

SILVER COINAGE.

SPEECH

OF

HON. HENRY M. TELLER,
OF COLORADO,

IN THE

SENATE OF THE UNITED STATES,

Wednesday, January 6, 1892.



WASHINGTON.

1892.

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The Senate as in committee of the whole and having under consideration the bill (S. 51) to provide for the free coinage of gold and silver bullion, and for other purposes—

Mr. TELLER said:

Mr. PRESIDENT: I do not rise to enter into any general discussion of the silver question. I propose for a few moments to call the attention of the Senate to the charge which is made by the Senator from Vermont and also by the President in his annual message, that the act of July 14, 1890, is the work of the bimetallicists in Congress.

I want to say that the act of 1890, for which I voted (or, at least, if I did not vote actually I was paired so that my vote counted), was not the product of the silver people, but, on the other hand, it was brought to us from a committee that has been known for many years to be deadly hostile to bimetallicism, practically at least. I know the Senator who has just taken his seat says that he is a bimetallicist, and the President says in his message that he is, and yet they are bimetallicists of the character who are always satisfied with being bimetallicists in words and never in acts, and they proceed as far as resolutions but never to deeds.

I do not intend to quarrel with the act of 1890, but I do intend to show in a moment that it is not a silver act. It was a money act, and, as such, it received in this body the approval of sixteen Senators who had voted for free coinage. It received the condemnation of twenty-five men in this Chamber who had voted for free coinage. The President in his message, speaking of the silver question, says:

Before the influence of the prospective silver legislation was felt in the market silver was worth in New York about \$0.955 per ounce. The ablest advocates of free coinage in the last Congress were most confident in their predictions that the purchases by the Government required by the law would at once bring the price of silver to \$1.2923 per ounce.

Mr. President, I was a careful listener and observer of everything that took place during that extended debate. I have, with as much care as possible, gone over the records of that debate. I challenge the Executive, I challenge anybody who makes that assertion, to find that more than one Senator in this body who was in favor of free coinage ever intimated that the act of 1890 would bring silver to par. On the other hand, more than twenty men in this Chamber asserted that it would not bring silver to par. I assert that not more than one man said it would, and I have not been able to find in the record that anybody said it would. I know the Senator from Nevada [Mr. JONES], who is not now present, was somewhat enthusiastic as to the result of the bill and

he did on various occasions say that it would undoubtedly increase the price of silver, as we all hoped and as we all believed it would, and as it did.

When the Senator from Nevada on one occasion had spoken in enthusiastic terms of the advantage of the bill, I took occasion to say that I did not agree with him and that no legislation could bring silver to par save that which gave it full recognition as the equal of gold as a money metal. In a few words that I submitted to the Senate thirty minutes before the vote was taken on the bill I declared that it would not bring silver to par, and I declared then, as I had declared several days before, that it was not a silver bill and was not acceptable to the silver people. I think I used the term (I speak now from recollection) that the measure was illogical and indefensible from any standpoint except the one that it would give to the people of the United States more money. As a silver measure it had but little value. It is true that we had in the debate talked about bringing silver and gold to a parity, but that was always when we were advocating free coinage, just as in 1878 in this Chamber repeated declarations were made that free coinage would bring silver and gold to a parity. It has been asserted here repeatedly that we said then that the Bland-Allison bill would bring silver and gold to a parity. It is not true. Our assertion was that free coinage would do it and free coinage alone.

Mr. President, this body, by a vote of 42 to 35, passed a free-coinage act. That bill went to the other House, for it was a substitute, I believe, for a House bill, and eventually the bill got into a conference committee. The bill that was reported back by the conferees and that is now on the statute books was the result of that compromise. When that bill passed there were yeas 39, nays 26. Of the 39 men who voted for the bill 26 were pronounced advocates of monometallism, if not in fact in practice; 26 of them were those whom we have always classed as gold people and not as silver men; and 13 were those who had voted for free coinage in this body. In the other body the great mass of men who had voted for free coinage voted against the bill. Of the 100 votes against the bill not more than 15 had ever been opposed to free coinage. The rest of them had been pronounced in their votes, when an opportunity occurred, in favor of free and unlimited coinage. Not more than 15 men who voted for the bill had ever voted for free coinage in that House, or if they had ever done so they had not during that Congress.

So, Mr. President, it will not do to say that it is a silver bill, and if it has defects and dangers it will not do to say that it is legislation that we put on the statute book. If disaster comes, as it will, I have no doubt, if this policy is persisted in, let it be laid at the door of the men who have for fifteen years steadily resisted what I believe to be a very general public demand for the use of silver on equal terms with gold.

I do not say that to-day in all parts of the Union there is a majority of men in favor of free coinage. I know some very good silver men, bimetallists from principle, who are afraid of free coinage. I have never hesitated to say that there might be an honest difference of opinion among silver men on that question, but it can not be gainsaid that if the vote were taken of the people of the United States on the question of the use of silver on an equality with gold, if it could be done properly and safely, there

TEL

would be a very decided majority of the people of the United States in favor of that proposition.

Mr. DAWES, Mr. HAWLEY, and others. All of us.

Mr. TELLER. All of us, Senators say. We have had it in the power of this Government to make silver and gold equal in terms before the law if we had had in the executive department men who were in favor of bimetallism in fact.

The President of the United States further says:

The prophecies of the antisilver men of disasters to result from the coinage of \$2,000,000 per month were not wider of the mark.

I suppose that refers to the prophecies of my friend from Vermont, who has just addressed the Senate, when he declared in 1878 that if we passed the bill called the Bland-Allison bill, not free coinage, the United States securities could never be sold again except at a ruinous rate of interest. He is still prophesying as he was then.

Again, the President says in his message:

The friends of free silver are not agreed, I think, as to the causes that brought their hopeful predictions to naught.

There have been no "hopeful predictions" as to the rise of silver to par under this bill by any silver man anywhere that I know of. I do not know but that the people who have been for many years contending against every method we have proposed that looked towards the putting of silver and gold at a parity prophesied, when they were anxious that we should accept this compromise measure, as they called it, that it would bring silver to par; but if they did, they were false prophets then as they have been always when they have prophesied on this question.

The President then deals with the question of the fall in the price of silver, and says that silver was higher when the bill passed than later. That is true. There had been an excitement in silver when we proposed free coinage. When it looked as if free coinage might be entered upon, silver went up. When we proposed something less than free coinage and put that in the statute, silver went down from the high position that it had taken. I do not forget that there was a time after the passage of the bill when silver went to \$1.20 in New York, but it went there by the manipulations of Wall street and not by the action or as the result of the action of Congress. It was speculation that put the price of silver up. Proposed legislation first put it up, and then the speculators in Wall street took hold of it and put it higher. There was not a silver man in the country who did not know and did not predict that there would be a fall in the price of silver, and yet silver has kept during the last year and a half, since this bill was passed, at a price above that at which it was previous to the proposed legislation.

So it may be safely said that the legislation of 1890 did not decrease the price of silver, but, on the contrary, to some extent it increased the price. We hoped it would, but we did not expect it would, put silver to par.

Then the President follows with a statement that during the last financial year the exports of silver had fallen off and the imports had increased, so that there was actually an excess of the imports over exports of two and three-fourths million of dollars or thereabouts.

Mr. President, I have looked carefully over the methods by which this conclusion was arrived at, and I am bound to say that

TEL

as a matter of statistical elocution I have no fault to find with it; but there is a discrepancy between the Statistical Bureau and the Director of the Mint, from whom the President takes his figures, of something over \$8,000,000. The Director of the Mint takes all the imports of silver that come to this country in every form. Nearly nine millions of dollars of silver at its invoiced price came into the country, principally through our ports on the south, mainly from Mexico, a little from some of the other countries, and \$250,000 from British America, and this comes in principally in lead ores. The Director of the Mint deducts the commercial value of the silver, which he finds to be \$8,250,000 or thereabouts. The Statistical Bureau, on the contrary, put this in the monthly imports of ores and metals and do not include it in the imports of silver.

The only fault to be found with this method of treatment is that it goes to the country, first, that we had an excess of imports of silver of nearly \$3,000,000, and then that we had an increase of the production over the year before of quite an alarming amount to the people who believe that the production of silver is a calamity, and that seems to be the prevalent opinion of a great many persons in this country. From what political economy they learn that the production of the precious metals has been a weakness to a nation I am at a loss to understand. In every work on political economy which it has been my fortune to read I have found it laid down that the nation richest in the production of the two precious metals was the strongest nation. Every nation under the sun, save this, has hailed the production of the precious metals within its borders as a boon from the Almighty. We are the first people who ever have quarreled with the Almighty for putting the richest mines of the world within our borders. We are the first people on the face of the earth who have depreciated their own production.

First, then, we are told that there is an excess of silver imports, and that that is a misfortune. Why, Mr. President, all political economists say that if you can draw to you the precious metals you are doing to your country a good, a benefit; but we say, "Do not let it come; keep it away."

Recently, within a year, a great political convention in one of the great States of the Union actually proposed to put a duty upon silver to keep it out of the country. It was not "protection run mad," as one newspaper said; it was stupidity crystallized.

Mr. PLATT. Where was that?

Mr. TELLER. Pennsylvania. If anything would cause a man to lose confidence in the stability of free government it would be that two hundred or three hundred men selected from a great State could have so little idea of the benefits that a State might derive from the use of a precious metal that they would try to keep it out. It is in keeping with the management of affairs by the executive department of this Government for fifteen years, and it marks as much intelligence there as it does in the other place—no more stupidity in the one place than in the other.

The President proceeds:

The producers of silver are entitled to just consideration, but they should not forget that the Government is now buying and putting out of the market what is the equivalent of the entire product of our silver mines. This is more than they themselves thought of asking two years ago.

Why, Mr. President, we have never asked the Government to

TEL

buy our silver; we have said that if you propose to use silver at all, if you make it a valuable money metal, you must make it equal to gold, and the two metals must go hand in hand, with their relation fixed by law or established by custom. We have never advocated the passage of a bill in this Chamber or in the other upon the ground of protection to our industries or to our products. We have asked for more than the buying of four millions or the buying of ten or twenty or one hundred millions of silver a month; we have asked for a full recognition of silver as a money metal; we have declared our purpose not to yield this question until it was recognized; that the only solution of it was the full and complete recognition of the metals upon some established parity fixed by law. No gratuity has been given to us.

The President has finally arrived at the conclusion that the business of the world requires the two metals. Sir, I have sat in this Chamber and heard again and again the declaration from the men who proclaimed themselves bimetallicists that silver was unfit for money, that it must be banished from the precious metals, that there would be hereafter but one money metal, and that would be gold, save that silver might be used as a subsidiary coin exactly as copper is used to a limited degree. The President of the United States has got to be a bimetallicist; the Secretary of the Treasury is a bimetallicist. Sir, we have made some progress. The whole world has been considering this question for fifteen years, and the best and the brightest men all over the world have been taking hold of the question and discussing it, and writing upon it. I believe it has become the universal sentiment of the world to-day that we can not dispense with silver, but that we must use it on some terms. The question now is upon what terms and how we shall make the relation of the two metals: one to the other, fixed and determined.

There has been a variety of views upon this subject. I have said myself, and I believe, that free coinage in the United States would bring the whole world to the use of silver, as it was prior to 1871. On that point I may be mistaken. I do not claim any infallibility to myself. I will admit that a free-coinage bill might not result as we believe, but we believe that it is the natural and logical method of arriving at what is now said by all to be the desirable point.

What, on the other hand, have those who are opposed to free coinage offered us? A few years ago they said to us, "do not buy any silver, let it go to 50 cents an ounce, and when it is down to 50 cents an ounce the whole world will see that silver ought to be rehabilitated, and then when that is done we will join in bringing it back to par." That has been what they have offered us, and that has been the only thing they have offered us. We have ever, as we had a right, doubted their honest desire that silver and gold should be used on equal terms. We knew the agencies at work. We knew that there was an interest strong and potent that makes itself felt everywhere. From the lowest among the people to the highest place within the gift of the people it makes itself felt. It does not want the use of silver on any terms except that it may be on the same terms that you use copper. So we have doubted it.

Mr. President, we have now another proposition, and it comes from the Executive of the United States. They have abandoned the idea that silver can be allowed to go to 50 cents an ounce or

TEL

25 cents, and now we have another proposition. What is it? That we shall accumulate all the gold of the world in this country and thus we shall make the money centers of Europe short, and the money centers of Europe will then say "Now that you have all the gold, which you intend to keep, we will join with you in using silver." Coming as it does from the Executive of the nation, I am bound to speak of it with respect, whatever I may think or whatever I may feel.

Let us see for a moment how we are to accumulate the gold of Europe. How much gold have you to get before all Europe will be calling for silver? You will not have to get very much, I admit, but how are you going to get it? When you have abundance of crops, when you have prosperity in this country, as we did have in the early part of the last year, if your gold goes abroad at the rate of a million dollars a day how are you going to keep it? Being a debtor nation, owing to Europe more than \$2,000,000,000—more than \$5,000,000,000 says the Senator from Nevada [Mr. STEWART], more than \$2,000,000,000 certainly, to be conservative—how are you going to get the gold? How are we to call upon Europe to unlock her coffers and send her gold to us? I wait for some friend of this new method to tell us how we are to get it. I am in favor of getting it. I should like to see it come in at the rate of a million a day. I should like to see \$500,000,000 or \$1,000,000,000 of gold pour into this country, and I should not object to see an equal amount of silver coming here if it were exchanged for American products. Oh, Mr. President, that is but another makeshift, and that is another method by which we are to be delayed in marching up to the inevitable time when by law we are to put these two metals together, or else we are to abandon absolutely the use of silver except as a subsidiary coin.

From the first day of February to the last day of July of last year, 1891, \$73,507,330 more of gold went to Europe than came to us from all parts of the world—more than one-tenth of the whole product of gold leaving us within four months, and in three months almost \$60,000,000 went away. If we could inaugurate some system of that kind, perhaps we might accumulate the gold of Europe and finally thus squeeze the gold people of Europe into recognizing the value of silver. How are we to do it? They had our first-class gilt-edged securities. They sent them over here and they sent them at such figures that the men who held the gold in this country wanted them. They said "Let us have these securities; we prefer to have them to gold." Every dollar of that seventy-three and a half million dollars of gold went out of this country at a premium.

We are told that we shall drive gold to a premium. I have repeated frequently that it is at a premium now. Every dollar of it, says the Treasurer, went out at a premium. Gold bars to-day are at a premium in London, or at least they were a few days ago. They brought more money in the market than they would bring if put in the mint—more money than the Bank of England would pay for them if they were put in the bank. Gold is at a premium now, and when the President shall have adopted a system by which he will bring it into this country he will bring it here at a premium that will ruin this country.

I will admit that you might sell some securities; I will admit that the Government could issue some bonds payable in gold at a big interest, and that we could accumulate gold. Does any-

TEI.

body want to do it? Does anybody believe that would be wise financing? Is there any statesman who would propose that now, for the purpose of hoarding gold, so as to compel Europe to agree with us in an international conference?

Mr. President, I have no doubt that this is a great scheme, and I have no doubt there is a great deal more in it than I can see. I am only speaking from my standpoint, and I shall expect when the advocates of the single standard or the special champions of this system take the floor that they will tell us how this is to be done. I shall be an interested listener when that takes place.

The President of the United States says further that there is danger by our insisting upon the use of silver that we shall bring this country to a silver basis. There never has been a moment in my life that I have not been a bimetalist, at least since I have understood the question. I should regret very much to see this country brought to a silver basis, just as I should regret to see it brought to a gold basis, simply because the two metals together are indispensable to the prosperity of any nation.

I know Great Britain is a gold country, and I know that she has been, to some extent, prosperous; but the prosperity of Great Britain is not to be compared with the prosperity of France. It is not to be compared with the prosperity of this country where, if we have not given full recognition to silver, at least we are using more than \$500,000,000 of it to-day as money. It was Lord Beaconsfield who said in 1873, when discussing the question at Glasgow at a dinner, that some people think the prosperity of Great Britain is the result of the monetary system, the use of gold. He said that is not it; the use of gold is the result of our prosperity; when a nation gets to having great transactions then it wants gold, and not until then. So Great Britain has been somewhat prosperous with gold. She would be more prosperous with silver and gold than she has been with gold alone.

There has not been an entire unanimity among the statesmen of Great Britain on this subject. Some of the leading financiers of that country are to-day the most pronounced advocates in the world of bimetalism. A number of ex-presidents of the Bank of England have pronounced in favor of bimetalism. Public sentiment in Great Britain is not quite as potent as it is here, and yet there is an intelligent sentiment in that country in favor of bimetalism applied to Great Britain. Recently, within the last three months, all the textile-fabric associations of Great Britain met in a convention, and I hold in my hand, taken from an English paper, the resolution that they passed, which was accepted and adopted by the unanimous vote of all the associations of that country who are engaged in the manufacture of textile fabrics of all kinds. I will put it in my remarks without reading it. In that they declare in favor of bimetalism as applied to Great Britain. Public sentiment is slow to act in Great Britain, and the Government of Great Britain is slow, like ours, to listen to the voice of the people, but ultimately they hear it, both in England and in this country, and ultimately they will hear that they are not for free coinage simply, but for bimetalism upon an established basis that will be enduring and unchanging as it was before the hostile legislation of 1871 and 1873. I will have the manifesto to which I referred put in at this point.

A MANIFESTO IN FAVOR OF BIMETALLISM.

The following important manifesto was issued last night by the United Textile-Factory Workers' Association, representing the entire textile trades

TEL

of Great Britain: "The council of these associations has for a considerable period given much attention to the effect upon the prominent interests of the textile industries of Great Britain of the demonetization of silver and the consequent absence of a part of exchange between gold and silver moneys. The conclusion they have come to, which is much strengthened by the events of the last year, is that the prosperity of the trade is much affected by this question, and having in view the interests of the operatives and others employed in textile industries, whom they represent and whose well-being the association has specially to safeguard, a clear duty is imposed upon them, which they can not and must not avoid. That duty is to impress, by every legitimate means in their power, upon those who have or seek any parliamentary influence, the imperative necessity of insisting that Government and Parliament should at once grapple with the evil of our present monetary system, and take such immediate steps as shall insure the position of silver as standard money throughout the British Empire, and between this and other nations. Whatever other questions of importance may be before the country the urgent need of this reform demands that it shall be promptly dealt with, and it is impressed upon this council that they should without loss of time inform you that circumstances connected with the trade, and with the well-being of those employed in it, render it imperative that the whole forces—political and moral—of the industrial classes of this country should be exercised to promote it to a successful conclusion."

The above manifesto is signed by the representatives of every association in the trade throughout the country.—*Clipping from Gallipoli Messenger*, December 1, 1891.

The President says that he has endeavored to keep himself advised as to the feeling in Europe on the question of an international arrangement. For fear I may misquote him I will read his exact language:

I have endeavored by the use of official and unofficial agencies to keep a close observation of the state of public sentiment in Europe upon this question, and have not found it to be such as to justify me in proposing an international conference. There is, however, I am sure, a growing sentiment in Europe in favor of a larger use of silver, and I know of no more effectual way of promoting this sentiment than by accumulating gold here.

As to the accumulation of gold, I have said all that I care to say. Is there such a sentiment in Great Britain, in Germany, in Austria, in Russia, in France as would justify the Government of the United States in taking active steps towards an international arrangement? In the first place, the advocates of the gold standard or the opponents of silver have always insisted that we could do nothing without an international arrangement. On that point we have differed; yet all the silver men of the country have been ready and anxious that there should be an international arrangement. We knew that with an international arrangement which opened practically the mints of the world to silver there could be no longer any question of a divergence between silver and gold. We knew that when the great commercial nations of the world kept their mints open for silver it went as high as 10 per cent above gold. Silver is the favorite money metal of three-fourths of the world. It is used in preference to gold, and more than half of the nations of the earth can not dispense with its use.

What would India with its 250,000,000 people do without a silver currency? What would Russia with its 100,000,000 or more people do without a silver currency? What would any nation that is not rich and composed exclusively of capitalists do without silver? The four hundred and odd million silver dollars that are in circulation in this country do more than ten times the business that is done by the \$700,000,000 of gold. Who uses the gold? The capitalists and the capitalists only. It is the thing with which you store values and with which a limited amount of business may be done, yet the great mass of business that is done over the counter and in the shop and in the mill is done by the

TEL

men who hand out a dollar at a time and not one hundred or one thousand dollars. So silver all over the world is doing money duty to-day, and last year, in spite of all the opprobrium thrown on it, \$134,000,000 were coined in the world for the use of the people of the world. Give it advent to the mints and you will hear no more of cheap money or dear money, and there will be no more demagogues parading the land saying that the silver question is a question of cheap money.

The man who asserts that this is a question of cheap money or of dear money is either too ignorant to discuss it or too dishonest. It is not a question of cheap money. What we say is, put the two metals together, tie them together by law so that they shall be equal one with the other at the ratio that you have established, maintained for generations and ages, first by the commercial consent, for the last five hundred years by law, maintained without difficulty. And yet we are told that because we propose that 412½ grains of silver shall be equal everywhere, either as bullion or as coin, with 25.8 grains of gold, we are for cheap money. I repeat that I have no words to express my contempt for those who treat this subject from that standpoint, which is neither honest nor wise.

Could we have made an international arrangement? Great Britain has appointed a commission to discuss this question, to consider and report on it, since the last international conference. France has created a commission; Italy has created a commission; Belgium has created a commission; the whole world is dealing with this question, and we, the people who have more wealth than any other nation on the face of the earth, producing nearly one-half of the silver of the world either from our mines or from our smelters, stand back and say "the time has not come; we will wait till Russia shall ask us, we will wait till Italy with its poverty shall ask us to come and take part in an international conference." Who ought to move in it any quicker than we? Who ought to move in it with more potency and with more power? Sixty-five million people, backed by a wealth unknown in any other country, would have power in an international conference.

But the President says he has taken pains to find out. So did his predecessor. Two gold men were sent abroad to find out whether we could make an international arrangement—two men who neither understood the question that they were sent out to consider nor had any desire to complete such an arrangement; and recently the President sends a banker from New York to Berlin. I suppose if the honest truth were told that that is a delightful way to give somebody a trip to Europe and the Government pay the expense. Certainly all the benefit to be derived will be by the individual who thus at our expense travels abroad to consider this question. Had the President chosen to select a prominent silver man, I could name twenty out of public life who could have gone there and who could have made a report that would have been of value on this question. You will get none from bankers, you will get none from the gold monometallists, and it is useless to say that because Mr. So-and-So has been to Europe and come back and said there was no opportunity for an international arrangement, therefore we should remain silent.

When the bill of 1890 was before the Senate I gave as one reason why I intended to vote for it, that I thought within a year

TEL

there would be an international arrangement, and I believed it would be made. I had supposed then that this Administration was friendly to an effort of that kind. The Senator from Vermont says he does not think that this Administration will let that come to pass. The Administration has declared that it does not intend to do anything until there is a change in Europe. Hostility has existed in the executive department of the Government, not only in this Administration, but in the preceding one, against even such an attempt, and none has been made since 1881.

Mr. President, I did not rise to discuss the silver question. That I shall discuss more at length some other time. I rose to enter my protest against the declaration of the Executive and the Senator from Vermont that we were responsible for the legislation of 1890, an act which I said, standing in my place here, "I vote for with extreme reluctance. I vote for it because it gives to the people of the United States more than \$50,000,000 of currency a year. I vote for it because I believe it will revive drooping industries and stimulate business, and bring hope and courage to the people of the United States." I did not vote for it because it was a silver bill, for it was not. Not only did that bill contain a provision for the purchase of 4,500,000 ounces of silver per month, but it contained also a provision that unlocked \$62,000,000 from the Treasury which was there held away from the people, with no use on the part of the Government or anybody else; and in four months and a half under that bill we increased the circulation, first, by \$62,000,000 locked up in the Treasury, and we purchased \$28,000,000 worth of silver. Thus in the neighborhood of \$90,000,000, less the retirement of some national-bank notes, was the money of the country increased, and part of it, almost \$62,000,000, went out immediately.

We have been told over and over again by the friends of monometallism and the opponents of silver that this is inflation; that we must not put out too much money. There was a net output of money in this country between the 1st day of July, 1890, and the 1st day of January, 1891, of almost \$100,000,000, and no disaster came; but, on the contrary, the industries of the country were stimulated, hope revived, and courage was taken by the people.

The question comes back, what are you to do with the act of 1890? A distinguished politician in another place—I think he is not here yet—has announced that this act should be repealed. Mr. President, this act will not be repealed. There is no considerable number of public men in this country who dare repeal it. What will you give in the place of the purchase of the four-and-a-half million ounces of silver? You may repeal that provision if you can give to the people as much money by some other method, and you can only do it by free coinage or by an unlimited issue of money at the option of the Government, or else the act will never be repealed. I say, therefore, it is here to stay, and it is here to stay fraught with the dangers that attend it, and I will admit they are great.

My friends on the other side of the Chamber did not vote for the passage of that bill. Twenty-five of them were silver men and voted with me for free coinage. They were not quite willing to take what they thought was the risk. I took the risk, which I was not then insensible of, and am not now. There are now \$539,000,000 of silver in this country practically in use as money. Every year you add to the sum 54,000,000 ounces of silver, and in

TEL

ten years you will have one thousand millions of silver in your coffers. It will not make much difference, as the Senator from Vermont indicates, about the care of it. You can dig a hole in the ground and drop it in and it will be safe from robbers and thieves and rust and decay. That is not the question. You can put almost all the silver of the world inside of a chamber like this if it is put in a solid body. That is not the danger. You have an increasing amount of silver year after year till you have now more than \$500,000,000, and if the purchase at the present rate continues will soon have \$1,500,000,000, and by and by the time may come, I will admit, when with such a mass of silver, unrecognized as money, a commodity only, there will be danger that we shall be on a silver basis. If we ever come to a silver basis, which I do not think we shall, we shall come to it through the act of July, 1890, and not through free coinage.

Free coinage lifts up the silver metal and makes it the equal of gold. The act of 1890 keeps it a commodity, degrades it, and holds it in subjection to gold. By and by, Mr. President, the people of the United States will say, "We have a great interest in this large amount of our money in the Treasury; it is ours; every ounce of it was bought with our sweat and our blood." Every ounce of it has come out of the people; it has come out of their hard earnings; it is theirs, and they will not let you ever depreciate it. You can not sell it for less than \$1.29 an ounce. Then what? You will have an unusual, an undue amount of silver, and then you may come to a silver basis. If you do, I repeat again, you will come to it by the act of 1890. I knew the danger when I voted for the bill, but I did not believe that that would be comparable to the gold basis. I had rather see this country on a silver basis to-day than on a gold basis. If we are to have but one basis, I am for silver, not because silver is produced in my State, but because it better meets the wants of the people of this country, as it does the wants of the human race.

I repeat that every American statesman ought to direct his attention to seeing how the two metals may be brought together, and tie them there indissolubly, so that they shall never go apart. That, Mr. President, you can not do by putting silver down to 50 cents an ounce, and you can not do it by accumulating gold from Europe. You must do it either by taking a heroic step and passing a free coinage bill with the hope that that will bring the world to us, or else you must have an international arrangement. No effort has been made by any gold man in the United States in favor of an international arrangement. There is not a gold man here who has ever lifted his voice in favor of an international arrangement, unless it was to postpone action in this body and elsewhere. When Congress had adjourned you heard no more about an international arrangement.

Mr. President, the way to make your silver in the Treasury, whether it be five hundred millions or a thousand millions, equal to gold, is to adopt some measure by which the whole people will credit it as they credit gold. The day that silver was demonetized in Germany, silver was at a premium in London. It had been year in and year out. It was sought after more than gold. You can make it so now when you open your mints.

The Senator from Vermont says that demand is what makes value. Grant it, Mr. President, what is the demand of silver? An open mint. Open the doors of your mints and you have

TEL

practically put into money every ounce of bullion in the world. It need not come here to be coined, nor it need not go anywhere else to be coined. It is, for all practical purposes, money in its state of bullion as well as it is in coin.

Why is it that gold everywhere is of the same value? Because the demand for it is the open mint of every nation in the world. There is no nation that closes its doors to gold. They may not make it legal tender, but they are ready to take it. There are nations which use silver only as a legal tender, but gold is not despised and degraded. Open the mints of the world to silver; by international arrangement if you wish, and I say that is the best way to do it if it can be done, and I believe it can, and you will hear no more about cheap silver. Silver will be worth, as it was for years, the French price, one dollar and thirty-three cents and a fraction.

Mr. President, we have gone through the most remarkable condition—and I am not going to speak at length upon this—that has ever been seen in the world. We have had seventeen years, or fifteen years, at least, of general depression. We have had occasional revivals of business, but gradually the price of productions has sunk lower and lower; the value of farms has been going down steadily, and that has been done for a decade and a half. A universal condition must have a universal cause. Depression in England might mean one thing, but depressions all over the world must mean that it has been produced by the same causes. Lower and lower have things gone down until now the depreciation has struck the securities of the world. A few years ago the men who had money went cheerfully into municipal bonds, State bonds, and national bonds, because they were supposed to be above the laws of trade that govern the price of ordinary commodities. So bonds were issued and went abroad. A financial paper of Great Britain, reiterated by our own financial paper in New York, has declared that within two years the loss upon State and national bonds alone—not municipal bonds—has been \$800,000,000. Five hundred million dollars of that has been in Europe, including the small part of Asia called Egypt—\$800,000,000!

Mr. President, we have received a good price for wheat and corn, and I was going to say cotton, but no, we can not eat cotton. We have received a good price for the necessaries of life. Why? Because a great portion of the world has been cursed with famine. Twenty millions of men, we are told, in Russia alone are in dire distress and want bread. Crops have failed everywhere abroad, and the magnificent crops that we have made this year and are exporting are bringing back to us riches, not gold entirely, although some of that is coming. We sent out in six months not less than 125,000,000 bushels of wheat; our exports were in one month \$45,000,000 more than the imports, and yet gold is not coming to this country to any great extent. We have not yet recovered that which went out in the single month of May. Cotton, to which my attention is called by a remark of the Senator behind me [Mr. STEWART], can not be eaten. Cotton is cheaper to-day than it has been in forty odd years. I am told by Senators who live in the cotton region that it is away below the price at which it possibly can be raised; that the farmers who raise cotton are, as was said of the farmers of Ireland, not raising cotton for profit, but for bare subsistence. Why is it that

TEL

the price of cotton is low? I will admit that there is a great crop. I will admit that there is a crop of cotton greater than ever before, but an examination of the statistics of Europe will show that it is not simply that. While the crop has increased enormously, the use of it has fallen off very greatly. In a few months the shortage¹ in the mills of Great Britain alone was nearly 50,000 bales.

We have encouraged the raising of cotton in Egypt; we have encouraged the raising of cotton in India. Why? We have sent our silver there and bought their cotton at rates that we could not have bought it if silver had been equal with gold; and there is now a great amount of cotton from all parts of the world coming into Great Britain, and what is worse, the whole world has got so poor that the exports of textile fabrics made of cotton are by the late statistics of Great Britain shown to be materially falling off. The world is too poor to buy even cotton, and so the mills do not use it. I saw recently in the *London Economist*, which I have on my table, a statement that there was no demand for cotton yarn anywhere any more to speak of; that the mills were running on short time. Why? Because the people can not afford to buy, and textile fabrics are to-day cheaper than they ever were in the history of manufactures. If we escape for the time this depression, we return to it when our crops are no better than usual, or when the crops abroad are as good as usual, when we have no extraordinary demand for our supplies. If we are wise we shall not be satisfied with the prosperity of the present hour, but we will look to what may come next year and the year after and the following year. We should do something to return to the condition that the world was in previous to 1871; and everywhere it is admitted that there has been a condition lamentable indeed ever since the destruction of silver as money. Beaconsfield, in his Glasgow speech in 1873, declared that such would be the result of the demonetization of silver, and then it had not been fully demonetized, for then it was still in use, and the mints of the Latin Union were still open.

Mr. President, before I stop—and I shall stop in a moment—I want to say one word about an international arrangement that I omitted. If we propose to make an international arrangement and only make it when we have the consent of Great Britain, we shall never make it. That is the demand which is made by those who oppose free coinage, that we shall have an international arrangement which shall take in the world. Mr. President, you will never get Great Britain to agree to any international arrangement, at least not now. Possibly in time, when the voice of the people shall have been thoroughly heard, they may do it, but not to-day. I do not believe to-day you can get Germany to change her financial system. Can we do it without Germany and Great Britain?

The Latin Union, containing only 10,000,000 more people than there are in the United States, maintained for a series of years without difficulty the proper relation established by France between gold and silver. If the Latin Union, with its limited population and its lack of money—for while our population is not equal to that of the Latin Union our wealth is vastly superior—could do it we may reasonably believe that if we have the Latin Union, the United States, Russia, Austria, Belgium, and other countries, which there is every indication we can secure, we may

TEL

maintain the parity without any difficulty. Is it not worth while to try it? Is it not a better scheme than the hoarding of European gold? Is it not more easily accomplished, and when it is done will it not be final and complete?

Mr. President, I could not hear all that the Senator from Vermont said, but I suppose his speech contained the usual prophecies of evil that we have had in the President's message and in other places if we proceed to insist upon the free coinage of silver. We are told that no nation now opens its mint to the free coinage of silver. That is the lamentable fact which stares us in the face. We have tried that as one nation and have failed. We have not here the power to compel any other to do it. The authorities that could try it here have signally failed. Nay, more; I am bound to say that I do not think they want it done.

What is our duty? We can not force the executive department to attempt to settle this question by an international conference, for if we do they would put upon it such men as Mr. Cleveland sent abroad and such a man as the present Executive sent abroad on this question. Mr. President, there will be no international arrangement made until some people go from this country who desire the accomplishment of that purpose. When that shall have been done I believe an international arrangement may be made and that every day we wait we are losing ground. We ought to have taken action when we passed the act of 1890. We ought to have taken active steps then for an international arrangement. It is said now that Austria-Hungary is going to a gold basis. Austria-Hungary is trying to resume specie payments. She is trying to do what she has not been able to do in forty years, pay her paper in metal. She accumulated last year \$16,000,000 of gold, and it is said she has accumulated this year \$60,000,000 of gold. She will require to have \$100,000,000 in gold before she can resume specie payment, and then she may not be able to maintain it. Russia last April took \$26,000,000 of the world's gold. There is not gold enough to do the world's business, says everybody. I need not enter into that discussion. I need not attempt now what I have done heretofore when that was disputed and contradicted, to show that there was not gold enough to do the business. That is admitted. That admission is an advance which we have made. We have routed our enemies at least from that ground, and now they admit there is not gold enough, and it is a simple question, how shall we proceed? Nothing more is left. The era of debate has passed. What shall be the method by which we shall accomplish that which we all say is a desirable end? I admit, again, that on that there may be a difference of opinion. I will admit that we who believe that the free coinage of silver will bring that more speedily than anything else may be mistaken, but I insist that it is incumbent upon those who now profess to be in favor of bimetallism, who are not in favor of free coinage, to tell us what will take the place of free coinage, what will do it, and do it with greater safety than free coinage. When they present some project to us of that character they will find the original silver men ready to meet them on fair ground, and then and not till then shall we believe that they are sincere in their devotion to bimetallism.

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