wise for such tactics. He wanted New York's vote in November. He undertook to secure Cleveland's nomination without New York and succeeded. Gorman surveyed the situation and joined the Cleveland forces as did Palmer, and only illness prevented Voorhees from seconding Cleveland's nomination.

The New York sequel may be told here. The machines had stood squarely on regularity and Whitney had recognised that regularity to the full and in its name could call upon the regulars to stand by the nominee. They were not given the slightest excuse to bolt. He held them with a hand of steel, but with a velvet glove; he was a pacifist and he did not seek to take from Cleveland's enemies in the party control of the state campaign. Cleveland chafed at Whitney's gentleness, at the campaign being managed by his foes. But Whitney knew what he was doing. He had defended Croker in a trial for murder and he knew his man.

Finally he got Cleveland to meet Murphy, Croker and Sheehan at a dinner. There were high words between Cleveland and Sheehan, the latter demanding promises and pledges to the organization which Cleveland peremptorily refused to give. Croker intervened, supported Cleveland's refusal and promised him New York's vote. The state gave the Democrats 45,000 majority in November.

The year 1892 found the Democratic Party in most excellent condition. There was the silver question, but on that the party had not come to the parting of the ways; the reformer and the politicians and old-fashioned Democrats were widely apart on civil service reform, and there were minor differences. But the party had a leader and a great, paramount issue; Cleveland's tariff message had dictated both. All over the country men were singing "Grover, Grover, four more years in clover."

CHAPTER XXVI

VICTORY AND DISSENSION UNDER CLEVELAND

1892-1897

Sixteenth Democratic National Convention—Convention Strengthens Tariff Platform—Coolidge's Speech Against Cleveland—Cleveland Tightens His Grip—Tariff—Rights of the States—Senate—Benton and the Democrats—Cleveland's Political Campaign—↑


The Sixteenth Democratic National Convention met at Chicago, June 21, 1892, present 910 delegates. The usual call to "All Democratic conservative citizens regardless of past political associations" had been issued. Called to order by Calvin S. Brice, chairman of the National Committee, William C. Owen of Kentucky was made temporary chairman. He made a plea for harmony, for raising no issues among themselves, arraigned the Republican Party and made tariff reform the keynote.

The rules of the preceding convention were adopted, which, as briefly stated, were:

The rules of the national House of Representatives, so far as applicable, were the rules of the convention;

Two-thirds of the whole number of votes given should be necessary for nominations for President and Vice-President;

A vote should be taken whenever called for by any state, and each state entitled to cast its full vote—the number of votes it was entitled to in the next Electorat College—without regard to the number of its delegates attending or voting, and the manner in which said vote should be cast was to be decided by the state delegation;

The unit rule which was imposed by the state convention would be enforced if demanded by the state delegation.

Prominent on the committee on resolutions were Bayard of Delaware, Patterson of Colorado, McKenzie of Kentucky, Street of Mississippi, Flower of New York, Daniel of Virginia and Viles of Wisconsin.

William L. Wilson of West Virginia was chosen permanent
president. His keynote speech was on the force bill, taxation and tariff reform, the McKinley bill and the foolish reciprocity clause.

A gravel of pure zinc mined and made in Missouri was presented by the zinc miners bearing the inscription "We need no protection," accompanied by a protest against a worthless tariff of 30 per cent on zinc which served as an excuse for a tariff of more than 40 per cent on lamps, tools, clothing and blankets.

Vilas presented the majority report on platform, and when he read the sentence "do reaffirm their allegiance to the principles of the party as formulated by Jefferson and exemplified by the long and illustrious line of his successors in Democratic leadership from Madison to Cleveland," pandemonium broke loose and rage flared for half an hour. Though this has been represented as a cold, placid, self-effacing body carrying out the will of others, at times there was intense enthusiasm, such as greeted Cleveland's and Hill's names later.

Neil of Ohio presented the minority report though its chief advocate was Watterson, sponsor and devotee of the "Star-eyed Goddess of Tariff Reform." The minority report, substituted a stronger tariff plank. The majority plank asserted that any unnecessary tax was an unjust tax; that the difference between the cost of labor here and abroad fully measured any possible tariff benefit to labor; that in making revaluation it was not proposed to injure any domestic industry but to promote healthy growth, and that changes should be regarded, as labor and capital involved—all recognizing at least a scintilla of the protective principle and not committing the party to the principle of "for revenue only."

There is no doubt that this plank represented Cleveland's then views, if he did not actually draft it. It agreed with many a vernacular, his utterances on the subject, for he had been wedded to conservatism in making tariff changes giving time and opportunity for readjustment to new conditions. Watterson, however, had come to the conclusion that the nomination of Cleveland, or Hill either, would be folly—to use his own expression, "to march through a slaughterhouse to an open grave." Besides he wanted a road and had no objection to putting a stumbling block in Cleveland's way, and he was and long had been a stalwart "tariff for revenue only" champion.

The Neal-Watson amendment carried 564 to 342, the West and South mainly voting aye, the North and East mainly nay.

DEMOCRATIC DISSENSION. TARIFF—SILVER. 375

Another amendment was proposed by Patterson of Colorado, the insertion of the word "free" before the word "coinage" in the money plank, but it was rejected without a roll call.

Governor Abbott nominated Cleveland, as the logical candidate demanded by the people, the Democracy of the Union and by the tariff issue. Dewitt of New York named Hill; his argument was that Hill could carry New York, which Cleveland could not, that Hill was the choice of New York Democracy which Cleveland was not. His logic was faulty in claiming that because the party in New York preferred Hill over Cleveland the party in the nation was bound by that preference. He intimated that his friends would stand for Boies, Palmer, Voorhees, Lincoln or Carlisle, but not for Cleveland. John R. Fairlamb followed play on the same string. Green of Illinois nominated Cleveland as the personification of the tariff issue. English read a letter from Voorhees, too ill to second Cleveland's nomination.

Governor Boies was nominated by John F. Duncombe of Iowa, as the first man west of the Mississippi to be presented to a Democratic convention, while the Republicans always chose a western man. Boies he said, had always been an anti-tariff advocate and became a Democrat when the Iowa Republicans accepted high-tariff views. The speech making wound up with a notable delivery from Bourke Cockran.

It was long after midnight when the Tammany orator began. He pleaded for adjournment, but the motion was overruled. Denouncing this, he pictured the New York regulars and soldiers whose loyalty was relied on to survive any outrage put upon them; Cleveland's nomination was to please Mugwumps, not Democrats; it was the blackmail demanded of Democrats by the Mugwumps, and if he marched to victory it would be over the prostrate bodies of faithful Democrat; he appealed to the South to remember Hill's and Tammany's activities against the forces of Cleveland, he said, was the most popular man in America every day except election day; 25,000 Union soldiers of New York represented in the convention by Generals Sickles and Slocum had said they would not support Cleveland; his nomination would be an outrage on the New York Democracy.

Cockran was one of the greatest convention orators and debaters America has ever seen and he put all the power that was in him in his speech that early morning. But against the rock of Cleveland's strength fortified by Whitney's management the waves of his eloquence broke in vain.
No one dared speak after him. New Mexico knocked for admission as a state seconded both main nominations; Indian Territory was called grimly, "We pass." It was nearly four o'clock in the morning, but the convention refused to adjourn. Whatever the individual sentiments of a majority of the delegates, the convention itself, in the language of David Crockett, "seems its duty and done it." Cleveland was nominated on the first ballot. Total number of delegates 910, necessary to a choice 607; Cleveland received 617, Hill, 114, Boies, 103, Gorman, 36, Stevenson, 16, Carlisle, 14, scattering, 8. Daniel moved that the nomination be made unanimous and Cochran announced New York's vote aye.

Cleveland received votes from every state and territory except New York, Iowa, Colorado, Idaho, Montana and Nevada; Boies' vote came from 16, Hill's from 14 and Gorman's from 12 states. William C. Whitney, managing the Cleveland campaign, as told in the preceding chapter, made no effort to suantage or even hamper the action of the New York delegation, although he had two-thirds of the convention, it was said, under his influence.

Isaac P. Gray of Indiana, Adlai Stevenson of Illinois, Chief Justice Allen B. Morse of Michigan, and John L. Mitchell of Wisconsin were nominated for second place. Iowa had announced that Boies was not to be considered. The ballot was, Stevenson, 402; Gray, 392; Morse, 80, Mitchell, 45, Waterson, Iowa's 26 votes. Before the vote was announced states changed to Stokes and he was nominated unanimously. There was a great demand for Gray, but Stevenson was popular and it was felt that his wing of the party was entitled to the place.

There had been great disorder in the galleries and among the visitors on the floor. General Collins moved that the National Committee be instructed to provide in the next convention accommodations for the delegates, alternates, members of the press and the national committee, and no others. The motion was referred to the incoming National Committee, which took no action on it.

Calvin S. Brist reversed the committee and William P. Harrington of Pennsylvania succeeded him. Robert B. Roosevelt was made treasurer, Don M. Dickinson, chairman of the campaign committee, B. Smalley, chairman of the speakers' bureau and Josiah Quincy, chairman of the publicity committee, called then "campaign literature." Branch headquarters were established at Chicago under Don M. Dickinson. Clark Howell.

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Jr., of Georgia, began this year a long and useful term of service on the National Committee.

In tracing out Democracy's advance, or return, to the doctrine of tariff for revenue only, Cleveland's speech to the ratification committee and his letter of acceptance are important. In the former he said: "We are not recklessly heedless of American interests," but no tariff legislation would be tolerated which forced contributions from the mass to swell the accumulations of the few, nor would pretended solicitude for labor blind people to the selfish scheme of those who sought, through the tariff, unearned and unreasonable advantages at the expense of their fellows.

In his letter of acceptance, after defining a tariff for revenue, he asserted that any excisions, by way of taxation, from the substance of the people, beyond the necessities of a careful and proper administration of the government, were absolute extortion, quoting Seward in 1857. Further on he said that the Democrats urged no exterminating war against any American interest; that the principles professed could be carried into execution without "disaster or demolition" and that a fair and careful distribution of necessary tariff burdens was sought rather than the precipitation of free trade. The advantages of freer raw material were stressed. The context makes the latter expression not a recension from the earlier, but only a denial of railroad action and free trade. His first annual message states the principle that "only the waste of revenue justifies the imposition of tariff duties and other federal taxation."

On the money question the letter was explicit against any uncertain, unstable, discredited currency of gold, silver or paper.

The Republican convention met at Minneapolis June 7th, two weeks before their opponents held theirs. Harrison was respected without being loved by his party at large and there was no good reason for refusing him a renomination. After a sharp fight on a money plank, he was named on the first ballot: Harrison, 535, Blaine, 183, McKinley, 182. Whitelaw Reid was nominated for second place by acclamation.

The Prohibition Party nominated John Bidwell of California, and J. B. Cranfill of Texas. The People's Party held its first convention in Omaha July 2, and nominated General James B. Weaver of Iowa and General James G. Field of Virginia, adopting the famous "Omaha Platform." It asserted that wealth belongs to those who create it, and declared for government ownership of railroads, telegraph and telephone lines, a flexible currency issued
DEMOCRATIC PLATFORM, 1892

Demanded force bills. Decried protection and the McKinley bill as the culminating atrocities in class legislation with sham reciprocity. Condemned reckless waste of surplus, and trust and combinations. Pointed with pride to recovery of 100,000,000 acres of public land by Democrats during former administration. Decried Sherman's Silver Purchase Act. Declared public office a public trust. Strong navy and foreign policy favored. Condemned Russian treatment of Lithuanians and Jews, and expressed sympathy for Ireland. Criminal, Chinese, and contract labor immigration opposed. Just and liberal pensions favored. Improvement of Mississippi and other highways and the Nicaragua Canal favored. Admission of states favored and territorial officers should be resident. Safety laws for employees of transportation companies favored. Contract convict labor and employment in factories of children under fifteen opposed. Summatory laws opposed. Tariff. "We declare it to be a fundamental principle of the Democratic Party that the federal government has no constitutional power to impose and collect tariff duties, except for the purposes of revenue only."

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by the government, the free coinage of silver at sixteen to one. A Socialist Labor convention held in New York August 28th nominated Silas Wing of Massachusetts and C. H. Matlock of New York.

REPUBLICAN PLATFORM, 1892

Refounded doctrine of protection and censured Democratic attempts to destroy the system. Refounded internal conference on bimetallism. Demanded free and honest ballot and condemned Southern outrages at elections. Favored restoration of merchant marine. Refounded the Monroe Doctrine. Criminal, pauper and contract labor immigration opposed. Favored safety laws for transportation companies' employees. Opposed combinations of capital. Approved Rural Free Delivery. Complained civil service. Favored the Nicaraguan Canal. Favored admission of states. Favored coition to states and territories, subject to homestead rights, of all arid public lands lying in the states. Favored with effort to lessen evils of insolvency. Acknowledged claims of veterans. Tariff. "We believe that all articles which cannot be produced in the United States, except luxuries, should be admitted free of duty, and upon all imports coming into competition with the products of American labor there should be duties levied equal to the difference between wages abroad and at home."

DEMOCRATIC DISSENSIONS. TARIFF—SILVER 379

DEMOCRATIC PLATFORM, 1892

Money Question. "We hold to the use of both gold and silver as standard money, with such restrictions and under such provisions, to be determined by legislation, as will secure the maintenance of the parity of values of the two metals, so that the purchasing and debt-paying power of the dollar, whether of silver, gold or paper, shall be at all times equal."

The 1892 campaign was dignified, though spirited, especially on the part of Weaver, who was a great campaigner. The Home-stead strike, caused by a highly protected industry reducing wages in prosperous times, and threatened tariff retaliation by Austria, France, Germany and England, were arguments against the tariff, which, outside of the silver-producing states, was the only issue of weight. In those states and in Kansas the Democrats fused with the People's Party and put out no electoral ticket, except in Nevada and South Carolina, by agreement, voted almost solidly for the Populist electors. For the first time the Australian ballot was used, thirty-three of the forty-eight states having adopted it.

Cleveland had the more popular side of the leading issue and his campaign was skilfully directed by Whitman and well managed by Chairman Harrity, while neither Quay nor Mark Hanna, nor anyone like them, managed Harrison's. Still it was not a cheap campaign; each party had sufficient funds to present its side to the people, but the Australian ballot precluded Dudley's blocks of five and similar practices.

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<tr>
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<th>Popular Vote</th>
<th>Electoral Vote</th>
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<tr>
<td>Cleveland</td>
<td>3,856,543</td>
<td>277</td>
</tr>
<tr>
<td>Harrison</td>
<td>5,175,382</td>
<td>145</td>
</tr>
<tr>
<td>Weaver</td>
<td>1,040,866</td>
<td>22</td>
</tr>
<tr>
<td>Bilbrough</td>
<td>265,041</td>
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<tr>
<td>Wing</td>
<td>21,322</td>
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The Republican vote in Pennsylvania fell off 50,000, most of it.
going to Cleveland, but elsewhere the Republican defection fell generally to Weaver, as did the Labor vote. The Republican vote was 264,000 less than in 1888 while Cleveland's vote increased only 16,000. The Socialist vote fell from 147,000 in 1888 to 21,000 in 1892, and the Prohibitionists gained 6,000. To-nation must be attributed the small Democratic gain and much of the great Populist vote. Cleveland's vote was no measure of Democratic strength, nor Weaver's a criterion of Populist strength. The New York City returns showed that Tammany kept the Democratic faith as Croker had promised.

The high points in Cleveland's second inaugural address were declarations that a sound and stable currency was vital; that a popular disposition to expect special and direct individual advantages from the operation of the government was dangerous, "perverting patriotism to filthy calculation of sordid gain," and the lesson of patriotism should be replaced by the idea that the people support the government not the government the people; public office should not be reward of partisanship, and civil service was now a part of our policy and laws; combinations of great business for limiting production or fixing prices were un-American; tariff revision should be for rectification, not punishment; the necessity for revenue to support the government furnishes the only justification for taxing the people. A feature of the inaugural was the presence in large and enthusiastic numbers of members of Tammany.

The Democratic Party in 1893, in Congress and out, suffered from the disease that attaches always to the minority party; it was badly infected with "anti," like the Whig Party of 1836 as described by Seward. There were many members of the party who dissented from the platform on the money question; there were some in direct opposition to it on the tariff, and there were plenty of old-fashioned Democrats who hated civil service reform. The Fifty-third and Fifty-fourth Congresses contemporaneous with Cleveland were notable bodies of men. The first was Democratic with Crisp speaker and William L. Wilson floor leader; the second was Republican, and owing to special efforts against him Wilson was defeated for re-election.

There was little congeniality between the Democratic Senate and the President. Hill and Murphy from his own state differed with him in politics; Gorman, Brice and others on the tariff, many others on the silver question, others on civil service reform.

Cleveland had one advantage which many Presidents do not have: there was no man in the party who overshadowed him; he

DEMOCRATIC DISSENSIONS. TARIFF—SILVER 381

was the biggest Democrat there was. He chose Walter Q. Gresham as Secretary of State, one of the most distinguished of Republicans, and several times regarded as the possible Presidential nominee of that party. John G. Carlisle, who took the Treasury, was another man of Presidential size. Cleveland wanted George Gray of Delaware as Attorney General, but he declining, Richard Olney, less well known but not less able, was selected. Daniel Lamont, his former valuable and efficient secretary, was given the War Department, William L. Bissell, his old law partner, was made Postmaster General. Coming South, Cleveland chose William A. Herbert of Alabama, long on the House committee on naval affairs and, thrice, its chairman, as head of the navy; and Hoke Smith of Georgia, Kew and young man of notable ability, made Secretary of the Interior.

J. Sterling Morton of Nebraska as Secretary of Agriculture filled out the cabinet.

The Fifty-third Congress, elected with Cleveland, was tabulated as 219 Democrats and 138 Republicans in the House, and 44 Democrats, 36 Republicans and 5 Populists in the Senate. How many of those in the House listed as Democrats were Populists is not known. It has been roughly computed that Cleveland headed a party about sixty per cent Democratic, thirty per cent Populist and ten per cent Independent and "Anti."

The Hawaiian question was the first problem confronting the administration. A revolution had overthrown Queen Liliuokalani and set up a republic which our Minister Stevens had recognized. He had in effect established a protectorate under the American flag pending annexation, a treaty for which was in the hands of the Senate for ratification. Cleveland withdrew the treaty for re-examination. The document requesting annexation and ceding all rights of sovereignty over Hawaii to the United States was signed by six "Hawaiians"—Foster, Thurston, Castle, Wilder, Carter and Marden; not a drop of Hawaiian blood in the veins of the lot.

There was no question that Minister Stevens had aided and abetted the revolutionists. Promptly at their request he had landed United States marines "to protect American interests," but according to Admiral Skerret "the American troops were well located if designed to promote the Provisional government, and very improperly located if only intended to protect Americans in persons and property."

Cleveland designed to restore, if possible, or rather permit to be restored, the status quo ante the interposition of American troops.
He never contemplated the use of force to restore the deposed queen. To right a great wrong, a proper course had to be taken. He sent Blount of Georgia, late chairman of the House foreign relations committee to Hawaii to investigate, and Blount reported, among other things, that if the votes of persons claiming allegiance to foreign countries were excluded, annexation would be defeated five to one. The facts stated in Blount’s report were never successfully contradicted.

Manifest destiny, expansion, the color question, the march of civilization, hauling down the flag and much other reason, folly, patriotism, jingoism and justice figured in a nation-wide discussion. Cleveland tried to apply to our country’s action toward a weak neighbor the same principles he had applied to Samoa in 1888 and was to demand that England apply to Venezuela a few years later. Being able to accomplish nothing by diplomacy, he rigidly refused the matter to Congress where it rested until under McKinley, the Hawaiian Republic having firmly established itself, annexation took place. On the death of Gresham, Olney had been made Secretary of State, Judson Harmon of Ohio succeeding him as Attorney General.

The repeal of the Silver Purchase Act was the first contest between Cleveland and Bryan, and Bryan’s first national appearance as the champion of silver. Wilson of West Virginia introduced the bill for the repeal of the Sherman law; Bland of Missouri offered a substitute looking to the free coinage of silver, and the fight was on. For nearly three years, his time having been extended time and time again, Bryan argued and pleaded the cause of the white metal. His personality equally as strong and appealing as Clay’s or Blaine’s, his exuviates so fitted to his style of oratory, his powerful eloquence and persuasive logic were all in sharp contrast to the matter-of-fact Cleveland, his ponderous style and rather stolid logic. But Cleveland was the duly elected Democratic President and the Sherman law was repealed by a vote of 239 to 109 in the House, many Republicans, however, voting aye and many Democrats nay. Attached to the repeal was an agreement that the government would endeavor to secure international bimetallism. In the Senate the repeal carried 43 to 32 (counting pairs 46 to 37), 22 Democrats and 26 Republicans voting aye, 22 Democrats, 12 Republicans and 3 Populists nay. The close division in the votes show how nearly evenly divided both parties were on the silver issue. A slight preponderance for silver appearing in the Democratic ranks, a slight majority the other way among their opponents, The Seigniorage bill to coin the silver remaining in the Treasury after minting dollars out of dollars’ worth of silver bullion, was passed by both houses a year later and vetoed by the President.

The repeal of the Sherman law was Cleveland’s victory, not a party one, and all recognized the fact. Both parties had dailied with the question; McKinley and many other prominent Republican statesmen were still dailling with it. Cleveland brought his party to the parting of the ways. He had either won the Democratic Party to his views or else lost it altogether; which, was not to be known until the 1896 national convention. But the battle weakened the party fearfully in Congress.

Another development of the fight was the bringing to the fore of William Jennings Bryan. He was not at the Chicago convention that he first was leader. Bland of Missouri was the titular head of the movement in 1893, but only of a provisional army; the moment the real fighting began Bryan led the van, displacing him as actual leader. Bryan had been an enthusiastic Clevelandian in 1884 and 1888; in 1892 he was loyal but not enthusiastic and in 1896 and. After that he thought as unfavorably of Cleveland as Cleveland did of him. In 1892 under its platform and candidate the Democratic Party was the “sound money” party; in 1896 under the leadership of Bryan it was the free silver party. At both times, however, there was a large element in the party adverse to the majority view.

The increase of the demandable notes being stopped by the repeal of the Sherman law, the task of redeeming, reissuing, re-redeeming the hundreds of millions already in circulation had to be performed. There were in circulation $347,000,000 in greenbacks and about $150,000,000 of treasury notes which when paid out at the Treasury were paid in gold or silver at the option of the holder. This was according to precedent, and Carlisle, when urged to require acceptance of silver, answered that while as an original proposition that might well have been done, it was uncertain whether silver on a public creditor under existing conditions and contrary to a rule established by long custom would in effect put the country on a silver basis.

The greenbacks and treasury notes when paid were not retired but issued again, to be presented again, and thus an endless chain of circulating gold from the Treasury was in operation. Now was seen the evil so unsuccessfully fought by Bayard and Thurman in 1873 when they insisted on the retirement of the greenbacks when redeemed. The surplus left by the first Cleveland administration had been dissipated; in fact the Harrison administr...
tration had been preparing for a bond issue when it went out of office; the gold reserve had to be maintained at around $100,000,000, and gold had to be paid when demanded by the nation's creditors. There was nothing to do but issue bonds.

The plates prepared by the Harrison administration were used to print the bonds.

Bonds to the amount of $50,000,000 were sold in January, 1894, and a like amount in November. It was in February, 1895, that Cleveland, Carlisle and Olney held the conference with J. P. Morgan which resulted in the most discussed financial operation of the government since Andrew Jackson "removed the deposits." Morgan & Company and August Belmont & Company paid $65,116,244.62 in gold for $62,400,000 of United States thirty-year bonds bearing five per cent interest. The purchasers offered to take three per cent bonds if made payable in gold instead of coin, but this could not be done without consent of Congress, which had been refused. The transaction was made under a law of 1862 providing for the issuance of bonds to purchase gold. Most important were the inducements to the contract, that at least one-half of the gold should be obtained in Europe and the purchasers bound themselves to exert all financial influence and make all legitimate efforts to protect the Treasury against gold withdrawals.

Congress can hardly be blamed for refusing to single out one set of bonds as payable in gold, thus leaving "up in the air" how the others were to be paid, but the omission cost the government $16,000,000. The contract was kept by the buyers and gold withdrawals greatly diminished. The government was on the verge of being forced to commit an act of virtual repudiation, when this arrangement restored confidence not only in the Treasury but among financial and business circles generally. On the other hand the bond purchasers made large profits; the bonds were sold immediately and without trouble at a great advance and were oversubscribed seven times. A tremendous onslaught on the administration was made, led by the New York World. The general opinion now is that the protection against gold withdrawals together with the increase of the gold supply by that brought from England and the effect on the business world compensated for what otherwise would have been a hard bargain. Cleveland himself and his friends never questioned the wisdom of the transaction and history has approved it. Nearly a year elapsed before another bond issue was needed and then the people bought $100,000,000 at 111; but the danger had passed at that

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time. In all the Cleveland administration bought $293,000,000 of gold for $282,000,000 of bonds.

One of the greatest measures to the credit of the Democratic Party in all its history is the Federal Reserve law. It had its inception in 1894 when Carlisle and his Comptroller of the Currency, James H. Eckles, advised a flexible asset currency to be issued by the banks, under government safeguards. The Democratic Progressives of the House during the administration developed the idea further, and the Wilson administration enacted it into law. However, in Cleveland's time Congress refused to consider the plan.

Much smaller, but more effective by being concentrated in the Senate, was Democratic opposition to the party program of tariff reform. Imperatively commissioned by the result of the 1892 election to reduce the tariff, the Democratic House in February, 1894, passed by a vote of 204 to 110 the William L. Wilson tariff bill, 17 Democrats, 8 of them from New York and 4 from Louisiana, voting no. The bill presented an honest and substantial reduction of the tariff, but not radical, the reduction hardly averaging 15 per cent. Its greatest merit was thought to consist in adding raw materials to the free list, iron ore, coal and lumber, and (for the farmers' relief) cotton ties, binding twine and agricultural machinery. It was so moderate that Henry Watterson said it differed from the McKinley bill in degree, not in kind, was only a Sabbath day's journey toward tariff reform.

In the Senate Gorman, Hill, Murphy, Bries, James Smith, Jr. of New Jersey, and the Louisianans, together with the Republicans, amended it in 634 items. Iron ore, sugar and coal were taken off the free list; Murphy got his tariff on cotton and tobacco; New York got the Graceville point; Cleveland denounced the amended bill as "party perfidy and party dishonor." Gorman replied with a bitter attack on the President. Roger Q. Mills was as severe on the protection Democrats as Cleveland. But the House had to yield and the bill as amended by the Senate was passed 182 to 106, 12 Democrats voting no and many absent. Cleveland refused to sign it, saying in his letter to Congressman Catchings that the livery of Democratic tariff reform had been stolen and worn in the service of Republican protection, and it became a law without his signature.

The income tax incorporated into the measure was later declared unconstitutional. This tariff battle still further weakened the coherency of the Democratic Party, which had been split by the financial and business panic, skillfully held back by the
CHAPTER XXIV

THE REVOLUTION IN KOREA

1950-1951

THE STORY OF THE DEMOCRATIC PARTY