

SILVER.

SPEECH

OF

HON. JAMES D. RICHARDSON,
OF TENNESSEE,

IN THE

HOUSE OF REPRESENTATIVES,

FRIDAY, AUGUST 25, 1893.

WASHINGTON.
1893.

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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. RICHARDSON of Tennessee said:

Mr. SPEAKER: During the Fifty-second Congress, on the 23d of March, 1892, a bill was pending in this House for the free coinage of silver and for the issue of coin notes, and for other purposes. While that bill was pending I took occasion to submit some remarks to the House upon it. I stated that I thought it was the plain duty of Congress to provide for the coinage of both metals unless it could be shown that of one of the metals there was a sufficient quantity which could be coined into money to meet the demands of our trade and commerce. I also quoted from the Constitution of the United States the provision that Congress shall have power "to coin money, regulate the value thereof, and of foreign coin." I also quoted the provision, "No State shall coin money," and the provision, "No State shall make anything but gold or silver a legal tender in payment of debts."

I insisted then, Mr. Speaker, that if both metals, gold and silver, could be coined, there would not be enough coin in the United States to meet the just and legitimate demands of trade and commerce. I have seen nothing since that time to lead me to change the views which I then entertained and expressed. I stated then that if silver was admitted to free coinage in this country and to its rights before the law and under the Constitution, I believed it would go to a parity with the other metal.

In the beginning of my remarks to-day I wish to say that I still entertain those views, and I shall vote for the free coinage of silver at the ratio of 16 to 1, that failing for 17 to 1, then 18 to 1, then 19 to 1, and 20 to 1; and I shall vote in favor of the Bland-Allison bill, and against the unconditional repeal of the Sherman law. [Applause.]

I shall not vote for any ratio higher than 16 to 1, the present ratio, however, without some feeling of reluctance. I say this because the ratio of 16 to 1 puts more silver into the standard silver dollar of the United States than any government puts into any silver coin in the world. I fear if the United States should establish a ratio greater than 16 to 1 at an early day in the future all the silver of the United States would go abroad. It could not be kept here. Foreign governments, then opening their mints to the free coinage of silver, would have all our silver flowing to

them. No nation, so far as I know, ever adopted a much larger ratio than 16 to 1. To change the ratio would mean the recoinage of all our gold coins, or of all our silver coins, and during the process of taking up the old coins and getting the new ones into circulation great confusion and trouble would ensue.

I do not believe there is necessity for a change of the ratio, for if we are to have bimetallism—the use of both metals—we can as easily have it at 16 to 1 as at any other ratio. The ratio between the two metals in the days of Washington was about 15 to 1. At a later period, June 29, 1834, it was fixed at about 16 to 1, and thus, in my opinion, it should remain. I can not believe I am mistaken, that with free coinage we can absorb the annual supply of silver, and maintain the parity of the metals at 16 to 1 with as much certainty as at a new ratio.

I will only vote for a new and increased ratio now that we may show a spirit of compromise and fairness to our friends, members of the same party to which I belong, who honestly favor silver as money, yet who insist there is too much difference between the present standard silver and the gold dollar. The present disparity in value between the two metals, it is conceded, is great, but I contend that this great disparity is largely if not altogether the result of legislation hostile to silver. I shall insert here an extract from the speech made by me in the House on March 23, 1892, and which I now ask the Clerk to read.

The Clerk read as follows:

From time immemorial, perhaps from the beginning of civilization, these two precious metals have been recognized as money, and have been made the media of commercial exchange. Gold and silver were the money of our colonies before the States were formed. The framers of our Constitution made our monetary system bimetallic when they made recognition of the two metals in the provisions which I have quoted. I think it can be safely assumed upon these premises that as representatives of the people in Congress our duty is a plain one—that is, to establish the ratio of value for the coinage of the two metals, and then to provide for their free coinage. Such, I assert, was the policy of Congress from the beginning of our Government under the Constitution, at least from 1792 down to 1873.

During all these years from 1792 to 1873 both of these metals were free coined. In the latter year, 1873, without any public demand for a change our system was radically altered, and one of the metals demonetized. This was done without discussion and without any public demand therefor. It was done secretly and stealthily. It was done without the knowledge of the members of Congress who themselves did it. If this radical change in our monetary system had been made with understanding on the part of the legislators who did it, and in answer to some popular demand therefor, it might with reason be contended that there was wisdom in the new policy.

But it is a violent assumption to claim that for nearly a hundred years we had been pursuing the right policy, and that all at once, without discussion of the question and without the intention of the Congress which did it, the new policy was discovered by accident and put into operation. The ratio of value of gold and silver in this country as fixed by Congress was 16 to 1; that is to say, gold was sixteen times as valuable as silver. In other words 1 ounce of gold was declared to be equal in value to 16 ounces of silver. At the ratio of value I have mentioned, these metals circulated in our country side by side with but little appreciable difference in value until 1873.

In 1873, when the crime was committed of the demonetization of silver, for it was a crime, it is a fact that this metal exceeded in value the other metal by about 3 per cent. It is believed now, by the advocates of bimetallism, that if silver is restored to its full constitutional rights, that is, to have its legal-tender power restored, and to be admitted to the mints for free coinage, that it will speedily appreciate in value until it will be equal to gold. It will not be controverted that when silver was stricken down in 1873 that about one-half of the money of our country was destroyed, leaving as money but the one metal, gold. The inevitable result was to immediately enhance or increase the value of gold. What followed?

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We have but to look back to the intervening years since 1873 to find the answer. The effect was seen in the depression in business, the stopping of industrial enterprises, the falling off in the demand for labor, and the universal decline in prices. Especially has this been true in all the agricultural districts in our land. The burden of the debtor class was doubled, and thousands and tens of thousands of those who had known prosperity and happiness were brought to distress. Those who had gold or fixed incomes were made richer while all the producing classes were made poorer. The effect was to place gold at a premium of from 40 to 50 per cent., and at the same time to make it the measure or standard of value of all other property at its increased value. It may be that silver declined in value, and it did, compared alone with gold. It was inevitable that such decline would follow.

As to every other commodity on earth I do not believe it can be said that silver has declined. As compared with land, horses, corn, cotton, wheat, beef, pork, and indeed every article produced by agriculturists it has surely not declined, and has lost relatively none of its purchasing power. Notwithstanding the discrimination against it, and it being outlawed as money by act of Congress, it has maintained a position nearer in value to gold than any other commodity in the land. It was made a commodity when its power as money, or to be money, was taken from it by law.

Mr. RICHARDSON of Tennessee. By repeating the foregoing remarks I wish only to emphasize what I then said. I can not vote for the unconditional repeal of the purchasing clause of the Sherman law. It is the only not left on the statute books which makes any provision for silver, and while I voted against it when it was enacted in the Fifty-first Congress, I did it because it repealed the Bland-Allison law, which I thought was preferable to it. I do not like it now. It makes silver a commodity instead of money, but under its provisions the paper money circulation is increased. And it is the only law, it seems, under which this can be done.

In taking the position I have indicated, Mr. Speaker, I am in line with all the Democratic teachings, and all their platforms ever written, so far as I know. I shall only quote from three platforms of our party, the first quotation being from the national platform of 1884, which is in these words:

We believe in honest money, the gold and silver coinage of the Constitution, and a circulating medium convertible into such money without loss.

The national Democratic platform of 1892 uses the following words:

We denounce the Republican legislation known as the Sherman act of 1890 as a cowardly makeshift, fraught with possibilities of danger in the future which should make all of its supporters, as well as its author, anxious for its repeal. We hold to the use of both gold and silver as the standard money of the country, and to the coinage of both gold and silver without discriminating against either metal or charge for mintage, but the dollar unit of coinage of both metals must be of equal intrinsic and exchangeable value, or be adjusted through international agreement or by such safeguards of legislation as shall insure the maintenance of the parity of the two metals and the equal power of every dollar at all times in the markets and in the payment of debts; and we demand that all paper currency shall be kept at par with and redeemable in such coin. We insist upon this policy as especially necessary for the protection of the farmers and laboring classes, the first and most defenseless victims of unstable money and a fluctuating currency.

If there was any room for misunderstanding these words, or any doubt as to what was meant by the party in the minds of its members generally, I insist no Tennessee Democrat has any ground for doubt or misunderstanding. The following is an extract from the Tennessee Democratic platform of 1890, which every Tennessee Democrat advocated:

We demand a currency of gold and silver, and also of paper convertible into coin at the option of the holder, and we demand the free coinage of all-

ver on the basis originally fixed by law, and that it and the gold dollar shall be equally a unit of value.

Mark the words, "we demand the *free coinage* of silver on the basis originally fixed by law." This means free coinage at the ratio of 16 ounces of silver to 1 ounce of gold, the present ratio. And mark the other words, both the gold dollar and the silver dollar "shall be equally a unit of value." With the repeal of the Sherman law, or the purchasing clause of silver in it, where is there any provision in the law for silver? There is none left.

No declaration of the party since that date has ever absolved Democrats from the principles thus clearly set forth. I pledged the people who elected me to stand by the principles of the party so often and so clearly enunciated in their platforms, and I shall do it though no other member of this House votes with me. Speaking for myself, and for myself only in this sentence, I would deem myself unworthy of the position which I esteem so highly as the representative of the people of my district if I were untrue to the promises made them and were to vote for any proposition contrary to the free coinage of silver. Others may do as they please. I shall stand by the platforms of the party, and the pledges I made the people when I sought their suffrages as a candidate for a seat in this body.

It has been said there is too much silver being produced, and that for this reason we must abandon its coinage and resort to gold alone. This I deny. The production of these two metals since the foundation of the world has been about the same. We have reliable statistics for the past four hundred years—that is, from 1493 to 1893—and on this point the report of the officers of the United States Mint shows that for the four hundred years named the production of gold of the world has been \$8,204,303,000, and of silver \$9,726,072,500, which is only a slight difference, but the difference is in favor of silver. Let us see how it is for the past one hundred years—that is, from 1792 to 1892. There was produced of gold during this time \$1,969,692,976, and of silver \$1,158,831,869. Again the difference is not great, but it is in favor of gold.

For the year 1892 the production of gold was \$130,316,600, and of silver \$196,605,200.

I will here insert a table which shows the annual production of gold and silver of the world for the last ten years, 1893 to 1892, inclusive:

Years.	Gold product.	Silver product.	Total.
1893.....	\$95,400,000	\$115,300,000	\$210,700,000
1894.....	101,700,000	105,500,000	207,200,000
1895.....	108,400,000	118,500,000	226,900,000
1896.....	106,000,000	120,600,000	226,600,000
1897.....	105,775,000	124,281,000	230,056,000
1898.....	110,197,000	140,705,000	250,902,000
1899.....	123,489,000	162,159,000	285,648,000
1890.....	113,149,600	172,234,500	285,384,100
1891.....	120,518,800	186,733,000	307,251,800
1892.....	130,316,600	196,605,200	327,421,800
Total.....	1,115,448,000	1,442,618,700	2,558,066,700

I also here insert the following table, which shows the annual gold and silver production of the United States from 1883 to 1892:

Years.	Gold product.	Silver product.	Total.
1883.....	330,000,000	846,200,000	1,176,200,000
1884.....	30,800,000	48,800,000	79,600,000
1885.....	31,800,000	51,600,000	83,400,000
1886.....	35,000,000	51,000,000	86,000,000
1887.....	33,000,000	53,350,000	86,350,000
1888.....	33,175,000	59,195,000	92,370,000
1889.....	32,800,000	64,646,000	97,446,000
1890.....	32,845,000	70,464,000	103,309,000
1891.....	33,175,000	75,417,000	108,592,000
1892.....	33,000,000	74,989,900	107,989,900
Total.....	325,695,300	595,661,900	921,357,200

Mr. Speaker, I desire to call especial attention to these tables and figures, for they answer the bald assertions often made that we have too much silver. They demonstrate conclusively that the production of the two metals is about of equal proportions when you take any long period into the calculation. And there is no other safe method of calculation. They show the wisdom of bimetallism, and they show unmistakably that the bimetallic standard is the true one and can be maintained. The exact date when silver was first used as money is not known. It is known, however, that it was coined in Rome at least two hundred and fifty years before the birth of Christ and that gold was coined a few years later. But for centuries before that time gold and silver were recognized as "precious metals," and in definite and fixed ratio had become the common medium of exchange wherever commerce was carried on, and by them the value of other things was estimated.

The ratio at which these metals were first coined was that at which they had previously gone into use by weight. We learn that in Lydia, in the Greek cities of Asia Minor, and in Greece the ratio was about 13½ to 1. We are told that in Philip's time, and perhaps earlier, gold was the more abundant metal in Persia, Macedonia, and Asia Minor, but in most parts of the world silver was the measuring metal. Boeckh, in his *Economy of Athens*, says:

The value of gold is more variable than that of silver, which, therefore, may be considered as the standard of price for gold, as for other commodities.

In like manner we are told that the gold of David and Solomon was valued in silver, which was the standard money of Palestine and the Phœnician cities of the Mediterranean. In his celebrated essay on money, Locke says:

I have spoken of silver coin alone, because that makes the money of account and measure of trade all through the world.

In our country during the colonial period the metallic money consisted entirely of foreign coins, but the Spanish milled dollar of silver came to be recognized as the money unit and standard of values in all the colonies. Under our Constitution, when first formed, our metal money consisted of gold and silver wholly of foreign mintage, the recognized standard being the Spanish

milled silver dollar. By the Constitution, as I have already stated, the right to "coin money, regulate the value thereof, and of foreign coin," is given to Congress, and the States are prohibited from making "anything but gold and silver coin a tender in payment of debts." I find in a recent copy of the Commercial Reporter and Railroad Guide a brief but valuable résumé of the coinage laws of the United States since the adoption of the Constitution. I think it is accurate and I will insert it here as a part of my remarks:

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FIRST COINAGE LAW.

The first law relating to coinage, under the new Constitution, was the act of April 2, 1792, establishing the mint. This act provided for striking gold coins, called eagles, "each to be of the value of ten dollars, or units."

The weight of the eagle, by this act, was made 247½ grains of pure gold, or 24.75 grains to the dollar. This act also provided for coining "dollars, or units, each to be of the value of a Spanish milled dollar, as the same is now current."

Hamilton, the first Secretary of the Treasury, had a number of the old Spanish milled dollars, as then in circulation, assayed, and they were found to contain 371½ grains of pure silver, and therefore the new dollar was made to contain exactly 371½ grains of pure silver, so that the money unit of the colonies, as at that time in circulation, was continued as the money unit under the new Constitution.

The first gold coins were eleven-twelfths fine. The full weight of the eagle was 247.50 grains pure gold and 23.50 grains of alloy, making the total weight of the eagle 270 grains. The silver dollar contained 371.25 grains of pure silver and 44.75 grains of alloy, making the full weight of the dollar 416 grains.

The act of 1792 also provided for half dollars, quarter dollars, and dimes of silver, weighing, respectively, one-half, one-fourth, and one-tenth the weight of the dollar.

As gold coins contained 24.75 grains of pure metal to the dollar and the silver dollar contained 371½ grains, the ratio at this time was exactly 15 to 1.

FREE COINAGE AND LEGAL TENDER.

The same act which established the mint and fixed the weight and fineness of the coins of the United States also provided that any person might take either silver or gold to the mint and have it coined for his benefit "free of expense," and the said coins were made equally legal tender for all debts, public and private. By this act fractional coins were also full legal tender.

Thus, the first coinage law enacted under the Constitution, as recommended by Hamilton, concurred in by Jefferson, and approved by Washington, provided for the free and unlimited coinage of both gold and silver.

Subsequent acts fixed the rates at which foreign gold and silver coins should be legal tender in this country, and various coins, including the Spanish milled dollar, continued to be legal tender until 1857.

CHANGE IN GOLD COINS.

In 1834 the weight of the gold eagle, or ten-dollar piece, was changed from 247½ grains of pure gold, or 270 grains of standard gold, to 232 grains of pure gold, or 23.2 grains to the dollar, or 258 grains of standard gold, or 25.8 grains to the dollar.

The pure metal in the eagle was therefore reduced 15½ grains, or 1.55 grains to the dollar. This new piece, however, was made legal tender for all debts, past and future, the same as the old one. No change was at this time made in the silver coins.

By this change in the gold coins the ratio was changed from 15 to 1 to 16 to 1.

In 1837 (January 18) the mint laws were revised throughout, and the standard for both gold and silver was made nine-tenths fine—that is, nine parts pure metal and one part alloy. And since 1837 all our coins of both metals have been nine-tenths fine.

The alloy of the gold coins consists of silver and copper, and the alloy of silver coins of copper only; the alloy in both cases being provided by the Government.

The pure metal in the gold coins was again slightly changed by the act of 1837, by adding .02 of a grain, so as to make it exactly nine-tenths fine.

NO CHANGE IN THE VALUE OF THE SILVER DOLLAR.

By the act of 1837 the alloy in the silver dollar was reduced from 44.75 grains to 41.25 grains, so as to make the dollar just nine-tenths fine, but the weight of pure silver was not changed and its value was therefore not changed.

Thus, while the weight of pure gold in the gold dollar has been twice changed, the weight of pure silver in the standard silver dollar has never been changed; it is exactly the same unit and the same standard as the first standard coin minted in the United States.

FREE COINAGE CONTINUED.

It will be seen from the foregoing that the ratio between gold and silver coins was changed from 15 to 1, as fixed by the act of 1792, to 16 to 1 by the act of 1834, and to 15.998+ to 1 by the act of 1837; but the free coinage of both silver and gold, as provided by the act of 1792, was continued unaltered to 1873.

From 1792 to 1853 any one could have silver coined freely into any of the coins provided for by law, and during this period fractional coins were full legal tender, the same as the dollar piece; and in those times relatively more of the smaller denominations of money were used than now, and most of the coinage was in halves and quarters.

Great stress has been laid on the fact that but about \$8,000,000 in dollar pieces were coined from 1792 to 1873, but it did not matter so long as coinage was free and all coins were full legal tender what particular denominations were coined.

Fractional coins were made legal tender for only \$5 by the act of 1853, which reduced their weight. They are legal tender now for \$10.

More than this, the principal silver coins of the world were full legal tender in the United States until 1857, and they continued more or less in circulation till just before the war. Nobody can tell how many of these coins circulated here. The Spanish milled dollar, the Mexican dollar, the dollar of Peru and Bolivia were legal tender at their face value. The five-franc piece, the English shilling, and other foreign coins also circulated here, and especially the Mexican and Spanish milled dollars. Certain foreign gold coins were also full legal tender.

The significant fact in all this is that silver and gold equally and without limit were money in the United States prior to 1873, and that coinage was unrestricted and free for both metals. The money standard consisted of the two metals, together, and not of one alone, and it made no difference where coins were struck.

The total coinage of gold from 1792 to 1847, before the gold discoveries of California and Australia, was but \$13,000,000.

In the two years prior to the passage of the act of 1873 over two and a half millions of standard silver dollars were coined, and nearly a million of these in the few weeks of 1873, before free coinage was shut off by the act of February 12, showing that silver had begun to flow to our mints as the contraction of paper took place.

It has been the policy of a certain class to depreciate silver and to create the impression that silver was an unimportant coin in the monetary system of the United States even before it was demonetized in 1873. They raise their hands and shout that only about \$8,000,000 of silver coins, all told, had ever been minted in the United States up to the time when the mints were closed to the free coinage of silver money in that year. They have sought to make the impression in the minds of ignorant people that that was all the legal-tender silver money the people of the United States had ever had prior to that time. Some of them have asserted that they do not know any good reason why the Government of the United States did not mint more silver dollars than this eight millions. They do not tell how many gold dollar pieces the Government had minted up to that date. It is true that silver coins of the denomination of a dollar were not coined in the United States Mint prior to 1873 except the amount of about \$7,700,000. But the total silver coinage, including subsidiary coinage, up to 1873 was more than \$143,000,000.

It may be stated here that prior to 1847, when the great gold discoveries of the world commenced to make a sudden and vast

increase in the product of that metal, the relative gold and silver coinage of the United States mints showed silver the favorite, the gold coinage up to that period (1847) being \$52,360,792, and the silver coinage for the same period being \$69,072,497. A plain reason why there was not more silver coined prior to 1873 is the fact that various foreign coins of silver were by law legal tender in the United States until the year 1857.

In 1785 the old Continental Congress passed a bill which made the Spanish milled dollar, which had in it exactly the same amount of pure silver which the United States standard dollar has always contained, a legal-tender coin in the United States. On July 1, 1789, Congress voted that the silver coins of foreign countries should be legal-tender money in the United States at prescribed valuations. Thus from the foundation of our Government it will be seen that this Spanish milled dollar, and other foreign coins, were legal tender at 100 cents down to February 21, 1857. These coins came here in vast quantities. The Spanish dollar containing the same amount of pure silver as our standard dollar did not need to be recoined.

In 1834, when Andrew Jackson was President, Congress enacted a law that not only should the silver dollar of France be legal-tender money in the United States, but that the silver dollars of Mexico, of Peru, of Chili, of Brazil, and of Central America should be lawful money in all parts of the United States. They also legalized the gold coins of various countries. Democratic statesmen in those days, legislating in the interest of their country, were not afraid of having too much specie in the United States. In 1843, pursuing the same line of reason, Congress enacted that all custom-house duties could be paid in the silver coin of Prussia, Portugal, Russia, British America, and of other foreign mints. The policy then was to draw silver and gold to this country.

The fact, therefore, that less than eight millions of silver of the denomination of a dollar had been coined in the United States prior to 1873 does not show that silver was not a popular money, or that no demand existed for it. It was as popular as gold, and less fluctuating in value. While Congress has two or three times found it necessary to change the amount of gold in the gold dollar, it has never changed the amount of silver in the silver dollar.

All parties in this country, I mean political parties that have existed in its history, have favored bimetallicism, the use of both metals as money. The two greatest leaders of parties the country has ever known, Jefferson and Hamilton, agreed upon this policy. There was scarcely any other great party policy upon which they did agree. These great leaders of the people in their day enunciated the principles of political parties, which have existed ever since. They differed radically in their ideas and theories of government. On the money question, however, with them there was harmony.

In a learned report to Congress, dated January 28, 1791, Hamilton pointed out that the people of the United States should not adopt as the unit of their monetary system either a single gold or a single silver coin, but that the unit of value in the United States should be the gold and the silver dollar, and that

a given amount of one of the precious metals should be equivalent in value at our mints, and in the eyes of the law, to a certain amount of the other precious metal; in short, he recommended to the people of the United States that they adopt the bimetallic coinage system, a system which the experience of thousands of years by many nations had demonstrated to be a safe one. In his terse style he said in this report:

The general utility will best be promoted by a due proportion of both metals.

He also said in this report:

To annul the use of either of the metals as money is to abridge the quantity of the circulating medium, and is liable to all the objections which arise from a comparison of the benefits of a full with the evils of a scanty circulation.

The other great leader, Jefferson, took a deep interest in devising a coinage system for our country. He was at that time Secretary of State in Washington's Cabinet. He was pleased with Hamilton's conclusion that the United States should adopt as its unit of value the gold and silver dollar. In February, 1792, he wrote these words to Hamilton:

I return you the report on the mint. I concur with you that the unit must stand upon both metals.

On March 10, 1831, Daniel Webster spoke as follows of Hamilton, the first Secretary of the Treasury:

He saw at last his hopes fulfilled; he saw the Constitution adopted and the Government under it established and organized. The discerning eye of Washington immediately called him to that post, which was far the most important in the new administration of the system. He was made Secretary of the Treasury, and how he fulfilled the duties of such a place, at such a time, the whole world saw with admiration. He smote the rock of the national resources, and abundant streams of revenue gushed forth. He touched the corpse of the public credit, and it sprang upon its feet. The fabled birth of Minerva from the brain of Jove was hardly more sudden or more perfect than the financial system of the United States as it burst forth from the conceptions of Alexander Hamilton.

By some it has been argued that with free coinage of silver there would be "dumped" upon us the silver of Europe. Is this true? I think not. On this point my opinion, however, may not be considered so good as some others. I prefer, when I can offer the opinion of one learned and well-informed on a question, to do so rather than offer my unsupported opinion. I therefore present what Mr. R. E. Preston, Acting Director of the United States Mint, has so well said on this subject. He says:

The silver of Europe is coined at a ratio of 15 to 1, whereas American coinage is at the rate of 16 to 1, and as the bulk of European silver has been in use many years, it has probably lost 3 per cent by abrasion. Here is a dead loss of 6 per cent on every dollar's worth of silver to be "dumped" on this country, to which must be added freight and insurance. But this is not all. The European coins could not be offered to our mints. The one-tenth alloy which they contain would have to be extracted, a loss of 10 per cent, and the extraction would cost another 5 per cent, making a loss and cost of not less than 22 cents before the "dump" reached our mints, the total loss on every dollar's worth of European silver brought over being not less than 22 cents. To put it in another shape, foreign speculators in order to "dump" European silver on our mints would be compelled to sell for 68 cents the silver that cost them a dollar in gold.

Thus we see European silver could not be "dumped" into our mints with profit to its owners. Without such profit no one supposes it would be done. Then, again, no European country has

any more silver and silver coinage than it needs for its own commerce and trade. The world's stock of silver is not too large. Take the world over, and you will find that of both metals the supply is small compared with population. For instance, the total gold of the world in coin and bullion used as money amounts to but \$2.51 per capita. The total of silver amounts to but \$2.58 per capita. The total of gold and silver amounts to but \$5.09 per capita. So that if all the gold and silver in the world was divided between the inhabitants of the earth equally each of us would get but \$5.09.

The average annual production of gold in the world for the last ten years is 7½ cents for each person, of which about one-half is used in the arts, leaving less than 4 cents per capita for use as money. Of silver for the same time the amount to each person would be 9.7 cents, about one-half of which is used in the arts, leaving only about 4 cents for each person as money. The entire annual production of both gold and silver is required to maintain the present amount of money per capita for the increase of population in the world.

As a matter of interest, I will insert herein in my speech a statement prepared by Mr. Leech, Director of the United States Mint, for the Committee on Coinage, which shows the estimated and officially reported amounts of gold and silver in circulation in the world.

Total gold and silver used as money of the world, in form of coin and bullion.

Country.	Gold.	Silver.
United States.....	\$702,018,869	\$482,071,346
United Kingdom.....	550,000,000	100,000,000
France.....	900,000,000	700,000,000
Germany.....	500,000,000	145,000,000
Belgium.....	65,000,000	55,000,000
Italy.....	140,000,000	60,000,000
Switzerland.....	15,000,000	15,000,000
Greece.....	2,000,000	4,000,000
Spain.....	100,000,000	125,000,000
Portugal.....	40,000,000	10,000,000
Austria-Hungary.....	40,000,000	90,000,000
Netherlands.....	25,000,000	65,000,000
Scandinavian Union.....	32,000,000	10,000,000
Russia.....	190,000,000	60,000,000
Turkey.....	50,000,000	45,000,000
Australia.....	100,000,000	7,000,000
Egypt.....	100,000,000	15,000,000
Mexico.....	5,000,000	50,000,000
Central America.....		500,000
South America.....	45,000,000	25,000,000
Japan.....	90,000,000	50,000,000
India.....		900,000,000
China.....		700,000,000
The Straits.....		100,000,000
Canada.....	16,000,000	5,000,000
Cuba, Haiti, etc.....	20,000,000	2,000,000
Total.....	3,727,018,869	3,820,571,346

I have said I did not think there was any possible danger of the United States having too much silver money. In this connection I desire to make the comparison between this country

and France. In doing this I use the figures of the Bureau of the Mint, August 16, 1893. At that date there was of gold in coin and bullion in the United States, \$604,000,000, and of silver in coin and bullion, \$615,000,000. The population of the United States August 1, 1893, was estimated at 67,000,000. The per capita of gold, therefore, in the United States then was \$9.01 and of silver it was \$9.18. Of both metals it was \$18.19.

Now let us take France. Of gold she had at that date \$20.52 per capita, and of silver, \$17.95 per capita, and of both metals a total of \$38.47 per capita. If France can maintain a per capita circulation of gold and silver of \$38.47 for each person, will anyone say the United States can not do the same? Give the United States the same quantity of silver for each person that France has, and instead of but \$615,000,000, as at present, we would have \$1,155,750,000, or nearly double the present supply.

Give us the same quantity of gold for each person France has, and instead of but \$604,000,000 we would have \$1,370,000,000, or more than double what we now have. We can not get this increase in gold. If the United States will increase her coin circulation per capita until it is equal to that of France, it will require in addition to our present stock of \$1,219,000,000 the further sum of about \$1,360,000,000. If we can not get gold, why not increase it in silver, the product of our own mines? Add our present silver, \$615,000,000, to sum last named above and we would then have \$1,975,000,000, or more than three times as much as we now have.

Our demands for circulation are far greater than those of France. Our commerce is immensely greater, and as our territory is nearly fifty times larger we require more money per capita than she does. In a small and contracted territory like hers a much larger amount of business can be transacted successfully with checks and clearing-house certificates, and other forms of credit, than in a country like ours. In cities and towns persons trade all day giving checks, and often do not see a dollar in money. While the number of their trades is large, and the aggregate of the same will amount to many dollars, as a fact it is possible not a dollar will be seen by them. They give and take checks which they place in bank at the close of the day, and do not handle any money. This form of trading can be resorted to and practiced in cities, or in countries, even, where cities or towns are near by and banks are convenient of access. But go out into the country where the farmers live remote from town, buy from one of them a horse, a mule, a crop of wheat, or of cotton, and when the trade is consummated the cash in money is counted out to him. There cash money is needed. Trading can not be carried on with them by checks or clearing-house certificates. France can be traveled over in a day, but with us it takes weeks to make the rounds. Hence in this country we need more actual money with which to transact business. This argument, however, will not be denied by anyone, and I will not enlarge upon it.

All the facts show there is no danger of our being overrun with silver, and they show, further, that we can stand to be thus overrun until we get double the amount we now have before we reach the supply France has, and use it profitably. I repeat, also, that

there is not too much silver in the world, and there is no danger in an overproduction. Some who favor the gold standard alone would not only cease to coin silver, but they say its use as money should be permanently discontinued. They would coin no money but gold. They would at one fell blow strike down one-half of the world's money, and thus to the extent of one-half impair the power of the people to pay their debts and enjoy the blessings which an ample circulation imparts. The mischief such a policy would entail on the inhabitants of the earth and the misery it would inflict on the people can not be described by words of mine.

Again I prefer to quote the words of another rather than use my own, particularly when this other person is one of the foremost men of this country in intellectuality and ability. A few years ago, standing in his place in this Hall near where I now stand, when the proposition was pending to restore to silver its constitutional rights, the gentleman I refer to, the Hon. John G. Carlisle, said:

I know that the world's stock of precious metals is none too large, and I see no reason to apprehend that it will ever become so. Mankind will be fortunate indeed if the annual production of gold and silver coin shall keep pace with the annual increase of population, commerce, and industry. According to my view of the subject, the conspiracy which seems to have been formed here and in Europe to destroy, by legislation and otherwise, from three-sevenths to one-half of the metallic money of the world (silver) is the most gigantic crime of this or any other age. The consummation of such a scheme would ultimately entail more misery upon the human race than all the wars, pestilence, and famine that ever occurred in the history of the world. The absolute and instantaneous destruction of half the entire movable property of the world, including houses, ships, railroads, and all other appliances for carrying on commerce, while it would be felt more sensibly at the moment, would not produce anything like the prolonged distress and disorganization of society that must inevitably result from the permanent annihilation of one-half of the metallic money of the world.

It would be useless for me to attempt to add to the picture Mr. Carlisle has drawn. I believe what he said is true. Gentlemen may go on and strike down silver, and destroy it as money, but by no word or act of mine shall I contribute directly or remotely to "the annihilation of one-half of the metallic money of the world," which I believe now, as did Mr. Carlisle then, would entail more misery upon the human race than all the wars, pestilence and famines that ever occurred on the earth. Another gentleman, the foremost man of his party, Mr. Blaine, in this Hall, speaking on this question, used the following words:

On the much-voiced, and long-mooted question of a bimetallic or mono-metallic standard, my own views are sufficiently indicated in the remarks I have made. I believe the struggle now going on in this country and in other countries for a single standard would, if successful, produce widespread disaster in and throughout the commercial world. The destruction of silver as money, and establishing gold as the sole unit of value, must have a ruinous effect on all forms of property except those investments which yield a fixed return in money. These would be enormously enhanced in value, and would gain a disproportionate and unfair advantage over every other species of property.

And again he said:

I believe gold and silver coin to be the money of the Constitution, indeed the money of the American people anterior to the Constitution which the great organic law recognized as quite independent of its own existence. No power was conferred on Congress to declare either metal should not be money. Congress has, therefore, in my judgment, no power to demonetize either any more than to demonetize both.

Mr. Webster, speaking on this subject on December 21, 1838, used the following words:

Congress has no power granted to it in this respect but to coin money and to regulate the value of foreign coins. The legal tender, therefore, the constitutional standard of value, is established and can not be overthrown. I am certainly of the opinion that gold and silver, at rates fixed by Congress, constitute the legal standard of values in this country, and that neither Congress nor any State has authority to establish any other standard or to displace this.

I have not believed up to this hour that the real cause of the present distressed condition of the country is the enforcement of the purchasing clause of the Sherman act. If I did so believe I would vote for its unconditional repeal. I do not understand that President Cleveland attributes this depression wholly to said act, for he says in his message convening this Congress in extraordinary session that he believes our bad condition is "principally chargeable to Congressional legislation touching the purchase and coinage of silver." If that act is only "principally chargeable," it must be conceded that it is not wholly so.

Other causes must exist. What are they? What is the situation? Why all at once, without any untoward events, as the President says, or conditions relating to our natural resources, without any afflictions which frequently check national growth and prosperity, with plenteous crops and abundant promise of remunerative production and manufacture, with safe investment and satisfactory assurance to business enterprise, suddenly financial distress and fear spring up on every side?

What causes this panicky feeling? It is not because people have any doubt or distrust of the money in circulation. When a bank or other financial institution or an individual becomes shaky or doubtful in respect to ability to pay there is a panic and a run on that institution or person by those holding its or his promises to pay. This is natural and inevitable. The creditor fears his debtor will not pay, and he rushes into the bank, if it be a bank, and demands payment. If he has its circulating notes he is afraid to hold them and demands their redemption in gold or silver, or other good money.

We have now upon us no such panic as that. On the other hand, we see people voluntarily removing their money from the banks, and hiding it away, or placing it as a special deposit in private vaults. What money? Why any kind of money. They do not look at it when it is paid out to them to see what kind of money it is. If it be paper paid to them they do not look at it to see whether it be greenbacks, gold, or silver certificates, or national bank paper. They gladly received any kind—gold, or silver, or paper notes. What does this prove? It does not prove that they are afraid of the Government debasing this same money, or that they lack confidence in it as good current money. It does prove that the people have full confidence in all the money in circulation, whether of gold, silver, or paper, for its full face value now and at all time to come. The panic is on us, but it is not due to want of faith in our currency or to any fear of its stability.

There is no cause, I mean real cause, existing for the repealing of the purchasing clause of the Sherman law. That there is a fictitious cause, a cause created or brought about largely if not

altogether by banks and bankers themselves, may be admitted. Their object in the first instance was to force that repeal. The repeal may, and I think most likely will, help largely to restore confidence and remove the distrust in the land. If there was coupled with this repeal some kind of provision for silver, and a fair recognition of the obligation which I think is on Congress to provide for its coinage at our mints, even if the provision for it was not so liberal as I insist it should be, I would vote for the repeal. But with nothing offered as a substitute, and no promise of anything in the future with my obligations as I realize them, and most assuredly with the profession and promises to my people favorable to free coinage, I can not vote for it. I shall vote for the free coinage at the various ratios proposed, beginning with 16 to 1 and ending with 20 to 1. When these all fail, if fail they must, I shall then vote against the unconditional repeal of the last and only act on the statute books which recognizes silver. Let the result be as it may, I then go home to my constituents, who have five times honored me with a seat on this floor, without apology or explanation, but with the conscious satisfaction of having discharged my whole duty, and of having kept my pledges to them.

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