

SILVER COINAGE.

SPEECH

OF

HON. W. V. ALLEN,

OF NEBRASKA,

IN THE

SENATE OF THE UNITED STATES,

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1893.

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Mr. ALLEN. I call for the reading of the amendment offered by me to Senate bill 570.

The PRESIDING OFFICER (Mr. DUBOIS in the chair). The amendment will be read.

The SECRETARY. It is proposed to add after the repealing clause the following proviso:

Provided, That hereafter standard silver shall be coined at the several mints of the United States into dollars, half-dollars, quarter-dollars, and dimes, at the present ratio of 16 grains of standard silver to 1 grain of standard gold, under the same conditions as to mintage and other charges that are now or may hereafter be in force with reference to the coinage of gold. And it shall be the duty of the Secretary of the Treasury, without unnecessary delay, to cause all uncoined silver bullion owned by the Government of the United States to be coined into standard silver dollars. All money coined under the provisions of this act shall be a full legal tender for all debts, public and private.

Mr. ALLEN said:

Mr. PRESIDENT: The question now before the Senate is of such controlling importance, and is fraught with such deep and abiding consequences, not only to the nation at large, but to the people of the State which I have the honor to represent, that I can not resist the temptation to offer some remarks upon it, although in doing so I may be charged with too early seeking an opportunity to be heard upon this floor.

I have the privilege of representing, in part, nearly one million and a half of American citizens who are interested, not alone in the general welfare and prosperity of the nation, but are vitally interested in the speedy, correct, and permanent solution of this question, to the end that doubt and stagnation in business may be dispelled, and confidence and prosperity restored.

I deem it to be the highest duty of a member of this Chamber, now that the nation is confronted with gloom and threatened with financial and industrial ruin, to lay aside all partisan tactics and prejudice and give to the proper solution of this important question his most enlightened and profound judgment and fervent devotion; and I must confess that I was somewhat surprised and pained on the second day of this session to witness a fruitless and partisan discussion, somewhat acrimonious, and in my judgment entirely unprovoked, precipitated upon the Senate, which consumed valuable time to no useful purpose.

When witnessing such scenes I am not surprised that the American people are losing confidence, if they have not already

lost it, in the ability and purpose of Congress to legislate in their interest.

I spring from the ranks of a people who feel and realize keenly the effects of evil legislation, and while they do not profess to have found a panacea for our national evils, or to have explored the depths and ramifications of economic learning, they are possessed of enough intelligence to know when they are evilly or beneficially affected by legislation, and have a sufficient amount of old-time and old-fashioned patriotism to speak out entirely regardless of who may condemn or who may praise.

Mr. President, I am an humble member of a new political party that has recently come into existence and public notice, made necessary by the constant drifting of the nation from its original constitutional moorings into the shallow and treacherous waters of unchecked power. The people—and I speak of the masses—have so frequently appealed to the General Government for wise and humane monetary legislation, only to have their appeals fall on deaf or unsympathetic ears, that it became necessary as a matter of self-preservation for them to create a new political party, founded upon Jeffersonian simplicity, and imperatively demanding a return of the nation to first principles of government; and I am pleased to say that this party, full of hope and confidence, is hourly growing in numbers, in courage, intelligence, and discipline, and will, sooner or later, force the two old parties of the nation into administering the affairs of the Government in the interest of the people, or into political disintegration and death.

In the memorable campaign of 1892, both the Republican and Democratic parties told the people of this country that the crowning issue was the issue of tariff taxation; the Republican party asserting strongly in its platform that a high protective tariff was essential to the prosperity and welfare of the nation, and the Democratic party asserting, with equal emphasis, that a low tariff is the remedy for all our evils.

It is true that each of these parties claimed to be committed to the doctrine of bimetalism, but it was well understood by the country at the time that both Mr. Cleveland and Mr. Harrison, their respective candidates for the Presidency, were committed in the fullest manner to gold monometallism, and either would, if elected, endeavor to carry out such policy, regardless of whether it promoted the general welfare or not.

The People's party of America, while taking strong grounds on the subject of national taxation, asserted in the most positive terms that the crowning question of this country and this age was the question of money; and in less than five months from the close of the election in November last the nation was confronted with an industrial and financial depression such as has not been witnessed in this country for fifty years, if indeed its equal has ever been known.

To-day the Democratic and Republican parties are brought face to face with a condition of public affairs that was foretold by the common people months before it happened.

When an evil confronts us and we desire to remedy it, the first step in the line of curing such evil is to determine its cause, and I propose to devote a short time in inquiring into the cause of the present panic, with a view of determining what measure will be necessary to remove it. The President in his message has

told us that the present depression is due "to Congressional legislation touching the purchase and coinage of silver by the General Government," under what is commonly known as the Sherman act, passed July 14, 1890; and he concludes that the remedy is to be found in a prompt and unconditional repeal of that act.

Is the President correct in his conclusion that the Sherman act is the cause of our trouble? In my judgment, Mr. President, the Sherman act has nothing to do in the slightest degree with the evil that confronts us.

No one has become frightened at the ability of this Government to redeem every pledge it has made, as fast as its pledges shall become due.

Possessed as we are of almost boundless capacity to produce wealth, and to turn that wealth into money with which to promptly discharge our obligations, as well as our known high character amongst the people of the nations of the earth for prompt, full, and honest payment, it is idle to assert that foreign or domestic holders of our securities have, in consequence of the Sherman act, lost confidence in our disposition or ability to pay, and are therefore converting their securities into gold and exporting it to other countries.

The few who desire to believe such a statement will doubtless believe it, but the great mass of the toiling millions of our countrymen can not and will not be thus imposed upon.

That gold has been rapidly leaving the country for the last few months and is being taken to other countries for investment, all well understand, but it is being taken there because it can be invested to better advantage and at higher rates of interest, in Austria-Hungary and other foreign lands, than it can be here. And we are informed that that nation is paying a tremendous premium on the gold that is being exported from this country, and, as a consequence, gold has appreciated beyond the line of its proper purchasing power in the industrial and commercial world.

In the report of the Director of the Mint, in February of this year, on page 42, it is said:

The amount of the exports (speaking of gold) is unusual, and is accounted for, in the face of the prevailing rates of exchange, by the continued efforts of the Austrian and other European governments to enlarge their stock of gold. It is said that inducements have been given by the Bank of France to obtain gold to replace some of its reserves that have been withdrawn.

The International Gold Trust, having its headquarters in London and its American representatives in Wall street, officered and conducted by men a majority of whom, I am informed, are not even citizens of this country, and owe it no allegiance or duty whatever, and who control the metropolitan press of the nation, to some extent at least, and by that means endeavor to mislead our countrymen to their everlasting injury, have, within the last few months, forced some of the inferior nations of the earth to a gold basis, and by that means created an abnormal demand for American gold abroad: and it is this demand thus created, coupled with other causes, and not the Sherman act, that has, in a large measure, produced the present panic.

Another important factor in the production of this panic is to be found in the fact that early last winter this same International Gold Trust thought to industrially enslave the farmers, planters,

mechanics, and laborers of the nation, now and for generations to come, by striking down and dishonoring one-half of the money of the country and driving it and its paper representatives out of circulation, thus increasing a hundredfold the purchasing power of gold, shrinking the value of all property and labor, and producing throughout the nation distress and dependence; and to that end they produced a financial and industrial crisis, and told the people that it was the work of the Sherman act, and that the only way to call back easier times and comparative prosperity was for the country to demand at the hands of Congress a prompt and unconditional repeal of that act.

But the people of this country, ever wise and patriotic, saw through this flimsy pretext, and, knowing it to be a mere trick, a sham and fraud, refused to become frightened or demand that Congress strike down silver, and those who created the panic have themselves become its victims, and are now appealing to Congress to assist in their unhallowed attempt to enslave the race.

But, Mr. President, the truth of this matter is so well understood throughout the length and breadth of this land that I need not refer to it at any greater length.

Mr. President, of late we have heard it boldly asserted, here and elsewhere, that silver is not the money of the Constitution; and from the expression of the President in his message that "gold and silver must here part company," we have a right to believe that he, too, entertains this view of the question. I must confess my utter astonishment at this assertion, in view of the language and purpose of the Constitution, the history of the time when it was framed and adopted by our ancestors, the treatment of the question by Congress in our coinage legislation, the voice of the judiciary when speaking on the subject, and the treatment of the matter by the various political parties in their respective platforms. All these, when impartially considered, demonstrate that silver is, and ever has been, the money of the Constitution, and it can not now be abandoned by Congress without a flagrant and inexcusable refusal on our part to, in good faith, enforce, in the interest of the nation at large, a power expressly enjoined upon us for the general welfare.

We know as well as anything can be known by history, as well for instance as we know that George Washington was the first President of the United States, that when the Union was formed and the Constitution was framed and adopted, coined silver, more than gold, was the money of final payment of our ancestors; and it was silver as well as gold that was referred to when the Constitution conferred on Congress the power to "coin money."

At that time money had not been coined in this country to any considerable extent, but the coins of other nations, principally Spanish silver coins, were in circulation amongst the people, and it was in anticipation of the coinage by this country of similar metal and money that the power to coin money was conferred on Congress.

Mr. Webster understood this quite well when, in a speech delivered in this Chamber in 1836, he said:

Most unquestionably there is no legal tender in this country, under the authority of this Government or any other, but gold and silver, either the coinage of our own mints or foreign coins regulated by Congress. (See Webster's Works, volume 4, page 271.)

Subdivision 5, section 8, Article I, of the Constitution, is in this language:

The Congress shall have power to coin money, regulate the value thereof, and of foreign coins, and fix the standard of weights and measures.

While silver is not here mentioned in express terms, yet it was with reference to the coinage of both gold and silver that this power was conferred on Congress; and the Supreme Court of the United States, in the *United States vs. Marigold*, 9 Howard, 567, considering this very clause of the Constitution, says:

Whatever functions Congress are, by the Constitution, authorized to perform they are, when the public good requires it, bound to perform.

So that it is seen that it is the duty of Congress to carry into execution this power by appropriate legislation. To leave no doubt as to where the duty rests, and to prevent confusion and injury in consequence of an exercise of this power by the several States, the Constitution, section 10, Article I, declares that "No State shall make anything but gold and silver coins a tender in payment of debts," thus again recognizing in the strongest possible terms the fact that silver is the money of the Constitution, and in the most positive terms recognizing it to be the duty of Congress to provide for its coinage.

From the earliest moment of our national existence to the present time it has been a rule of construction of our courts, State and national, everywhere acted upon and acquiesced in by those concerned in the administration of the law, that when a power is conferred by the Constitution on a given department of Government, the practical construction of such power by the long and continued usage of the department charged with its execution is to have great if not controlling weight in its interpretation, and following out and applying this rule of construction to the power of Congress to coin money, I have to observe that in the passage of sixty-one different statutes and resolutions by Congress, extending from April 2, 1792, to March 3, 1893, silver has been recognized by the legislative department of this Government as the money of the Constitution.

If legislative usage is of any force whatever in the consideration of the question now before us, every party that has administered the affairs of this nation is estopped to deny silver a place in the Constitution; and for eighty-one years, almost from the origin of the Government, to February 12, 1873, we have recognized silver as the money of the Constitution.

But, Mr. President, the ultimate power of interpreting and applying the principles of the Constitution to the practical affairs of our political life, under our form of government, rests with the courts, and to their decisions the people are accustomed to bow without serious question, and to look for authoritative interpretation of all statutes and constitutions; and to this interpretation, as made by the courts, I desire to direct the attention of the Senate.

On the 8th day of February, 1892, there were presented to the supreme court of the District of Columbia, the application of the United States on the relation of George J. Merrick and others vs. Charles Foster, Secretary of the Treasury, to compel the respondent "to receive certain bars of silver which had been presented first at the Mint, and afterwards to the Secretary, for coin-

age into silver dollars." In deciding this case, on the 8th day of February, 1892, the court, by Mr. Justice James, said:

An elaborate argument was presented, both in print and orally, to demonstrate that the power of Congress to coin money meant the power to coin gold and silver coins, on the ground that the meaning of the word "money," at the time when the Constitution was adopted, was gold and silver coins. Without going into that argument, I have to say that we at once concede that the power to coin money related to gold and silver, as it was understood to be the money when the colonies, which afterwards came to constitute the States, under the British Crown, and that at common law money meant gold and silver coins.

Mr. President, both the Republican and the Democratic parties are committed, in the strongest possible terms, to the doctrine of bimetallism.

In January, 1836, the Democratic party in the State of New York, speaking for the Democracy of the Union, adopted a platform containing these words:

We declare unqualified hostility to bank notes and paper money, because gold and silver are the only safe and constitutional currency.

In the national Democratic platform of 1880 it is said:

Home rule—the strict maintenance of the public faith—money consisting of gold and silver, and paper convertible into coin on demand.

The national convention of the same party in 1884 adopted in its platform this expression:

We believe in honest money, the gold and silver of the Constitution, and a circulating medium convertible into such money without loss.

In 1892 the Democratic party used in its platform this language:

We hold to the use of both gold and silver as the standard money of the country, and for the coinage of both gold and silver without discrimination against either metal, or charge for mintage.

In 1888 the Republican party, in its national platform, declared as follows:

The Republican party is in favor of the use of both gold and silver as money, and condemns the policy of the Democratic Administration in its efforts to demonetize silver.

And in 1892 it declared that:

The American people, from tradition and interest, favor bimetallism, and the Republican party demands the use of both gold and silver as standard money, with such restrictions and under such provisions, to be determined by legislation, as will secure the maintenance of a parity of values of the two metals, so that the purchasing and debt-paying power of a dollar, whether of gold, silver, or paper, shall be at all times equal.

In 1892 the Democratic party in the States of Arkansas, California, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nevada, Oregon, South Carolina, Tennessee, Texas, and Washington declared in unequivocal terms in favor of the free coinage of silver, thereby committing the national Democratic party, as far as within their power, to the traditional doctrine of silver being the money of the Constitution.

In 1892 the Republican party of California, Colorado, Indiana, Kansas, Montana, Nevada, Oregon, South Dakota, and Tennessee committed itself to the doctrine of bimetallism. The free and unlimited coinage of silver, at the ratio of 16 parts of silver to 1 of gold, is one of the chief corner stones of the People's party of America, and it is useless for me at this time to quote from its platform, promulgated at Omaha, July 4, 1892.

If anything can be said to be settled in this country, in a political sense, it is that both the Republican and Democratic parties are committed, throughout their history, to the doctrine of bimetallism.

Under such circumstances, if political platforms are to count for anything, and to be taken as expressing the views of their framers, and the parties promulgating them, these parties must be held to be committed to silver as money of the Constitution.

Mr. President, we who believe that silver should be rehabilitated and reestablished to its rightful position in the coinage of the country are constantly told that money can not be created by law, and that silver at the ratio of 16 to 1, not possessing full intrinsic value, should not be coined and put into circulation at that ratio. That I am not mistaken in this statement, I quote from a speech delivered by the Senator from Oregon in this Chamber on the third day of the present session, who, I suppose, voices the sentiment of gold monometallists on this subject. He says:

The Government stamp can not create good money. All money must possess intrinsic value.—CONGRESSIONAL RECORD, first session Fifty-third Congress, volume 25, page 39.

I propose to show that these gentlemen have departed from the Constitution of our fathers. I call the attention of the Senate again to subdivision 5, section 8, Article I, of the Constitution, which is in this language:

The Congress shall have power to coin money, regulate the value thereof, and of foreign coins, and fix the standard of weights and measures.

What is meant by the "power to regulate the value of money"?

If its value is regulated by nature and not by law; if it is the creation of natural law and not of man, then it was an entirely useless ceremony for the framers of the Constitution to confer on Congress this power. When our ancestors conferred on Congress the power to coin money and regulate its value, they understood that the value of gold and silver as articles of commerce could not be controlled by statutes and constitution.

I think we must do them the credit of understanding this great fundamental truth, and therefore I assume it to be true that, when they declared that Congress should have this power, they did not intend that Congress should undertake the impossible task of regulating the commercial value of the disks of gold and silver, upon which money is stamped.

What, then, did they mean by this declaration? They must have meant, if anything, that Congress should be possessed of the power and charged with the duty of regulating value of money as money, thus distinguishing clearly between money and the metal upon which it is stamped. They did not say that Congress should have the power to regulate gold and silver, or to fix its weight and fineness, but they did declare that the value of the thing to be regulated is money. Up to the time when the Constitution was adopted it had not entered into the political mind that the time would ever come when either gold or silver would be demonetized, but our ancestors proceeded upon the supposition that, having been regarded for ages as precious and money metals, they would continue to be so regarded in the future.

Mr. President, there is nothing natural in our standard of

weights and measures. Under the power conferred upon Congress to fix the standard of weights and measures it would be perfectly competent for Congress, by a proper statute, to declare that 13 inches should constitute a foot, or 39 inches a yard. It could declare that any number of pounds of wheat, oats, or corn should constitute a bushel. The discretion was vested in Congress to fix the standard of weights and measures at whatever point it might see fit, and this power, in its very nature, is arbitrary. Is it not true, then, that in declaring that "Congress shall have power to regulate the value of money," it was the intention of the framers of the Constitution that Congress should fix, arbitrarily, a unit or money value just as the power is conferred on it to arbitrarily fix a standard of weights and measures.

It was well understood that the purchasing power of the dollar would not always be the same, and that whenever money was scarce its command over the products of labor would be greater than when it was plentiful. It was by no means intended that Congress should attempt to fix the commercial value of any article bought with money any more than it was intended that they should at any time attempt the impossible task of regulating the commercial value of articles weighed on the scales or measured by the yardstick. The Constitution either means that Congress shall have power to create and give value to a thing called money or it must be held to mean that our ancestors undertook to regulate the commercial value of the substance upon which money is impressed, which would be as absurd as the Pope's bull against the comet.

It would seem that this question ought to be put at rest by the language of the Constitution itself; but the courts of last resort of many of the States, as well as the Supreme Court of the United States, have spoken so emphatically in the premises that I can not refrain from quoting somewhat liberally from their opinions.

In the case of *Warnibold vs. Schlieting*, 16 Iowa, 243, the plaintiff had given the defendant a promissory note payable in "United States gold." After the note was given, and before it became due, the act of Congress of February 25, 1862, became a law, and under it legal-tender notes were issued. When the note became due the plaintiff tendered the defendant United States Treasury notes, which were refused, and thereupon the plaintiff brought an action to cancel the note and the trust deed given to secure its payment.

In holding the tender good and granting the relief prayed, the supreme court of Iowa, by Wright, chief justice, a distinguished jurist, and for many years a member of this body, on page 251 of the report, uses this language:

Gold may fluctuate in the market; there may be a demand for it for the most legitimate purpose; gamblers may speculate in it at the risk of sacrificing the financial, if not the dearest, interests and life of the nation, and yet, when the legal test is applied, each dollar of every mode or form of currency declared to be a legal tender has the same value without reference to the material of which it is composed. And we can not resist the remark that the sooner that this is known, accepted, and acted upon, the better it will be for national, monetary, and political integrity, as well as for individual and general morality, prosperity, and success.

Mr. McPHERSON. I should like to ask the Senator from Nebraska a single question, if it will not interfere with him.

Mr. ALLEN. Certainly.

Mr. MCPHERSON. Does the power granted in the Constitution to Congress to coin money and regulate the value thereof mean such a regulation of the value of money as provided by the Constitution that one coin may be made worth 100 cents and another coin 60 cents, and they shall circulate harmoniously together as money? Was it in contemplation that, instead of carrying out the decrees of nature, Congress may arbitrarily make a decree which is against it?

Mr. ALLEN. My speech as I proceed will answer the Senator's question.

The court of appeals of New York in 1863, in the case of *The Metropolitan Bank vs. Van Dyck*, and in the case of *Meyer vs. Roosevelt*, 27 New York, page 400, passed upon the constitutionality of the act of Congress, February 25, 1862, creating legal-tender Treasury notes.

In that case a State bank had issued a note, payable in lawful money of the United States. This note was presented for payment, and legal-tender Treasury notes were tendered by the bank to the holder and they were refused.

In an action brought to recover the court of appeals held that the tender was good, and directly passed upon the constitutional power of Congress to coin money and regulate its value.

On page 425 Davies, J., says:

We thus see that Congress, since the organization of the Government, commencing in the Presidency of Washington, has exercised plenary power and control over the subject of currency and legal-tender laws. It has established the value of certain foreign coins at one time and changed it at another; has made them a legal tender in payment of all debts, now by weight and then again by tale; repealed such laws and enacted them again, sometimes making such coins a legal tender in payment of all debts, and at other times limiting them to payment for public lands or for taxes and debts; also making evidences of public debt or stock of the United States a legal tender in payment for public lands.

We also see that Congress has changed, from time to time, the standard of value of coins struck by our own Mint, debased them by altering the fineness and weight and the relative value of gold and silver, and making the debased coins, as well as those of a greater value not debased, equally a legal tender for the payment of all debts, public and private, at their respective nominal values.

Again, Davies, J., says on page 430:

If Congress can coin any metallic substance, under the power to coin money, and stamp it with an arbitrary value, as it is conceded it may, then it follows, from the practice of the Government and the rules and principles enunciated, that it can make such stamped metal a legal tender at any designated value.

Intrinsic value of a thing stamped or coined has nothing to do with the question of power. Such metals so stamped are not issued or put in circulation on the faith or credit of the United States Government, no pledges made to redeem them, and they may possess little or no intrinsic value; yet it is not denied that such pieces of metal so stamped or coined may be lawfully issued and made a legal tender and thus become lawful money of the United States.

Again he says, on page 459:

It is the lawful money of the United States, made such by its authority, that can only be effectually used in payment of debts without reference to the intrinsic value of the thing tendered or paid.

In the same case, Balcom, J., speaking of the same subject, on page 466, says:

The fair inference from these facts is that the States were prohibited by the Constitution from emitting bills of credit or making anything but gold and silver coin a tender in payment of debts, and from coining money, in order to rid the country of other circulating medium or currency which had

no intrinsic or legal value beyond the lines of the States that authorized it, and so Congress would provide a money or currency that would be of value throughout the Union. And to enable Congress to provide such a circulating medium for all ordinary purposes, the power was expressly conferred "to coin money, regulate the value thereof and of foreign coins."

Again he says, on page 472, in speaking of the legal-tender notes authorized by act of Congress:

Each five-dollar note issued under this act is precisely of the same value in legal contemplation as a piece of gold of the denomination of \$5. And if all citizens would strictly observe this law as they should, any person could obtain \$5 in gold coin for one of these notes at any place where such coin is to be had.

Wright, J., in the same case, and on page 482, uses this language:

A Treasury note of the denomination of \$10 is legally as valuable for the purpose of money as a coined eagle; the value of each is fixed at \$10, money of account.

Mr. Justice Emmet, in this case, and on page 487, also says:

Gold and silver coin and money are not necessarily convertible terms. The latter word is used in various senses and has various shades of meaning, according to its employment or connection. It is generally the representative of values and the instrument of exchange. But it is no part of the contract of debt made at one time for the repayment of money at another that this representative instrument should possess the same exchangeable value or the same purchasing power at the time of payment as at the time of incurring the debt. All that the debtor contracts to do is to return to his creditor, in dollars and cents, as much as he receives. And the advance and repayment are alike to be made, in that each, by competent and valid authority, is made the medium of account and payment.

Mr. Justice Marvin, on page 519, says:

It is not, however, denied that Congress may reconstruct the dollar, and make it, though nominally the same, of far less value as compared with the coined quantity of the precious metals.

The precious metals, it is said, possess a real intrinsic value in the estimation of all civilized nations, and that they are generally used as the representative of values as money. And all this is true. Still, the precious metals are a mere article of commerce between nations and among the people or subjects of such nations, in that the nations by an act of legislation, give to them a different character by taking certain portions and impressing upon them the stamp of the government, and giving them names which the people may use in their contracts; and also declaring that the damage for the breach of all contracts shall be estimated in the stamped precious metals, according to their denominations, and shall be satisfied by them.

And again, on page 520:

Although a nation has once established a system of money composed of the precious metals as an aid to commerce, it does not follow that it may not change that system, or, indeed, wholly abrogate it and substitute something else as the representative of values, classifying it by numerals, and giving them names.

The nation may, and ought to do so, if in its judgment it has discovered a better system for the development of its industry and the encouragement and protection of commerce.

In the legal-tender cases in 52 Pennsylvania State Reports the supreme court of Pennsylvania, on page 68, says:

The State may not enact that anything but gold and silver shall be legal tender, but Congress may coin money; that is, say the opponents of the constitutionality of this act, give the character of money to pieces of metal. It has made money out of copper and declared it a legal tender for small amounts. Its power to do this has not been questioned. Nor is there any provision that a piece of metal which Congress may coin as money shall have a legal value corresponding at all to the intrinsic value of the metal in the market. Upon this subject the Constitution is silent. The regulation of value may be changed from time to time. It has been more than once, without denial of the power of Congress to change it. Our coins have been debased and a smaller weight of pure gold or silver is now required than was formerly required.

It seems, therefore, to have been left to Congress to determine how far the statutory value of coined metal shall correspond with the market value of the same metal as bullion. It is not claimed that the expression "to coin

money and regulate the value thereof" expresses or implies any other restriction than that the substance of which it is coined shall be metallic. But it is possible for gold or silver to be formed into a leaf no thicker than bank-note paper. If upon such a leaf, stamped in any way, a value be affixed by Congress of \$100 dollars, why is it not money, even in the view of those who insist that coining money is applicable only to metallic substances? There is no prescription of any form for the pieces of money that may be coined.

The courts of last resort of at least fifteen other States have held, in substance, the same doctrine. But, Mr. President, the Supreme Court of the United States has frequently spoken to the same effect.

In *Knox vs. Lee* and *Barker vs. Davis*, 12 Wallace, page 457, in what are commonly known as the legal-tender cases, the Supreme Court has, in my judgment, put an end to this question.

Mr. Justice Strong, who there delivers the opinion of the Court, on page 547, says:

Undoubtedly the power to regulate the value of money coined, and of foreign coins, is not exhausted by the first regulation.

More than once in our history has the regulation been changed without any denial of the power of Congress to change it. And it seems to have been left to Congress to determine alike what metal shall be coined, its purity, and how far its statutory value as money shall correspond, from time to time, with the market value of the same metal as bullion.

Speaking further, on page 553, he says:

It is hardly correct to speak of a standard of value. The Constitution does not speak of it. It contemplates a standard for that which has gravity or extension.

But value is an ideal thing. The coinage acts fix its unit as a dollar; but the gold or silver thing we call a dollar is in no sense a standard of a dollar. It is a representative of it. There might never have been a piece of money of the denomination of a dollar. There never was a pound sterling coined until 1815. If we except a few coins struck in the reign of Henry VIII, almost immediately debased, yet it has been the unit of British currency for many generations.

He further says, on page 547:

The Constitution does not ordain what metals may be coined, or prescribe that the legal value of the metals when coined shall correspond at all with their intrinsic value in the market.

And on page 548 he says:

No one ever doubted that a debt of \$1,000, contracted before 1834, could be paid by 100 eagles coined after that year, though they contained no more gold than 94 eagles, such as were coined when the contract was made, and this, not because of the intrinsic value of the coin, but because of its legal value. The eagles coined after 1834 were not money until they were authorized by law, and had they been coined before without a law fixing their legal value they could no more have paid a debt than uncoined bullion or cotton or wheat.

Bradley, J., in the same case, on page 562, says:

Uniformity of money was one of the objects of the Constitution. The coinage of money, and regulation of its value, is conferred upon the General Government exclusively. That Government has also the power to issue bills.

These decisions, Mr. President, have been reaffirmed by the Supreme Court of the United States in *Duly vs. Smith*, 13 Wallace, 604; *Bigler vs. Waller*, 14th Wallace, 297, and *Railroad Company vs. Johnson*, 15 Wallace, 195, and may be said to settle for all time the doctrine that, under the Constitution of this country, the power rests in Congress to create and regulate the value of money.

I think I have now shown conclusively these two propositions:

First, that silver is the money of the Constitution, and,

Second, that the power to create and regulate the value of money is a political power conferred upon Congress under the Constitution of this Union.

Mr. President, this is the teaching of our fathers as they have spoken to us through the Constitution. Can we doubt it? Can we hesitate to enforce it when commerce, industry, and labor lie prostrate and bleeding at every pore throughout the length and breadth of the nation?

It is an elementary rule of construction applicable to constitutions and statutes alike, wherever our language is spoken and the common law is in force, that where a power is conferred for the public welfare it becomes the duty of the officer or body upon whom it is conferred to execute it in the fullness of its gift.

Power and duty are under such circumstances synonymous words. Can we then refuse to discharge the duty of coining the silver of the Constitution? I believe this duty will be fulfilled to the lasting benefit of our country unless we have reached that period in the world's history when the day that ushered out of existence the reign of the feudal lord also ushered into existence the reign of the money lord whose golden argument is to break down constitutions, topple over and destroy government, if not efface civilization and enslave the race.

Mr. President, for seven hundred years before the Christian era silver was used as money and has been continuously used from that time until the present time throughout the civilized world.

Silver was current with the merchants in Abraham's time. For two thousand seven hundred years gold and silver, as money, have not varied to exceed three points, and yet the gold monometallists tell us that silver is becoming so plentiful that the only safety in our monetary system is to abandon it and cling to the gold standard.

I have no caprice to serve in this matter, none whatever, and if I can be convinced that there is a sufficient amount of gold in the world to do the money work of the world with, and that we do not need the aid of silver, I would be perfectly willing to take gold as the single standard. The People's party is not clamoring for silver because they prefer it to gold, but simply because they are thoroughly convinced that there is not enough gold in the world to do the money work of the world with, and that we must have more money to bring to the homes of this nation that degree of prosperity to which they are entitled, and which they so much need.

Let us look at this question of the supply of gold for a moment. In round numbers the world has, in gold coin, \$3,750,000,000. Of this sum it is said that there is hoarded in Asia, in various forms, \$1,250,000,000, leaving to the balance of the world something like \$2,500,000,000.

Early in the current year the distribution of gold stood something like this:

Bank of France.....	\$340,000,000
Imperial Bank of Germany.....	215,000,000
Russian War Chest.....	500,000,000
Bank of England.....	125,000,000
Other banks in England.....	95,000,000
Austria-Hungary.....	150,000,000
Spain, Netherlands, Italy, and Turkey.....	125,000,000
United States Treasury, May 1, 1893, including that covered by certificates.....	202,000,000
Banks of the United States.....	198,000,000
	<hr/>
Leaving for the rest of the world perhaps.....	1,950,000,000
	530,000,000

Thus showing conclusively that the great bulk of the coined gold of the world is controlled by European and other foreign powers.

By the report of the Director of the Mint in 1892, page 1, we are informed that the total gold output of this nation in 1892 was approximately \$33,000,000. Of this sum, on page 49 of the report, we are informed that \$19,329,000 were consumed in the arts. Add to this \$1,500,000 to make good lost and abraded coins, and there is left of the gold output of 1892 \$12,171,000. Estimating the population of this country at 66,500,000 souls, which is below the estimate given by the Treasury Department, and we find that of the gold subject to coinage, of the output of our mines in 1892, there are 18.3 cents per capita.

It is current history that the population of this country is increasing at the rate of over 2,000,000 per annum, and if we take the per capita circulation, as given by the Director of the Mint, at \$25, it will be seen that we need annually to add to our current money \$50,000,000 to stand still.

Where is the gold to come from if this volume is to be supplied by gold? It is evident that we do not mine it, and if we obtain it at all it must be by purchasing it by the issuance of Government bonds. And this is the resort, in my judgment, to which the gold monometallists are attempting now to drive the country.

I give it as my deliberate judgment that any Administration which authorizes the issuance of Government bonds to-day, removed as we are thirty years from the close of the war, and with our wonderful wealth which should be converted into money, will be turned out of power speedily at the close of its tenure of office.

The mines of this country can not supply us in the next year with to exceed one-half of the gold output of 1892; for it is well known that the most of our gold is found with silver, and the closing of the silver mines will have the effect of shortening the output of gold; so I am safe in saying that in 1893 there will be no American gold to add to our coinage.

We have, then, one of three remedies open to us.

First. We can issue bonds and purchase gold, and by that means saddle upon the industries and people of this country an endless national debt; or,

Second. We can resort to overexpanded bank credits in the future as we have been doing in the past; or,

Third. We can tap the silver mines of the Rocky Mountains and cause to flow into our volume of currency a stream of silver equal to the demands of our people.

Which will we do?

We have been constantly told by the Republican party for years past that the only safety to this nation was in becoming a self-reliant people; that we should build up our industries, set our laborers to work, giving them remunerative wages for their labor, and live within ourselves and independent of Europe and European interests; and yet we are told to-day by some of the leaders of this party that this Government can not commercially breathe except as it breathes through the lungs of England.

We are told that we must protect our people against the evils of tariff taxation, but when it comes to the value fixed on European money we are to suffer them to be robbed at will.

If we adopt the first course offered to us by gold monometal-

lists, we have no assurance that the gold which we purchase and put in the Treasury to-morrow will remain there twenty-four hours. The same means by which the Treasury has been depleted and looted in the past of its gold may be resorted to in the future, and we will be compelled to issue more bonds to buy more gold, and by this means a perpetual national debt will be created and will rest upon our people for years to come. There is no end—there can be none—to a system of this kind.

If we resort, on the other hand, to bank credits, we resort, in my judgment, to an infinitely worse scheme. I am not prepared, so far as I am concerned, to have this Government abandon the constitutional power of coining and controlling money. The power to coin and regulate the value of money, and control its volume, is a vital sovereign power devolved by the Constitution on Congress. I am not prepared for the time when this Government shall abandon this sovereign power, which should be exercised in the interest of the masses of the people, and farm it out to bankers, brokers, and gamblers in stocks and bonds, that they may tax the industries and energies of this country *ad libitum*.

Mr. President, in my judgment, the nation is to-day suffering more from a contracted volume of money than from all other causes combined.

The junior Senator from Massachusetts [Mr. LODGE] told us the other day that the mills of New England are closed, and that at this time, with the exception of two mills, there is not a spindle turning in the city of Lawrence; that there is only one mill running in the city of Lowell, and that there are over 30,000 people out of employment in two other cities in the Commonwealth of Massachusetts.

The Senator said:

Multiply it by 10 and you get some idea of the distress that rests upon the State of Massachusetts. Multiply it by 100 and you get some idea of the distress pervading the Northern States, and when there is such a blight resting upon the industries of my own State, and of all the other great industrial States of the North, for one I have no mind for party politics or for delay. I ask simply for action. I believe it is the highest duty that the Senate can perform to take the quickest possible action.

If to this the Senator had added that hundreds of thousands of people are out of employment in many of the great agricultural and mining States of the Union in consequence of the closing of the mines and the stagnation of productive industry; that prices of farm produce have fallen almost 40 per cent in the South and West, and that there is a universal cry going up from all of the great agricultural, mining, and manufacturing States of the Union, caused by this panic precipitated upon the country by the money-changers of Lombard street, aided and abetted by their allies of Wall street, he would have drawn a mild picture indeed.

And what is causing all this distress? Certainly it is not because the people are frightened at the Sherman act, but rather because there is a universal scarcity of money, and business and industries of all kinds are at a standstill in consequence.

That this is true may be found in the fact that all over the country we hear of a financial famine; not enough money, it is said, with which to do the business of the country.

I have watched the daily press, for many months, very carefully, to ascertain the cause of so many bank failures, and in almost every instance the dispatch announcing the failure of a bank is accompanied with a statement that the bank had ample

resources and was perfectly solvent, but could not obtain the money to pay its debts.

When the volume of money is so small that it will not supply the ordinary and daily demands of legitimate banking, what is to be thought of the chance of the farmer and laborer in the struggle for an existence?

Another prolific source of evil contributing, in my judgment, in a large measure to produce the distress we are now experiencing, lies in overexpanded bank credits, making money panics probable, or at least possible, by sudden and extreme inflation or contraction of the volume of money.

We have too much credit—too much confidence and not enough of actual money, and there must be some means invented for a speedy return to a sounder and more scientific basis.

The history of the world fails to produce an instance of a nation evilly affected in consequence of an oversupply of sound money, although it is replete with instances of nations whose civilization has been lost or turned back for centuries in consequence of a shrinking volume of money.

The evils resulting from a contracted volume of money are so vividly portrayed by the senior Senator from Ohio [Mr. SHERMAN], in a speech delivered in this Chamber, February 27, 1868, to be found in the Congressional Globe, part 5 and Appendix, second session Fortieth Congress, pages 183-192, that I can not refrain from quoting from it. It is as follows:

The appreciation of the currency is a far more distressing operation than Senators suppose. Our own and other nations have gone through that operation before. * * *

It is not possible to take this voyage without the sorest distress. To every person except a capitalist out of debt or a salaried officer or annuitant it is a period of loss, danger, lassitude of trade, fall of wages, suspension of enterprise, bankruptcy, and disaster. * * * It means the ruin of all dealers whose debts are twice their capital, though one-third less than their actual property. It means the fall of agricultural productions, without any great reduction of taxes. * * *

When that day comes every man, as the sailor says, will be close-reefed, all enterprise will be suspended, every bank will have contracted its currency to the lowest limit; and the debtor, compelled to meet in coin a debt contracted in currency, will find the coin hoarded in the Treasury, no representative of coin in circulation, his property shrunk not only to the extent of the appreciation of the currency, but still more by the artificial scarcity made by the hoarders of gold. To attempt this task by a surprise upon our people, by arresting them in the midst of their lawful business and applying a new standard of values to their property, without any reduction of their debts, or giving them an opportunity to compound with their creditors, or to distribute the losses, would be an act of folly without an example in evil in modern times.

In a well considered article in the *Manufacturer*, volume 6, page 2, published at Philadelphia, August 12, 1893, there occurs this significant language, bearing upon the decline in the price of wheat:

The decline of the price of wheat is not caused by the stringency in the money market. It has continued for nearly twenty years through a period of high prosperity. It will be likely to continue further. Unless the price of silver shall be advanced, wheat may be expected to fall to 50 cents a bushel, and it may go lower. The decline is due, not at all to overproduction, if there is any overproduction, but to the constant appreciation of the value of gold.

While gold goes up wheat will go down, and there can be no hope of stopping their movement until a civilized world refuses longer to conduct its business upon the basis of a single metal. It will be hard for the persons who have been fighting against silver remonetization, and ridiculing the men who upheld it, to admit the truth, but the facts are all against them; the evidence, day by day, is all upon the side of the theory that gold appre-

ciation is destroying the wealth-producers of the country. It was declared a year ago that prices had reached "bottom," but they have been going down ever since, and "bottom" has not been reached.

In the same journal and page is a table showing the decline in the price and quantity of exported wheat from 1892 to 1893. It is as follows:

Wheat exports, fiscal years 1892 and 1893.

	Bushels.	Value.
1892	157,280,351	\$161,399,132
1893	117,121,109	93,534,970

Forty million less bushels, sixty-seven million less dollars.

Quantity declined 25 per cent. Value declined 42 per cent.

And thus, owing to the steady falling of prices, 42 per cent less of debt are paid at only 25 per cent less of wheat.

In a more or less marked degree, the prices of all farm products is falling, and unless something is speedily done to raise fallen prices farming will be the least productive of all our industries.

Mr. President, it is idle to talk at this time of international bimetalism. The people have no faith that it will be accomplished, and many of them believe that it is a mere subterfuge resorted to for the purpose of delay, to the end that the money power may gain time to reduce the masses to subjection and stifle their protests against this great wrong.

Four times in a third of a century we have had an international monetary conference to consider the question of international bimetalism, and each conference has resulted in bringing about nothing, nor have we any assurance that any steps are being taken in good faith to bring about international bimetalism.

While we all understand that the purchasing clause of the Sherman act is a miserable makeshift resorted to and enacted to avoid the blessing of the free and unlimited coinage of silver, as has been confessed in this Chamber, yet it is wiser by far to retain it until something better is offered in its place, than to surrender to an enemy who has been constant in season and out of season for twenty years to strike down silver and deprive the people of one-half of their constitutional money; thus increasing in enormous proportion the debts of the people, shrinking the value of their property and labor, and making the rich richer and the poor poorer.

Sir, the Sherman act is the last feeble barrier that stands between the patriotic and industrious masses of our people and that horde of insolent, aggressive, and ravenous money-changers and gamblers of Lombard street and Wall street, who for private gain would, through a shrinking and contracted volume of money, turn the world back into the gloom of the Dark Ages with all its attendant evil and misery. We can not suffer this to be done; we must stand like a wall of fire against its accomplishment, and only when the measure that is to succeed the present law is shown to us and enacted into a law can we with safety repeal the Sherman act.

No mere high-sounding and empty declaration about an intended return to bimetalism, such as is attached to the bill under consideration, should be permitted to betray us into an unconditional repeal of the act of July 14, 1890. Such declaration has

only added evidence of a fixed and settled purpose on the part of the Administration to forever drive silver from the field as a money metal.

It may quiet the fears of the weak and lull the thoughtless into an attitude of fancied security, but it is merely the song of the siren calling the nation to destruction. No, sir; base, ignoble, and cowardly as the Sherman act is and ever has been, it is infinitely better than this limp, meaningless, and useless declaration of an intention to return to bimetalism. We have it in our power to force better terms, and we would be unworthy if we fail to do so.

Mr. President, I have listened to and read many of the speeches delivered upon the subject of money. I have read much of the literature pertaining to the subject, and, although I do not profess by any means to have exhausted the question, I must say that I have never yet heard a reason offered for the establishment of a single gold standard, or read one, that was not, to my mind at least, capable of a ready and conclusive answer.

If this question could be divested of the selfishness that surrounds it—the selfishness of the silver miner on the one hand, and the gold miner, the advocate of a limited and shrinking volume of money, and the holder of securities, on the other hand—it would be comparatively easy of solution.

But it is clothed with so much selfishness, and therefore is so much mystified on the part of those directly interested, that it will doubtless prove difficult of solution. Monometallists assault silver with many bitter epithets; they declare in strong terms that a silver dollar is a dishonest dollar, "a 5-cent dollar," and "a fiat dollar," and they apply to it many of the bitterest expressions that can be invented. There is no argument in expressions like these. We all well understand that when a subject under discussion elicits from its opponents nothing but epithets, it is reasonably safe in the domain of logic. It is only when its opponents have no reason to offer against it that they resort to denunciation, sarcasm, and ridicule. Now, why is a silver dollar a dishonest dollar? I have never heard any other reason given than that its commercial value is not, at present, equivalent to the bullion value of the gold dollar, and this, in my judgment, is the only reason, if it can be called a reason, that can be offered against it.

How is it expected to institute a comparison between two unequal things—two things that are, according to an imperative law of nature, considered as articles of commerce—traveling in opposite directions? Gold daily growing more scarce and in greater demand throughout the civilized world, and silver crippled by being denied equal coinage privileges at the mints, growing more plentiful, with lessened money use, it must be expected that their commercial value will radically differ. But put both metals upon an equality before the law, and they will stand equal in the commercial and monetary world. I do not doubt that the very moment silver is permitted free access at the mints its price will go up throughout the civilized world. Only last week the London silver market advanced in anticipation of the action of Congress retaining the present Sherman act.

Mr. President, how can it be expected that silver will advance in price, or even remain at a given point, when we have joined

with Europe to discredit it? It seems to me that it would be unwise for us to join with Europe in depressing the price of cotton, corn, and other products of our fields. The Senator from Oregon told us in his speech the other day that the price of Indian wheat and cotton was fixed in the Liverpool market by the gold standard. I deny this. I assert that every bushel of Indian wheat and every pound of Indian cotton that has been sold in the Liverpool market for the last eighteen years has been bought with debased silver or discounted Indian council bills payable in silver, thrown on the market by the English Government, very frequently at a large discount, and in competition with American silver; so that American silver, to be sold in the Indian market or in the London market for India, has been compelled to meet and undersell Indian council drafts. And what has been the effect of this course of business?

It has been an increase of the wheat and cotton industries of India, and, to an enormous extent, Indian wheat and cotton are now, in consequence, sold in the Liverpool market in strong competition with the productions of our own farmers and planters, and the price of American farm products has been driven down in consequence thereof to an almost inconceivable point. I am entirely unable to understand why the people of this country should join England in destroying one of the great industries of America and one of the strongest metals, and raising up in consequence thereof strong competition upon the part of the people of India, that destroys much of the profit of American farming.

Mr. President, I desire to direct the attention of the Senate for a short time to a little further inquiry into the subject of money and its characteristics. Money, in my judgment, may be defined to be a medium of exchange. In fact, I know of no office or function performed by money that is not clearly embraced within that definition. There are found in this country and elsewhere two schools of thought, one holding that the value of money resides in the material upon which it is impressed, or of which it is made, and the other holding that the money value is given it by law, bounded and circumscribed by its volume; in other words, that the value of money is a value in use rather than a value in the material of which it is composed. Money differs from all other things known to man in the following respects:

First. Its value consists in a value in use, or the office or function it performs.

Second. It differs from all other things in that it possesses no value except as it is being used. It is the office of money, like the Wandering Jew, to keep constantly in motion, and it is valuable and serviceable to the race only when it is in motion.

Third. It differs from all other things known to man in the fact that it is counted by units. No one ever thinks of looking at the size of the piece or of ascertaining its weight; but we look at the number of dollars or cents it represents and take it in consequence thereof, and not in consequence of the commercial value of the material of which it is composed. There is nothing like this except, perhaps, the unit in a mathematical calculation.

Fourth. It differs from all other things known to man, because all of it is, at all times, for sale; its very office is a medium of exchange, and it is useless except when used in exchange for other articles. Gold monometallists hold to the theory pro-

mulgated by the merchant mariner early in the world's existence. I have not been able as yet to ascertain the time when the legal-tender quality was attached to money, although I think I am safe in saying that it is of comparatively recent origin.

Early in the history of the world's commerce the merchant was a mariner, and loading his ship at the beginning of the trading season, he sailed from land to land selling his wares and receiving in exchange the precious metals, unstamped and uncoined, and at the close of the trading season the nation which had the greatest amount of the world's precious metals was counted the most fortunate.

As a result of this, business was stimulated in the nation having the "balance of trade," so that the nation against whom the balance of trade existed, to turn that trade in its favor the next year, was compelled to labor cheaper and produce more cheaply than the other nations, that it might undersell them in the markets of the world. That is the origin of the so-called automatic or self-regulating system that was taught in the early history of the world, and it is that doctrine that is being advocated by the gold monometallists in this country to-day. It is readily seen in examining this doctrine that no value was given to the precious metals by the ancients in consequence of coinage or legal enactments, but the entire value resided in them as articles of commerce.

In the struggle for the precious metals by the ancients, that nation receiving the greatest amount at the end of the trading season did so in consequence of debasing or enslaving its labor and destroying its civilization, and doubtless it is true that civilization was retarded for many centuries in consequence of this struggle for gold and silver.

If the Constitution is correct, as expounded by the courts of this country, that the power to regulate the value of money as money is a political power existing in the Government, and the value of money is its value in use, or its exchangeable value, then the theory of the gold monometallists, that commercial value must reside in the material of which money is made, is unsound; and the argument that there should be an increased ratio of silver and gold is likewise unsound.

We are told, however, that if we reestablish silver as money of final payment in this country at the old ratio of 16 to 1 we will be flooded with foreign silver, and gold will go out of the country, and we will be driven to a silver basis or to silver monometallism. Certainly no well-informed person can be in fear of such a consequence. This country produces more than 40 per cent of the total silver output of the world.

It is well known that of the 1,200,000,000 of people upon the face of the earth at least 900,000,000 of them are exclusively silver-using people, and there is a struggle now going on to obtain silver enough annually for the use of these people.

If we rehabilitate silver and give it its proper office in our volume of currency I have every reason to believe that at that moment silver throughout the world will reestablish itself as it stood at the time of demonetization.

The civilized nations of Europe who are using silver as money, and must continue to use it, can not spare their stock of silver for the purpose of dumping it upon us. I am told, and I believe it to be true, that the total amount of silver money in use amongst

the civilized nations, independent of this Government, is \$1,100,000,000, the most of which is used at a ratio of 15½ of silver to 1 of gold. Is it possible that, with the pressure on European nations for money material, which is daily growing stronger, the owners of this volume of silver money, will consent to pay the expense of its transportation to this country, and here add one-half grain to its coinage, for the purpose of injuring the industries of our nation?

Money goes where the least quantity of it will buy the most, and it is idle to say that the stock of silver in Europe, which is now being used at a ratio of 15½ to 1, will be brought here for recoinage at the ratio of 16 to 1, for the purpose of affecting our commerce. But, however this may be, certain it is that whoever brings his silver to this country for the purpose of coinage, under the law for the free and unlimited coinage of silver, will be compelled to purchase American products with his dollar or it will be valueless to him.

It is repeatedly asserted that law can not create or give value, but we have only to look at the effect of legislation in this country for the past thirty years to learn that through the exception clause placed upon the legal-tender notes, the creation of the national bank system, the contraction of the volume of money, the credit-strengthening act, the demonetization of silver, the resumption act, and other monetary legislation, millions of dollars of value have been created to the holders of our securities, and millionaires, not by the dozens, but by the hundreds, have been made; and all this in consequence of legislation that has transferred to the holders of these securities the money and property of the masses of our people.

Among the many absurdities indulged in regarding this question of finance is the so-called parity between gold and silver.

We are given to understand by some that at a certain ratio of gold to silver a natural parity can be found and established; but the advocates of this doctrine should remember that parity is the relation of equality between two or more things, created by law or by the common consent of those concerned in their use. Natural parity can only be found in things of equal production, service, demand, durability, and indestructibility, and it would be difficult now for anyone to name any two things in the entire domain of nature between which a natural parity exists. Parity, then, is and must be a creation of law.

Mr. President, we have been told that the nation in whose favor the "balance of trade" exists at the close of the trading season is to be considered the most fortunate nation, and that we must so order the affairs of this country as to annually obtain this balance of trade. A balance of trade is only a national blessing when it represents some profit to our people. If it is bought by the sale of our products far below their cost, and at a sacrifice of our civilization, it is a curse rather than a blessing. Of what benefit can it be to the people of this country if they should obtain the entire stock of European gold by a sacrifice of their property and labor, while Europe may be enjoying their products as well as profits? If the balance of trade is to be purchased at a sacrifice, we have only to indulge in such luxury for a few years to completely pauperize our labor and destroy our national wealth. It would be better for our people, better for our

aggregate wealth, if the balance of trade should be annually against us than to purchase it at too great a sacrifice.

But, Mr. President, I had no intention at the outset of my remarks to discuss this question at any considerable length.

I only intended to discuss some of its legal features which I have frequently heard denied by gold monometallists. I will leave to older, abler, and more experienced Senators the duty of discussing money as a science. In all the advancement made by the race in the generations of time that have preceded us, less advancement has been made in the science of finance than in any other department of human research. We have been enabled by the cultivated brain of man in the domain of the sciences to make wonderful progress. We have created the electric light, the telephone, the telegraph, the railroad and all attendant blessings as well as evils, and, wherever man has applied himself, the result has been the production of something designed in its use for the benefit of the race; and yet, in the science of money, we lag behind; and amongst our people are those who tell us that we can not invent any means which will prevent the recurrence of financial panics and depressions and the transferring of the money and property of the many into the hands of the few.

I believe the mind of man, when rightly and honestly applied to the solution of this question, will eventually be able to settle it upon a wise, humane, and scientific basis; and to this end, it occurs to me, our energies should be honestly directed.

Mr. President, I think the time has gone by when the prosperity of our country should be left to the mere luck and chance of gold and silver mining. I believe the cultivated and scientific mind of man, that has given to the world such wonderful progress in every department of life, will, when honestly and patriotically applied to the task, be able to give to us a money based upon wise, humane, and scientific principles, which will afford to every man, woman, and child beneath the folds of our flag a full measure of justice.

I began this discussion with reluctance and I close it with reluctance; for, scattered over the great plains of our country, in its woodlands, on its mountain sides, and in its valleys, are millions of our countrymen who are suffering ineffable misery in consequence of this unholy warfare waged upon their rights.

Their eyes are turned toward this city, and they are now earnestly looking and listening for the decree that is to go forth from this Chamber, enslaving them and their children for generations to come, or that is to strike from them the chains of financial bondage and set them free.

If we act wisely and patriotically, and give to the people of our country a sufficient volume of sound and scientific money to enable them to set all the energies of nature and man at work producing wealth, once more the sunlight of prosperity, like the natural sun that dispels the mist and the dew, will kiss away the clouds of doubt and fear, and we will witness an era of prosperity more wonderful than the world has ever known.