The Senator from Maine Answers Some Per tinent Inquiries-He States Clearly His Position on the Currency Question.

AUGUSTA, ME., Sept. 23, 1878.

WENDELL PHILLIPS, Esq:
MY DEAR SIR: I remember the conversation In the Senate Chamber to which you refer, and I beg to recall to you—possibly more fully than I then stated—the objections to the interconvertible bond as the basis of our currency. I am aware that many wise men besides yourself have approved and advocated this theory. The power to hold a bond which may at any mo-ment be converted into legal-tender notes for its face value, and to have legal-tender notes which may at any moment be converted into a bond at par, appears at first sight attractive. But no scheme is more deceptive or delusive, and I will briefly state the objections which seem to me insuperable.

OBJECTIONS TO THE SCHEME. First-If the bond be of sufficiently high rate of interest to float the currency even to an approximate equality with coin-say four per cent. or thereabout—the inevitable tendency will be for the currency to run into the bond rather than for the bond to be exchanged for currency, and this with such force and volume at critical times as to compel a scarcity of notes, an ever-recurring stringency in the money market and a general instability in

Second-If you make the bond of a rate so low as to avoid the tendency and the danger just stated, you of course abandon all idea of having your currency at par with coin. If your interconvertible bond is worth but 75 to 80 cents on the dollar in coin, you thereby fix the value of your currency at 20 or 25 per cent. below par, and you banish coin from your circulating medium absolutely and finally. So that, if your bond be one that will float a currency at par with coin, it will steadily and irresistibly tend to contract its volume. And if you seek to avoid this result by lowering the rate of interest on the bond, you render equality with coin impossible. In either event the scheme would work its own destruction-swift and

Third-No device was ever conceived that would give a more complete advantage to unhealthy speculation of all kinds than the interconvertible bond. Several times within the past ten years we have witnessed a "lock-up" of greenbacks by Wall-street combinations, with a view to financial ends, which were at war with the public good. So promising and so profitable were these ends that the speculators coule afford to have many millions of green-backs lie idle in order to force a stringency in the money market. Your interconvertible bond would open the way for this class of fluan-cial operators to ''lock-up'' greenbacks and have the government pay them interest on the whole amount, while they might be conspiring to derange the business of a continent, and depress the value of every farmer's crop in the land. In other words, your theory would force the government to be an accomplice in every gambling scheme devised in Wall street against the peace and prosperity of the country.

Fourth-Every year, as the spring business closes and summer comes upon us, there is a vast accumulation of money that lies idle for three or four months at the financial centres; in the vaults of the banks, in the safes of capitalists, in the treasuries of railways, and in the strong boxes of insurance companies. During that period-nearly one-fourth of the yearthere are from one hundred and fifty to two hundred millions of idle dollars in New York and the other great money centres, and these dollars all belong to rich men. Your interconvertible bond would provide an admirable mode for these capitalists to take a large amount of interest from the government at a season when they cannot get it from any other source. But I question whether it would be quite fair to tax the whole people during the hot months of summer in order to insure to the wealthy capitalists of the country a good income on that large sum of money which would otherwise be idle while they are enjoying the mountain air and the sea

Fifth-The interconvertible bond would leap to postponement in the payment of small bills te in the domesti every day life. In our present system a large sum of money is carried at all times on deposit without interest. When blils are presented from the butcher, the baker or the candlestick-maker. the man having money on deposit not drawing interest readily pays them, for there is no profit to him in putting off his creditor. But once teach every man who has a surplus of ready money that he can deposit it with the government and draw interest thereon, and the inevitable tendency is to place it there and keep it there as long as a creditor can be denied, a volued or evaded. The advantage in all branches of trade and labor of promptly paying small bills, not drawing interest, is incalculable. The interconvertible bond would stop this at once, and would array the avarice and cupidity of the moneyed class against it. The interest paid by the government would go into the pockets of the rich; and the interconvertible bond would again make the government an accomplice with the pitalist in withholding his honest dues from

rkingman, the government meanwhile bg the rich man interest on the money that stly belonged in the poor man's pocket.

Sixth-Is it not apparent, from the considerations thus hastily summarized, that no form of currency could be devised which would be so constant and so oppressive as the interconvertible bond, in the taxation it would impose on the people? It would make the government the constant repository for the surplus money of the rich, who would use it as the resting-place for fortunes, waiting a more permanent and more profitable investment. In short, the whole scheme would end in making the government answerable for interest on money that for the time could not be used in any other investment. It would incur the general odium of taxing the many for the benefit of the few; of exacting from the poor a contribution to pay interest on the man's money, at a time when the government did not need it and could not use it.

NO WAY PROVIDED TO SECURE COIN.

You urge that our party should have taken ground in favor of "the government's issuing of all the paper-note currency, the same to be legal-tender everywhere and for every pur-Your language implies more than you really meant to convey, for your "everywhere" is necessarily limited to our own country, and you proceed yourself to limit the legaltender for every purpose" by declaring that the principal and interest of your interconvertible bonds shall be payable in coin." The moment you take the ground that the principal and interest of the bonds shall be paid in coin, you separate yourself absolutely and irreconcilably from the advance guard of the Greenback school of financiers, who refuse to incur any obligations to pay coin. And y su will observe that while your theory proposes to pay both principal and interest G your bonds in coin, you provide no way to secure the coin, but make your paper-money legal-tender for customs and all other dues. You seem to approve the wisdom of Republican legislation in so far as to make government bonds payable in coin, but you fail to go with the same legislation in providing an efficient and certain mode of securing the coin. I note this as among the most glaring defects of your interconvertible theory-one among many that render its adoption by the Republican party impossible. Moreover, the scheme would have proved lamentably insufficient to appease the demands of the "flat" money advocates. would not even have proved a "sop to Cerberus, " and to have resorted to it would justly have exposed the Republican party first to ridicuie and then to disaster. WHAT "THE BEST EUROPEAN THOUGHT"

REALLY IS. Nor can I agree with you-differing with full

deference and respect—that the ''best European thought is hastening" to the doctrine you advocate. In the three most enlightened and pow erful nations of Europe-Eugland, Germany and France-I question if a single authority can be found that would advocate, or even tolerate, the idea of the government issuing paper money

THE STATE.

Pennsylvania Expenditures.

A Favorite Theme for the Democratio Politicians in the Campaign.

Some Interesting Facts and Figures that Throw a Little Light on the Varlous Administrations of the Commonwealth.

The increased expenditure of the State administration has been and is a chosen subject of comment in all Democratic discussions. It is a thoroughly legitimate topic, and one we are glad to have opened. The only fear is lest it shall drop out of sight after the election, as it has so often done heretofore. The periods genchosen for comparison are those of Packer, Democrat, in 1858-60, when the costs were \$1,209,849 17 for the term; of Curtin, in 1864-66, when they were \$1,885,157 68; of Geary first term following, when they amounted to \$2,453,148 64; of his second term, in which they were \$2,808,305 07, and of Hartranit's late administration, in which they have advanced from \$999,987 77 in 1873 to \$1,213,276 31 in 1877. Resting upon these facts, the Democrats and Nationalists censure the Republican party unstintedly for extravagance, and hint at malfeas-

It is so difficult to procure absolutely trustworthy and intelligible statistics in such debates that Hon. Chester N. Farr rendered a good service to the interests of the State, the knowledge of the people, and the cause of truth. In his consideration and presentment of the facts at Myerstown on Saturday evening. He did not undertake to deny or apologize for a state of the case involved in the history of the State, and generally known to every one; but, premising that the expenditures of the Commonwealth have trebled since 1860, explained the causes and justified the facts convincingly, and when ampic justification could not be found, pointed to Democratic action as equally or wholly responsible. During Packer's administration, of 1858-60, the expenses were \$1,209,849 I7. Since his retirement the population of the State has increased from 2,995,370 to about 4,200,000. This increase has necessitated increased expenditures in every direction. CAUSED BY COMBINED ACTION.

One-half of all that has occurred in the seventeen years is due to the combined votes of Republicaus and Democrats, when the constitution of 1874 added 270 members to the Legislature, increased the heads of departments and clerks. This action of both parties appropriated \$1,000,000 annually to the public schools; increased the pay of the Legislature \$100,400, and that of printing \$61,-079 03. Of the \$248,070 46 remaining increase to be accounted for, \$157,804 is accounted for by the increase in the sataries of the executive department, clerks and judges, all of which is non-partisan, and has been approved; by the increase of mileage and stationery in the sum of \$57,007 93, or \$32,595 03 more than double what they cost in 1860, and by \$10,538 91 appropriated to Soldiers' Orphans' Schools, leaving but \$43,258 53 of all this vaunted extravagance unascribed-the major part of the growth having been wisely concurred in by both Democrats and Republicans in order to meet the increase of 25 to 50 per cent, which has touched all branches of living since 1860. As the increase of expenditures under Democratic rule from 1844 to 1860 was 66% d per cent. , the increase of the same expenditures for the years from 1800 to this time falls absolutely \$30,000 below the ratio of Democratic increase when the costs of reorganizing the government and Legislature are substacted. On the other hand the Republicans have not only carried on the government in a period of civil war, and through a follow-ing term of depressed industry and inactivity with no increase of the debt, but they have made an annual saving of \$80,000, together with a profit of \$261,922 by refunding the State debt, which they have reduced from \$42,000,000 to \$13,000,000 and placed in the course of speedy

We remark of an exhibit which will gratify tive of party, that it proceeds from a competent, responsible and reliable source, where the floating statements which impeach State credit and hurt the prosperity of the State, indirectly if not directly, are the products of partial knowledge at the best, and either leavened with partisan feeling or intentionally colored. With this authentic exhibit the case is made up. The financial issue is the greatest in State as in national politics. Having shown a great reduction of the State debt, greater efficiency and permanent gain in every department of administration, and preparation for greater economy and profit, the party may well and confi-dently go to the people, who wanted no other evidence to renew meir original friendship and sustain a policy they marked and demanded.

OUR PRINCIPLES.

THE REPUBLICAN LABOR PARTY.

What Investigation Proves-That Republicanism is the Only Safety for the Workingmen of the Country.

This continent was colonized by laborers. This country was hewn out from a wilderness; improved, organized, and has been directed, as it still is, by laborers. There are no hereditary titles-there are few great fortunes to transfer any one from the ranks of useful industry to those of unproductive leisure; and where an exception occurs it is cured in a generation. The Republican party was organized of, by, and in the defence and assistance of labor. It liberated millions of laborers as its very first act, and secured their freedom. At the same time it grappled the great question of providing all labor with employment, and making that remunerative and steadily greater and more lucrative, and providing it with knowledge. Composed of, working with and for, and sustained by labor, and directed by a system whose operations and end consider labor in such a complete and high sort as was never the case anywhere before, the Republican party, by the thoroughness of its principles as much as by its eminent deeds, has the right to be viewed as the most perfect and only labor organization in the It is great and deserving for patriotcountry. ism, philanthropy, financial ability, military valor; but all these have been designed and used to give the State such completeness in every part, that every laborer would rise to the highest welfare and happiness.

We present facts really known to every one because a few individuals, inordinately anxious to occupy places for which they are not qualified, have assumed to be the laborers of the State and to direct and prescribe for all labor. They are arrayed elsewhere, but they are here. Some of their complaints and some of their intentions are correct. Some of each are pernicious, and their views could not be carried out in the manner they propose without a conflict with other interests, and the interests of others deserving equal recognition with their own, nor without loss to the harmony of the whole community. On the other hand the doctrines of the Republican Labor party have not only been confirmed by investigation, but also by They are operating in and improving the south. They are building up the Pacific coast as well as the interior, the north and the east. They are sending our products over the world, regaining our bonds, bringing back gold, stimulating our industries, and leave comparatively few unemployed where lately hundreds of thou-

sands wanted work. They hurt no one, but help all. Those who would promote labor, directly and efficiently, should cast their votes for the Republican party. Others will disappoint them; this, Others will fail from ignorance of prin-

ciples, or of their subject or their application,

carries a perfected theory in ascertained meth-

ods, and overlooks nothing either in contem-

plation or effect. It wars with no race or call-

or from having overlooked related facts.

POETRY.

LATEST LAY OF THE DEMOCRATS.

The Story of an Attempt to Steal the Presidency—The Effect of Samuel's Rognery -A Miserable Failure.

By Samuel J. Tilden, Late Reform and Fraud Can-didate, now grievously afflicted with ciphers. I have touched the highest point of all my great-

And from the full meridian of my glory I baste now to my setting faster than Rarus trots When at his best; I shall fall

As falls the slyest knave that wears a mask, And no man see me more-my goose is cooked. Farewell, a long farewell to all my greatness! This is the state of man: to-day he puts forth The semblance of Reform; to-morrow preaches And solemnly prociaims his hate of Fraud; The third comes a Key-a perfect Key-And when he thinks, deluded man, full surely His prospects are a-ripening, busts his mask, And then he falls as I do-

Vain pomp and glory of this world, I hate ye; And also ye, ye horde of nincompoops. I feel my eyes new opened. Oh, how wretched Is that poor man who tries to bribe electors! There is betwixt that seat he would aspire to, That vote of bribed electors and his ruin, Such pangs and fears as I or Marble have, And when he falls, he falls like—well, like me, Never to hope again. Dence take the cipher. Pelton, I did not think to shed a tear In all my misery; but the Tribune makes me Out of its honest truth to play the woman; Let's pack our trunks; and listen to me, Pelton, And when I'm execrated as I shall be, And sleep with, d- that Marble, Where no mention of me more shall be heard, Then say I taught thee; Say Tilden, That once trod the road to ruin, And sounded all the depths and shoals of regue-

Found thee a way out of his wreck to rise in, A sure and safe one, though your uncle missed it. Mark but my fall and that that rumed me. Pelton, I charge thee fling away ambition. By that sin fell your uncle; how can you, then, The nephew of your uncle, hope to win by it: Love thyself last, cherish those hearts that hate thee;

Ask Schell and Kelly up to dinner Sundays, And write upon the gonfalon thou bearest: Corruption wins not more than honesty, Reform and Fraud are not convert'ble terms. O, Pelton, Pelton, Pelton, Pelton, Had I but lived my life upon the square Not Gramercy-but the downright moral

I would not in my age, with '80 just ahead. Be knocked much higher than the famous kits Which once was flown by Mr. Gilderoy.

NASBY.

He Proceeds to Organize a Section-The Result.

(Wich is in the State uv Kentucky), Sept. 1, 1878.

I felt it incumbent onto me to go to Factryville, a village hard-by, and establish a lodge uv Nashnels, uv the Kearney kind. Factryville wuz established by a company uv Massychoosits disturbers, wich invadid the sacred soil for the purpus uv manufactrin iron wich is found there in great quantities, and they hev a mill into wich about a hundred men hev bin The price uv iron hevin gone down, employed. these graspin monopolists hed the ashoorence to ask their sufferin labers to redoose their wagis, givin the frivolous pretex that ez the price uv livin hed gone down also, they cood afford to work for a trifle less. Ez most uv the men owned their own houses, wich they hed saved, and was comfortably fixed, they coodent git away, and hed to endoor the ojus exacshuns uv the grindin capitalists. And ez collecksbuns wuz difficult, and they didn't git their wagis with the regularity of former yeers, they murmured some, which I feit it my dooty to improve. They needed a leeder, for none uv 'em knew how much they wuz sufferin till I went and told em.

I hed a tolerable easy time uv it. I made em groanin under a tyranny compared with wich the sufferins uv the Rooshun serf was nothin, and that they wood never hev ther own till they organized and crushed their oppressors. I showed em that wat they wantid wuz to crush out capital, and be theirselves their own roolers. It wuzn't hard to do, and the second nite I organized a seckshun.

Charitonii I writ myse lf, basin it on Kearney's idee. It wuz very breef, and run suthin

like this:

"Hath the brother wrongs?" "He hath."

*Doth the brother brood?"

"He doth." "Is he a successful brooder?"
"He is."

Doth the brother look forward to the time when he will hev his iron heel on the neck uv his oppressors, and will hev the lecherous employer by the throat?"

"Doth the brother understand the yoose uv a

box uv matches?' "He doth."

"Is the brother willin, in this holy crosseds uv labor agin capital, to buy his own matches, or is he so craven-speritid ez to ask the Order to furnish them?"

"He will buy his own."

"Hath the wronged brother two dollars and a half in his trowsers to help the coz, by supportin the agitator?"

The wronged brother at this stage prodoosed the money, which I took to strengthen the coz, and then perceeded with the lecter. I remarkt that he wuz a grovlin slave, and that by layin still he wuz addin to his bonds. Wat he wantld to do wuz to rise. He wantid to demand an ekal divishun uv property, and ef this reasona-ble demand wuzu't acceded to, he wantid to destroy wat property ther wuz. He wantid to demand an onlimited issoouv money, to be divided In some way so that he wood git all that he wantid, and that the hours uv labor shood be fixed by law, and the wages also. He shood demand sich legislashen ez wood let him live i absloot luxury, no matter wat he wuz. The more incompetent or averse to labor he wuz the greater the dooty uv the government to see that he didn't want for anything. Ef after he hed riz and these demands wuzn't grantid then the matches shood come in. I inishiated the entire force uv the factry, and

the next morain they marched in a body to the mill and demandin their heaven-given rites. The bloated employers tried to reason with em, and tried to show em that they wuz payin all they cood afford to in the present deprest condishn uv things, and that they wuz gittin now ez much ez they wuz before, when the cost uv livin wuz taken into account. They hed the impudence to tell em that of they hed to accede to ther demands that they wood hev to shet up the mills, and one uv em told the men that ef they wood assoom the mortgages, ex well ea the biznis, he wood be perfeckly willin to relinquish it then and there.

The workmen wood hev yeelded, but I have made em a speech wich whooped it up agin. They became infoorlated and moved on the works. In less than a minit they had guttid it; in five minits it waz in flames, and in a half-hour it wuz in ashes, and the men firmly but determinedly moved off. The first battle for the rites uv man hed bin fought in Factry ville, and the first victry uv labor' over capita

in Kentucky hed bin acheeved. The men wuz jubilant, and I congratulated We adjourned to the grosery and poured

out libashens uv sod-corn whisky over our tri-

umph. Things wuz boomin' for a day or two. Finally the men begun to git sober, and went home to their families. I notise by the close uv the third day an ominus change in the demeanor toward me.

"Is the bosses goin' to bild agin?" they asked one uv another. "I ruther think not," wuz the anser. "The fact is, all that they hed wuz invested in them mills, and that is gone. They hain't got nothin'