

REMONETIZATION OF SILVER.

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SPEECH

OF

HON. WILLIAM M. STEWART,

OF NEVADA,

IN THE

SENATE OF THE UNITED STATES,

THURSDAY, MAY 22, 1890.

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WASHINGTON.

1890.



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HON. WILLIAM M. STEWART.

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Mr. STEWART. I move that the Senate proceed to the consideration of the bill (S. 2350) authorizing the issue of Treasury notes on deposits of silver bullion.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2350) authorizing the issue of Treasury notes on deposits of silver bullion, the pending question being on the amendment proposed by Mr. PLUMB to the amendment to the bill submitted by Mr. SHEEMAN.

Mr. STEWART. I ask the Secretary to read the amendment proposed by the Senator from Colorado [Mr. TELLER].

The VICE-PRESIDENT. The amendment will be read.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause of the bill and insert—

That any person may deposit in any mint or assay office of the United States either fine gold or fine silver bullion, or both, and demand and receive either coin or coin certificates therefor at the rate of \$1 in coin or certificates for 23.22 grains troy weight of fine gold, and at the rate of \$1 in certificates for 371.25 grains troy weight of pure silver. That the coin certificates provided for in this act shall be receivable for all taxes and dues to the United States of every description, and shall be a lawful tender for the payment of all debts, public and private.

SEC. 2. That it shall be the duty of the Secretary of the Treasury to cause a sufficient number of coin certificates of the various denominations hereby authorized to be prepared and distributed among the United States depositories, to enable them to comply with the provisions of this act.

SEC. 3. That the coin certificates issued under the provisions of this act shall be of denominations of not less than one nor more than one hundred dollars, and such certificates shall be redeemable in coin of standard value. And the Secretary of the Treasury shall cause to be coined from time to time so much of the bullion received under the provisions of this act as may be necessary to furnish coin for the redemption of such certificates. A sufficient sum to carry out the provisions of this act is hereby appropriated out of any money in the Treasury not otherwise appropriated. The provision in section 1 of the act of February 28, 1878, entitled "An act to authorize the coinage of the standard dollar and to restore its legal-tender character," which requires the Secretary of the Treasury to purchase, at the market price thereof, not less than \$2,000,000 worth of silver bullion per month nor more than \$4,000,000 worth per month of such bullion is hereby repealed.

Mr. STEWART. The question involved in this bill is the money question.

It must be conceded that modern civilization could not exist without money; that an interchange of commodities is a necessity. Trade and commerce depend for their existence to such an extent upon the use of money that barbarism must follow the extinction or loss of that important factor. If it be admitted that some money is essential to civilization, the questions are then presented:

## HOW MUCH MONEY IS NECESSARY?

Of what material shall it be made? How is its volume to be regulated?

The first of these questions is not very material in the beginning of the use of money. If it were possible to suppose that the United States had reached its present state of development without the use of money, the quantity might be arbitrarily fixed, and it would make no difference whether the quantity were fixed at a hundred millions or at ten thousand millions. In that case the creditor and debtor would have an even start, and if the quantity were thereafter increased or diminished with the increase or diminution of the demand for money, occasioned by the growth or shrinkage of population and business,

## AN EQUITABLE ADJUSTMENT OF CONTRACTS

would be secured, and the value of money would at all times remain the same when compared with the aggregate of property and services.

Stability in the value of money is the most important problem in political economy. The material out of which money is to be manufactured is an incidental matter, and is only important so far as it affects the stability of its value.

## THE CREATION OF MONEY IS AN ACT OF SOVEREIGNTY.

It can not be brought into existence by individual enterprise. Any attempt on the part of private persons to create money is a criminal offense in every civilized country. Every sovereign power may prescribe the kind and quantity of money that shall be used in its jurisdiction, and may also reduce all other descriptions of money to mere commodities.

Fluctuations in the value of money are always disastrous. Fluctuations in the price of property, the value of money remaining the same, can be remedied by the people. If there is an overproduction of a particular article, the labor employed in such production can be readily used in the production of some other article of which the supply is insufficient. An excess or deficiency in the supply of money can be remedied only by governmental action. Shall that action be determined by the avarice or caprice of dealers in money and securities, or by such rules of governmental action as will maintain a fixed ratio between the supply and demand for money?

The price of all things is fixed by the supply of money. The price of each commodity, the value of money remaining the same, will fluctuate according to the supply and demand of that article; but

## THE PRICE OF ALL PROPERTY AND SERVICES,

taken collectively, will be governed by the supply of money. While money measures the price of all things, the aggregate of property in turn determines the value of money. Money has but one value, and that is its power in exchange. The material out of which it is made has no effect upon its value as money. The greenback dollar has precisely the same power in exchange as the gold dollar. There is no such thing as intrinsic commercial value.

## QUALITIES ARE INTRINSIC.

Value is power in exchange. The light of day, the heat of the sun, and the air we breathe have intrinsic qualities essential to animal life, but they have no value. They will exchange for nothing, because the supply is unlimited, and they are obtained without money and without price. Value, or power in exchange, is determined by two conditions: the desire to possess and limitation of quantity. In other words,

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value is regulated by the law of supply and demand. The failure to recognize and act upon this law in considering the question of money has always been disastrous. Depression, hard times, bankruptcy, and ruin are the penalties inflicted upon the people for violations of this fundamental principle.

The most fetish worshippers of gold, the most avaricious and cruel misers, the most greedy and unscrupulous gamblers in money and securities will admit at all times, when their sordid avarice will allow them to speak the truth, that if the world's money were doubled the average price of property would be correspondingly advanced; and that if one-half of the standard money of the world were destroyed,

#### PRICES MUST DECLINE ABOUT ONE-HALF.

But when they have selfish ends to promote they tell us that the value of money is stationary and fixed; that it does not depend upon the supply; that what is required is good money, and not a regular and constant supply corresponding with the demand.

It seems impossible for the advocates of an exclusive gold standard to argue the money question without confounding commercial value with intrinsic quality. Both the Senator from Ohio [Mr. SHERMAN] and the Senator from Oregon [Mr. DOLPH] insist that gold has a certain amount of intrinsic value and that silver has a less amount of intrinsic value than gold. How does it happen, if both gold and silver have intrinsic value, that the relation between their values has been subject to such frequent changes since silver was excluded from the mints? Previous to 1873 the bullion in the silver dollar was worth in the market over 3 per cent. more than the bullion in the gold dollar. Now the bullion in the silver dollar is worth from 25 to 30 per cent. less than the bullion in the gold dollar. By what process was a part of the intrinsic value which existed in silver seventeen years ago extracted from that metal? The gold

#### MONOMETALLISTS ARE ABSOLUTELY CERTAIN

that the intrinsic value of gold has remained the same since the dawn of creation; nothing has been extracted from or added to the intrinsic value which is found in gold. Consequently, according to their theory, the entire operation of extracting intrinsic value must have been performed on silver.

It will be gratifying if the gold monometallists would explain the method of extracting intrinsic value from silver. Who discovered the process? Is the person still living? If so, he should be labelled

#### EXTRA DANGEROUS.

Who knows but that he will be wicked enough to invent a plan to extract some of the intrinsic value out of gold and degrade the god of the usurers?

The Senator from Oregon tells us that gold would hide or leave the country if silver could be taken to the mint and coined, as provided in the Constitution. He tells us that no man would take gold to the mint when he could get enough silver to make a dollar with 82 cents. In this he is right. Everybody would want silver, because they could convert it into money; and if the gold monometallists had not extracted, as they claim they have, the intrinsic value from silver, the increased demand for that metal would enhance the price. But it appears from the argument of the Senator from Oregon that, whatever the demand may be, silver could not go above 82 cents on the dollar. Are the contractionists perfectly certain that some of the intrinsic value might not be extracted from gold without interfering with its chemical composition?

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Suppose the stamp were removed from every gold coin in the world, and

NO GOLD COULD HEREAFTER BE COINED AS MONEY,

would gold still have the same intrinsic value? Suppose, in addition to that, that all the rocks were gold; would the intrinsic value remain the same? Are the gold standard contractionists sure that value is really intrinsic; that it does not depend upon the estimation of man; that supply and demand have nothing to do with the question of value? Persons who have not learned the fact that value is always extrinsic and only exists where the quantity is limited and where there is a desire to possess; that qualities only are intrinsic and unchangeable, and that gold and silver possess the same qualities now that they have always possessed—such persons have but little conception of the laws of trade.

The value of silver was reduced by cutting off the demand for coinage in Europe and the United States.

THE EXCLUSION OF GOLD FROM THE MINT

would have precisely the same effect upon its value as the rejection of silver has had upon the value of that metal. If the United States will receive and coin all the silver offered at the ratio of 16 to 1, silver will be equal to gold at that ratio throughout the world. No person would then sell silver for a less price than he could get in the United States. France maintained the parity between gold and silver at the ratio of 15½ to 1 for nearly a hundred years. She accomplished this by opening her mints to both gold and silver at that ratio. During all that time no person in any part of the world would part with either his gold or his silver at a less price than he could obtain for it in France. The United States is to-day

THE WEALTHIEST NATION IN THE WORLD.

Why can not our Government do precisely what France did and maintain the parity between gold and silver at the ratio of 16 to 1 by opening her mints to both metals upon equal terms? Suppose at first a portion of our gold should leave the country because somebody else was willing to pay more for it than could be obtained in the United States. What harm would this do if silver was at par with gold, which it would necessarily be with free coinage in this country? The world was indifferent as to which metal it used so long as France maintained the parity between the two at 15½ to 1. Why would there be any preference between the metals at the ratio of 16 to 1 if the United States would do as France did and maintain the parity by free coinage?

A THING IS WORTH WHAT IT WILL BRING.

There is not a silver dollar in the United States that will not bring a hundred cents in gold. The United States buys 412½ grains of bullion for 82 cents and coins it into a dollar, and makes the difference. Why should not the owner of the bullion, as formerly, have it coined and save the loss?

I hope no devotee of gold will take it unkindly if I should remind him that when the mines of California and Australia were yielding up their treasure for the benefit of mankind a process was in existence whereby the advocates of contraction contended that a large percentage of the intrinsic value of gold had been extracted. Chevalier, of France, and most of the leading financiers of Europe then worshiped at the shrine of silver, and exhibited a fetish devotion to that metal which is only surpassed by the idolatrous worship of gold by the Shylocks of contraction. Chevalier viewed with pity and contempt all who would not fall down and worship silver, while our own John J.

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Knox has offered up by his wily arts the happiness and prosperity of 60,000,000 of people upon the altar of his fetish god—gold. The fetish worship of gold has brought the country to the brink of ruin.

THESE DEVOTEES OF GOLD NEVER ARGUE.

They predict, denounce, and admonish. They raise their hands in holy horror and exclaim as a final climax, "You will drive gold out of the country." If you tell them that the supply of gold is insufficient, that money is growing dearer and property cheaper, that times are hard, and that the burdens of debt are increasing, they will reply that the only remedy is to worship gold; that gold is precious; that the prosperity and happiness of the country all count for naught compared with the reverential and devout worship of their fetish god.

The advocates of honest money have no fetish love for either gold or silver. They know full well that neither of the precious metals possesses any inherent quality that renders its use as money indispensable. But they recognize the fact that the world has been educated for thousands of years to regard gold and silver as money metals. They also recognize the further fact that neither of these metals is money without the stamp of the Government, and that it is the stamp and not the material upon which the stamp is impressed that creates money. They do not propose, however, to discard either gold or silver. They prefer to respect the opinions of mankind, even though such opinions are founded in prejudice. If the automatic theory of limiting the quantity of money by these metals had not been departed from by the gold-standard contractionists in the rejection of silver the civilized world would now be prosperous. And this, not because the automatic theory always produces prosperity, for such is not the case, but for the reason that the supply of gold and silver, with the use of both metals as money, was, at the time silver was demonetized and still is, nearly equal to the legitimate demand for money. How long this supply will continue no one can confidently predict; but it is certain that the remonetization of silver would produce good times until another failure in the production of the mines. When such failure comes it is possible that enough will be known of the functions of money, and of the means to supply the people with that necessary factor in civilization

TO INDUCE THE GOVERNMENT TO MANUFACTURE MONEY

from some other material.

While it is true that repeated disasters have followed the adherence to the use of the precious metals as money, and that nations have decayed and lapsed into barbarism whenever the supply of gold and silver from the mines failed, yet it is better to adhere to the automatic theory than to trust to the dishonest practices of the possessors of accumulated capital. When legislation is controlled by the enlightened judgment of the people, and not by Shylocks or speculators, the value of money will not be subject to violent fluctuations; but until then any limitation upon the volume of money is preferable to class legislation in favor of the non-producing rich against the producing masses.

Since the discovery of gold and silver in the New World the supply has been more regular than during any other period in the world's history. It is a pregnant fact that there has been

NO SEASON OF PROSPERITY OR ADVANCE IN CIVILIZATION

at a time when the mines of gold and silver were unproductive. From the earliest history the growth and prosperity of nations have been contemporaneous with large productions of the precious metals, while ruin and decay have always followed a failure of such production.

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Modern civilization began in Europe with the new supply of gold and silver from Mexico and South America. That supply has been constant and nearly sufficient to keep pace with the growth of population and business, except on two marked occasions. The first money famine lasted forty years, from 1810 to 1850. This was occasioned by the Spanish-American wars, which interrupted mining operations in Mexico and South America. The second commenced in 1873, and still continues. It was occasioned by the demonetization of silver, whereby more than one-half of the supply of the precious metals was cut off for the purpose of enhancing the value of money and fixed incomes and depreciating the price of property and services.

During the first money famine it is variously estimated by statisticians that the value of money advanced from 50 to 60 per cent., while the average price of commodities continually declined. Since the demonetization of silver prices have declined over 30 per cent., while the value of money has advanced in a still greater ratio. The present money famine was created and is maintained by legislative enactments. The mines have not failed,

#### BUT THE USURERS RULE THE CIVILIZED WORLD.

The owners of accumulated capital, who have been earnest advocates of adherence to gold and silver as a basis of circulation because they feared that if the subject were regulated by legislation the volume of the currency would be inflated, have used the law-making power of the civilized nations to contract the volume of money by rejecting silver. It may be that they did not fully comprehend the possible consequences of

#### THEIR DISHONEST USE OF THE LAW-MAKING POWER,

and that they did not realize the importance of the lessons they were teaching. If a metallic basis will prevent inflation, why should it not prevent contraction? Do the usurers suppose that the people will be satisfied to limit the circulating medium to the amount fixed by the precious metals when the mines are unproductive, and allow the holders of accumulated capital to disregard such limitation when the mines furnish an abundant supply? If there is to be no more money than the precious metals will furnish, why should there not be as much money as can be manufactured from all the gold and silver that can be produced? If this rule does not work both ways it should be abandoned altogether, the automatic theory of regulating the amount of money by the precious metals should be rejected, and some other rule more in harmony with justice should be adopted.

The operations of expansion and contraction of the volume of money are precisely the reverse of each other. Contraction reduces production, causes stagnation, and diminishes the aggregate wealth of the people, while it gradually transfers the wealth of the people to the possessors of fixed capital. In former times contraction created landlords of the rich, and reduced the middle classes to tenants and dependents. The expansion of the world's money during the three centuries preceding the year 1800 liberated the slaves whom the dark and gloomy period of contraction had created, and brought into existence the productive forces which made modern civilization.

The money famine from 1810 to 1850 bore heavily upon the masses, and if it had continued ancient feudalism would have been renewed.

The discovery of gold in California and Australia and the revival of mining which it produced throughout the world infused new life into commerce and production. Prices advanced from 1850 to 1873 about 30 per cent. Production was stimulated, wealth accumulated, and the people advanced in everything that promotes happiness and prosperity.

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The annual supply of the precious metals was quadrupled, but it did not expand the currency too rapidly, and was not more than sufficient to keep pace with the growth of population and business. Since silver was demonetized and one-half of the supply cut off, falling prices, stagnation, and enforced idleness

HAVE BROUGHT THE COUNTRY TO THE BRINK OF BANKRUPTCY.

It is impossible to pay debts contracted when money was cheap with money made dear by contraction. The vast army of enforced idlers costs the Government by the loss of production more every year than the entire national debt. While contraction continues there can be no relief. Prices will continue to fall, more laborers will be thrown out of employment, more farms will be taken by the mortgagees, more farmers will become tenants, the holders of accumulated capital will become landlords, the tenants will become serfs, and landlords will take the same position towards the masses that the feudal lords of the Dark Ages occupied.

THE LAW OF CONTRACTION IS INEXORABLE.

It transfers property and power from the many to the few, and divides the people into lords and serfs.

The object of the silver men in remonetizing the white metal is to furnish more money, stop contraction, relieve the debtors and producers, and preserve the people in their rights of property and liberty. Free institutions can not be preserved without free men.

MEN CAN NOT BE FREE WITHOUT PROPERTY.

Property can not be retained in the hands of the masses without money. Every citizen has an inalienable right to pay his debts in the money of the contract. The creditor is entitled to be paid in money of the same value as that which he loaned, and nothing more. It is also the duty of the debtor to pay in the money of the contract. He should neither gain nor lose by fluctuations in the value of money.

The value of money, as before remarked, is governed by the law of supply and demand. The Government alone has the power and is charged with the duty of furnishing that supply. If the supply is deficient and not equal to the demand the value of money must increase, or if the supply is excessive the value of money must decline. Honesty and fair dealing as well as good policy require

AN EVEN AND UNVARYING MEASURE OF VALUES

by which to adjust contracts. Every man has a right to rely upon stability in the value of money, which it is the duty of the Government which he supports to maintain. He can then calculate the chances of business enterprises which are under his own control, but he can not anticipate, unless he is a gambler in money, the consequences of capricious or dishonest legislation over which he has no control. Why should the Government change the value of money to accommodate speculators? The power to coin money and regulate the value thereof is lodged by the Constitution in Congress, and Congress is charged with the duty of maintaining that value unchanged and unchangeable. The value of money depends upon quantity or supply as compared with demand. Its value can not be made stable except by regulating its quantity.

It is difficult to find in the governmental action of the United States for the last twenty-five years any evidence of a design to maintain the value of money unchanged. Every scheme devised has had but a temporary object in view. It matters not whether that object was good or bad. The national-bank system was invented under an assumed necessity to maintain the credit of the country, but in reality

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to furnish a subsidy for money-changers. Silver was demonetized in Europe for

THE AVOWED PURPOSE OF MAKING THE RICH RICHER.

It was demonetized in the United States by accident or caprice. If the anti-silver legislation in this country had been founded upon any reason there might be some excuse for maintaining it. No reason was assigned at the time. No reason has since been given for thus tampering with the money of the Constitution and the people. If the rejection of silver had been accompanied by a substitute of some other kind of money which Congress had deemed better suited to the wants of the people there might have been no complaint; but the rejection of it without a substitute was folly, or something worse. Who has ever heard from a gold-standard contractionist any suggestion to provide for a regular supply of money to correspond with the growth of population and business? Who has ever heard one of them suggest a measure of value that should be just between the debtor and creditor? Who has ever heard one of them concede that the people had any right that the money-changers are bound to respect?

The rejection of silver without providing something to take its place was a gross violation of national faith. If, when the subsidy was granted to the national banks and when they were authorized to issue circulation, a law had been so devised that the supply would have been constant and certain, the present hard times might have been averted. But the national-bank scheme contained no element of permanency. Its life depended upon the continuance of the national debt undiminished. The payment of the bonds retires the circulation, and the whole scheme is but a temporary expedient. It is not a monetary system in any just sense. The makeshift of the Treasury Department to buy bonds when money becomes scarce is

A MOST ILLOGICAL AND UNPHILOSOPHICAL PROCEEDING.

Why should the Secretary of the Treasury contract or expand the currency because it will please those with whom he is acquainted or who have access to him? How does he know when he makes money tight and scarce by contraction that he is not ruining honest men whose obligations are maturing? How does he know when he expands the currency that he is not playing into the hands of speculators who want to unload stocks bought at low prices at the time of contraction? It is beneath the dignity of a great nation to shut its eyes to the wants and necessities of the people and to play into the hands of gamblers in the property of others. Let the volume of money increase with the increase of population and business by some fixed rule, so that all the people may know what to expect and upon what they may rely, and business will take care of itself. Let the law determine the quantity of money and let that quantity equal the demand and never exceed it, and we will have prosperity. But this blundering in finance,

WITHOUT CHART OR COMPASS

is not only ruinous in its consequences, but it indicates a lack of statesmanship or lack of honesty, either of which is disastrous.

The unlimited use of gold and silver and a return to the automatic theory will serve the purpose for the present, and perhaps for an indefinite period; but that depends upon the production of the mines.

Contraction is the most disastrous calamity that can happen to a people. Inflation is injurious, but not destructive. The creditor, as a rule, is a non-producer;

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THE DEBTOR IS GENERALLY A PRODUCER.

The prosperity of the world depends upon production. Contraction destroys the producers and stops production. Expansion may diminish somewhat the accumulations of the money-loaners, but unless it amounts to inflation, to be followed by a collapse, it does not injure, but stimulates, production.

If it were the declared policy of Congress that the value of money should always be the same it would not be a difficult task to maintain such policy and provide money at all times of substantially the same value. Statisticians would soon ascertain the amount necessary to keep pace with population and business, and what allowances should be made for wear and loss, and for exports and imports of the precious metals.

When it is understood that the value of money depends upon the amount of circulation as compared with population and business, or, what is the same thing, when it is understood that the value of money is determined by the law of supply and demand, the battle is won. Laws can then be framed which will accomplish the purpose. If an increase in the circulation equal to the percentage of increase of population is not the true criterion, other considerations must be taken into account, which can be easily done.

THE AVERAGE RANGE OF PRICE IS THE THERMOMETER

which determines whether or not the supply of money is sufficient. Such range of price rises and falls with the increase or decrease of the volume of money with the same unerring accuracy as the mercury rises and falls with every change of temperature. Overproduction or improved methods of production may cheapen the price of particular articles; a failure of production may enhance the price by diminishing the supply of any commodity. But nothing can materially increase or diminish the average price of all commodities for any considerable length of time except expansion or contraction. It may be that an increase of money equal to the percentage of increase of population will not be sufficient.

There are many who think it will not be because they say that as civilization advances the increase of trade requires more money for the same number of people. Others contend that the new methods of doing business with checks, bills of exchange, and various other forms of credit, act as substitutes for money and decrease the demand. These two considerations must, to a considerable extent, balance each other. If the experiment of regulating the volume of money by population were tried, the average price of property would determine whether the supply of money was too large or too small.

The friends of silver have been misunderstood. It has been assumed that they desired a market for one of their products. They have been represented as silver barons, desiring to unload their property upon others. This is not true.

ALTHOUGH SILVER IS A GREAT INDUSTRY

in this country, furnishing employment for a great many people (and in that sense only it is important), yet if silver is not useful the industry should be abandoned, and the people engaged in it should find something else to do. If it is not needed as money then the sooner that fact is known the better, because the supply on hand for other purposes is sufficient for the next fifty years. But if silver is discarded gold must also be repudiated, or perpetual contraction and ruin are inevitable.

The so-called silver men want silver used as money for the purpose

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of obtaining more money and preventing contraction and disaster. The demonetization of silver, which reduced the supply of the precious metals one-half, has already cost Europe and America more than all the wars of the nineteenth century. Contraction is more destructive than war. It produces more suffering, more starvation, more premature death. Wars are generally disastrous to the people.

CONTRACTION IS ALWAYS DESTRUCTIVE.

Wars are sometimes necessary and can not be avoided. Contraction can always be avoided. Nothing can justify a nation in depriving its people of money, or so regulating the volume of its circulating medium as to rob one class while it enriches another.

The Republican party incorporated in its national platform a pledge which in good faith it is bound to redeem. It declared:

The Republican party is in favor of the use of both gold and silver as money, and condemns the policy of the Democratic administration in its efforts to demonetize silver.

What is the meaning of this pledge? When is either gold or silver used as money within the meaning of this plank in the platform? Gold is now used as money because the holder of gold bullion may have it coined, and when coined it is legal tender in payment of all debts, public and private.

The declaration that the Republican party is in favor of using both metals as money, means, if it means anything, that the Republican party will make

NO DISCRIMINATION BETWEEN GOLD AND SILVER,

but receive a given quantity of silver in exchange for coin on the same terms that it now receives gold in such exchange. Treasury notes issued in exchange for silver bullion which will not pay private debts, unless the creditor is willing to receive them, and which are redeemable in silver bullion, iron, steel, wheat, land, or any other kind of property, are not money. Such use of silver treats it as a commodity, not as money. Any law which denies to silver the quality of legal-tender money is in violation of the Republican platform. The platform does not declare that the Republican party will issue paper and take silver bullion or any other property on deposit as security therefor, such property to be returned on presentation of the paper.

If silver is to be treated as property and held as collateral security, as recommended by the Secretary of the Treasury, is there any reason why all kinds of property should not be taken in the same way? If the only function that silver is to play in the monetary system is security, what objection is there to taking security on land, as a large and influential class of farmers have suggested? The propriety of doing this is already before the Finance Committee in the shape of a resolution of inquiry introduced by the Senator from California [Mr. STANFORD.]

The more the Windom bill is studied the more clearly it appears that the practical effect of such a law, if not the original design,

WOULD BE TO REDUCE SILVER TO A COMMODITY.

and take from it its character as money. It seems to be the design of the bill to make everything ultimately redeemable in gold so as to increase the necessity for the use of more gold in this country and compel the people to keep it here at whatever sacrifice may be required. If gold is to be the only money for final redemption, there is no advantage in using silver at all. Paper is just as good and better; it is more convenient. The only possible object in using silver is to increase the standard money of the country,

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## NOT THE CREDIT MONEY.

The people will not be deceived by the offer of the gold-standard contractionists to buy more silver. The reason they give for making such an offer is unsatisfactory. They say that they desire to enhance the value of silver, but that they have no intention of using it as standard money. The Senator from Oregon re-echoes the arguments of the Senator from Ohio and of the Secretary of the Treasury that everything shall be measured by the gold standard, that silver itself and the certificates which represent it shall be anchored to gold prices. Why buy silver if it is not to be money, but must depend for its value upon redemption in gold? Why not buy paper and advance its price? There is just as much reason for doing so as there is for buying silver if silver is not to be treated as standard money.

## PAPER CAN BE MADE REDEEMABLE IN GOLD,

and although the material may have little market value, the paper currency redeemable in gold may circulate as money.

What the Secretary of the Treasury, the Senator from Ohio, and the Senator from Oregon desire is the single gold standard, nothing more and nothing less. The suggestion to buy more silver and use it as credit money on the gold standard can have no object but to deceive. The Windom bill repeals the Bland act. That act, so far as it goes, treats silver as money. It requires the purchase and coining of not less than \$2,000,000 worth of silver every month. The gold monometallists indorse the Windom bill, because it does repeal the Bland act, and because it does not contemplate the use of silver as money. They are even willing to degrade the Government and make the United States a purchasing agent for the benefit of speculators in silver bullion. In other words, they would make the Government of the United States a broker for the Rothschilds, the Barings, and other purchasers of silver on foreign account without any commission for such services.

Why do not the gold monometallists meet the issue squarely and demand the repeal of the Bland act? Why are they willing that the Government should go into the brokerage business if they do not design to deceive the people by a flimsy pretense that they are in favor of silver when they are in fact seeking its demonetization? President Cleveland was more courageous and direct in his opposition to silver. He met the issue squarely and took the consequences. He was defeated, but he can not be charged with an attempt to deceive the people. The failure of President Cleveland to secure the repeal of the Bland act warned the gold monometallists to make no more open fights against the wishes of the people. It proved that open warfare on silver can not be successful in this country. Have they come to the conclusion that if the Bland act is repealed at all, it must be done by some secret device?

## HAVE THEY ADOPTED THE TACTICS OF THE CUTTLE-FISH?

They have certainly done all in their power to darken the waters and escape observation. This sudden conversion is suspicious. Why should the monometallists pretend to be friends of silver? "Beware of the Greeks bearing gifts!"

What confidence can the people have in the good faith of the Secretary of the Treasury when he tells them that he is in favor of purchasing more silver and increasing the volume of the circulating medium? They know that he has had the power to do this ever since he has been in office. The Bland act requires him to purchase at least \$2,000,000 worth of silver per month, and authorizes him in his discretion to purchase \$4,000,000 worth whenever there is a demand for more money.

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He admits that such a demand exists now, that more silver should be used, and that there ought to be an addition to the circulating medium, but he refuses to carry out that provision of law which authorizes him to buy more silver and relieve the stringency of the money market. "By their fruits ye shall know them." The fruit that the Secretary offers is

LIKE THE APPLES OF SODOM,

fair to the eye, perhaps, but bitter to the taste, and ashes in the mouth. There is another objection to the Windom bill, and to all bills which provide for the issuance of paper which is not a legal tender. What the people want is money with which to discharge obligations, to tender in payment of debts, and in compliance with contracts. The only money now in the country in any just sense of the term consists of greenbacks and coin. Nothing else will pay a debt, if the creditor objects. It is doubtful if there is a bank outside of the money centers and the Pacific coast which would not be compelled to close its doors if its customers demanded legal-tender money. The only reason why the business of the country can be carried on at all is the tolerance of those who are entitled to receive payment. No person could be compelled to receive in payment of dues anything but coin and legal-tender notes of the United States. The time once was when nothing else was received. It lasted but a very short time. This event is known in history as "Black Friday." It may be repeated, and certainly will be if a panic ever occurs. The issuance of a large amount of paper which is not legal tender is

AN INVITATION TO SPECULATORS TO COMBINE AND CREATE A PANIC.

The gold coin and greenbacks of the country are mainly locked up in the Treasury or used as bank reserves. There is very little of either in actual circulation. As the volume of circulation that will not pay debts accumulates, as compared with the legal-tender money, the danger of panics will increase.

What earthly reason is there for the Government of the United States to issue paper

WHICH IS NOT MONEY AND WILL NOT PAY DEBTS?

It is the duty of the Government to issue money that will perform all the functions of money, and not paper which will only circulate while the community by common consent allows it to do so. What reason can there be for putting out paper which does not possess all the functions of money? It costs the Government no more to issue legal-tender money than it does to issue promises payable in money or property; nor does it cost the Government any more to redeem legal-tender money than it does to redeem a mere promise to pay. Why, then, should any kind of circulation be in existence under authority of law which is not good money? There is no wonder that the people have a love for our greenback currency.

IT IS THE VERY BEST KIND OF MONEY.

It is more convenient than coin and will discharge every obligation and perform every function that coin can perform.

The automatic theory can be maintained as well with legal-tender money, representing gold and silver on deposit, as with the actual use of those metals in circulation as coin. It is difficult to conceive why gold or silver should be used at all, except as a limitation of the quantity of money that may be in circulation. If the paper in circulation is represented by bullion or coin in the Treasury, dollar for dollar, every imaginable benefit the precious metals confer as money is secured.

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As before remarked, the creation of money is an attribute of sovereignty. It can not be created by private enterprise. The Constitution expressly confers upon Congress the power "to coin money and regulate the value thereof." Many able lawyers and judges undertook to construe this language without understanding the functions of money or how its value could be regulated. They contended that the power of Congress was confined to the act of coining gold, and silver and prescribing the weight and fineness thereof. This was a misconception of the whole subject. They ignored the fact, which intelligent people now understand, that the value of money does not depend upon its weight or fineness, but

#### UPON THE VOLUME OF THE CIRCULATING MEDIUM,

compared with the demand for its use as money.

There is another provision of the Constitution which, taken in connection with the clause above quoted, removes all doubt as to the power of Congress to issue legal-tender money without regard to the material of which it is made. It is provided in section 10, Article I, of the Constitution that—

No State shall coin money, emit bills of credit, or make anything but gold and silver a legal tender in payments of debts.

The sovereign right to create money was thus surrendered by the States. In making that surrender it was assumed that the States originally had the power to make other things besides gold and silver a legal tender in payment of debts. This power must exist somewhere in every government

#### AS A NECESSARY ATTRIBUTE OF SOVEREIGNTY,

because if neither gold nor silver can be obtained for use as money, which has frequently been the case in history, some other kind of money must be substituted to preserve national existence. This prohibition upon the States was an implied grant of power to the General Government, for it can not be supposed that the framers of the Constitution intended that there should be no money in the country if the mines failed to produce the precious metals in sufficient quantities to be used as money. The necessities of the Government during the war, however, forced the United States to exercise its sovereign right to issue legal-tender money, which right is denied to the States by the Constitution. The controversy between lawyers sticking in the bark, and statesmen construing the provisions of the Constitution in the light of the subject-matter, was long and bitter. It was finally and forever decided by the Supreme Court that

#### THE UNITED STATES HAS THE CONSTITUTIONAL POWER

to issue legal-tender money without regard to the material of which it is made.

There is an irrepressible conflict between those who collect usurious interest and those who pay it. Formerly the collectors of interest resorted to every conceivable trick and device to obtain more for the use of money than the law allowed. They were called usurers and were denounced and abhorred by the good of all ages. From the time the Israelites reached the Promised Land until the new system of defrauding the debtor by governmental action was suggested by Chevalier usury was denounced as robbery. Before the time of Chevalier the civilized nations of the earth regarded gold and silver as standard money, the quantity to be determined by the supply of those metals. After the discovery of gold in California and Australia Chevalier suggested the demonetization of gold for the benefit of the non-producing money-

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loaners, who previous to that time had been odious on account of their usurious practices. He argued that the rejection of gold

WOULD DIMINISH THE SUPPLY OF MONEY AND ENHANCE ITS VALUE.

He urged upon France and the other Governments of Europe the necessity for making money scarce in order that it might become more valuable to those who possessed it. Germany, Austria, and several other European powers, following the suggestion of Chevalier, demonetized gold, but before united action could be secured to reject that metal it became apparent that silver would become more plentiful than gold. Germany after the close of the Franco-Prussian war was a creditor nation, and resolved to enhance the value of the securities she held by the demonetization of silver for the purpose of compelling payments in dearer money than was stipulated in the contract. The United States by some unknown device or accident, although a debtor nation, joined in the conspiracy to enhance the value of money and bonds and depress the price of labor and property. Under various pretenses all Europe followed Germany and the United States and joined the "combine" to

MAKE MONEY SCARCE AND DEAR AND LABOR AND PROPERTY CHEAP.

The combined governmental action of the United States and Europe accomplished for every creditor far more than the most extortionate usurer had been able to achieve by the wicked device of usury, which had been denounced by Moses and all the rulers of Israel and condemned with the thunderbolts of excommunication by the Christian Church for nearly two thousand years.

The artful manipulators of modern times discovered that if they could cut off or diminish the supply of the precious metals by rejecting silver, the value of the money and bonds they held would be enhanced one-half. By this device they doubled the value of their own property by legislation and relieved themselves from the odium of robbing their neighbors by usurious contracts. The scheme has worked to perfection. Wealth has accumulated in the hands of the non-producing cutters of coupons immensely. They have received not only interest, but the value of their money has increased faster than interest. They have re-invested their ill-gotten accumulations in new loans until they have enormously swelled the indebtedness of the world. The national debts, which are but a small part of the actual indebtedness of the people, illustrate how rapidly the savings of the masses are being transferred

TO THE NON-PRODUCING POSSESSORS OF FIXED CAPITAL.

The following table from Professor Adam's learned work on Public Debts shows the growth of national debts at stated periods:

1714 .....	\$1,500,000,000
1793 .....	2,500,000,000
1820 .....	7,750,000,000
1848 .....	8,650,000,000
1862 .....	13,750,000,000
1872 .....	23,025,000,000
1882 .....	26,970,000,000
According to American Almanac:	
1889 .....	32,317,336,421

The private debts of the people is an unknown quantity, which can only be estimated.

Sir Moreton Frewen estimates the public and private debts of the people of Great Britain at £4,000,000,000 or nearly \$20,000,000,000.

The indebtedness of the people of the United States must be much

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larger. The following is given in a note to Dr. Denslow's work on Political Economy, page 448:

The Iron Age, referring to an address to the National Board of Trade by Mr. Price, quotes Lord Derby as having predicted that European nations must repudiate.

THE ANNUAL BURDEN OF \$800,000,000 OF INTEREST

is a load they can not carry. It continues:

"Spain, Portugal, Austria, and Greece are bankrupt; Russia and Italy are without credit; and the great states of Great Britain, France, and Holland are exhausting every measure of taxation to maintain solvency and credit.

"To the constantly growing sum of obligations which constitute our credit system must be added an enormous total of public indebtedness contracted by minor divisions of the state, corporations, firms, and individuals. For our own country the showing is assumed to be about as follows:

Present national debt, December 1, 1887.....	\$1, 675, 816, 660
State.....	226, 597, 594
County and municipal.....	821, 486, 447
Railway.....	4, 163, 640, 144
Banking.....	4, 581, 706, 203
Private banking.....	1, 500, 000, 000
Record.....	6, 000, 000, 000
Mercantile.....	3, 000, 000, 000
Individual, otherwise than above.....	6, 000, 000, 000
Aggregate.....	27, 969, 247, 048

"This total is more than one-half the entire census valuation of 1880. If our population is 60,000,000, it means a per capita indebtedness of \$465, or more than the average income of the family in Massachusetts."

The annual interest on \$27,969,247,048 at 5 per cent. is nearly four-hundred millions. The assessed value of the property of the United States in 1880 for the purposes of taxation was \$16,902,993,543. In 1888, according to the American Almanac, the assessed value of the property of the thirty-eight States then in the Union was \$22,637,383,298. The estimate in Dr. Denslow's note may or may not be an exaggeration. It is highly probable, however, that the indebtedness of the people of the United States, public and private, is fully equal to the assessed value of the entire property in this country. In other words, the liabilities of the people are about equal to the assessed value for the purposes of taxation of their assets. They are, however, solvent if permitted to pay in the money of the contract, because the assessed value is less than half the market value, even at the present range of price.

The present rate of contraction would at no very distant day reduce the market value as low as the present assessed value, but the liabilities would continue to increase until canceled by bankruptcy or by a transfer of property to the creditor. The importance of maintaining an honest measure for the adjustment of contracts and the payment of this enormous indebtedness can not be overestimated. The weight of this debt has already been about doubled by contraction, and the process of contraction still continues. Property must be sacrificed to obtain legal-tender money to pay this debt. The creditors will accept nothing else and they are empowered by law to demand payment in gold or its equivalent, and they insist that nothing shall be legal tender but gold. When they are told that the production of gold is not more than sufficient to keep good the stock of that metal on hand without any increase of the volume of circulation on account of the increasing demand for money caused by the growth of population, they revile those who call attention to this fact

AS INFLATIONISTS AND REPUDIATORS.

When they are told that the price of property and of labor is rapidly declining, that stagnation and hard times exist, they bring to bear the

great power of their accumulated wealth through the public press, which they control, and the obligations of the people, which they hold, to silence opposition and crush those who have the temerity to raise their voices in defense of the people.

The vast indebtedness of the people of the United States, consisting of bonds, mortgages, and other securities, is concentrated in the money centers, principally the city of New York, where the interest is payable. A large portion, perhaps more than one-half, of these obligations is owned in Europe, but managed by agents in the United States who are aliens to our institutions and hostile to the freedom we enjoy. These Europeans are not only monarchists in sentiment,

BUT THEY BELONG TO THE ARISTOCRACY OF USURY,

which has been made respectable by law, and which dominates, controls, and dictates the legislation of every civilized government, including our own. We are told that we must not differ with the professional usurers of modern times, whether they are citizens or aliens; that they are the business community, and whatever laws are passed must be satisfactory to the usurers or the party will be destroyed. They threaten and intimidate politicians, and, failing to make them subservient to the money kings, they use the press to disgrace and destroy them and use their money to defeat their aspirations. They frighten political parties and significantly declare that no party can succeed in this country without the aid of the money power, and they point to the victories which that power has achieved in the elections for the past thirty years in proof of their assertion.

There is too much truth in what is said of the power of the usurers. I call them usurers advisedly. It is true they are no longer in the habit of making what was formerly known as usurious contracts, but they have done and are still doing

WHAT IS MORE WICKED AND FAR-REACHING.

They constantly change contracts by legislation after they are made, whereby they increase their demands while they diminish the capacity of the debtor to pay. They are most cruel and relentless oppressors. They are usurers by nature and love money.

Martin Luther, the originator of religious reformation, if not of civil liberty, in his Table Talk described his abhorrence of usury as follows:

The civil laws themselves prohibit usury. To exchange anything with any one and gain by the exchange is not a deed of charity; it is robbery. Every usurer is a robber worthy of the gibbet. I call those usurers who loan at 5 or 6 per cent. To-day at Leipzig, he who loans 100 florins asks 40 for them at the end of the year as interest on his money. Do you think God will tolerate such a thing? There is nothing under the sun I hate so much as that city of Leipzig; there is so much usury, avarice, insolence, trickery, and rapacity there.—*Cyclopedia of Political Science*, etc., volume 2, page 547.

If Martin Luther could have anticipated that usurers would take possession of the governments of the civilized world, and not only change the civil law so as to legalize interest, but use those governments to contract the circulating medium at pleasure and increase the burdens of the debtor beyond what the most unscrupulous usurer of ancient times would have dreamed of demanding, his prolific mind would have been inadequate to conceive terms in which to express his abhorrence.

It may be said that the words of Martin Luther were inspired by passion or prejudice. That may be true, but he only re-echoed what had been said by the divines and reformers who had preceded him. This wholesale denunciation against the payment of interest seems unreasonable. Legitimate interest is right, proper, and just.

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## CREDIT IS A GREAT BOON.

It furnishes an opportunity for the enterprising and industrious to develop the resources of the country and adds to the wealth and prosperity of the people. Without it little progress could be made. The evil connected with it in former times was usurious contracts. The evil connected with it in modern times is legislative interference with existing contracts. Formerly individual usurers overreached and robbed their debtors by special contracts. Now a combination of all the usurers of the world, known as the creditor class, manipulate the standard money to rob all debtors.

In Europe the aristocracy of usury and the aristocracy of birth have combined. The divine right of kings has been reinforced by the devotees of gold.

## ACCUMULATED CAPITAL AND HEREDITARY MONARCHY

are again fast accomplishing the subjugation of the people. While the masses could obtain money by delving in the bowels of the earth, thrones tottered and the whole fabric of despotism in the Old World was trembling before the onward march of the triumphant and progressive masses.

Money makes a people independent and brave; poverty reduces them to want and submission. The combination of the usurers with the despots to deprive the people of money was an artful and effective mode of reducing them to submission and dependence. During the last sixteen years, since silver was demonetized, despotism has grown stronger, while poverty and want have weakened the power of the people to resist oppression. There is no hope for progress or improvement of the masses of Europe except by bloody revolutions. It is yet possible for the people of the United States

## TO REGAIN THEIR LIBERTY AND INDEPENDENCE.

There is yet time for them to resist their oppressors.

It is true that a combination of non-producing money kings who hold a mortgage upon the productive energies of the people nearly or quite equal to the assessed value of all the property in the United States is a formidable enemy; and it is all the more formidable because the devices by which it robs the people are subtle, secret, and hard to understand. If the masses could but know that a conspiracy exists among the possessors of accumulated capital in Europe and America to rob them of their property and their liberty, a speedy and effective remedy would be applied.

It is unfortunate for the people that they do not understand the magnitude or the extent of the wrong that was inflicted upon them by the demonetization of silver and the loss of more than one-half of the supply of the precious metals for use as money. They do know, however, that their farms and their products are declining in value; that the obligations of their contracts for the payment of money are growing heavier year by year; that stagnation and hard times exist, and they will inquire the reason why. They are already contemplating the vast accumulations of the coupon-cutting class. They behold fortunes accumulating to hundreds of millions,

## WHILE THEY ARE REDUCED TO POVERTY AND WANT.

They know that the purchasing power of money has increased in the last sixteen years from 35 to 40 per cent., and that if it continues they and their families must be reduced to tenants and serfs. They are beginning to inquire how this change was produced. They are beginning to understand that the legislation of the last twenty-five years

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has continually reduced the supply of money as compared with the demand until a money famine exists among the masses. They are beginning to demand that the Government shall furnish more money to enable them to save themselves from ruin and bankruptcy.

The cutters of coupons demand further contraction, cheaper labor, and dearer money. Behold the financial condition of the United States!

The amount of the circulating medium, exclusive of the surplus and reserves in the Treasury and the reserves in banks, can not exceed \$900,000,000. Of this sum over \$600,000,000 consists of credit paper,

WHICH IS NOT LEGAL TENDER,

and will not pay debts without the consent of the creditor, as follows:

Gold certificates.....	\$134, 642, 839
Silver certificates.....	292, 923, 348
National-bank notes outstanding according to the last report of the Comptroller .....	202, 023, 415
Total .....	629, 589, 602

The greenbacks and gold in actual circulation among the people amount to less than three hundred millions.

Any suggestion to increase the legal-tender money of the country which will pay debts is met by the united opposition of all who cut coupons or live on fixed incomes. The proposal to use silver as money is denounced by the metropolitan press and every servant and dependant of the money power.

THE CUTTERS OF COUPONS

fear that the people may regain their independence and become able to pay their debts if more legal-tender money is put in circulation.

The miser is as jealous of his prerogative as the tyrant of hereditary birth. The despots of gold know full well that the volume of the circulating medium must continually shrink if the single standard can be maintained. They know that contraction will increase their hoards while it impoverishes the people. They know wealth is power and dominion, and that poverty is the badge of slavery and submission. They care not for the solemn declaration of the Republican party in favor of the use of both gold and silver as money, but insist that silver shall be reduced to a commodity and gold alone be the standard of value. They compel the Secretary of the Treasury to declare that he will do all in his power to anchor the money of this country to the values of the commercial world, which are gold values,

WITHOUT THE USE OF SILVER AS MONEY.

It is impossible for the usurious possessors of accumulated wealth to make the slightest concession to the people. The advantage they have already obtained by the destruction of one-half of the world's money has not only enormously increased their wealth and power, but it has also added to their arrogance and intolerance.

The money question is not a party question. It is a contest between the lords of accumulated wealth and the struggling masses. It is barely possible that these money tyrants have overestimated the ignorance of the people of the United States, and that the time may yet come when retaliation will be possible. If the money of the world can be contracted by the destruction of one of the precious metals, why may it not be expanded by the use of both those metals, or by a resort to legal-tender fiat money, issued in such quantities as will enable the people to discharge their obligations and save their homes?

The advocates of the use of silver as money do not seek to defraud the creditor class. They wish simply

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## TO RESTORE THE MONEY OF THE CONTRACT,

to enable the people to pay their debts in money of the same value as that which was loaned, nothing more and nothing less. If the money kings who have hitherto controlled legislation deny them this, who can say that they shall not rise in their mighty power and demand justice? Nothing but more money will right the wrong that the gold-standard contractionists have perpetrated.

The people now demand the remonetization of silver, and give notice that if that is not enough they will demand sufficient legal-tender paper money to enable them to retain their property, maintain liberty and independence, and enjoy something of the wealth their labor has produced. Let the money kings take warning

## AND CEASE THEIR DISHONEST PRACTICES.

before they compel the people to pay their debts in inflated paper money to save themselves from want, starvation, and slavery. Fourteen hundred millions of gold annually extorted as interest from the producers of the United States is a burden too grievous to be borne. The Republican party promised to relieve this burden by the use of both gold and silver as money. The time has come for redeeming that promise. Shall it be done, or shall the money of this country be anchored to the gold standard of Europe in pursuance of the declaration of the Secretary of the Treasury?

This country has been too long anchored to the gold value of Europe. In 1873 silver was rejected as money. Immediately thereafter the United States resumed specie payments, not in gold and silver, the money of the Constitution, but in gold alone. All debts were contracted, not only on a basis of gold and silver, but also when the United States was not using either gold or silver and Germany was using silver, not gold. In consequence of the suspension of specie payments in the United States and the demonetization of gold in the German states, gold was cheap. The people of the United States became involved in a vast amount of indebtedness. Europe and the United States combined to make gold dear by rejecting silver.

The United States by resuming specie payments in gold became an immense purchaser of gold. Germany also became a buyer of gold and a seller of silver. All this put up gold. The people of the United States were bound to buy gold, because the Government would not allow them to pay their debts in any other kind of money. The products of this country have been sold at a discount of 33½ per cent. to buy gold to pay debts contracted

## WHEN GOLD WAS CHEAP AND GREENBACKS WERE PLENTY.

It was the legislation of Congress that compelled the people to do this.

During the time of the suspension of specie-payments contracts in the United States were payable in lawful money—greenbacks. By the act of March, 1869, "to strengthen the public credit," the bonds were made payable in coin. The funding act of July 14, 1870, expressly stipulated that they should be paid in coin of the then standard value—gold and silver dollars. This contract is printed upon every bond now outstanding. By a trick silver was demonetized in 1873, since which time all debts have been paid in gold or on a gold standard; not the gold standard of twenty years ago when the contract was made, but the gold standard created by the demonetization of silver, and by the vast purchases of gold by Germany and the United States—a standard made dearer because the power of the civilized world was exhausted to corner the gold market.

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Well might the bondholders boast of the credit of the Government of the United States. It costs them nothing to buy gold, but it has cost the people of this country, the producing classes, more than all the wars that have afflicted us from the foundation of the Government. Who would have thought, when the people were pouring out their blood as water to save the country, that a non-producing oligarchy of bondholders,

#### COMPOSED LARGELY OF ALIENS,

would force the masses to sacrifice their property and their liberty to purchase gold to enrich money-lenders and coupon-cutters? The Government has good credit, but it was bought at the expense of the prosperity, happiness, independence, and freedom of the people.

The gold-standard contractionists are not yet satisfied, but are using every effort to continue the process of contraction to further oppress and destroy the masses. Now that the people have risen in their might and demanded justice, they resort to every trick, and to slander and abuse to disparage the efforts of all who have the boldness to stand up and demand some measure of justice, some relief from bankruptcy and ruin.

Who are benefited by the rejection of silver?

#### WHO ARE BENEFITED BY CONTRACTION?

None but bondholders who are rich in money futures and the drones who live on fixed incomes, while the producers are oppressed and destroyed. Not only has the country been obliged to sacrifice its property to buy gold with which to pay debts contracted in cheap money, but thousands and millions of people have been thrown out of employment by business depression caused by contraction. The sources of wealth have been dried up to satisfy the lust of gamblers in gold and combinations of usurers and money kings. If the non-producing drones of society had to sacrifice their property to buy this dear money there might be some excuse for their advocacy of that kind of money. They want money made dear because they have it, and because they have bonds which command it. They do not care how much other people's property is sacrificed to acquire it. They care nothing for the sufferings of the people. All they want is more gold, and

#### THE SCARCER AND DEARER IT IS THE BETTER.

It is better money, not because it is gold, but because it is dearer.

Mr. Maclaren, of England, and Mr. Chevalier, of France, were the two great leaders who inaugurated the war for the demonetization of one of the metals. Each published a book in 1857 and 1858, in which they prove most conclusively that the new discoveries of gold in California and Australia were reducing the value of money and enhancing the price of property. They maintained, and with good reason, that the addition to the circulation caused by the new gold depreciated the value of money and bonds

#### AND ENHANCED THE VALUE OF PROPERTY.

They therefore urged most vehemently the demonetization of gold and the adoption of the single-silver standard. Holland, Germany, and Austria listened to their arguments and demonetized gold.

I hold in my hand these two celebrated volumes in which may be found all the arguments for the demonetization of gold which the most talented gold-standard contractionists now make for the demonetization of silver.

Mr. Maclaren, in his work on the History of the Currency, published in 1858, in a long review deprecates the want of appreciation on the part of Mr. Tooke, Dr. Smith, Lord Overstone, and others in not see-

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ing the great danger to be apprehended from the new discoveries of gold in California and Australia, and compliments the financiers on the Continent for their wisdom in this respect. He says:

Our neighbors on the Continent received the announcement of these remarkable discoveries in a different spirit; from the first they have considered them of the greatest importance, and have expressed great solicitude for the maintenance of the standard of value. Immediately that the fact of a great increase in the production of gold was established, the Government of Holland, a nation justly renowned, says M. Chevalier, for its foresight and probity, discarded gold from its currency. They may, says the same author, have been rather hasty in passing this law, but in a matter of this nature it is better to be in advance of events than to let them pass us. (Page 351.)

Mr. Maclaren winds up his elaborate argument in favor of the creditor class in the following language:

The author of these pages feels very strongly on this subject, believing that a very great amount of suffering will be inflicted upon a very large numerical portion of the community in the pursuit of a shadow, for what good can result from a failure in one of the most important institutions of civilized society, and he can not conclude the present work without appealing to the economists of this country at least to give the question of the probable depreciation of the currency an unprejudiced consideration. (Page 368.)

The work of Chevalier was so highly prized by English financiers who represented the possessors of accumulated capital that Richard Cobden, the founder of the Cobden Club, translated it into the English language, and in his preface commends it as eminently wise and patriotic. Mr. Cobden said that the question of the probable fall in the value of gold and the consequent rise in that of all other commodities, wherever gold is the standard of value, has not hitherto attracted so much attention in his country as it had in France, or as its great importance would seem to demand. Mr. Cobden concurred with Chevalier, that any increase of money is injurious to the bondholding class;

THAT CONTRACTION ONLY BENEFIT THEM.

In speaking of the effect of the new discoveries on bond investments, he said:

With respect to those who have property to invest, they would, as a rule, avoid those investments which yield incomes of a fixed amount of money, such as dividends from the funds, interest from bonds and mortgages, as well as annuities, rent charges, ground rents, guarantied stock, etc.; whilst property of an expansive nature, which rises in proportion to the depreciation of the currency, such as land, houses, shares, etc., would be preferred. (Page 7.)

Mr. Cobden preferred investments in funds, in bonds, in mortgages, in annuities, in rent charges, in ground rent, in guarantied stocks, etc. He had no regard for those who would invest money in property, such as land, houses, and shares. Such investments would give employment to the people, develop the resources of the country, create wealth, and therefore should not be encouraged.

Chevalier, in his celebrated work,

TREATED THE VALUE OF SILVER AS STATIONARY,

and attributed all fluctuations to gold. He said:

Unless, then, we possess a very robust faith in the immobility of human affairs, we must regard the fall in the value of gold as an event for which we should prepare without loss of time. And who can be ignorant that the value of gold in relation to productions generally, and in relation to silver in particular, instead of being fixed, has experienced very numerous variations—that it has been undergoing modifications, sometimes in one sense, sometimes in another, from the beginning of the world, under the influence of forces far less energetic than those which are in action in our day?

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If the value of gold has varied every time that new circumstances have modified the relation between the supply and demand, and if it has risen or fallen in proportion to the change which manifested itself in this relation, by what strange witchcraft are the natural causes of the fall of gold to be paralyzed, now that they are displaying themselves in such unusual proportions?

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Independently of all detailed calculation like the preceding, there is a general way of convincing oneself of the impending fall of gold, at least if some cause, at present impossible to foresee, should not suddenly put an end to its extraordinary production. The metal which is now being extracted in such abundance, in comparison with the past, must, if converted into money, affect its value by its mass. (Pages 117, 118.)

After discussing what other use might be made of gold and arriving at the conclusion that little can be used for other purposes than as money, he said:

The currency, then, offers the one sole channel by which the principal part of this enormous production of gold can find an outlet. Already several nations have closed the door against it. How, then, can it fail to encumber the channels of circulation in those countries which remain faithful to a gold currency? In other words, how shall we escape a general dearness of commodities in France if we maintain for gold in our monetary system the place which in fact it now occupies? (Page 120.)

For the purpose of showing that the arguments of the gold-standard contractionists are not original, but are the same which were formerly used by the silver-standard contractionists, I must call attention again to the argument of Mr. Chevalier, made familiar in these days by its frequent repetition:

Under the influence of this greatly increased and cheapened production of gold it is reasonable to expect, at least in all those countries where gold circulates in large quantities and where it is or tends to be the sole medium of exchange, a general disturbance of prices, a deeply felt derangement of interests, and a modification more or less radical in the different relations of society. To examine the causes and consequences of such a revolution, and the good or the evil which, if they have not already commenced, must hereafter spring from it can hardly be deemed an unprofitable task. With reference to certain countries, and more especially France, it is well to consider how far this influx of gold into the monetary system is in conformity with existing laws, with the intentions of the legislator, the national honor, and the respect due to engagements contracted by the State. If it were proved that what is taking place is in violation of the spirit and letter of legislation, the best means should be sought for returning as quickly as possible to the scrupulous observance of the law. (Page 20.)

Here Mr. Chevalier suggests that mining for gold and adding to the circulating medium is in violation of law and a dishonor to the State.

WHO EVER HEARD OF A GOLD-STANDARD CONTRACTIONIST

seeing honor in anything except the protection of his interests? The robbing of his neighbors counts for nothing. That is honorable.

IF THE BOUNTIES OF NATURE EXPAND THE CURRENCY,

the nation is dishonored. If by legislation the currency is contracted, the miser enriched, and the people destroyed, it is honorable; it is conservative; it is wise; it is good money; it is honest money. Such is the moral sense of the usurer everywhere and at all times.

But let us return to our author again. He says:

Simultaneously with these new discoveries of gold a fact of grave import develops itself with reference to silver. For a few years past this metal has become, in the European market, the object of unusual demand for exportation to the East. This is evidently calculated to make the fall in gold more sensibly felt, especially in comparison with the other precious metal; for whilst the gold increases rapidly, silver becomes more scarce, and thus the divergence operates from both sides. (Page 21.)

How familiar this argument! Then gold, if the mines continue to produce, would drive silver out of the country and dishonor France. Now,

IF SILVER IS USED IT WILL DRIVE GOLD OUT OF THE COUNTRY

and dishonor the United States. The reason in both cases was to enrich the bondholders and rob the masses. Suppose gold was driven out of the country, where would it go, and how would it be driven out? If we were to use silver our farmers would be relieved from the necessity of selling their products at 40 per cent. discount to buy gold

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for the benefit of the bondholders. If we were not buying gold and making a corner on that metal, gold would be cheaper. The five or seven hundred millions, or whatever we have, of gold, if sent to Europe, would make gold cheaper there than it now is and raise the price of wheat and all other commodities. If Europe will pay more for gold than we can afford to pay, let them have it. The history of the world proves that silver is just as good money as gold. All civilized nations still use silver. Not a hundred millions of people use gold, and not fifty millions of the people on this globe ever saw a piece of gold.

I commend the works of Maclaren and Chevalier to the particular attention of all those who admire the skill and wisdom of rejecting one of the metals for the purpose of enriching the bondholders at the expense of the people.

The best illustration of

#### THE CRUEL AND HEARTLESS OPPRESSION

brought about by legislative manipulation of the money of the world is found in the case of Egypt. The case of Egypt is the case of every farmer in the West. That case is so well stated by Sir Moreton Frewen that I will give it in his own language:

To those who profess a convenient belief that although the fall of prices increases the burden of national debts, yet that a lessened cost of production avails to right the balance, I would recommend a short study of Egyptian finances to-day. There is a nation of peasant cultivators, 6,000,000 of people farming 5,000,000 of acres, whose agricultural implements are neither better nor worse than at the time when Joseph was sold by his brethren; nor is the tide of the same Nile which to-day brings to market the produce of the same fields in similar barges either faster or less fast than five thousand years ago. Twenty-five years since Egypt was free of foreign debt, but in an evil hour the ex-Khedive [small] borrowed about a hundred millions sterling at enormous rates of interest in London and Paris. This money was not spent on internal improvements, but was squandered on the construction of twelve royal palaces in Cairo and in the purchase of pictures and furniture for these palaces.

The Levantine contractors who built the palaces made immense fortunes, and for the most part reinvested these fortunes in loans to the fellahen at rates varying from 2 to 6 per cent. per month! Truly a vicious circle! The Khedive pledged the homesteads of his subjects to borrow money in London; this money passed on to foreign middlemen, who in turn lent it at usurious rates to the peasantry, who were themselves the security for the original loans. The cultivators were in the pleasant position of having to pay first 7 per cent. to the foreign financier and a further 30 per cent. per annum on the same money to the foreign contractor. To pay the interest on this national debt each acre of cultivated land in Egypt has to convert enough of its produce into gold to send almost a sovereign yearly to the foreign creditor. In addition to this, each acre has to contribute a further share to the expenses of the home government. The taxes of Upper Egypt are collected not in money, but directly in produce.

The lower prices fall, the greater the amount of produce which is appropriated from each acre to pay the sovereign required of it. Since the time the debt was contracted the prices of the staple products of Egypt, cotton, sugar, wheat, and beans, have fallen more than 50 per cent. The revenue for the current year shows a small surplus over the budget estimate, simply because cotton has risen nearly a penny per pound and sugar about 3 shillings a hundred-weight. But if prices are to fall still further, the gold payments which Egypt owes to England can only be exacted from a starving nation by the most merciless exactions and by the free use of the kourbash. Here is an instance, an extreme instance I admit, of that "appreciation of gold" about which philosophers with fixed incomes write so complacently, and which is said to be for the advantage of England the creditor nation.—*The Economic Crisis*, by Moreton Frewen, 1888, pages 77 to 79.

The case of Egypt is an extreme case, but it illustrates the avarice and cruelty of the money-lender. Sir Moreton Frewen tells us that a liberal use of the "kourbash" is necessary to collect the revenue in Egypt, that is,

#### LIBERAL FLOGGING, CORPORAL PUNISHMENT,

is necessary to make the fellahen work and starve sufficiently to produce crops which can be converted into money to pay a fraudulent debt.

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I read in an English publication a short time ago an account of a movement on the part of some humane people in that country—for humanity has not entirely departed from the people—to abolish corporal punishment of the laborers of Egypt, but the reply to this movement was that flogging was the only means by which the people could be forced to perform sufficient labor to pay the interest on the public debt and protect the English creditors in their rights. Whether this explanation will continue to be satisfactory to the good people of England remains to be seen.

It will be a long time before the farmers of the United States will submit to corporal punishment, but the time may come.

#### MORE CONTRACTION, MORE POVERTY, MORE STARVATION

may reduce them to slavery, but before that time arrives there will be a contest that may make even bondholders tremble.

The slavery of the Egyptians by the military power of Great Britain surpasses in cruelty any system of slavery that ever existed. The hypocrisy of the rulers of that country in pretending to favor the abolition of slavery anywhere is fully illustrated by their treatment of the Egyptians. A debt contracted by the profligate ruler in collusion with unscrupulous speculators is made the pretext for reducing an honest and helpless people to

#### THE MOST ABJECT SYSTEM OF STARVATION AND SLAVERY.

At the same time we constantly read of the efforts of the English Government to suppress the slave trade in Africa, which consists in capturing wild negroes to be used as slaves in Asiatic countries. No slavery that can be devised, where the master owns the slave and is compelled to feed him, can be compared to Egyptian slavery, to enforce the payment of a fraudulent debt. The farmers of the United States have the same cause of complaint, in kind, but not in degree, as the Egyptian farmers. Their obligations, too, have been doubled by legislation; they, too, are compelled to sell their wheat, their cotton, and other farm products at a discount to buy gold with which to pay debts contracted in another and cheaper currency. But the farmers of the United States have a vote and a voice in the Government, and that voice they expressed at the last Presidential election. The time is come when we are to see whether that voice ought to be obeyed. Let those who doubt it resist the coming storm and take the consequences.

Many who have not reflected upon the subject are misled by the question so frequently asked by the gold-standard contractionists, how can we settle our international balances unless we adhere to the standard money of the commercial world? Although the answer to this is very simple, it is not generally understood; in fact, it is generally supposed that we settle our foreign balances in money. We do nothing of the kind. Our foreign balances are always settled in commodities. If gold and silver are shipped out of the country to pay for goods they are shipped as bullion, and not as coin. When we buy gold in Europe, we buy it as bullion.

#### GOLD IS BOUGHT AND SOLD BY WEIGHT.

The stamp of the Government has nothing to do with either gold or silver as an international commodity. It is the business of bankers to ascertain the value of the money of one country in the money of another country. How did we carry on trade with Europe during the war, or rather during the suspension of specie payments? Wheat was bought in this country with greenbacks, and sold in foreign countries for the money of those countries. For example, specie payment was suspended in Italy and the United States at the same time. Each had

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a paper currency of its own. Did trade between them stop? Not at all. The American merchant sending a cargo of wheat to Italy would sell it for Italian money. With that money he would buy a cargo of marble or anything else that was wanted in this country; or if he did not desire to purchase commodities in Italy he would go to a bank in Rome or Naples with the Italian money that he received for his cargo of wheat and obtain a bill of exchange payable in the United States in greenbacks, or gold, whichever he desired.

Buying and selling of exchange is a legitimate and extensive business conducted by bankers. One of the greatest defects in metallic money is that it may be shipped from a country as a commodity on account of its money value in other countries. The great dread of an adverse balance of trade is not the debt that is incurred which could be paid at a future time in commodities, but it is the fear that the money of the country will be shipped as a commodity, thus producing contraction at home, involving bankruptcy and ruin. But the idea of the Secretary of the Treasury in anchoring the price of commodities of this country to the gold price of Europe suggests a most fearful oppression. It amounts to this: The United States

**FIRST DESTROYS ALL OTHER KINDS OF MONEY BUT GOLD**

and makes it impossible for the debtor to discharge his obligation in the money of the contract. The Secretary approves of this. He declares that there shall be no relief; that the money of the contract shall not be restored, but the people shall continue to buy gold, whatever the sacrifice may be.

If the issue now before the country can be preserved until the people fully understand how they are defrauded, there can be no doubt as to the final result. A compromise now in the interest of money kings would be fatal. No advantage would be gained for the people. The power of aggregated capital in money and bonds, with the metropolitan press at its command, would denounce the advocates of honest money and point to the law passed for the relief of the people as evidence of the folly of agitation and of all efforts to regulate the currency by legislation.

The issue is now plain and distinct. In 1873 the volume of the circulating medium was contracted by the demonetization of silver. The question now is, shall silver be restored? That issue is plain.

**ANYTHING SHORT OF FREE COINAGE,**

or its equivalent, will not meet the demand of the hour.

In 1880 the Democratic party in its national platform declared for free coinage in the following impressive language:

We pledge ourselves anew \* \* \* to honest money, consisting of gold and silver, and paper, convertible into coin on demand.

Again in 1884 this declaration for free coinage was repeated as follows:

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

The amendment proposed by the Senator from Colorado is in accordance with this declaration of the Democratic party.

**IT PROVIDES FOR GOLD AND SILVER COIN**

and for a currency convertible into such coin without loss. It is substantially the same bill which I introduced in the Fiftieth Congress and again on the 12th day of December last. The following is a copy of that bill:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any person may deposit at any mint or assay office of the United States either gold or silver bullion, or both, in quanti-*

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ties of not less than 5 ounces of gold or 80 ounces of silver, and demand and receive coin or coin certificates therefor at the rate of \$1 in coin or certificates for 25.8 grains troy weight of standard gold, and at the rate of \$1 in certificates for 412½ grains troy weight of standard silver.

SEC. 2. The coin certificates issued under the provisions of this act shall be of such denominations as the Secretary of the Treasury may prescribe: *Provided*, That they shall not be of less denomination than \$1 or more than \$1,000, and that at least one-half of the amount issued shall be in denominations less than \$50, and such certificates shall be redeemable in coin of standard value. And the Secretary of the Treasury shall cause to be coined from time to time such portions of the bullion deposited under the provisions of this act as may be necessary to enable him to furnish coin in exchange for bullion and for the redemption of such certificates.

SEC. 3. The coin certificates issued under the provisions of this act shall be a legal tender at their nominal value for all dues, public and private, except where otherwise expressly stipulated in contracts heretofore made, and when such certificates shall be received for public dues they shall be reissued. A sufficient sum to carry out the foregoing provisions of this act is hereby appropriated out of any money in the Treasury not otherwise appropriated. The provision in section 1 of the act of February 23, 1873, entitled "An act to authorize the coinage of the standard dollar and to restore its legal-tender character," which requires the Secretary of the Treasury to purchase at the market price thereof not less than \$2,000,000 worth of silver bullion per month, nor more than \$4,000,000 worth per month of such bullion, is hereby repealed.

It will be observed that there is no essential difference between this bill and the amendment of the Senator from Colorado. I am glad to be able to say that he and I have always been in accord on this question. They both comply in every particular with the platform of the Democratic party in 1884, as well as with that of the Republican party in 1888. The amendment is a great improvement on the bill reported by the Finance Committee, which provides for the purchase of four and a half million dollars' worth of silver bullion per month at the market price and the issuance of Treasury notes therefor. Under the present law the Treasury coined 33,793,860 silver dollars during the last year.

The Finance Committee's bill would put in circulation just fifty-four millions each year, which would be \$20,206,140 in excess of the amount of silver dollars coined last year. The contraction caused by the retirement of national-bank circulation was \$36,861,931, which would not only absorb the excess of circulation which would be gained by the Finance Committee's bill, but would reduce the amount of actual increase of the circulating medium to eighteen millions. Eighteen millions added to the circulating medium of the country during the next year

#### WOULD NOT RELIEVE THE STRINGENCY OF THE MONEY MARKET.

I fear that the bill, if it should become a law, would be a great disappointment. Besides, the Treasury notes to be issued are not a legal tender and will not pass as money without the consent of the creditor.

There is still another objection to it. The silver is to be purchased at the market value. This would leave it as it now is—subject to speculation, treating it as a commodity and not as money. It can not be said that this bill is in conformity with the platform of the party. My colleague who reported it is, and has always been, in favor of free coinage. It was the only bill that the Finance Committee would agree upon, and the report was a great gain. It was a step to favorable legislation. My colleague deserves the thanks of the friends of honest money for reporting this bill and giving the Senate an opportunity, with his assistance, to perfect the measure.

It is a significant fact that the people in 1884

#### APPROVED THE FREE-COINAGE PLATFORM

of the Democratic party by the election of President Cleveland, and in 1888 approved the free-coinage platform of the Republican party by electing President Harrison.

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President Cleveland, in violation of the Democratic platform, and before he had taken the oath of office, demanded the repeal of the Bland act. In August, after his inauguration, he notified the monetary conference, which was held in Paris, through Mr. Walker, our consul-general there, that the United States was about prepared to discontinue the coinage of silver. In his messages to Congress in December, 1885 and 1886, he strenuously urged the repeal of the Bland act and the utter demonetization of silver.

During the Fiftieth Congress the Senate amended the bond-purchasing bill, as it was called, which came to it from the House, by adding thereto a provision requiring the purchase and coinage of sufficient silver, in addition to the amount required by the Bland act, to take the place of national-bank notes retired. If this bill had become a law it would have stopped contraction by the retirement during the last year of \$36,861,931 of national-bank notes. This very wholesome provision of law passed the Senate by a vote of 38 to 13, but was buried, by order of the executive department, in the Democratic Committee on Ways and Means, and was never brought before the House for action.

The Democratic party in its national platform in 1888

#### WAS SILENT ON THE SILVER QUESTION.

It was compelled to be silent on account of their candidate, who dominated their party and whose voice is still potent in their counsels. It is unfortunate that he is the only man named as yet as the Democratic candidate for 1892.

The Republican party met in convention at Chicago a few days after the adjournment of the Democratic convention. It recognized the demands of the people and declared that it was in favor of the use of both gold and silver as money. It is now pledged as irrevocably as was the Democratic party by its platforms of 1880 and 1884 to remonetize silver.

The question now presented to Republican Senators is, shall that pledge be redeemed, or shall it be understood that both parties are so under the influence of the money-lenders that no pledge they make for currency reformation can or will be redeemed? If this be the fact, the sooner it is known the better.

#### IF BOTH PARTIES ARE SO INVOLVED WITH THE USURERS

that the people can get no relief through either organization, let that fact be known.

If in 1878, when the people demanded the restoration of silver, their demand had been granted, prosperity would have been restored to the country, and more than ten thousand millions would have been added to the wealth of the nation. Those who are in favor of legislation for the rich against the poor,

#### FOR THE COUPON-CUTTERS AGAINST THE PRODUCERS,

call themselves conservative. Was it conservative to destroy one-half of the supply of the precious metals? To reduce the value of every farm in the country from 35 to 40 per cent.? To enhance the value of every bond, mortgage, and other obligation for the payment of money 40 per cent.? Was this conservative? Was this in accordance with the usages of mankind? Was this in accordance with the Constitution, which recognizes both gold and silver as money? Let it be remembered that this age was especially favored by nature; that after the long years of money famine, hard times, stagnation, and poverty, relief came in a most providential manner.

The Spanish-American wars had reduced the supply of the precious metals more than one-half, contracted the currency, and brought dis-

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tress and ruin everywhere. The discoveries in California and Australia inaugurated a new era, since which time there has been a sufficient supply of the precious metals to keep pace with population and business,

SECURE AN HONEST ADJUSTMENT OF CONTRACTS,

encourage enterprise, give the people employment, advance civilization and progress, and bless mankind.

It is interesting to examine the figures. The product of the precious metals was more than quadrupled by the new gold-fields of California and Australia. I will insert a table in my remarks showing the annual production of gold and silver from 1851 to 1888, both inclusive; also the aggregate product of the two metals during the same period; also the average production per year for periods of five years during the same time.

The table is as follows:

*Statement of the annual production of gold and silver in the world from 1851 to 1888, inclusive.*

Year.	Gold.	Silver.	Aggregate.	Average per year for five years.
1851 .....	\$67,600,000	\$40,000,000	\$107,600,000	
1852 .....	132,750,000	40,600,000	173,350,000	
1853 .....	155,450,000	40,600,000	196,050,000	\$164,145,600
1854 .....	127,450,000	40,600,000	168,050,000	
1855 .....	135,075,000	40,600,000	175,675,000	
1856 .....	147,600,000	40,650,000	188,250,000	
1857 .....	133,275,000	40,650,000	173,925,000	
1858 .....	124,650,000	40,650,000	165,300,000	170,625,000
1859 .....	124,850,000	40,750,000	165,600,000	
1860 .....	119,250,000	40,800,000	160,050,000	
1861 .....	113,800,000	44,700,000	158,500,000	
1862 .....	107,750,000	45,200,000	152,950,000	
1863 .....	106,950,000	49,200,000	156,150,000	160,890,000
1864 .....	113,000,000	51,700,000	164,700,000	
1865 .....	120,200,000	51,950,000	172,150,000	
1866 .....	121,100,000	50,750,000	171,850,000	
1867 .....	104,025,000	54,225,000	158,250,000	
1868 .....	109,725,000	50,225,000	159,950,000	160,440,000
1869 .....	106,225,000	47,500,000	153,725,000	
1870 .....	106,850,000	51,575,000	158,425,000	
1871 .....	107,000,000	61,050,000	168,050,000	
1872 .....	99,600,000	62,250,000	161,850,000	
1873 .....	96,200,000	81,800,000	178,000,000	169,630,000
1874 .....	90,750,000	71,500,000	162,250,000	
1875 .....	97,500,000	80,500,000	178,000,000	
1876 .....	103,700,000	87,600,000	191,300,000	
1877 .....	114,000,000	81,000,000	195,000,000	
1878 .....	119,000,000	95,000,000	214,000,000	201,700,000
1879 .....	109,000,000	96,000,000	205,000,000	
1880 .....	106,500,000	96,700,000	203,200,000	
1881 .....	103,000,000	102,000,000	205,000,000	
1882 .....	102,000,000	111,800,000	213,800,000	
1883 .....	95,400,000	115,300,000	210,700,000	212,720,120
1884 .....	101,700,600	105,500,000	207,200,600	
1885 .....	108,400,000	118,500,000	226,900,000	
1886 .....	106,000,000	120,600,000	226,600,000	
1887 .....	107,000,000	125,500,000	232,500,000	*235,833,333
1888 .....	106,000,000	142,400,000	248,400,000	
Total .....	4,250,325,000	2,657,925,000	6,908,250,000	

\* Average per year for three years.

This table shows that the average annual yield of both gold and silver between 1851 and 1873 was \$164,713,043. The yield of gold be-

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tween those dates was far in excess of the yield of silver. The product of silver in the year 1873 rose to \$81,800,000. From that time forward the aggregate yield of the two metals has been about equal, but the yield of gold has latterly gradually declined while the yield of silver has gradually increased, until the yield of silver is now somewhat in excess of the yield of gold. The two together, however, do not increase as rapidly as the increase of population, so that when both are used as money

THERE CAN BE NO POSSIBILITY OF INFLATION.

A metallic basis with the present supply of both metals will give the creditor sufficient advantage over the debtor. A careful examination of the table I present will show that the annual supply of gold and silver for the last forty years has been subject to very slight fluctuations, and that if the standards had not been tampered with there would have been no inflation or contraction, but a regular and continued supply of money would have secured all the blessings for this generation which a sound and stable currency could furnish. Those who tampered with the currency now tell us that if we return to the money of the Constitution and of the people dire calamities must follow; that the United States would be flooded with silver and our finances deranged. It has been difficult for the gold-standard contractionists to furnish exact information whence this flood of silver is to come. The royal commission of England on the depression of trade, which investigated this question, came to the conclusion that there was

NO ACCUMULATION OF SILVER BULLION

anywhere in the world, and their conclusion was summed up in the London Economist, as follows:

According to statements submitted to the royal (English) commission on trade depression, "the quantity of pure silver used for coinage purposes during the fourteen years ending 1884, was about 18 per cent. greater than the total production during that period; and there are other estimates which place the consumption at a still higher figure. It is to be remembered that the coinage demand is fed from other sources than the annual output of the mines. It is supplied to some extent by the melting down of old coinage. Allowing for this, however, the evidence of statistics goes to show that the coinage demand for the metal is, and has been, sufficient to absorb the whole of the annual supply that is left free after the consumption in the arts and manufactures has been supplied; and this conclusion is supported by the fact that nowhere throughout the world has there been any accumulation of uncoined stocks of the metal."

It has been suggested that a flood of coined silver might come from Europe, but a slight examination of the amount of silver coin in all Europe, shows that a large supply from that quarter is impossible. The silver coins of all denominations in Europe amount to a little over thirteen hundred millions. About four hundred millions of this amount is debased token-money which has no market value outside of the countries in which it is coined and used. There is less than

ONE THOUSAND MILLIONS OF LEGAL-TENDER SILVER MONEY

in circulation in all Europe. This legal-tender silver is now doing duty on a par with gold at a ratio of  $15\frac{1}{2}$  to 1. Our ratio being 16 to 1 the speculator who would purchase with an ounce of gold  $15\frac{1}{2}$  ounces of legal-tender silver in Europe must sell it in this country at a discount of nearly  $3\frac{1}{2}$  per cent., because our ratio is 16 to 1. In other words, he would have to add to his  $15\frac{1}{2}$  ounces of silver purchased in Europe half an ounce more of silver before he could secure the return of his ounce of gold with which he made his European purchase. Besides, the legal-tender silver in Europe is doing duty as money among the people, and is in fact the money of the people.

No European Government will now attempt to rob the people of this necessary circulating medium to which they are accustomed, and to

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which they are so much attached. It was the protest of the German people that stopped the sale of silver by Germany, and the public-sentiment among the masses for the use of silver as money is growing stronger every day. If it had been possible to wholly demonetize silver in Europe the bondholders would have banished the white metal, and utterly demonetized silver long ago. The necessity for more silver for subsidiary coin is increasing daily. Great Britain instead of using less silver is now increasing her silver coinage, and the same will be true throughout the Continent of Europe whenever the price of silver advances.

It can not be anticipated, therefore, that the United States will be able to obtain any considerable amount of silver from Europe. This subject had been so fully examined that it was supposed every source from which a flood of silver could possibly come had been pointed out, but the Senator from Ohio [Mr. SHERMAN] in his recent remarks made a new discovery. He said:

I do not want Congress to pledge itself to buy all of the silver that is offered that may be melted from the pots of India or China or all over the world.

This was a startling declaration in view of the fact that

#### NO RECORD EXISTS OF THE RETURN OF ONE OUNCE OF SILVER

from any part of Asia, although the flow of the white metal from Europe and America to the Orient has been constant since the discovery of the great Potosi mine in South America about three hundred years ago. The eight hundred millions of people occupying the continent of Asia have always required a vast amount of silver. They have never been oversupplied. Their demand is on the increase, as was shown by the testimony taken before the Royal Commission. Mr. David A. Wells, the life-long monometallist, has at last discovered that there is no danger of a flood of silver. In the May, 1888, number of the Popular Science Monthly he says:

Something of inference respecting the economic changes of the future may be warranted from a study of the past. It may, for example, be safely predicted that whatever of economic disturbance has been due to a change in the relative value of silver to gold will ultimately, and probably at no very distant period, be terminated by a restoration of the bullion price of the former metal to the rates (60 to 61 pence per ounce) that prevailed for many years prior to the year 1873. The reasons which warrant such an opinion are briefly as follows:

Silver is the only suitable coin medium for countries of comparatively low prices, low wages, and limited exchanges, like India, China, Central and South America, which represent about three-fifths of the population of the world, or about a thousand millions of people. Civilization in most of these countries, through the advent of better means of production and exchange, is rapidly advancing, necessitating a continually increasing demand for silver as money, as well as for iron for tools and machinery.

"Generations also will pass before the people of such countries will begin to economize money by the use to any extent of its representatives, paper and credit; under such circumstances a scarcity, rather than a superabundant supply, of silver in the world's market is the outlook for the future; inasmuch as a comparatively small per capita increase in the use of silver by such vast numbers would not only rapidly absorb any existing surplus, but possibly augment demand in excess of any current supply. The true economic policy of a country like the United States, which is a large producer and seller of silver, would therefore seem to be to seek to facilitate such a result by removing all obstacles in the way of commerce between itself and silver-using countries, in order that through increased traffic and consequent prosperity the demand for silver on the part of the latter might be promoted."

There is a wide difference of opinion between the Secretary of the Treasury and the Senator from Ohio. The Secretary in his last report said:

#### NO SILVER SURPLUS.

There is in fact no known accumulation of silver bullion anywhere in the world. Germany long since disposed of her stock of melted silver coins, partly by sale, partly by recoinage into her own new subsidiary coins, and partly by

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use in coining for Egypt. Only recently it became necessary to purchase silver for the Egyptian coinage executed at the mint at Berlin.

It is plain, then, that there is no danger that the silver product of past years will be poured into our mints, unless new steps be taken for demonetization, and for this improbable contingency ample safeguards can be provided.

Nor need there be any serious apprehension that any considerable part of the stock of silver coin of Europe would be shipped to the United States for deposit for Treasury notes.

There is much less reason for shipping coin to this country than bullion, for while the leading nations of Europe have discontinued the coinage of full legal-tender silver pieces, they have provided by law for maintaining their existing stock of silver coins at par.

In England Portugal, and the states of the Scandinavian Union there is no stock of silver coin except subsidiary coins, required for change purposes, the nominal value of which is far in excess of the bullion value. Germany has in circulation about \$100,000,000 in old silver thalers, but ten years have passed since the sales of bullion arising under the anti-silver legislation of 1873 were discontinued. It is safe to say there is no stock of silver coin in Europe which is not needed for business purposes.

The states of the Latin Union, and Spain which has a similar monetary system, are the only countries in Europe which have any large stock of silver coins, and the commercial necessities of these countries are such that they could not afford, without serious financial distress, to withdraw from circulation silver coins which are at par with their gold coins, to deposit them at our mints for payment of the bullion value in notes. (Pages 68, 69.)

The Senator from Ohio, contrary to existing facts, holds up the silver

#### MELTED FROM THE POTS OF INDIA OR CHINA,

or all over the world, to frighten the people of this country from the use of silver as money. He is willing, however, that silver shall be bought to raise its value. He said:

I would buy every ounce of silver produced in this country and keep it in our Treasury vaults, and issue our certificates upon it, based upon its market value, to any extent that may be desired, and I would make those certificates a legal tender so that they would travel all over the world and be as good as gold and upon a parity with gold.

In other words, he would put silver in the Treasury at its market value in gold and keep it on a parity with gold where silver bullion now is; but he would not use it as money to enlarge or increase the standard money of the world.

Both the Senator from Ohio and the Secretary of the Treasury express a willingness to deal in silver for the purpose of enhancing its market value. What right has the United States to buy silver for the purpose of putting up its price any more than it has to buy wheat, cotton, or any other commodity for such purpose? If the purchase or coinage of silver is not for the purpose of using that metal as standard money equally with gold, no scheme to deal in silver bullion can be justified.

Well may the very able Senator from Ohio

#### ADHERE TO THE SINGLE GOLD STANDARD.

The world is more indebted to him than to any other man who ever lived for the demonetization of silver. While the representatives of bondholders and money kings in Europe were still advocating the demonetization of gold, and when every nation on the continent was practically on the silver standard, a monetary conference was held in Paris in the year 1867. Samuel B. Ruggles, of New York, was a delegate from the United States to that conference. Through his influence, aided by the Senator from Ohio, then chairman of the Committee on Finance, the conference was induced to adopt a plan for international coinage, the first declaration of which was that there should be "a single monetary standard exclusively of gold nine-tenths fine." (House Executive Document 266, Forty-first Congress, second session, page 5.)

To aid in reaching this conclusion the Senator from Ohio addressed a very able letter to Mr. Ruggles, dated Paris, May 18, 1867, in which, among other things, he said:

As the gold five-franc piece is now in use by over sixty millions of people of several different nationalities, and is of convenient form and size, it may well be adopted by other nations as the common standard of value, leaving to each nation to regulate the divisions of this unit in silver coin or tokens.

If this is done, France will surely abandon the impossible effort of making two standards of value. Gold coins will answer all the purposes of European commerce. A common gold standard will regulate silver coinage, of which the United States will furnish the greater part, especially for the Chinese trade.

Mr. Ruggles presented this letter to the emperor and to the conference, and it was ordered printed in both the French and English languages. The letter can be found in Senate Executive Document No. 14, Fortieth Congress, second session, pages 107, 108.

Mr. Ruggles, in his report to Mr. Seward,

#### GIVES THE SENATOR FROM OHIO GREAT CREDIT

for his valuable assistance in securing the adoption by the conference of the single gold standard.

The Senator from Ohio, as chairman of the Committee on Finance of the Senate, on the 9th day of June, 1868, made a very able and elaborate report in favor of the adoption by the United States of the plan agreed upon by the conference at Paris. The Senator from Ohio and Mr. Ruggles were both Americans, and for that reason, and that reason only, he justly claimed the credit for America of having succeeded in securing a decision of the conference

#### IN FAVOR OF AN EXCLUSIVE GOLD STANDARD.

He said in that report:

The single standard of gold is an American idea, yielded reluctantly by France and other countries, where silver is the chief standard of value.—*S. Rep. Com. No. 117, Fortieth Congress, second session, page 4.*

In pursuance of his fixed purpose to demonetize silver, as chairman of the Finance Committee he reported and had charge of the act of February, 1873, which demonetized silver. The history of that legislation is familiar to all.

In his report as Secretary of the Treasury for 1877-'78, made a few months previous to the passage of the Allison-Bland act, he declared that—

The importance of gold as the standard of value is conceded by all. (Page 22.)

He furnished a most elaborate argument against the use of silver as money, and contended that if the United States did coin silver it should use such coins only as credit money. He said:

If the essential quality of redeemability given to United States notes, bank bills, tokens, fractional coins, and currency maintains them at par, how much easier it would be to maintain the silver dollar of intrinsic market value, nearly equal to gold, at par with gold coin by giving to it the like quality of redeemability. (Page 25.)

If Congress had followed his advice and made the silver dollar redeemable in gold, there would have been over three hundred millions' less standard money in the United States to-day. But the arguments of the Secretary of the Treasury did not satisfy Congress. In February, 1878, the Allison-Bland act was passed, which provided for the purchase and coinage of not less than two nor more four million dollars' worth of silver bullion per month. This act was vetoed by President Hayes, presumably by the advice of the Secretary of the Treasury, because the veto is but

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## A SUBSTANTIAL REITERATION OF THE ARGUMENTS

found in the report of the secretary.

In his report for 1878-'79, he deprecated the passage of the act and said:

The Secretary, therefore, earnestly invokes the attention of Congress to this subject, with a view that either during the present or the next session the amount of silver dollars to be issued be limited, or their ratio to gold for coining purposes be changed. (Pages 15-16.)

Again he said:

And the Secretary respectfully recommends that he be authorized to discontinue the coinage of the silver dollar when the amount outstanding shall exceed 50,000,000. (Page 17.)

Following in the same line in his report for 1879-'80 he quoted his former recommendations, and proceeded as follows:

He again respectfully calls the attention of Congress to the importance of further limiting the coinage of the silver dollar. The Secretary can not too strongly urge the importance of adjusting the coinage ratio of the two metals by treaties with commercial nations, and, until this can be done, of limiting the coinage of the silver dollar to such a sum as, in the opinion of Congress, would enable the Department to readily maintain the standard dollars of gold and silver at par with each other. (Page 14.)

In his report for 1880-'81 he renewed his arguments against the use of silver, and said:

It may be better for Congress at the present time to confine its action to the suspension of the coinage of the silver dollar, and to await negotiations with foreign powers for the adoption of an international ratio. (Page 21.)

In the last Congress the question of coining more silver was before the Senate, on an amendment to the bond-purchasing bill known as the Beck amendment, which provided that the Secretary of the Treasury should purchase, in addition to the amount required to be purchased by the Allison-Bland act, sufficient silver to take the place of the national-bank notes retired. This amendment passed the Senate by a vote of 38 to 13, the Senator from Ohio voting in the negative. There can be no doubt as to the views of the Senator from Ohio.

## HE BELIEVES IN THE SINGLE GOLD STANDARD,

and has adhered to that view of the question with great tenacity, vigor, and perseverance. It will be remembered that at the time he was advocating the single gold standard the nations on the Continent of Europe were either in favor of the double standard or of a single standard of silver. The evils which the Senator from Ohio so graphically pointed out in his numerous reports and arguments would necessarily flow from the Allison-Bland act have not been realized, and the general opinion of the country is that that act has proved a great boon and is all that now stands between this country and bankruptcy.

It would be unreasonable for the friends of silver to look to the Senator from Ohio for any real aid or comfort in their efforts to return to the money of the Constitution.

But we are told that there has been a large increase in the volume of the circulating medium. The Secretary of the Treasury, in his last report, states that the amount of money in circulation on March 1, 1878, was \$805,793,807, and on the 1st of October, 1889, the amount of money in circulation was \$1,405,018,000. The increase is made up by estimates. One item of the estimate is \$375,947,715 in gold. How does the Secretary or anybody know that that amount of gold is in circulation?

## NOBODY SEES GOLD EXCEPT UPON THE PACIFIC COAST.

Where does it circulate? We are informed by statisticians that so much has been in the country, and they suppose it is all here now. They make no allowance for the vast sums that leave the country

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every year in the pockets of travelers to be spent in Europe, which never returns. It is safe to say that the estimate of the Secretary of the Treasury in regard to this item is at least two hundred millions too high. If there is \$375,917,715 of gold in circulation outside of the Treasury, I should like to have somebody tell us where it is and who uses it.

Another item making up the money in circulation consists of \$116,-675,349 in gold certificates. These certificates do not go into general circulation, but simply represent gold deposited with the Treasury for safe keeping, because it must be remembered that

GOLD WILL DRAW INTEREST IF IT CAN BE SAFELY HOARDED.

so long as its price can be enhanced by contraction. It is hardly fair to count the gold certificates outstanding as a part of the legitimate circulation among the people.

Another item consists of \$325,510,758 in greenbacks. No allowance is made for the loss of greenbacks which have been in circulation since 1862, twenty-eight years.

To make a safe calculation of the money in circulation there should be at least a deduction of \$200,000,000 from the \$375,947,715 of gold estimated by the Secretary to be in circulation. There is certainly not more than one-half of the gold certificates in actual circulation. There should be a deduction of one-half from the \$116,675,349 of gold certificates, which is \$58,337,674.

The greenbacks or Treasury notes have been in circulation for twenty-eight years and were used during the rebellion in the theater of war. A deduction of \$50,000,000 at least ought to be made for loss of greenbacks. These deductions aggregate to \$308,337,674. This amount subtracted from \$1,405,018,000, which the Secretary supposes is now in circulation, would reduce the circulation to \$1,096,680,326.

This is a liberal estimate of the actual circulation, and a large amount of this is held in the banks as reserves. It is impossible to arrive at any just conclusion from the estimates of the Secretary of the Treasury.

HE TAKES NO ACCOUNT OF THE LOSS OF GREENBACKS

and of the vast amount of money which is taken out of the country, but counts everything that has been in circulation and all that has been supposed to be in circulation without deduction. It is safe to say that no man can tell from the statements of the Secretary of the Treasury the condition of the finances of the country or the amount of circulation among the people. The leading newspapers have been working at this problem for years, and they differ as widely as though their figures were mere guesswork. This being the case, we must take the only reliable guide that is left us, the general range of price. We know that the average price of commodities is now from 30 to 40 per cent. lower than it was fifteen years ago, and that it is declining year by year. The Secretary himself admits that there is not money enough, but that fact is well known without his admission.

It was not quite fair, however, for the Secretary in his argument, in order to show that the volume of the currency has been actually increased, to select the year 1878. It is well known that in that year

THE COUNTRY WAS PRACTICALLY WITHOUT MONEY.

The paper currency had been destroyed and greatly reduced with a view of resuming specie payment. The people at that time had not sacrificed their property to buy gold. Consequently there was little gold in the country.

According to a paper prepared by the United States Treasurer for the American Almanac for 1887, page 340, the amount of money in circu-

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lation in 1865 was \$983,318,686. If the Secretary had taken the amount of money in circulation on that date and compared it with the present circulation, with proper estimates and allowances, he would have perceived that there has been little or no increase in the circulation for the last twenty years, although there has been a vast increase in population and business. The population since 1865 has not only increased by natural growth, but also by the suppression of the rebellion and the resumption of the jurisdiction of the United States over the late Confederacy. It is safe to say that

**THERE IS NOT HALF AS MUCH MONEY PER CAPITA TO-DAY**

as there was in January, 1865. It is needless for the Secretary of the Treasury to attempt to make the people believe that there is plenty of money, for every business man and every laborer knows that money is scarce and is still growing scarcer.

The most remarkable declaration of the Secretary is that free coinage would produce contraction. He says: "It is difficult to conceive of a method by which a more swift and disastrous contraction of our currency could be produced."

This is a wonderful statement in view of the fact that the principal argument against free coinage is that it would produce unlimited expansion, that a flood of silver would come and debase the currency and derange business.

**JUST HOW FREE COINAGE COULD PRODUCE**

both contraction and expansion I will leave for the gold standard contractionists to answer.

The suggestion that there is, or is likely to be, too much gold and silver for the purpose of money is refuted by the fact that over one-third of the world's money is paper, showing conclusively that there is not too much gold and silver.

I was furnished not long ago by the Treasury Department with a statement of the gold, silver, and paper money in circulation in the world, which is as follows:

Gold.....	\$3,711,000,000
Silver.....	3,831,500,000
Paper.....	3,946,000,000
Total.....	11,488,500,000

The gold standard contractionists propose that both paper and silver shall be redeemable in gold. That is what the gold standard means. The money of the world will then consist in round numbers of less than four thousand millions of gold to redeem nearly eight thousand millions of silver and paper money. Our financial system

**WOULD THEN STAND ON ITS APEX.**

with eight thousand millions of credit money resting upon less than four thousand millions of standard money. This is the scheme proposed by the gold-standard contractionists. The advocates of honest money, on the contrary, propose to use the eight thousand millions of gold and silver as standard money, leaving only four thousand millions of credit money consisting of paper. The financial pyramid will then stand on its base and have a sufficient foundation to sustain whatever paper money may be necessary to meet the legitimate demands of business. If this can not be done, and if our financial system must rest upon nothing but the shrinking supply of gold,

**THE EDIFICE MUST TOPPLE AND FALL.**

The world will then be forced to resort to paper or some other medium of exchange. Is this safe? Is the function of money sufficiently

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understood? Can Governments be trusted to regulate the amount without reference to a metallic basis? If so, there is no use for either gold or silver. The only legitimate function that gold and silver perform in the financial system is to regulate the volume of the circulating medium. The danger of improvident legislation will cause the prudent to hesitate before they will consent to dispense with the use of the precious metals. Paper money without a metallic basis is called fiat money, assuming that gold and silver are not also fiat money. That is a mistaken assumption.

**GOLD AND SILVER ARE AS MUCH FIAT MONEY AS PAPER.**

The only difference is that the quantity of fiat money when based upon the precious metals is limited by the supply of those metals, whereas the supply of paper is unlimited, and the quantity can only be determined by law.

To show that gold and silver are but fiat money, depending upon the stamp of the Government for their value as money, we need only suppose that all the gold and silver in existence were reduced to bullion and none of it could be coined. What would then be the value of those metals with fifty years' supply on hand for all other purposes? Before the present supply could be exhausted in the arts gold and silver mining would be abandoned and would probably never be resumed. There are so many other kinds of metal which could take the place of gold and silver in the arts and which could be more easily obtained and in greater abundance that the use of both gold and silver would be practically discontinued.

The only value which either gold or silver has above steel or iron is the money value. Destroy that, and the romance and excitement of the miner's life would no longer induce him to brave the hardships and privations of inhospitable regions in the costly pursuit of the precious metals. It is the anticipation of money resulting from bullion, and not the bullion, which inspires mining enterprise. If, then, the principal value of gold and silver consists in their money value created by the stamp of the Government, why are they not fiat money as much as paper money, the principal value of which also is its money value?

I repeat that the only advantage that gold and silver have over paper is their capacity to fix the amount of the circulating medium and limit it to the supply of those metals. They are useful in that respect and in that respect only. The reason why they are useful is because their quantity is limited. When the mines fail the limitation produces contraction and disaster, but when the mines are productive the world is supplied with money. The mines are now productive and have been for the last forty years. This generation has been specially blessed with a reasonable supply of the precious metals, and there is a reasonable prospect of an indefinite continuance of that supply. For this reason

**THE FRIENDS OF HONEST MONEY WANT SILVER REMONETIZED,**

in order that this generation may not be deprived of the blessings which the discovery and the development of new mines have conferred upon mankind.

While the world is using four thousand millions of paper, what reason is there in the declaration of the gold-standard contractionists that there is too much of the precious metals? The practice of all civilized countries shows conclusively that there is not enough metallic money, but that paper must be used in addition thereto.

The honest and brave thing is the right thing. It can not be supposed that the dealers in money and bonds will ever consent to deal

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honestly with the people. When did avarice ever see both sides of a question? When did the money-loaner ever fail to exact the pound of flesh?

The present system of combined usury is the most wicked, most oppressive, and most destructive of all things. It is made respectable by legislation. The questions are now fairly presented: Shall the producing classes be allowed to settle their contracts with an honest measure of value? Shall they be allowed to pay in money of the contract, or shall the creditor class, which holds a mortgage upon all the property and services of the people of this country, be allowed to

#### INCREASE THE OBLIGATIONS OF CONTRACTS

at pleasure? Shall this class, by legislation to make money dear, be allowed to continue to receive more than the contract calls for, or shall the people be permitted to use the money of the Constitution with which to settle their obligations? These are the questions, and they are easily understood. The people understand what the free coinage of silver means; they understand what the restoration of the white metal means; they understand that, but they do not comprehend, nor can any member of this Senate comprehend, what any other kind of legislation will effect. We know that if the product of the mines is now used as money, as it was from the beginning of history, there will be a reasonable supply of money for the present, and that if the mines continue to be productive,

#### A MONEY FAMINE WILL BE AVERTED

for an indefinite period. The use of silver as money has been continued so long that the people have come to regard it as a natural right. The Constitution so treats it. The Constitution, by authorizing the coinage of gold and silver, recognizes this right, and the people now demand it, and if their representatives are faithful to their trust it will be secured to them. The voice of the people comes up from every direction: Give us back the money of the Constitution; put no cunning language in the law; leave no discretion to the executive department; make the law so plain that he who runs may read; and, above all, make it mandatory, so that no executive officer will dare misconstrue or disobey it.

It is estimated by those who have given careful attention to the subject that the loss to the mass of the people by the demonetization of silver has already reached an enormous sum, perhaps not less than ten thousand millions. Careful estimates make the loss in production since silver was demonetized much greater.

The dealers in bonds and money have accumulated colossal fortunes, but they have not received all that has been lost. Enforced idleness and failure of production have retarded the prosperity of the country and reduced its wealth more than the thousands of millions which the bondholders have gained by tampering with the standards. The people are aroused; they are moving. What is the meaning of their movements? What do the Farmers' Alliance, the labor organizations, and the general uprising throughout the country mean? They are indubitable evidences of discontent and dissatisfaction. People know that they are denied their rights,

#### THAT THEY HAVE BEEN OVERREACHED BY LEGISLATION.

They may not comprehend just how it was done, but they know that money is scarce, that times are hard. They also know that silver was demonetized and that the volume of circulation was contracted thereby; that there is not gold enough for use as money, that labor is thrown out of employment, that the price of property is falling, that the bur-

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dens of mortgages and taxes do not lessen, that it takes more labor and more property each year to discharge their obligations and pay tribute to the moneyed aristocracy of the country. They know that they need more money and that it is the duty of the Government to furnish it. They demand that the Government shall coin both gold and silver without discrimination and upon the same terms.

The signs of the times are portentous. The anticipation of legislation favorable to silver has advanced the price of that metal, checked importations from India,

#### AND RAISED THE PRICE OF FARM PRODUCTS

in the United States. The people are now anxious and hopeful. It is no longer safe to delay action or blight the hopes of the struggling masses. The duty of the hour is plain. Will those in power perform that duty and answer the just expectations of the people, or will they obey the command of the usurers and trample upon the rights of the people in disregard of justice and party pledges? No Senator or Representative can excuse himself from the full share of his individual responsibility, no matter what may be done by others or elsewhere. There is no middle ground.

#### IN THE CONTEST BETWEEN USURY AND JUSTICE.

The demonetization of silver was a crime against civilization. Nothing but the full restoration of that metal to the place it occupied before that crime was committed will redress this wrong and redeem the pledge of the Republican party.

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