

FREE COINAGE OF SILVER.

SPEECH

OF

HON. CHARLES W. STONE,
OF PENNSYLVANIA,

IN THE

HOUSE OF REPRESENTATIVES,

Wednesday, March 23, 1892.



WASHINGTON.
1892.

SPEECH
OF
HON. CHARLES W. STONE.

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. CHARLES W. STONE said:

Mr. SPEAKER: I understand fully the very natural desire of the gentleman from Massachusetts [Mr. WILLIAMS] to assume the leadership and direction of the opposition to this bill. I concede with as full an appreciation as any of his friends on this floor the brilliant talents and the careful study which would render him efficient in the discharge of the duties of that position. So far as he assumes to speak for himself, so far as he represents his own interests, so far as he represents the interests and sentiments of his constituents, I say not one word. But when he assumes to represent the Democratic party and to ally it as a party in the least degree to the opposition to this bill, or to speak for the Republican party, I most emphatically dissent.

The Democratic party is not opposed to this bill. There is nothing in its history, nothing in its affiliations, nothing in its instincts, that would bring it into opposition to this bill. When the issue of the greenback seemed necessary to the salvation of the nation, the Democratic party opposed it. When the redemption of the greenback was necessary to the honor of the nation, the Democratic party opposed it. When the stability of the present financial system is necessary for the continued prosperity of this country, the Democratic party assails it. Whenever you raise the standard of any measure that proposes to roll back the wheels of progress for twenty years, as this bill does, and to restore a condition which in the fast movements of modern events we have outgrown, the Democratic party will always rally to that standard.

There must be no misapprehension of the position of the two parties on this question. The voice of the gentleman from Massachusetts is not the voice of the Democratic party. The voice of that party is the voice of the gentleman from Missouri [Mr. BLAND], the chairman of the Committee on Coinage, Weights, and Measures, the authorized and accredited spokesman of the Democratic party upon this question on this floor. The voice of the Democratic party on this question is that of the gentleman from Tennessee [Mr. PIERCE], who has just taken his seat, who told you recently that twenty-eight Democratic State conventions have indorsed the principle of this bill and only two have opposed it.

The fact that individual members of that party—and I honor them for their courage, for their frankness, and for their honesty—

may have separated from their party on this question, does not affect the attitude of the party any more than the fact that individual members of the Republican party, like the gentleman from Nevada [Mr. BARTINE], the gentleman from Colorado [Mr. TOWNSEND], and others, bowing to the sentiments of their constituents, and properly representing those sentiments, see fit to support this bill, changes the attitude of the Republican party in regard to it. The one party as a party is in favor of this bill and the other opposed to it, and the courtesy of the Republican members of the minority of the committee must not be made, intentionally or unintentionally, the means of any misapprehension or misunderstanding as to the relative position of the two parties on this great question.

I listened, with a good deal of interest and attention, to the historical narrative of my friend from Missouri [Mr. BLAND] in relation to the measure which is now proposed for the consideration of the House. I noticed with much interest that he traced it back to the act of 1792, a century ago, and that he undertook to represent to this House that the act of 1792 was the model upon which this bill was framed. That is a mistake. The act of 1792 was an act for the coinage of gold and silver. The bill now under consideration is an act for the unlimited issue of paper money.

If the gentleman had carried his historical investigation a little further back he would have found the model on which his bill is based; and, sir, no personal modesty, no family modesty ought to be allowed to obscure the light of history in the consideration of an important question of legislation. I ask you, then, to go back with me nearly fifty years further, for this bill is not new in principle and scarcely in form. It is older than this Government. It is a relic of the necessities and limitations of early colonial life. It is, I judge, an heirloom in the Bland family, and dates back to 1748 when one Richard Bland was a leading member of the House of Burgesses of Virginia. He was a man of character and standing; of patriotism and ability; but like his distinguished namesake of to-day he seems to have been impressed and oppressed with the idea that the economic and financial system of the Government needed tinkering.

In those days the currency of Virginia consisted mainly of tobacco. Like silver it was cumbersome, weighty, and inconvenient. The unit of value seems to have been the hogshhead, of 950 pounds; and the inconvenience which the average Virginia gentleman of that day encountered in carrying about with him the necessary number of hogshheads of tobacco to pay the ordinary expenses of a gentleman, naturally aroused the desire and inspired the ingenuity of the people to devise some more convenient system of currency, and it took shape in the Bland bill of 1748.

I ask your attention to that bill as furnishing the prototype, almost the exact model, of the bill now before us. It provided for the erection of Government warehouses, and placed Government inspectors in charge of them. Our bill utilizes the mints already erected. That bill provided for the deposit in the Government warehouses by any person, be he Jew or Gentile, bond or free, of any amount of tobacco. This bill provides for the deposit in the mints of the United States of the silver, of the bul-

lion, whether it be owned by an inhabitant of Europe, Asia, Africa, or America.

For the tobacco deposited in those days in the Government warehouses which were in charge of officers called inspectors, it was provided:

That said inspectors, or one of them, after they have viewed, examined, and weighed the said tobacco according to the directions of this act, shall be obliged to deliver to the person bringing the same as many promissory notes under the hands of said inspectors as shall be required for the full quantity of tobacco received by them.

Our bill provides that—

The owner of the bullion may deposit the same at such mints and receive therefore coin notes equal in amount to the coinage value of the bullion deposited.

The tobacco notes of Virginia were made legal tender for the payment of all tobacco debts and receivable for certain public dues and taxes, and provision was made for the punishment of counterfeiting the same.

The notes provided for in the bill under consideration are to be a legal tender and receivable for all public dues and taxes.

And, sir, the Legislature of the State of Virginia, by a supplement to this bill soon after passed, made a peculiar and frank provision that does not appear on the face of this, our modern imitation. It was provided, and I read from the act of Virginia, the statutes at large of 1752:

That out of every hundred pounds of tobacco which shall be paid in discharge of quit-rents, secretaries, clerks, surveyors, or other officer's fees in the counties hereafter mentioned, and so proportionably for a greater or lesser quantity, there shall be the following abatements or allowances to the payer; that is to say, for tobacco due in the counties of Culpeper and Cumberland, the person paying shall and may retain in his hands, thirty pounds of tobacco for every hundred so due from him.

There is the principle of the pending bill; the debtor may retain in his hands 30 pounds out of every hundred due from him and thus pay his debts with 70 cents on the dollar.

So long as bullion remains at its present price the provisions of our bill are identical in effect—that the debtor may retain in his hands 30 cents out of every 100, and pay with a dollar worth 70 cents only. But, sir, this is not the only precedent in the history of Virginia. I wish the gentleman from Missouri [Mr. BLAND] was in his seat, as this may be a matter of family history.

Let us go back a century further. In the early part of the seventeenth century the hardy pioneers encountered the same sort of embarrassment that confronts us to-day. They had an overproduction of tobacco just as we have an overproduction of silver. They proposed to remedy the evil by burning one-half of the crop of tobacco. We propose to bury in the Treasury vaults the whole crop of silver. But they deal with this question with a bluntness and a directness and a candor not apparent in the pending bill. I read from the first volume of Henning's Statutes of Virginia from the act of 1639, which is stated to be "from the manuscript belonging to Thomas Jefferson, President of the United States, which was purchased by him from the executor of Richard Bland, deceased."

ACT 1.

Tobacco, by reason of excessive quantities made, being so low that the planters could not subsist by it, or be enabled to raise more staple commodities or pay their debts, Enacted that the tobacco of that year be viewed by sworn viewers, and the rotten and unmerchantable and half of the good to be burned.

And further on it enacted, and I call your careful attention to this, that "all creditors were to take 40 pounds for 100."

Here, sir, you have the germ of the very principle that is embodied in the Bland bill of to-day, "all creditors were to take 40 pounds for 100." We propose to give the value of one dollar to what, by the most reliable statistics, costs 40 cents produce, and in the practical operation of this bill all creditors must take this 40 cents of cost, 70 cents of value, for 100.

That might be justified by the stern necessities of the infant colony two hundred and fifty years ago, but it is not the kind of morality, nor the kind of finance, nor the kind of law that we want in this enlightened and prosperous and Christian age.

I have alluded to this, sir, merely for the purpose of supplementing the historical quotations of my friend from Missouri [Mr. BLAND] and as a fair illustration and example of the logic and inevitable result of this bill. I have thought it not entirely uninteresting or unimportant to trace its pedigree and to show that in none of its features or principles is it new, but simply a restatement, with diminished directness and candor, of schemes and devices tried, used, and abandoned centuries ago.

Now, sir, as to its character and provisions. It is quoted and alluded to in this discussion as a free-coinage bill. I assert that it is not a free-coinage bill. It is not intended to be a free-coinage bill. To call it such is a misnomer and a deception. The chairman of the committee will not rise in his place, nor will any member of that committee rise, and say that they anticipate that under the operations of this bill one single dollar of silver would be coined in your lifetime or mine. If they had desired a free-coinage bill, there were nine such bills before that committee that were exclusively and specifically free-coinage bills, but every one of the nine rests in that committee to-day and will rest till the last trump shall sound. The gentleman from Virginia [Mr. EPES], who addressed us so eloquently yesterday, was the author of one of those bills. It was a free-coinage bill pure and simple, but it never was reported and never will be.

The pending bill provides simply for the unlimited purchase of silver bullion, and the issuing of paper money therefor. Notice the provision. It is very explicit—

The owner of the bullion may deposit the same at such mint 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.

If that does not mean a purchase of the bullion, does not have all the qualities and requisites of a purchase, then I am unable to understand the English language. The provision of the bill is simply for the unlimited purchase of silver and gold bullion, but especially silver bullion, as that is the avowed purpose of the bill, and the issue of Government notes therefor, at a price exceeding the market value by over 40 per cent, 129 cents for 90 cents of value.

Now, I submit, what necessity is there for any such legislation? Does the Government of the United States need this bullion? Is there any reason for its unlimited purchase. Is there any requirement of it for coinage? We have 350,000,000 idle silver dollars lying within the vaults of the Government and nearly \$100,000,000 more of bullion, and are now adding to this at the rate of between 6 and 7 tons a day. Is there any use that more can be

put to? With the utmost effort we are able to keep in circulation only about 60,000,000 silver dollars. If the proposition was made for the unlimited purchase of coal that is used on board your ships, of iron that is used in their construction, or provisions for the Army or the Navy, or any commodity except silver, at a price exceeding its market value, is there a man who would rise on the floor of this House and defend such a measure?

What, then, is the excuse alleged for this unlimited purchase of silver bullion? Why, they say "we need more currency." Is this true? Is there any lack of currency? Is there any necessity for more currency? The testimony of the Director of the Mint, taken before the Committee on Coinage at this session, is that there is to-day in the banks of New York city \$35,000,000 of idle money in excess of their lawful reserves; and the statistics submitted by the Secretary of the Treasury, and which I have here, show you that we have in circulation over \$1,600,000,000, or nearly \$25 for every person; which is more currency than of any other nation in this world except France. The currency has constantly increased for the last twenty years. It has gone on increasing year by year, in spite of all the alleged effects of the act of 1873 and subsequent legislation. It has gone on at a ratio greater than the increase of population, and at least equal to the increase of business.

In 1873 we had in circulation, according to the official tables which I hold in my hand, \$751,881,809. On March 1, 1892 we had \$1,609,558,892. In 1873 the population was 41,677,000, and the per capita circulation \$18.04. To-day the population is estimated at 65,049,000, and the per capita circulation is \$24.74. The increase in our currency has outstripped the increase of population, and has fully kept pace with the development and increase of business especially when we remember that with the development of banking and exchange facilities more than nine-tenths of our business is done, as a matter of convenience and economy of labor, by checks, drafts, and bills of exchange.

There is no complaint that we had too little currency in 1873. Still less can it be claimed that there is a deficiency to-day. Currency is but a tool, an instrumentality for doing certain work, that is the conduct of exchanges. When you have tools enough for the work at hand a surplus helps no one. It is not the amount of currency that is troubling us; it is the distribution of it, and if any man will solve, or will take into serious consideration the problem of how legitimately and fairly to prevent the accumulation of vast masses of idle wealth in single hands and secure a more general distribution he will be devoting himself to a study worthy the attention of a statesman.

The amount of the currency is sufficient. What then? Why, gentlemen say that a great crime was committed in 1873, when silver was demonetized; that the policy of this nation for eighty years was revolutionized. Is that true? If it is true, why do you not propose to restore the act of 1873? Why do you not give us an act simply for the coinage of metals, as we had in 1873, and not undertake to foist upon us, under a false pretense, an unlimited issue of paper money? The act of 1873, as has been said, simply dropped the silver dollar from the statute books as a recognition of an existing fact. Silver was not in circulation.

There is no man within the reach of my voice, I think, who will stand up here and say that prior to 1878 he ever saw an

American silver dollar in circulation. It had passed out of the use of ordinary life. It had been discredited twenty years before by a Democratic Administration. Gentlemen have passed over that, or have hardly mentioned the fact that in 1853, under the Administration of the sainted Franklin Pierce, the silver dollar was refused in payment of customs due to the United States, and continued to be refused during the whole twenty years from 1853 to 1873.

It had been discredited at Democratic hands and had passed out of circulation. Add to that the fact that Thomas Jefferson, as has already been said, in 1805, without authority of law, by an exercise of arbitrary power, had closed the mints of the United States and stopped the free coinage of the silver dollar, and that they were kept closed for thirty years thereafter, and you have got some Democratic responsibility for whatever may have been done to the silver dollar.

It was not in 1873 an element in the financial situation. The closing of the mints by Jefferson, the passage of the coin to other countries, the fact that it had been discredited in the refusal to receive it in payment of customs dues, and the effects of the war had practically eliminated it from use for over sixty years preceding the act of 1873; and there is nothing, sir, in that act that imposed any outrage or any burden upon the silver-producing element or people of these United States.

Well, then, what was it? Why, they say that the result of that act was to diminish the price of silver; that silver, which was \$1.29, or perhaps nearer \$1.32, an ounce at the passage of that act, is worth to-day only 90 or 91 cents. That is true, but it is not due to the act of 1873. It is due to the same influences, the same powers and the same laws that have brought down the price of bituminous coal from \$4.87 in 1873 to \$2.60 in 1891. It is the same influence that has brought the price of oil down from \$1.91 a barrel in 1873 to 67 cents in 1891.

It is the same thing, the same influence that has brought down the price of pig iron and all commodities of which we have an excessive and unlimited production. It is simply overproduction. Silver, which was produced to the amount of 27,000,000 ounces in 1873, reached the amount of 58,000,000 in 1891, and the production of the articles which I have mentioned increased in even a larger proportion.

It is simply the universal law of supply and demand which has produced this result. Take as an illustration bituminous and anthracite coal. The one is produced without limitation; the other is practically limited in its production. The one increased marvelously in its product, out of all proportion to the increase in population, and hence of consumption, during those years. The other increased just about in the same proportion as the population. The one went down from \$4.87 to \$2.60 per ton; the other, which had a limited output, increasing, as I have said, in about the same ratio as the increase of population, and hence of demand, went only from \$4.27 to \$3.92½ per ton. It is the operation of the inexorable law of supply and demand which has produced the diminution in the price and value of silver.

But, sir, suppose it were true as claimed by the friends of the bill, who is suffering by it? What is the reason for invoking legislation by the United States Government? Who asks this legislation? If there is no diminution, but rather a great increase of

currency, if there is no lack of circulating medium, who is it that is interested in having this legislation? Why, it is the power that has maintained the lobby which has haunted these halls and these committee rooms all winter. It is the silver-producing element in this country.

And, Mr. Speaker, to what consideration are they entitled? By the best statistics, by statistics which can not be disputed, the ordinary average cost of producing an ounce of silver is from 51 to 52 cents, and they are selling it now in the markets of the United States and in the markets of the world for 90 cents per ounce. Is there any outrage, any difficulty, any hardship there? Is not that a sufficient margin of profit?

When we read, as we may read in the ordinary current reports of mining stocks, that these great silver-mining companies, like the one whose report I have in my hand, have piled up and distributed to their stockholders in eleven months \$1,350,000 in dividends; when another one, an historic representative mining company, has distributed over \$11,000,000 in dividends from an investment of \$46,500; when we examine these statistics we shall be forced to the conclusion that there is nothing in the condition of the silver-mining industry that demands the special attention, consideration, or favor of this nation.

Why, sir, I was interested, and possibly this House may be interested in reading in the Engineering and Mining Journal of October 24, 1891, a letter written by my friend from Nevada, the able Representative from that State upon this floor, descriptive of the condition of affairs in the mining sections of this nation whose representatives are asking our interposition in their favor to-day. He says:

Every miner in the employ of JOHN P. JONES or any other mine owner, either in Virginia City or Gold Hill, is paid \$4 a day for eight hours' work. Men working above ground receive from \$3.50 to \$4. There is no departure from these rates.

With one day's wages the miner can buy 100 pounds of the best flour in the world; or 7 bushels of the finest potatoes ever grown; or 32 pounds of choice beef; or 32 pounds of prime butter, and almost everything else in proportion. With the product of a month's labor he can pay his board at a first-class restaurant, and have \$94 left.

I ask you in all candor how that compares with the condition of the miner or the factory hand in New York or Pennsylvania, where the employers generally express so much horror and indignation at the thought of the laboring man being paid in "80-cent dollars?"

The Comstock miner thinks nothing of spending \$50 for a day's amusement at a picnic. This may not be suggestive of rigid economy, but it certainly does not indicate that he is being shamefully wronged by his employer. There are, no doubt, some poor people there; sickness and misfortune invade every community.

Mr. Speaker, is there anything in the condition of these people who can save \$94 out of one month's wages, boarding in the mean time at the best restaurants, and who can afford to spend \$50 at a single picnic, is there anything in the condition of the laboring men of that limited section of our country that demands our special interposition? Is there anything in the condition of the owners of a mine from which they can accumulate \$11,000,000 in a few years and distribute among themselves, and who can produce silver at a cost of 51 cents an ounce and sell it for 90 cents, that demands your interposition or your favor? No, sir.

You must find some other excuse than the lack of currency or the depression of the mining interests of this nation to justify this legislation. What is it then? Why, it is intimidation, and it was stated with a good deal of shrewdness and some degree of

cunning before the Committee on Coinage, Weights, and Measures, by an eminent advocate of this bill, that the result of its enactment into law would be to scale down the indebtedness of our people.

And, Mr. Speaker, as a fact behind all these sophistries, behind all this declamation, behind all the appeals to prejudice and all this talk about "gold-bugs," behind everything that has been injected into this discussion, the fact is that there is a class, represented here, who are looking for some device by which an honest debt of 100 cents can be paid with 70 cents. If we are willing, if we are ready, to legislate on that basis and for that purpose, then possibly this legislation may be justified. If we are ready to scale down the ordinary debts of the American people and provide for their payment at less than their face value, possibly this legislation may be defended, for it will undoubtedly have that effect.

Mr. DAVIS. Will the gentleman permit a question?

Mr. CHARLES W. STONE. Yes, sir.

Mr. DAVIS. Did our present debt come into existence on gold loans?

Mr. CHARLES W. STONE. I will speak to the gentleman about gold loans in a moment. I want to call attention now to the fact that the debts which will be affected by this legislation are not the debts of the men who hold the bonds of this nation. They are the debts of the common working people; they are the debts of the masses. If I have a neighbor who comes to me and wants to borrow \$100, and I am fortunate enough to have it, and I lend it to him and take his note, that note is to be scaled down.

The deposits of the laboring man, of the widow, of the artisan, in the savings banks of this nation are to be scaled down; the wages of the laborer (for the laborer is a creditor every day in the month except pay day) the wages of the laborer are to be scaled down; the receipts of the pensioner are to be scaled down, if there is any scaling in this business. But, I tell you, gentlemen, that debts due to the bondholders are not affected as a rule.

As the gentleman from Massachusetts [Mr. WILLIAMS] said yesterday and as the gentleman from Arizona [Mr. SMITH] admitted, the effect of the present situation is that bonds payable in gold can be negotiated in the markets of this country and of the world on a very much more favorable basis than bonds not payable in gold. And the gentleman from Arizona gave you his view of the reason. He said it was on account of some mythical silver legislation or legislation affecting the coinage of this country in the past.

That was his opinion. I concede that he is honest in holding it. I presume that he came to this conclusion by meditating on the subject among the mountains and along the streams of Arizona; that he had possibly learned it from his neighbor across the line in the Mexican silver-using country; but I will put against that the testimony of a man from whose private letter I will read to you in a moment—a man who has made this question a study; whose daily business entitles him to have an opinion and express it—an intelligent opinion.

Let me read you just one sentence from a letter which I have here from Henry Claws [laughter]; and there is no better judge of the effects of financial legislation. Gentlemen may laugh; they may say he is a banker, a broker; but he is a man who deals

in these securities, who buys and sells them for others; who has an opinion, and the requisite knowledge and experience and means of observation on which to base an intelligent opinion. He knows what he is writing about. I am going to give you his opinion. You may sneer at it or you may indorse it; but I say that the judgment of a man who has been devoting time and attention and study to this question, who is earning his daily bread by his knowledge on this subject, is at least equal in value to theories drawn from the mountains of Arizona or the plains of Kansas. Mr. Clews, writing under date of March 17, 1892, says:

All the recent issues of bonds are being made payable, principal and interest, in gold, owing to the silver scare and the agitation of free silver so frequently in Congress.

That is his opinion. I put it against the opinion of the gentleman from Arizona. And I wish to repeat what I said a moment ago, that while you may scale down the debts of the ordinary man, of your neighbor, of the depositor in your savings bank, of the pensioner, of the men who have not the shrewdness and sagacity to provide that the debts due to them shall be payable in gold, you will not scale down the claims of the bondholders, because they are shrewd and have made, and are making provision for their protection. Let me read to you on this question from a letter of Drexel & Co., of Philadelphia:

Mr. DAVIS. More Wall street testimony. Wall street is on top.

Mr. CHARLES W. STONE. I am giving my Alliance friends this testimony, because it is the most reliable testimony on this question, just as I would give the testimony of my friends from Kansas as reliable in relation to any question in regard to the production of corn, or possibly the burning of corn, in the State of Kansas, because they know something of the subject, and have occasion to know it from daily study of it.

Mr. SIMPSON. I suppose you would except our friend FUNSTON!

Mr. CHARLES W. STONE. When I am dealing with questions of finance I want the opinions, the results of the observations and experience of financiers, and there can be no better authority, no safer and more conservative statement of facts, which no man on this floor will dispute, than I hold in my hand. I give you the language of Drexel & Co.:

It is almost impossible to sell any bond in which there is no contract to pay both principal and interest in gold. Almost the first question that is asked us by an investor is, "is this a gold bond?" I think it pretty safe to assume that fully 90 per cent of all the bonds issued during the past ten years, whether city, State, or railroad, have been gold bonds, as otherwise they could not have been marketed.

Ninety per cent of the great bonded indebtedness of this country can not be reached by this bill—can not be scaled down. If gentlemen are anxious to go into the scaling business—if they are anxious to give the sanction of this Government to any theory that has simply for its object the devising of an easy way for paying honest debts with less than honest dollars, such legislation can not affect the great body of the bondholders of this country.

Mr. SIMPSON. If we secure—

Mr. CHARLES W. STONE. The gentleman must excuse me; I can not give way for any interruption. I have promised to yield a portion of my time; I am anxious to get through in order to keep that contract.

Sir, I am impressed with the moral aspects of this question. The people of this country as a whole are honest and in favor of honest government on honest principles. No man or party can successfully appeal to them on any other basis. The nation never repudiated its debts in whole or in part, and it will not be the potent factor in any scheme to enable individuals to repudiate theirs in whole or in part. We want honest money, worth just as much next year as this, and no more. The debtor should pay and the creditor is entitled to receive just what is loaned, in value as well as amount, and the risk of depreciation of currency will always rest heaviest ultimately on the borrower, for the lender will mold his contract for his own protection from loss by reason of possible depreciation of currency.

But we are told that the silver dollar of to-day, whatever its intrinsic value, will buy 100 cents' worth of commodities, of bread, of meat, of whatever we need; and if so, it is good enough, and the more we have the better. This is plausible as addressed to the individual, and true within certain limits. Our silver dollar has to-day, within our own boundaries, a commercial value of 30 cents more than its intrinsic value, but it has it only because, and will retain it only so long as the Government sustains it by a practical redemption in gold when demanded. It is not the die nor the mold nor any necromancy in the process of coinage that gives to 371 grains of silver a commercial value largely in excess of its real value.

It is not the stamp upon the coin, but the Government behind it—its pledge of redemption, its solemnly-declared purpose, emblazoned on our statute books, to maintain the parity of its gold and silver coinage that fixes and holds the value of the cheaper metal. Withdraw that support, as you do if you flood the country with silver in excess of the power of the Government to redeem with its stock of gold, and the moment it ceases to be exchangeable for gold it sinks to its intrinsic value and the 70-cent dollar is a reality instead of an apprehension. This will not do.

The dollar of the American people must be an honest dollar, and whether it be white or yellow or green it must be worth 100 cents and always exchangeable for any other American dollar.

Now, Mr. Speaker, a single further allusion and I am done.

Mr. DAVIS. That large "scaling-down" process strikes us in Kansas quite hard, and I would like the gentleman to go further into that.

Mr. CHARLES W. STONE. I have already explained to the gentleman why I did not feel, under the circumstances, and with the obligations I have already assumed, able to go further into that now, and so I must decline.

I want to say just this, that the gentleman from Missouri has cited, and cited properly, certain utterances by the former eminent Secretary of the Treasury, Mr. Windom, and I think it not improper that in the same connection I allude to and read a brief extract from the dying words of the late Secretary, which express his final conclusions as the result of a lifetime of study and thought upon this subject.

Let me read a few words from the utterance of Secretary Windom, coming from him within a few moments of his death, addressed to the American people. He says:

Believing that there is not enough of either gold or silver in the world to meet the necessities of business, I am an earnest bimetalist, and concede to

no one a stronger desire than I feel for the free and unlimited coinage of silver as soon as conditions can be reached, through international agreement or otherwise, by which such coinage shall be safe: but it is my firm conviction that for this country to enter upon that experiment now, under existing conditions, would be extremely disastrous, and would result not in bimetallism but in silver monometallism. Such an experiment would, in my judgment, prove a greater disappointment to its advocates than to anyone else.

And because the gentleman from Missouri quoted an eminent French authority, Cernuschi, an avowed bimetalist and champion of silver, I want to read two lines from his testimony before the Silver Commission in 1876:

Q. Why not adopt bimetallism in France, and let Germany do as she pleases?

A. Because in that case all the silver would come to France. In my opinion no country can coin silver alone.

Now, sir, I submit, as in line with these authorities, and as establishing and setting forth the views of the friends of silver, eminent bimetalists in other countries as well as eminent bimetalists in this country, certain citations of authority and expressions of opinion.

I read from the statement of Prof. Francis A. Walker, author of work on "Money," before the Committee on Coinage, in 1891:

For fourteen years I have been an earnest and consistent advocate of the restoration of silver to its rank as a money metal of full legal-tender powers, and there is scarcely a political result which is conceivable, likely to take place within any reasonable term of time, which would bring me greater joy than the union of the United States with the principal commercial nations of Europe, in establishing the free coinage of silver upon a common ratio. But the present measure, it seems to me, is a menace to that very object, and it is especially as a bimetalist, a consistent and earnest bimetalist, that I have felt called upon to say a word in question of the present measure.

I confess that I can not conceive how any man who has largely studied the question can believe, can even hope, that the United States can go it alone in this matter of silver coinage; can undertake to do so without coming to speedy grief and humiliation. I am very well aware that many gentlemen do honestly so hope and so believe, but the overwhelming preponderance of the educated financial opinion of the world inclines to the belief that the proposed measure would simply result in stripping us of our gold, in upsetting our exchanges with the great trading and producing nations of the world, in bringing us down to the level of second rate financial powers only, such as China, India, and South America, and in involving our trade and production in all the evils, the inexpressible evils of a depreciated and fluctuating currency.

In 1881, Mr. Forssell, the delegate of Sweden to the International Monetary Conference, said:

It is the opinion even of the boldest bimetalist that the obligations corresponding to the salutary liberties of the free mintage of both metals would henceforth be unbearable without the coöperation of all or of most of the first-class states: that the heedless state which would undertake alone the necessary efforts for rehabilitating and sustaining the value of silver would be crushed under the weight of the bimetallic system, which would at once fall to pieces; that it would be suffocated by the silver flowing in from the whole world.

Mr. Pierson, delegate of the Netherlands, said:

Gresham's law is doubtless opposed to the establishment of the bimetallic system in a small group of states, but not to its establishment on a territory embracing the most civilized countries of the world.

Mr. Magnin, the delegate from France, said:

In order that the metal silver may recover its former value it is indispensable that it should be, as in the past, freely coined side by side with gold, and no state either wishes to stand or could stand alone in resuming such coinage, it is absolutely certain that we shall not find our way out of the present difficulties until an international bimetallic treaty shall have been concluded.

Mr. G. M. Boissevain, winner of the prize on bimetallism of

ferred by Sir H. M. Meysey Thompson at the Paris Monetary Conference, 1889, and a zealous silver advocate, says:

Lastly, in the third place, I reply—and this especially is of very great importance—that nothing but international bimetalism can assure the stability of the ratio of value between the two metals, nor reestablish the unity of the money standard in the commercial world.

As indicating the present drift of European sentiment, I desire to read the following dispatch from the New York Tribune of Tuesday, March 16, 1892:

VIENNA, *March 14.*

Prof. Mlewski, of the Cracow University, was examined by the currency commission to-day. He said he felt bound to demand that the Government should take the initiative step toward arriving at an international bimetallic agreement. In case such an agreement should prove impossible, he added, Austria and Hungary ought not to attempt any definite solution of the question, but ought to confine themselves to reforming the present coinage by the purchase of gold.

Hon. E. O. Leech, Director of the Mint, before the House Committee on Coinage, Weights, and Measures, Washington, D. C., February 3, 1892, stated as follows:

Q. In your judgment, what would be the effect of opening our mints to the free and unlimited coinage of silver upon the adoption of a bimetallic standard by the leading countries of the world.

A. I think it would seriously embarrass the consideration of that subject, which at present is in very fair shape.

Q. What is the view, if you know, of leading advocates of bimetalism in the leading European countries as to the effect of opening the mints of the United States, independent of any agreement with any other nation?

A. Without exception they are all of the opinion, and have so expressed themselves, that it would be disastrous to the cause. All the economists and writers on silver in Europe have expressed that opinion.

Q. To your knowledge, is there any difference of opinion among the leading and eminent advocates of bimetalism in European countries on that point?

A. I do not know of one who does not hold that view.

These authorities all concur in the conclusion that neither the United States nor any other nation can alone sustain bimetalism on the basis of the free coinage of silver, and that such attempt can only result in a monometallic and exclusively silver currency. We can not single-handed and alone lift up the vast mass of the existing and constantly increasing world's product of silver. It can only be done by international agreement, a consummation which the passage of this bill would seriously retard.

And now, sir, in conclusion I desire only to say that as I look at this question, stripped of its rhetoric, stripped of the appeal to passion and prejudice, you must concede that the effect of this bill will be to have one of two results; either it will result in bringing upon us the vast deposits and stores of silver of the world or it will not. It must have one or the other of these two effects. If it brings upon us the silver of Europe, the silver of the other nations, then the conclusion is not a violent one, but a logical and irresistible one, that we must inevitably be swamped by the influx of this vast mass of the silver of the Old World; that gold will be driven out; that business will be disarranged; that we will be reduced to the position of an exclusively silver-using monometalist nation.

I am not going to enlarge upon that. It is the natural and the inevitable result of law, and whether you may call it Gresham's law, or whatever you call it, its operation is certain and irresistible. There is no escape from it. If this silver from the other nations of the world does come here it will inevitably drive out and take the place of gold. It will reduce us to the basis of a

silver-using nation, and range us commercially with Mexico, India and China,

If, on the other hand, as gentlemen argue upon this floor, the silver of other countries does not come here, then the only result of this bill will be to give to the silver producers of this country for their entire product, which for its market value depends upon the commercial and market price of silver, and is now 90 cents an ounce, it will give to them instead of to the United States Government the margin between the market price and the coinage value of the silver.

This is a donation which you have no right, moral or legal, to make. It will result, at the present market price, in taking from the Treasury of this nation from \$13,000,000 to \$14,000,000 every year, by compelling us to pay \$1.20 for what we now buy for 90 cents. So that, take either horn of this dilemma, either upon the basis that the silver of other countries will come here or that it will not, the provisions of this bill are indefensible.

ADDENDA.

Statement from report of the Secretary of the Treasury showing the amount of the currency of the United States on July 1, 1873, and March 1, 1892.

JULY 1, 1873.

[Population, 41,677,000; circulation per capita, \$18.04.]

	General stock, coined or issued.	In Treasury.	Amount in circulation.
State bank notes.....	\$1,379,184		\$1,379,184
Fractional currency.....	44,739,365	\$6,723,360	38,076,005
United States notes.....	356,000,000	7,535,855	348,464,145
National-bank notes.....	347,207,061	8,304,586	338,962,475
	749,445,610	22,563,801	726,881,809
Add specie in circulation on the Pacific coast.....			25,000,000
			751,881,809

MARCH 1, 1892.

	General stock, coined or issued.	In Treasury.	Amount in circulation March 1, 1892.	Amount in circulation March 1, 1891.
Gold coin.....	\$608,661,364	\$198,847,863	\$407,813,501	\$408,752,874
Standard silver dollars.....	412,184,740	252,920,220	59,284,520	63,563,553
Subsidiary silver.....	77,096,549	14,787,832	62,308,717	57,345,638
Gold certificates.....	178,151,419	18,150,140	160,001,279	147,119,129
Silver certificates.....	328,421,343	3,280,157	325,141,166	303,822,259
Treasury notes, act July 18, 1890.....	85,236,212	9,517,659	75,718,553	28,871,279
United States notes.....	346,681,016	24,549,328	322,131,688	
Currency certificates, act June 8, 1873.....	29,440,000	90,000	29,350,000	340,274,851
National-bank notes.....	172,621,875	4,792,427	167,829,448	168,692,736
Total.....	2,230,494,518	626,935,626	1,609,558,892	1,518,439,319

Population of the United States: March 1, 1892, estimated at 65,019,000; circulation per capita, \$24.74.

Gold bullion in Treasury March 1, 1892, \$83,375,529.

Silver bullion in Treasury March 1, 1892, \$61,401,457.

Table of circulation and population by years, from the report of the Secretary of the Treasury.

Year.	Amount of money in United States.	Amount in circulation.	Population.	Money per capita.	Circulation per capita.
1860.....	\$442, 102, 477	\$485, 407, 252	31, 443, 321	\$14. 06	\$13. 85
1861.....	452, 005, 767	448, 405, 707	32, 064, 000	14. 09	13. 98
1862.....	358, 452, 079	334, 697, 744	32, 704, 000	10. 96	10. 33
1863.....	674, 867, 283	595, 394, 038	33, 325, 000	20. 23	17. 84
1864.....	705, 588, 067	669, 641, 478	34, 046, 000	20. 72	19. 67
1865.....	770, 129, 755	714, 702, 995	34, 748, 000	22. 16	20. 57
1866.....	754, 327, 254	678, 488, 244	35, 469, 000	21. 27	18. 99
1867.....	728, 200, 612	661, 092, 069	36, 211, 000	20. 11	18. 28
1868.....	716, 553, 578	680, 103, 661	36, 973, 000	19. 38	18. 39
1869.....	715, 351, 180	664, 452, 891	37, 756, 000	18. 05	17. 60
1870.....	722, 868, 461	675, 212, 794	38, 588, 371	18. 73	17. 50
1871.....	741, 812, 174	715, 889, 005	39, 555, 000	18. 75	18. 10
1872.....	762, 721, 565	738, 309, 549	40, 596, 000	18. 70	18. 19
1873.....	774, 445, 610	751, 881, 809	41, 677, 000	18. 58	18. 04
1874.....	806, 021, 781	776, 083, 031	42, 796, 000	18. 83	18. 13
1875.....	798, 273, 509	754, 101, 947	43, 951, 000	18. 16	17. 16
1876.....	790, 683, 284	727, 609, 388	45, 137, 000	17. 52	16. 12
1877.....	763, 053, 847	722, 314, 883	46, 353, 000	16. 46	15. 58
1878.....	791, 253, 576	729, 132, 634	47, 598, 000	16. 62	15. 32
1879.....	1, 051, 521, 541	818, 631, 793	48, 866, 000	21. 52	16. 75
1880.....	1, 205, 929, 197	973, 382, 228	50, 155, 783	24. 04	19. 41
1881.....	1, 406, 541, 823	1, 114, 238, 119	51, 316, 000	27. 41	21. 71
1882.....	1, 480, 531, 719	1, 174, 230, 419	52, 495, 000	28. 20	22. 37
1883.....	1, 643, 489, 816	1, 230, 305, 696	53, 693, 000	30. 69	22. 91
1884.....	1, 705, 454, 189	1, 243, 925, 969	54, 911, 000	31. 06	22. 65
1885.....	1, 817, 658, 336	1, 392, 568, 015	56, 148, 000	32. 37	23. 02
1886.....	1, 808, 559, 694	1, 352, 700, 525	57, 404, 000	31. 50	21. 82
1887.....	1, 900, 442, 672	1, 317, 539, 143	58, 080, 000	32. 59	22. 45
1888.....	2, 062, 955, 949	1, 372, 170, 870	59, 974, 000	34. 39	22. 88
1889.....	2, 075, 350, 711	1, 380, 331, 649	61, 289, 000	33. 86	22. 52
1890.....	2, 144, 226, 159	1, 429, 251, 270	62, 622, 250	34. 24	22. 82
1891.....	2, 185, 224, 075	1, 497, 440, 707	63, 975, 000	34. 31	23. 41
1892, Mar. 1.....	2, 235, 494, 518	1, 609, 558, 892	65, 049, 000	24. 74

Table from the report of the Director of the Mint, showing product of silver from the mines in the United States, 1873-1891.

Calendar year.	Fine ounces.	Commercial value.	Coining value.
1873.....	27, 650, 000	\$25, 750, 000	\$35, 750, 000
1874.....	28, 840, 000	26, 869, 000	37, 300, 000
1875.....	21, 518, 000	20, 549, 000	31, 700, 000
1876.....	30, 009, 000	31, 630, 000	38, 800, 000
1877.....	30, 783, 000	32, 970, 000	39, 800, 000
1878.....	34, 963, 000	40, 270, 000	45, 200, 000
1879.....	31, 550, 000	35, 430, 000	40, 800, 000
1880.....	30, 329, 000	31, 720, 000	39, 200, 000
1881.....	33, 280, 000	37, 850, 000	43, 000, 000
1882.....	36, 200, 000	41, 120, 000	46, 800, 000
1883.....	35, 730, 000	39, 660, 000	46, 200, 000
1884.....	37, 800, 000	42, 070, 000	48, 800, 000
1885.....	39, 910, 000	42, 500, 000	51, 600, 000
1886.....	39, 440, 000	39, 230, 000	51, 000, 000
1887.....	41, 260, 000	40, 410, 000	53, 350, 000
1888.....	45, 780, 000	43, 020, 000	59, 195, 000
1889.....	50, 000, 000	46, 750, 000	64, 646, 464
1890.....	54, 500, 000	57, 225, 000	70, 464, 645
1891*.....	58, 000, 000	57, 304, 000	74, 982, 898

* Estimated.