Bimetallism.

SPEECH

OF

HON. PHILIP S. POST,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, March 22, 1892.

The House having under consideration the bill (H. R. 4426) for the free coinage of gold and silver, for the issue of coin notes, and for other purposes—

Mr. POST said:

Mr. SPEAKER: It is related in Florentine history that when the Medici family were rapidly advancing toward supreme authority, one of them seized on the vineyard of a poor neighbor called Cenni without right or conscience. Instead of entering upon a long and expensive lawsuit, Cenni hastened to Florence and thus addressed Francesco de Medici, the chief of the clan:

"Messer Francesco, I come before God and before you to beseech you for the love of Christ to save me from being robbed, if I am not preordained to be so. One of your kinsmen wants to rob me of my vineyard, which I must consider as lost if you will not assist me. Now I say to you, Messer Francesco, that if he be predestined to have it, why let him have it; and I will tell you why. You, who have lived so long, must know that this world is governed by fits and passions; sometimes we have the fit of smallpox; sometimes of pestilence; sometimes a general blight of the harvest; sometimes a fit comes over the land which in a twinkling kills many people; sometimes the world is plagued with a fit of never doing justice to anyone; and thus we have a fit of one thing and then of another; wherefore, to come back to the question, I say that against such inevitable occurrences there is no protection.

"In like manner what I am come to beg your assistance for through the love of God is just this, that if the fit of taking vineyards is come on the earth why then let your kinsman take mine and God prosper him; for against these visitations I neither can nor will attempt to struggle, but if this fit be not now come on the world then I humbly beseech you that my vineyard may be spared to me."

"My good man," answered Francesco, "be assured that fit or no fit your vineyard shall not be taken from you," and Francesco sent orders to his kinsman who had already taken possession to restore the disputed property.

"Such," says the historian, "was Republican liberty, and no wonder the powerful citizens were enthusiastically attached to it, for they not only enjoyed their proper portion but appropriated that of others to their share."

If the "fit" of augmenting the opulence of the credit classes by contracting the currency to the gold limit and thereby increasing its purchasing power be come upon the world, it is vain to struggle against the inevitable. But if it be not preordained that American producers and debtors shall be distressed by a rising standard of value their appeal for justice and honest money should be heeded. Our Government is alone responsible for the recent widespread disturbance in metallic standards. The American people alone can correct it.

This contest between the wealth-absorbing classes and the wealth-producing classes must be decided in America, not merely for our own people, but for the whole world. No other nation is equipped for such a struggle; no other nation can contribute much to the cause of justice or long resist its triumph here. If the producing classes succeed in their demand for a currency, expanding with the increase of population and business to the full extent of the precious metals mined, it will tend to equalize the distribution of wealth and renew prosperity for all classes; if they fail, the ultimate effect will be to injure all classes.

Those who dedicate themselves to the accumulation of corporate and fundholding capital in this country ought not to be less attached to "Republican liberty" than were the powerful citizens of Florence, for they too not only enjoy their proper portion, but appropriate that of others to their share. The great army of producers create their wealth and patriotism enforces justice and order for the protection of their accumulations as well as for domestic tranquility. In this Republic the influence of opulence and the vast machinery controlled by it ought to be devoted to the cause of equity, for the privileges of the few depend upon the justice of the many.

Salus populi, lex suprema.

Not only is the welfare of the people the supreme law, but its promotion is the highest wisdom.

GOLD LOGIC LEADS TO FIAT MONEY.

When the foundations of this Government were laid, its monetary system was discussed by Hamilton and Jefferson and carefully considered by the patriots of that age, not from the mean standpoint of capitalists seeking their own profit, but from the standpoint of statesmen seeking justice for all men, and without a dissenting voice bimetallism was adopted.

This was in accordance with the spirit of the Constitution which prohibited States from making "anything but gold and silver coin a tender in payments of debts." It was in accordance with Hamilton's report when he said: "To annul the use of either of the metals as money is to abridge the quantity of the circulating medium."

"The open market of the world" theory applied to the coinage of silver must equally apply to gold. Those who cut loose from legislative metallic standards blaze the way for fiat money. That earnest and able advocate of gold, the gentleman from Ohio [Mr. HARTER], when charged with a frantic and unusual attempt to discredit silver, proposed on this floor to give free coinage to both silver and gold and take from all such coins legal-tender quality, and said: "That is the kind of honest money the country ought to have."

Starting with his commercial maxim as to one of the precious metals, it was impossible for him to logically defend a legislative value for an ounce of gold any easier than he could for an ounce of silver. Extremes met, and the logic of the gold-standard advocate compelled him either to be without legal-tender money or to adopt a fiat paper legal tender alone.

HONEST MONEY.

That the money issued by the United States, whether paper or coin, should be "honest money;" that every dollar made a full legal tender by governmental authority should be as good and no better than any other dollar; that the money of the wage-earner and producer should be as good as that of the broker and capitalist, are propositions which require no argument.

That the full legal-tender coins of the United States, not being promises to pay, not being redeemable in any other money, should be "honest" dollars, is also a self-evident proposition. The silver dollars melted in the burning cottage of the wage-earner should be just as freely recoined for him as would the gold dollars melted in the burning mansion of the capitalist.

Will any one who believes in "honest" dollars deny this proposition? To boldly declare in favor of "honest money" is to affirm a doctrine to which every one subscribes, but it does not solve the coinage question. It does not so much as touch it. It obscures rather than throws light on the controversy.

I am in favor of "honest money," the honest money recognized by the Constitution, the honest money of our forefathers and of the whole world. Those who want to increase the purchasing power of one precious metal by closing the mints to the other; those who want to make gold the sole unit of value throughout the world which has hitherto used both gold and silver; those who propose to make gold do the work as money for which heretofore both metals have been scarcely sufficient, can not want it because it is "honest money." No such intention was announced in 1873 and 1874, when by artful legislation silver was denied all recognition as a money metal. There was not a word uttered on the part of the single gold standard men engaged in that curious legislative transaction to indicate that the United States coinage laws then in force did not give the people "honest money."

EFFECTS OF CURRENCY FLUCTUATIONS.

The fluctuations of the currency, when used as a mere medium of exchange or measure of value in the daily transactions of trade, may be of little moment since the price of everything bought and sold is sure to keep pace with such fluctuations; but when money is used as a standard of deferred payments, then it becomes of transcendent importance that it should be an honest standard. If this standard depreciates it is unjust to the creditor; if on the other hand it appreciates it defrauds the debtor, reduces the price of what he makes or raises, curtails his ability to pay, compels him to give more labor, more of his products for interest and principal than was promised when the contract was made.

A depreciating standard for deferred payments diminishes the profits of the capitalists. An appreciating standard for deferred payments gives the creditor a profit not agreed upon in the contract, and to which he has no claim in equity. A depreciating standard is a temporary evil curtailing creditors' profits during the short life of a loan. An appreciating standard is to be dreaded by all classes and occupations without exception, even by the money-lenders, to whom it gives only a temporary advantage. It not only unjustly adds to the burdens of a debt, but destroys the equity of the contract by increasing the value of the loan itself. It means ruin to debtors, and with ruined debtors comes disasters to creditors. The same rising standard which prevented the debtor from paying, at the same time depreciates property and destroys the value of the security.

To this alone Allison ascribes the fall of the Roman Empire. The increase of riches concentrated in the hands of the few by means of the contraction of the currency "produced that constant decay of agriculture and rural population and increase in the weight of debt and taxes to which all contemporary annalists ascribe the ruin of the Empire." Gentlemen who waste our time and exhaust the patience of the country in discourses on the protective tariff, ascribing to it agricultural depression and increasing mortgages, should read history.

THE FUTURE METALLIC MONEY.

Mr. Speaker, what shall be the future metallic unit of value in the United States? "Let the dead past bury its dead." We have only to provide for the future. The errors of the past we can not correct. If injustice has already been accomplished by operation of law we can not remedy it, but we can and it is our duty to provide for the future an honest unit of value in the United States.

The money policy of other nations is no affair of ours. If Great Britain, a world's creditor to the extent of thousands of millions of dollars, profits by money which constantly rises in value; if her money aristocracy, to whom alone the profit goes, can continue to rule her financial policy, then must British industrial classes continue to suffer with England's debtors. But it is not the duty of America to aid or encourage British royalty in binding chains about unwilling subjects and foreign debtors. If the United States will but declare its independence and cease to be the servile imitator, the ally, and supporter of aristocratic England, industrial England will take courage and free herself.

THE REAL ISSUE.

The contention with reference to coinage is between the bimetallists on the one side and the monometallists on the other. Bimetallism is the theory that the industrial welfare of the race would be promoted by the concurrent use of both gold and silver at some fixed relative value in the legal currency of a nation. Monometallism is the theory that there should be but a single metallic standard, and its devotees in this country generally advocate gold. The question is, whether the United States shall by legislative enactment recognize silver and gold at some fixed relative value as money metals, as it always did prior to 1873, or whether it shall repudiate silver as a money metal to be coined in its own right, and adhere to the single gold standard.

These two propositions state the precise issue and cover the whole question. So far as the principle is concerned there can be no middle ground. It is impossible to be in favor of both propositions. If one declares for the concurrent use of silver and gold at some fixed relative value, he repudiates the single gold standard, he is in favor of the double standard, he is a bimetallist. If, on the other hand he opposes the recognition by law of both metals at some fixed relative value for coinage purposes; if he opposes granting to silver the same mint privileges which are granted to gold, then he favors the single gold standard, he is a monometallist. The test is simple; the banners are plainly inscribed, and everyone who takes part in the contest must enroll himself either for the double standard or for the single standard; he must be a bimetallist or a monometallist.

THE GOLD SCHEME.

That the aristocracy which rules England should adopt the gold standard for its own advantage is not unnatural, and, besides, theirs is a gold, not a silver, producing empire. But why should other nations follow England's example and invite the disastrous results tersely stated to the French Institute by M. Wolowski in 1868, when he said:

> The suppression of silver would bring on a veritable revolution. Gold would augment in value with a rapid and constant progress, which would break the faith of contracts and aggravate the situation of all debtors. * * * To adopt one metal, gold, to the exclusion of the other is not merely as if they closed all existing mines of silver, but as if they suppressed in this regard the labor of all past ages. * * * If by a stroke of the pen they suppress one of these metals in the monetary service, they double the demand for the other to the ruin of all debtors.

When these words were spoken probably few of the financiers of America had ever dreamed of such a scheme. Unlike Hamilton and the statesmen of his period, the financiers who meddled in the legislation and influenced the policy of our Government after our civil war were men who had never given monetary science impartial and disinterested study. When the American civil war called to the field vast armies of men who esteemed honor more than gold, business became profitable, and peddlers, contractors, speculators in cotton, produce, and gold, and negotiators of bonds suddenly became millionaires. These men who had become great, not by caring for the nation's welfare, but by watching their own interest, assumed to be the dictators of the financial policy of the Government.

The Secretary of the Treasury was called upon as though he were their agent; if in their wild speculations at the money centers they overreached themselves, the Government must ease the money market; if the bulls in gold put up the premium and squeezed the bears on Black Friday, the Secretary of the Treasury was invoked; and when the credit of the nation, established and secured by the valor of Union soldiers, required no further strengthening, then a new and favorable contract was demanded and secured for bonds already issued.

To those who had experienced the delights of creating individual fortunes by trading on the necessities of a government in the throes of civil war, and who had afterwards seized upon franchises State and national; who had built railroads upon bonds sold in Europe at half their face value, and wrecked railroads to divest bondholders of their legal claims—to such financiers M. Wolowski's warning to mankind must have come as a revelation. Their syndicates had combined a few capitalists. Here was a grand scheme to combine all capitalists to "break the faith of all contracts and aggravate the situation of all debtors."

A POLICY LEADING TO BANEFUL RESULTS.

The legislation of 1873 accomplished this result. The Secretary of the Treasury and the Congress whose aid was essential to carry out the scheme had no idea of its object. The distinguished chairman of the Senate Committee on Finance [Mr. SHERMAN] has stated in the Senate that—

On the 25th af April, 1870, when the bill was sent to us by the Secretary of the Treasury, the silver dollar was worth $1.0312 in gold in the markets of the world. This was before Germany had sold her silver and adopted the gold standard, before the slightest sign of the depreciation of silver. Could we so far foresee the future?

What, then, becomes of the statement so frequently reiterated by the advocates of a single gold standard that the United States followed the example of Germany? "Could we foresee the future?" It did not require the gift of divination to foresee that if silver were stricken out of the world's currency and the world's business transacted in gold alone the increased demand for that metal would increase its price; that its value as compared with all other commodities would be enhanced, and that thereby gold would be made what is called a "better," that is, a "dearer," money. Every writer who has touched upon this feature of political economy has predicted the baneful effects of such a policy. In 1843 Leon Fauchet said:

If all the nations of Europe adopted the system of Great Britain the price of gold would be raised beyond measure and we should see produced in Europe a most lamentable result. The Government can not decree that legal tender shall be only gold in place of silver, for that would be to decree a revolution leading to unknown results.

Is it unreasonable, however, to suppose that financiers with wits sharpened by interest were able to foresee in M. Wolowski's declaration an opportunity of profit for themselves? If by "the suppression of silver," "gold would augment with a rapid and constant progress, which would break the faith of all contracts and aggravate the situation of all debtors," might it not have occurred to some one that this would also benefit creditors? If the purpose was not to increase the price of gold and credits, what was the object of demonetizing silver? Can anyone assign any other reason for this stealthy legislation?

It was an act of legislation which added to the burdens of millions of toilers and debtors, which violated the equity of every contract, which carried consternation and despair to many a prosperous household. The Pandora box from which spread all this evil was section 16 of the coinage act of 1873. Whether that section was ever read in either House of Congress has been disputed, but all admit that it was adopted as "No. 6" of a conference report; that "it was never mentioned or spoken of" in the discussion of the bill, and that the Revised Statutes, approved June 22, 1874, reported to both Houses of Congress as a perfect reflex of existing statutes and adopted as law then existing, were so reported by mistake or fraud, and adopted by a Congress and approved by a President ignorant of the fact that those statutes had taken from the silver dollars already coined their legal-tender quality.

Mr. Speaker, the principle upon which this famous "No. 6" was based has been repudiated by both the great parties and denounced by almost every other party. There never has been such professed unanimity of opinion on any public question as on the desire to use and restore silver to its place as a money metal. The national party which should emblazon on its banner, "The single gold standard, now and forever," would find no followers except among those whose greed had absorbed their senses.

MONEY A PUBLIC INSTITUTION.

In a speech delivered in this House on May 7, 1890, I considered money as a public institution which should be made a public benefactor, and contended that as a mere private possession the nation had no more interest in money than in any other kind of property. I shall not again review the entire coinage question, but propose to examine the "cost of production" and the "price of silver," those two principal objections urged against restoration of a constitutional coinage system.

COST OF PRODUCTION.

It has been asserted on this floor that the cost of producing 371¼ grains of pure silver is 41 cents. That is to say, that from a certain mine silver enough for $1 has been taken out at a labor cost of 41 cents. It can be just as safely asserted that for every mine of that class there are one hundred which have cost in labor alone ten times the coinage value of the silver taken out. "Oh! But those were unproductive mines." True, but if we had no unproductive mines we would have no productive ones. When science is able to point to the earth and authoritatively say, bore down into that solid rock one mile and you will find silver or gold which can be mined at half its coinage value, then you may apply to the precious metals the cost of production argument as you do to the manufacture of cloth or machines.

The value of the precious metals has always exceeded the cost of production. Alexander Del Mar, formerly Director of the Bureau of Statistics of the United States, in his History of the Precious Metals (page 266), shows that even from the rich Comstock lode, taking the productive and unproductive mines together, the cost of the precious metals produced had been five times their coinage value. It has been as much in all ages and throughout the world.

If the cost of production measures the value, then a pound of gold has no more value than a pound of silver. It has been stated that $80,000 worth of gold was taken from a pocket by two men in one afternoon. It was found by accident, and its total cost of production might be called one day's labor for one man.

Those who pretend that the price of the precious metals is regulated by the cost of their production forget that the supply can not be increased at will. The production of other commodities is the result of calculation; the production of the precious metals, the result of chance. Years may be devoted to unavailing search; millions of dollars may be expended for labor in drilling unproductive holes; and yet, buoyed up by hope the unprofitable industry goes on. Like war, it is a business carried on for the benefit of civilization, for the benefit of mankind, and many are sacrificed who engage in it, while but few receive any great reward.

Unlike most other products, it is beyond the control of man; trebling the price would not materially affect the output; calculation, enterprise, and capital could not insure an increase of 10 per cent in the world's supply of silver. The existing supply has been secured at the cost of millions of years of servile labor and hundreds of thousands of human lives. The cost of the production of the world's supply of the precious metals can be estimated if you can fix a value on human suffering and slavery, on the labor of conquered nations, on the blood, sacrifices, misery, and lives of perished races. [Applause.]

PRICE OF SILVER.

The gold monometallists say that in 1873 the silver dollar would not circulate, that it was worth 3 per cent more than the gold dollar, and that therefore silver was properly denied mint privileges as a money metal. They also say that the silver dollar is now worth less than the gold dollar, and that therefore it ought not to be restored to mint privileges.

That these positions are inconsistent and illogical from any but a single gold standard point of view is perhaps immaterial, for if the American people believe that the restoration of silver as constitutional money will give us a dishonest dollar, silver will not be restored. But if the American people become convinced that in abandoning silver as a money metal our country is injured for the benefit of England, if they learn that the burden of debt and taxes is increased without profit to any except the credit classes, the action of 1873 will be reversed without waiting the consent of England.

Between Europe and America there is and must ever be a direct collision of interest in regard to silver, the inevitable collision between consumer and producer. The British Empire produces more gold than the United States, but very little silver. She needs silver for her Asiatic trade. Her colonies extend over 7,600,000 square miles with 275,000,000 subjects, all of whom must be supplied by the mother country with silver to carry on their commercial tranactions. Naturally she wants to secure the most silver for the least gold.

The United States furnished more than half the world's annual supply of silver. England coveted it, but so long as the mints of the United States were open to the free coinage of both the precious metals, silver could not be obtained at less than its coinage value of $1.2929 per ounce. If England could induce the United States to demonetize silver, the American miner could do nothing with his bullion except to sell it to Europe at such price as the London bullion-dealers might dictate. Would American statesmen be guilty of such stupendous folly? The legislation of 1873 and 1874 answers the question and justifies the English sneer of Mr. Daniel Watney, testifying before the Royal Commission, when he said:

> I can not suppose that everybody is wise. Just think of the folly of the United States when they were a debtor nation in adopting a gold coinage. They know nothing about currency matters; they did not know that it was going to increase their debt enormously.

ENGLAND PLUCKS THE AMERICAN GOOSE.

England buys American silver for British India at from 32 to 38 cents for the rupee. Her mints coin it at the rate of $0.4737, or nearly 48 cents for the rupee. The amount coined in the fiscal year 1891 was $62,355,376. In the last six years $259,054,232 have been coined into rupees for use in British India alone, not including other colonies. All the silver which the British Empire can secure at the depreciated commercial rate is immediately transferred into money at the coinage rate into what American gold moralists please to call dishonest coins.

Are men serious when they suggest that England will voluntarily give up picking the American goose and join a monetary conference for the purpose of opening their mints to silver, either at our ratio of 16 to 1 of gold, or the European ratio of 15½ to 1, when her mints in India are wide open, transforming hundreds of millions of American silver into money at 15 to 1?

Since civilization began explorers and miners of the precious metals have been public benefactors, furnishing a natural money to mankind. Governments have received these metals and fashioned them into coins at somewhat different ratios, but each government at a fixed value per ounce. The idea of seizing a fortunate explorer, and making him give up his bullion on an estimated "cost of production," less than one-third of the real cost, was never dreamed of by a respectable government until 1873. England, having no silver, and being compelled to obtain it or abandon her profitable Asiatic trade, pretended that silver was not a money metal, but that it was a commodity to be bought and sold by a gold standard. A sufficient reason for this pretense was that the principal silver mines were discovered west of the Atlantic and not in British territory.

In 1873, no one knows how or why, but clearly at the instigation of the devil, the United States turned against its own product and against its own citizens and said to them: As you refuse to have your silver coined at an equivalent of $1.29¼ in gold, but take it where its gold value is $1.33 and upwards per ounce, we will no longer recognize silver as a money metal, we will join England in depressing the product for England's benefit.

Our people soon found that with the depreciation of silver all farm products fell in price, measured by the gold standard, and clamored for its restoration. Entrenched behind the law, our credit classes, who saw an imaginary profit in the relative rise in gold, resisted this popular demand.

THE TRIUMVIRATE OF EXTORTIONERS.

The compromise of 1878 compelled the coinage of $2,000,000 each month, but did not restore the bimetallic principle. Since that time a trio of governmental extortioners have plundered enterprising American miners on three different scales of knavery. When the silver miner appeared with the precious metal ready for coinage, he was told that the Government uses the metal at a fixed statutory value, but would not give him that price; it would give him what the London bullion broker directed. The bullion brokers met in solemn council and decided that 92 cents per ounce was the real Simon Pure market value. The miner remonstrated. He told them that the principal use of silver was for government coinage, and no government on the face of the earth fixed the value of silver at less than 59*d.* (about 129 cents), and some fix it at 62*d.* (about 136 cents). His resistance was in vain.

What could he 'gainst the shock from hell?

John Bull is an old hand at this sort of business. The pound sterling was originally a pound of silver, but it has gone through various forms of royal change and debasement, sometimes robbing British subjects, but latterly robbing others for the benefit of the British aristocracy. Brother Jonathan, of mixed Puritan and Cavalier stock, ought to be free from royal rascalities and without a taint of hereditary dishonor. "To rob the poor because he is poor," to plan a mean advantage by which labor or property can be secured at a reduced rate, was no part of his early training. He had misgivings as to the respectability and

PO

honesty of making a sudden and mysterious profit by which somebody must suffer loss. But the mercantile spirit of the age, which sees wrong only in robbing the rich, regards squeezing the seller as a legitimate means of profit, and those who have floated themselves into collossal fortunes mistook the coinage of silver at more than it cost for legal watering.

Thus encouraged, Brother Jonathan took his share of the pure silver at 92 cents an ounce, as fixed by John Bull's agents, divided it into 371¼ grains, which cost him 71 cents, coined it, and paid it out for $1. Royal Europe smiled a contemptuous approval of republican simplicity and divided her share of the silver into 359.91 grains as equal to $1. John Bull eagerly seized his share and in British India coins 348.3 grains as the equivalent of $1.

In these transactions the triumvirate of governmental extortioners, aided by the bullion brokers, claim profit on each 371¼ grains of silver bought, as follows:

	Cost.	Value coined.	Profit.
			Cents.
Brother Jonathan	$0.71	$1.00	.29
Europe	.71	1.032	.32
John Bull	.71	1.066	.35

BROTHER JONATHAN THE ONLY VICTIM.

From whom does this profit come? Not from the people who receive the coin. The rupee in India is a blessed increase of the currency to a people advancing in civilization; it is worth its coinage value. Every coin issue in Europe, whether franc, florin, or ruble, is worth its coinage value. The American dollar is worth its coinage value, not because we have a stock of gold, for that is, or ought to be, fully represented by gold certificates in circulation; the coined silver would be worth its coinage value if all the gold in the country were in private vaults, or if it had been sent abroad, because the silver dollar is a United States legal-tender coin, not a promise to pay in other money.

By these coinage transactions the national wealth of the British Empire was increased; the national wealth of Europe was increased; two of the governmental extortioners realized actual profit. The national wealth of the United States was not increased a single farthing. Why? Because all that our Government appeared to gain our own citizens lost. The national wealth includes the property of all the citizens, and the Government took what belonged to some citizens and deposited it to its own credit. By this policy the nation gained nothing. The excess of exports over imports of silver since 1873 has been $235,076,737, and this amount was sold abroad below its coinage value, the profit going to swell the gains of the foreign partners in this unholy alliance.

The loss in these coinage transactions fell exclusively upon silver-mining countries, mainly upon the American republics. The profit was almost entirely added to the national wealth of England. Brother Jonathan joined in meanly despoiling our sister republics and our own citizens without sharing any of the plunder.

Does anyone suppose that England will enter into monetary agreement and give up her profits in silver? Her industrial classes may force her from the gold standard, not because we ask it, but because it is their own salvation. The aristocracy which rules England will not allow Great Britain to be drawn from its vantage ground as a gold-producing and creditor nation by child-like negotiation.

England's Royal Commission, after years of investigation, and after it had been proved by expert witnesses that the price of the world's commodities corresponded more nearly with silver than with gold, and that all the products of the earth maintained a certain relative value to silver except the single product gold, which had risen from 40 to 50 per cent, in its final report justified the English capitalistic policy in these words:

It is to be remembered that this country (England) is largely a creditor country of debts payable in gold, and any change which entails a rise in commodities generally, that is to say, the diminution of the purchasing power of gold, would be to our disadvantage.

The debts of England were payable in gold, but that was not enough; she aimed to prevent a rise in the "price of commodities generally," and especially in cotton and food products.

Sir Robert N. Fowler, banker, member of Parliament, and ex-lord mayor, in discussing English monetary interests, said:

The effect of the depreciation of silver must finally be the ruin of the cotton and wheat industries of America and be the development of India as the chief cotton and wheat exporter in the world.

Mr. Moreton Frewen, of London, in his work, The Economic Crisis, says:

It may, indeed, be affirmed, without fear of contradiction, that legislation arranged in the interest of a certain class, first by Lord Liverpool in this country, and again by Sir Robert Peel at the instigation of Mr. Jones Loyd and other wealthy bankers, which was supplemented recently by simultaneous antisilver legislation in Berlin and Washington at the instance of the great financial houses, this legislation has about doubled the burden of all national debts by an artificial enhancement of the value of money.

The fall of all prices induced by this cause has been on such a scale that while in twenty years the national debt of the United States quoted in dollars has been reduced by nearly two-thirds, yet the value of the remaining one-third, measured in wheat, in bar iron, or bales of cotton, is considerably greater—is a greater demand draft on the labor and industry of the nation than was the whole debt at the time it was contracted. The aggravation of the burdens of taxation induced by this so-called "appreciation of gold," which is no natural appreciation, but has been brought about by class legislation to increase the value of the gold which is in a few hands, requires but to be explained to an enfranchised democracy, which will know how to protect itself against further attempts to contract the currency and to force down prices to the confusion of every existing contract.

Of all classes of middle men, bankers have been by far the most successful in intercepting and appropriating an undue share of produced wealth. While the modern system of banking and credit may be said to be even yet in its infancy, that portion of the assets of the community which is to-day in the strong boxes of the bankers, would, if declared, be an astounding revelation of the recent profits of this particular business; and not only has the business itself become a most profitable monopoly, but its interests, in a very few hands, are diametrically opposed to the general interests of the majority. By legislation intended to contract the currency and force down all prices, including wages, the price paid for labor, the money owner has been able to increase the purchasing power of his sovereign or dollar by the direct diminution of the price of every kind of property measured in money.

FINANCIAL INDEPENDENCE.

To propose a treaty with England, the purchaser of silver and the beneficiary of silver depreciation, by which American silver shall resume the relations from which it was driven in 1873 by the United States, the country of its production, seems ludicrous. When the United States dropped silver as a money metal entitled equally with gold to free coinage, did it ask permission of

Europe? Did those who engineered that legislation then propose an international agreement?

If ever a nation was in a position to declare its independence in finance that nation is the United States. The balance of trade is, and with silver remonetization must continue to be, in our favor. We produce our silver and our gold. The industrial classes everywhere look to the United States as their champion. If the gold heresy is ever crushed it will be by this Republic, which is the absolute master of the situation. [Applause.] The people who use the silver standard alone or both silver and gold number 1,400,000,000. Countries afflicted by the gold delusion do not have a population of 150,000,000. The money of the world is not gold, but has ever been silver and gold, and the great Republic should declare for this money of the people and not alone for the money of the millionaire.

PATRIOTS ON GUARD.

The legislative blunder of 1873 has cost the farmers, the industrial and productive classes of the United States, a sum compared to which the cost of the civil war is insignificant. It has not all been deducted from our national wealth, for a large part has gone to swell the fabulous accumulations of the fund-holding class. If, as is alleged, twenty-five thousand persons now own more than one-half of our national wealth, the losses of our producers have not all gone abroad. Is there not enough patriotism left in this powerful interest to prevent further foreign robbery?

A representative of this class, a brilliant and enthusiastic supporter of the gold standard, a member of the Cobden Club, London, and a member of this House who advocates not only the British revenue but also the British monetary system, recently sent to the posts of the Grand Army of the Republic a circular full of incredible prophecies and unproved statements with a view of seducing the veteran soldiers from their patriotic adherence to the honor and interest of this country, and of securing their support to a policy which not only concentrates the wealth created by industrious millions in the coffers of corporations and bankers, but also robs America for the benefit of England.

The veterans of the Union may be poor and suffering, but they have never been accustomed to cringe to millionaires or accept their leadership. The veterans know that they have been defrauded and who caused it to be done. They know that when they were enrolled in the military service they were promised to be paid "in coin, or Treasury notes as good as gold." This promise has never been fulfilled; while the bondholders, after the veteran had with blood and suffering made the bonds good, demanded and secured a new contract making the bonds payable in coin.

The veterans know that estimating their wages at the average price received by able-bodied men during the war and deducting from it all the money received by them from the Government, there would have been a money balance due them as great as the amount loaned by the bondholders, and for this balance the veterans have neither asked nor received anything, while the bondholders in principal and interest have been paid $5,000,000,000. The veterans know that those who laid the foundations of their fortunes while the soldiers were fighting the country's battles have since controlled the nation's financial policy and demonetized silver. They know that every farmers' and industrial organization which favors silver remonetization and an increase of the currency also favors justice to the soldiers.

The veterans know that the circular which represented the poor pensioner as a capitalist is a hollow mockery. The veterans know their interests are not identified with the American or British aristocracy of wealth, but that it is identified with the industrial and producing interests of the United States and with the general prosperity of the country. The veterans may be misled by reckless circulars, but there is not one among them that would not sooner face starvation and throw his pension into the public coffers for the defense of the country, as he threw his life into the deadly struggle thirty years ago, rather than willfully connive at, encourage, or support a policy which enables England to rob America; which assists the capitalistic class in unjustly absorbing the profits of industry, and which, if continued, will precipitate a social upheaval throughout the land for which they bled.

A DISHONEST DOLLAR.

If we repudiate the dictation of bullion brokers and receive American silver direct from the miners at its coinage value, it can not make a "dishonest" dollar any more than robbing the miner to get the bullion can make an honest one. An international agreement will not change the character for honesty of a legal-tender coin. If the American silver dollar is a dishonest coin, then every silver coin which England ever minted is from three to six pence more dishonest. If it be true that the legislation consummated in 1873 and 1874 made "dishonest" $4,000,000,000, half the coinage of the world, it would be a fearful arraignment of those who planned, executed, and defended that legislation. They have enough to answer for; and if a quickening conscience prompts them to exaggerate their sins, why does it not lead them to repentance?

The silver of the world already coined was beyond their impious reach; the depreciation they lament is in the annual output of silver bullion which governments receive, coin, and use, but refuse to pay full value for. The dishonesty is not in the coin but in the method of procuring the bullion; but whether that bullion is wrung from the miner at a notoriously false undervaluation or taken from him by main strength on the highway, whether the Government secures the bullion by fraud or force, it can not affect the honesty or the value of the coin.

PROGRESS DEMANDS A DOUBLE STANDARD.

Monometallists say that the double standard is useless, or that it is impossible, because the precious metals change in value. They say that when one metal becomes cheaper it is used, while the other goes to a premium, and is not used in circulation.

A man progresses with two legs, but in progressing uses one at a time. While one is in use doing all the work, the other is at a premium—up in the air—ready, however, to come to the rescue of its overtaxed mate. [Laughter and applause.] When the man reaches a vantage ground requiring no further exertion, when he is in a position to compel all men and things to come to him, he may stand on one leg, though he would stand more steadily on two.

A nation progresses with the double standard. If both metals are not used at the same time, both are ready for use. Throw the burden of the entire circulation on either standard—use one alone—and its value in popular estimation will rapidly increase and soon equal the other, thus bringing that into use.

France and the United States recently demonstrated not only that a nation can stand more steadily supported by accumulations of legal-tender silver and gold, but that when rich monometallic nations tremble with threatened panic and bankruptcy the bimetallic nations can give them support. In the recent frantic efforts of England to secure bullion, she borrowed millions from France, to be returned in a short time, England paying the expense of transportation both ways. England carried gold from America by offering a premium when she knew it must soon be returned.

HOW TO RESTORE THE BIMETALLIC SYSTEM

The bimetallic system ought to be restored. The bill reported to this House and now under consideration is open to serious objections.

First. It proposes to reach the 15½ to 1 ratio between gold and silver by destroying the standard silver dollar. The dollar of 371¼ grains of pure silver was the unit of value from the inauguration of Washington until 1873, as was also the Spanish silver dollar equally with the American dollar.

The gold dollar has been changed before, and to reach the ratio of 15½ to 1 the change should not be made in the silver dollar.

Second. The bill destroys the bimetallic system by providing for the redemption of the notes in "coin," which the report of the committee explains to mean either gold or silver, at the option of the Government. No Secretary of the Treasury, no officer of the Government, no single individual, ought to control the metallic currency of a great nation. For a note issued on a deposit of gold bullion the holder ought to have a right to demand gold; for a note issued on a deposit of silver bullion he ought to have a right to demand silver. This is the true bimetallic principle, the full recognition of each metal as a money metal.

Third. This bill is not likely to become a law, because it does respect the popular objection that the silver of the world will be "dumped" into the United States and gold withdrawn.

This impression, however unfounded, is widespread and deep-rooted. By confining the mint privileges to silver the product of the mines of the United States this objection would be met and the chief argument presented on behalf of the business interests of the country against the coinage of silver would have no force. Such a bill, if passed by this House, would become a law. Mr. Lincoln said: "It is easier to do a thing when you can than when you can't." I commend this homely wisdom to my bimetallic friends.

To perfect the bill so that I could vote for it I had intended to offer amendments to obviate the objections just stated. The parliamentary situation precludes the offering of amendments, for the members of the Committee on Coinage, Weights, and Measures have monopolized that right. I am opposed to any bill which contemplates any change in the weight of the time-honored silver dollar.

HASTEN SLOWLY.

In the bills introduced by me in the last Congress as well as in this I proposed the free coinage of silver the product of mines in the United Stotes. It is alleged that this would increase the profit of silver-mine owners. This objection, whether good or bad, applies equally to an international agreement for the restoration of silver. The law now fixes a legal value for an ounce of gold and increases the profits of the gold-miner. Including silver at a fixed ratio would merely divide that profit between the gold and silver miners which legislation now gives exclusively to the gold-miners.

The silver law of 1890 was passed with a view to increasing the circulation to the extent of the domestic silver product. It has increased the circulation and added to the prosperity of our people. The law requires the Government to secure annually 54,000,000 ounces of silver bullion. If it is bought at 90 cents an ounce our circulation is increased $48,600,000 annually. If the notes issued for this silver were issued for the full amount of its coinage value it would increase the circulation $69,816,600 annually. The coinage value of the product of the silver mines of the United States in 1890 was $70,464,645.

Free coinage for the product of our mines would increase the currency $22,000,000 more than the present law increases it. It would put a stop to foreigners securing our silver at less than its coinage value; it would assert the bimetallic principle, and it would give notice to the world that whatever other nations might do with their silver, the United States would recognize its own silver as a money metal. [Applause.]

The general discussion of the coinage question has aroused public attention, but has not yet concentrated popular sentiment on a particular method to be adopted. Many of those who at one time gave preference to a gold standard now concede that the double standard is essential to a healthy and stable regulation of the world's commerce and exchanges; and that equal mint privileges for silver and gold are necessary for the maintenance of the double standard. They desire, however, that bimetallism should have the support of international agreement.

The way is now clear for union between those who favor the bimetallic principle on a platform declaring substantially—

First. Silver and gold have been universally recognized as money metals by civilized nations.

Second. Nations should give both the precious metals equal mint privileges.

Third. We demand that the United States give equal mint privileges to gold and silver the product of its own mines.

Such a policy would be conservative and would not injure or alarm any business interest. Such a policy would harmonize conflicting opinions on the coinage question. It would recognize the bimetallic principle in a manner conceded to be safe. It would protect the producers of the United States and promote the industrial and commercial welfare of mankind. It would be American, wise, and patriotic. [Applause.]

PO