

FREE COINAGE OF SILVER.

---

SPEECH

OF

HON. ALLEN R. BUSHNELL,  
OF WISCONSIN,

IN THE

HOUSE OF REPRESENTATIVES,

WEDNESDAY, MARCH 23, 1892.

---

WASHINGTON.  
1892.



SPEECH  
OF  
HON. ALLEN R. BUSHNELL,

---

The House having under consideration the bill (H. R. 4236) for the free coinage of gold and silver, for the issue of coin notes, and for other purposes—

SUM OF ALL ARGUMENTS IN FAVOR OF BILL.

Mr. BUSHNELL said:

Mr. SPEAKER: All the arguments that have been made in favor of the passage of this bill, may be summed up in two propositions;

First, that the present United States dollar is too big, and Congress ought to make it smaller.

Second, that the present price of silver is too low, and Congress ought to make it higher.

The first proposition of course, means that the purchasing power of the dollar is now too great; that a dollar will now buy too much of other kinds of property, and that all people who are to receive money, all creditors, all receivers of wages, pensions, annuities, life insurance or other accumulations of any kind, and all receivers of salaries, are to receive less than they are now entitled to receive, and ought to do so; and that all debtors, all those under any sort of obligation to pay money, ought to be entitled to pay their debts in full, by paying less than they now owe.

It means, as to raising the price of silver, that the United States shall attempt to raise the price of the world's supply of \$1,000,000,000 of silver, of which they only own half a billion, for the benefit of the silver-holders of all the world. It means, an effort by the United States alone, to bull the price of silver, and make it bring 39 cents per ounce (over 40 per cent of its present value) more than it is worth now; and that our holders in the United States of one-eighth of the world's supply of silver, shall get one-eighth of the benefit of our so doing, and that the holders of the other seven-eighths of the world's supply of silver in other countries, shall get the other seven-eighths or \$1,400,000,000, of the benefits of our so raising the price of silver.

Ought our present United States dollar to be made smaller; that is, ought its purchasing power to be decreased? If the price of silver ought to be raised, ought the United States alone, to assume the burden of raising it?

If these questions be answered in the negative, that ends the discussion; and this bill ought not to pass.

But for those who think otherwise, let us consider the bill, and its probable effects, if enacted into law, more in detail.

## PROVISIONS OF BILL.

This bill provides—

That the unit of value in the United States shall be the standard silver dollar consisting of  $412\frac{1}{2}$  grains standard silver, or the gold dollar of 25.8 grains standard gold;

And that these coins "shall be a legal tender in payment of all debts, public and private." Further, that—

Any holder of gold or silver bullion of the value of \$100 or more, of standard fineness, shall be entitled to have the same struck into any authorized standard coins of the United States, free of charge, at the mints of the United States; or the owner of the bullion may deposit the same at such mints and receive therefor coin notes equal in amount to the coinage value of the bullion deposited, and the bullion thereupon shall become the property of the Government. That the coin notes so issued shall be in denominations not less than \$1 nor more than \$1,000, and shall be legal tender in like manner and invested with the same monetary uses as the standard gold and silver coins of the United States.

It also provides that there shall be no more issue or reissue of gold or silver certificates by the United States Treasury; and that all such certificates shall be destroyed as fast as received in the Treasury, and the coin notes provided for in this act, issued in lieu of them. These coin notes are to be redeemed in coin, on demand, at the Treasury, and the bullion deposited is to be coined as fast as may be necessary for such redemption.

The bill further provides that as soon as France shall reopen her mints to the free coinage of silver, at her present ratio of 15 $\frac{1}{2}$  to 1, the coinage of our silver dollar shall be reduced to the same ratio, and thereafter contain 400 grains, instead of  $412\frac{1}{2}$  grains, of standard silver.

**UNDER THIS LAW GOLD MUST GO—70-CENT SILVER DOLLARS BECOME LEGAL TENDER—LESS MONEY INSTEAD OF MORE.**

It seems most unreasonable to expect that the financial policy proposed by this bill, would raise the price of the world's supply of silver over 40 per cent, and thus restore the parity between the values of gold and silver, on the present ratio of 16 to 1; that is, that it shall take 16 ounces of silver to equal in value one ounce of gold.

This bill provides for two units of money, viz: a gold dollar of 25.8 grains, and a silver dollar of  $412\frac{1}{2}$  grains, either of which is to be legal tender. The gold bullion in a gold dollar, is now worth over 40 per cent more, in the markets of the world, than is the silver bullion in a silver dollar. Clearly then, under this law, no sane man who has gold would coin it; because that would make it legal tender for 40 per cent less than its value before coinage. If he have gold already coined, he would not use it as money, but would sell it as bullion, as was done during the war, and before resumption of specie payments; because as bullion, it would be worth more than as legal tender.

What must be the inevitable results of this situation? Can anything else be reasonably expected, than that gold, and every representative of it, will be retired from circulation as money, and become a commodity, and be bought and sold as such, as it was during the war; and that silver alone will be coined at the mint; and silver, and the representatives of silver, alone, will circulate as money; and that our currency will be placed upon a purely silver basis? This means the immediate withdrawal from

circulation of about \$700,000,000 of gold; the sudden contraction of the currency to that enormous extent; the stability of our monetary system overturned; the destruction of confidence and credit, and a period of such stringency in business affairs, as this country has never seen.

Certainly, nobody will pay out the more valuable legal-tender gold, when they can just as well pay, in cheap legal-tender silver. They did not do so during the war, as between dear gold, and cheap greenbacks, and human nature has not materially changed in that respect, since then.

It is immaterial that this silver dollar now circulates side by side with this gold dollar, and as its equal in value. Everybody knows it does so, because under present laws, the number of them permitted to be coined, is limited; so much so, that Government can and does, receive and treat them, as of equal value and interchangeable with gold dollars. This bill limits the coinage of the silver dollar, only by the world's supply of silver. There is no provision for its interchangeability with gold, and could not be, without first hoarding gold enough in the Treasury to secure the supply, against a run upon it from all the world.

Under this law, gold must go. The reign of a silver currency comes in; and silver dollars, circulating at the value of the silver bullion in them, now about 70 cents, and silver certificates representing such dollars, at once become our legal-tender circulating money. Greenbacks and national-bank notes will of course take the same value.

This view is scarcely combated by the majority report of the committee, on this bill. They say that the change proposed, "will cause for the moment, some apprehension, and probably a disposition to hoard gold, may be expected." But they think that "any evils that may result must, from the nature of the situation, be transitory."

The reason why they think the evils apprehended from this free coinage of the present silver dollar, in addition to the free coinage of gold, which we now have, would be transitory, is, that they think this free coinage of silver by the United States would soon restore the market value of silver to a parity with gold, at the ratio of 16 to 1, which was the ratio upon which we had free coinage of both metals, before silver was demonetized by us and the commercial nations of most of the civilized world. Their hope is, by this law, to so raise the price of silver, and lower the price of gold, in all the markets of the world, as to bring them together, and thus restore the parity or equality of values between the two metals, upon this ratio. Nobody expects to restore such equality in this country alone. Commercial values, with our present facilities of transportation and communication, and without artificial limitations and barriers, will find their level, the world over, as do the waters of the sea.

**BUT IF THIS LAW WOULD RAISE SILVER TO A PARITY WITH GOLD, WHY SHOULD WE DO IT ALONE?**

Why, let me ask, should the United States undertake alone this stupendous task of restoring silver to a parity with gold? We are told by the gentleman from Missouri the author of this bill, [Mr. BLAND], that France alone undertook to maintain this

parity, and for seventy years, by the free coinage of silver at a ratio of  $15\frac{1}{2}$  to 1, kept the price of silver equal to, or a little higher than gold. That, I think, gentlemen, is a mistake. It was not France that did that. It was the immutable and omnipotent law of supply and demand. The demand for silver was greater than the supply, in proportion to gold. Gold became the chief money of commerce. Why? Because on the discovery of gold in the Californian and Australian mines, it became more plentiful, in proportion than silver. Gold, therefore, depreciated, or, what amounts to the same thing, silver appreciated; and because of it, gold was demonetized in some localities. We have been told that silver then ceased to be coined in this country, and throughout the commercial world, largely. And why? Because it was worth more than gold, proportionately; and so it could not be profitably coined. Comparatively few silver dollars were coined in this country from 1792 up to 1873. Since then there has been coined by our mints, and put in circulation, several times as many dollars in silver and silver certificates as they coined in the whole eighty-one years before. And why? Because silver depreciated, and could be profitably coined. It was money in the pockets of silver-holders, to have it coined. The more silver coined, the more profitable to them.

We are now asked to pass a bill that shall make the people of the United States assume a burden that France and the Latin Union together could not sustain. And more, France and the Latin Union, which came to her aid, only undertook to maintain a parity between gold and silver, then existing, and which had for centuries, practically, been well established. We are asked to restore to the world's supply, of \$1,000,000,000, of silver, a parity with gold, now lost by a gap of over 40 per cent. Our proposed task is, to first lift that silver, over 40 per cent in value, and then perpetually hold it there.

To maintain a parity already established was a load bigger than France and the Latin Union could carry, and they got from under it, and let silver drop to its present price. Why, silver was accumulating in the Bank of France, and gold was being exported. They found that they were becoming the dumping ground for the silver of the world, and so they demonetized silver; first limiting the coinage of it, and then wholly ceasing its coinage. Will the United States find that they can do what was impossible for France and the Latin Union?

This bill proposes to open our mints to the free coinage of all the silver which shall be brought here. If it should not make us the dumping ground for the silver of all the world, it would nevertheless compel us to assume, and carry, the burden of restoring and sustaining the price of silver, up to a parity with gold, upon the ratio of 16 to 1, or else every one of our dollars in use as currency, would drop to the value of  $412\frac{1}{2}$  grains of silver 900 fine, which by the last quotation I have seen is 68 $\frac{1}{2}$  cents; and there is no escape from it. Are we bound by any obligation toward the owners in other countries, of three and a half billions of silver, to raise its price over 40 per cent? It will not put money in our pockets to do that, but it is money out of our pockets. The United States of America is an immense country, whose property is worth over sixty billions of dollars. I think

the United States could, if it saw fit, assume the burden of so raising the price of silver; but it is expensive business to do it. There is no value received coming to us for doing it, and there is no way in which our people can get any equivalent benefit for the task, if undertaken.

**SMALLER DOLLARS AND MORE OF THEM, WOULD BE NO MORE MONEY TO THE BUSHEL.**

Now, Mr. Speaker, what is money? We hear a good deal upon this floor about the increase in the price of gold, and those who talk on the other side, say they want an increase in the price of property.

Why, money is but a measure of value, a kind of property by which we measure the value of other property and make exchanges. Increasing the price of all other property, means only, depreciating the price of money; that is, making its purchasing power less; and on the other hand, increasing the price of money, or the size of the dollar, means only decreasing the price of other property in the same proportion. Make our dollar half as big as it is now, and still call it a dollar. What you now sell for one dollar would then bring two dollars; but you would not be benefited, because the purchasing power of those two dollars, would be exactly the same as that of one dollar now.

**SILVER-HOLDERS, SILVER-PRODUCERS, DEBTORS, AND SPECULATORS ONLY, WOULD BE BENEFITED.**

I see, Mr. Speaker, that there are only four classes of people that could be benefited by this law. And who are they? First, the silver-holders. Second, silver-producers. Third, debtors. Fourth, speculators.

The holders of the three and a half billions of dollars of silver outside of the United States, would get the benefit of this country's raising the price of their silver over 40 per cent, if we raise it to a parity with gold at present prices. That would be making them a present of \$1,400,000,000; about the amount of our present national debt. Our own silver already coined, would pass for no more than it does now.

The silver bullion holders and producers that we have in this country, would be specially favored, as a class, by this legislation. It would increase the price of their property.

The debtors. With free silver coinage, and every silver dollar coined a unit of money and legal tender, all debtors would be entitled to pay their just debts in that dollar. If silver should remain at its present price, that means a scaling down of those debts over 30 cents on the dollar. They would be benefited, if enabling them, regardless of their ability to pay, or the needs of their creditors, to cheat their creditors out of 30 cents on the dollar of what they justly owe, be a benefit.

There is another class that would be benefited, and that is speculators. The safety of the masses of the people, in financial matters, lies in a stable and non-fluctuating currency. Whatever there is in the currency of a country that permits it to fluctuate, that permits it to go up and down in value, tends to the benefit of speculators. Wall street, which is a synonym for sharp financiering, will make money if the currency fluctuates, no matter whether it goes up or down in value; and the people of the country are the ones that will lose by it every time. Sharp

financiers will anticipate the changes of the money market, and buy or sell, either short or long, to meet it: and every time they will make money out of the people. When financiers make money, there is nobody but the people to pay it; and, sooner or later, they always do pay it. The masses of the people can not anticipate these changes of values, and if they could, have not the means, and are ignorant of the methods, to take advantage of them. Financial legislation that takes property from one citizen, and gives it to another, without any compensation, whether such other be debtor or creditor, rich or poor, saint or sinner, is wholly and unqualifiedly wrong, and can be nothing but wrong.

THE WRONG OF THE DEMONETIZATION OF SILVER IN 1873 CANNOT BE RIGHTED BY ANOTHER WRONG NOW.

I concede, Mr. Speaker, that the demonetization of silver in 1873 was a great wrong to the people of this country, and why? We then had a great national debt, and every dollar of that debt, and the public and private debts of the country, had been contracted, even if payable in coin, with our dollar no larger than the silver dollar. But our actual currency was then a depreciated and inflated paper currency, inherited from the war. The great mass of the public and private debts of the country had been contracted in that paper currency, called greenbacks. We were then straining every nerve to resume specie payments without sudden and disastrous contractions, or changing of values. A gold dollar had been worth \$2.85 in greenbacks, and a silver dollar was worth a little more. Greenbacks had risen in value until they had touched only  $3\frac{1}{2}$  cents below gold, and for two years, their average price had been only  $9\frac{1}{2}$  cents below gold.

The silver dollar of 412 $\frac{1}{2}$  grains 900 fine, had been a lawful unit of money of these United States ever since 1792. Our national debt and all the public and private debts of our people, if payable in coin, might according to the contract, honestly and lawfully be paid in either these silver dollars, without any limit, or in gold dollars of 25.8 grains each. In this condition of things the act of February 12, 1873, was passed, by which silver was demonetized, the gold dollar of 25.8 grains, made the sole unit of our money, and our monetary system placed wholly upon a gold basis. And then resumption of specie payments had to come upon this exclusively gold basis; and for over nineteen years that law has been in force.

This is the full indictment against the act of 1873. True it is, that in all the years before 1873, our mints had coined comparatively few silver dollars, and since then our Government has coined and put in circulation over and over again as many dollars in silver as it had ever done before; true, silver was then worth 3 per cent more than gold, upon our ratio of 16 to 1; and that law made our coin debts payable, in what was then the cheaper metal dollars; yet our people had a right to retain their option to pay in whichever dollar they could pay easiest; especially so, when their debts had been mostly contracted upon a greenback basis, in dollars worth greatly less than either of them. If the great commercial nations of the world should demonetize silver, our people had a right to pay their debts in the silver made cheaper by that demonetization. That was according to the contract.



Could my vote, within a reasonable number of years afterwards, have restored to the debtors of 1873, the right to so pay their debts, they should have had it instanter. But the debtors and creditors of to-day, are not the debtors and creditors of nineteen years ago. More than half the average lifetime of mankind, has elapsed since then. Most of the chief business men of that day are now dead. The private debts of that day, are practically all paid off. The period of outlawry for ordinary debts, has elapsed, over and over again. Public and corporate securities of that day, have been largely paid, or bought and sold, or have otherwise changed hands. For nineteen years, all the dealings of all the people of the United States have been based upon our currency as modified by the law of 1873. The contracts of to-day, were, with very few exceptions, made under that law, and the present relations of debtor and creditor, incurred under our present monetary system, and the faith of the Government, as embodied in the law of 1873, is pledged into, and made part of, every existing contract for the payment of money.

This proposed law, would not remedy the wrong done by the act of 1873. Those who were hurt by that law, would not be helped by this; and those who most profited by that law, could not be reached by this. The wrongs of that day, can not be made right, by wronging somebody else now.

The present holders of the money securities both public and private, of this country, undoubtedly are holders in good faith for full value. Equal and exact justice to all, demands that they shall be paid in full.

**THIS LAW WOULD HARM MOST THOSE WHO MOST NEED RELIEF.**

The great direct wrong in this bill is, that to the full extent of over 30 cents on the dollar, it is clear and unmitigated repudiation of all existing debts. The moment this bill becomes law, every dollar of debt now owing, can be paid by a legal-tender quantity of silver, now worth only 68½ cents; and every person thereafter entitled to demand the payment of money, can lawfully be compelled to accept as payment in full, that kind of a dollar.

It is claimed that this law would make wheat, and cotton, and other farm products, bring higher prices. But if they did, and this law should work just as its friends hope for, those higher prices would be in cheaper money, and the farmer would be not a whit better off, unless he is in debt, and owes more than is owing to him.

But further, the inevitable sudden withdrawal of about \$700,-000,000 of gold from circulation, by the reduction of our currency to a silver basis, would so unsettle values, create such a panic and stringency in the money market, and so destroy all confidence and credit, that the new currency would be harder to get, than is our present money, and it would take more of other property to get it. Creditors would then push for payment, mortgages be foreclosed, and an era of financial distress and ruin set in, that would bring disaster to all, and benefits to none but speculators. The very men who now most need relief, would be the first to suffer, and would suffer most.

The majority report of the committee, again admits the strin-

gency that would be caused by hoarding gold. It says, "the hoarding of gold would diminish the volume of money in actual circulation. This would increase the demand for currency and necessarily enhance its value." They only think gold would get back into circulation again, through its buying cheap property. It would be brought out of its hiding places, they say, by the opportunities of "promising investments." This enhancing the value of currency by increasing the demand for it, and opportunities for its promising investment, necessarily means, not better prices, higher prices, for farms and farm products, but lower prices, cheaper farm products, and cheaper farms.

That these indirect evils would result to a greater or less extent, from this proposed law, will hardly be denied by intelligent business men. When we reflect that nine-tenths of all the business of the country is done upon the basis of a longer or shorter credit, without any money actually paid at the time of the transaction, we may form some idea of what the destruction of that credit means. From the panics and stringencies of the past, precipitated by the failure of some great banking house, as Baring Bros. recently in London, and Jay Cooke in 1873, we may form some idea of what might be expected. But those, together with all our other recent monetary disturbances, would be but summer zephyrs as compared with the financial cyclone that must follow the instant repudiation of 30 per cent of all the debts of the country, public and private, and the withdrawal at the same time of all our gold from circulation.

#### NO BIMETALLISM WITHOUT READJUSTMENT OF THE RATIO.

If we are to now restore our monetary system to bimetallism, there is but one safe thing to do; and that is, to do what in the history of the world, has always heretofore been done, when, as now, there has arisen a disparity in the fixed ratio of values between gold and silver; and that is, readjust the ratio.

During the era before Christ among the Jews, that ratio was about 9 to 1. The Romans made it about 11 to 1, and there it remained until the discovery of America.

From 1500 to 1620, gold rose to 12½ to 1.

From 1620 to 1720, it rose to 15½ to 1.

In 1834, the United States fixed it at 16 to 1.

Since 1873, the disparity between the relative market values of the two metals has increased, until the ratio is now about 23 to 1. The world's production of silver has largely increased since 1870. Since then, silver has been generally demonetized by the commercial nations of Europe. There is no free coinage of it there now. We have had two monetary conferences in Paris, with the nations of Europe, both assembled at the request of our Government, one in 1878, and the other in 1881, with a view to making an international agreement fixing a ratio of values between gold and silver, and remonetizing silver. Both have utterly failed.

Our commissioners of 1878, reported that they "found it impossible to secure an agreement for giving circulation to silver as money of full power," and therefore "that it was useless to discuss the particular ratio, whether 1 to 15½ or 1 to 16, or some other."

Our commissioners to the conference of 1881, reported that to their proposition for an international agreement to use silver and gold as money,

"First by equalizing them at a relation to be fixed by international agreement, and secondly, by granting to each metal at the relation fixed, equal terms of coinage, making no distinction between them—the commissioners from all the European Governments made this formal and final answer:

"First. That the selection for use of one or the other of the two metals, or of both simultaneously, should be governed by the special situation of each state.

"Second. That the question of the restriction of the coinage of silver should equally be left to the discretion of each state.

"Third. The differences of opinion and the fact that some States find it impossible to enter into a mutual engagement with regard to the free coinage of silver, exclude the discussion of a common ratio between the two metals."

England, the chiefest among the commercial nations of the world, held aloof from both conferences.

The President in his message tells us, that keeping a close watch on European public sentiment on this question, he has not found it to be such as to justify him in proposing another international conference. The nations of Europe not now on a gold basis, are trying to get there, and are willing to sacrifice, we are told, 25 per cent of the value of their silver, to do so.

The conclusion is, that we must manage this silver question for ourselves; and if we provide for the free coinage of silver, we must readjust the ratio of relative value between it and gold, upon, or near, the present market values of gold and silver bullion. The free coinage of silver by the United States alone, at a little more than its market value, would doubtless raise the price of silver to some extent.

With this view, early in the present session, I introduced a bill for the free coinage of silver into dollars of 1 ounce troy weight, or 480 grains each of pure silver; the body of which bill, at the request of the gentleman in whose time I speak [Mr. JOHNSON of North Dakota], I now move as an amendment to the pending bill. My motion is, to strike out all after the enacting clause of the substitute for the pending bill, as now proposed to be amended, and insert in lieu thereof, the following.

The SPEAKER. It may be read for information, but it can not be offered as an amendment now, because there are as many amendments already pending as are in order.

The Clerk read as follows:

That all silver dollars hereafter coined shall contain one ounce troy each of pure silver, and the coinage of such dollars and the receipt of silver bullion and the issue of silver certificates therefor by the Treasurer of the United States, shall be upon the same terms and controlled by like laws as those now relating to gold coins, bullion, and certificates.

SEC. 2. That such silver dollars shall be, and the silver dollars and subsidiary silver coins already coined shall remain, legal tender, the same as like coins have so been heretofore.

Mr. BUSHNELL. This amendment, practically a substitute, would be a readjustment of the relative values of gold and silver, on the ratio of a little over 20½ to 1. The United States could undoubtedly "go it alone," at some ratio that would base our monetary system on these two precious metals, upon which the fathers of the Republic placed it, and which together have been the world's money since civilization began.

The present fluctuating character of the silver market makes it impossible to now determine the proper ratio by any exact

data and calculation. If, upon the adoption of this ratio, the undue or excessive exportation of gold should set in, a thing altogether improbable, that would demonstrate that it was not high enough, and the difference should be increased.

Our present light-weight silver coins, left and maintained as they are now, at par with gold, clearly would not be exported. If this law should raise the price of silver, so that all of these ounce-dollars would be exported as fast as coined, that would demonstrate that this ratio fixed the difference of values, too great, and it should be lowered.

Possibly it might be advisable to give authority to the Secretary of the Treasury to change and correct the ratio, by putting into the dollar, more or less silver, according as he should find the average market price of silver bullion had changed a certain number of cents per ounce, within a fixed time. He might also be authorized to change this ratio, if under it, a contraction of the currency, by the withdrawal of gold from circulation, should be caused by its adoption; the same to be determined by the relative quantities of gold and silver bullion received into the Treasury under it, and the market value of silver.

This course would obviate the objection of the free silver men, that putting a dollar's worth of silver into the dollar, now, would tend to "keep silver permanently at its present price," and so perpetuate the evil of its now, too low price. This would leave the price of silver to be controlled, as it should be, by the inexorable law of supply and demand, no matter by what means or causes, that supply or that demand might be affected. The supply of silver has greatly increased in recent years, and the demand for it decreased, by its demonetization in Europe, and by us. Some European countries have a surplus of silver which they wish to sell. A lower price for silver was inevitable.

We are the great silver-producing nation of the world; and yet we were among the first to discredit silver, by its demonetization in 1873. We can not expect other nations to remonetize it, until we do so ourselves. The full restoration of silver to its place as one of our money metals, should be done gradually and without financial shock or disturbance; and it may be so done, if managed wisely. Remedies that are worse than the disease, should be avoided.

The question of what ought to be done now, is one of present conditions, and not of what might have been done, or ought to have been done, or was done, in the past.

#### THE EVILS OF A SINGLE GOLD STANDARD OVERESTIMATED.

I concede that we should have bimetallism. But the evils arising from a single gold standard of money, are undoubtedly overestimated. It is conceded by the majority report that "gold being used in one country exclusively, silver in another, and still others both gold and silver, as a standard of money, constitutes the world bimetallic." Over 800,000,000 of people to the South of us, and in Asia, use silver alone as money. Less than 300,000,000 have the gold standard alone.

The use of silver alone in one country, leaves free more gold to go to other countries, and *vice versa*. The use of silver money alone, by over 800,000,000, leaves the world's gold to us 300,000,-

000 of gold users; and makes it easier for us to get it. The use by us of the gold standard alone, leaves more silver to them; and makes it easier for them to get silver. And so, the supply of gold and silver in the world being, as it is, about equal, they and we, both have just as large a supply of money, as though each had half of all the gold, and half of all the silver. The prices of other property, then, so far as regulated by the supply of money, will be permanently no lower or higher, under a single standard, than under a double standard of money.

**NO CONTRACTION OF THE CURRENCY SINCE 1873, BUT GREAT EXPANSION.**

There appears to be no great lack of money in this country. We are told by the gentleman from Colorado, [Mr. TOWNSEND], that the Comptroller's report shows that on October 1, 1890, there was on deposit in the banks of this country, for loaning out, money as follows:

In national banks, subject to check .....	\$1,596,000,000
In other banks, and trust companies, subject to check.....	1,014,000,000
In savings banks, to be drawn upon under their rules.....	1,524,000,000
<b>Total .....</b>	<b>\$4,134,000,000</b>

Four billions one hundred and thirty millions of dollars, ready to be loaned out to anybody who could furnish satisfactory collaterals. It would seem that the trouble was not so much a lack of money as lack of collaterals.

Our statistics show that we have nearly three times as much money in the United States as we had in 1873, and nearly twice as much per capita of our population. In 1873 the total of money in this country, was only \$774,445,610. Now, it is \$2,100,130,092. Then, the amount for each individual of our population, was only \$18.54. Now, it is \$32.83 per individual. Then, the amount per capita in actual circulation was \$18.04. Now, it is \$24.74. Germany has only \$18.38 per capita of money in circulation, and the United Kingdom only \$18.33 per capita.

There is no contraction of our supply of money since 1873, but on the contrary great expansion. The cause of low prices and hard times among our agriculturists, must be looked for elsewhere than in a lack of money.

To argue that because silver, demonetized and treated as a commodity, has declined in price since 1873 very much as have wheat and cotton and other farm products, therefore the demonetization of silver has caused such decline in the prices of farm products, is pure sophistry. About as well might we argue that the fall in price of wheat and cotton, has caused the decline in everything else, because they have all gone down together; and that therefore the true remedy was to monetize wheat and cotton, as tobacco and wheat were sometimes made legal tender in colonial days. Or as well argue that the Farmers' Alliance has caused the depression, because their agitation has come at the same time. It is a common fallacy, to argue that coincidences are causes. Nobody ought to be so deceived.

**CONDITIONS MUST CONTROL FINANCIAL POLICIES.**

Our currency is now, all of equal value, and rests, in common with that of all the great commercial nations of the world, upon a solid gold basis. The poorer nations of the world, almost

without exception, have an exclusively silver currency. I we would do business with the controllers of the world's commerce, we must do it upon the basis of their, and our, present currency. Why should we step down, and out of the ranks of the great commercial nations of the world, and into the ranks of the poorer?

A wise financial policy, must always adapt itself to changing conditions. The amount of gold and silver being produced, has always fixed the relative price of those metals in the markets of the world, and that has determined their ratio. For twenty years before 1870, the relative production of gold was greatest, and gold therefore became less valuable. Since then, through new discoveries and improved methods of mining and reducing silver ores, the production of silver has forged ahead, and silver has declined in price accordingly.

But gold is one of the most widely diffused of all the metals. Hard-pan clay everywhere contains it, but in too small quantities to make its extraction profitable by any known processes. There is more gold in the red clay underlying this city and the Atlantic slope of the Appalachian range, than was ever yet handled by mankind. The clays and crevices of the Pacific slope, and of many portions of the great intermediate valley, are still richer in gold. Some modern scientific necromancer may yet invent a method for its profitable extraction, and thus greatly increase the production of gold, or it may be increased by the discovery of new gold mines.

But whether the world's production of gold shall be increased or not, whatever of evils may afflict our people arising out of the demonetization of silver and a scarcity of gold, may surely be corrected in some way, without suddenly overturning our whole basis of money, precipitating monetary convulsions, distress, and widespread financial ruin. At least there is no wisdom in jumping out of the frying-pan into the fire.

Mr. Speaker, I am opposed to this bill. In the interest of honesty and fair dealing between debtor and creditor; in the interest of national honor and good faith, pledged into every contract and obligation for the payment of money, made or entered into during the last nineteen years; in the interest of justice and good government; in the interest of the multitude of depositors who have deposited in our savings banks, \$1,524,000,000, often the accumulations of a lifetime of their small savings; in the interest of the toiling millions, the wage-earner, the producer, the distressed and financially embarrassed; in the interest of the debtors of this country themselves, I oppose the passage of this bill.