

FREE COINAGE.

REMARKS

OF

HON. PHILIP S. POST,

IN THE

HOUSE OF REPRESENTATIVES,

TUESDAY, JUNE 24, 1890.

WASHINGTON.

1890.

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The House being in Committee of the Whole and having under consideration the bill (H. 8651) authorizing the issue of Treasury notes on deposits of silver bullion—

Mr. POST said:

Mr. SPEAKER: The real question before this House is whether silver shall be recognized as a money metal. I listened with great attention to the opening speech of the chairman of the Committee on Coinage, Weights, and Measures [Mr. CONGER], and a gentleman at my side said it was an excellent speech. I said it was, indeed, a splendid argument from a gold-standard point of view. And striking out that single gold-standard point of view you will find that there is nothing whatever in the argument. Unless we are willing to recognize silver as a money metal we might as well, as some have said, increase the currency by a paper money. That is the real question.

And now, Mr. Speaker, I want to refer to one other matter mentioned by the chairman of the Committee on Coinage, Weights, and Measures, and that is to the silver lobby, the lobby representing the silver miners, that is supposed to be about this Capitol. I want to say that I know nothing of them, I have heard nothing of them, have seen nothing of them. There are no silver mines in my district. I never had any interest in silver bullion and have no interest in silver in any form, except the few coins which happen to be in my pocket. To state my connection with this proposition whether gold and silver shall be used as money, I will say that it commenced back in 1868, when the discussion went on in Europe that if it were possible to induce the principal commercial nations of the world to use gold alone as their standard the immediate result would be to increase the value of gold 38½ per cent.

I put that statement in the speech which I made some days ago on this question, and I have expected that possibly it would be controverted. I have not seen it controverted, and I know that right here in the library are documents by which I can prove every word of it. It was then pointed out that it would be a disadvantage to the producer and to the advantage of the fund-holder. I took my stand with the producer and against the fund-holder at that time. I was absolutely amazed when I found that the United States in 1873 had fallen into the trap which England had laid for it, and I think this Government was not aware of the change, for in truth the officers of the Treasury did not seem to find out that silver had been demonetized and the single gold standard adopted until nearly a year afterward. They continued silver all the while during that time as the standard of these United

States. And let me say right here, when people are talking about their fear of what will happen when silver comes into use in this way by its free coinage, that we had free coinage of silver from the commencement of this Government down to 1873. We had more than that; we had the single silver standard, and gold was simply a legal tender, precisely like the greenbacks.

Mr. CONGER. Will it interrupt you if I ask you a question?

Mr. POST. Not a particle.

Mr. CONGER. Will you please tell me if it was not also true that the other commercial nations of the world were at that time coining and using silver and are not coining it now?

Mr. POST. The other commercial nations of the world were at that time coining and using silver, except England. England demonetized it in 1816. France was the other bimetal country and it uses silver to-day just as much as it ever used it.

Mr. CONGER. It does not coin any.

Mr. POST. It does not give the unlimited coinage of silver.

Germany was a single-standard country also, and owing to the results of the war with France it thought it had more gold than silver, and consequently it determined to have the single gold standard, but it has abandoned its proposed policy and is not selling silver. But when you come to the commercial nations of the world I take it that all nations are more or less commercial nations. You talk scornfully sometimes of India, and yet India is a great commercial nation, and you talk scornfully of a great many other countries that use silver, and I have never heard any good reason for it, because certainly nine-tenths of the nations of the earth are single-standard, silver-coinage countries.

But now, Mr. Speaker, my objection to this discussion, or rather to the form in which this matter comes before us, is that it is proposed to continue to buy silver at its gold valuation. Almost all the bills that have been presented have come in that form. It is true that the Senate has sent over a bill here for the free coinage of silver or what is equivalent to it. I think it has one very serious defect, and that is in the use of the word "coin" in reference to the certificates. Let every tub stand on its own bottom. Issue a silver certificate when silver bullion is brought to the mint and issue a gold certificate when gold is brought to the mint.

Let me say, in reply to one suggestion that was made by the gentleman from Iowa [Mr. CONGER], that I can not imagine any possible objection to making contracts in gold. I can not dream or imagine that it will work out any harm. Let them make contracts in any kind of money that they see fit. The one thing that I want to obtain here is to return to the position we occupied in 1873. It has never done us any harm, and there is no possible reason why we should not return to it. But we are told: "Oh, that would be flooding us with the silver of the world." But where is this silver to come from? There is very little bullion in the world to come here, and certainly silver that is already coined at 15½ to 1 of gold is not going to be brought here to be recoined at 16 to 1, a loss of one-sixteenth in the coinage, in order to secure gold. That certainly can not happen. But it has seemed to me, since there are people who believe in ghosts when there are no ghosts, men's apprehensions are entitled to consideration. I recognize that feeling, and for that purpose at the beginning of the session—

Mr. HILL. Will the gentleman permit me to interrupt him there?

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Mr. POST. Certainly.

Mr. HILL. It seems to me that that is a pretty substantial kind of ghost. [Laughter.] When these owners of bullion in Mexico, or on the continent, or anywhere in the wide world find out that we pay here 100 cents for silver that is worth 72 cents, do you not think that that will bring foreign silver to this country?

Mr. STRUBLE. Is not the gentleman mistaken about the value of bullion at the present time? Is it not worth about 80 cents?

Mr. POST. Let us take it at 72. What are the other nations to do? Are they going to take their own coin that is already coined at $15\frac{1}{2}$ or 15 to 1, as it is in India, and bring it here to be coined at 16 to 1? Are they going to come here and give more silver for 1 of gold than they are paying elsewhere. On the contrary, it will be likely to occur, just as it occurred in the past, when other nations coin 1 of gold to $15\frac{1}{2}$ of silver and we 1 of gold to 16 of silver, that the silver will continue to go to the people who coin it at the less ratio.

Mr. HILL. What is the objection to them bringing their bullion here and getting it coined into a shining silver dollar? We say that they can not take American silver away, but they can take American gold. They can go to the banks and exchange it for gold and take that gold away.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. BARTINE. I yield five minutes more to the gentleman from Illinois.

Mr. POST. Mr. Speaker, I only want to say, in order that this matter may be fully understood, that in connection with this matter, at the beginning of the session, I introduced a bill that would meet that particular objection. It was a provision that would allow the present law to stand just as it is; that we should continue to buy \$2,000,000 worth a month. It provided that the silver production of the American mines might be brought to the Mint and coined. In that respect it recognizes the principle of free coinage, and that is all in fact that there is in the present discussion, the principle of the free coinage of silver, the principle of recognizing silver as a money metal. The question is whether you will go back to that as it has always been prior to 1873 or whether you are going to treat silver as a commodity. You are doing that now. It is true at present that it is bought at its gold value, carried into the Mint and stamped as money. Once in the Mint it ceases to be treated as a commodity; it becomes money, and that is the principle it is important to preserve. The vital defect in the House bill, if it shall again go before the House, is that provision by which silver after it has gone into the Mint, where it should properly go only for coinage purposes, can be taken out as commodity at value again fixed by gold.

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