# THE VITAL ISSUE.

CARL SCHURZ'S SPEECH ON THE FINANCES.

S TO nt: ove of s

hick.

its s s of own lite.

nd i ie i

the

ng I

luti

3,45/

ie n es a'

of le ob

reci

colo

knes

en t

uall

foru

asp rafy

ual d of

little

m p. nt 1 y V obje i sol

trag

ther poke f re e, fi has i e re the be a rcel

18 2 nat n to ei

gol

eum f the

ed fi

pech The Id le glas me lowr o pro veri ed. е в tely ines or. 10.ens t the eatly ry of plaised by ofe atter. onqu plied may nets , an cobal is lie obal r of e fac othir balt hen ng. ed to uipul s D h hh rered ice a poru the e de

## A CLEAR AND VIGOROUS STATEMENT.

THE CAUSES WHICH LED TO THE PANIC OF 1873 AND THE COMPECTAL DEPRESSION THAT HAS SINCE EXISTED EXPLAINED-A SOUND CUR-RENCT AND A SAFE BANKING SUSTEM THE ESSENTIAL REQUISITES.

CINCINNATI, Sept. 28 .- Music Hall was filled to its utmost capacity to-night with ladies and gentlemen to listen to the speech by Secretary Carl Schurz. Mr. Schurz was introduced by Richard Smith, and was greeted with enthusinstic cheers. He spoke as follows:

FELLOW-CITIZENS: This is the second time that f have been honored by citizens of Cincinnati with an invitation to speak to them on the financial queztions before the people. I thank you sincerely for the confidence which that invitation implies, and I respond to it with a deep sense of responsibility. The remarks I am going to make to-night will be, in a certain sense, supplementary to those 1 made here three years ago. I then sketched the disastrons consequences which a polley of currency inflation would bring after it to the merchant, the manufacturer, the business man generally, as well as to the farmer and the laborer for wages, and especially the latter. At that time the people of Ohio in their State election administhe people of Ohio in their State election adminis-tered a wise and noble rebuke to the inflation more-ment them attempted by the Democratic party of this State. It was to be hoped that this rebuke would sufficiently check that movement to prevent its repetitions. That hope has been disappointed, indeed, both political parties, in their National Con-ventions of 1876, promounced in favor of an early resumption of specie payments, and thus seemed to be agreed as to the object to be attained, and the preparations for resumption have so far proceeded that it is in for resumption have so far proceeded that it is in immediate reach. But while we are in a hair's breadth of a final settlement of the vexed question. the inflation mania has broken out afresh, and it must be admitted that many well-meaning ellirens, under the pressure of temporary distress, are hon-estly seeking for means of relief, and are tending toward conclusions, which, in the opinion of those who think as I do, are fallacious and fraught with great danger to the National honor as well as the

down, banks, manufacturing and trading

firms failed in large numbers, extensive

<text><text><text>

deed, not consist in pairing upon and regardless old exploded spectralions, or in restaring to their wealth again business men who broke down by venturing into operations largely beyond their means and spreading their capital all over creation. To be sure, many of that class, who are still strag-The second control of the second control of the problem of the problem of the problem of the second control of the second control

think, or can you remember anytody who then thought, that it would be seen to inc prophed this country to do away with gold and diver and to sub-splittic feer them an increde make raper would. An I tright or not in saying that a man unking such a proposi-tion in times of packet would have been universally voted for a place in a furnite asylu of The only thing you complained of, and posity so, waithe existence of while est task paper under a bad bank-ing system, because it could not be converted into gold and silver contract the possible can its face. And is it true or no that when under the possible into fact necessities, and reactive notes a last face. <text>

rency. They had it in France at the leginating of the eightworth ventury, maker the management of the ground degreestive Seatch financher, John Lawr and they used it in France legining of the digits of entropy, finite the management of the great depression search the management of the great depression search the management of the great depression search is an entropy of the angle of the dispersion of the dispersion

<text><text><text>

its own advantage? And what are its own advantage? And what are target the Goternment is those many which a cratic file file protected to be conditioned erannent induces to the barns their carm than it sees to it that overy dollar of that be suffer, that the stock is paid in, that the regurarity and honestry scott, and so on, by the towernment sees to it that no tricks a by which the bill-boller or the days in defraud at; and when the Coderman make a least the indix sometimes all if hi it out, that is all and facts is year may your grinding momer power. And now, my fellow efficient, i in all canalor and solerness, would an act of wirked folly for reasons to the in a storing reasons with any and act of wirked folly for reasons the in an act of wirked folly for reasons so that; the least prospect of any would advantage.

the least prospect of any solid advantage to destroy a banking system which, as one to destroy a banking system which, as ever the country knows, is not only the best as but better than any other we are likely to as destroy it at a moment when, with it ma-tion of specie payments is easy as a impossible; so that it would have to be inte-wers not in existence; destroy it while to energies of the indice, after a begin period of purally shand distance, are a bindify confidence is model when thereing to confidence is model to em-cicentiation of the blood for the source in the source in them inter a source in the source in the blood for the source in source in them just at south a imment in Sody: and then just at source in moments circulation of the blood is the social body: and then just at such a norme only great institution that has soon the crucial test of a terrible cells quietly does command universal of that institution the banking system, pensable financial agency of all be thensit

that institution the banking system, it pensible financial agency of all bein liens. Age, to start on a review of all being system to implie could be a good reli-system to the lien bear of a good reli-system the field bear of the mot-shame at his own folly when inquires into the full meaning and the sense need be told that under one of its the only wise policy to keep the go-have and to let well enough above. Trends, I am coming to a close, T people are at present engaged in a pol-to antermine the obtained of the r Legislature. The financial question time being well high swallowed the all uviding partices. I sincerely legge bemocrats of Ohlo as firmly wedded i we commatted in 15% as they were di-party in other States drifting into the stime, the financial the states and particits as possible, so that the of one may not encourage the States and particits as possible, so that the of one may not encourage the States and particits an encourt of the relations of a string the distribution of the states of the relation and particits as possible, so that the of one may not encourage the States and particits as possible, so that the of one may not encourage the states and far glad, therefore, to see not at manifully stand up for their old inners

115 mile lofs ness occurred. If it were true, as the inflationists cuou insist, that the increase or decrease of the currency were at the bottom of our prosperity, and the depresapor ons ( alon, respectively, we would have to answer, that, y in according to the clearly ascertained facts of history. nd, if It was contraction that caused prosperity and exparasion that caused the collapse. I might even and that between 1875 and 1874 the currency was e coi possi expanded from \$750,067,368,94 to \$781,490,916,01, that e su is to say over thirty-one millions, and yet the depression was not only not relievel, over. but grow in distressing severity. Our inflation friends may not reliab that kind of reasoning, but i ha lvan what have you to answer? Those who know me will bear me witness that I have never besitated to alliu eutra criticise those in power for things I thought wrong, ate. but I candidly think to charge those in power with having brought on the crists of 1872 by a contraction , and s to : of the currency, would be just as reasonable as to make them responsible for the equinoctial storms, or for the depredations of the locusts in the West. If e rela . the Government is to be made responsible for every-thing, then I solemnly demand that the abundant nerve crops this year he put to the credit of the adminisough tration and of the Department of Agriculture in e ma particular. nerve EXAMINING THE CAUSES OF THE COLLAPSE. 1 wh Let us examine the causes of the collapse of 1573 and the subsequent depression as unprejudiced, sensible men. We all know that at sent ound the same time when the panic occurred here, in the autumn of 1973, a similar crisis broke out in Europe VAVS I and swept over all Austria, the German Empire and almost the whole European Continent except France, while a severe business depression was felt in Enga cor mate land. Surely, although this is a great country, our Congress and Administration and the Republican party cannot have been at the bottom of all that; and unter iteres vet the effects produced by the crists in Europe was almost in every respect the same as here. Specula--five

d a cuss eath een ' quee turn. ps, sl of E llont andic Then en di reut ultur assel is g and I pulls wly ing.' ickim n. N and hispe orme puller

pon l e sile say sc rick i e Gre her t trong vrites nanti gravy reats, oonfu inger. beef ed np ian di r and

being thrown away by acts of dishonesty or foolish ness, it is time to call things by their right names. FEARNEY'S "BLOATED BONDHOLDERS."

First as to credit. Our National credit rests open a faithful discharge of our National obligations, and I shall show that in a great measure the individual credit a d interest of mest of as rests apon the same thing. It has become the fashiou for many pollcreatil and interest of mest of an rests apon the same thing. It has become the fastion for more pub-tichans and public agitators to erv out against the bomholders, and thus to excite a prejudice against the bond which is an evaluation for more pub-sented as a set of "boneted" individual residing down East or in foreign com-trie, who bonght their bonds at thir y-live of forsy cents on the dollar and ow demand blocentrand light interest in gold. Thus, the bondholder is pte-tured as a sort of ertiminal blood-sucket, what with cold should crackly, fattens apon the sufferings of a down-tradient people. Now, supposing our Na-tional bongs were soil at forty cents on the oblight number of the subsection of the sup-tonial bongs at the specific supposed on the suffer results. That the Republic senses to be in the agoines of death? That it appeared uncertain whether the bond bong at a forty cents on the worth two cents or une cent on saturality." Also that the purchaser of the bond chicked his number for the construction of the sound of the subsection of the the bond bong at a forty cents on the worth two cents or une cent on saturality." Also that the purchaser of the bond chicked his number for the constry last as much as the soulder related in blocker probability in the second set of the sub-ral of bond is a new ere as a nither influed in blocker by taking it and giving up has anone at the real of bond at a subsect as the predictions and expect-tion around upon has who has been at the down when any act as if they own in divid-mat field and at a site of the sound in the predictions of supresent distres, and the subsect is pre-tering of the sound at a site of the sound of the more, but a groups. Yow when the Republic was in the the hould outers, for they that a bond, mome, but a groups. Yow was then also also the set in the theory of the sound is pre- to hould and an industry of the sound work as a pre- thould an industry of the sound work and the pre-tain the sound at a site the industed an industry of the s tictaus and public agitators to erv out against the humiboblers, and thus to excite a prejudice against tion collapsed, values shrunk violently, real estate branches of industry stopped, laboring men were thrown out of employment or compelled to work at lower wages, and grievous distress spread all over these constricts as well as our own; and upon candid ramination you will find that, as the effects were similar in the two hemispheres, so were the underly-ing causes. In mone of these countries was it a cur-rency contraction that brought about the disaster, isst as ittice as it our own? There was father an expansion of R, especially in Germany. Not the real causes were, as I have more than once had oc-calon to describe them; great wars resulting in an immense destruction and waste of wealth, large in-fast as ittice as it our own? There was a father an interact of producing additional wealth. But after that ensets were proves a simulated by apparent means destruction and waste of wealth, large in-fastries ministering to the work of destruction in-tend of producing additional wealth. But after that encosive enterprise, stismulated by apparent means distruction and exceed an one of explait in preat undertaking which could yield no immediate interaction and exceeding of radionals where they were not needed: for anticolation of new las-of production and exceeding and the failure it is infaturated fails and interprise far based of production and exceeding one manufacturing by quickly by any means except solid work in infaturated fails in the success of which works in infaturated fails in the success of which works in infaturated fails in the success of which solves and uncatural straining of the credit solves in im-mense number of people frantically sitting to make interform speciality in means except solid works in infaturated fails in the success of which works in infaturated fails in the success of which works in infaturated fails in the success of which works in infaturated fails in the success of which solves and interform speciality more inners than he could affed that in this country our irredense indicated habits. And if we inquire what the entrepties habits, and if we inquire what the entrepties habits. And if we inquire what the entrepties and balances indication at real-based interform speciality those countries as well as our own; and upon candid examination you will find that, as the effects were o inguines has had a powerial effect in strengthening out evolut, and it is owing to final strengthening that we have the power to so greatly reduce our anomal interest in funding outstanding books into see in this, as in other tailes of interest. Thus you see in this, as in other tailes, it parts to be locuest. A sense of hour is a solice of credit to a nation, and its credit is one of its less paying investments. THE DAYS OF WILD-CAT BANK PAPER.

The second requisite for a perival of business and presperity is stated to be a sound cur-rency-a corrence of real and stable value. Now what is that money of stable value, and how can we get it? Les me put auother question to you. time, but illusions and lies will not last atways, es-pectally in business masters. After a while it will burn out that a million of men engaged in active marfare have ensumed and destroye, wealth, but not produced any; that a railroad running from point newhere to point newmers cannot pay dividends nutil it has passengers and freight to carry; that the raile of real estate does not depend upon the imagin-tion of its owner, but upon the use that can se made of it; that corner ists in paper towns Many of us remember the time--it was eighteen years ago--before the mar, when gold and sliter were current in this country, and bank notes con-vertible into gold and aliver. The gold and sliver coin of the United States was then the only legal tender in the sayment of debts. Did you take

<text><text><text><text><text><text><text><text><text><text><text><text><text>

\$1.1

s he a consequently, have to request you to got him, an' it fit him so well, and he a the a the second de the seco

S. M. METTENUILL & CU., at either of their offices in