

**SPEECH**  
**OF THE**  
**HON. ROBERT E. DE FOREST,**  
**OF CONNECTICUT,**

**DELIVERED IN THE**  
**HOUSE OF REPRESENTATIVES,**

**August 22, 1893,**

**IN SUPPORT OF THE BILL REPEALING THE PURCHASING**  
**CLAUSE OF THE SHERMAN SILVER ACT.**

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The House having under consideration the bill (H. R. 1) to repeal a part of an act, approved July 14, 1890, entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes"—

Mr. DE FOREST said. Mr. Speaker, that there should be any opposition from any source whatever to the repeal of the silver purchasing clause of the Sherman act under existing circumstances is, to me, the subject of profound astonishment.

The necessity for that repeal is so clearly written on the face of public distress, the demand for it is so distinctly heard in the voice of general calamity, that it would seem that no partisan rancor, no individual hobby, no speculative theory, no merely selfish personal scheme or sectional interest would dare to obstruct it by the slightest obstacle or the least delay.

The cry for this relief comes up to us not so much from the rich and powerful; not so much from the brokers and the bankers and the capitalists, whose names and occupations are harped upon here by the opponents of repeal as though in justification of their conduct; not so much from them, as from the humble poor, from the worthy and industrious masses, upon whose patient shoulders are upheld the pillars of all our material progress and prosperity; from those men and women to whom the cessation of industrial activity through the operations of this Sherman law means the loss of employment, the sacrifice of hard-earned savings, the extinguishment of fondly cherished hopes—yea, even cold, hunger, and nakedness, and all that penury implies.

Not from the ranks of any one occupation, not from any particular section, but from all pursuits and from every quarter of our territory the cry comes up to save these suffering countrymen of ours from a winter of unparalleled misery, not by any mere gratuity, not by any extraordinary or unconstitutional expedient, but by a simple act of justice, by rescinding a law that ought never to have been enacted, that almost every one admits to be loaded with disaster, and that hardly any one to-day seriously attempts to justify.

In response to this appeal the President has convened us in this special session of Congress for this special purpose. All the vast business interests of the Union, tottering on the verge of destruction, believing that from us and by this means alone they can be rescued, are imploringly holding out their hands to us for succor. Why should it not be granted, immediately, unconditionally, without hesitation, and without debate?

But, sir, we find there is opposition, and what are the reasons assigned for it? Does any one question the vicious character of the silver-purchasing law or the disastrous consequences that have resulted and are now resulting from it?

No one, I had almost said; but I do remember that the honorable, learned, and eloquent gentleman who first from the State of Louisiana the other day addressed the House upon this subject seemed to be contending that the Sherman act has not been so much as the least factor among the causes of the present crisis.

"What?"—

Said he—

"has the Sherman law to do with this condition of affairs? If men had been alarmed"

He argues—

"by the legislation known as the Sherman act, and by the purchases of silver made under it, they would have gone to the Treasury with those silver certificates, those obligations of the Government, and demanded that universal money which the friends of the pending bill seem to be so fond of. There would have been a run upon the Treasury instead of upon the private banking institutions of the country."

But does not the honorable gentleman very well know that this is precisely what has occurred? Does he not know, is it not a matter of record, is it not laid before us in the message of the President itself, that there has been a run upon the Treasury, and of that exact character? That of the fifty-four million of silver certificates issued by the Government in the period between the 1st of May, 1892, and the 1st of July, 1893, \$49,000,000 have in fact been presented to the Government for payment and have, in fact, been paid in that same universal money, so far depleting the Treasury and impairing the ability of the nation to meet its ultimate obligations?

The argument of the honorable gentleman appears to refute itself. It seems to resolve itself into a conclusion predicated upon a false hypothesis. The testimony of all experience is against him. The testimony of the financial and business judgment of the world, based upon practical tests, and springing from wide observation and long familiarity with the subject, is against him; and, sir, in the light of all the evidence that comes to us from far and near, from high and low, from every rank and condition of life, I think I am justified in the assertion that in his skeptical interrogatory, "What has the Sherman act to do with it?" the honorable gentleman from Louisiana stands almost unsupported and alone. Now, is there anything in this law that commends it to our particular affection, that ought to prevent or postpone its abrogation?

I have listened patiently to hear some suggestion to that effect, but none has been presented. No one appears to be willing to befriend the act. The Democrats in Congress all voted solidly against it. Our Republican friends, who contrived it and passed it, now with commendable contrition acknowledge the error and stand ready, so far as in them lies to make all suitable reparation. The Democratic party throughout the country has denounced it and promised its repeal. The boards of trade and exchange, the bureaus of commerce, the foremost men in financial, commercial, and manufacturing circles condemn it, the whole body of our laboring population, whether artisan or agricultural, arraign it as one of the chief causes, if not the only cause, of the present widespread, far-reaching, and ruinous monetary stringency. Why, then, should it not be repealed?

But opposition there is, and it comes in the form of proposed substitutes, containing provisions that no friend of sound finance or of fair dealing in public or private transactions can, from our standpoint, for a single moment favorably consider—provisions that, instead of quieting distrust, creating confidence, and reviving business activity, would in our judgment but aggravate and prolong the very evils we are seeking to escape.

There shall be no repeal of the silver-purchasing clause of the Sherman act, they tell us, unless we will consent to the free and unlimited coinage of silver at ratios ranging from 16 to 1 to 20 to 1. And we are told that the principles and pledges of the Democratic party require it.

Again and again, sir, upon this floor during this debate and in the discussion of the silver question in the last Congress, have we listened to this and similar assertions, made by honorable gentlemen with great persistency, great emphasis, and all apparent sincerity. It is even intimated that our unwillingness to concur in that proposition amounts to a species of party treason, which will ere long bring down upon our devoted heads the scathing wrath of disappointed and indignant constituents. "To vote for repeal," they say, "and to refuse to vote for these substitutes is in violation of the pledges of the Chicago platform."

Now, sir, what do these assertions amount to, and how much truth is there in them? Why, the platform is easily understood. It is clear, positive, and unambiguous, and I undertake to say—and say it without any fear of successful contradiction—that there is not a syllable of the pending bill that is inconsistent with, and not in direct pursuance of, that platform, and that there is not a single substitute for that bill offered here that is not directly in conflict with that platform and with all the principles, doctrines, and traditions of the Democratic party.

Let us see if this is not so. The bill repeals the silver-purchasing clause of the Sherman act, which the platform denounces and promises to repeal. The substitutes propose free coinage of silver at ratios not exceeding 20 to 1. The platform contains no such doctrine and no such promise. The platform, on the contrary, while declaring in favor of the free and equal coinage of silver with gold as the money of the country, at the same time and with equal emphasis declares that it shall be done only upon a ratio which coincides with the commercial value of the metals.

Now, it is a fact which no gentleman can fail to know, which no gentleman who is not disposed to quarrel with the laws of gravity or the axioms of mathe-

matics will attempt to controvert; a fact as well established and as well understood as the existence of the building in which we are assembled, that not one of the ratios of coinage in any of these proposed substitutes expresses or fairly approximates to the commercial value of the metal.

There is not one of these proposed ratios that would give us (in the language of the platform) "a dollar unit of both metals of equal intrinsic and interchangeable value."

If the advocates of these substitutes were so concerned as they profess to be about the platform and the fulfillment of its pledges they would have offered us something themselves that would have complied with that platform, and that would not have been, as all these propositions that they have given us are, in distinct and flagrant violation of those solemn pledges.

What then, sir, I again inquire, is the motive that underlies this opposition? Gentlemen tell us with an air of great virtue and philanthropy that they desire to make money cheaper. But why do they desire it? What patriotic, humane, or honorable object is to be subserved by making money cheaper? If the phrase means anything it means that the dollar these gentlemen are praying for would have a smaller purchasing power than a dollar to-day; that it would take more of the silver to purchase a given amount of any other commodity than it takes to-day; that more weight of coin should be required to conduct the same commercial transaction than is required to-day.

If a man has a horse to sell which at the present value of silver dollars is worth \$100 to-day, and he desires to purchase with the proceeds of that sale a reaping machine which also is at the present price of silver dollars worth \$100. These gentlemen would so legislate that it should require \$200 in silver to effect the same exchange. That is cheap money. The man would then sell the same horse and would obtain the same machine, the only difference being that in the latter case he has had the inestimable privilege of handling twice the quantity of silver. [Laughter.]

If there would be any advantage in such a change, by precisely the same process of reasoning it would be an advantage to go back to barbarous usages and again adopt the ponderous and inconvenient media of exchange which were employed in the very infancy of society. [Applause.]

It is utterly inconceivable to me that any constituency represented on this floor can fail to perceive that for all legitimate uses and for all honest purposes preciousness rather than cheapness is desirable in a circulating medium, and that so long as enough is in use to answer the purposes of commerce the more valuable the money is, the more economical, the more convenient, and every way better it is both for those who use it and the government that provides it.

Now, then, the gentlemen who ask for cheaper money do not, I think, contend that we have not enough already issued to meet all the usual requirements of business. The present stringency is not due to any deficiency in the volume of our currency, but to a paralysis that has fallen upon its circulation, a paralysis that no increase of that volume would relieve, but rather aggravate; a paralysis that owes its origin to a distrust occasioned by the improvident issuance of currency under the Sherman act. That the volume under normal conditions is now, as it has been in the past, adequate for all commercial purposes, I do not think is seriously questioned.

No, sir, this demand for cheap money does not arise from any feeling that the necessary exchanges of commerce can not be effected safely and conveniently with the amount now on hand; it does not arise from any belief that either the people or the government are made any richer or more prosperous by being obliged to employ a larger bulk and weight of coin in the same business transactions. Not at all sir, but when we have looked the matter all over and have heard all that can be said, the invocations and the imprecations, the prayers and the tears, the graphic and the touching portrayal of the contest between riches and poverty, and of the conspiracy of Wall street and Lombard street, it all comes down to this, that the advocates of free coinage at the various ratios proposed desire cheaper money for debtors to discharge their obligations in, cheaper money in order that those who owe may free themselves from the claims of their creditors by the payment of less than is honestly due.

That appears to be the laudable object which elicits all this eloquence, which stands in the way of the relief that the country sorely needs, that legitimate industry on every hand is perishing for want of, and that we have been summoned here to furnish.

The advocates of cheap money have chosen the means best adapted to their purpose. They say they will have the Sherman law, or free coinage of silver at ratios not higher than 20 to 1.

There is no doubt that either course, if followed out, would give them cheap money. Let the Sherman law continue in force without amendment and we shall soon have a 60 or perhaps a 50 cent dollar for the accommodation of these unfortunate debtors; or, on the other hand, let free coinage of silver be established at any of the ratios proposed, and a currency will speedily be produced sufficiently depreciated and debased to answer the expectations and gladden the hearts of all who have borrowed money and prefer not to pay it.

No argument is needed to establish these propositions. Any intelligent student of political economy is well aware of their truth; and certainly no argument is needed in this debate when the gentlemen who oppose us, with all their knowledge of the subject, and with their consummate ability in adapting the means to the end for the accomplishment of their cherished purpose, and with the object of cheap money and the shielding of the debtor as against the creditor, openly avowed, have deliberately chosen for that purpose the continuance of the silver purchasing law as it now stands or free coinage at the ratios proposed.

This, then, is the situation and such is the issue; and, sir, it is somewhat astonishing as well as amusing to listen to the floods of denunciation poured out upon the creditor class, as though the possession of property and the ability to furnish capital to those who need it, especially with the expectation of repayment, were an unpardonable crime against society. [Laughter.]

The holders of Government bonds appear to be the object of special detestation. The original purchasers of those bonds, most of whom are now under the sod, and most of the survivors of whom have long since parted with all the interest they ever had in those obligations, are paraded before our vision as though in actual being they stood at the Treasury like so many Shylocks demanding their pounds of flesh. It is said that they paid for those bonds in a depreciated currency and that Congress, by subsequent legislation, arbitrarily enhanced their value.

I shall not attempt to discuss the justice of that transaction. If such discussion had any relevancy to the present issue it might with some reason be said that those original bonds were issued by the Government in an hour of supreme peril, when no human intelligence could foresee the end of the awful contest for the prosecution of which the money was imperatively needed, and that the men who in that great national emergency stood in the breach and furnished the funds for the preservation of the Union were, perhaps, in the hour of victory, not entirely unworthy of some favorable recognition. But whether it were right or wrong, just or unjust, it has no bearing upon the present inquiry.

It must be remembered that these bonds are negotiable instruments; that their ownership is changing every hour; that long since all Congressional action upon them, long since the credit of the Government was solemnly pledged to their ultimate redemption in gold or its equivalent, and their market value was thus established at the figures that have since prevailed, they have passed from hand to hand at established quotations; they have been purchased by charitable and humane institutions; they have been selected by trustees and guardians of the fatherless and the dependent; and the debt-repudiator, who fancies that by the creation of cheap money these obligations of the Government can be scaled down, must not forget, and he must not expect the people of the country to forget, that it is upon the funds of such deserving institutions and the slender patrimony of such defenseless persons that he is proposing to lay the hand of wanton confiscation. [Applause.]

I have heard honorable gentlemen here descanting somewhat at length on the alleged grinding and avaricious propensities of the people of my section of the country.

New England and the adjoining territory seem to be regarded by them with particular aversion.

Well, sir, so far as I know, whatever success we have attained has not been due to accident or outside assistance. We have enjoyed no extraordinary natural advantages. We have not the spreading prairies of the West, with their inexhaustible fertility, which the settlers in that quarter have had bestowed upon them for a nominal consideration. We have not the mines of gold and silver with their incalculable treasures. The founders of New England came over a stormy sea to an inhospitable shore, and there, amid the dreary and dangerous surroundings of a wintry wilderness and a savage foe, they kindled those beacon fires of liberty that have enlightened the world and laid the foundation and devised the formulas for those institutions of freedom that have preserved and transmitted its practical fruits to all succeeding generations.

By hard labor and frugal living their children have wrought out from what seemed most unpromising conditions some moderate degree of material prosperity. Not so much by the aid of horse power and improved mechanical appliances, which are poorly adapted to uneven surfaces, as by strained muscles and stiffened bones and hardened hands, the rugged hillsides have been subdued to the uses of agriculture. The returns of this labor they have economically, but wisely, administered. The church and the schoolhouse have never been forgotten. Highways and bridges have been adequately provided, the poor have been furnished with necessar support, and the laws have been fairly and decently executed without the aid of mobs.

And after all this has been accomplished, some little money has, in many cases, been laid up as a provision against reverses of fortune or the infirmities of age. The people of the West have borrowed these savings for the improvement of the farms that the Government has given them, borrowed them when they were as good as gold, used them to very great advantage, and now the cheap-money crusaders are proposing that they shall pay it back to us in a currency worth 60 cents on a dollar.

Mr. BRYAN. I want to ask the gentleman from Connecticut what reasons he gives for the greater increase in the proportion of wealth in the New England States during the last ten years than in the Western States? Does he attribute it—

Mr. DE FOREST. I have not assigned any.

Mr. BRYAN. Will the gentleman be kind enough to assign a reason?

Mr. DE FOREST. That is a matter of opinion.

Mr. BRYAN. Is it the greater industry and greater frugality of the people?

Mr. DE FOREST. I do not wish to enter into a discussion of that kind. I might have my opinion about it.

Mr. BRYAN. Will the gentleman please state it?

Mr. DE FOREST. That is a question of industry and frugality; it is a question of good management, too.

We have another class of alleged wicked men in New England, men who to-day by the thousands are walking the streets of my city and other manufacturing centers, out of employment for want of the relief which this Congress is asked to give them by the repeal of this silver-purchasing statute, men who at the benches of our workshops have patiently toiled from morning till night, year in and year out, supporting their families, educating their children, discharging faithfully all the duties of good citizenship, and who by self-denial and prudent management have been enabled to deposit in the savings banks small sums of money to their credit. Every dollar of it was as good as gold when placed there. Every dollar of it represents honest toil.

Every dollar of it stands for some pleasure sacrificed for which it might have been expended, and every dollar of it will be needed when the rainy day comes round. The cheap money crusaders are proposing that when the hour of necessity arrives these depositors shall receive their money back in a currency worth 60 cents on a dollar.

We also have people in New England who have not been so prosperous. There is many a farmer who, with all his efforts, has not been able to keep even with the world, and who perhaps in his declining years is haunted by the specter of mortgages upon his property. We have many in other walks of life who have been overtaken by misfortune and find themselves in debt.

The inconvenience, the apprehension, the discomfort of that thralldom I have no doubt are as keenly felt by them as though they resided in Kansas or Nebraska; but, sir, I am proud to say that I do not know of a man within the confines of my district, nor have I heard of one in all New England who would not hang his head in shame and feel that he was dishonored by his Representative in Congress if he heard that he advocated or voted for a law that would defraud a public or a private creditor out of 40 per cent or 30 per cent or any portion whatever of his just dues.

When warned by honorable gentleman that we shall hear from our constituents to our disadvantage unless we vote for cheap money, I am proud to say, sir, that, so far as I know, I have no such constituents; and, sir, if there is one lurking anywhere in the dark, sharpening the knife of his vengeance because of my course upon this question, I improve the present opportunity here and now publicly to notify him that I do not desire his vote.

But, sir, there is another influence in the opposition to the repeal of this silver-purchasing law; an influence that moves in the dark and conceals its selfish designs under a profession of regard for the down-trodden masses and the general welfare; an influence that, vociferously declaiming against the de-

mands and encroachments of the money power, is itself the most grasping and the most unscrupulous of all the agencies and forces that power has brought to bear in recent years on Federal legislation.

I refer, sir, to the vast, consolidated, organized, indefatigable, ever-watchful and ever-active forces of the silver-mining interests of America; a power that has flooded the mails with its preposterous literature and filled the land with its emissaries; that has laid its potent hand on primaries and conventions, on the organization of Territories, the admission of States, and the choice of legislators; and that, surrounding and prying the walls of this Capitol to-day, is seeking again, as it has sought—an not unsuccessfully sought—in the past, to lead the lawmaking department of this Republic an humble tributary to its avarice.

It asks the Government to continue its purchases of silver, not that it is needed for purposes of coinage; not that we already have on hand tons upon tons of it which we can not use and upon which we have already lost many millions of dollars, not that anyone believes it to be needed for any public use whatever, but only to help on these gentlemen in their private speculations, to furnish them a market which they otherwise would not have, to pay them a price which they otherwise could not obtain, and to add, at the general expense, to the stupendous fortunes which they have already acquired a larger increment than the laws of trade and production would justly entitle them to.

This is a power to-day that lays its murderous hand upon the throat of honest industry, and that in response to all the prayers of the people, and the patriotic call of the President, and the effort that is made by the friends of this repeal to save the whole country from financial ruin, says; "No; we will not consent. Banks may fail, factories may close, the wheels of commerce may stand still, the revenues of charity and dependence may be cut off, homes may be sold at the auction block, the products of the farm may moulder in the fields, labor may starve in the streets, and incalculable loss and misery invade and shake the whole framework of society before the Government shall be allowed to withdraw for a single hour the bounty which we have already so long enjoyed."

This was the threat that was given out almost from the day the President issued his message. It is the threat which here in Congress at the present time, too cunning to disclose its real object is seeking to accomplish its aim under other more humane and plausible pretenses.

Shall we yield to this impudent demand? Not, sir, I conceive, unless we are deaf to all suggestions of reason, blind to all considerations of justice, and recreant to every trust.

I do not know in the platform or principles of what party the silver-mining interest will pretend to discover the promise of its claim, this proposition that the powers of the State should be exercised for purely private purposes.

It may be Populistic, I am sorry to say that I think it is Republican, but one thing I am certain of, it is not Democratic. Very sure I am that the shades of Jefferson and Jackson, to whom such eloquent and pathetic allusions have been made, would find themselves shuddering with a strange surprise if invoked to subscribe to any such doctrine as that. It will not be found in the Chicago platform. It will not be found in any authorized declaration of Democratic belief, it will not be discovered in the teachings of the illustrious founders of the party.

Democracy stands for simplicity in public affairs. It insists that the powers of the state shall be confined within the narrowest possible limits and exercised only for strictly public purposes. Bounties, subsidies, class legislation, governmental favoritism of every kind it uniformly denounces as hostile to the spirit and foreign to the purpose of free institutions. It holds that these truths were the inspirations of our independence, the keynote of our declaration and our constitution, the vertiable foundation stone of this grand structure of our civil liberty.

In the neglect of these truths it sees the pathway of national decadence, public functions indefinitely multiplied and extended, the continuous growth of the office-holding army, the strife for party supremacy a thousandfold intensified, the danger of its tyrannous exercise a thousandfold increased, and, finally, upon the ruins of a once popular system the settled and perpetual domination of a governing class, from which there would be no escape save through the portals of fiery revolution.

It is by a departure from these first principles of safe government that all the dangers of the past have been encountered. It was through such a departure that the law which now afflicts us was enacted, and it is only by a penitent and obedient return to them that we can hope to dispel the cloud that now hangs over us, and for ourselves and our children after us to preserve this, our sacred temple of human rights, from all the invasions and pollutions of despotic power. [Applause.]