FREE COINAGE OF SILVER.

SPEECH

OF

HON. JAMES R. WILLIAMS,

OF ILLINOIS,

IN THE

HOUSE OF REPRESENTATIVES,

Wednesday, March 23, 1892.

WASHINGTON.
1892.

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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. WILLIAMS, of Illinois, said:

Mr. SPEAKER: The remonetization of silver is not a new subject in this House or before the country; but since silver was demonetized in 1873, to the present time, it has been a matter of much discussion both in and out of Congress. And, whatever may be said for or against the remonetization of silver now, you will find but few, if any, who will defend the act demonetizing it, or the manner in which that act was passed.

But, Mr. Speaker, I desire to address myself more especially to the present condition of our finances, and I wish to say that I am in favor of a sound currency, but one of sufficient volume to conduct with ease all the exchanges desired by the people. I believe that the volume of our money should increase as the volume of exchangeable products increases. I believe it requires a greater volume of money to conduct to the markets of the world 500,000,000 bushels of wheat than is required to market 250,000,000 bushels.

The same may be said as to the increase of other products. And in order to have a fair and equitable dollar, the amount of the currency should increase as the demand for it increases.

Much has been said of late about the depreciated, dishonest dollar. If we have such a dollar in our currency to-day it was created by Republican legislation and is maintained by Republican law. Sir, while I do not believe in a 70-cent dollar, neither do I believe in an 140-cent dollar. Of the two the former is as honest and equitable as the latter. [Applause on the Democratic side.]

I believe in a 100-cent dollar, a dollar that has the same purchasing power to-day that it had last year and that it will have next year, so far as it is possible to make it. I recognize that the unit of value is a creature of law. The power to declare what shall constitute the unit of value in the United States is vested in Congress alone, and it has no more important duty to perform than to fix and maintain a unit of value that is fair to the creditor and debtor alike, a unit of value by which every piece of property and every day's labor must be measured when offered in exchange or in payment of obligations.

In order, sir, that such a unit may have a constant and not an increasing value, I say that the number of such units should increase as the demand for them is increased by the rapid growth and development of our country. And when I refer to an increase of these measuring units I refer to an increase of our primary money, and not the credit money of the country, but the money of final redemption, upon which all token money as well as our entire credit system rests.

I know it is claimed that as a large portion of our business is done upon credit that for that reason it is immaterial whether the volume of our money increases or not, so it is sound. Yet these gentlemen who give so much stress to our credit system will hardly contend that a bank with a deposit of $50,000 can support as much of this credit and answer as many calls for money as a bank with $100,000 of deposits operating under the same conditions.

Now, Mr. Speaker, if we are to have an increase in the primary money of the country, shall it come from gold or from gold and silver? The report of the Director of the Mint shows that the world's product of gold in 1889 was a little over $122,000,000. In 1890 it was $116,009,000. It is estimated by the best authorities that at least $80,000,000 of this is consumed in the arts and in dentistry, leaving $36,000,000 per annum to increase the gold coin of the entire world, which is less than 1 per cent or less than one-half of 1 per cent of the metallic money of the world. Then we have no reason to expect that the world's product of gold will furnish a sufficient increase of our primary money. If we are to increase it from silver, shall we increase it by free coinage or shall we continue under the present law?

Before repealing or changing an existing law, it is well to understand its practical workings as construed by the officers who are executing it. The present silver law as construed by this Administration does nothing more than furnish a market for so much silver bullion to be stored away in the vaults of the Government, paid for with Treasury notes redeemable in gold. It does not increase the volume of our primary money. We are simply increasing the volume of our credit money without increasing the volume of money in which this credit money must be redeemed. Gentlemen talk about the 30 cents of fiat in the present silver dollar. I reply that we are increasing our volume of currency to-day with dollars which have 100 cents of fiat, because you are not increasing the money in which they are redeemable.

The Secretary of the Treasury, as I understand, claims that we are already on a gold basis, according to the policy of the Government, and that he has the power under existing law to issue bonds, to encumber the people with an interest-bearing debt in order to buy gold with which to redeem the Treasury notes now being issued. Sir, if we are upon the gold standard, the Treasury notes issued under the present law is simply inflation, without any increase of the metallic money in which such notes are redeemable.

The practical question before us is, can this country afford to open her mints to the free coinage of silver without the coöperation of other nations. And it is not a choice between free coinage by the action of this Government alone or by international agreement. There are no prospects of a settlement of this question by international agreement, and especially with such nations as England and Germany, creditor countries. It is not likely that they will join us in an arrangement which may prevent the further increase in the value of the dollar in which their securities are payable. If we are to have free coinage in the United States, the United States must take the initiatory step.

Mr. Speaker, can we afford to take it? Judging from the history of France on this question, a nation insignificant when compared with the United States in population, territory, or opportunities for using money, I believe we can.

If France were able for over sixty years to maintain a parity between gold and silver and keep them at a ratio of 15½ to 1, I say that the United States, with her 65,000,000 of people, with her vast resources undeveloped, and her inviting opportunities for investment, is able to restore to the silver coin that confidence of the American people which it had before this Government itself in part destroyed it.

Mr. Speaker, what would be the scope of such an undertaking on the part of the United States. How much silver would be likely to come to our mints? As bearing upon this point I desire to read from the report of the late Secretary Windom, who had taken great pains to investigate this question, and who was opposed to the free coinage of silver. In his report for 1889, on page LXXXII, he makes the following statement as to the world's product of silver for 1888:

Annual product (coining value)	$142,000,000
Disposition:	
Required by India	35,000,000
Coinage of full legal tender by Austria and Japan (average)	10,000,000
Required for subsidiary coinages of Europe and South America and colonial coinages	16,000,000
Amount annually exported to China, Asia, and Africa (other than used in Indian coinage)	10,000,000
Annual coinage of Mexican dollars, not melted	5,000,000
Amounts used in the arts and manufactures (estimate)	15,000,000
Surplus product	51,000,000
Total	142,000,000

From the above it will be seen that the annual surplus product of silver, which would probably be deposited at the mints of the United States, approximates $51,000,000 (coining) value. There is in fact no known accumulation of silver bullion anywhere in the world. Germany long since disposed of her stock of melted silver coins, partly by sale, partly by recoinage into her own new subsidiary coins and partly by use in coining for Egypt. Only recently it became necessary to purchase silver for the Egyptian coinage executed at the mint at Berlin.

He says that the total product of silver in 1888 was $142,000,000, coining value.

And we find from his table that after deducting for that year all the silver used by countries outside of our own, and $15,000,000 for the amount used in the arts, there is a surplus of $51,000,000 of coining value left.

The report of the Director of the Mint shows that in 1890 the world's product of silver was $166,677,000 coining value. Supposing, sir, that upon the adoption of free coinage, the world's product should reach $175,000,000, deducting from that sum the same amount consumed by outside countries in 1888, and the demand for silver in those countries is greater now than then, and $15,000,000 for the amount used in the arts, we have a balance of $84,000,000 to come to the mints of the United States. I am speaking about silver bullion, the world's annual product of silver. Of this $84,000,000, it would take $20,000,000 to replace the amount of national-bank notes retired during the same period. If our population increases 2,000,000 per annum, it would take $50,000,000 to maintain our present per capita circulation, leaving but $14,000,000 as the net increase of our per capita, which would be less than 25 cents per head. I say, Mr. Speaker, this is not inflation, but a very moderate increase of the currency on what I regard as a sounder basis than the present law.

It will be observed that I have based these estimates upon the report of the Secretary of the Treasury, and the Director of the Mint. I have assumed, however, that foreign silver coin will not come to our mints under free coinage because, as is well known to this House, it is upon a much lower ratio than that of our own.

I desire in this connection to call the attention of the House to the following table submitted by the Director of the Mint to the Committee on Coinage, Weights, and Measures, January 27, 1892, which is as follows:

Table exhibiting approximately the stock of gold and silver in the principal countries of the world.

Countries.	Stock of gold.	Stock of silver.		
		Full legal tender.	Limited tender.	Total.
United States	$686,845,000	$465,512,000	$76,566,000	$542,078,000
United Kingdom	550,000,000		100,000,000	100,000,000
France	900,000,000	650,000,000	50,000,000	700,000,000
Germany	500,000,000	102,000,000	102,000,000	204,000,000
Belgium	65,000,000	48,400,000	6,600,000	55,000,000
Italy	140,000,000	25,800,000	34,200,000	60,000,000
Switzerland	15,000,000	11,400,000	3,600,000	15,000,000
Greece	2,000,000	1,800,000	2,200,000	4,000,000
Spain	100,000,000	90,000,000	35,000,000	125,000,000
Portugal	40,000,000		10,000,000	10,000,000
Austria-Hungary	40,000,000	90,000,000		90,000,000
Netherlands	25,000,000	61,800,000	3,200,000	65,000,000
Scandinavian Union	32,000,000		10,000,000	10,000,000
Russia	190,000,000	22,000,000	38,000,000	60,000,000
Turkey	50,000,000		45,000,000	45,000,000
Australia	100,000,000		7,000,000	7,000,000
Egypt	100,000,000		15,000,000	15,000,000
Mexico	5,000,000	50,000,000		50,000,000
Central America		500,000		500,000
South America	45,000,000	25,000,000		25,000,000
Japan	90,000,000	50,000,000		50,000,000
India		900,000,000		900,000,000
China		700,000,000		700,000,000
The Straits		100,000,000		100,000,000
Canada	16,000,000		5,000,000	5,000,000
Cuba, Haiti, etc	20,000,000	1,200,000	800,000	2,000,000
Total	3,711,845,000	3,395,412,000	544,166,000	3,939,578,000

It gives twenty-six leading countries; and I find the total to be $3,711,845,000 of gold, and $3,395,412,000 of full legal-tender silver, and $544,000,000 of silver of limited tender.

We observe from this table that there are $3,395,000,000 of silver full legal tender in the countries where it is used, and that portion of it in bimetallic countries is at par with gold. The gentleman from Illinois [Mr. TAYLOR] said that this was not worth over 91 cents per ounce. He can not buy an ounce of this coined silver in the world for 91 cents. The silver that is worth but 91 cents is silver bullion, which is not admitted to the mints. [Applause.] Instead of being worth 91 cents, you can not buy this silver coin for less, in many places, than $1.33 per ounce, and even more than that where the ratio is lower. If it were not worth over 91 cents, why did they not send some of it to the United States when silver advanced to $1.21 per ounce under the present law. To show how improbable it is that this foreign silver coin would come to our mints, I desire to read from the report of the late Secretary Windom for 1889, beginning on page LXXXII, as follows:

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

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

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

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

The following table exhibits the stock of gold and silver in European banks at a late date and the notes issued against them:

Stock of precious metals in European banks and bank notes outstanding.

[Compiled from the London Economist.]

Banks.	Gold.	Silver.	Notes in circulation.
Bank of England	£19,519,659		£25,204,740
Bank of France	51,930,000	£50,217,000	119,837,000
Imperial Bank of Germany	26,746,000	11,000,000	65,665,000
Austro-Hungarian Bank	5,442,000	16,005,000	43,612,000
Netherlands Bank	5,308,000	5,981,000	17,725,000
Bank of Spain	4,000,000	5,663,000	23,966,000
National Bank of Belgium	2,600,000	1,306,000	14,168,000
Bank of Russia	30,049,000	2,919,000	95,142,000
Total	145,594,659	93,094,000	400,349,740

The foregoing statement shows that not only the full legal-tender silver coin in the leading nations of Europe is at par, but even the limited-tender silver coins in those countries have a nominal value far in excess of their bullion value, and in many countries they too are at par with gold.

It must be remembered, as stated by Secretary Windom, that silver coinage in these bimetallic countries is limited, and has been for years; if they have been able to maintain a parity between gold and silver coins while the value of silver bullion was going down, will it not be easier for them to maintain such a parity after the United States shall have adopted free coinage and the value of silver shall have increased?

Free coinage of silver in the United States would certainly strengthen rather than weaken the confidence of these European countries in silver as money. They have been able to maintain it all these years when silver was going down in value. A dollar of coined silver in Europe, on a ratio of $15\frac{1}{2}$ to 1, is worth 100 cents in gold in the business transactions of the country.

Is it reasonable to suppose that the foreigner will bring a dollar worth 100 cents to our mints and exchange it for 97 cents? Is it not as reasonable to suppose that if France should pass a law agreeing to take our silver dollars at 97 cents, the citizens of the United States would be foolish enough to engage in the business of buying up American silver dollars at 100 cents and shipping them to France for 97 cents? [Applause.] This bill would simply give the holder of foreign silver coin the right to bring it to our mints and have it coined into dollars, which would be of less value to him than his original coin, unless he desired to invest it in the United States, and this would be to our advantage; or he might exchange his foreign coin for coin notes which the Government would have the right to redeem in silver dollars.

But it is said that if we pass this bill we shall drive all our gold out of the country. It seems to me, sir, that I recognize that prediction as one which was made in 1878, when we began the coinage of silver dollars. It was then predicted by these same gentlemen that silver coin was so obnoxious to its yellow brother that it would drive it all out of the country. At that time we had less than $200,000,000 of gold. We have coined over $400,000,000 of silver, and we have to-day, in spite of these predictions, over $600,000,000 of gold. No, Mr. Speaker, silver will not drive gold out. If the gold advocates could have had their way since 1878 there would not have been a silver dollar coined during that time, and we would have over $400,000,000 less in our currency.

But the gentleman from Massachusetts [Mr. LODGE] said yesterday that if we want to force those European countries to the double standard we should just stop coining silver. As though the United States could force England, a great creditor country, to abandon the gold standard. When would you force her to it? You would not force her to a double standard until after she had taken from the United States, by means of the securities which she holds against it and against our citizens every dollar of American gold. She has the power to send her American securities here any time and take away our gold, whether we are on a gold or silver standard.

In 1890 she sent her securities to the United States in order to relieve a stringency in her own money centers, and extracted from our currency nearly $75,000,000 of gold. Hence, I say free coinage will not drive gold out of the country, but if gold goes abroad it will go in payment of our bonds and of securities against individuals or in settlement of balances of trade that may exist against us with gold-standard countries, and it will go in such cases and under such demands whether we have gold alone or gold and silver.

But it is claimed, Mr. Speaker, that the free coinage of silver will send gold to a premium. That might occur temporarily by the combined influence of the Government and the money-lenders of the country; but, without such encouragement from the Government I do not believe it would occur. Knowing the hostility of this Administration to free coinage, I should not be surprised, after this bill passes this House, to see every influence of the Administration brought to bear to force gold to a premium, in order to defeat the measure at the other end of the Capitol.

But, Mr. Speaker, the objection to the present silver dollar is that its bullion value is below its coining value. It must be admitted by all that as soon as we adopt free coinage the parity between silver bullion and silver coin is established. If I can take 412½ grains of standard silver to the mint and exchange it for a dollar, the bullion value and the coining value will no longer remain apart. Then the question is, can we maintain at par gold and silver coins under free coinage? I believe we can. And when I say so I do not accept the position assumed for me by gentlemen on the other side, that this Government can declare 70 cents to be 100 cents and make it true. I do not seek to establish the value of the silver dollar by any such course of reasoning.

But I take the position that this Government, by adopting free coinage and by accepting silver coin and coin notes in payment of its own dues, amounting to over $400,000,000 annually, by making them a full legal tender for all debts public and private, by restoring to silver all the monetary attributes now enjoyed by gold, and no longer making or recognizing any difference between gold and silver, can maintain silver coin at par with gold. And these additional uses, these additional privileges, these additional demands for silver, will increase the value of silver bullion to $1.29 an ounce.

The distinguished gentleman from Maryland [Mr. RAYNER] said he was opposed to coining 70 cents into a dollar. He wants to coin 100 cents into a dollar. We agree on that. The only difference between the gentleman and myself is that he wants to value silver bullion before free coinage is adopted, and I want to value silver bullion after free coinage is adopted. [Applause.] I say, sir, that the value of silver bullion, prohibited from the mints, shut out from this new circle of usefulness, will increase when it is admitted to these new privileges. The effect will be to create a new demand for it and thereby increase its value, and gold and silver will come to a parity in that way.

The opponents of this bill have no right to assume, as they do, that silver bullion will have the same value after we have adopted free coinage as now. The present low value of silver is caused by the small surplus of silver bullion constantly on the market without any demand for it. As soon as this silver bullion is permitted to go to our mints for coinage this new demand will at once exhaust the supply of silver bullion now bearing upon the market and increase the value of silver.

To illustrate what a wonderful effect the friendly influence of the Government would have in maintaining a parity between gold and silver coin, I desire to call the attention of the House to a circular published by Mr. SHERMAN while Secretary of the Treasury, a short time before resumption took place, which is as follows:

CIRCULAR LETTER TO OFFICERS OF CUSTOMS.

[1878. Department No. 141. Secretary's Office.]

TREASURY DEPARTMENT,
Washington, D. C., December 21, 1878.

Your attention is called to the provisions of the third section of the act of Congress approved January 14, 1875, providing that, on and after the 1st day of January, A. D. 1879, the Secretary of the Treasury shall redeem, in coin, the United States legal-tender notes then outstanding, on their presentation for redemption at the office of the assistant treasurer of the United States in the city of New York, in sums of not less than $50.

By reason of this act, you are authorized to receive United States notes, as well as gold coin and standard-silver dollars, in payment of duties on imports on and after the 1st day of January, 1879.

Notes thus received will in every instance be deposited with the Treasurer, or some assistant treasurer of the United States, as are other collections of such duties, to be redeemed, from time to time, in coin, on Government account, as the convenience of the service may demand.

JOHN SHERMAN, *Secretary.*

It is a circular which authorized the officers collecting customs dues to no longer make any distinction between United States Treasury notes and gold coin. Sir, when this Government no longer recognized any difference between gold and United States notes, the people themselves made none, and although it was well known that we did not have within our borders enough gold to redeem the Treasury notes then outstanding, yet when the confidence of the people was established in these notes by the action of the Government, they no longer required redemption, but resumption took place without it.

If, Mr. Speaker, we are to use both gold and silver, I believe we should use them at a fixed ratio. I believe in having a fixed ratio between the two metals. But can we expect such a ratio while we treat one metal as a commodity and the other as a money metal? In discussing my objections to the Windom bill during the last Congress I then said:

The first one is, it entirely eliminates from silver its monetary attribute, and treats it as a mere commodity. It really demonetizes silver, gives us a single gold standard, and every debt, every bushel of wheat, corn, and all other products, even silver itself, must be measured by the gold dollar at its present high value. Without stopping to observe how much gold has appreciated or how much silver has depreciated in comparison with all other commodities, the Secretary sees a difference in their value and undertakes to bring them together by leaving gold where it is, and increasing the amount of silver in a dollar until it shall equal the present high value of gold. The honorable Secretary, in his report, makes the same mistake that all other advocates of gold standard make in assuming that gold has a fixed value; that the value of everything else changes, but the value of gold always remains the same.

It must be remembered that the gold dollar has two values, its nominal or coinage value and its relative value or purchasing power. Its nominal value is considered when used in paying debts, but in all other transactions its relative value controls. Its nominal value is fixed, but its relative value changes. When we speak of the value of gold in this discussion we mean its relative value, for that is its true measure or purchasing power.

Gold is always the same value in what respect? It is always the same value in gold. In their efforts to prove that gold has a fixed value, the goldbugs will say that 25.8 grains of gold nine-tenths fine is always worth a gold dollar. Why? Because our mints are open to the free and unlimited coinage of gold at this ratio, that is, you can always have coined at our mints, free of charge, 25.8 grains of gold into a gold dollar, or can exchange it for a gold dollar. Now, is it strange that always at the same time and place one gold dollar should be worth another gold dollar.

Does this prove that gold has a fixed value? Upon the same theory we might say one bushel of wheat is always worth another bushel of wheat of the same kind at the same time and place; that is, the value of wheat, valued in wheat, never changes, therefore wheat has a fixed value. If you open our mints to the free and unlimited coinage of standard silver dollars of 412½ grains, so the holder of silver bullion can have 412½ grains of standard silver coined into a legal-tender dollar or exchange it for a legal-tender dollar, under such conditions 412½ grains of standard silver will always be worth a silver dollar, and in that sense silver will have a fixed value.

If it were true that gold had a fixed value then you might destroy all the silver and paper money of the world, which is about two-thirds, and the value of gold would still remain the same, though it would exchange for three times as much property as before. Then if you go further and destroy one-half of the gold coin in the world the value of a gold dollar would remain the same, though it would buy much more of all kinds of commodities than before. We must not misunderstand the meaning of value. When we speak of the value of a thing we do not mean its value—valued in itself—but its value in something else. Value is a relative term, and nothing has a fixed value. The value of a gold dollar depends upon what it will buy or exchange for in all other commodities. The value of money largely depends upon the amount of money in the country, compared with the demand for it.

Hence, I say, Mr. Speaker, that if we place ourselves upon the single gold standard we increase the demand for gold; we increase the value of the measuring unit composed of gold; it will then require more products to buy a dollar, that is, the price of products will become lower. I would remind my friend from Massachusetts that it is no greater harm to scale debts than to scale debtors in the United States. [Applause.] I do not know that there will be any scaling. I think that under free coinage there would be established a parity between gold and silver bullion at the present coinage ratio; and after it has been reached the value of the gold dollar and the silver dollar will be the same.

Mr. WIKE. Does my colleague hold that the passage of this bill and the adoption of the free-coinage policy by this Government will have the effect that he speaks of upon bullion throughout the world, without a monetary conference and agreement between the nations of the earth?

Mr. WILLIAMS of Illinois. I say it will have that effect upon the silver bullion of the world. I have shown that of the entire product of the world less than one hundred millions would come to our mints. It must be remembered that the necessities and demands for silver in foreign countries will be just as great after we adopt free coinage as they now are. I say that the silver coin of Europe is already at par with gold.

Mr. WIKE. How about the bullion?

Mr. WILLIAMS of Illinois. The bullion is not; but I say the United States is capable of taking care of the bullion. [Applause.] After deducting from the world's product of silver the amount used in foreign countries, and that used in the arts and manufactures, there would be but about $84,000,000 to come to our mints, and I think we could safely absorb that amount and even more.

But it is said that we make a profit by buying the silver and coining it into money. I say there never was a more unsound principle embodied in a law of finance than for the Government itself to become a bidder in the open markets of the world for the material out of which it coins its money. So long as you do that the metal will have what gentlemen on the other side call a speculative value.

But, Mr. Speaker, one of the arguments strongly urged against this bill is that it is in the interest of the "silver kings" and the silver-miners. It must be plain to any gentleman that after free coinage is adopted silver bullion and silver coin or the currency for which it is exchangeable will have the same value. If free coinage fails to advance the value of silver bullion the mine-owner will not profit a single cent by the passage of this bill. Under free coinage the silver dollar and the silver that goes into the dollar will be of the same value, because they are exchangeable one for the other. The opponents of this bill first declare that free coinage would depreciate our currency to a 70-cent dollar; they then say that the silver-holder will take 70 cents' worth of silver to the mints and exchange it for one of these depreciated dollars, worth 70 cents and make 30 cents in the transaction. This is the absurd position in which these gentlemen place themselves. [Applause.]

But, Mr. Speaker, suppose their position that it will depreciate the currency is not correct. Then it must increase the value of silver bullion to $1.29 an ounce, and the 412½ grains of silver which the silver-holder takes to the mint will be worth 100 cents before it is coined; he exchanges it for a dollar worth 100 cents, and makes nothing off the Government by the transaction. So you can take either horn of the dilemma you please, the holder of silver bullion does not make a cent off the Government by the free coinage of silver. This bill simply gives the holder of silver bullion the right to have his silver coined into standard dollars at the present ratio, or he may exchange it for coin notes, which notes the Government may redeem with the same silver for which they were issued.

But they say that the silver king will get a special benefit by the passage of this bill. Why, he certainly will if the value of silver bullion is advanced. I admit that it will be in the interest of the silver king if the silver bullion is advanced. And such an advance in the value of silver would be a public benefit and no loss to the Government. Shall we deny ourselves of a great public benefit, because some parties receive a special benefit from the same law?

Sir, are we to oppose a measure of a public benefit because it may be of special interest to a small per cent of our people? If I believed in such a narrow doctrine I would not let a night go by without supplicating the Divine Providence to cease sending his growing showers on the lands of the farmers, because it gives them a special benefit over those not engaged in agriculture. [Applause.] I would overlook the great public blessing in the production of food.

No, Mr. Speaker, the question with us should be, will the passage of this bill be a public benefit to the country? That is the question with which we have to deal. Some gentlemen in the course of this discussion have gone so far as to say that this 70 cents' worth of silver costs but 41 cents. This is simply a speculation, a matter of guesswork, for they have no reliable data on which it can be based. They have no reliable information upon which to found any such conclusion.

The Director of the Mint, who is as well informed on this question as any man in the United States, says that every estimate upon the average cost of silver is based upon the productive mines in operation. No account whatever is taken of the millions of money which is squandered in prospecting for silver and in operating mines that prove to be worthless. Now, when you estimate the average cost of silver, if you could take into account the vast amount spent in searching for silver and in operating unsuccessful and nonpaying mines, instead of basing your calculations exclusively on succesful mines in operation, I do not doubt that the cost of the silver would be nearer to $2 than $1.29 an ounce.

But there is another feature of the case that I desire to call attention to, and that is the effect that the low price of silver has upon the competition of our farmers with the farmers of silver-using countries. Take, for instance, India, as an illustration, India being a silver standard country. The rupee of India to-day, it is said, will buy just as much there as it did twenty years ago. It is well known that England is to-day buying much more wheat from India and less from the United States than she once did. I believe she is encouraged in this by the low price of silver.

Suppose England to-day could exchange an ounce of silver in India for a bushel of wheat, and buy that ounce of silver for 91 cents. She would get her bushel of wheat from India for 91 cents, the present price of silver. Suppose the free coinage of silver, as we claim, would increase the value of this silver bullion to $1.29 an ounce, and England had to pay that for the ounce of silver which she sends to India for wheat. Then the bushel of wheat would cost her $1.29 as against 91 cents now, paying for the wheat as she does in silver. With such an increase in the value of silver England would buy less wheat from India and more from the United States. [Applause on the Democratic side.]

But it is said, sir, and that argument is still repeated, that silver will not circulate. The same objection may be made against gold to a certain extent. The people, as a matter of convenience, prefer the paper representative to either metal. Gentlemen who allude to the vast amount of silver dollars coined and stored in the Treasury, well understand that for nearly every dollar in the Treasury there is a silver certificate in circulation, and the law does not permit the two to circulate at the same time.

I desire to call the attention of the House to another important element in this discussion. A recent statement of the Secretary of the Treasury shows that on the 1st of this month there was in the Treasury, of gold, $198,000,000; of standard silver dollars, $352,000,000; there were outstanding at the same time in circulation paper money that has no intrinsic value, but redeemable in coin, the following sums: Gold certificates, $160,000,000; silver certificates, $325,000,000; paper notes, $75,000,000; United States notes, $322,000,000; old coin certificates, $29,000,000; total amount of redeemable money outstanding, $912,000,000. What I desire to say is that the $912,000,000 of credit currency is sounder and safer, based upon $198,000,000 of gold and 352,000,000 of silver, recognized as primary money in which it is redeemable, than based on the gold alone. [Applause.]

It is, Mr. Speaker, because I believe that this bill will give us a sounder currency and a greater increase than the present silver bill that I favor its passage. If we should only receive at our mints the amount of silver produced in the United States it would give us about $75,000,000 per annum; an increase of about $25,000,000 over the present law. A large majority of the people I have the honor to represent on this floor are in favor of the free coinage of silver, and it is their sentiment which I am here to represent in the consideration of this bill. I do not believe that it will produce the evil results predicted by its enemies. I believe it is a sound measure, in the interests of the whole people, and I come to it with my hearty support.

Yet, Mr. Speaker, as I have said before I say now, that in my judgment it will not bring the people as great a measure of relief as many of them anticipate. There are many who really believe to-day that the remonetization of silver will be a complete remedy for all their troubles; but they will find, sir, after we have remonetized silver and they have received the benefits from it which I believe they will, that it has not relieved them from the oppressive burdens of protective taxation. [Applause on the Democratic side.]

But, Mr. Speaker, the fact that relief from those burdens has been so long refused is no justification, in my judgment, for longer delay in the remonetization of silver. [Applause.] I am not one of those who believe that the passage of this bill will defeat the determined efforts of the American people to reduce taxation and wipe out forever the system of protection. [Applause on the Democratic side.]

Gentlemen on the other side may close their eyes to the division in their own ranks on this question and congratulate themselves upon the division here, but they will find that their consolation is of very short duration. They will learn long before November comes in sight that the same supreme issue that led the Democratic party to an overwhelming victory in 1890 will again unite the Democracy of this country in one grand and successful effort to place in the Executive Mansion the nominee of the Chicago convention and return to this Chamber a good Democratic majority. [Applause on the Democratic side.]

323