

But apart from any particular error in the management of the Treasury, the general policy of the Administration was much below the requirements of the situation. The panic came to an end in the fall of 1893, much as a great conflagration expires through having reached all the material on which it can feed, but leaving a scene of desolation behind it. Thirteen commercial houses out of every thousand doing business had failed. Within two years nearly one fourth of the total railway capitalization of the country had gone into bankruptcy, involving an exposure of falsified accounts sufficient to shatter public confidence in the methods of corporations. Industrial stagnation and unemployment were prevalent throughout the land. Meanwhile the congressional situation was plainly such that only a great uprising of public opinion could break the hold of the silver faction. The standing committee system, which controls the gateways of legislation, is made up on a system of party apportionment whose effect is to give an insurgent faction of the majority the balance of power, and this opportunity for mischief was unsparingly used by the silver faction.

Such a situation could not be successfully encountered save by a policy aimed distinctly at