

SILVER.

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SPEECH

OF

HON. E. O. WOLCOTT,  
OF COLORADO,

DELIVERED IN THE

SENATE OF THE UNITED STATES,

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The Senate having under consideration the resolution directing the Committee on Finance to make examination and report to the Senate certain information in relation to currency and coinage—

Mr. WOLCOTT. Mr. President, we may as well face the truth on the silver question. The bill for free coinage has been put to sleep in another body and will not be resuscitated. Nobody had expected the measure to become law under this Administration, for the present Chief Executive, in his public utterances last summer foreshadowed his veto in unmistakable terms, and those in his councils have openly proclaimed it since. His assurances were made while the stock market was depressed. The bull operators were able to use them for a slight advance, and, therefore, some temporary result was attained, but another English banking house was reported in trouble about Argentine securities, and the market, in the classic language of the street, "slumped" again. This was the only net result of the intimation made by the President of the United States, while Congress was not in session, of what he would do if a measure, which could not then be pending, should be passed by both Houses of Congress. The game was hardly worth the candle, as the market on Wall street showed.

It was evident, I say, that free coinage could not become a law at this session. The friends of the bill, however, did hope and did believe that it would at least score some advancement. If the vote of the two Houses could have been polled when Congress met in December it is within the limits of conservatism to say that in the other body a clear majority of 50 and in this Chamber a majority of 12 would gladly have ranged themselves on the side of free coinage. To-day if a vote were had here

on a motion to take the bill from the Calendar it would undoubtedly fail, and we are left fighting the air with some general resolutions. We exercise the privilege we enjoy of debating the question that the country may understand the situation, but we all know that when we are through a vote is no nearer and the bill is not advanced.

This, therefore, is a proper time, having practically suffered defeat, to gather up our wounded and dead, determine where the deserters are hiding, fortify our intrenchments for the next encounter, and stop, if possible, that destructive rear firing which not only damaged but surprised us.

The first great force opposed to the bill was, in this Congress, as it has been for three years, the present Administration. No stone has been left unturned, no effort unemployed, to compass the defeat of the measure. Had it been an open contest it would have been easier to meet; the offices and patronage are much, but they are not all. But people have been befooled by the claims set forth in annual messages and elsewhere that the Administration was really at heart bimetallic. It assured us that it looked forward with ardent and hopeful anticipation to the time when gold and silver would go hand in hand together, the sure defense of national credit. This was for Western consumption. One little qualification was added—that it would first be necessary to secure the consent of other nations, England included; a consent we are as apt to secure under existing conditions and with the methods employed as we are to catch larks when the heavens fall. As if Great Britain, which demonetized silver seventy-five years ago, and has thrived on it at the expense of her own colonies and other nations every since, would be apt to change her policy until we had demonstrated our determination to adopt the double standard.

The President might as well have said that he was inclined to turn Quaker, and would if the Pope would become Quaker too! Of course there was no hope for this result, and if there had been it was utterly destroyed by sending as the agent to pave the way a prominent New York banker, identified with gold interests, who promptly reported that they were not quite ready yet to join us. Thus, both sections were to be lulled—the East by the policy

of inaction; the West by the earnest assurance of bimetallism in the future, in that to-morrow which was never to dawn.

A national convention is soon coming on, however, and a direct answer on the silver question seems rather embarrassing and better to be avoided, and it was essential to prevent the necessity of a veto if possible. And so the miserable work began, the offices were parceled out, and the party whip cracked, and the wavering members were influenced. It has apparently been effectively done, but, Mr. President, there is always a to-morrow. Nobody is now deceived, but it would have been a graceful act in an outgoing President to have permitted Congress to have voted according to its own inclination on one measure of national importance.

This spectacle, humiliating as it is, has been no more extraordinary than the amazing change of front by a large section of the Democratic party. At the last session that party, with few exceptions, stood nobly and manfully for the old party traditions, hard money, gold and silver. A clear majority of the present members took the stump before their election, and pledged their constituents that they would vote for free and unlimited coinage. The sudden change would be ludicrous, if its effects were not tragic.

One prophet of Democracy announces that tariff reform is the slogan; another insists that being a Democrat is the test and watchword. The South and West want free coinage, but these leaders think they must carry New York and a couple of little States adjoining. These States are lenders and not borrowers, and want less rather than more money. The friends of the tariff reformer have in the North at least the courage of their convictions, and demand the putting aside of the silver question. The adherents of the other Moses, who is to lead his people out of bondage, want to gratify the popular demand, but are fearful of their Eastern following, and so they "let 'I dare not' wait upon 'I would'" and the silver bill is shuffled aside. And meanwhile the other bell wethers of that party, who coyly look about and wait for a voice they hope to hear, like Bre'r Rabbit, "Keep on layin' low and sayin' nuffin."

Among all these shoals and breakers our bark is driven. To

the Eastern ear each side gives assurance of undying hostility to the "70-cent dollar," as they designate it, and tell how the "silver baron," whoever he may be, has been beaten and baffled, while the West is assured that political necessity required the postponement of the measure.

In this parceling out of the country the South counts for nothing. She is to be Democratic anyhow. The results of the heroic efforts she has made for nearly a generation, and which have brought her almost to the haven of prosperity, are to be sacrificed that the party may carry New York. Because of the contraction of the currency, and the competition with India, which the degradation of silver makes possible, Southern cotton is lower in price than ever before, and almost a drug in the market; her railroads are so impoverished that one reorganization is not completed until another is necessary; her industries are paralyzed; but she must submit because the New York Democracy demand it.

She has for a century furnished the brains of the Democratic party. No section, and no nation ever produced such able and adroit political leaders. They have never known final defeat, and from apparent disaster they have again and again plucked victory. And yet, because the balance of Democratic power lies in the North, they are called on to abandoned the interests of their section to those of party. The threat of negro supremacy is still potent. The force bill is as dead as Julius Caesar, but its ghost still haunts the South, and every material interest of that great section is sacrificed that a President, whose election is to be accomplished by ballots marked Democratic, may exercise the appointing and veto power for four years.

The dominant wing of the Republican party claim the fruits of this substantial victory, because their support at a critical moment brought defeat; while the Eastern section of the Democracy insist that their superlative efforts brought about the desired results. One gifted young man, the efflorescence and bright particular star of Mugwumpery, a product of Massachusetts, a gentleman who seems from his exalted pedestal to only reach down to the Democratic party that he may throw over it the halo and sanction of Harvard University, has admitted in a recent

interview in a Boston paper that he and the Democratic party did it all!

It makes but little difference, Mr. President, who has strangled silver coinage. It has been apparently effectually garroted, and each party as to this measure has become what Disraeli once charged the Tory party with having become "an organized hypocrisy." But before long, unless the signs all fail, each side will be anxious enough to unload the responsibility upon the other, for some day the people will have an inning.

The tactics of the opponents of free coinage have been somewhat extraordinary, and, so far as I have been able to observe, have largely consisted of appeals from one man who had money to another man who had money to prevent the third man who had no money from getting any.

A fair example of this sort of appeal is found in the urgent circular which has been promulgated among posts of the Grand Army of the Republic, calling upon their members as citizens drawing pensions from a grateful country, to stand for a gold currency which should depress the price of food products, and give their pensions greater purchasing power. The appeal was exclusively to their ignorance and to their greed. To their ignorance in calling upon the pensioner, whose pension is generally but a trifling portion of his income, to sacrifice his own interests, with no proportionate compensation; to his greed, in urging a man who fought to save his country, to impoverish it that he might be the gainer.

And the man who is now the recipient of the pension of his country, who knows that the money which pays him is charged to the garments and utensils and necessaries of the laborer and artisan, his fellow-men, who would join in the attempt to squeeze the bread-winners of our country, because of the monthly reward his Government pays him for his past services, is lost to all those principles which should govern mankind in their dealings with each other, and unworthy to receive an annuity from a generous nation.

We are charged also with being the disturbers of the financial peace of the country. For several years past there has never been any sort of financial disaster or stringency on this side of

the water or the other that it has not been attributed to silver. No matter how independent the occurrence may have been of any sort of relationship to our financial policy, the wiseacres, whose forecasts have always been erroneous and whose forebodings invariably proved ludicrous, continue to inform us that the threatened legislation respecting silver is the cause of all financial upheavals. They are careful not to attribute it to past legislation, for they concede that the silver act of 1878 has been of great benefit to the country, and their representatives are responsible for the present half measure which affords but partial relief; but any impending legislation is always what they deplore.

The latest illustration has been the financial disasters which have overtaken English investors in South American securities. Argentine railroads and other attractive investments in South America resulted in a loss to English capitalists of upwards of \$500,000,000, and involved certain English banks. Liquidation was the natural and necessary result, and American securities held in England were sent over, and are still being sent over, for sale to enable English holders to pay their debts caused by South American losses, and our gold is sent back in payment. This liquidation had no more to do with threatened bimetallism in this country than it had with the last transit of Venus, and yet we are gravely told that the gold that has been taken out of the country in payment for these securities is going because the people of the United States are clamoring for the remonetization of silver.

American railway and other bonds held abroad are payable some in gold specifically, some in "lawful money." Any banker having dealings on the other side will tell you that they are returning for sale, irrespective of the material in which they are payable, and one sort of bonds in the same proportion as another. This liquidation would have taken place whether we had silver as well as gold in our vaults, or gold alone; and it is interesting to consider what would be our financial condition to-day if gold afforded the only security we had to offer the holders of our Government certificates.

In this connection also it would be instructive if the Nestor of



finance on the committee, who has for years been the Jeremiah of silver coinage, will tell us how it happened that when the other day free coinage received a stab which everybody recognized as fatal, the stock market dropped instead of rising, and the gold for shipment abroad is called for with the usual regularity.

It is charged that dire results are to follow free coinage, and that the silver of Europe will come here, and our gold be taken from the country. Why, Mr. President, the product of gold and silver together not only does not keep pace with the legitimate needs of these metals as currency, or as security for currency, but the civilized countries of the world to-day are annually increasing their circulation to a greater amount than the amount of gold and silver which the world produces. No nation can spare her silver from her circulation, and there is no appreciable amount of silver bullion in Europe. Under the pending bill it would not be exchangeable for gold in this country except at the option of the Government. Its transmission and sale to our mints would be attended with a loss no nation could afford to suffer, and when free coinage become, the law of this country the value of silver the world over would be equal, and the foreign countries which now use silver as well as gold would have no inducement for making the change, even if it could be accomplished. The gold of Europe, so insufficient for its needs that three times has the Bank of France saved English credit by loaning it to that country in time of panic, is now, in time of peace—and we have had no European war since silver was demonetized—a scant covering for the notes which are issued upon its security.

Infallibility belongs alone to the majority of the Finance Committee. I can not pretend to state with precision what the effect of free coinage would be abroad, or what inducements would move the financiers of Germany, France, or England, or foretell the future of India, which is in the hands of Lombard street. I only believe I see for this country, whose welfare is largely intrusted to our hands, prosperity in free coinage, and I believe other nations will join us when once we take the decisive step, and because I so believe I favor the bill.

This charge, constantly made, that the advocacy of the restoration of our coinage to its old standing is an attempt to raise

silver above the equality which it should enjoy is believed only by those who are interested in believing it, or those who have never investigated the subject. Silver has not declined. Gold has appreciated, and the tables for the last ten years of the fluctuating values of the cereals show this to be true. If gold were demonetized, gold bullion would decrease in value. The silver bullion that furnishes the quotation is small in amount and held by bullion speculators. Free coinage would destroy this apparent difference in values, and the annual coinage would be increased but little, and in an average of a decade probably not at all.

But, Mr. President, I did not rise to discuss the details of the bill or the arguments in favor of free coinage, which are familiar to every member of this body. I intend to confine my remarks to a discussion of the remarkable occurrences of the past fortnight respecting silver legislation, and to an endeavor to ascertain the cause for change of front, and the inevitable and far-reaching results of the action of Congress in that regard.

There is going about the Capitol mysterious talk about a reaction against silver, of a change of conviction in the minds of great numbers of people who heretofore advocated the rehabilitation of the white metal. I confess myself at a loss to understand just where the defection or change has arisen. It must be, if anywhere, in the South and West, as the representatives of those sections in both Houses of Congress are the persons whose votes and utterances have changed, and it must be the agriculturist who has joined hands with the East.

Mr. President, constituencies have not changed their minds; their Representatives have changed theirs. They mistake silence for acquiescence. The Western farmer is much like a child in his method of reasoning. Industrious, frugal, hardy, patriotic, he toils from day to day content with simple living and simple pleasures. When he finds that in spite of his labor his land does not yield him the support he requires and another mortgage has to go on the farm, he turns blindly against institutions as they exist and demands that in a free country where the soil is fertile and the sun shines, where great wealth is accumulating and vast interests acquired by those who seem neither to toil nor spin, he

shall receive for his long day's labor that knows no rest at least the necessities of life. He cries out for all sorts of relief, unreasonable and reasonable; untrained in the subtleties of political economy and finance, only clamoring for what he believes the Almighty intended he should have. A good many of him means much noise and perturbation, and, while the disturbance lasts, the politicians of his section are earnestly his friends, and suggest to him that if they were at Washington the fur would fly, and all other legislation be stopped until he gets relief.

But then a year comes when nature smiles and the harvest is great and his granaries are full. He does not get, it is true, much a bushel for his grain, not as much as he would receive if the currency of his country were elastic enough to take care of his crops, but it is enough to tide him over. He thinks the old acres are good yet, and dreaming that the tide has permanently turned and that the snows and the storms and the elements will always deal kindly with him, he ceases his complaints and harvests his crops. This is no change of sentiment, no reaction. The evil is there and increasing every year, and when next the harvests fail and trouble comes, the voice will be louder, the demand more peremptory, and the outcry more intelligent. And I venture to suggest to the Senators from far Western States, whose people live remote from money centers and need a fair volume of currency, and are borrowers and not lenders, that when that day comes, the voice of the Eastern capitalist and the local banker will cease to charm as it now does, the sunshine of the Administration will be less blinding than at present, and the hunger of a constituency who would scorn to touch the property of another, and who only entreat that the purchasing power of gold shall be kept somewhere abreast of other values, will not be appeased with the occasional bone of office.

The contest is not alone between the South and West on the one side, and the East on the other. It happens that the East owns most of the wealth of the country that is not in lands, and is naturally desirous that it should have the greatest possible purchasing power; but the East is supplemented by the money-lender everywhere, who wants to keep the volume as small as possible that what he has may be most potent; and these are the

classes that the friends of hard money, gold and silver, must fight.

The question is one upon which honest men differ. I confess I can not share in the general denunciation of Wall street. The operators of that highway are the brightest men in the world; they have the best and quickest information on commercial subjects; they are alert, plucky, alive, and dashing. They may not be very near the Kingdom of Heaven, but they earn and enjoy the best this world affords. They do not want more money, because they can manipulate markets better with the present volume of currency, and they are in touch with the owners of large capital, the only men they fear or respect. But when free coinage comes they will be the first to avail themselves of its possibilities, and long after this question is determined Wall street will still be the haven of the speculator, the friend of every business enterprise, and the slaughterhouse of the lambs. Their towers are often those of Babel, but their energy has gridironed the country with railroads, and they are the embodiment of American commercial ability.

We must not look to relief by abuse of that community or of any section. Capital is naturally selfish; it has great power, and it must be met and fought on the fair ground of financial expediency and common interest.

And yet somehow there must exist in the breast of every just man some dim sense that the world is in some way wrong and the times out of joint. Great fortunes are being amassed, and poverty walks naked. It is doubtful if pure-food bills or anti-option bills, or any legislation yet devised, can meet the trouble. The moment you level by legislation you destroy the incentive to achievement. And you can not legislate against brains or heredity, or the unconquerable hope which comes with vigorous manhood and Anglo-Saxon love of power.

But when we now see, and the great majority of the people believe our vision clear, that the wellspring of commerce and prosperity is choked by the narrow channel of a circulation insufficient for the needs of a great and growing people, scattered over a broad and ever-widening area, and that a clearing away of this impediment is consistent with a sound currency based on hard

metal, it is cowardly for us to hesitate because the owners of the present currency do not want its volume enlarged.

Mr. President, out of the wreck of the hopes we had cherished one fact stands clearly patent—a vast mass of the citizens of this country are unrepresented by either political party concerning a question which they believe paramount to all others. Not only is this fact true, but it seems almost certain that the same condition of affairs will continue to exist. At this moment it is apparently probable that the party in power will, with negative unanimity, renominate the present magnetic Executive, not because he is the choice of any considerable body of his party, but because, since the letter of retirement of the great Secretary who holds his party bound by ties of deepest affection and regard, no man of greater stature than the present incumbent is willing to stand.

Because of the blow which has struck silver aside it is becoming likewise probable that the Democratic party will again present its apostle of tariff reform, whose vision sees no other issue, and who desires again to be “consecrated” to public office.

The situation is perplexing and grave enough. “Time’s iron feet” will gradually crush, until the injustice of the present law will make men cry out with a voice which must be heard and heeded; but even before such result shall come through suffering, I believe that in some way relief will be found. I do not assume to speak for any section except the far West. Nor can I speak for all its citizens. There are men with us who want office; and there are good men to whom the name of their party appeals with stronger force than do questions of high expediency or the needs of their section. But to the needs and demands of the great mass of the people of the far western region I believe I can give voice.

The large majority of the people of the State which I have the honor in part to represent, are Republican in politics, devoted to the traditions and principles of the party, proud of its record, glorying in its achievements, and desirous of identifying themselves with its future so far as its future shall continue in the line of the elevation of the quality of American citizenship and the uplifting of humanity. On the question of the free coinage

of silver, however, the people, irrespective of party affiliations, are practically a unit, and the passage of a silver bill seems to them of far greater importance than any other legislation or the success or downfall of any political party. They entertain these views, Mr. President, not because they are producers of silver but because they are honest-money people and believe the volume of the currency should be enlarged and should be backed by both gold and silver.

I have said nothing as to the industrial side of this question, because it is one of national and not alone of sectional importance. It is true that Colorado is the largest producer of silver in the United States; that two-thirds of her population, in one way or another, derive their support from the mining industry. It is also true that in the far West more than one million of people are thus circumstanced, and that the failure of Congress to pass the bill now pending means suffering and loss and enforced idleness to them. It is likewise true that no class of people in the Union earn and deserve success more than the hardy miner and prospector, who makes the secrets of the mountains his own. We have heard much talk of "the Silver Baron." He must be a rare bird. We have never heard of him where silver is found. And we are told of the cheap cost at which the white metal is produced.

I wish, sir, that you could know something of the toil and the failures that accompany its finding. The cañons and valleys of Colorado are full of the discarded processes for the extraction of the metals from the rock, which proved unsuccessful. They stand deserted and decaying, with only ruin and their tall chimneys to tell the story of the investments that failed. The mountain sides are dotted and covered from one end of the State to the other with prospect holes and shafts and tunnels and workings, now filled with water, caved in, and abandoned, and in them all are buried hopes and fortunes. There is no dollar of coin produced that has not cost in the sum of the labor which supplied it, far more than the value it represents. The search is fraught with excitement and buoyed by hope and courage, and success sometimes means fortune, but for one success there are dozens of failures. No, Mr. President, the silver that we seek

to add to the wealth and credit of the nation, is represented to its full value in toil and industry, and the men who dig for it have discovered no royal road to wealth.

It is difficult to anticipate what the voters of Colorado will do in November. Unless I am greatly mistaken they will first endeavor, with the limited influence at their command, for the State is not large in population, to secure at the national conventions the nomination of candidates who would feel bound to give to the expression of the will of the two Houses of Congress on this great question, the sanction of law. Failing in this they will seek some other honorable solution of the difficulty.

The people of Colorado are intelligent, thoughtful, and independent. They have been the architects of their own fortunes, and they are devoted to the interests of the Commonwealth which they have founded and developed and made prosperous. Her citizens claim the privilege of liberty of thought and freedom of action, and they concede the same right in those who stand for them here. And I may add that their Representatives in this body would cease to value their high office as worth a moment's holding if this full freedom were not accorded them.

Mr. President, so marvelous and so extensive has been the growth of our country during the past century that it may even now be said of us as a nation, as was said a hundred and twenty years ago, that we "are a people still in the gristle, and not yet hardened into the bone of manhood." Vast areas have been reclaimed from savagery, the boundaries of the Union have been widened, and States have come into being that a generation ago were an uninhabited wilderness. This process of moulding is still active; new industries, new sources of wealth, and new settlements are everywhere springing into life and activity. With them come greater demands for such wise and careful legislation as shall enable this widely scattered population, engaged in various pursuits, to yet coalesce with each other, and to conduce by their individual efforts to the prosperity of all. There was never a time when a broadened, a humane, and unsectional view was so demanded. Sin and poverty and suffering will, no doubt, always abound, but a wise and generous economical policy can do much for the amelioration of the people of these States and the

establishment of their permanent prosperity. No partisan feeling should be invoked. An equal patriotism pervades every hamlet in the land, and while we differ as to policies, no one State surpasses another in lofty devotion to the perpetuity and welfare of our institutions.

It is a mistake for the representatives of one section to seek financial aggrandizement at the expense of any other. We have a common interest, a common country, and should share a common prosperity. The music of the looms in New England, the song of the field-hand on the cotton plantation, the echo of the woodman's ax in Oregon, and the ring of the prospector's pick on the granite of the Western mountains, all blend in one melodious harmony, and tell the same story of the energy of free men who conquer success because in this country industry and hope are companions. The uniting of all these interests so that no one shall suffer because of the other, and so that each shall benefit and bless the other is a mission more glorious than one of conquest, is the noblest task that could be imposed upon man by his brother man. [Applause in the galleries.]