

all, or they would not fight it so hard. I agree with the gentleman from Pembina that there is no danger that any Legislature will pass laws that will kill the railroads. I should be terribly opposed to that. We need the railroads, but we want to keep them in their right places, and every one here who has an interest in the farmer will vote for section twelve.

Mr. LAUDER. As an amendment to the motion of the gentleman from Stutsman I move that when the committee rise it recommend the adoption of section twelve as amended.

The motion was carried.

The committee then rose.

On motion of Mr. ALMEN the Convention adjourned after adopting the report of the Committee of the Whole.

Mr. ALMEN. I move to adjourn.

The motion prevailed, and the Convention adjourned.

THIRTY-THIRD DAY.

BISMARCK, *Monday, August 5, 1889.*

The Convention met pursuant to adjournment, the PRESIDENT in the Chair.

Prayer was offered by the Rev. Mr. KLINE.

Mr. PRESIDENT. We have with us to-day two of the members of the Senate Committee on Irrigation and Arid Lands. I feel certain that I voice the sentiments of every delegate in this Convention when I say that we shall be glad to dispense with the regular order of business and listen to these distinguished gentlemen. I have the pleasure to introduce to you Senator Stewart of Nevada, the Chairman of the Senate Committee.

SENATOR STEWART'S SPEECH.

Senator Stewart said:

MR. PRESIDENT AND GENTLEMEN OF THE CONVENTION: We are here on a tour of investigation to obtain information rather than to impart information to others. But your President having kindly invited us to come before you

we deem it a privilege to do so. It is a most interesting occasion to see a new State forming a Constitution to become a member of the Union. North Dakota and South Dakota, Montana and Washington, are all engaged in the same interesting business. Four new states are soon to have a voice in the councils of the nation. This is very important, not only to you but to the whole nation. This is a representative government, and in order that each section may be properly cared for and have the benefits of the government, it is necessary that each section shall be represented. The great west—that portion of the country lying west of the Mississippi river has not been adequately represented, because we had not the population. The communities west of you have developed important interests in a most rapid manner, which have not been adequately represented or protected. In fact, while we are territories we are step-children and suffer from a great many inconveniences, but when we become states we are in a better position to look out for ourselves. It is bad for the government to have step-children or to have any place where they can send off those who are inconvenient to them and where they won't hear complaints. The government needs to hear from all sections—in order to do what is right.

This question of irrigation is a very important one; a new question to the people of this country, for we spring from a race that lived in a rainy country—the northern part of Europe. We came to this country where the rainfall is ordinarily sufficient for crops, and all our teaching and all our traditions related to raising crops with adequate rainfall. It was not so with many other people. It was found necessary to irrigate to raise crops by the ancients. There are now perhaps two-thirds of the people on this globe who pursue farming, who are required to irrigate their lands. Not more than one-third have the blessings of sufficient rainfall. In the Atlantic States, east of the dry zone—in a word, between here and the Atlantic, is the largest area in the world where there is sufficient rainfall to produce crops. The countries where irrigation is pursued have their advantages as well as their disadvantages. The land is richer, because it is not bleached so much by the rainfall. There are many places in the Atlantic States where they have very great difficulty in getting crops sufficient to pay for their labor. The land is poor, sandy, bleached—there is too much rain, and it is difficult to fertilize enough to produce good crops. Besides, even there they have their wet times and their dry times and their draw-backs. There is another consideration in regard to irrigating land. I think considering the population that has been supported—the vast numbers of people that have been supported where irrigation has been pursued, the vast populations that have lived there; we may infer without having made close investigation that irrigated land is very much more productive than the other kind. One acre of irrigated land is probably worth two or perhaps three or four of land which has sufficient water without irrigation. It requires industry, care and attention—more perhaps than where you have rainfall, but you get a more certain result. Now this country has been admitted by all to have at least 1,200,000 square miles of land where irrigation must be pursued. All of the country west of the 100th meridian, and a portion of that east, requires some irrigation. All that is west requires irrigation except a little strip west of the Cascade mountains. There is a great deal of waste land in that area that cannot be cultivated or irrigated. But it so happens that even these waste lands furnish nutritious grasses and are very useful for raising stock and always will be. So after all there is not as much worthless land as you might suppose.

These mountains are worth more than the eastern mountains that have been cultivated. We do not know exactly how much of this land can be reclaimed—how much can be brought under cultivation, but of the 1,200,000 square miles, if we can reclaim 12 or 15 per cent, it is an enormous amount of land. That is as much good land as they have in a good many large states. I am not certain but we could support about as much population in this region as we have in the region where they have the rainfall. If we compare this section of country with British India, it is represented that they are very similar. British India contains 800,000 square miles and supports a population of 250,000,000. We have 1,200,000 square miles. This section of country is the only one where we can make homes for the settlers that are coming hereafter. They have got to go into the arid region. The public lands in the rest of the country are occupied. That being the case, Congress has taken the matter up for the purpose of ascertaining the facts with regard to it. They appropriated at the last session of the last Congress \$100,000 to be used in commencing a system of explorations under the geological department, under Director Powell's management. This is attached to the bureau that has to do with the geology and topography of the country. One hundred thousand dollars was appropriated, and last year a further sum of \$250,000, which is now being expended, but this will not go far in the work. It takes a great deal of money to make these surveys. These surveys raise another question as to public policy and constitutional power. The policy of the department has been to survey the public lands so that settlers could move onto them and till them. The ordinary survey of public lands will not necessarily allow settlers to do that. The survey of mountains and desert lands will be of no service to the homestead settler. But the arable lands must be surveyed and they must go into the hands of settlers. This question of surveys involves different problems. We have in the mountains a stream—a watershed of considerable magnitude, and the stream that in the summertime nearly runs dry. It contains enough water to irrigate, say, 100,000 acres of land, and this land depends entirely upon that stream.

The survey must determine the value of these streams—locate reservoirs to store the water—determine the lines and ditches so as to reclaim land that can be reclaimed in any one watershed. When we have that done we will still have a very difficult problem before us. The homestead laws will not apply to that territory, because somebody must build waterworks. Hydraulic works must be constructed. Here are 20,000 acres to be reclaimed—probably the work will cost fifty or a hundred or two hundred thousand dollars, and the individual going there can do nothing. We must have laws so that there can be a combination between the people to construct these works for the common benefit. The next thing is to have laws to prevent monopolies, for I don't believe in one party owning the water and another the land. That would make serfs of the people. It is a difficult problem to work out. It has some advantages, for it is more difficult to monopolize irrigated land than other land. A man with a large amount of irrigated land will find his hands full if he is going to make it productive. In California they found that they had to cut the land up, and inaugurating a system of irrigation has opened a field for emigration. There is another consideration connected with water which applies everywhere. While we have no means of increasing the rainfall—that is

beyond human control so far as we have investigated, for raising of trees and vegetation does not increase the general rainfall—what a man can do is equivalent to that—he can preserve the rainfall that comes. He can plant trees, cultivate the soil and put more water on it in various ways, by ditches from rivers, or by storing the water, or by artesian wells. There is a great contest always going on between man and the desert—man moving out by regular stages into the desert and the desert moving back onto man. So man has been advancing and the desert has been receding. Many countries, on the other hand that were once inhabited, and may be reclaimed again, are now deserts. Large portions of Egypt that were once fertile, are now deserts. There are some wonderful irrigating works there—constructed 3,600 years ago. Their ruins show that they were intended to cover a large portion of the acreage. Travelers in Palestine tell us that every step taken shows evidence of ancient irrigation works. They built tanks on the mountains of huge masonry that hold water to-day, In Persia and the eastern empire that once flourished, ruins everywhere say that the desert has driven man back in those regions. Why, it is difficult to say, but we know that before the day of telegraph and the railroad, nations might be destroyed by the destruction of their hydraulic works. A foreign foe, getting into a country might destroy a whole people by the destruction of their irrigation system.

In South America we find the most perfect masonry built by the Spaniards, and in our own time Japan is a country where the people have made great development of its irrigation system. The country is mountainous, and by the sides of the mountains they construct terraces in which they save the water that falls. In Japan they could not possibly support 10,000,000 of people, and perhaps not 5,000,000, and may be less than that. Now they have over 30,000,000. China has vast irrigating works, and India depends largely upon it. Sometimes in India they have plenty of rain, but it does not come at the right time. The amount of money spent in India by the English government on irrigating works is simply enormous. The country was devastated by famines—the railroads could not prevent these famines, and an estimate was then made as to what would be the cost of the necessary irrigation works to be constructed by the government. The first was 150,000,000. Now they have spent between three and four times that amount. We cannot go into any such scheme as that, but what we propose now is to ascertain the facts and lay them before the American people. When they find what a heritage they have got—how much wealth there is, we have no doubt the ways and means will be discovered and the difficulties will be overcome. As to your region here, it has been compared particularly by Professor Davison to the region he finds in India. There they made canals out of the rivers, and distributed the water over the land. They have created an immense amount of wealth by the work they have done in that country. You have immense rivers here and much land that can be irrigated by them. You are, however, between the regions where they rely entirely on rainfall and entirely on irrigation, and you are likely to forget the bad years, but your abundant rainfall in some seasons will enable you to store the water and provide for the bad seasons. Water is very easily stored in lakes and ponds and it is very easy for the farmer to have a lake, and if he stores his water for the dry seasons he will have crops when he otherwise would have none.

The existence of artesian wells has been known for a long time, and the

waters from them have been used for irrigation. The chief objections have been that the supply of water has been liable to exhaustion, and before I came to this region I was very skeptical about the extent to which this land could be irrigated by these artesian wells. But the artesian belt is like everything else—the quantity depends upon the supply and the extent of the supply. They are sunk all along the James River Valley, down to the Missouri river. They have sunk their wells through shale, limestone, and have come through into the sand rock. They have not gone through this sand rock. They have gone into it fifty or sixty feet. It is a coarse sand, and it is the largest water bearing strata I have ever read of in any artesian country. It has got more capacity and more power, and discharges with more power than any that I ever heard of, and if there is a sufficient supply it might be used very generally for irrigating purposes. Much depends on the supply, and I have suggested to Major Powell, if this artesian strata that carries the water, immense as it is, comes from the Rocky Mountains, bringing the melting snows from those mountains—the supply would be such as would be of incalculable benefit to the people of this region. If this is the source of the supply, you can get artesian wells anywhere between the Rocky Mountains and the James River Valley. That matter should be investigated, and will be investigated. Once irrigated, this country can maintain a larger population than any portion of the east of the same size, for you have an advantage in your subsoil for saving the water. Your soil takes less moisture than the soil of the eastern states. There is scarcely any place we have passed over in Dakota that requires more than four inches of moisture to make a good crop, while in many parts of the east they require a foot. I am delighted that you are going to send representatives to Congress, and they will be able to do much to secure for you such legislation as will enable the people to develop the country. That will make all this land here which is now worth \$10 acre, worth from \$30 to \$100 an acre. Its value will be determined by its proximity to market and its productive capacity.

There is another matter that I would like to speak to you about. They have invented a recent process for irrigating debts and making them grow. I think debts are large enough when they are born. I don't think they should grow after the contract is made. Shall I speak a little about that? You know very well—you have been told again and again—that the price of articles depended on the law of supply and demand. Value is not intrinsic in gold and silver. It is entirely outside of them, and depends on two propositions. First, the desire of men to have the article valued, and secondly the limitation of the quantity. If the quantity is unlimited, as air and water, you don't pay anything for it. If you were on a desert where water was scarce, you would give anything for it if you wanted it. We call that supply and demand. When there is a failure of the wheat crop you say—wheat is going up, and so if anything else is going to be scarce. If the demand increases and the supply does not, prices will go up. If the quantity increases and the supply does not, then it will go down, and money and everything else is governed by that same law. If you doubled the money in the world, property would go up. If you destroyed half the property money would go down, but debts would keep where they are. So that the price of money depends on the same law of supply and demand. Civilization has had a great deal of trouble in devising some form

for money to take. They found only two things that they could agree on, and they were gold and silver. They do not rust, you cannot destroy them with fire and they remain the same. They are the only metals that can be found in any quantity possessing these qualities. The world in all civilized countries has adopted these two metals as money. I agree with the greenbackers in this—that fiat money is philosophical if you can get all the world to agree that the stamp of the government issuing it is good for the face of the bill. But you will have to get 1,200,000,000 of people to agree to it, and you can't live long enough to get them to do it. But they are all of one mind so far as silver is concerned. Wherever money is used they use silver, and in Asia and South America—in all those countries they know no other money. You cannot use gold there—they know nothing but silver. Only 250,000,000 of the people in the world know anything about gold as money. With these people the two metals possess the same characteristics and can be used for the same purpose and with them it does not make any difference which is used. It is a dollar the man wants, and it does not make any difference to him whether it is gold or silver that he gets. That practice existed for three or four thousand years, and when a country had plenty of money it prospered, for money is like the life-blood of the system.

It is the interchange of commodities that makes the difference between the civilized man and the savage. Money is necessary to this and it so happens that when a nation has plenty of money the people are prosperous, and when they have but little money they have a bad time. You cannot have property in a country without a good crop of money. Take the Jews in the time of their prosperity—when they made Palestine flourish and made it renowned. When they made their advancement they gathered gold and silver from every country in Asia, and the countries surrounding them. Look at Egypt—when she built her reservoirs and hydraulic works—she had an abundance of gold and silver. See Rome, from the time she started out on her way of glory, till all the commerce and treasure of the world was turned over to the Roman Empire. She accumulated in coin vast amounts, besides gold jewelry—more than any other nation has ever accumulated. No nation has ever got before or since the amount that Rome accumulated. By and by she had internal strife—war, internal quarreling—lost her money—men would bury it—and with her loss of money came her loss of power, and she descended to the same level to which she was centuries before. The world was once more plunged into barbarism for the lack of money. Feudal slavery was the order of things—no independence—no bravery—no independence of thought—no individual action—all slavery. I tell you my friends such a thing as brave independent action without wealth is phenomenal. It does not happen once in a century. To take a man's wealth from him—to mortgage his property—to make that mortgage grow larger and larger—will make him a coward. In a generation or two he is willing to become a slave. Take a tramp, and you can kick him from your door, but put \$500 into his hand and you cannot do that. I have seen miners with no money who could be kicked around without a murmur, but let them strike it well, and they will carry a chip on their shoulders.

I am opposed to irrigating debts and mortgages, because they take the independence and manhood out of the people. Our present civilization—it was the gold and silver from Mexico which revived commerce, started a new era of

mining, and then we see reformation began—then we see men asserting their independence—we see civilization developing, because the people have money and are independent of their masters. This went on for 300 years without any diminution. There was some little falling off in the mines—the countries in South America and Mexico cut off the supplies, and from 1810 to 1850 they had dull times. From 1840 to 1850 \$8 a month was considered good wages on the farm. All property was down—very cheap—everything was at a standstill. The entire product of the world from 1810 to 1850 was less than \$40,000,000 of money. It did not keep pace with the growth of population—it was not enough to supply the losses of wear. But then came the discovery of gold and silver in California, and Australia. That was a blessing that no preceding generation since the world's history has enjoyed. That started inventions, progress, wealth. The average rise of the value of property was $35\frac{1}{3}$ per cent. This is according to the statistics of England, Germany and the United States. Everybody was employed. When you go in debt you see sell money short. If when you go to deliver it it is worth more than when you made the contract you have to give more property to pay it. When this good fortune first dawned on the world there were some bond holders—some people long on money—who had a right to call for their money. They said—when we get our money we will not be able to buy as many of the necessaries of life as we could when we let you have it. They said that we must stop making money out of silver—make it out of gold. Germany and Austria demonetized gold, and so did Holland and some of the other minor states. The struggle went on and France took it into consideration and in 1869 after a commission had set on the subject for some time, she said that it was necessary to demonetize gold. Then a great deal of silver was produced, and Bismarck said, “we will demonetize silver.” England had done this in 1816 and had demonetized gold in India. In 1871 gold was restored in Germany and silver was demonetized. In 1873 a bill was smuggled through Congress demonetizing silver in this country. At all events nobody knew it. Grant did not know it for two years after he had signed the bill. He signed it in 1873, and in 1875 he advised the establishment of two or more mints at Chicago, Omaha or St. Louis for the purpose of coining silver dollars. He did not know when he advised this that he had signed a bill demonetizing silver. The influence of the United States and Germany induced the Latin union to do the same. Then by the end of 1875 silver was banished from the civilized world as a coin to stand on a par with gold. In 1878 we passed a law providing that the Secretary should not coin less than \$2,000,000 of silver in a month. This has done one thing—it has furnished \$300,000,000 worth of silver certificates for the people. The civilized world had contracted enormous debts. The corporate and private debts were enormous.

What means did we have to pay our debts? We had a regular income of \$200,000,000 from the mines out of which to manufacture money. That was our supply. If the people had been allowed to go on they would have been able to handle their debts and pay them. I believe in the obligation of contracts. That is the foundation of civil government and civil liberty, but it would not have been easy for the people to have maintained their credit and pay their debts without silver, in view of the facts under which they were contracted. The world sold money short because they saw that there was two hundred millions being poured out of the mines. They did not anticipate that

there would be anything done that would impair the utilization of this crop of money. Consequently they had gone into debt. But when these laws were passed the supply was cut off, and it grew less and less every year. The price of property has decreased in sixteen years, according to these same statisticians, from 30 to 35 per cent., including farm property and other real estate. You take farms in the east that are not affected by local improvements or immigration, and they have fallen in value 35 per cent in the last sixteen years. They will continue to fall. Now we are told we must ask England and get her consent before we can coin silver again. The people of Europe have no say in this matter. It is the money class that rules Europe—the aristocracy that live on the interest on bonds and fixed incomes, and they want labor cheaper so that they can pile up more money. The present system has destroyed the farming class in England. They appointed a commission on the depression of trade, and that sat for two years. Volumes of testimony were taken. The farmer said their wheat would not sell for as much as it cost to produce it. They said to the farmer—we cannot help you. We cannot revive the corn laws, for we are a great manufacturing country, and we must have cheap labor. But see how we are building up India. If we let you prosper we would make the American farmers prosper too. We must have cheap labor. Mr. Farmer, you will have to suffer.

So England goes on the basis that she is a creditor nation. If she makes money scarce she will continue to hold her supremacy, but anything that is done to make money cheaper would be fatal to her financial supremacy. That is sufficient reason for her to hold on to the gold standard and contract the world's money to the greatest extent in her power. How does it operate here? Since the war the United States has been the field for the investments of this bonded aristocracy of Europe. Only think—the interest payable on the debts of the civilized world amounts to \$5,000,000,000 per annum. Five thousand millions of dollars per annum the laboring and producing classes contribute to the non-producing classes. Can you comprehend this? More than all our wars cost is contributed annually by the civilized world in interest. A good deal of that five thousand millions has to be re-invested. Syndicates have been formed to make investments in bonds. They come over to America, and the Americans are always flattered by getting beside an Englishman. The Americans tell them about the resources of the country, and then these syndicates get interests in our railroads and towns and cities, and one of the condition of the bonds will always be found to be that the face and interest shall be paid in gold. It is understood that the bankers will exact that the bonds shall be paid in gold. The railroads are undoubtedly mortgaged for twice the cost of their construction, and the officers have made a good thing out of them. But these New York bankers who control the newspapers and everything else, they make all these bonds payable in gold, and wherever you go—whether to the great banker in London or New York, or even to the little banker in your own town, you are told that gold is the only thing that is good for anything. And so it goes; but four-fifths of the people are on our side and Congress is with us. But the money power has controlled every Secretary of the Treasury for twenty years absolutely. That power forces the secretary to purchase the minimum and not the maximum of silver each month. But the present ad-

ministration was elected on a silver platform—the platform that says the republican party is in favor of both gold and silver for money. When we come to a vote we have a two-thirds majority in Congress. Mr. Cleveland asked his party to repeal the Bland Act and adopt the gold standard exclusively, and here is a gentleman sitting by my side who had the manhood to get his fellow members of Congress to the number of 100 to sign a respectful letter to Mr. Cleveland, telling him that they would not do it, and they did not do it. This saved you from a catastrophe of having the chains of bondage riveted about your necks. It was the democrats during the Cleveland administration who stood up against their party, and I present to you the leader of the men who did it.

I say to the bondholders that the American people are in favor of fulfilling their contracts, but there is not gold enough to redeem the world's debts. The world must go into bankruptcy or slavery. You cannot have more than there is of a thing. There is not gold enough to do it, and I warn the bondholders to allow the full volume of gold and silver to be manufactured or there will be universal bankruptcy. The world is too much in debt. The financial system has the worst fever in the world. The extremities are cold. There is no money with which to enter into any enterprise. No man will put money into property. All the railroads are discharging hands, the manufacturers are curtailing—everybody is waiting to see what will turn up. Things are at a standstill in this great country when they should be moving forward without let or hindrance. There is no people more energetic, more intelligent or more temperate on earth, and things should be moving forward. No, we are trembling—curtailing—no money is being used—there is no money in the country—it has gone back to the centers and it seeks investment in bonds. When money is a drug in New York, that is a sign that business is stagnant. That is the condition now. Do not be deceived. I tell you that there must be a change, and when they tell you that money is plenty they deceive you. Every man knows that it is not plenty. I say we are in favor of the use of both gold and silver. They sneer at me because I come from a mining state. I tell you the silver miners of the United States have suffered in actual discount over ninety millions of dollars. That is what they have suffered. It is a great industry—farming is a great industry—we destroy these industries for the purpose of gratifying the bondholders in making the rich richer and the poor poorer. I hope the people of this new state will stand shoulder to shoulder and send no representatives to Congress that will represent New York city, or London, or Berlin. Those cities have representatives enough there now. You will send men who will represent North Dakota, and Montana, Washington, Idaho, Wyoming, California, Nevada, Colorado, Nebraska, and Kansas will be with you.

Mr. PRESIDENT. I have the pleasure of introducing to you one of the best friends of the farmer of Dakota—one of the champions of the Inter-State Commerce law—Senator Regan.

SENATOR REGAN'S SPEECH.

Senator Regan said:

MR. PRESIDENT, GENTLEMEN OF THE CONVENTION, AND LADIES: I esteem it a very high honor to have the pleasure of addressing the mem-

bers of this Convention, clothed as they are with the sovereign authority of the people of North Dakota to form a State government. In sitting here and remembering that I was in the presence of the Convention that was to form a government, the thought came to me as to the difference between the formation of governments here in our land and among the despotisms in the old world. There the king, the emperor, is the sovereign, the source of authority, the foundation of honor. There the people are held to be incapable of self-government. There the philosophy of their system is that the government must be strong enough by the exertion of its powers to preserve order, to protect property, life and liberty, and to restrain the people as a means of securing safety to society. How different it is in this land of ours. Here each individual citizen possesses within himself a unit of the sovereignty of this great republic. Here the people by their own authority make, amend, destroy or alter governments. They are amenable to no authority above themselves. Here we hold that man is capable of self-government; that he possesses virtue enough to preserve the order of society. A hundred years and more of experiment in peace and in war has vindicated our American principle that the people are not only sovereigns, but capable of self-government. You in your capacity as a convention are exercising the highest sovereign authority a citizen can exercise. I did not anticipate observations of this kind but they arose from the accident of this presence.

Our committee of which Colonel Stewart is chairman have been directed by the Senate of the United States to collect information on the subject of irrigation in the arid regions of the United States. The question is one of very great moment, and is attracting year by year greater attention than heretofore as population reaches out to the arid regions. I will not attempt to discuss this question of irrigation in the presence of my friend Colonel Stewart, who has given so much attention to it, and Major Powell, who has given more attention to it and better understands it than any other citizen in this country. It is enough for me to say that about four-ninths of the territory of the United States, exclusive of Alaska, is in the arid region of the United States; in that part of the country where irrigation is necessary to fructify the soil and increase its fruits. The subject of irrigation for this purpose is older than history, especially in Egypt and Asia, and has been employed for a long time in Italy, Spain, France, and in Mexico and South America on this hemisphere. Recently it has been engaged in in our sister States of Colorado and California, and in the Territory of Utah. Our mission is to collect from among the people as much information as we can as to the necessities of the several portions of the country for irrigation, and as to their experience and judgment as to the means of irrigation. We are therefore collecting information, and not undertaking to give it, nor can we say what Congress will do with this information when it receives it. It may be the basis of some action that will be of value. Already an appropriation has been made for a survey, and land and water have been reserved from speculators till some plan can be adopted which will enable the federal government or the states and territories to utilize the waters for the benefit of the people of the country. In passing through the Dakotas we were gratified at the large flow of waters from the artesian wells which may prove an inestimable boon to the people of this country, and which presents the problem here, perhaps, in a different phase from what it is else-

where, where the holding of water and the flooding of dams during the wet season and using it during the dry season to stimulate the crops is resorted to. I don't propose to go further into this subject now, and if I may be pardoned I will refer to another subject—one to which Colonel Stewart has referred—a subject that is of vital interest to our people. Some fifty years ago Stephen Girard of Philadelphia, after a life of successful speculation and adventure accumulated a fortune of \$3,000,000 which came from the fact that he owned in San Domingo, where the blacks were massacring the whites, property, and he put the treasure of the whites on his vessels and took them to Philadelphia for safe keeping, and the owners never lived to call for them. His fortune was the wonder of everybody in this country. Now what a change. We see within a few years men accumulating fortunes of ten, twenty, fifty, a hundred or two hundred millions. I pause to make this observation in reference to our past and our present. Up to thirty years and less ago, the wealth of this country was more evenly divided among its people, and the enjoyment of the wealth was more and better distributed. Since that time the tendency has been to collect the wealth of the country in a few hands and impoverish the great mass of the people. There naturally arises in the mind of one—how is this? If you will bear with me I propose to state to you some of the things which have brought this about, for being one of those who have sprung from the ranks of labor, my sympathies and feelings have been with the lower classes, and I have always tried to be faithful and true to those with whom I have been associated. What has caused this great change? I will only go back twenty or twenty odd years for the explanation. During the civil war the government was involved in a debt amounting to nearly \$3,000,000,000—\$2,800,000,000. The necessities of the government required that it should issue a great deal of paper money. Commerce was disturbed, and Congress undertook to relieve these embarrassments by causing this redundancy of circulation to be converted into interest bearing bonds, which was no doubt a wise policy. To induce people to take these bonds it was provided that the owners of this currency might buy the bonds at par with the currency. The currency was worth about half as much as coin. So a citizen with \$100,000 of coin could buy \$200,000 worth of notes, and with them buy \$200,000 worth of interest bearing bonds. So by this operation, and I don't question the policy of it, whatever the motive might have been, it was to give to the bondholders one-half of the amount of the bonds which they held and a promise of interest payable semi-annually in gold on all of them. That was an enormous gift. But as I have stated I do not stop to question whether this was right or wrong, but to mention it as the first great step of enriching the few at the expense of the many. Up to 1869 the lawful money of the United States consisted of gold and silver coin and legal tender notes. All debts, public and private, state and national, were payable in this kind of lawful money. In 1869 these bondholders who paid 50 cents on the dollar for their bonds, concluded that these bonds should not be redeemed with the kind of money with which they were bought, but with coin. A congress was found faithless enough to the right of the people to say by law that thereafter the bonds should be repaid in coin alone, and that meant gold and silver. This act of taking away the legal tender notes as a means of payment, it was estimated by some of the best men of the country, by increasing the value in the hands of the bond-

holders of their bonds, added not less than \$500,000,000 of burden to the people of the country. That is the second step in this drama.

Subsequently Congress provided for the retirement of the legal tender notes from circulation, by directing the Secretary of the Treasury, as they were brought into the treasury, to cancel and destroy them. When this retirement was ordered there was \$400,000,000 worth of legal tender notes. In the execution of this law fifty odd millions of these notes were taken up, cancelled and destroyed, thus taking that much circulating medium from the people. It was alleged that it was sought to pay these bonds in coin because they must pay them in honest money. But to pay bonds in gold and silver which were bought with currency worth 50 cents on the dollar was one of the instances of putting on the livery of heaven to serve the devil with. Money that was good enough to pay the soldiers and sailors—money that was good enough to pay all private debts was good enough to pay these bonds that were bought for 50 cents on the dollar. In 1872-3 Congress passed a law to which Colonel Stewart refers, demonetizing silver. This was taking away from the currency of the country one-half of the money which might have been employed in national and state and corporate debts which we owed, and private debts. It reduced the amount of metal money one-half after providing for the retirement of the legal tender notes. That act of oppression to America was passed in view of the further fact that then as now, the United States produced forty per cent. at least of all the silver mined on the earth—a bounty bestowed upon this country by God such as has been bestowed upon no other country on earth—a bounty which, if it had been bestowed on Great Britain or Germany, the statesman who proposed to demonetize and destroy the world's money, would have been regarded as a lunatic and a knave. And yet our financiers and legislators to retain their respectability with British and German creditors and bond holders and Wall Street and London and Vienna bankers, sought to take from the American people this great boon in the hour of their struggle to redeem their indebtedness. I venture to say that in this world's history no act of greater outrage on the industrial interests of the country has ever been perpetrated—a policy so vicious as to affect every possible interest of the country. It was a measure to enrich the few and impoverish the many. But they said in justification of this, England has demonetized silver, Germany has demonetized silver, and they are old and wise nations. So they are, but that does not prove the wisdom or necessity to sacrifice the rights of the American people. Every civilized nation under the sun is Great Britain's debtor. When a state or a government desires to obtain a loan, or a railroad or canal corporation desires to obtain a loan, they will take their bonds to England, and if they are shaved down twenty or twenty-five per cent. they give their bonds for the full amount and with interest payable in gold only, and the people in that country who hold the revenue yielding property, own bonds given by the people of every land—by nations and corporations of every land. It was her policy to make those bonds as valuable as could be. Then Great Britain has a long civil list, and the incomes of those people are fixed, and it was the policy to make them as valuable as possible. When our government demonetized silver it did its share to destroy one-half the metal money of the world—to add to the burdens of the people—to double the number of carloads of wheat or bales of cotton or days

work of the people of this country to pay the vast indebtedness that then existed. This is the instrumentality through which the wealth of this country was rapidly made to drift into the hands of a few persons, and that has done so much to load the people, the labor, and the agriculture of this land with taxation, with debt, embarrassment and often with sorrow and grief. It is enough to show how in a large measure this state of affairs was brought about. The occasion does not call for me to go into the operations and the means by which we have made millionaires and paupers in this country. But this is a sample of what has done it. I submit to this Convention whether the facts which I have stated are not the unalterable facts of history, and whether they are not sufficient to account for the condition of things which prevail in this country? Your young State is just coming into the Union. It has to shape its policy, and your action and the action of the people which immediately follows it, will determine in a great measure your capacity for forming a government which will protect the people and obviate the dangers which lie before us all. You will find that the money powers are strongly intrenched in power at the national capital, and that they have held control of the functions of government of this country for the twenty years in which all this has been going on. In 1877 Congress made an effort to relieve the pressure, and passed a law over the veto of the President arresting the cancellation of the legal tender notes, and preserved \$346,000,000 to the people as part of the currency. The same Congress passed over the veto of the President a law which required the coinage of not less than two millions nor more than four millions of silver dollars a month. The House of Representatives passed a law for the free coinage of silver, but the Senate placed the limitation on it, and preserved the tax on the coinage of silver. By the law the government pays for the coinage of silver, and by the law the producer has to pay a tax to the government for its coinage. Now then, I feel a very great degree of gratification at the thought that four new western states are to be represented in the Senate and the House of Representatives at Washington. Add them to California, Nevada and Oregon and to the southern states, and we will have the power to control this question. If you choose men to represent you, and if the four new western states choose men to represent them who will go there under the influence of Wall Street and the bondholders, you will aid in fastening the chains of poverty tighter on your fellow citizens. I make no reference to any of your candidates, for I don't know who they are. In God's name send men who will represent North Dakota who are Dakotians. Do not send men to represent the bondholders and money men, to further oppress the people, and go further to change the character of this government—to rob the people of their sovereignty and make them the slaves of the money power. You send the right men, and we will make the coinage of silver free and unlimited like gold. Some people speak of the great weight of silver. I never found any trouble because of this. But we propose to relieve that objection and provide for the issuance of coin certificates, based on the gold and silver coin which will be deposited with the government. Strike down the difference which now exists between the two coinages. When men come to you and tell you that you want honest money to pay honest debts, tell them to disgorge the millions of which they have robbed the American people. They first changed the law under which these debts were created, for under them we could have paid

them in legal tender notes. They changed that. They violated the letter of the contract by taking away the rights of the people to pay them in coin, and ask that they be paid in gold alone. It would seem when we contemplate the intelligence, independence and courage of the American people, that no set of scoundrels would have ventured such an atrocious scheme as this was to rob a brave and strong people. We will be deluded no longer by their cry of honest money—we will be deceived no longer by a heartless and venal press. There are organizations among the laboring and agricultural people, where these questions are being discussed as they have never been discussed before. They are beginning to awake to the condition of things, and they will demand such action as will restore to the people of the land their rights. I do not consider whether men are republicans or democrats in relation to the great questions which attack alike the rights of every citizen. When the President of my choice choose to join the band of plunderers, I told him he must halt, and induced a hundred democratic Representatives to tell him that he must halt. I have been a democrat all my life. I believe in its principles as I believe in Holy Writ, but whenever it joins the cormorants and robbers, it is no longer the party of Jefferson, and it will be no longer the banner under whose banner I will go. This country has suffered as no other country has suffered from classes. The legislation of this country has been controlled for more than twenty years by the money classes. It is enough for me to say that legislation in the interests of the classes as against the masses has covered many of your farms with mortgages—has loaded many of your people with debts that they cannot discharge, and has helped to pile up the colossal fortunes which press on the American people. Let us demand the repeal of all adverse legislation. Let us demand laws which shall protect all men alike and shall give no man an advantage—an undue advantage over his fellow men. I will go with any man in any party to accomplish a purpose so beneficent and so holy as this.

Mr. PRESIDENT. I have a great deal of pleasure in introducing to you Major Powell, the Director of the Geological Survey.

MAJOR POWELL'S ADDRESS.

Major Powell said:

MR. PRESIDENT, AND GENTLEMEN OF THE CONVENTION.—I am not accustomed to speak on occasions like this. In the first place I never made a political speech in my life, and it seems to me I am almost out of place here. When I was a boy they used to bring to the table the dinner, and the finest things came at the last part of the feast, but somehow in the high falutin dinners they give now they fill the people with wines and viands of many kinds, and then end with strong cheese and hard crackers. I think that is what your PRESIDENT is doing to-day. He wants to top off with something very plain. I know nothing about the silver question, but I have studied somewhat the subject of irrigation. I was a farmer boy and have been engaged in farming, and have spent a good deal of time studying many of the problems which interest your people. I remember in my childhood my father moving into Illinois. Then I remember when Wisconsin and Minnesota were making states, and now you are making two states of Dakota. All these years I have watched the march of progress across the continent, and have seen all this western half of America grow up as

it were from a wilderness. Of the questions that practically interest the people who are engaged in farming, I have made some study, and in my remarks I will confine myself wholly to some practical questions relating to irrigation, and then I will show what the Constitutional Convention should have to say about them. The State of North Dakota has a curious position geographically in relation to agriculture. The eastern portion of the State has sufficient rainfall for agricultural purposes; the western part has insufficient rainfall, and the western portion is, practically, wholly dependent on irrigation. In the western portion, all dependence on rains will ultimately bring disaster to the people. They are willing yet, a good many of them to admit it, but the study of the physical conditions which prevail in this county and the application of the knowledge which has been given to mankind through the study of these same problems in Europe and Asia and Africa, all prove this one fact—that in the western portion of this State they will have to forever depend on artificial irrigation for all agriculture. In the eastern portion they may depend upon the storms that come from the heavens, and there is a middle belt between the two regions which is of very great interest. They will soon learn in the western portion to depend upon irrigation and provide themselves with agencies for the artificial fructifying of the soil with water. In the eastern part they will depend on the rainfall, and in the middle portion they will have a series of years when they will have abundant crops; then for two or three years they will have less rainfall, and there will be failure of crops and disaster will come on thousands of people, who will become discouraged and will leave. Up and down the temperature of agriculture will rise and fall with the seasons in this manner, and the only practical way to do is to look the thing squarely in the face and remember that in middle Dakota agriculture will always be liable to meet with failure unless you provide against it. That is the history of all those who live on the border between the humid and the arid lands. Years will come of abundance, and years will come of disaster, and between the two the people will be prosperous and unprosperous, and the thing to do is to look the question square in the face and provide for this and for all years. You hug to yourselves the delusion that the climate is changing. This question is four thousand years old. Nothing that man can do will change the climate. A long succession of years will give you the same amount of rainfall that any other succession of the same length will give you. The settlement of the country, the population of the country, the planting of the country, the cultivation of trees, the building of railroads—all these matters will have no influence upon your climate. You may as well not hope for any improvement in this direction. There is almost rainfall enough for your purpose. But one year with another you need a little more than you get. It is flowing past you in the rivers. Storms come and spread over the land, and the water runs off into the rivers and is carried into the waters of the Gulf of Mexico. There are waters rolling by you which are quite ample to redeem your land, and you must save these waters. I say it from the standpoint of the history of all such lands. Civilization was born in arid lands. Taking the world at large most of the agriculture of the world has depended on irrigation for more than 4,000 years. The largest populations have depended on irrigation, so it is an old problem, and it has been solved time and again, so that it may be said that there is nothing to learn. All you

have to so do is to learn the lessons already taught by history, and that it is that in these lands you have to depend on placing the water on the soil, and when you have once learned to do that you are in no unfavorable condition, In the humid region the storms come, and the fields receive the gentle shower, but frequently just before the harvest comes, a great storm devastates it all. In this arid region if you depend on artificial irrigation, you are independent of storms. The waters that are brought on the land by irrigation, are sources of fertilization beyond all other sources. There are fields in the eastern world that have been cultivated for 4,000 years—where water was brought on the land to irrigate, and all other fertilization is unnecessary. Now in all lands of high culture, where the fields are irrigated, they are ceasing to use any other fertilizer. In France where they are irrigating their lands, they have commenced a system in every county and township—the same in Spain and Germany. They find that they must pour the waters of their streams on their lands.

As members of this Convention, this is what I want to say to you. Not being a public man, it may be considered a little presumptuous for me to say it—in Dakota you are to depend hereafter in a great measure on the running streams—in small part on your artesian wells, and in part on the storage of the storm waters. The chief source will be the running streams. These waters are to be preserved and stored during the seasons of non-irrigation. There are, say, two months of the year when you need to irrigate, and ten months when you should store the water. All other wealth falls into insignificance compared with that which is to come from these lands from the pouring on them of the running streams of this country. Don't let these streams get out of the possession of the people. If you fail in making a Constitution in any other respect, fail not in this one. Take lessons from California and Colorado. Fix it in your Constitution that no corporation—no body of men—no capital can get possession and right to your waters. Hold the waters in the hands of the people. Think of a condition of affairs in which your agriculture—which you will have to depend on largely—depending on irrigation, is at the mercy of twenty companies, who own all the water. They would laugh at ownership of land. What is ownership of land when the value is in the water? You should provide in the Constitution which you are making, that the water which falls from the heavens and rolls to the sea, down your great rivers—that water shall be under the control of the people, subject always to the will of the people; that property in water should be impossible for individuals to possess. You should forbid the right to acquire property in water. The property should be in the land, and the right to the water should inhere in the land, and no company or individual should have property in the running streams. Such a provision will prevent your great agricultural sources falling into the hands of the few.

Mr. PRESIDENT. Whoever has any information in regard to irrigation which they can present to this committee, immediately after the session, will please do so.

Mr. JOHNSON. We are very much interested in this subject. We have found since we came out on these plains that the water supply is not sufficient to make sure a good crop every time. It

has apparently diminished during the last few years, and this year we are brought face to face with this great problem of a lack of moisture. But it does seem that there is an overruling Providence that tempers the wind to the shron lamb, and the way is now open whereby the fountains beneath us are opened to us. I believe that the greatest problem that will present itself to the members of Congress sent from this new state will be the question of the water supply. But this subject of irrigation is a much wider one than I supposed when we read that this committee would come here.

While the gentleman has been speaking my mind reverted back twenty-six years—to the time when many of you here who are wearing Grand Army badges were studying irrigation in the ditches, in the fever ditches on the 4th of July before the trenches at Vicksburg; my mind has reverted to the time when many of you were studying irrigation on the march that Sheridan made to the sea in wading brooks and traveling over pontoon bridges; my mind has reverted to the 4th of July twenty-six years ago when some were studying irrigation on the battle field of Gettysburg, irrigating that soil with the blood of yourselves and your comrades, when at least 12,000 of our northern soldiers irrigated the soil at Andersonville and Libby prisons with their tears and their blood, and I could not but think of the wonderful irrigation that we were studying at that time—how it cost money to furnish hardtack, and powder and bullets, and bayonets, and how we could raise money to save the country in those days—and I was wondering where the honorable gentleman from Texas was studying irrigation in those days. If I have correctly read history, when Jefferson Davis was elected President of the Southern Confederacy, he called the gentleman with him, as one of his trusted leaders that could be depended upon, into his cabinet. If I have read history correctly the gentleman was believed by the so-called President to be deep-rooted in the eternal principles of democracy, and the Senator from Texas was called into that cabinet and served as Postmaster General. Why did not the gentleman tell us something of that debt that was piled up at that time—as to how and why—

Mr. PURCELL. Does the gentleman mean to cast any reflection on the Senator from Texas by his remarks?

Mr. JOHNSON. No, sir.

Mr. MATHEWS. I move to adjourn.

The motion prevailed and the Convention adjourned.

EVENING SESSION.

PARALLEL LINES.

Section eleven of File No. 134 was read as follows:

SEC. 11. No railroad corporation shall consolidate its stock, property or franchises with any other railroad corporation owning a parallel or competing line; and in no case shall any consolidation take place except upon public notice given at least sixty days to all stockholders, in such manner as may be provided by law. Any attempt to evade the provisions of this section, by any railroad corporation, by lease or otherwise, shall work a forfeiture of its charter.

Mr. STEVENS. Mr. MILLER was looking up the matter of this section, and I see that he is not in his chair.

Mr. JOHNSON. This is a very important section, and I desire to say that it is no novelty as a constitutional provision. I could read you similar provisions in the constitutions of Nebraska, Missouri, Arkansas, Colorado, Illinois, West Virginia, Pennsylvania, Texas and the South Dakota Constitution. I think that is all the constitutions that has been made since 1870 except one or two states in the south, where they have no railroads to speak of.

Mr. PURCELL. Does the gentleman intend to confer upon the Legislature of this State the right to forfeit the charter of the Northern Pacific, which railroad is chartered by Congress?

Mr. JOHNSON. This Constitution is only good within the boundaries of this State. It applies to the corporations so far as they are chartered here, and so far as it is possible to reach them.

Mr. PURCELL. Is it not a fact that the Interstate Commerce law covers this particular section?

Mr. JOHNSON. It is my understanding that it covers the same principle as to railroads that run through several states, but we have no guarantee that it will not be repealed next winter, and we think it is well for us to go on record as approving that principle.

Mr. ROBERTSON. I move that section eleven be stricken out.

Mr. PURCELL. I second the motion.

The motion was lost by a vote of 16 to 29.

Mr. MOER. I move to amend by inserting the words "organized within this State" in the first line after the word "corporation." We would have no power whatever over a foreign corporation,

and no act that we might pass as a State or in our Constitution, would be of any account so far as these foreign corporations are concerned.

The motion was seconded.

Mr. JOHNSON. I object to that, for it will amount to the same thing as striking out the entire section. It would be an easy matter for any new company to organize outside the State to evade this section.

Mr. MOER. I would simply say the section would be void anyway. We cannot forfeit the charter granted by the Congress of the United States, or by the State of Minnesota. It does not lie within our power to forfeit it, and we should limit this section to something we can control. We can control a corporation organized within this State, but not a foreign corporation. What is the use of putting this in the Constitution? That is what I would inquire?

Mr. JOHNSON. That is all very well as to the forfeiture, but it is the principle of non-consolidation that we want in here.

Mr. PURCELL. As one of the members of the committee who signed the minority report, and which does not cover section eleven, I desire to say that as Mr. MILLER stated on Saturday night, the reason why the minority did not report a section to take the place of this, is because in their judgment it would seriously interfere with railroad building in this Territory. He gave us an illustration of the Fargo Southern road, and at least the delegates from Richland county know that his statement was correct so far as that road was concerned. That company was organized in Fargo, and in Richland and other counties, and it was purely a local company. In the City of Wahpeton we subscribed \$15,000 towards a fund with which we purchased lands for right of way five miles north and five miles south of that city. The railroad was built to Ortonville, and the company attempted to operate the line. They operated it for a short time, but found that it was impossible for them to go on with it, for they did not have a trunk line from Ortonville to any other point east, or from Fargo which would make it pay to operate. It was therefore sold to the Milwaukee road. The road was organized for the purpose of opening up the country on the west side of the Red River from Fargo to Ortonville. The Manitoba road had come as far as Breckenridge and built its line north to Barnesville, Crookston, and so forth, but on the west side there was no outlet for the grain grown

between Fargo and Wahpeton except by the Manitoba, and every farmer was compelled to haul his grain from six to twelve and fifteen miles to the station. We saw the necessity. The people got together and themselves built this road. They subsequently sold it to the Milwaukee road, but if they had not built it the Manitoba would never have come to the farmers. If this section is adopted there are a good many other sections of country that are similarly situated, and there are other men who would be ready to band themselves together and build roads, if they are not hampered and handicapped by such a provision as this. For this reason I am opposed to the section.

Mr. LAUDER. I am in favor of section eleven for the very reasons which cause my colleague from Richland county to be against it. I think the case he has cited is the strongest argument he could have made in favor of the incorporation of section eleven in this constitution. It is a fact, as has been stated, that the people of Richland county and other counties through which the Fargo Southern road was to run, contributed very largely towards its construction. They gave the right of way, and a bonus I think, too, in a certain amount. Now why did they do that? They did it so that they might have through their county a competing road. They did not contribute to the building of that road so that it might in the near future, as soon as it was built and operated, be absorbed in a system with which they wished to have it compete. If this section is not incorporated in this Constitution, and if some other road can absorb this one which the citizens of town and city and country have contributed largely to build, then there would be no security at all, and the very purpose for which these people put up their money would be defeated. For that reason I am in favor of the section. Perhaps in a very few cases it may work an injury. There is no law in its application that does not at some time and under some circumstances work injury, or operate, as it would appear, against abstract justice. But it seems to me that this is the only protection that people have who encourage railroad building into their cities and counties by contributing their money. They want to be assured that the road will continue to be a competitor of the roads that already exist.

The amendment of Mr. MOER was lost.

Mr. SPALDING. It seems to me that to make it consistent the words "organised within this state" should be placed after the word "corporation" in the first line.

Mr. JOHNSON. I will accept that amendment if you add after the word "state" the words "or doing business."

Mr. FAY. It seems to me that the words that the gentleman from Nelson would add are meaningless. If they are not doing business within the state, then what have we to do with them? If they are not operated here, then what figure would it cut?

Mr. SPALDING. The only object I had was to make it appear consistent, so that we might not appear to be attempting to declare some charter forfeited that was granted by some other state. When the amendment of the gentleman from Nelson is inserted it leaves the article practically as it is now, and there would be no object in amending it.

Mr. JOHNSON. One has to think pretty rapidly here, and just at the moment I thought it was necessary to make the amendment to the amendment.

Mr. SCOTT. If this amendment goes in, it is practically the same thing as if the original amendment had carried. I don't see how this will better it. If we cannot forfeit the charter of a foreign corporation, the section as it stands now has full force and effect. I don't think it applies specifically to the forfeiture of charters. It is to prevent any competing lines from consolidating with each other. It seems to me it is a good section, and although there may be very few railroad companies organized under our laws—although in all likelihood a majority of them will be foreign corporations, I don't believe it will be denied by the gentlemen in the Convention that we have got power to control, to a certain extent, a railroad company within our limits, whether it is chartered here or elsewhere. It must obey our laws and if it will not do that we can prevent its doing business, just the same as if it had been organized and chartered in this State. I don't believe the amendment ought to prevail.

Mr. STEVENS. I will go a step further and say we can forfeit the charter of a foreign corporation to the extent of the right it has acquired in the State of North Dakota. A charter granted by the State of Minnesota would have no effect in the State of North Dakota, except such as it may acquire under the laws of North Dakota. While we could not affect the charter so far as it applied to Minnesota or to any other state, so far as it applies to North Dakota we could affect it and forfeit it, be it a foreign corporation or a corporation organized within this State. If we cannot do that, then what is the object of that provision in our present law

which provides that before a foreign corporation can transact any business here they must file with the Secretary the articles of incorporation of other state or states? They must comply with the law of the Territory of Dakota.

Mr. SPALDING. In answer to the gentleman from Ransom I would say that I did not propose this amendment, thinking for one moment that it would in any way abridge or enlarge the scope of the section, but so that it might be made plain just what we mean; and I had in my mind to suggest that there should be a further amendment to this section providing some penalty for corporations organizing under foreign statutes but operating in this State, but that it should be worded differently from that section which applies to local corporations. I have not been here while this has been under discussion and did not know that it would come up to-night. I think there should be such an amendment as would make it apply, so far as it would be applicable, to foreign corporations.

The amendment of Mr. SPALDING was lost.

The original section—number eleven of the majority report—was then recommended for adoption.

Section fifteen was then read as follows:

SEC. 15. The term "corporations" as used in this article, shall be construed to include all joint stock companies or associations having any of the powers or privileges of corporations not possessed by individuals or partnerships.

Mr. JOHNSON. I think that section two of the minority report is a better section than this, and I move that it be substituted.

The motion was seconded and carried.

Section two in question reads as follows:

SEC. 2. The term "corporation" as used in this article, shall not be understood as embracing municipalities or political divisions of the State unless otherwise expressly stated, but it shall be held and construed to include all associations and joint stock companies having any of the powers or privileges of corporations not possessed by individuals or partnerships.

Sections sixteen and seventeen were adopted.

THE ARBITRATION QUESTION.

Mr. PARSONS of Morton. I move that section eighteen of this File be made to read as follows:

"Whenever a difference shall arise between any corporation other than municipal and its employes or an industrial society incorporated under the laws of this State, any of whose members are employes of such corporation, if the

disagreement cannot be adjusted by conference it shall be submitted to arbitration under such rules as shall be prescribed by law.

The only objection I have had raised to this amendment, as I originally offered it, was that it would be possible for some person who had been discharged from a corporation to make trouble and difficulty under this clause. But if you will notice the wording of the article, it only includes employes of the corporation. Therefore, when anyone is discharged, he ceases to be an employe and this clause does not apply to him. It only affects those difficulties in which there is a large body of men and difficulties arise while they are in the employ of the corporation or individual. Ninety-nine out of 100 of the strikes that have arisen in this country have arisen from the most trivial reasons and have gradually spread. This measure has been urged in different states for twelve or fifteen years, and it is the only solution that has ever been offered to the problem. I have spoken before of the advocacy by one of the most prominent attorneys in New York in the New York Tribune, of this system, as the only solution of the problem. I don't say that this is a panacea for all the ills, but I ask it as a measure of justice and in the interests of humanity, and I believe it will have a pacific effect on those who would otherwise be belligerent and desirous of using coercive measures. It will tend to have these matters submitted to arbitration, and in nine cases out of ten trouble would be settled in this way, and difficulties would be amicably adjusted.

Mr. PURCELL. Is it intended that this will force a corporation to arbitrate with its employes?

Mr. PARSONS. If that is a matter of law the gentleman should be better posted than I am. He can see readily that there will be absolutely nothing binding in it if the parties did not wish to be bound, and the corporation, if it choose, could discharge every one of its employes. Then this clause would cease to operate, and I think he knows as well as any of us that it is only intended to be a pacific measure. But public opinion and public sentiment generally would be on that side that was willing to submit the question at issue to arbitration.

Mr. PURCELL. This matter was before the committee, and was discussed somewhat. It seems to me if it passes and the Legislature should see fit to follow up the idea incorporated here, that it might require, or it may require, many differences to be arbitrated upon. Under section thirty-four of the Judicial

Bill, they have established tribunals of arbitration, where people may go and arbitrate their differences. But if it is intended to force a corporation to go into an arbitration court, in my judgment it is wrong. As the gentleman stated, many differences exist between corporations and their men at times. Arbitration is generally understood to be a voluntary submission of differences to a third party, but if it is intended by this clause to force them to submit their cases to arbitration it is not good law. Nor is it a good provision to have in this Constitution. Take an imaginary case—here is a farmer with ten or fifteen thousand acres of land under cultivation. During the harvest season he may employ men wherever he can get them. If the superintendent sees fit to discharge a man that may create a difficulty with the others, that should not be cause enough for them to drag him into an arbitration court. Or if he required a man to follow a plow instead of driving a binder, that might create a difference. If this provision prevails, it might be within the power of the men who are employed by that corporation, to compel the corporation to go before a tribunal of arbitrators and make the corporation justify the fact that the superintendent ordered him from the binder to the plow. There is none who is more anxious to give to the workmen all the rights they should have, than I am, but there are some rights that we are bound to respect and must not allow to be trampled underfoot. It is easy enough for one to see wherein an abuse of this power could be worked. I don't believe it to be constitutional or right to force any man to go before a board of arbitrators and justify his acts—to justify what he has done with reference to his workmen, so long as these workmen receive what is their due. If any engineer has disobeyed an order, or if he had an order given him which he did not see fit to obey, and instead of performing his work compels his employers to go before a board of arbitration, I say that it is not right. This matter may seem simple and plain, and it may not appear to be much on its surface, but if we stop and consider we will see that every corporation can be put to a great disadvantage by this section. Therefore I am opposed to it.

Mr. STEVENS. If the section was intended to cover the thing the gentleman intimates it was, it would be a failure on its face. As it stands it does not cover any such provisions as he mentions. It plainly says "employes," and as soon as an employer discharges an employe there is no remedy to be obtained under

this section. Besides that, it does not provide for boards of arbitration, but it provides that the law may establish boards to act between employer and employed. Not between employers and one who has been an employe. I don't see where in our present condition it could have any material effect, but following the line of our National Congress—following the line of the governments of the civilized world, this provision should be incorporated in our Constitution. We have had at least a dozen international congresses met with the sole view of submitting international questions to arbitration. The tendencies of the governments of the day are towards arbitration, and if arbitration between nations is good, if arbitration between states is good, why should not arbitration between employers and their employes be good too? It is in the same line, and therefore I am in favor of incorporating it in this Constitution. I don't see how it can possibly do any harm. It simply authorizes the Legislature to pass such a law. I am not certain that they would not have a right to pass it anyhow, but it is simply explanatory of their power. It can do no harm, and it might be that it would do a great deal of good. As the tendency of the time among all nations is towards arbitration, I am in favor of anything looking in that direction.

Mr. BARTLETT of Griggs. I hope this amendment will not prevail. If the tendencies of the time are towards arbitration, then we may have a general law compelling or inviting all men or all parties into arbitration, I am in favor of it. But why we should single out corporations and similar organizations I don't see. It is very evident that this section is designed to compel a railroad or any other corporation to arbitrate differences that it might have between the Knights of Labor or any other organization and itself. It is said that it will only apply to employes. Admit that an employe is discharged. Then the organization of which he is a member takes it up and attempts to reinstate him, or something of that sort, it becomes a question between an industrial society and a corporation, and it must be submitted to arbitration. It is not fair and it is not just. I believe that railroads have the same rights as individuals, and we should not deal differently with them from what we would with individuals.

Mr. SCOTT, The gentleman from Morton says that under this provision a corporation might discharge all of its employes and they would have no remedy under the section. That being the case I fail to see what advantage there is in having the provision.

If a dispute arises between the employes of a corporation and the corporation, and the corporation desires to evade the submission of the matter to a board of arbitrators, all they would have to do would be to discharge their employes at once. If that is the meaning, then this section is so much lumber. It is not necessary, and is mere verbiage and means nothing, but from its wording I would not so interpret it. I question if there are many other members of this Convention who would interpret it this way. Taking the ordinary interpretation of these words, if there was a dispute arising over a discharged employe, if the Legislature should pass a law, I think it would be a very serious question but that the ex-employe could compel the submission of the matter to a board of arbitrators. I don't think that is fair. I concur with the remarks of the gentleman from Richland. If it means what the gentleman from Morton says it does, it had better be out, for it will do no good.

Mr. MOER. It seems to me that this would be a wise provision to put in the Constitution. I think it would tend to bring about an amicable adjustment of differences between corporations and their employes, and I hope the amendment will prevail.

Mr. BARTLETT of Dickey. I believe that if a man wants to discharge a person who is working for him, he should have a right to do it, and if the employer won't pay his discharged hand what he owes him, let the employe sue. I believe that any railroad company has a right to discharge any of its employes, and any man who works for a railroad company should be able to quit when he wants to and get his money.

Mr. LAUDER. I agree with the gentleman from Dickey. Railroad corporations, or any other corporations, or any private individuals have a right to determine for themselves who they will have in their employ and who they will not. But in the application of this principle we have seen a great deal of difference arise. We have seen a great deal of loss to the corporations and the laboring men, and if any provision can be incorporated here or can be devised by the Legislature that will assist corporations and individuals on the one side, and the laboring men on the other, in coming to an agreement and harmonizing their differences and avoiding strikes, I think it should be encouraged. I think that is the purpose of this section, and the only purpose, and therefore that it should prevail.

Mr. PARSONS of Morton. It is a surprise to me to hear

some of the objections that are urged against this measure by the gentlemen on the other side of the house, especially since the principal portion of the original file has been stricken out, and the matter left almost entirely to the Legislature. We say a man has a perfect right to hire another and discharge him when he chooses, and that is what I say, but what that has to do with the question before the house I can't see. It is a known fact that since corporations have become common, we have had differences all over the United States—we have had loss of property—loss of life and suffering untold. As a gentleman from Chicago told me after the great strike there, he said there were row after row of houses left desolate—people ruined all through strikes. They had struck—had mortgages on their homes and had to get out and leave them. Not long ago we heard of the eviction of 500 families in Illinois; not long ago in Minneapolis we witnessed the spectacle of the citizens traveling on foot, with a corporation on the one side, the employes on the other and the people in between. I ask you if corporations or their employes have the right to step in, and interfere with, and stop the public business? This fall the farmer may have his crops ready to ship—they are liable to become damaged by delay—and a strike occurs. Do you say that the company and their men have a right together to stop the public business—to prevent the farmer from shipping his product to market? I introduce this section simply in the interest of humanity and for the public good. I stand here and speak for those who earn their bread by the sweat of their brow. I admit that an employer has a right to discharge his employes when he wants to, but it is a fact that the present method of settling industrial differences has led to strikes, and starvation and poverty. This section may be mere lumber. It is easy to call any section that you don't like, lumber or surplusage. But it is a fact that this measure is offered in the interest of humanity. This is offered as a conciliatory measure. This measure as it originally stood was adopted as the report of the committee, and in my absence it was reconsidered on the motion of a party, and stricken out of the report, so that you may know how the committee stood. If I had been present at that committee meeting it would not have been done. In God's name and in the name of humanity I ask for this measure. It is not for me that I ask it. I have nothing to gain by it, and perhaps everything to lose, but I have that much interest in my fellow men—in those whom I see in grimy and soiled

clothes, toiling and laboring for their daily bread, to ask this of you, and if I thought it would do any good, I would willingly go down on my knees and ask that you vote for this measure. I claim this government has a right to control any creature it creates. It is a pacific measure, and I beg you to stand by this measure as you would be men.

Mr. PURCELL. I would like to ask the gentleman from Morton if it is not a fact that the bloodshed he referred to in Minneapolis was not caused by the organized labor trying to drive off the unorganized labor? That is a fact in nearly every instance where there are strikes and difficulties between employes and employers. It is not the corporations that make or cause the bloodshed. It is not the corporations that are always in fault. The rule is that whenever there is trouble, and the employers exercise their right to employ others—men in the places of those who have left their employ—then the organized labor steps up and tells the unorganized that it must not go to work. When the gentleman speaks in pathetic tones let us remember that in nine cases out of ten the trouble we see is not between employers and employes, but between organized and unorganized labor.

The amendment of Mr. PARSONS was lost by a vote of 18 to 22.

THE PASS QUESTION.

Mr. JOHNSON. I desire to offer an additional section which will read as follows:

“If any railroad corporation issue passes to any member of the Legislature, it shall in like manner issue passes to all members of the same Legislature.”

Seconded by Mr. BEAN.

Mr. JOHNSON. This question of passes is a very difficult and a very interesting question. There has been a great deal of discussion upon it, and I hardly know what is the best method of dealing with it. It was my deliberate judgment when I came here as set forth in File No. 1, that all public servants, when engaged in public business, should travel at public expense. I think the state officers and the members of the Legislature, and judges, when they travel on public business, should not sponge on the railroads. But that principle did not find favor in the committee. Then the gentleman from Traill offered the oath of the Sioux Falls Constitution, but that was not acceptable to this Convention, and I am not sure that I approve of that myself. There

is a correct and an incorrect use of passes. I am not here to condemn the use of passes. I am not sure but that it is correct. I notice by the dispatches in the paper this morning from Montana, that there they have forbidden the use of passes. I have come to this conclusion since the committee had its last meeting—to get the sense of this convention, and it is a question easy to understand. You can see the fairness of the section I have introduced. All members of the Legislature should be treated alike; then I think there would be no injustice in issuing passes. If we all had passes we would be on the same footing, and would not be afraid of the companies, and would not be bound by them. I am not complaining of unfair treatment, for I have got all I deserve out of the corporations. You take my case—I have a good way to come, and while most all the rest of the delegates in the neighborhood got passes I did not get any, and you can see how it is unjust. I would give \$100 for one of those passes. It would be worth that to me, and thus they got \$100 more than I did. None would say that that was just, and I can hardly avoid the conclusion that these corporations single out certain men for punishment, and I might draw the other conclusion that they single out certain others for reward. I have some passes myself, but I speak of the Manitoba road—a great road that controls everything in our part of the country. The votes on these nineteen sections show that these passes in the pockets of members has not influenced their conduct one hair's breath one way or the other. They stood up for what they believed to be right. But I hold that members of the Legislature who come to sit here year after year should not be treated as we have been treated this year. The members from Nelson and Grand Forks and Cavalier counties should all be treated alike. We should take it out of the power of these corporations to single out a man for punishment as they have singled me out. That is nothing more than fair or just.

Mr. BARTLETT of Dickey. I thought of making an amendment to the effect that we each should also have a chromo. I am opposed to the amendment, and I hope and believe that the delegates will vote it down. I think the railroad companies have a right to do just as they please about these things.

Mr. PURCELL. I move that the resolution of the gentleman from Nelson be referred to the Committee on Militia.

The motion was carried.

STATE DEFICITS.

File No. 140 was then taken up.

Section one was read as follows:

SECTION 1. The State may, to meet casual deficits or failure in the revenue, or in case of extraordinary emergencies, contract debts, but such debts shall never in the aggregate exceed the sum of \$200,000, exclusive of what may be the debt of North Dakota at the time of the adoption of this Constitution. Every such debt shall be authorized by law for certain purposes to be definitely mentioned therein, and every such law shall provide for levying an annual tax sufficient to pay the interest semi-annually, and the principal within thirty years from the passage of such law, and shall especially appropriate the proceeds of such tax to the payment of said principal and interest, and such appropriation shall not be repealed nor the tax discontinued until such debt both principal and interest, shall have been fully paid. No debt in excess of the limit named shall be incurred except for the purpose of repelling invasion, suppressing insurrection, defending the State in time of war, or to provide for public defense in case of threatened hostilities.

Mr. ROLFE. I move that in the third line the word "one" be substituted for the word "two."

The motion was seconded by Mr. BARTLETT of Griggs.

Mr. WALLACE. As far as I am concerned, as a member of the committee I am willing that it should be \$100,000. Some of the members thought it should be two, and it was put so. I have no feeling in this matter whatever.

Mr. STEVENS. I hope this amendment will not prevail. I don't believe it is a good idea to bind the State down to \$100,000. I don't believe it should be put in this Constitution. One hundred thousand dollars is not a reasonable sum for the great State of North Dakota. You cannot tell what will happen—what public improvements may be necessary to our welfare, and \$100,000 will be very little towards making any great public improvement. We have to-day been talked to about a subject which might become very important to the State. If, after it had been demonstrated that it was a practical benefit, we should desire to adopt it, and it was the desire of this State that some measure should be taken to reclaim the arid lands of our western slope, and if our Constitution was so made that we could not possibly make the improvements, it might be a lasting benefit wasted. Two hundred thousand dollars is indeed low enough, if not too low. I don't think there is any state in the Union with a provision so low, and as we are here, just on the boundary between the arid tract and the tract which gets enough natural rain, I hope this Convention

will pause and consider well before they say North Dakota may not at any time go into debt to exceed the amount of a thousand men's private fortunes in this Union.

Mr. HARRIS. I trust this amendment will not prevail. One hundred thousand dollars of indebtedness or deficiency in the revenue is but a very small amount. We expect this State will grow, and the Treasurer of the Territory tells me that on the first of November there will be \$140,000 of deficiency this year, with the probability that it will be \$160,000. There are a great many things that arise to cause a deficiency in revenue. There will be a large deficiency in the revenue next year. Crops are poor—they are short all over the State; the taxes will not be paid, and the territory will have to wait till they are paid before it can get them. As I said, \$100,000 is very small, and I certainly think that we ought not to change this from two to one. I trust the amendment will not prevail.

Mr. MATHEWS. I will move as an amendment to the amendment that we make it \$250,000. I think \$200,000 is too small.

Mr. BARTLETT of Griggs. \$100,000 is not such an insignificant sum as the gentleman from Ransom would have us believe. I would venture to say that if he should ever undertake to irrigate North Dakota or any considerable portion of it, even \$200,000 or \$500,000 would be but a drop in the bucket. The highest limit that I know of in any state is \$250,000. Nebraska is limited to \$100,000; the great State of Michigan to \$50,000, and now we wish to put this—this new State—to \$200,000. The main object of this State should be—the main purpose—to keep out of debt, and we can only do that by throwing restrictions around our Legislature, so that it will be impossible for them to contract for public institutions and other things, an enormous debt. I would like to see this \$50,000. I believe it is impossible to make it as low as that, but I think \$100,000 is plenty high enough. It is above the average limits of constitutions that I am familiar with, and it should be plenty.

Mr. ROLFE. I notice in File No. 132, the article on revenue and taxation, which we have not considered—yet I take it that the first section is very likely to meet the approval of this Convention—provides that the Legislature may provide for the raising of revenue for State purposes, in an amount not exceeding four mills in any one year. Four mills on the assessable property of a county having \$3,000,000 worth of assessable property—and I take it that

that would be a fair average in North Dakota—would result in the raising of a State tax in that county of \$12,000. If we multiply that by thirty-eight, considering \$3,000,000 the average for the counties—thirty-eight being the number of organized counties, now in the Territory, and possibly by a larger number since new counties are likely to be organized shortly, we shall find that this State may, in any one year, by assessing to the limit imposed by the section on revenue and taxation, raise an amount that will in all reason be sufficient to pay an expenditure other than the most extraordinary one. South Dakota in her Constitution of 1885 fixed the limit at \$60,000. She has in her late Constitution raised that to \$100,000. That portion of the Territory of Dakota is far richer in population and assessable property than we are, and in all probability will continue so to be for a long series of years to come. They have kept in line with a majority of states which have been careful to get the limit of state indebtedness down to such an amount as to make it impossible for any Legislature to make the State tax burdensome to the people. I don't believe that \$100,000 is an insignificant sum as has been suggested, and I think that the annual tax which the State might raise by a four mill levy will be sufficient for the needs of the State for many years to come, and I hope the amendment will prevail.

Mr. STEVENS. I would like, in refutation of what the gentleman has said, to ask him one question—what is the assessed valuation of his county?

Mr. ROLFE. A little over a million.

Mr. STEVENS. And your county is over the average county. There are but few counties in North Dakota that come up to what the gentleman says is the average. Further than that, in answer to what the gentleman has said about public institutions, I don't believe in combinations for public institutions any more than he does, but I say if it is necessary for North Dakota to go into debt for \$100,000 to take care of the cripples, the maimed, the blind, the speechless and the sightless, I for one am in favor of contracting that debt and taking care of all those persons in the institutions we will build. Would the gentleman seek to limit the indebtedness of North Dakota when it is taking care of the persons confined in the Jamestown Asylum—would it limit the State indebtedness, and thereby prevent the proper carrying on of the educational interests of the Grand Forks University? Would the gentleman seek to cut off the appropriation that might be had for

maimed, and crippled, and old and decrepit soldiers? Surely not; and yet if you cut down this indebtedness in the manner proposed you might do that very thing. I don't believe that because we ask for \$250,000 as a limit that it needs to reach that. The Legislature will not, necessarily, because they have the power, run into debt. Would the gentleman limit the liabilities of the individual citizens of his county—would he say they have no right when necessary for their own interest, to go into debt? Why, then, if it is going to be a benefit to the State to go into debt, should it not be allowed to do so? Consider this proposition well before you say by your votes here to-night that we will not allow the State of North Dakota to contract, no matter how necessary it may be, an indebtedness to exceed \$100,000.

Mr. HARRIS. A few cold facts won't do any harm. South Dakota limits her indebtedness to \$500,000 and starts in with \$750,000 of bonded indebtedness at once. She limits her floating indebtedness to \$50,000, and the first day she starts in she will have \$150,000 of floating indebtedness, and she can't help it. It does not matter what her constitution says. I wish to illustrate the fact that these things occur and we cannot always shirk them. This section only provides for casual deficits or cases where there is a failure in the revenue, and they will come no matter what the rate of taxation that has been assessed. These failures come when the taxes are not paid, and the warrants of the State must necessarily go to protest or a temporary indebtedness must be incurred. We are not to infer that the Legislature or the officials propose to run to the limit, and run this State into debt every year. We are not to suppose that because in the report of the Committee on Revenue and Taxation a limitation of four mills is fixed, that the State of North Dakota will levy four mills on the assessed valuation every year. Not at all. Any man who is elected to an office in this State will endeavor to keep the expenditures at the lowest possible limit, and this section of File No. 140 is only for extraordinary expenditures or failures in the revenue, and \$100,000 is too small if we expect to keep within the limit.

Mr. SCOTT. As the gentleman from Benson stated that South Dakota in her Constitution in 1885 had the limit placed at \$50,000, what position would she be in to-day had the Constitution taken effect at that time? The result would necessarily have been that they would have had to increase the tax levy or else their warrants would have been below par. One hundred thousand

dollars is not very much to a state. Already our indebtedness is something over \$500,000. We are not in as good a position as South Dakota. There are public institutions which will be absolutely necessary which the State must equip and establish. These all require money, and the question is—shall the State start off and levy a tax which will defray the expenses of these institutions—of the Legislature and the State officers, or will the limit of indebtedness be placed at \$200,000 or \$250,000? To my mind \$250,000 is not a large sum for this State to incur. I don't think it would be good policy to adopt the amendment, for failure of crops or some other cause might render it absolutely impossible for the State to get its taxes paid up. They will be delinquent, and will have to wait till the crops are good, and for that reason it may frequently require \$200,000 to meet the deficiency. I should be in favor of an amendment that would make the amount \$250,000.

Mr. WALLACE. The only object I have in limiting the indebtedness is to encourage economy. If you want to open the door to extravagance put a large limit on. We have seen cases of other states that have put a much less limit than we have. I don't think it is good policy for us to go into debt. I think the best thing we can do is to put a small limit. The amendment which has been proposed by the gentleman from Grand Forks to increase the amount to \$250,000 should not, I think, prevail. As has been mentioned, Michigan's limit is \$50,000, Indiana's \$100,000, Minnesota's \$250,000. I think that \$200,000 is enough for North Dakota, and I should be satisfied with considerable less.

The amendment of Mr. MATHEWS was lost.

The amendment of Mr. ROLFE was lost.

The original section was adopted.

CITY AND COUNTY DEBTS.

Section two was read as follows:

SEC. 2. The debt of any county, city, town, school district, or any other subdivision, shall never exceed five (5) per centum upon the assessed value of the taxable property therein, except as otherwise specified in this Constitution; *Provided*, That any city may, by a two-thirds vote, increase such indebtedness three (3) per cent. beyond said five (5) per cent. limit. In estimating the indebtedness which a city, county, or any subdivision thereof may incur, the amount of indebtedness contracted prior to the adoption of this Constitution shall be included.

Mr. SPALDING. I have never seen this report till it was distributed, and had no knowledge whatever as to its contents. In

looking over the Journal I have come to the conclusion that this section conflicts with the section reported by some other committee, and the action already taken by the Committee of the Whole. I have had no time or opportunity to examine it carefully and see what the difference is, and I move that this committee do now rise.

Mr. STEVENS. It seems to me that this is one of the most important subjects that we have to consider. I have never seen the report till to-night. We have had no chance or opportunity to examine it, and for that reason, and that we may better understand this File, I move that its consideration be postponed till tomorrow.

The motion to postpone was carried by a vote of 24 to 11.

The committee then rose.

Mr. SELBY. I move to adjourn.

The motion prevailed, and the Convention adjourned.

THIRTY-FOURTH DAY.

BISMARCK, *Tuesday, August 6, 1889.*

The Convention met pursuant to adjournment, the PRESIDENT in the Chair.

Prayer was offered by the Rev. Mr. KLINE.

Mr. MOER. I move that the reading of the Journal be dispensed with.

Mr. HARRIS. The Journal only takes a few minutes to read. I think it is of the utmost importance that it should be correct, and mistakes are liable to occur in it. It has been laid over now for several days and I think we should proceed to have it read up and corrected.

Mr. MOER. I withdraw my motion.

Mr. JOHNSON. Inasmuch as we have dispensed with the regular order of business for two days, I would ask that the Journal of August the 3d be also read.

(The Journal of the 3d was then read by the Clerk.)