

DEMOCRATIC OBSTRUCTION—SILVER.

Everything has increased in value in this country except the Democratic party. An event which took place in April, 1865, sent up the value of American property, American character, and American patriotism to a very high point, and wherever the Republican party has stood from that day to this that character has never gone down in the scale, and while the Republican party remains in power it never will.

SPEECH

OF

HON. CHARLES H. GROSVENOR,
OF OHIO,

IN THE

HOUSE OF REPRESENTATIVES,

SATURDAY, JULY 12, 1890.



WASHINGTON.
1890.

S P E E C H
OF
HON. CHARLES H. GROSVENOR.

The House having under consideration the report of the committee of conference on the disagreeing votes of the two Houses on the bill (H. R. 5381) directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes—

Mr. GROSVENOR, said:

Mr. SPEAKER: It is greatly to be regretted that at this late day in the session of Congress my genial and talented friend from Mississippi [Mr. ALLEN] should abandon, even for the time being, the character for which he is prominently fitted and should attempt to appear in a rôle which involves the serious consideration of a matter of politics. [Laughter.] He has made an original point, that is, he has made the point that was original thirty years ago and has been originated a thousand times since in regard to the bonded indebtedness of the Government of the United States. He charges that the bonds of the Government have increased in value under Republican administration and control. If I wanted to be unkind—which I never do—I might say to a great many gentlemen on the other side that they ought to have been here and in Congress representing their people at the time those bonds were authorized to be issued, so that if they were dissatisfied with the terms of the bonds they might at least have protested in the name of their constituents against the enactments with which they were not satisfied. They might have at least exercised the great American right of protesting against the qualities and provisions that were put into those bonds.

Mr. ALLEN, of Mississippi. I was not complaining of the bonds, but of the increased value given to them after they had served their purpose to the Government.

Mr. GROSVENOR. Everything has increased in value in this country except the Democratic party. [Laughter.] An event which took place in April, 1865, sent up the value of American property, American character, and American patriotism to a very high point, and wherever the Republican party has stood from that day to this that character has never gone down in the scale, and while the Republican party remains in power it never will.

Mr. PEEL. I would remind the gentleman that according to recent elections in his own State the Democratic party has advanced there. [Laughter.]

Mr. GROSVENOR. As I understand it, and from such information as I have, the reports of the revaluation of the taxable real estate in my State show that during the last ten years it has fallen off materi-

ally. The gentleman must study the figures before he makes a venture such as he has made. The Democratic administration out there may be a very good one—I will not discuss that here and now—but it must raise its money upon a very largely decreased valuation of the real estate, and that leads me up to the very question I want to speak about.

Mr. BLAND. I have no doubt you would be glad to see Foraker elected governor again in order that property might be appreciated.

Mr. GROSVENOR. I would very much rather see Governor Foraker re-elected governor than any gentleman holding the political opinion of my friend from Missouri.

Mr. BLAND. I have no doubt that is your taste.

Mr. GROSVENOR. It is my taste, and I stand by my taste, and I am sorry for anybody whose political tastes differ from mine on this point. [Laughter.]

Let me now proceed. What was it that depreciated the values in the country? Why, sir, we have been sitting here for nearly eight months—we are entering upon the eighth month of our session—and we have had a constant, unceasing, nauseating series of declamations from the other side of this House that the great depreciation in the values of the country has come about from a lack of a sufficient volume of currency, and they have charged, and it has been a constant repetition, that the status of the silver currency of the country has had much to do with this depreciation.

The gentleman from Missouri [Mr. BLAND] has filled hundreds of pages of the CONGRESSIONAL RECORD with constant eternal repetition, iteration, and reiteration of the statement that it is because we have not money enough, and have not silver coinage enough, that the agricultural products of the country have gone down to the low ebb that we witness to-day. It may be so, Mr. Speaker; the Republican party is alert to this question, it is wide awake to do its duty in this behalf, but when we come here to deal with a measure, which no matter how it may be criticised in certain directions, stands admitted by friend and foe to be a measure which will increase the circulation of the country something like \$60,000,000 per annum of money just as good as gold, you on the Democratic side of this House vote solidly against the adoption of this measure and thereby indicate your preference to stand by a system which you yourself say has depreciated the agricultural production of the country and all the values of the country to the extent which you have so often described.

The Republican party, true to its faithful guardianship of the people's interest, has determined to give to the people of the country a great increase in the circulation and you resist, you refuse to have it, you filibuster, you kill time, you weary the patience of men. No matter what else may be decided by the American people they will say that the Democratic party has been unwilling to merge partisanship in patriotism in this behalf, and the indictment and arraignment of the Democratic party on this point will be unanswerable. You have done nothing to join hands with the Republicans in Congress to pass any measure of relief to the suffering agriculturists of the country. No man in this country will deceive the people by any pretense that the Democratic party is now or ever has been willing to give us free coinage of silver. A free-coinage bill would have been passed in this House if you could have brought the Democratic party to the support of it. But 22 Democrats voted against free coinage and defeated it.

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But I want to point out something back of that. Something that is becoming ancient history but not so ancient as the history that my friend from Mississippi has been giving us. I go back only four years to the only Democratic Administration we have had since the war, and the only one I fondly hope and devoutly pray we may have until after the next war, which I trust may be postponed one hundred years. [Laughter.] Your President-elect, Mr. Cleveland, between his election in November and his inauguration in March, made known the status of his Administration upon this silver question. He could not wait until he had assumed the functions of his office, but he issued a pronouncement from the governor's office in New York State, warning the friends of free silver in this country that they must desist from all agitation on that subject and all promotion of increased silver coinage or they would put themselves in antagonism to his Administration. It was a sort of early premonition that there would be an "Allentown for every Sowden."

He wrote a letter to my friend General Warner, my predecessor in this House, a man of fearless devotion to the interests of free silver coinage, a man of high character and great learning upon this question, notifying him and his associates by fair inference that the whole power of the Democratic administration would be brought to bear to crush out any attempt to further promote or enlarge the scope and power of silver in the coinage of the country.

The following is the letter:

ALBANY, February 24, 1885.

GENTLEMEN: The letter which I have had the honor to receive from you invites, and indeed obliges, me to give expression to some grave and public necessities, although in advance of the moment when they would become the object of my official care and partial responsibility. Your solicitude that my judgment shall have been carefully and deliberately formed is entirely just, and I accept the suggestion in the same friendly spirit in which it has been made. It is also fully justified by the nature of the financial crisis which, under the operation of the act of Congress of February 25, 1878, is now close at hand. By a compliance with the requirements of that law all the vaults of the Federal Treasury have been and are heaped full of silver coins which are now worth less than 85 per cent. of the gold dollar prescribed as "the unit of value" in section 14 of the act of February 12, 1873, and which, with the silver certificates representing such coin, are receivable for all public dues. Being thus receivable, while also constantly increasing in quantity at the rate of \$23,000,000 a year, it has followed of necessity that the flow of gold into the Treasury has been steadily diminished. Silver and silver certificates have displaced and are now displacing gold, and the sum of gold in the Federal Treasury now available for the payment of gold obligations of the United States and for the redemption of the United States notes, called greenbacks, if not already encroached upon, is perilously near such encroachment.

These are facts which, as they do not admit of difference of opinion, call for no argument. They have been forewarned to us in the official reports of every Secretary of the Treasury from 1873 till now. They are plainly affirmed in the last December report of the present Secretary of the Treasury to the Speaker of the present House of Representatives. They appear in the official documents of this Congress and in the records of the New York clearing-house, of which the Treasury is a member, and through which the bulk of the receipts and payments of the Federal Government and of the country pass.

These being the facts of our present condition, our danger and our duty to avert that danger would seem to be plain. I hope that you concur with me and with the great majority of our fellow-citizens in deeming it most desirable at the present juncture to maintain and continue in use the mass of our gold coin as well as the mass of silver already coined. This is possible by a present suspension of the purchase and coinage of silver. I am not aware that by any other method it is possible. It is of momentous importance to prevent the two metals from parting company; to prevent the increasing displacement of gold by the increasing coinage of silver; to prevent the disuse of gold in the custom-houses of the United States in the daily business of the people; to prevent the ultimate expulsion of gold by silver. Such a financial crisis as these events would certainly precipitate, were it now to follow upon so long a period of

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commercial depression, would involve the people of every city and every State in the Union in a prolonged and disastrous trouble. The revival of business enterprises and prosperity so ardently desired and apparently so near would be hopelessly postponed. Gold would be withdrawn to its hoarding places, and an unprecedented contraction in the actual volume of our currency would speedily take place. Saddest of all, in every workshop, mill, factory, store, and on every railroad and farm, the wages of labor, already depressed, would suffer still further depression by a scaling down of the purchasing power of every so-called dollar paid into the hand of toil. From these impending calamities it is surely a most patriotic and grateful duty of the representatives of the people to deliver them.

I am, gentlemen, with sincere respect, your fellow-citizen,
GROVER CLEVELAND.

Hon. A. J. WARNER and others,
Members of the Forty-eighth Congress.

With his eyes wide open, with a full knowledge of the man whom he was appointing, your President, Mr. Cleveland, appointed a Secretary of the Treasury who demanded of Congress at the start and demanded of Congress all along through his administration that it should repeal the act about which you have boasted, the Bland act, under which the coinage of silver was going on in this country. Not only did he insist upon limiting the silver coinage to \$2,000,000 per month, but he sought by every influence he could bring to bear on Congress to repeal the act and thoroughly destroy silver, for that would have been an absolute demonetization of silver. It would have been much more clearly an act of demonetization than was the act about which our Democratic friends are so continually preaching.

The great crime of 1873, about which so much is being said, was in no proper or fair sense an act to demonetize silver. We had no silver coinage; we had no silver dollars in 1873. The coinage had ceased, had passed out under the greenback provision of the Treasury.

But I want to go still further. After Grover Cleveland had thus defined his position, and after his administration had thus launched itself and stood firmly to the end of the four years in that position, he was re-nominated by acclamation; and the gentleman from Illinois [Mr. WILLIAMS] and other gentleman of the Democratic faith throughout the country, who are now pharisaically prophesying the benefits of free coinage to the country, not only stultified themselves by submitting to his nomination, but voted for him without qualification; and they stand ready to do it now, and will be compelled to do it in the long run. In 1888, after having been in power for four years, you went to St. Louis to tell the people of the country what you were going to do if you were put in power for four years more, and the platform was conspicuously silent on this subject. Not only you did not apologize for the sins of omission that you had been guilty of, but you did not promise to do better if you were put in power thereafter. [Laughter.] And you nominated for President at that convention the very man who struck with mailed hand at the first outcropping of the friends of free silver, before, as I said, he had a constitutional right to do so. And yet gentlemen stand here to-day saying they are in favor of free silver and we on this side are the enemies of silver coinage, or are under the influence of Wall street.

The measure here presented to the country will give entire satisfaction to the thinking, intelligent business men everywhere. In this connection I adopt and make part of my speech a portion of an able editorial which recently appeared in the Standard Union, of Brooklyn, N. Y. It was written by Murat Halstead, esq., one of the ablest men wielding the editorial pen in this country to-day, and a gentleman who

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from the beginning of this discussion, away back in 1873, has been an intelligent, educated, clear-headed, and patriotic supporter of the just and fair coinage of silver. While he is not a crank upon the silver question, he is a man of undoubted knowledge and attainments thereon. In speaking of the leading measures with which the Republican party was charged in the beginning of this Congress, he has the following in regard to silver coinage:

The third theme that has influential relations is that of the money standards, the financial adjustments, the gold and silver and paper questions. In this field party lines have been crossing each other, but there is no considerable doubt in any fair and informed mind that safety requires Republican supremacy. There is a faction of the Democratic party, and it centers in New York, that is sound on money, indeed rather too hard and exclusive for hard money, and there is a faction of the Republican party exceedingly unsound, committed indeed to the vagaries of the Confederate system of finance, which was that of printing all the money wanted, and reached the point that a bale of Confederate notes was worth about the same as a bale of cotton, the form of money being idealized to that extent.

The dangerous raid that the inflationists have recently made upon the Treasury Department has been masked behind a silver question, but there is a happy solution at hand, and it is the Republican party, of course, that furnishes it. The Sherman silver compromise, we believe, in spite of all rumors to the contrary, will find steadfast support, and, passing both Houses, secure the signature of the President. It would be incomparably the most important legislation, not only of this year, but of many years. First, it secures, after a little while, the stoppage of the forced coinage of the old standard silver dollars. It stops the purchase of silver for conversion into standard silver dollars and thus withdraws a menace which has gradually, though almost insensibly, disturbed credit and interfered with the progressive and prosperous development of business. Second, it protects the silver industry and gives the people of the United States their rights in silver as a money metal—rights of the utmost interest and consequence, and that have been vainly and foolishly disparaged and denied—by the purchase of 4,500,000 ounces of silver per month, with a limit on the price that prevents scheming speculators from cornering the Government; and this silver product is taken at the market price, which means the gold standard—that the silver is to be measured by gold, not under an arbitrary ratio, but just according to the markets of the world. The effect is the same precisely as the addition of the gold price of 4,500,000 ounces of silver each month to the money of the country—for Treasury paper is to be issued to the amount of the market value, the gold valuation of the silver taken—and this paper is as good as gold because it has behind each dollar of it the amount of silver that a gold dollar brings. Of course, this paper is as good as gold—it is substantially gold notes.

The addition of four millions at least of these gold notes to the currency gives assurance that there is not to be contraction, that the people are not to be plucked through a scanty supply of money, and this will be a stimulus that will be felt in all channels of trade and in all the vast spaces where there is production; and the Sherman law will not be unhealthy at last, for the limitation of the issue is fixed and guarded by gold. We shall not lose gold; we shall gain it. Not by mighty magic, but through the plain chemistry of equitable legislation, we shall make gold of our silver. That is exactly what taking it at the market rate does. These are the incidents that tell of the conditions of prosperity—a period of wholesome flourishing by the legitimate use of the bounteous resources of our wonderful country. He who bets on the growing wealth, the rising grandeur, the continuing glory of the United States must win. The Republican party will fairly and worthily gather the usufruct of its application of sound principles. * * *

Mr. Speaker, the Republican party is now, as it always has been, the friend and defender of the people's rights. The statement that it has been guilty of class legislation is a statement unsupported by facts. It has legislated for the people of the whole country, it is doing so today. Over the barriers of obstruction placed across its pathway by the Democratic party with column closed up and its flag aloft, it is marching to a victory for its party and a victory for the people. It will achieve a party triumph in achieving a triumph of the prosperity of the nation. [Applause.]

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