FREE COINAGE OF SILVER.

SPEECH

OF

HON. MARRIOTT BROSIUS,

OF PENNSYLVANIA,

IN THE

HOUSE OF REPRESENTATIVES,

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WASHINGTON.
1892.

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The House having under consideration the bill (H. R. 4426) for the free coinage of silver and gold for the issue of coin notes, and for other purposes—

Mr. BROSIUS said:

Mr. SPEAKER: The gentleman from New York who opened the discussion this evening said he spoke as a merchant. If there is any character in which a man can speak superior to that itis as a patriot. In that character I desire to submit some remarks upon this subject. In doing so I beg to express how profoundly impressed I have been with the spectacle presented in the situation of the House upon the measure before us.

There is no more politics in this measure than there is in any other question of right moral conduct or common honesty. Yet we have heard a great many acrimonious remarks, and crimination and recrimination from one side of the House to the other; and all this I regretted. I am glad that the division of the House upon this question does not follow the lines of political cleavage. I am glad to take my Democratic friend by the hand and touch palms with him in support of this great controversy.

I think we can afford, on both sides of this House, to emulate the generous sentiment expressed by Philip of France, in the Crusades, when the armies of the Christian nations were rescuing the tomb of the Saviour from the Turks. He said to Richard of England, "Let the only rivalry between the lilies of France and the lions of England be which shall carry them furthest into the ranks of the infidels." I hope I emulate that spirit in this body when I say I am glad to take any Democrat by the hand and say to him, "Let the only rivalry between Democrat and Republican and Alliance men on this question be which of us will carry the banner of honest money deepest into the ranks of the infidels." [Applause on the Republican side.]

I have been impressed with another feature of this controversy. I find that the combatants on either side have arrived at that complete and final assurance which all good Presbyterians think necessary and are entirely certain that the truth lies on their side. I know of but one situation that rivals it, and that is the situation of Plantagenet and Somerset in Henry VI, when the former said:

The truth on my side is so naked that any purblind eye could find it out.

And the latter responded:

And on my side it is so clear, so shining, and so evident that it would glimmer through a blind man's eye.

To this degree of certitude have we all arrived on this question. My conviction is invincible and uncompromising. I find it impossible either to contemplate with patience or to debate with composure this measure.

A STARTLING PROPOSITION.

The startling proposition which affects the people of this country to-day with just alarm is to authorize the Government of the United States to coin, at the option of the holder, 70 cents' worth of bullion, to stamp it with the Government stamp, to embellish it with the legend, "In God we trust," clothe it with a legal-tender power, and make every citizen of the United States take that 70-cent dollar in payment of 100 cents' worth of debt. This is the first time in the history of the world that such a proposition has been submitted to any legislative body for enactment into law.

I took occasion in a former debate to say, and I repeat it now, because it is the outcry of a mind inexpressibly shocked by a proposition which seems to me to involve an appalling lapse in public morals, that if, in business circles, any man should seriously argue that it was just and right for this Government to pay one class of its citizens for one commodity a bonus of 50 per cent above the market price, while it pays all other citizens for all other commodities only the market price, he would make such an exposure of his intelligence and his morals, or both, that he could scarcely hope long to escape being catalogued in the defective class.

Yet, on the floor of this House, the greatest legislative body in the world, this romantic proposition is advocated by statesmen. This is the effect. We find a metal of so little value that the commercial ratio with gold is 1 to 22, and we propose by legislation to obliterate so much of that difference in value as will enable us to coin that metal and equalize it with gold at a coin ratio of 1 to 16.

Mr. OWENS. Will the gentleman allow me to ask him a question?

Mr. BROSIUS. The gentleman will excuse me. On a fast schedule I can not stop at way stations. [Laughter and applause.]

Mr. OWENS. I wanted to know whether you were talking about tin or silver.

Mr. BROSIUS. By legislation you are going to obliterate the difference to such an extent that you can equalize the values at a ratio of 1 to 16. That is adding to a commodity 50 per cent of its value by putting the stamp of the Government upon it and clothing it with the prerogatives of the standard money of the commercial world.

Gentlemen, this rivals the feats imputed by fairy tale to the touch of Midas and the lamp of Aladdin!

PRETENSES USED TO JUSTIFY THE MEASURE.

This is sought to be justified by pretenses as varied in their character as Joseph's coat in its colors—as shown by the majority report.

First. That there was a conspiracy here and in the Old World, planned and successfully carried out, to dethrone silver and confine the debt-paying medium of the nations concerned to gold, thus breaking the par of centuries, causing gold to rise in value, increasing the value of credits, and enriching creditors at the expense of debtors, and depressing the value of labor.

Second. The demonetizing of silver was a great blunder, and its restoration will be a corresponding blessing in that it will restore justice to the people, equalize their burdens by a species of restitution to the debtor of what is supposed to have been wrongly taken from him by the demonetization of silver.

Third. It would increase the volume of our money, stimulate business, relieve depression, and be a seven-hued bow of promise to the people's hope.

A careful and minute examination of all these allegations with a view to their refutation would require much more time than this discussion affords and I must content myself with touching the subject at such points as will without elaboration bring into most distinct view not only the errors contained in them but the truth of the case as well.

THERE WAS NO CONSPIRACY.

It seems to me that no important purpose in the discussion can be subserved by considering whether or not the so-called demonetization of silver was accomplished by a conspiracy between the Old World and the New. Whether the commercial nations abandoned silver independently or conjointly could in no wise increase or diminish the effect of that fact upon the world.

If it had any materiality the conspiracy is readily disproved by all contemporaneous history. Whether it was wise or unwise as an act of legislation it was fairly considered, debated in the Congress, discussed in the public press, and passed into law as any other act of legislation, without concealment, in the light of day and under the eye of the whole country, and not until years after, when silver declined in price and the mine owners and silver kings rallied round the standard of the white metal, to hold up the price was the shameful invention of a conspiracy of the nations conjured as a shibboleth to inflame the prejudices and awaken the enthusiasm of the adherents of the great silver combine to restore the metal to its ancient prestige and multiply their gains.

THE PAR OF THE CENTURIES.

Nor can there be any logical significance in the statement that the par of centuries was broken, though there is an effective rhythm in the words. A great many things of the centuries have been broken in recent times, to the great benefit of the people who now live. Mighty revolutions have accompanied the years of man's sojourn on this earth, and if there is a more fragile excuse for the existence of anything in our time than its antiquity, I am not acquainted with it. Many things have been used in the last 4,000 years to facilitate exchange.

Homer says the armor of Glaucus cost a hundred oxen. It has been a long process of evolution in the mechanism of exchange from the cattle, the shells, the hides, and manifold commodities which have from time to time been used as money down to the gold and silver and nickel and copper and paper of our time. Yet at every step of this progress which accompanied civilization in its upward march, conservative men would bemoan the loss of what was passing away and would admonish the progressive legislators of the day that they were "breaking the par of the centuries."

I can not see why the displacement of silver by gold is not as much an event in the order of progress, as strictly evolutionary as the displacement of all the other unsuitable articles which have been used as money from the days of barter down to the present time when the conditions of our development are such that 95 per cent of the business exchanges are effected without money of any kind. Nor can I understand how its retirement to an inferior rank as a money metal, under the circumstances, could produce the disasters depicted by the free-coinage advocates.

THE SITUATION IN 1873.

Let us have a distinct view of the situation in 1873 when the demonetization act was passed, and of the way that led up to that situation.

It was Hamilton's idea in 1792 that a double standard would be better than a single one. His views prevailed, and the act of Congress of that year made 24.75 grains of pure gold and 371.25 grains of pure silver one dollar. The coin ratio was 1 to 15. This did not correspond with the commercial ratio of the metals, which was about 1 to 15.17; 1 ounce of gold being equal in value to 15.17 ounces of silver. This was an undervaluation of gold. It was worth more in bullion than in coin, and hence it was not coined, and came very little into circulation, but went into the crucible or abroad. To correct this, in 1834 the ratio was changed by reducing the gold in a dollar from 24.75 to 23.2 grains. This was an undervaluation of silver. It was now worth more in bullion than in coin; hence it was not coined and went largely out of circulation.

To correct this, in 1837 the amount of gold in a dollar was increased to 23.22 grains, thus making the ratio about 1 to 16. Our fathers never conceived the brilliant idea that the free coinage of both metals would maintain equality of value between them, or they would hardly have bent their energies with such determination and experimented so long to obtain a coinage ratio that corresponded with the commercial ratio.

METALS OF UNEQUAL VALUE WILL NOT CIRCULATE TOGETHER.

The history of our coinage demonstrates how impossible it is to keep the two metals in circulation side by side at a ratio which makes them unequal in value. They never did work as yokefellows under such circumstances. They never would pull together, but like a yoke of cattle unsuited to each other, one would hang back and the other would pull the load.

In 1853 a partial solution of the difficulty was reached by a law reducing the weight of the small coins so they would stay with us as mere token money, and depriving them of their legal-tender quality for debts exceeding $5. This legislation made gold practically the standard, and silver subsidiary, and so it remained until 1873.

THE DEPARTING OF GOLD.

Now, bearing in mind that the commercial ratio of the metals in 1792 was 1 to 15.17, and in 1873 1 to 15.63, and that in the entire interval of eighty years, which covered the life of free coinage, silver never was as low as 16 to 1 of gold, while now it is about 23 to 1; and remembering how impossible it was to keep the two metals circulating together, with the trifling discrepancy in their commercial value that then existed, if the past is any guide to the future there would seem to be an irresistible inference that to give the white metal the privilege of the Mint, with the wide variance in their commercial value now existing, would produce much more decisive results, and would justify the expectation that gold would leave us and the silver of the world would find us. If the ratio established by legislation would not induce the metals to keep each other's company, when the cause of separation was so slight, how can legislation keep the "twain one" when the loss of value and character in the white metal has so deepened the gulf of separation.

CAN NOT LEGISLATE SILVER UP TO THE VALUE OF GOLD.

Nor can there be any considerable weight in the argument that the new demand for silver arising from the opening of the Mint to it would help the price up to a level with gold. The existing demand covers our entire production of silver. How can the potency of that demand be increased by coining the bullion instead of storing it in the vaults of the Treasury? It really can make no difference to price whether the yard of cloth I buy is made into a garment or put away for future use. But the demand for silver has greatly increased since 1873.

From 1792 to 1873 we coined less than 10,000,000 silver dollars, while in the eighteen years from 1873 to 1891, inclusive, we coined, including trade dollars, nearly 450,000,000 silver dollars; and for several years last past we have coined them at the rate of 34,000,000 a year. With this enormous demand in the United States, helped out by unlimited use in Mexico, South America, India, and China, silver has steadily fallen in price from 1.004 in 1873 to 70 cents for the amount in a dollar in 1892.

But this scheme to raise the value of silver by the lever of legislation, involves the lifting up of all the silver of the world, about $3,900,000,000, from 95 cents, its present price, to 1.29 per ounce. Such a feat in the athletics of exchange would add a value of over a billion of dollars to the world's silver stock.

To the accomplishment of this purpose the difficulties already mentioned seem insuperable; but there are others, to mention which seems like piling Ossa upon Pelion and Olympus upon that. In 1871 Germany stopped coining silver, and between 1873 and 1879 sold $140,000,000 of her silver. The neighboring countries became alarmed, and in 1874 the Latin Union closed the mints to silver in France, Belgium, Switzerland, and Italy. For thirteen years France, the great bimetallic country, has not issued from her mints a single legal tender silver coin.

Now, with the mints of the commercial nations of the world closed to silver—with an annually increasing world production from $82,000,000 commercial value in 1873 to $135,000,000 in 1890, and in the United States an increased production from $35,750,000 in 1873 to $70,464,000 in 1890—it seems to me that any mind which is not superior to reason can understand why silver has declined in price, and why its value can not be restored by the means proposed. Whether the act of 1873, called the demonetization act, was wise or otherwise, need not come under review now; the question is whether it is wise, after the lapse of nearly twenty years, to disturb the adjustments which have been gradually formed in our industrial and financial systems with a view to ameliorating present conditions or to recoup past losses.

HAS GOLD APPRECIATED.

The advocates of free coinage vehemently assert that the cessation of silver coinage cost the masses untold millions of dollars by appreciating gold, making money dear, and lowering the price of commodities. It may be true that gold has appreciated in some degree by the act of 1873, but that it did so to anything like the extent claimed by some has not been and can not be shown. The only attempt at a demonstration of this proposition has been by showing that after the passage of the act, some years there was a progressive shrinkage in the price of farm products amounting, when compared with prices in years prior to 1873. to a large sum of money in the aggregate.

They undertake to show the value of gold by what it will buy in the markets of the world, and finding that the average prices of commodities used in common life have fallen about one-third in the last twenty years they conclude that gold has appreciated about 50 per cent. It is not the customary language of the people when commodities fall in price from one cause or another, to say that money has risen in price. This mode of argument is calculated to introduce dire confusion into the public mind and upset all prevailing ideas on the functions of money as a measure of value. The end of all economic movement is to cheapen wealth, to increase the amount of satisfactions that can be purchased for a given sum of money or a given amount of service. That the exertions of mankind in the last twenty years have been in a high degree successful in this direction can not be disputed, but it is not the usual way of expressing the fact to say that "money is rising in value," and this form of expression is only resorted to when there is a purpose to confuse the public mind. On that principle commodities, and not money, would be the measure of value, and what we have hitherto regarded as the "standard" would be as fickle and unsubstantial as the fabric of a dream.

But tolerating this way of putting it for the sake of the argument, how can a monetary change affect the farmer in the things that he sells without affecting him similarly in the things that he buys. If on account of the appreciation of gold he sells his products at a lower price in terms of money, he also buys the commodities he consumes at correspondingly low prices. One bushel of the farmer's grain will buy more in commodities to-day than ever before. It may take more bushels to pay a given amount of debt, so would it take more pounds of nails or tons of iron or dozens of knives or machines of any kind. A mortgage is a debt expressed in terms of money, which of all things we wish to keep as steady and stable as possible, for it measures the value not only of all matured but all deferred debts as well, and ought to be the same to-morrow as to-day; the same Saturday night as Monday morning; next year as this, as nearly as may be.

The evils that would flow from the disturbance or destruction of that permanent and stable quality of our money, or from its depreciation, would baffle all the calculations of economic authorities. It would be as bad as clipping the coins. It was Macaulay's judgment that all the miseries that had been inflicted on the English nation by bad kings, bad ministers, bad Parliaments, and bad judges had not equaled the misery caused by bad crowns and bad shillings.

But the burden of showing that the closing of the mints to silver has appreciated gold is upon those who assert it. The only argument produced before the British Gold and Silver Commission in 1886 in support of that view was that price depends on the volume of money as compared with commodities, and if the quantity of money diminishes prices must fall, and that the non use of silver in the coinage diminished the volume of money. There is not enough of the salt of soundness in that idea to preserve it one instant. No authority on the money question, from Adam Smith to Copperthwait, would be responsible for such a view, for it leaves out of sight entirely the fact that the power in exchange of a given volume of money depends largely upon the extent to which banking facilities are used to economize money and the amount of credit employed in the transactions of business.

The best Democratic authority I can cite in this connection is David A. Wells, who says:

> That no one commodity can ever be named in respect to which there is conclusive evidence that its price has been affected in recent years by influences directly or mainly attributable to any scarcity of gold for the purpose of effecting exchanges.

He further says:

> A given amount of gold does not buy more, but less of domestic service and of manual and professional labor than formerly; does not buy more of amusement; not more of hand-woven lace; of cigars, and of flax, which are mainly the products of hand labor; of cut glass, of gloves, of pictures, or of precious stones. It buys no more of horses and other domestic animals; of pepper, of cocoa, the cheap production of which is limited to a few countries; of malt liquors, eggs, currants, and potatoes.

He also calls attention to the fact that very little change has come to the price of commodities of countries of low civilization, that have remained outside of the current of recent progress and where, for the most part, primitive methods of production prevail. It would seem to be a rational conclusion that if the appreciation of gold affected prices at all it would affect all prices, but all prices have not been affected, and therefore the implication seems strong that the fall in some classes of commodities must be due to other causes.

HAS BEEN NO CONTRACTION.

But there is still another consideration which offers its services in the cause of truth—in her warfare with this error which has found a lodgment in the minds of free-silver people. There has been no contraction of currency due to the closing of the mints to silver; the entire product of the silver mines of the United States has gone into the volume of our currency. The displacement of the coin silver dollar has not displaced a dollar of our currency. The silver that we have already coined the people will not have, but it lies in the vaults of the Treasury to the amount of well-nigh $400,000,000, and all that the people can be induced to take is about $1 per capita.

Now, why should we lift the floodgates of this deluge of silver dollars that nobody wants? What earthly motive can there be for doing so? Plutarch tells us that Lycurgus stopped the coinage of gold and silver, and ordered that they should use iron for money, so that a small value would have so great weight that to move a little of it would require a yoke of oxen. The result was that much wrong and injustice ceased, for no one would steal or rob when he could not carry away the booty. I indulge the hope that we can find a way to correct our morals without destroying our money.

Now, if the volume of our currency has not been curtailed a dollar; if we have more money in circulation now per capita than we ever had—about $23—if we are increasing our volume annually sixty or seventy millions by utilizing the total product of our mines for monetary uses, and every dollar of it will buy as much as a gold dollar, how, I ask in the name of reason and common sense, can a fall in prices of commodities be attributed to a decline in the price of silver?

As a matter of fact the depression in the agricultural interest has not been produced to any considerable extent by causes arising out of monetary changes. England has been on a gold standard for more than half a century, yet no farmers in the world have suffered more than English farmers. It is estimated that since 1880 there has been a decline of a thousand million dollars in the value of British farming capital from depreciation of land values and prices of products. The causes of this depression are not hard to find by any intelligent student of the world's industrial history for the last quarter of a century. Agriculture in every civilized country has felt the heavy hand of recent economic changes, produced by immutable economic laws, and it must continue to bear its burdens until new economic adjustments emerge out of the confusion produced by recent disturbances.

VOLUME OF OUR CURRENCY.

But it is insisted that free coinage will increase the volume of our currency, and thus afford needed relief to the masses of our people who are supposed to be oppressed for lack of money.

It seems to me to be a great misconception of the situation that supposes that the volume of the money should increase annually at any fixed ratio. It is easily conceivable that our present volume of money would be sufficient for many years to come, and this without contravening any established principle governing the relations of money to commodity.

In 1860 the per capita circulation was $10.80; it is now almost $25. That any considerable increase in the volume from this on is necessary, is not in the power of man to demonstrate. The utility of a given volume of currency depends upon many considerations, and a variation in any one of them would affect the whole. These considerations are: First, the state of business; second, the rapidity of the circulation; third, the extent to which banks are used to keep the money available, and fourth, the extent to which credit is used. Now, it goes without saying that population is increasing and business is increasing; but the necessity for more money thus created may be met, either by increased rapidity of circulation of the monev we already have, or by increasing our bank facilities, or by increasing the use of credit.

No one will doubt that all these agencies for economizing money are and will continue to be in a state of progressive increase, thus meeting at least to some extent the necessity for increasing the volume of the currency to keep pace with business and population. The exact amount of money any country ought to have in circulation to produce the best results has never been found out and never will be. Nations have prospered with a very small per capita circulation, in some Eastern countries it is not more than $4, and others have been bankrupt with a very large per capita circulation, for example, the Argentine Republic, in which the per capita circulation is over a hundred dollars.

It rarely if ever happens that a man who has anything to sell can not get the money for it, and money is as useless as the fifth wheel of a wagon over and above what is needed to make the exchanges desired to be made. It is a notable fact that the amount of per capita circulation is no denotement of the amount of business done in a country or the degree of prosperity prevailing. France has a higher per capita circulation (nearly $45) than any other European country, but no one would pretend that France does more business than England, whose per capita circulation is only $18. Our per capita circulation in 1870 was $17.50. Are we any better off? Are we more prosperous now with about $25 per capita?

INEQUALITY OF DISTRIBUTION.

The trouble with our money, which nobody seems wise enough to remedy, is the inequality in its distribution. There is a plethora at some places and a dearth at others. It is plenty one day and hard to get the next. The inequality in the distribution is the result of a law as changeless and relentless as the law of gravitation, and there is no escape from its inexorable operation. If it is not the guest of any portion of our country, it is because business does not extend to it a cordial hospitality. It must be entertained, employed, or it will not stay.

Money, in other words, will seek its level. A law of its nature determines it toward the money centers, where business woos it and weds it. Men complain that there is more money in the East than in the West, but how could it be otherwise? There is more water in the Mississippi River than on the Kansas farms where it seems at times more needed; and it would be just as rational to ask the Almighty to send a Noachian deluge with the hope that the water would remain in reservoirs on the farms of the West instead of running into the rivers, as to ask the Government to deluge the country with money with the expectation that a larger relative share of it will remain in circulation in the agricultural areas of the West than will run to the money centers of the East. We always wage a losing battle when we fight with the nature of things.

This natural and necessary inequality in the distribution of money finds a striking illustration in a comparison of the States of Alabama and Georgia with Pennsylvania, as follows:

States.	Square miles.	Population.	Bank circulation.	No. of banks.	Capital stock.
Alabama	50,722	1,508,073	$1,229,587	29	$4,369,000
Georgia	58,000	1,834,366	1,141,806	32	4,381,000
Pennsylvania	46,000	5,248,574	20,047,240	368	72,720,000

This statement shows that in Alabama there is one bank to 52,000 population. In Georgia one bank to 57,324 population, while in Pennsylvania there is one bank to 14,280 population. In Alabama the circulation is 81½ cents per capita; in Georgia it is 63¼ cents per capita, while in Pennsylvania it is $3.82 per capita. The capital stock of the banks in Pennsylvania is nearly nine times as much as that of Alabama and Georgia combined.

The single county of Lancaster, Pa., which I have the honor to represent, has an area of 1,000 square miles, and a population of 150,000. It has as many national banks lacking three as the State of Alabama, with capital stock exceeding that of Alabama at least a half million, with $5,000,000 deposits, and her farmers have on interest secured by mortgages and judgments, about $25,000,000. We have no lack of money, I never knew a man in Lancaster County who could not get all the money he wanted if his character and security were good.

A State without money means a State without business and capital. Seek ye these and currency will be added unto you, for the national banking law is the same in all the States, and the desire of men to use money to make money has a uniform effect upon all men. So I must say in all kindness to my friends in the South and West, who complain so bitterly of their depression, not applying it in a personal sense, "Dear Brutus, it is not in our stars but in ourselves that we are underlings."

DANGER OF SUDDEN INCREASE OF VALUES.

The volume of our currency has been increasing for years at a ratio more than commensurate with our actual need. "Money," says one of the writers on finance, "is the fat of the body politic, whereof too much doth as often hinder its activity as too little makes it sick." Any considerable increase in our currency in excess of what is required to make our exchanges, opens a Pandora's box of evils. It disturbs adjustments, helps the debtor temporarily, and harms the creditor; invites to speculation, stimulates to intoxication, and injures in turn every class of our people.

The law of 1890 secures the use of our entire silver production for monetary purposes without injury to our money. This ought to continue until by concert of action between the leading commercial nations silver can be again coined at a ratio corresponding with its commercial value. If this is never realized then we must continue as we are until we arrive at the next step in the progress of the evolution of our monetary system, subordinating at all times and under all circumstances everything else to the soundness of our money of ultimate redemption.

Hume said, and it seems conformable to reason, "that an increase of money helps business only in the interval between the acquisition of the money and the rise in prices. When the money becomes distributed that effect ceases." I have no doubt of the truth of this, and after this warrant to the debtor to rob his creditor has had its operation, its supposed utility is exhausted, and thereafter its benefits turn to ashes—on our lips—and only injuries continue.

A CRIME AGAINST THE POOR.

In contemplating the effect of increasing the currency to the advantage of the debtor and the disadvantage of the creditor, it is important to know who comprise these two classes of our people. Multitudes are both debtors and creditors and would be little affected, but the chief debtors are the United States Government and the great railroad and other corporations, whose bonds and stocks are held by the people. The creditors are the owners of every fixed charge, every debt, every annuity, every pension, every bond of the Government, every share of stock in every bank or other corporation in the country.

Who are these people? Among them are found the crippled and aged soldiers of the Republic, their widows and orphans; the widows, who live on dowers in their husbands' estates, and millions of meritorious citizens, whose subsistence comes from fixed incomes, and every dollar of every payment periodically made to these people loses a part of its purchasing power every time the volume of the currency is increased in excess of the requirements of trade.

In the savings banks of the United States there are of the earnings of the poor in small deposits something like $1,600,000,000. Every workingman who is a depositor is a creditor. Of these deposits, it is said $1,000,000,000 are invested in mortgages. It is easily seen that to depreciate this money 30 or 40 per cent would be to rob millions of our industrious citizens of their hard-earned savings.

King Charles I, to swell his coffers without the aid of Parliamentary grants, ordered the sheriffs of the counties to demand of the rich a free gift in proportion to the necessities of the Crown. This robbery had the merit of limiting its victims to the rich, but the exactions of the silver kings of America spare neither age nor sex nor condition.

This measure if enacted into law would be more than a blunder, it would be a crime that would not go unavenged. [Applause.] Deluded men, do you not know it is a hiltless sword you hold?

> The closer your clutch of the steel,
> The deadlier the blow you would deal,
> Deeper wound in your hand is made.
> And your own blood reddens the blade.

[Applause.]

MONEY CRISES.

There is another misconception that ought not to live another hour in this country. That is that financial crises are due to a dearth of money. These crises are incident to every possible money system; they are recurrent and self-corrective. An increased volume of currency would not prevent them, but rather invite them. A money crisis is produced by financial intoxication, resulting in overtrading and excessive speculation.

The stringency after such a debauch is caused, not by lack of money—for there is just as much as before—but lack of confidence, which has been diminished by the turn in the market which follows undue speculation. When money is easy, and prices for any reason are incling upward, there is a disposition to buy, to profit by the advance; this helps the upward tendency; the spirit of speculation is caught by an increasing number and the tide continues to rise, until the break comes, prices turn, buying stops, holders rush into the market, but the prices are declining and people will not buy on a falling market, so a halt occurs in the exchanges and losses ensue.

These speculations are mostly conducted on credit; when that matures there is a demand for money to hold the commodities—to prevent greater losses—but by this time the people have felt the shock, and are holding on to their money, and hence a stringency. This is about all there is in a financial panic, and as soon as confidence is restored money is released and the panic is over.

WILL PUT GOLD AT A PREMIUM.

But another overwhelming reason appeals, trumpet-tongued, against this monstrous outrage upon sound money. To make primary money—I mean real money of ultimate redemption as distinguished from representative money—out of two metals of unequal value must result in the displacement of the superior by the inferior metal, and the ultimate establishment of the silver standard. The Gresham law has not remitted its operation, nor had it for two thousand years before Gresham was born. Aristophanes, five hundred years before the Christian Era, noticed the fact, says Perry, that bad money drove out good.

It has never failed to do so in our own history, and there is not the remotest likelihood that it will ever cease to do so. We can maintain the value of our subsidiary money, whether silver or paper, because it is limited in amount, and the people are not only content to use it, but desire it. In 1853, in order to keep our subsidiary silver coins, we were obliged to reduce their weight so that the silver in them was not worth their face value. It is the same way with nickel and copper coins. We can use a limited number of silver dollars in the same way. The faith that the Government will exchange them at any time for gold dollars satisfies the people.

But if they were coined in unlimited amounts by everybody who owned bullion, every man would at once be sensible of the fact that the Government could not redeem them, and at the very moment that the people realized that fact gold would be at a premium, and shortly would be out of circulation, would be a commodity in which men would speculate, while silver would be the standard money of the country, and the silver kings would be happy. Why should they not be? For I understand in some mines silver can be mined for about 40 cents an ounce—480 grains—371 of which make a dollar—$1.30 in money for 40 cents' worth of commodity.

But they must seek their solace elsewhere. If they want wealth let them climb to it on the ladders of toil and trade, on which other men rise to fortune and to fame, and not over the ruins of the honest American dollar.

The gentleman from Georgia has just referred—reverently, of course—to the fact that silver was used in the time of our Saviour; but I would remind him that silver was too much in vogue in those days. They made idols of it and worshiped it, as many people seem to in our day. But the Saviour came; Christianity came. This meant progress in many ways. Then came Paul, the Apostle of the Gentiles, the son of thunder, who woke the echoes round Mars Hill, preaching temperance, righteousness, and judgment to come. Think of it, gentlemen! "Judgment to come!" Then he found his way to Ephesus and created no small stir up that way, and persuaded many people that the silver gods were not worth worshiping. The silverites rose in arms against the new doctrines. Like the silverites of our day, they had a craft to save. [Laughter.]

But appeals of the silver shrine-makers will not prevail. Demetrius may shout to his craftsmen that "by this craft we have our wealth," but he will not be heard in the confusion of voices demanding honest money. No, the silver idols must not be restored, and the wrathful cry of the silversmiths, "Great is Diana of the Ephesians," will be drowned in the people's enthusiastic acclaim in favor of the true money of the Republic. [Applause.]

THE NATION'S HONOR.

Among the inscriptions on the monument which perpetuates the memory, records the achievements and recites the glories of England's virgin queen, there was not one that shone with so fadeless a luster as that which told how she had restored the money of her kingdom. I tell you, gentlemen, that among the recitals on the page of American history that shall record the achievements and transmit to endless generations the imperishable glory of this Republic there will be none that will shine down the centuries with a more supernal splendor than that which tells how this nation preserved its honor, maintained its credit, and kept its money good. [Applause.]