

SILVER IS THE FRIEND OF POVERTY AND
THE HANDMAID OF CHARITY.

SPEECH

OF

HON. WILLIAM B. BATE,
OF TENNESSEE,

IN THE

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The Senate having under consideration the bill (H. R. 1) to repeal a part of an act, approved July 14, 1890, entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes"—

Mr. BATE said:

Mr. PRESIDENT: The Congress and the country were a few years ago aroused to the pressing necessity of a great reform by that thrilling and sententious phrase that it was a "condition not a theory which confronts us." To-day we have both condition and theory barring the way to another great and pressing reform. A congested condition of trade and business demands immediate relief—business confidence prays for restoration; the one precious metal left to our currency by unwise legislation comes and goes like the ebb and flow of the tide. Theories of every kind, monometallic and bimetallic, are as thick as leaves in Vallombrosa. Amid this confusion it is difficult to pick one's way however careful he may be.

The Constitution commands Congress "to coin money, regulate the value thereof, and of foreign coins, and fix the standard of weights and measures." The metals to be coined are plainly indicated by the language of the Constitution; gold and silver coins and nothing else can be made by the States a tender in payment of debts.

Those two metals, not one or the other, but both gold and silver are to be coined. There is no discrimination in the Constitution between the metals, which authorizes Congress to hold one to be precious and to make the other mere tokens—no discretion to coin gold into eagles and half eagles and quarter eagles—and silver denied to the dollars, but confined to the subsidiary coins.

Under the Articles of Confederation, the Congress was authorized to "regulate the alloy and value of coin struck by its own authority, or by that of the respective States." (Article IX.) Thus the sovereign power to coin those metals into money resided in the independent States, and was by those States transferred by specific grant to their agent, the Congress. The Constitution did not create in that agent the right to coin money; that sovereign right existed *in the States*, but by the Constitution was transferred to the Congress in equal fullness as to *both* metals. The power was not to coin money from either gold *or* silver, but from gold *and* silver.

If the power to demonetize one of these metals exists in Congress, it equally exists to deprive the other of its monetary

character; and the power to demonetize *both* metals necessarily follows from the power which can destroy the money character of either metal. In that connection, Mr. Blaine forcibly expressed the denial of this power in Congress:

No power—

Said he—

was conferred on Congress to declare either metal should not be money. Congress has, therefore, in my judgment, no power to demonetize either any more than to demonetize both.

A further reason why the power to demonetize either metal does not exist in Congress may be found in the provisions of the Constitution forbidding the States from making anything but gold and silver coin a tender in payment of debts. The restriction which forbids "anything" else, necessarily carries the duty of making gold and silver coins the legal tender of the States. If Congress may demonetize the coins of either metal, it may equally deprive the coins of *both* of all money value, and thus take from the States the power to execute a constitutional obligation. There is no specific power granted to Congress in regard to legal tender. The Constitution recognizes the control of legal tender as reserved to the States, within the restriction that nothing but gold and silver coin shall be made a legal tender.

Congress may by law recognize the coins of both metals as legal tender, because the States are required to make such coins legal tender; but its power to *deny to one metal* a legal-tender quality, while the States are by the Constitution *required* to recognize the coins of *both*, is problematical if not unwarranted. The fathers who framed the Constitution, when they came to enact laws to carry into effect its provisions, did not presume to deny to one of these metals its legitimate and constitutional and customary place among the metals of currency.

The act of April 2, 1792, was the first attempt of Congress to carry into effect that provision of the Constitution which authorized Congress to "coin money." The ninth section of that act provided for the coins which were to form American currency. They were eagles, each to be of the value of \$10; half eagles, each to be of the value of \$5; quarter eagles, each to be of the value of \$2.50. Then followed the silver coins—dollars, half dollars, quarter dollars, dimes, and then the copper coins. Manifestly, until the word "dollar" was defined by law, the value of the coins could not be ascertained. Hence the act defined the *dollar*—not the gold dollar, nor the silver dollar, but the "*dollar or the unit of value*." It was "to be of the value of a Spanish milled dollar as the same is now (1792) current, and to contain $371\frac{1}{4}$ grains of pure silver." That was the dollar of account, the unit of value, which the gold and silver coins were to represent.

I have seen it stated, but where I can not now recall, that Messrs. Bowditch and Rittenhouse, at the request of Hamilton and Jefferson, were present when the assayer melted one thousand carefully cleaned Spanish milled dollars of different dates, and carefully taking out all the alloy, weighed the pure silver, and dividing the weights of the residuum by 1,000, ascertained that $371\frac{1}{4}$ grains of pure silver were in each Spanish milled dollar. Upon that report the act of April 2, 1792, fixed the value

of the dollar, or the unit of value, at that of a Spanish milled dollar then current, and its weight at 371½ grains of pure silver. Having thus defined the dollar of account and fixed its weight, the value of the dollar of money, which, whether of gold or silver, was to be its representative, was easily ascertained. That initial point in our currency having been fixed beyond doubt, the sixteenth section of the act attached the legal-tender quality to the gold and silver coins—equally for all indebtedness.

The distinction between the dollar of account and dollar of money is clearly drawn by Mr. Justice Strong in the legal-tender case in 1871 (12 Wall., 553):

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 coined a piece of money of the denomination of a dollar, and yet the dollar of account was necessary.

And the learned justice's illustration of the uncoined dollar was the fact that though the pound sterling had been the unit of British currency for many generations, there had never been a pound sterling coined until 1815; thus the act of 1792 defined the dollar and then created the metallic representative, and the dollar thus defined was made the standard of value, with the same certainty as that of the law which fixed a standard of weights and measures.

THE STANDARDS.

The framers of that law—Hamilton and Jefferson, Bowditch and Rittenhouse—fixed, that is, made stable and permanent, the standards for value for weights and for measures. The dollar was to measure value, the pound was to measure weight, and the yard was to measure length. As the yard would be 36 inches, no matter of what wood the stick was made, and the pound, whether of iron, lead, or feathers, the same—so it was intended that dollars should always be 371½ grains of pure silver, whether represented by a gold or a silver coin or a paper certificate or a greenback or a national-bank note or an individual's check.

When England fixed the length of the yard, it was to be, as defined, "the straight line of distance between the centers of the transverse lines in the two gold plugs in the bronze bar deposited in the office of the exchequer shall be the genuine yard at 60° Fahr.;" and when Hamilton and Jefferson defined the dollar the definition was not less exact and positive—it is to be 371½ grains of pure silver. In both examples it was something fixed to which one could tie. The variability of value and the fluctuation of price were eliminated—the 371½ grains of pure silver, no matter what the price, with no regard to ratio, were to be the measure of the dollar.

That dollar thus fixed by Hamilton and Jefferson remained unaltered until the unhallowed hands of the revisers of the statutes emasculated it on June 22, 1874. While the dollar of account—the unit of value—was thus fixed by law, the dollar of coin, whether gold or silver, was often affected by the condition of the market; the rates between gold and silver established by the act of April 2, 1792, at 15 to 1—that is, 15 grains of silver was equal in value to 1 grain of gold. The ratio between the metals, always subject to the influence of the law of supply and demand,

varied and changed, and at the year 1834 it was found that gold was worth more than 15 to 1.

France had in 1803 established her ratio at 15½ to 1, which had the effect of drawing American gold to France, because 1 ounce of gold could be bought in this country for 15 ounces of silver and sold in France for 15½ ounces. To check that result the law of June 28, 1834, established our ratio at 16 to 1. But while the coin dollar varied with rates, the dollar of account remained fixed and permanent. It was, so to speak, always a yardstick to which the courts could bring all contracts for measure.

Mr. President, it was an evil day for this country when the definition of the dollar was repealed by the Revised Statutes and the "gold dollar piece" of the act of February 12, 1873, was made the unit of value (25.8 gram). The legislation which repealed the careful and wise work of Hamilton and Jefferson, Bowditch and Rittenhouse, was of a dark and devious character, and by circuitous and suspicious proceedings. Three revisers had in 1866 been appointed "to bring together all statutes which from similarity of subject ought to be brought together, omitting redundant or obsolete enactments, and making such alterations as may be necessary to reconcile the contradictions, supply the omissions, and amend the imperfections of the original text."

Manifestly new legislation which altered the coinage, reversed the policy of eighty years of successful operation, was not included within that commission. Yet all the law relating to the mint and coinage act of 1792 was condensed into section 3536, that "the money of account of the United States shall be expressed in dollars or units, dimes or cents," etc. The definition of the dollar, so carefully studied by Hamilton and Jefferson, so diligently sought for by Bowditch and Rittenhouse, was omitted from the Revised Statutes, and there is not anywhere in Federal legislation any legal definition of the unit of the money of account, which will tell what is its weight or its value. The dollar of account, the 371½ grains of pure silver, was exchanged for a "unit of value" of 25.8 grams of gold.

The measure of value once fixed and invariable is gone, and in its place we have the "gold dollar piece" of 25.8 grams, changeable and variable as the metal of which it is coined. That result so disastrous to the country, that prolific parent of woes which are ever returning as the standard of values shortens by one influence or lengthens by another, was preceded by four years of warfare on silver, which, if not part of the conspiracy that culminated in the Revised Statutes of 1874, has left behind it a train of circumstances which the people believed to have been the work of a conspiracy to make gold the single standard, and thereby increase the burden of debt, public and private.

SILVER DEMONETIZED BY REVISED STATUTES.

It is necessary to my purpose only to call attention to the results of the efforts of legislation from 1868 to 1873, which eventuated in the demonetization of silver, in order that the Revised Statutes might complete the conspiracy in a manner not likely to attract attention and be arrested by Congress; for if attention has been called to the fact that silver was thereby demonetized, the dollar definition abandoned, the Revised Statutes would not have been enacted *in solido*. The act of February 14,

1873, did not directly and specifically demonetize the silver dollar, but only provided against its continued coinage. That was done by the provision—

That the silver coins of the United States shall be a trade dollar, a half-dollar or fifty cents, and the weight of the trade dollar shall be twelve grams and a half gram; and the quarter-dollar and dime shall be, respectively, one-half and one-fifth of the weight of the half-dollar; and said coins shall be a legal tender at their nominal value for any amount not exceeding \$5 in any one payment.

And then it was provided—

That no coins, either of gold, silver, or minor coinage, shall hereafter be issued from the mint other than those of the denominations, standards, and weights herein set forth.

By the act of 1873 the silver dollar dropped out of the coins of the United States. But the act, in none of its provisions, deprived existing silver dollars of their legal-tender quality. Silver coins to be struck, after the passage of the act of 1873, were restricted to a legal tender of only \$5, but all silver dollars existing previous to February 12, 1873, retained their full legal-tender quality.

The full and complete demonetization of silver was accomplished by the Revised Statutes enacted June 22, 1874, and few if any members of either House of Congress were aware that, concealed within its voluminous provisions, was the section which provided that—

The gold coins of the United States shall be a legal tender in all payments at their nominal value, but the silver coins shall be a legal tender at their nominal value for any amount not exceeding \$5 in any one payment. (Revised Statutes, sections 3585 and 3586.)

Hamilton's and Jefferson's definition of the dollar was not included in the Revised Statutes. The true yard measure, so to speak, had been removed from the office of our exchequer and a variable, changeable standard, subject to all the fluctuations of supply and demand, was substituted, and every contract, public and private, all property of every description deprived of a fixed and stable standard of measurement. No greater crime, if it was designed, and no greater error, if it was from ignorance, was ever committed in legislation. Congress, in full confidence of the good faith of the revisers, enacted in 1874 the Revised Statutes, without intending and without knowing that a change so radical in our currency polity and in our legal-tender legislation had been made.

In the light of that blazing indignation of the people which followed the discovery of the change in our currency, effected without the knowledge of the people, and without the attention of Congress being directed to it, I hazard nothing in averring that the Revised Statutes would not have been enacted if it had been known that the folly of the revisers had been substituted in our coinage for the wisdom of Hamilton and Jefferson. The act of January 4, 1875, which provided for the resumption of specie payment on January 1, 1879, first called public attention to the change effected in our currency polity by the Revised Statutes, as well as by the four years' legislation about the mint, from 1868 to 1873.

INDIGNATION AGAINST DEMONETIZATION.

Immediately the popular outcry against the demonetization of silver voiced the public indignation of what was believed to have been a despicable trick of creditors against debtors. The indignation which that discovery aroused, found expression in the passage by the House of Representatives on December 13, 1876, less than two years after the Revised Statutes had been enacted, of what is known as the Bland silver bill, the direct object of which was to remonetize the silver dollar, restore it to those functions which Hamilton and Jefferson had so wisely given it, and to make that silver dollar a legal tender to any amount for all debts, public and private.

That bill having been lost in the Senate, the popular House again, November 5, 1877, voiced the demand of the people by passing a bill remonetizing the silver dollar of 412½ grains of standard silver, and to be a full legal tender for all debts, public and private. That bill, failing in the Senate, the people still refused to accept the result—and agitation, that peaceful but effective method of revolution, continued growing in force and demand until the Congress was fairly driven to enact the law of February, 1878, known as the Bland-Allison act, which provided for a limited coinage of the old silver dollar of 371½ grains of pure silver with the legal-tender quality of 1792 fully restored.

Unfortunately, the Bland-Allison act did not reenact the *definition* of the dollar, did not restore the unchangeable measure of value, but adopted a silver dollar of the proper weight, but being of silver was liable to contract and expand with the rise or fall of silver bullion on the market. The dollar of account, like the yard, indifferent to the material out of which it is made, should have been again restored to our standards of measurement.

These efforts of the House of Representatives repeated on every return from the people—that of 1876, followed by that of 1877, and that followed and partially successful in 1878—attest the interest and witness the purpose of the people to return by prompt and thorough legislation to the initial established in 1792, with its wisdom consecrated by the practical experience of Hamilton and Jefferson.

The demand for the rehabilitation of silver with its constitutional and customary right to be a part of the coinage, and clothed with the legal-tender quality, was not only voiced as soon as the discovery was made, but it was persisted in with a constancy not often seen in popular demands. It is not less in 1893 than it was twenty years ago.

The reasons for that persistent and continued demand are founded in the long period of monetary use which silver has occupied in the history of all nations, as well as the unhappy and mischievous results that followed its demonetization. That use has been so widespread and beneficent, so ancient and universal, that all the schemes and conspiracies of all the stock exchanges and boards of trade of the world have not shaken the people in their confidence in the white metal, nor silenced the demand for its rehabilitation with the legal-tender quality and its continuance as a metal of currency. And even at the present day, and after India has been similarly juggled out of the silver coinage

of her rupees, nearly three-fourths of the nations of the earth, and more than three-fourths of the population—India, France, Belgium, Italy, Switzerland, Greece, Austria, Russia, China, and both Americas—except Brazil and Argentine Republic, have silver money in actual circulation as a full legal tender for all debts.

WHY THE PEOPLE DEMAND SILVER.

With the people, that vastly larger portion of our population whose trade transactions though small in each are enormous in value and volume when taken in the aggregate, silver has incontestable advantages over gold as a circulating medium for payments, being intrinsically a harder metal and standing the abrasion and consequent loss far better than the yellow metal. With the people the gold dollar when it was coined was extremely inconvenient and liable to loss and speedy wear-away, as well as difficult to count and to handle; while the silver dollar lasted for more than half a century without appreciable evidence of wear and tear.

Neither does the great bulk and weight of silver in large transactions deter the people from its use, because all modern exchanges of large sums are made, not by the transfer of either metal, but by credits in the familiar form of checks and bills of exchange. Hence the argument of inconvenience applies with no greater force to the white than the yellow metal.

But we are told that the depreciation of silver has rendered it unfit for use in currency. How much of that depreciation was caused by crooked legislation prompted by the creditor against the debtor, and how much was caused by natural agencies, is a problem which has not yet been satisfactorily solved. There are factors in that problem which involve the moral and legal right of government to confiscate property, by imposing the heavier burden of gold where the lighter burden of silver had existed for centuries before, and to add to the burden of debt by degrading a metal which government had stamped and coined as money of full value.

When Congress, by law, makes gold the single standard, which will be practically done by the unconditional repeal of the Sherman act, it restricts silver to a debased token, which pays the wages of labor in a depreciated currency while the profits of capital are reaped in gold. This is but one example which marks the measure of wrong done to the people in depriving them of one of the precious metals.

Gold is subject, like every other article of commerce, to the fluctuations of supply and demand, and can be as readily "cornered" as wheat or cotton. Like other articles of commerce, gold can be made artificially scarce, and when a people are dependent upon a single standard of value, and that is "cornered" by the manipulation of the market, the facilities and profits of speculation know no limits, and the suffering and losses of the people no measure. But when trade and commerce have two metals of standard value, there is one to fall back upon, and the liability of the "corner" is diminished by more than one-half.

England, the land of the single gold standard, has been as liable to and has suffered as much from great commercial and monetary panics as France, where the two metals have been for centuries standards of value without rivalry and without the de-

preciation of either. The history of panics and depressions of trade and business, when truthfully told, will show that countries with the monometallic standard are as often visited by those strange and unaccountable aberrations of trade as where bimetallicism is the measure of values.

It stands to reason that when either metal is available as a substitute for the other the local fluctuations of supply and demand for either inevitably bring out the other to restore equilibrium. If this be true, the bimetallic system will secure more stable value to money and all dependent thereon than is attainable under the single standard, and thus would adjust harmoniously the prices of all commodities. Violent and sudden contractions of the circulating medium have in all times and under all circumstances entailed great stringency in trade and inconvenience and loss to the community.

AN UNWISE EXPERIMENT.

Mr. President, this country is now passing through the crucial test of a contracted currency, produced, as it is said, by a widespread "hoarding" of currency. Would it be a wise and efficient remedy for that contraction for Congress, by demonetizing silver, to force out of circulation that large volume of silver which is now part of our currency, as well as all that which the mines of our country produce? An example of that kind of financiering may be drawn from Germany's demonetization of silver in 1873, which was immediately followed by the severest panic that country ever experienced, and that, too, after she had realized the \$1,000,000,000 in gold of which she plundered France; while just across the Rhine, France, weakened and depleted by her enormous sacrifices of treasure and territory, was sustained and protected from panic and depression by her double standard of value.

The enactment of the single gold standard by all nations would reduplicate the evils of contraction, and involve all countries in the very throes and spasms of panic and depression that exist at present in this country.

Such an enormous shrinkage in the volume of each nation's currency would produce a fearful depression in the prices of all commodities and securities, in enormous losses of property, in universal and commercial financial embarrassment, and widespread bankruptcy and ruin. Such a violent monetary contraction, while it would carry down the price of discredited silver to the great loss of all nations holding that form of currency, would raise in an equal ratio the value of gold, which would become so scarce and dear as to be at times unattainable.

That this would be the resulting consequence from increased monometallicism is proven by the best statistics. These show the amount of the world's silver coinage to be nearly, if not quite, equal to that of gold coinage in circulation. Hence, to demonetize or virtually to abolish silver as a legal tender would have the effect of a contraction of almost 50 per cent in the world's circulating medium. Such world-wide contraction of the currency would prove a fearful creator of panics and monetary crises.

The debtor portion of our people is by no means small, neither are their rights insignificant. Their obligations were contracted under the double standard of gold and silver. Any

change in that standard, such as the removal of silver from its former high place as a received money measure and standard of value, would be a great and ruinous wrong to all persons owing debts at the time the change was made. Such a contraction of the currency would require all debts, which before it, were payable in either gold or silver, to be paid in gold alone, which, enhancing in value, would become dearer and dearer as the demonetization extended, and would practically bankrupt that large portion of our people who are in debt, and at the same time unduly enrich the fortunate possessors of ready money.

It must be apparent from these considerations that the attempt to create the single gold standard is an effort and movement in the interest of the few as against the many, and that a just regard for vested rights, for the vast interests engaged in commerce and industries, for the convenience of the people, and even for national solvency, requires the maintenance of both gold and silver as money of payment.

Mr. President, from the origin of the Government until 1874, the silver dollar worked side by side with gold as a full-valued currency and legal tender to any amount. For eighty years the silver dollar of 371½ grains of pure silver (412½ grains of standard silver) was the companion in trade of the Mexican dollar of equal value and weight as the real monetary unit; and while it is a fact that this silver dollar was never coined to any great extent—only about \$8,000,000 being struck—it was none the less the standard measure; while half dollars of equal proportioned value were coined to the amount of \$109,000,000, and were everywhere in circulation. That condition of our currency, existing without complaint from any source, was ruthlessly destroyed by the act of 1873, and all silver demonetized by a concealed section in the Revised Statutes of 1874; under the guise of amending the Mint laws, the coinage of the silver dollar was prohibited, and the legal-tender quality of all silver currency limited to \$5.

Of all the nations in the world the United States is the most interested in maintaining the value of silver as money. We are the largest producer of this metal, and upon the market for this metal depends a very large share of our national prosperity. To discredit and banish silver from use as legal-tender money would be the entire destruction of the market for silver, and if brought about by the action of Congress would be unparalleled in the history of destructive legislation. What duty, what necessity calls upon this country to join hands and efforts with other countries in destroying an American product, in enhancing all our public and private obligations, and throwing away one of the most efficient sources of national wealth?

I believe that it was because Congress is bound by considerations of public equity, as well as by those of national interest, to restore the money measure to what it was before the legislation of 1873 and 1874, that the platform of the political parties declared emphatically for the free coinage of silver and the maintenance of the parity between gold and silver.

The Democratic party in Tennessee have, time and time again, in county and State conventions, recommended the free coinage of silver, and I feel that in lending my voice and vote to aid in bringing about that result, I am reflecting their will.

All laws, in my opinion, which demonetize silver coins or which forbid their coinage as fully or freely as those of gold violate the spirit of the Constitution. In that spirit of free coinage our first mint was organized in 1792, and the same spirit of free coinage pervaded our monetary policy down to the year 1873. And as soon as the "conspiracy," "the scheme," as Mr. Carlisle designated the legislation of 1873, was discovered, every man who was engaged in that legislation "began with one accord to make excuses," to deny all knowledge of the effect and to swear the blame and crime rested not upon him. The people with a unanimity unparalleled in our history demanded a return to the metals of our Constitution, to the policy of our country, and to the example of the fathers.

DEMONETIZATION REFUSED BY BOTH PARTIES.

And now after twenty years of discussion and effort to get back to the bed rock of free coinage, both political parties in their platforms of principles—those public pledges to the people—declare for what? The Republican party "demands the use of both gold and silver as standard money." The Democratic party, "We hold to the use of both gold and silver as the standard money of the country," and going farther than the Republicans, the Democratic party won power in the last election by its public pledge for "the coinage of both gold and silver without discrimination against either metal." Thus, as our monetary system began its existence with free coinage, so in the present year—one hundred years after—the whole people of all parties stand pledged to return to free coinage.

It was that "cowardly makeshift" of 1890 in the totality of its mischief-making that all Democrats voted against, and of which the platform of our party demands "its speedy repeal." It was not any particular clause or section of the "makeshift" which the last election condemned, but the whole law, from title to approval, was unqualifiedly ratified by the popular and electoral election to be a "cowardly makeshift," fraught with possibilities of danger in the future which should "make all its supporters, as well as its author, anxious for its speedy repeal"—repeal, not modification or amendment, but repeal, absolute and total.

The only clause in the "makeshift" which commended it to the people of the State which I in part have the honor to represent, is the very clause, and the only clause, proposed to be repealed. And after that repeal the emasculated "makeshift" is to be left to all its "possibilities of danger in the future," and the people deprived of all coinage of silver—reduced to the single gold standard of value—and all their transactions, all their debts, and all their property measured and valued by the dearer and harder standard. After such a repeal will not the people say—

And be these juggling fiends no more believed
That palter with us in a double sense,
That keep the word of promise to the ear
And break it to the hope.

I can not discover in the Chicago platform any warrant to compromise this question, which shall not secure to the people the power of free coinage. The only qualification in the platform of either party which makes compromise possible with party honor, as I view it, is that which addresses itself to the parity of values

between the two metals. How can there be a parity of values unless there is more than one metal—parity in itself implies more than one. But we are now confined to the repeal of the purchasing clause, and are not, so far as the proposed repeal goes, considering the parity question. When we repeal the purchasing clause, what have the Republican members done to redeem their pledge “to maintain the equality in the purchasing and debt-paying power of the dollar, whether of silver, gold, or paper?”

What will the Democratic party have done to make “the dollar unit of coinage of both metals” to be “of equal intrinsic and exchangeable value,” and to make “every dollar” equal “at all times in the markets and in payment of debt,” when they repeal only the purchasing clause? Parity carries with it the implication that there shall be two metals, gold and silver. There can be *no parity if but one*.

It has not been shown in either House by what trick of financial legerdemain an alleged so-called “dishonest” dollar of 85 cents will instantly become an honest dollar of 100 cents by repealing the purchasing clause. Nor can any man explain why a ratio of 20 to 1 will, by the repeal sought, instantly rise to 16 to 1, when the Government ceases to be a purchaser of silver and yet forbids the people from coining their purchases. If the bullion value and the coinage value have separated, from commercial and mercantile causes, and the former has fallen, I fail to understand how removing the largest and most constant buyer from the market and depriving all other buyers of the chief use of the bullion will contribute to raise the bullion value until it reaches the coinage value and reestablishes the legal ratio of 16 to 1.

But I believe I can see how Congress may improve the market by opening it to all buyers, and by offering free coinage to all purchasers reestablish silver on an approximating ratio to gold, which in a short time would reach the legal ratio of 16 to 1. If natural causes exist which have depreciated silver, it will be wise policy on our part, as well as a constitutional duty, to do all in our power to counteract the effect of those natural causes, and by opening the widest market and restoring free coinage lift it back again into that position from which the legislation of 1873 removed the white metal.

If the present depreciation is the culmination of a widespread conspiracy to bring about the establishment of the gold standard in every country, our policy and our duty combine to make this Congress and this country the declared enemy to all such villainy.

Neither can I discover as yet any warrant to compromise this matter of free coinage in the conditions of the country, of which the President says:

Our unfortunate financial plight is not the result of untoward events nor of conditions related to our national resources, nor is it traceable to any of the afflictions which frequently check natural growth and prosperity. With plenteous crops, with abundant promise of remunerative production and manufacture, with unusual invitation to safe investment, and with satisfactory assurance to business enterprise, suddenly financial distrust and fear have sprung up on every side.

In the midst of such embarrassment of riches, “distrust and fear” are not, in my judgment reasons why this Congress

should take a doubtful departure in a policy so important as the adoption of the single gold standard. I am strengthened in this conviction by the reasoning of leading Democrats, who in 1878 bent every energy of reason and argument to reestablish free coinage as the true remedy for "distrust and fear."

FREE SILVER TEACHERS.

The consummation of such a scheme—

As the demonetization of silver, Mr. Cawltle said—

would ultimately entail more misery upon the human race than all the wars, pestilence, and famine that ever occurred in the history of the world. The absolute and instantaneous destruction of half the entire movable property of the world, including, houses, ships, railroads, and all other appliances for carrying on commerce, while it would be felt more sensibly at the same moment, would not produce anything like the prolonged distress and disorganization of society that must inevitably result from the permanent annihilation of one-half the metallic money of the world.

The distinguished Representative, Senator, and Secretary, whose language I have quoted, has never been given to rhetorical exaggeration, and I must accept his language as the unqualified expression of his honest convictions. What greater calamity can imagination picture than his language portrays? I can not vote even in a partial way for so direful a remedy for "distrust and fear."

The distinguished Senator from Texas [Mr. MILLS], honored by his party to lead in the great tariff reform, and whose name is indelibly fixed to one of the greatest fiscal reforms ever attempted in this country, has uttered no uncertain words against the demonetization of silver. On February 7, 1879 (page 1109 volume 8, part 2, CONGRESSIONAL RECORD), he concluded a short but very able speech on the "eighty-five cent" dollar with the following emphatic declarations:

I am not alarmed about the country being flooded with silver money. I have heard that cry for two or three years past, and I have felt no alarm in regard to it. I wish that the thirty-five millions of trade dollars which have been issued were in the country to-day, and were a legal tender in payment of public and private debts. I wish that all Mexican dollars that are now in circulation in some portions of the United States were also legal tender for the payment of public and private debts.

What would be the effect of it? It would add to the volume of our circulation, and just in proportion as you add to the quantity of money in circulation you decrease its value, in obedience to the common and well-established law of our political economy, and you add to the value of all property and all the labor in the country just in the same proportion that you take it away from the money.

It is in the interest of the people, and it is for them we should legislate and not be continually throwing advantages around the bondholders and favored classes of legislation. We should legislate in the interest of the laboring, toiling people of the United States and make as much of this standard silver of one function as it is possible for us to make.

And again, on February 3, 1886 (volume 17, part 2, page 1113), the Senator from Texas proposed an amendment to a revenue bill, "that all taxes imposed by this act shall be paid in standard silver coin;" thus, Mr. President, almost demonetizing gold and greenbacks by denying to them the power to discharge the tax on whisky. His speech on that occasion was the deliberate and careful expression of much study and great research. It fills eleven columns of the RECORD, and leaves no feature of the discussion unexamined. It demonstrates to the Senator's satisfaction the alleged speedy flight of gold from this country, because of the free coinage of silver, to be a myth—a spook, in-

voked by "associations of national bankers, cotton exchanges, and boards of trade in their efforts to create a public sentiment that would compel Congress to retrace its steps" in the legislation of 1878. He examined with careful research the whole subject of ratios and left no country unvisited to ascertain its experience—and his investigation came to the conclusion that—

We can never be flooded with silver bullion from any country, because it is cheaper here than elsewhere.

He repudiated the idea that the silver dollar had depreciated in its purchasing power. He denied that the silver dollar was— an 83-cent dollar, that it is a clipped dollar. I heard it called on this floor eight years ago, in the discussion of this question, by all these bad names, and yet by the authority of the laws of the United States it is invested with a monetary function just the same as the gold dollar—

and he added that any man who acted upon such an assumption would demonstrate the truth of the old aphorism—

The fool and his money soon part company.

The speech, which was an able and valuable contribution to the discussion, closed with the positive and unqualified declaration that—

The way to bring the monetary value of gold and silver together is to restore the market to silver. Give silver free coinage. Throw open to it all the mints of the world.

The distinguished chairman of the Committee on Finance, the Senator from Indiana [Mr. VOORHEES], was not less pronounced in his support of the free and unlimited coinage of silver. In an able speech delivered in this Chamber on January 15, 1878 (volume 7, part 1, page 333), he advised the people that—

Throughout all the financial panics that have assailed this country no man has been bold enough to raise his hand to strike it (silver) down; no man has dared to whisper of a contemplated assault upon it.

He designated it as the people's "favorite coin," and characterized "the deep damnation of its taking off" in 1873 as the "greatest financial revolution of modern times," and in forcible and beautiful language emphasized the twinship of gold and silver, and traced their inseparable connection through the march of civilization down to their entrance into "American money," when it became the money of the Constitution of the United States.

Mr. President, it was the eloquent Democratic advocacy of the free coinage of silver that impressed the people, not only with their right to free coinage, but taught them to believe that it was necessary to that "general welfare" for which the Constitution itself was ordained and established.

It was the convincing logic and splendid advocacy of such Democrats as I have quoted that created the wholesome sentiment in this country in favor of the free coinage of silver, and against any legislation that will destroy or even *delay* free coinage of silver by repeal bills or any other legislation. Such teaching, such instruction can not be unlearned in an hour or forgotten even in a commercial panic.

Mr. President, at the time when these great speeches in favor of free coinage were delivered I was one of the people, unclothed with official robes and in the private walks of life read and was impressed by these views which emanated from such Democrats who then, as now, held seats of honor as the people's champions

in this great temple of American politics and policies. In common with the people I learned the lesson of finance which was taught by these Democratic leaders. I recognized in their teachings the spirit of Andrew Jackson in his warfare against banks, corporations, trusts, and other oppressors of the people. I thought I could trace between the lines some recognition of those Mint-drops of Old Bullion Benton, another great apostle for the people.

Mr. President, these extracts from the speeches of distinguished Democrats show that the campaigns of education which, since 1878, have been instructing the people, can not now be unlearned, and all that distinguished Democratic leaders have taught forgotten in a single extra session of Congress. The people have been taught, I may say indoctrinated, in the belief that free coinage of both gold and silver was not only a constitutional right, but an indispensable condition to the currency of the country.

The people have further learned that free coinage was lost to the country by what has been designated as

THE MOST DISREPUTABLE CHAPTER IN THE LEGISLATION OF CONGRESS.

They have read statements and speeches in the CONGRESSIONAL RECORD, which asserted that the silver dollar had been surreptitiously dropped from the coinage. I am aware that the Senator from Ohio [Mr. SHERMAN] denounces such statements as false. There can, however, be no doubt that the statements were believed by those who made them.

There can be no denial that the Speaker of that House through which it passed, Mr. Blaine, has stated that he was ignorant that the bill wiped out the silver dollar; that the President, Gen. Grant, who approved the bill, was ignorant for eight years afterwards that his signature was to the death warrant of the constitutional silver dollar.

Mr. President, the people of a portion of Tennessee honored with an election to the House of Representatives (Forty-fifth Congress) my neighbor and friend who still lives, blessed with a green old age, the Hon. John M. Bright, a man of ability, character, and reputation, from whom they have learned something of the nature of this legislation of 1873 while he was a member of that body. He said, speaking of this demonetizing act of 1873:

It passed by fraud in the House, never having been printed in advance, being a substitute for the printed bill; never having been read at the Clerk's desk, the reading having been dispensed with by an impression that the bill made no material alteration in the coinage laws; it was passed without discussion, debate being cut off by operation of the previous question. It was passed, to my certain information, under such circumstances that the fraud escaped the attention of some of the most watchful as well as the ablest statesmen in Congress at the time. * * * Aye, sir, it was a fraud that smells to Heaven. It was a fraud that will stink in the nose of posterity, and for which some persons must give account in the day of retribution.—*Mr. Bright of Tennessee*, in CONGRESSIONAL RECORD, volume 7, part 1, second session Forty-fifth Congress, page 584.

That assertion is sustained by the following extract from the Congressional Globe, part 5, page 3883:

Mr. HOLMAN. I suppose it is intended to have the bill read before it is put on its passage.

The SPEAKER. The substitute will be read.

Mr. HOOPER of Massachusetts. I hope not. It is a long bill, and those who are interested in it are perfectly familiar with its provisions.

Mr. KERR. The rules can not be suspended so as to dispense with the reading of the bill.

The SPEAKER. They can be.

Mr. KERR. I want the House to understand that it is attempted to put through this bill without being read.

The SPEAKER. Does the gentleman from Massachusetts [Mr. Hooper] move that the reading of the bill be dispensed with?

Mr. HOOPER of Massachusetts. I will so frame my motion to suspend the rules that it will dispense with the reading of the bill.

The SPEAKER. The gentleman from Massachusetts moves that the rules be suspended and that the bill pass, the reading thereof being dispensed with.

Mr. RANDALL. Can not we have a division of this motion?

The SPEAKER. A motion to suspend the rules can not be divided.

Mr. RANDALL. I should like to have the bill read, although I am willing that the rules shall be suspended as to the passage of the bill.

The question was put on suspending the rules and passing the bill without reading; and (two-thirds not voting in favor thereof) the rules were not suspended.

Mr. HOOPER of Massachusetts. I now move that the rules be suspended and the substitute for the bill in relation to mints and coinage passed; and I ask that the substitute be read.

The Clerk began to read the substitute.

Mr. BROOKS. Is that the original bill?

The SPEAKER. The motion of the gentleman from Massachusetts [Mr. Hooper] applies to the substitute, and that on which the House is called to act is being read.

Mr. BROOKS. As there is to be no debate, the only chance we have to know what we are doing is to have both the bill and the substitute read.

The SPEAKER. The motion of the gentleman from Massachusetts being to suspend the rules and pass the substitute, it gives no choice between the two bills. The House must either pass the substitute or none.

Mr. BROOKS. How can we choose between the original bill and the substitute unless we hear them both read?

The SPEAKER. The gentleman can vote "aye" or "no" on this question whether this substitute shall be passed.

Mr. BROOKS. I am very much in the habit of voting "no" when I do not know what is going on.

Mr. HOLMAN. Before the question is taken upon suspending the rules and passing the bill, I hope the gentleman from Massachusetts will explain the leading changes made by this bill in the existing law, especially in reference to the coinage. It would seem that all the small coinage of the country is intended to be recoined.

Mr. HOOPER of Massachusetts. This bill makes no changes in the existing law in that regard. It does not require the recoining of the small coins.

The question being taken on the motion of Mr. Hooper of Massachusetts to suspend the rules and pass the bill, it was agreed to; there being—ayes 110, noes 13.

And so the rules were suspended, and the substitute passed without its ever being read or any member of that body knowing the contents of it. (See speech of Senator Hereford of West Virginia in CONGRESSIONAL RECORD, December 14, 1877, page 206.)

The honored and revered Senator from Kentucky, the late Mr. Beck, than whom no man was more esteemed or enjoyed more of popular confidence—and none have lived who deserved more, has told them of the shameful fraud.

I know that the bondholders and monopolists of this country are seeking to destroy all the industries of this people in their greed to enhance the value of their gold. I know that the act of 1873 did more than all else to accomplish that result, and the demonetization act of the Revised Statutes was an illegal and unconstitutional consummation of the fraud. I want to restore that money to where it was before, and thus aid in preventing the consummation of their designs.—*Speech by Senator Beck, of Kentucky, page 258, CONGRESSIONAL RECORD, January 11, 1878.*

"The cloud of witnesses" who have exposed this fraud need not be enlarged. The names I have given, living and dead, belong to our country's history, counterparts of the truest and best.

Of that legislation I have no personal knowledge, but there can be no denial of the fact that the dropping of the silver dollar from the coinage, whether done openly and fairly as the Senator from Ohio contends, or surreptitiously and fraudulently as has been asserted by others, the fact remains that the people disapproved the legislation, and because of that disapproval and of the consequences which have followed that legislation, this Congress is now in extra session, seeking to undo the evil consequences which followed it.

THE EVIL EFFECTS OF THE DEMONETIZATION OF SILVER
was foretold in 1868, by M. Wolowski, who said:

The suppression of silver would bring on a veritable revolution. Gold would augment in value with a rapid and constant progress which would break the faith of contracts and aggravate the situation of all debtors, including the nation.

And in the opinion of many of our ablest lawyers the demonetization of silver has "impaired the obligation of contracts," in this, that it has augmented the debt by augmenting the value of the money in which it must be paid, and by diminishing the value of the products from which the money to pay must be raised. No greater evil could prevail than this. It reduces the country to two classes, an aristocracy based on money, and a dependent peasantry. It tends to make princes of one class and slaves of the other. It smothers out all enterprise and individual aspiration.

Mr. President, the key to the strong box of the commercial world has swung from the girdle of England for centuries, and has given entrance to it with the same ease that the "open sesame" unlocked the door to the forty thieves. That key in 1816 she made of gold, and threw away forever her silver one. She has used that golden key so often to the discomfiture of other nations and in subservience to her own interests, that now her imperious shylocks do not brook with grace any interference with their assumed prerogative of dictating gold as the sole standard to all the world. As financial autocrats they dictate and it is done. With them interest and policy are synonyms. Since England established the gold standard in 1816, her persistent effort has been to degrade silver to a purely commercial value and destroy its money quality everywhere. Beginning at home, she demonetized silver and set up the solitary gold image for her worshippers.

England made no pretense of respect or regard for the interest or welfare of any other people. Her law of 1816 plainly and unequivocally stated that she consulted only her own interest. It recites:

XI. And whereas at various times heretofore the coins of this realm of gold and silver have been equally a legal tender for payments to any amount, and great inconvenience has arisen from both those precious metals being concurrently the standard measure of value and equivalent for property; and it is expedient that the gold coin made to the indentures of the mint should henceforth be the sole standard measure of value and legal tender for payment without any limitation of amount, and that the silver coin should be a legal tender to a limited amount only, for the facilities for change and commerce—

It was enacted that "after the passage of that act gold coins should be in unlimited tender and silver coins limited to 40 shillings" in any single payment.

Under the sway of that law her creditors grew richer and her debtors poorer. In this England stood almost alone among the great national powers until 1873, when she gained Germany over to her single gold standard. It is asserted, and believed by many, that simultaneously with the success of her schemes with Germany she instigated and stimulated a similar movement in the United States, and it is to our shame and misfortune that she accomplished demonetization here in the same year. The coincidence is significant, and indicates that this destructive financial move found inspiration from the same source and was in touch throughout the whole realm of finance in Europe and America.

When the expressions of popular sentiment here demanded a recognition of silver as the people's money, and Representatives in the popular branch of Congress had voiced it time and again, and finally by a "makeshift," to defeat its free coinage, did get it partial recognition in the enactment of the present subject of contention, England's money-lenders grew restive under this and laid in wait for an occasion to encompass its unconditional repeal, and thus consummate her design to monometallize every country in the commercial world.

Realizing the fact that this country is the stronghold of silver, and apprehensive that the popular clamor for its recoinage would find expression in the present Democratic Congress, as the free coinage of silver had been a landmark along the pathway of that party since its organization, and its free coinage had been placed as a plank in its recent national platform, England, governed by the creditor class, renewed her assault for the destruction of silver as money, by methods best known to artful and conscienceless financiers.

By a skillful and well-organized leadership in Lombard street, and active and efficient lieutenants in Wall street, which is in full sympathetic touch with nearly all the moneyed institutions in this country, the assault was made on the National Treasury to deplete the gold in its vaults, so as to necessitate encroachment on the gold reserve or the issuance of bonds to meet demands upon our National Treasury.

Just here, Mr. President, permit me to say with emphasis that I most heartily commend the course of Secretary Carlisle, acquiesced in, no doubt, by the President, in refusing to issue bonds at the request of the Wall-street brokers—or anyone else. The "scheme" rising to the dignity of a well-organized system, working through objectionable methods, with the bondholding class and the larger moneyed powers of our great commercial marts in sympathy and accord with the movement, soon threw our lesser banking institutions all over the country, though most of them were solvent, into consternation. This readily resulted in a monetary crisis that prostrated business enterprises, and which will go down in legend and in history as the "bank panic."

Mr. President, this combined force of the money powers of London and New York, like the foul spirit of Manfred, was—

The rider of the wind,
The stirrer of the storm—
The hurricane it left behind
Is yet with lightning warm.

The plot thickened until the storm-center of this financial cyclone was developed by England stopping the coining of silver in India, with its undoubted retroaction upon this country; and this culmination of the crisis brought us here in extra session under auspices most unfavorable to silver.

THE PRESENT CRISIS

is partly real and widespread and partly artificial and limited. The general fall in prices of all productions, the closing of manufactories and want of employment, is widespread, and has a general cause both in Europe and America.

The general cause of depression and the widespread stagnation in business among the commercial nations of Europe is the appreciation of gold consequent upon its inadequacy and character to do the business of such vast payments and exchanges of commodities. This has smothered enterprise and activity; closed entirely or put on diminished production many great establishments; turned out of labor millions of men and spread distress through all the European nations as well as the United States.

The run made on the banks that has caused so many of these institutions to succumb has been in a great measure an artificial movement on the part of the creditor class; the controlling banks and many leading metropolitan newspapers were brought into requisition by them for the purpose of securing the entire overthrow of silver as a currency and establishing gold as the only standard.

The assertion that it is the effect of the Sherman law that has produced a dread on the part of depositors and holders of American securities in foreign countries, that the country is going to adopt the silver standard and a depreciated money, is the shallow device of those who seek the overthrow of silver by securing the repeal of the Sherman law unconditionally, and hence the entire annihilation of silver money.

It is true that those who urge this course of action profess to be bimetalists and that they are acting in this way to coerce the monometallists in other countries to return to their bimetallic standard. This, I fear, is a mere device to silence opposition for the present, and when the act is consummated there will be the end of any return of silver. It is the descent to Avernus, those lonely regions which once made there is no return.

Mr. President, there are two leading questions in this movement.

First. Has gold appreciated or has silver depreciated in its purchasing power?

Second. Is there enough gold in the world to answer the demands of the internal and external commerce of the great commercial nations?

It is a generally admitted fact that gold has *appreciated*, and it is denied that silver has *depreciated*, and for this reason the creditor class advocate the gold standard alone.

Mr. Gladstone in his recent speech put forth the appreciation of gold as the reason England should favor the gold standard in

other countries. England is the great creditor nation of the world. She has invested, it is said, over ten billions of money in other nations. The adoption of the gold standard there has augmented her interests and dividends to the amount that gold has appreciated over silver. The purchasing power of silver here remains unchanged except as to gold. The silver coin will purchase as much wheat and cotton, land and houses, horses and cattle as it ever did. If it has declined in value so have also all these commodities. The date of the decline is from the year 1873, when silver was demonetized.

Let us take the tables. I shall insert in my remarks the index numbers of Mr. Lauerbeck's table for forty-five principal commodities from 1874 to 1892:

Years.	Index numbers.	Years.	Index numbers.	Years.	Index numbers.
1874.....	102	1881.....	85	1888.....	70
1875.....	96	1882.....	84	1889.....	72
1876.....	95	1883.....	82	1890.....	72
1877.....	94	1884.....	76	1891.....	72
1878.....	87	1885.....	72	1892.....	68
1879.....	83	1886.....	69		
1880.....	88	1887.....	68		

The period begins with 102 and for eighteen years descends regularly to 68. The fall in silver compared with gold is nearly the same per cent, indeed they run down at the same rate.

The figures obtained by means of Lauerbeck's index numbers show the decline of silver compared with gold.

Years.	Silver.	Years.	Index numbers for silver.
1854.....	101.1	1874.....	95.8
1855.....	100.7	1875.....	93.3
1859.....	102.0	1876.....	86.7
1866.....	100.5	1877.....	90.2
1872.....	99.2	1888.....	86.4
1873.....	97.4	1892.....	65.4

The range of silver from 1854 to 1873 is between 101.1 and 99.2; in the subsequent period from 97.4 in 1873 to 65.4 in 1892.

Compare the results. The forty-five articles from 1874 to 1892 range regularly from 102 to 68, and the price of silver during the same period is from 95.8 to 65.4, showing that the same cause, the gradual *appreciation* of gold, produced the decline in both.

Let us now test the movement of silver, cotton, and wheat, the three greatest commercial products of our country. By a careful examination of the prices of silver, wheat, and cotton, it will be found that as the price of silver compared with gold has declined so have the prices of all farm products.

I submit a table showing the export price of wheat, cotton, and

silver, from 1872 to 1893, taken from the Statistical Abstract of the United States:

Year.	Wheat.	Cotton.	Silver.	Year.	Wheat.	Cotton.	Silver.
		<i>Cents.</i>				<i>Cents.</i>	
1872.....	1.47	19.3	1.32	1883.....	1.13	10.8	1.11
1873.....	1.31	18.8	1.29	1884.....	1.07	10.5	1.01
1874.....	1.43	15.4	1.27	1885.....	.86	10.6	1.05
1875.....	1.12	15.0	1.24	1886.....	.87	9.9	.99
1876.....	1.24	12.9	1.15	1887.....	.89	9.5	.97
1877.....	1.17	11.8	1.20	1888.....	.85	9.8	.93
1878.....	1.24	11.1	1.15	1889.....	.90	9.9	.93
1879.....	1.07	9.9	1.12	1890.....	.83	10.1	1.04
1880.....	1.25	11.5	1.14	1891.....	.85	10.0	.90
1881.....	1.11	11.4	1.13	1892.....	.80	8.7	.86
1882.....	1.19	11.4	1.13	1893.....	.72	7.3	.78

From that table it will be apparent that as silver declined in price as compared with gold, so did wheat and cotton. When silver was \$1.32 per ounce, wheat was \$1.47 per bushel, and cotton 19.3 cents per pound. But when, in 1893, silver had fallen to 78 cents per ounce, the farmer got only 72 cents for a bushel of wheat, and the planter only 7.3 cents per pound for cotton.

THE CONSEQUENCES IN THE RISE OF GOLD ARE:

First. The weight of all permanent burdens is increased.

Second. Debtors pay more and creditors receive more than they otherwise would.

The sad and oppressive consequences of this appreciation of gold can be readily understood by all thinking persons, and it will be felt by all that eat their bread "in the sweat of their faces." It is not enough that privation, want, and destitution shall spring from this return to the past. Liberty, the crowning glory of all human efforts, will be circumscribed unless the millions who labor and produce shall arise in their might and say to the power of money, "Thus far shalt thou go and no farther."

With the increase of burdens that must press so heavily upon the producers by the single gold standard, untold evils must result to society, to all the commercial nations, to civilization, to commerce and enterprise.

In the late conference at Brussels (1892), Alfred de Rothschild said:

Gentlemen, I need hardly remind you that the stock of silver in the world is estimated at some thousands of millions, and if this conference were to break up without arriving at any definite result there would be a depreciation in the value of that commodity which it would be fruitful to contemplate and out of which a monetary panic would ensue, the far-spreading effects of which it would be impossible to foretell.

Here is the opinion of one of the most decided and influential of the monometallists in Europe and the representative of the entire class. The opinion deserves consideration from the well-known ability and experience of the author. M. Rothschild understands well the value of the base on which repose all commercial transactions, all industrial and business interests, and the danger of disturbing the base on which repose all human activity, all artificial productions.

M. Victor Bonnet, the great French financier, in an able arti-

cle published in the *Révue des Deux Mondes*, October number, 1868, said:

Metallic money is the base on which repose all commercial transactions, the pivot around which they turn. One can well, by skillful combinations, by means of credit, enlarge the circle of these transactions; but one can not suppress the base nor enfeeble it sensibly without damage, and a great damage, to all society.

It is the operation of this principle that led M. Rothschild, in the Brussels conference, to make the declaration he did. Yet our statesmen expect by a Congressional enactment to extinguish *one-half the metallic base*. They have no fears of the result. Yet this great English financier trembles over the convulsion that he foresees.

Is there gold enough in the world to do the business required of money? Statements have been published by the Treasury Department exhibiting the world's production of gold and silver, from which it will appear that in the century from 1792 to 1892, inclusive the two metals have kept remarkably together in their output, gold being \$5,633,908,000; silver \$5,104,961,000; gold leading silver in one hundred years only \$528,947,000, or an average of only \$5,289,470 per year.

It is further shown by the same authority that—

The total gold of the world in coin and bullion used as money amounts to \$2.51 per capita.

The total silver of the world in coin and bullion used as money amounts to \$2.58 per capita.

The total gold and silver of the world in coin and bullion used as money amounts to \$5.09 per capita.

If the whole world is reduced to a gold basis \$2.51 per capita will be our money of redemption instead of \$5.09 under a bimetallic system.

There is about equal quantities of gold and silver, \$4,000,000,000 of each, and this has to be supplemented by as much paper, based on the coin. The paper of all kinds reposes on the metals. It is worthless if it does not. It is manifest that gold alone would be inadequate to sustain the great paper circulation that must repose on it.

It is a fact, also, that gold is not increasing in its production. In the United States, beginning with the discovery of gold in California in 1848, the product was forty millions; 1850 it was fifty millions—the highest. From this point it has gradually fallen to \$33,175,000 in 1891.

From April, 1792, to July, 1834, in the United States the production of silver is said by the Director of the Mint to have been "insignificant" against \$14,000,000 gold; and from July, 1834, to December, 1844, the production of silver was only \$250,000 against \$7,500,000 of gold, and from this on to 1858 the annual production of silver did not rise above \$50,000 until in 1858 it was \$500,000, whilst gold was \$50,000,000. In 1861 the production of silver was \$2,000,000; that of gold \$43,000,000. It was not until 1879 that silver stood \$40,800,000, and gold \$33,900,000.

From this period to 1891, more silver has been produced in the United States than gold. But during this period, from 1792 to 1893, the United States has yielded \$1,904,881,769 of gold, and silver \$1,073,172,000. The production of gold and silver in the world stood from 1873 to 1893, inclusive, \$2,039,235,000 of gold

and of silver \$1,800,700,000. (These amounts will be found on page 53 of the Report of the Director of the Mint for 1892.) This statement shows no tendency on the part of silver to outrun the gold. Only during *two* years (1879-80) did silver surpass the gold. From 1873 to 1890, every year the gold has largely surpassed the silver.

The decline in the gold price of silver has either alarmed the moneyed class, or they have conspired to put down silver in order to elevate the price of gold. The decline of the price of silver as compared with gold is the result of the appreciation of gold, and this is the result of the destruction of the demand for silver. England is the first conspirator in this, and the United States the second. England demonetized silver in 1816, the United States in February, 1873. Germany followed, July 9, 1873.

All the commercial nations followed, one after another, either to adopt the single gold standard, or to cease the coinage of silver as a legal currency. Thus the demand for three-fourths of the silver was destroyed by legislative enactment. Had the same been done to the gold, it would have fallen to the same extent in the markets of the world.

It is singular that the United States,

THE LARGEST SILVER-PRODUCING COUNTRY IN THE WORLD.

should have been the first to start this stampede against silver. It is still more wonderful that in a country of so much personal freedom that a law should have passed through Congress against the will of the people, which impaired seriously a great industry and entailed one of the most effective and long-continued economical disasters that has ever befallen the country. It began in 1874, and continued for some years to crush all the great interests of the Republic. Nor has it ceased as the war upon silver has set in for its destruction. The cry of the moneyed classes is "*delenda est carthago.*"

The great increase of silver has in no respect tended to a silver standard. We are not a day nearer a silver standard than we were ten years ago. So far from a silver standard, we have reached that of gold, and all things now, including silver, are reduced to the gold standard. I refer to the commercial value. Silver subsidiary coins circulate as readily as though they had the quality of legal tender for an indefinite amount. The silver dollar passes equally well. It pays as much debt, buys as much utility, costs as much labor as the gold dollar. I have never seen any man refuse it. And there is not, and has not been for a century, a manufacturer nor a farmer but would gladly receive the silver dollar with which to pay for labor at its full face value, and there is not a wage-earner in factory or field who would not gladly receive it.

But it is affirmed that law has stamped it with a false value. All money depends on law. It has no value without law, and as money it has no intrinsic value. The moment you give it a value it becomes a commodity. Money is a check, on all persons in the country from which it issues, for the amount of articles expressed on its face. It is the evidence of a debt. The possessor has furnished some one with his commodities and receives money, the evidence of his debt, a universal check on the dealers of the country in which he resides. It can only safely

be made by the Government, as its payment should always be certain, prompt, and without the expense and delay of a legal process.

There is no money in the country that passes more readily than the silver dollar. No one distrusts it. Why destroy so useful an agent? Why afflict all the interests of the country with such a paralysis? Whilst an increase of the base of precious metals stimulates all industries and promotes the general happiness of the people, the contraction of this element depresses all enterprise and closes all business, spreads poverty and crime and misery on all sides.'

Sir Archibald Alison says of the Australian gold discovery:

Prices rose rapidly, and rose steadily; wages advanced in a similar proportion; exports and imports enormously increased, while crime and misery as rapidly diminished; emigration itself, which had reached in 1852 333,000 persons a year, sank to a little more than half that amount. Wheat rose from 46s. to 56s. and 60s., but the wages of labor advanced in nearly as great a proportion.

In Ireland the change was still greater, and probably unequalled in so short a time in the annals of history. Wages of country labor rose from 4d. a day to 1s. 6d. or 2s. Convicted crime sunk nearly a half, and the increased growth of cereal crops under the genial influences of these advanced prices was for some years as rapid as its previous decline since 1845 had been.

Mr. President, the present "currency famine" evinces the fact that we can absorb the output of our own mines in the legitimate channels of trade, and much more than they afford, if allowed to be coined. This country with its teeming and increasing population, its vast territory, extending from ocean to ocean, from lake to gulf, with varied and incalculable resources, including more mines of the precious metals than any other country—one-third of the whole amount of silver in all nations—should have a financial policy of its own and not be the catspaw of the gold-trust jugglers of London. It is openly asserted and believed by many of our best and most intelligent men that these financial necromancers of Lombard street in unholy combination with Wall street speculators, by a joint and strained effort to establish gold as the only legal-money standard, have brought this country the brink of financial ruin.

With monometallism once permanently established here, the same combination could and would, when it suited the interest of their financial greed, produce like condition with half the ease with which they have, with two metals to deal with, recently put upon us the financial nightmare that now paralyzes 65,000,000 of people.

When we see this, why bow our necks for the British financial yoke, why kiss the kingly rod that smites us, though it be a golden rod? America is not an Ireland, to be run over by English domination—nor is it India, to truculently succumb to the mandates of English authority or suppliantly yield to her imperious domination.

Let us profit by the examples which history gives of the evil working of monometallism wherever it has been enforced. Is it not an undeniable fact that the legal recognition of gold as the single money standard in England and elsewhere in Europe, along with the denial of silver to the masses as a money standard, has been the efficient means of concentrating wealth and power in the hands of the few, and pauperizing and enslaving the many,

and while it respectively enriched and pauperized, it widened the chasm between the classes?

Does not history teach us that the single money metal policy lessens the amount of circulation and makes that which does circulate the more valuable—hence more difficult to be obtained by the toiling millions? And is not the necessary result of this to maximize power and minimize the capacity for its resistance? Is not this policy of monometallism, this factor of wealth and power, this destroyer of the wealth-producer and wage-earner, this Juggernaut under whose car the debtor is crushed, while in its charred and blackened track are found the relics of departed prosperity? Is it not this that builds up classes and destroys the masses? Is it not also an active factor in undermining individual liberty and that equality of rights among citizens guaranteed in our republican form of government? Believing that this repeal bill is a step in that direction and, if passed, will give a backset to silver as money and make gold our only standard, I can not vote for it unconditionally.

THE WHOLE POLICY OF OUR COUNTRY.

both fiscal and financial, since 1861, has contributed to bring about a condition of currency, as well as our business relations with Europe, which made possible the consummation of a conspiracy to fasten the single gold standard upon our people. The tariff for protection built up classes in wealth and power and pulled down the masses into poverty and want; millions greater in number and more powerful in the aggregate of their accumulated wealth than are to be found in any other country were the outgrowth of that financial policy which pampered the few on the hard earnings of the many.

The most positive and potential factor in the real causes which have brought about the present panic has been the mischievous legislation of the past quarter of a century in regard to high protective exactions made upon the productive resources of the people to maintain an unhealthy and vicious system of domestic manufactures. The persistent policy of taxing the productive consumers—the farmers and planters, the wage-earners and the great mass of the people—solely to protect and foster and pamper with unequal wealth a few proprietors of factories, has come home with all its direful effects upon the whole population of the country.

The reform of that system of fiscal legislation, the reduction of the burdens of unhealthy taxation, the repeal of all war taxation and that which in time of peace has been inspired by the spirit of the late war, was the real issue in the last Presidential election. Whatever urgent necessity required the assembling of Congress in extra session, I feel it to have been a disappointment to the people that the great reform in the burden of taxation—the main issue in our late popular triumph—was not taken up in the House of Representatives and pushed with equal vigor as has been the measure now under discussion.

The people, by which word I mean the great mass of those who labor, whether in field or mines, on the ships of commerce or toiling amid the whirl of machinery, whose labor is depleted by unequal and exorbitant taxation, have felt a deep disappointment at seeing the tariff, which was denounced in the platform, upon the hustings, and in the newspapers of our party as the chief

cause of all serious burdens, relegated to the rear and told, as Felix said to Paul, "Go thy way, at a more convenient season I will hear thee." It has been a serious disappointment to the people to learn that those of the Democratic party whom they honored with their votes regard any measure more important than the taxes and those burdens which weigh upon labor and the people; that gold is to be preferred to the tariff, and that the wealth of the rich is of paramount importance to the poverty of the poor.

We are urged with zeal to "vote first" for that which, in my judgment, will lead to a single gold standard, and talk about the tariff afterwards; to adjust the standard of value to the demands of creditors in the shortest possible time, and then to make haste very slowly, I fear, in relieving the burdens of taxation on debtors, for fear we may again disturb the profits of manufacturers. Never was legislation for the classes and against the masses more distinctly and defiantly emphasized than by the clamor for the early adoption, at the extra session, of that which will be equivalent to the gold standard—and by the widespread hints that tariff legislation had better wait until late in the regular session.

The men who manufactured the present panic to frighten Congress to adopt the gold standard are preparing to fan another panic into flame against any "cut in the tariff." If we are to place all values upon the gold standard, the least we can do for the people is to lessen the burdens of taxation by removing some of the profits of manufacturers, which the gold standard will most certainly make up in another way.

Mr. President, the national bank act, claimed as a necessary war measure, consolidated the whole money of the people under the positive and direct control and management of a mere handful of men as compared with the millions whose financial prosperity was rendered dependent upon their favors.

Thirty years of legislation directed against the best interests of the people, with but a short respite, have made this country a nation of classes and masses—where unexampled wealth has fallen to the happy lot of the former, while a barely possible existence marks with hardships the struggle of the latter. Thus the ground was prepared, obstacles cleared away, and full and free scope given to the final consummation of the conspiracy which was to commit this country, with all its wealth and wonder ul energy and resources, to a final dispensation, where gold should measure all property, increase the burden of all debts, and bind America to the triumphal car of Great Britain.

Who can believe it was a mere accident, a causeless coincidence, that the first assault upon silver in this country was contemporaneous with its demonetization in Germany? Both occurred in 1873. It may not be possible to trace the negotiations of great capitalists, led by astute and heartless financiers, in their secret and concealed conspiracy to put both America and Germany under the gold standard, but all the signs and indications unerringly point to a subtle influence which operates on both sides of the Atlantic.

Germany followed America with a tariff for protection, and America kept step to the music of Germany's demonetization of silver. Nor was England a laggard in the race. At an oppor-

tune moment she aided the conspiracy by ordering the stoppage of coinage of silver in India—another coincidence evidencing the conspiracy. France practically abandoned the Latin league and discontinued, in a qualified form, silver coinage. All these multiplying influences were directed against the value of a great American product. It is not possible to believe that all these influences come to bear upon the silver question without the directing hand of some power whose interests would be promoted by their concentration against the continued coinage of silver.

We are now called upon to complete and perfect the conspiracy by repealing *unconditionally* the purchasing clauses of the Sherman act and closing our mints to silver, abandon bimetallism, and bring this country to a single gold standard.

GOLD AND SILVER.

Gold, Mr. President, is a hard, narrow, cruel currency. It is cowardly, and flees from danger and generous duty. It does not, like silver and paper standard, defy the invading enemy, but seeks a concealment and the protection of the miser's coffers. It responds not to the demands of charity and kindly offices of friendship. It seems to realize its value and its beauty. It knows when they are in danger and scents it from afar and runs at once to cover. It gravitates at once to the hands of the narrow, severe, uncreative, and soulless. From it in no age has flowed generosity, self-denial, or heroism.

There is in gold a fascination for all the most vicious passions that generate secret and malignant crimes. It seeks a power and place from which it can oppress and grind the toiling millions. It is the inspiration of the pride and glory of wealth and power. It is the ornament of monarchs and servant of their ambitions and intrigues. It is the flame that tempers the assassin's steel, the light that directs the ship of the corsair, the fountain from which flows the daring and courage of the pitiless pirate. The demands of friendship and patriotism it neither hears nor heeds. When rugged war raises its baleful banner and the invading foe menaces the safety and repose of the country, it seeks the strong-box of the miser or the coffers of the timid and prudent. In peace it decks the gaudy trappings of princes and potentates that roll in splendor along the public highways. It glitters in dazzling radiance from the gay women that glide in grace amid the camps and courts of kings and emperors, indifferent as to whether it gilds the person of a Mary or a Borgia. The cottage of the humble it disdainfully shuns and responds not to the cry of inmates for bread, though the creature of their toil and skill.

Gold is the weapon that conquers where the bayonet and the sword, though inspired by the stoutest hearts and wielded by the strongest arms, can not go. It invades the heart and steals the fidelity and vigilance of the guards; against its fascinating encroachments the strongest mail and the most solid fortifications can not prevail. Its gleaming luster pierces the granite wall and unbars the firmest gates. It is as heartless as the poison of the deadliest drug. Neither innocence, youth, age, nor sex is any protection against its stealthy attack. Before its secret and insinuating power how often all that is loved, all that is sacred, all honor, all pity, virtue, love, and duty go down.

Gold is in striking contrast with silver with which it slept so long in warm embrace in their mountain bed and walked on different though parallel lines, through all the various phases that humanity has shown in its march from barbarism to civilization, from simplest barter to the highest form of commercial exchange. Silver has been the companion of man in all his aspirations, from his humble cottage making his way to new and more inviting homes in search of a greater good and larger liberty. It has never deserted him or shunned him in his long, toilsome struggle for life amid dangers and trials.

In the cabin on the far-off frontiers of settlement, in the busy city, on the fertile plains and snow-covered mountains it has been his never-failing helpmate. No privations deterred it, no enemies drove it from his presence. Silver is the friend of poverty and the handmaid of charity. It has equal beauty with its more pretentious yellow rival; its whiteness suggests the purity and sanctity of the faithful. It is the light crystallized in the earth, evoked by the tireless energy and intelligence of the miner, that wonder of labor and fortitude. It thus became in time the garnered labor of workers who saved a morsel from each day's fruit, which was the promise of hope for his household and to himself the guaranty of a solace for relentless old age. It insures him a title to his humble home purchased from his labor thus treasured.

It was in this form, the promise of a family, the nursery, the virtue, defense, and glory of the State. Thus, also, has been evoked a new life upon land and ocean, the exchange of productions of nation with nation, of clime with clime, and with this movement boundless discoveries in nature and inventions in the useful and fine arts. From the first motion forward, labor and silver have worked in harmony through all the various stages of progress; from the rudest beginnings to the sublime results that have crowned humanity and proved it divine.

Mr. President, why bring this country to a gold standard? Did not silver and gold work in perfect harmony and by their joint instrumentality build up this country, placing it in the front rank with the great powers of the earth? Are not both alike found in our borders sleeping side by side in the same rocky beds? Why should we divorce where nature has bound together? Should we not rather keep together with ligaments of law, and relight the hymeneal torch that was rudely extinguished in 1873 and let them live in their natural matrimonial bonds as they flow through the great arteries of commerce and the lesser ones of everyday trade.

If gold, the yellow metal, is the sunlight, is not silver, the white metal, the moonlight, each moving in its own orbit, but in the same general circle, mutually dependent, giving aid to each other and bestowing blessings alike on all? Why make king of one and serf of the other? If gold is king, silver is queen; then let the king and queen of the precious metals reign together with equal rights and equal powers in the realms of finance and trade. Indeed, Mr. President, silver has benefited mankind far more than gold. Gold is used by the few and the rich; silver by the many and the poor.

The joint work of gold and silver is further seen in the facts that the largest stocks of silver and gold are found together in

the markets of civilized nations; that the stock of gold increased in the United States from the date when the Treasury began purchasing silver; and to-day there is more gold and silver in this country than ever before; that silver and gold maintained practical parity from the beginning of their use as money down to 1873, notwithstanding many changes in the supplies of either metal; that the double standard worked harmoniously in every country until the creditor class saw its profit in separating these twins, and after destroying, by the demonetization of silver, the most vigorous and lusty one of the twins, they devote the rich patrimony of this country to the other one.

As to the direct matter before the Senate, the convictions of the people touching silver have been guided by the light of

THAT LAMP OF EXPERIENCE

which the great Virginia apostle of liberty took as his guide in the days of our Revolution. That silver lamp was lit at the altar of our Constitution by the high priests of both the great parties to our politics. Jefferson and Hamilton concurred in bimetallism, and it was about the only subject of our policy in which those great leaders did agree.

Every great leader of political parties in our country for the first hundred years trimmed that silver lamp with sedulous care and its light was never permitted to grow dim or become extinguished, but burned even as the lamp of the vestal virgins, until these later days when the selfish interest of that class of men whom our Savior whipped from the precincts of the Temple obtained a predominant influence in national legislation. If in the matter of bimetallic currency the people are in error, they are willing to stand the effects of that error until their experience shall make that error plain and patent. We prefer to "suffer the ills we have than to fly to those we know not of," bringing with them the death knell of silver.

A single gold standard may be right and proper for nations whose armies muster by the millions and whose iron navies cover every sea and absorb the sustenance of all peoples. It may measure correctly the cost of imperialism in government; of aristocracy in legislation; of capitalists and corporations and moneyed interests in finance. It may regulate with increasing burdens the wealth of that creditor nation to whom the whole world is debtor, but fortunately for this country those elements of European civilization do not exist with us. We are a people of energy and enterprise, turning our capital over and over again in the course of a single year, growing our wealth from tilling our land and working our shops: feeding and clothing with our grain and cotton the nations of the earth; large enough in area and sufficiently populous in citizens to have a financial system and currency policy of our own. We have abundant gold and silver, the product of our own mines, for the balances of trade when needed.

We have witnessed for years the ebb and flow of gold to and from this country without alarm, but recently it became the interest of the advocates of the single gold standard to make it appear that the shipment of gold in 1893 was the beginning of that deluge of silver which was to cover this land as the waters cover the sea. We have experienced many panics and periods of com-

mercial depression in this century, but this is the first whose cause and consequence has been even sought to be laid upon silver. We are now witnessing the falsity of all those prognostications as business settles back to its normal condition before Congress has been driven by the cry that it all is lost into a policy which may impoverish the many in the interest of the few.

But, Mr. President, the country is already

WEATHERING THE STORM

raised by false representation that the Sherman act had produced the financial crisis. Country banks, forced by the policy of metropolitan banks to succumb temporarily to the scarcity of currency artificially produced at great money centers, are resuming business all over the country with the coming and going of each day. The heretofore unheard-of premium on currency has ceased. In fact, the first paralyzing shock has passed. The false pretense that the Sherman act had caused the panic has been seen through, and the plot, however well laid, the scheme, however well devised, has failed, and business is reviving.

The vast resources of our country reassure our people and confidence is returning, and all the agencies of business and trade are resuming their normal functions. The people see gold that was shipped abroad, in the progress of the plot and not in the course of legitimate trade, returning through proper channels and seeking again the Federal Treasury—thus gradually restoring confidence and relieving the embarrassments of business.

All this has furnished the thoughtful and conservative people of this country with more than one object lesson. They now see the danger of the money power, as never seen and felt before, whether in England or America, or in both combined, working through machinery organized under and sanctioned by national law. They see how easily this money power can be brought in sympathetic touch, and how quickly responsive it is for political purposes. This is exciting grave apprehension in the thinking, patriotic minds of the land. Amid these stirring scenes, this struggle between the money power and the people, brings before us as an admonition, Andrew Jackson, as he stood in that majestic form which marked him when he vetoed the old United States Bank, and throttled the money powers as they sought to encroach upon the rights of the people.

Mr. President, notwithstanding the importance which properly attaches to the proposition to repeal the purchasing clause of the Sherman act, there are other matters of legislation no less vitally important to the people of Tennessee and the other Southern States—matters which threaten society in those States in its permanency and which still cloud the future with the threat of Federal interference for party purposes with elections in the States. When the force bill was lately threatening to dissolve Southern society and the forces of sectional passion and prejudice were seeking to upheave our civilization and place all political power under the control of the lowest strata of society in the Southern States, Senators from those States can not forget that Senators from the silver States rose superior to the organization of their own party and stood manfully firm, an impregnable defense to Southern civilization and Southern society.

Now when the great vital interests of the States whose Senators then protected and defended the South are threatened with subversion and destruction, I know that the grateful and generous people I represent in part in this Chamber, expect that reciprocation of favor and defense, when it can be rightfully and consistently done, which we received from the silver State Senators. For one, I acknowledge the obligation.

I gratefully remember that help, and being convinced they are in the right, I am ready to reciprocate by standing with them against this second raid on a great section of our country. In the revolution of party politics, which has been in progress for several years, the great West and South have been drawing nearer together. Interests and sympathy conspire to unite those sections as natural allies and to cause forgetfulness of the party passions which in the past have divided their strength and left their respective interests of planting and farming, their welfare and progress, a prey to the selfish schemes of others.

The silver question is drawing together the sections which, if united, could hold the power political which rules this country. When united in purpose as they are in interest, the West and the South could be masters of the situation, and by ballot-strength largely control the policies of the country. They would, no doubt, unitedly exert and use that power for the conservation of the general welfare of all the people, as well as for the preservation of all great interests along the Pacific coast, and the safety of society on the Gulf of Mexico and the Atlantic seaboard. Too magnificent in material resources and too great in political power to inflict any injury on any part of this great country, those sections of our Union, while maintaining the same "one and indivisible," would also see that the selfish policy of no other section should inflict injury anywhere in our broad Union.

For thirty years the South lay prone and prostrate, with none to do her reverence in the Congress. Impoverished in resources, emasculated of political power, a prey to scallawags and carpet-baggers, she, with an eye ever on the motto, *resurgam*, plodded her weary way to her present magnificent material and political resurrection. The conditions have changed. She is now a veritable part, and no inconsiderable part, of the power of this Union, and we trust she is now safe in the security of her proper civilization, thanks to a great extent to the Senators from the silver States and to Northern Democrats.

The South is too great and too generous to causelessly abandon her helpers in the hour of their trial and threatened destruction. The shadow of the force bill still lingers around the Federal laws which remain on the statute books.

The open declarations in this Capitol, and legislation already suggested, give warning to the South that all danger has not departed. Political policy, party tactics, and common discretion advise and warn the South not to exhibit ingratitude to those who in the last Congress, regardless of party lines, came to her relief when most she needed help.