

## The Silver Bill.

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# SPEECH OF HON. JOSEPH H. SWENEY, OF IOWA, IN THE HOUSE OF REPRESENTATIVES, *Saturday, July 7, 1890.*

The House having under consideration the bill (H. R. 5381) authorizing the issue of Treasury notes on deposit of silver bullion.

Mr. SWENEY said: Mr. Speaker, to assist in restoring the use of silver as money without discredit, on full equality with gold, is one of the principal services, which, as a Representative, I hope to be able to accomplish for my people and country.

I shall not go into statistics, but record briefly my judgment and conclusion from the figures, and well known situation. It is proper that the Republican party should deal with this and enact the law correcting the errors of past legislation and policy. That is the only party which within the history of the country has been able to furnish to the people an absolutely good—all good—circulating medium. No dollar issued as money in the United States by Republican authority, has ever been discounted to any degree when presented for redemption.

Silver has not depreciated in value even since its demonetization in 1873, as compared with property other than gold. In 1873 silver bullion, in the ratio of 16 to 1, was worth more than gold bullion or coin. It would buy more beef, wheat, corn, or real estate. The value of silver bullion, measured by all property other than gold and contract on a gold basis, lost none of its value even by demonetization. When silver was demonetized, gold and gold contracts rose in value and purchasing power.

Silver bullion and all other property fell in value as compared with gold, and in almost an exactly corresponding ratio. From 1873 to 1887 the value of silver bullion, measured by gold, declined but 33 per cent. During the same time the imports of Great Britain, including our wheat, meat, cotton, and other products, declined in almost exactly the same proportion—33 per cent,

A few weeks ago the newspapers stated that the Republicans in caucus had agreed upon a silver bill similar to this. Within forty-eight hours silver bullion advanced over 13 cents an ounce. You might say that this was of benefit only to the bullion producer, but let me say that at the same time oats advanced 3 cents per bushel, corn 2½ cents, and on every product of the farms there was a general and marked advance in price. The report of that caucus of the Republicans here, within forty-eight hours, made the three hundred and sixty millions of silver in the United States worth, for export to Europe or China, about forty-seven millions more than before the caucus is reported to have acted. At the same time it added vastly more to the export value of the grain, meat, cotton, and other products of the country comprising our exports.

It is claimed that this country alone can not appreciate silver bullion to its coined value. Do you need better proof that it can than the fact cited?

The publication of report of that caucus action added hundreds of millions of dollars to the actual value of the property of the country. Not on an inflated or fictitious basis, but measured by the export price in the gold of all the world.

This bill does not suit me in all respects. I do not believe in the use of silver by the Government except as money metal. This has in it a bullion-redemption feature which I wish were out. I do not hesitate to say that if I were reasonably sure of the passage of a bill blotting out bullion redemption that I should vote against the bill as it now stands. My desire is that all silver bought, and which shall be at least equal to the product of our mines, shall be used for coinage only, and that the money with which it is paid for shall be as this bill proposes it shall, absolutely good for all purposes as money.

I am unable to see that free coinage of silver at the present time is defensible upon any ground of equity. The demonitization of silver in 1873, broke down the price of silver, but there was practically no bullion in the country then on which loss oc-

curred, except that reposing in the mountain ledges. That since produced has been sold for export, for use in the arts, and for coinage under the act of 1878. In January last the stock of silver bullion at San Francisco was quoted as "nominal."

Still there are, here and there, quantities already mined and being mined. A free coinage act would give to him who bought at 75 cents for  $37\frac{1}{2}$  gains of silver the enormous speculative profit of 25 cents on each 75 cents invested.

If the value as coined be made equal to gold, it is by action of the government, representing all the people. It is their power, their wealth, energy, and numbers which accomplish it. Until bullion shall advance to the coined value, then the people, and all of them, should share in this profit, the seigniorage, whatever it may be. This to me seems clearly right and just. When the people shall have, by our action, gradually brought silver bullion up to the coined value, then make coinage free under such restrictions as will prevent breaking down bullion prices for speculating purposes, and the receipt by private individuals of its coined value from the Government. It would appear to be a fraud on the people to allow A with \$800 worth of bullion to deposit it with the Government, and receive 1,000 silver dollars with which to pay \$1,000 of debt to B or to the Government.

Under this bill, however, the people, through the law, propose to take the \$800 of bullion, pay what it is worth, coin it into 1,000 dollars, and guaranty that it shall, in that form, be good at all times for \$1,000. The people do it. They should secure the profit while, for a brief period, the profit accrues from coinage. That profit would be distributed, through the Treasury, to the whole people, and take the place of revenues collected from other sources, thus relieving every citizen of a portion of governmental expense. The miner would get all that his product is worth, and no injustice is done any one.

The new-born zeal of our Democratic friends for free coinage does not influence me in its favor. In financial affairs that party's history does not commend its policy to the judgment of the country. In the Fiftieth Congress it had power to pass through this House such measures as it desired. The policy of the party was determined from the other end of the Avenue, and was, in fact, determined in advance of the occupancy of the White House by a Democratic President.

On February 28, 1885, Grover Cleveland's letter on the silver question was published to the country. In that letter he said :

By a compliance with your requirements of that law [act of February 28, 1878, re-

quiring the coinage of two millions of silver monthly] all the vaults of the 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. \* \* \* 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 increasing the coinage of silver.

The Democratic party since the day of that letter's publication has had no voice or policy but the voice and policy of Grover Cleveland.

Not a man on the other side of the House who now shouts for free coinage failed to indorse Mr. Cleveland as President, and subsequently as candidate for re-election. If the silver question is paramount now, it was not less so then. Having had the power to make use as money of all the silver produced in the country, as the bill proposes to do, the policy of their party refused; for their prophet and lawgiver forbade it.

It is doubtless as wise to-day, as in the days of Homer to "beware of Greeks bearing gifts," and we can consistently decline their offers of free coinage. I believe that this bill, if enacted into law, will be of immediate and enormous benefit to the people and country. The bullion-redemption feature is not satisfactory to me, and I should be glad to see it eliminated. I doubt if the effect of that provision will to any material extent detract from the restoration of exact equality between gold and silver, but I should prefer terms which would relieve entirely from doubt. Rather than accept a free-coinage bill, though, which did not commend itself to the Democratic party when responsible to the country for legislation, which does not commend itself to the responsible party now, and which does not commend itself to me, I support this measure.

If it shall pass, the pulsations of new life and prosperity will thrill through the nation. It will restore lost values to property and labor of our people without wronging any man. It will give to the laborer better rewards, to the farmer more adequate returns for his ceaseless efforts, to the merchant and manufacturer greater possibilities; will quicken the miner's blows and brighten his eyes, and put the glow of hope in the hearts of all struggling to pay debts made doubly burdensome by the mistaken policy heretofore in operation.