTHER RETIREMENT OF GREENBACKS.

The democrats voted on this measure—"no" 7 and "ay" 104; the republicans voted—"ay" 73, and "no" 28. Many of them voted with the avowed reason that it would not interfere with the resumption act, and it is equally understood in well-informed circles that the republicans who favored the bill in the Senate did so upon the same ground. Add to what I have enumerated, the bills which have been favorably reported at this session by a democratic committee, the bill to authorize the issuing of certificates for silver bullion and the bill to

SUBSTITUTE GREENBACKS FOR BANK-NOTES,

and you have a fair, epitomized history of the financial legislation of the last sixteen years. In giving the status of the political parties, I have given the result of my own individual researches; I have investigated the subject; I have examined the record, and I speak what I know.

Mr. Speaker, in conclusion, I shall add but a word. The people of this country are terribly in earnest in this financial matter. The man who imagines that they will be further deluded is a "fool in his own conceit." Already the republican party has been called to answer in part for the sins of its fatal career. It has lost the House of Representatives. The 4th of March, 1879, ushers in a democratic Senate, and the disclosures which are startling the senses of civilized mankind at the enormity of the presidential fraud make it as sure as the decrees of fate that the next administration will be in the hands of the democratic party.

This triumph will bring relief, and we can have relief in no other way. As long as the republicans hold the Senate, or the Presidency, the Senate will defeat and the President veto every measure of substantial reform. The hope of change is inevitably involved in democratic success. Of this fact the country is aware. Upon this issue the State of Ohio has polled a democratic majority of 25,000 votes. She has elected a democratic Senator to succeed the republican Senator MATTHEWS, and in that election she has chosen the gallant George H. Pendleton, an early champion of the greenback cause. Oregon, too, has been snatched from the republicans within a week past. The friends of currency reform united in that State with the democracy and have chosen a democrat to succeed a republican in the House. They have also elected a democratic Legislature, insuring

the success of a democrat over the present republican Senator MITCHELL; and thus the good work goes bravely on. Never did the budding brightness of spring-time open its folds upon a more distressed and impoverished people; but, thank God, relief is assured if the power at command be only employed. That power is in unity. It is in harmony. It is in mutual determination to stand together bravely in the furtherance of a common cause. It is in the determination of every friend of reform to act in conjunction with those who have fought this fight amid the clash and smoke of battle for more than a decade of years.

Mr. Speaker, if after devoting to this struggle every day of my political career, if after staying in the contest until in all the gloom and desolation of oft-repeated reverse the day is dawning and the sun of final triumph illumines the morn—if, sir, after laboring with my hands and finding in hard work from sun up till sun down common cause with men who earn their bread by the sweat of their brows, my advice or friendly counsel is entitled to the smallest consideration, I would sum it up in a few short words: on the one hand, the money power is making war upon the property, the labor, and the liberty of the land. It has manipulated legislation, paralyzed employments, stricken down values, and robbed and plundered the people of the country until bankruptcy is universal, want and starvation are abroad, and respect for our institutions is lost in the sense of deep and damnable wrong.

On the other hand, communism is waging war upon society. It is assailing that institution which was ordained to protect the weak against the strong, and which made law and order out of chaos and confusion. It is the enemy of capital, it is the enemy of labor, it is the annihilation of both. It strikes at the interests which are nearest the good man's heart. It would undermine the monuments of achievement in high places and make desolate the home of the lowly and the humble. It brings the wolf to the poor man's door, for wealth can escape it; poverty cannot. It would tear school-houses from the hill-tops and valleys and drive the poor man's children, all unlettered, from their happy play-grounds forever.

Let the true workingman and the true patriot battle against the money sharks and the Shylocks by his vote at the polls. It is the all-powerful weapon of civilization, and I will join him in the fight. Let him deplore and avoid communism, and I will join him in that. Let him stand up manfully in the intelligent power which God has given him and assert with the ballot his determination to correct the abuses which have ruined the country and blasted its prosperity. In that struggle he will have the sympathy and aid of all good men. Let him maintain his rights in peace, with a strong heart and an iron hand, and I will help him if I can. But in his battle for the protection and character of American labor, I would implore him to do naught to sacrifice its dignity or to sully its honor, for they are dear to him as life.