RESTORATION OF SILVER TO EQUAL MONETARY FUNCTIONS WITH GOLD.

SPEECH

OF

HON. F. M. COCKRELL,

OF MISSOURI,

IN THE

SENATE OF THE UNITED STATES,

Monday, Tuesday, and Wednesday, October 9, 10, and 11, 1893.

WASHINGTON.
1893.

SPEECH

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Monday, October 9, 1893.

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. COCKRELL said:

Mr. PRESIDENT: No more important measure has ever been pending in the Senate than the present bill, no measure fraught with more important results to the present and coming generations. Its importance demands and justifies its fullest consideration.

Gold and silver by the common law of England, transplanted here by our ancestors, were money and a full legal tender in payment of debts upon a perfect equality as coin and bullion down to the adoption of our Constitution. We had the true bimetallic system.

By the express terms of our Constitution—

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

And further:

> No state shall * * * coin money * * * or make anything but gold and silver coin a tender in payment of debts.

Our Constitution clearly establishes bimetallism, and vests in the Congress the exclusive power to provide by laws for coining gold and silver metal into money, and then to regulate and fix the legal-tender value of such coin and of foreign coin as such money. The Constitution does not give Congress the power to regulate the value, the market value, the commercial value, of gold and silver as metals, as commodities. It only gives the power to regulate the value of the coined gold and silver, whether of domestic or foreign coinage. It clearly gives to each State the right to make such gold and silver coins a legal tender in payment of debts.

Gold and silver coins are the money of our Constitution, which, when enacted, only recognized what previously existed. Congress has no power to declare that either gold or silver coin shall not be money—no power to demonetize either gold or silver coin or both. Well did Daniel Webster declare:

> I am clearly of opinion that gold and silver at rates fixed by Congress constitute the legal standard of value in this country, and that neither Congress nor any State has authority to establish any other standard or to displace this standard.

When we demand that Congress shall by law fix the ratios between gold and silver coined in our mints into money and give to each equal powers and privileges, free or equal unlimited coinage, we demand only obedience to our Constitution.

Congress, by "An act establishing a mint and regulating the coins of the United States," approved April 2, 1792, exercised its constitutional power by establishing a mint and authorizing the coinage of gold, silver, and copper coins, and placed gold and silver upon a perfect equality, and gave to each unlimited coinage, and to the coins of each full legal tender in all payments, the gold coins to be eagles, half eagles, and quarter eagles of the declared value of ten, five, and two and one-half dollars, respectively, 11 parts pure gold to 1 of alloy; and the silver coin to be dollars or units, half dollars, quarter dollars, dimes, and half dimes, and made them all a full legal tender in payment of any and all sums.

The weight of the gold in one dollar if coined would have been 27 grains standard and 24.75 pure, and the weight of the silver in the dollar or unit was 416 grains standard and 371¼ grains pure, and the value of this silver dollar was to be that of the Spanish milled dollar as then current. This law further declared—

> That the money of account of the United States shall be expressed in dollars or units, dimes, or tenths, * * * and that all accounts of the public officers and all proceedings in the Congress of the United States shall be kept in due conformity with this regulation—

And—

> that the proportionate value of gold and silver in all coins which shall by law be current as money within the United States shall be as 15 to 1.

This, our first monetary law, continued in force until June 28, 1834.

Congress, by "An act concerning the gold coins of the United States, and for other purposes," approved June 28, 1834, and to take effect July 31, 1834, reduced the standard weight and fineness of the gold coins from 27 grains standard and 24.75 pure in the dollar to 25.8 standard and 23.2 grains pure to the dollar, being a reduction of the standard gold of 1.2 grains and of the pure gold 1.55 grains to the dollar, and declared the new gold coins a full legal tender in all payments, and made all gold coins previously minted receivable in all payments at the rate of 94.8 cents per pennyweight.

Congress, by "An act to establish a mint and regulate the coins of the United States," approved January 18, 1837, fixed the standard for both gold and silver coin of the United States at 9 parts pure to 1 of alloy, and the weight of the silver dollar at 412½ grains, and of the half dollars, quarter dollars, dimes, and half-dimes correspondingly, and made them all legal tenders for all sums whatever. Thus the alloy was reduced, while the pure silver of 371¼ grains was retained in the standard silver dollar.

The standard weight of the gold coins was not changed, but the fineness was fractionally advanced, so that a gold dollar if coined would have contained 23.22 grains pure gold instead of 23.20, and these reductions by the laws of 1834 and 1837 of the weight and fineness of the gold coins changed the relative valuation or ratio of gold and silver in coinage from 1 to 15 to 1 to 15.988, and increased the coining rate or legal-tender value of gold in this country 6.589 per cent, and both gold and silver bullion and coin were continued upon a perfect equality at the prescribed ratio.

Congress, by "An act to authorize the coinage of gold dollars and double eagles," approved March 3, 1849, authorized the coinage of "gold dollars, each to be of the value of $1, or unit" and "double eagles, each to be of the value of $20, or units," with full legal tender and free coinage.

Congress, by "An act amendatory of existing laws relative to the half dollar, quarter dollar, dime, and half dime," approved February 21, 1853, reduced the standard weight of the half dollar from 206¼ grains to 192 grains, a reduction of 14¼ grains, and the quarter dollar, dime, and half dime correspondingly, to take effect from June 1, 1853, and made them legal tender for all sums not exceeding $5, and they could only be coined upon Government account from silver purchased in the market.

This law continued the unlimited coinage, with full legal tender, of gold and silver bullion into gold coins and the standard silver dollar, and imposed a mint charge upon the depositor, whether the metal was coined or cast into ingots or bars, of one-half of 1 per cent. This law also authorized the coinage of the three-dollar gold piece, with full legal tender, and by the act of March 3, 1853, this law was made to take effect from April 1, 1853, and the charge for casting gold or silver into bars or ingots was reduced to the actual cost thereof.

By the law of March 3, 1853, the Secretary of the Treasury was authorized to establish in New York City an assay office for assaying and casting gold and silver bullion and foreign coin into bars, ingots, or disks, and the assistant treasurer at New York was made the treasurer of such assay office, and was authorized, upon the deposit of gold or silver bullion or foreign coin and the ascertainment of its net value to "issue his certificate of the net value thereof, payable in coins of the same metal as that deposited, * * * which certificates shall be receivable at any time within sixty days from the date thereof in payment of all debts due to the United States at the port of New York, for the full sum therein certified," and the same charge was made as at the mint. This is the origin of our gold and silver certificates.

Congress, by "An act to provide ways and means for the support of the Government," approved March 3, 1863, authorized the Secretary of the Treasury to issue certificates for gold coin or bullion deposited in sums of not less than $20, such certificates to be receivable in payment of interest on the public debt and duties on imports.

Congress, by "An act revising and amending the laws relative to the mint, assay office, and coinage of the United States," approved February 12, 1873, and known as the coinage act of that year, established a single gold standard and declared the gold dollar piece, of the standard weight of 25.8 grains, the unit of value, and prohibited the coinage of the silver dollar of 412½ grains, but continued the coinage of the half dollar, quarter dollar, and dime, increasing the weight of the half dollar nine-tenths of a grain, or to 192.9, and the quarter dollar and dime correspondingly, and limited their legal tender to any amount not exceeding $5 in one payment, the silver bullion to be purchased for such coinage and coined on Government account, and also authorized the coinage of the trade dollar of 420 grains standard silver, to be a legal tender for $5, which legal tender was repealed by the law of July 22, 1876.

From the foundation of our constitutional Government to February 12, 1873, our laws maintained our constitutional bimetallic system unimpaired—gold and silver upon a perfect equality with ull monetary functions.

The standard silver dollar, containing 371¼ grains of pure silver, was maintained as the unit of value. The law of January 18, 1837, only reduced the alloy in the silver dollar 3½ grains, and made the dollar, silver and gold, 9 parts pure and 1 part alloy, instead of 11 parts fine and 1 part alloy.

The law of February 12, 1873, establishing the single gold standard and demonetizing the standard silver dollar of 371¼ grains pure silver and 412½ grains standard silver, nine-tenths fine and one-tenth alloy, was passed by a Congress overwhelmingly Republican in House and Senate, and was approved by a Republican President.

The Senator from Ohio [Mr. SHERMAN] was the chairman of the Senate Committee on Finance, and had charge of the bill in the Senate and well knew its provisions and effects. It is almost absolutely certain that there were not three other Senators, nor five members of the House, who knew at the time that law was enacted that it demonetized the standard silver dollar or established the single gold standard.

At that time there was no discussion of the coinage question. There was no public demand for any legislation relative to the value, the fineness, or the ratio of gold and silver coin. Neither one of them was in actual circulation as money. Each one of them was at a large premium. A silver dollar of 371¼ grains pure was more valuable than a gold dollar of 23.22 grains pure; or the standard silver dollar of 412½ grains was of more value as an article of merchandise in the open markets than the standard gold dollar of 25.8 grains.

There was something back of this, Mr. President. I am not going into a controversy at this time in regard to the motives that inspired the action which deliberately and intentionally led to the enactment of the law of 1873, and for which this country must hold the distinguished senior Senator from Ohio alone responsible, because I do not believe another Senator knew what was contained in that bill. The Senator from Ohio did know it.

Mr. PALMER. Mr. President——

The PRESIDING OFFICER (Mr. FAULKNER in the chair). Does the Senator from Missouri yield to the Senator from Illinois?

Mr. COCKRELL. With a great deal of pleasure.

Mr. PALMER. I am curious to know why some other Senator did not know it.

Mr. COCKRELL. Simply because there was no discussion. Every Senator who was here then, and who has ever spoken on the subject since, has admitted that he did not know it; and the documents I have here give a full and complete history of this whole movement from 1861; they are included in the reports of the Comptroller of the Currency and the Director of the Mint. But the history of it is contained specially in documents sent to Congress and which were not laid upon the desks of Senators, in all probability, or if they were, they were treated by Senators just as such documents are too often treated to-day—they did not read them, that was all. They ought to have known it, but they did not.

Mr. PALMER. I have understood from the history of the matter that the bill was several times printed and amended.

Mr. COCKRELL. Mr. President, I have here a more complete collection of the documents on that question than I have ever yet seen or heard read in the Senate from the beginning, the recommendations of the mint officers, and the letters they sent out all over the country to doctrinaires to get their views upon coinage, and the recommendations they have given here for striking down the standard silver dollar, and all that. But I doubt whether any one solitary Senator ever read them. The Senator from Ohio [Mr. SHERMAN] is the only one that has ever pretended to know, and he pretends to be as innocent as an unborn child of what was going to be the effect of it, as I shall show before I get through.

Mr. PALMER. Innocence seems to have been the general condition of the Senate about that time.

Mr. COCKRELL. It seems so. Why? Because of the haste with which the measure was pressed through after it was brought up. It was brought up, read, and passed upon the assurance that it was simply a coinage law. No controversy arose over it to amount to anything. It was a bill of sixty-five or sixty-six sections. It received the same consideration that many long bills receive that are brought up here and upon which no discussion arises, no demand is made for the reading and Senators know nothing about them, and with regard to which the great masses of the people of this country have never been informed. They were not heard upon this matter. There was no demand for that legislation from any part of the world.

At that time, or rather on June 30, 1872, we had $1,794,277,650 outstanding interest-bearing United States bonds and $413,566,968 noninterest-bearing obligations, mostly United States notes, making a total of $2,207,844,618 liabilities—interest and noninterest bearing—of which $200,000,000 were the funded loan of 1881, issued under the law of July 14, 1870, and payable in coin of the standard value of the United States gold and silver dollars on said July 14, 1870. Nearly all the remaining liabilities—over two billions—were payable in any legal-tender dollars—gold, silver, or greenbacks. The distinguished Senator from Ohio has time and again—and I have his quotations here—asserted upon this floor that the 5-20 bonds were honestly and justly redeemable and payable in legal-tender greenbacks, that they were sold for greenbacks, exchanged for them, and could lawfully and justly be paid in them.

In the calendar years 1871 and 1872 we coined $1,117,136 and $1,118,600, and in the one month and twelve days—January 1, 1873, up to February 12, 1873—when its coinage was prohibited we had coined $296,000 standard silver dollars, showing a very rapid increase in the coinage of such dollars.

Yet, with this record standing upon our books, the Senator from Ohio, who has been Secretary of the Treasury and ought to know this record, and the Senators who favor gold monometallism and oppose the rehabilitation of silver, have time and again proclaimed to the world that the people would not have silver coined into dollars.

The Senator from Ohio said in his speech here this very session that it was dropped because nobody was having it coined. Yet here is the record. In the two years one month and twelve days prior to February 12, 1873, we had coined 2,531,736 standard silver dollars—nearly one-third of the total coinage of such dollars to that date.

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Mr. PEFFER. Will the Senator from Missouri be kind enough to give the aggregate production of our silver mines for those years?

Mr. COCKRELL. I will give it hereafter. I do not want to put it in at this point. I have the complete figures, but they come under another head.

I shall hereafter discuss the causes leading to the passage of the law of February 12, 1873. It was not generally known for months after, that the coinage law of February 12, 1873, had demonetized the old standard dollar, and authorized a trade dollar of 420 grains with legal tender limited to $5, and established the single gold standard. The coinage of trade dollars followed at once the standard dollar, and they were used for sometime before the change was fully noted.

Suffice it to say that it was not in the minds of the people, was not generally known for months afterwards, that the coinage law of February 12, 1873, had demonetized the old standard dollar, but simply authorized the trade dollar of 420 grains with legal tender quality limited to $5.

How was that received by the people? What effect had that and the legislation of foreign nations upon the financial condition of this country?

The panic of September, 1873, swept like a deadly simoom from one end of this land to the other, and affected to a very large extent foreign nations, sweeping away millions and billions of their gains from hard labor. No less a cyclone politically followed this action of the Republican party. In the next general election in November, 1874, the Democratic party elected an overwhelming majority of Representatives to the Forty-fourth Congress, and the scepter of full power passed from the Republican party.

Mr. President, something has been said, a good deal has been said, in regard to the record of the two parties upon the silver question. I propose briefly to give that record, the record of the Democratic party and the record of the Republican party as well, upon this silver question.

In the Forty-fourth Congress, March 4, 1875, to March 4, 1877, the President was Republican. In the Senate there were 46 Republicans, 29 Democrats, 1 vacancy. In the House of Representatives there were 107 Republicans, 186 Democrats. Congress convened December 6, 1875. On March 27, 1876, H. R. 2450, from the Committee on Appropriations, was pending. It appropriated money for a deficiency for the Bureau of Engraving and Printing, and in section 2 provided for the issue of subsidiary silver coins in the redemption of fractional currency.

Mr. Reagan, of Texas, offered an amendment making the trade dollar legal tender for any amount not exceeding $50, and the silver coins less than a dollar for any amount not exceeding $25. This was agreed to. Yeas 124—99 Democrats, 22 Republicans, 1 Independent; nays 94—28 Democrats, 65 Republicans, 1 Independent. As amended the bill passed. Yeas 122—50 Democrats, 70 Republicans, and 2 Independents; nays 100—80 Democrats, 18 Republicans, and 2 Independents.

April 10, 1876, in the Senate, Mr. SHERMAN, from the Finance Committee, reported the bill with amendments; one amending section 3 so as to authorize the coinage of a silver dollar of 412.8 grains—a legal tender not exceeding $20 in any one payment except for customs dues and interest on public debt, and stopped the coinage of trade dollars. Another—a new section 4—authorized the exchange of silver dollars for an equal amount of United States notes to be retired, canceled, and not reissued; and also for silver bullion at its market value.

That was the policy at that time of the senior Senator from Ohio. It was to substitute a standard silver dollar of 412.8 grains, and that would make it the exact mathematical ratio of 16 to 1; it was to issue those silver dollars and with them retire and cancel the greenbacks, the full legal-tender United States notes.

By changing the bullion in silver dollars to 412.8 grains the exact ratio of silver to gold—16 to 1—was proposed. After discussion and a full speech by the Senator from Ohio [Mr. SHERMAN], he moved to strike out all after section 2 of the bill, in order to disembarrass the bill of a silver-coinage question, and leave it as an independent question to be afterwards settled. This motion was agreed to, and the Reagan amendment was stricken out.

The House concurred in the Senate amendments for the same reason, and the bill became the law of April 17, 1876.

On June 10, 1876, Mr. S. S. Cox, from the Committee on Banking and Currency, reported a joint resolution to issue the silver coins in the Treasury to an amount not exceeding $10,000,000 in exchange for an equal amount of legal-tender notes, to be kept as a special fund, to be reissued only upon the retirement of fractional currency; which was passed without a division.

June 21, 1876, in the Senate, the House joint resolution was amended by adding a section prohibiting the coinage of the trade dollar except for export trade: thus striking down the trade dollar, the only dollar authorized by the coinage law of 1873.

That was the action of the Republican Senate at that time destroying every solitary silver dollar, even the trade dollar.

June 28, in the House of Representatives, Mr. Payne, from the Banking and Currency Committee, reported for concurrence in the Senate amendments. Mr. F. Landers, of Indiana, moved to amend the Senate amendments by adding an amendment for free and unlimited coinage of the standard silver dollar of 412½ grains, with full legal tender, which was agreed to; yeas 110—85 Democrats, 23 Republicans, 2 Independents; nays 55—16 Democrats, 37 Republicans, 2 Independents.

July 1, 1876, in the Senate the Finance Committee reported nonconcurrence, and a conference was asked and agreed to without division

The House agreed to the conference.

The conferees, except Mr. Landers, reported to the House of Representatives an agreement, receding from the Landers amendment with substitute of sections 3 and 4, increasing the amount of subsidiary silver coin to be issued in redemption of fractional currency, not to exceed $10,000,000, and authorizing the purchase of the silver bullion for such coinage at market rate, to be made without loss in such coinage and issue, and took from the trade dollars any legal tender and limited their coinage to export demand. Agreed to. Yeas 129—66 Democrats, 62 Republicans, 1 Independent; nays 76—50 Democrats, 15 Republicans, 2 Independents.

July 14, in the Senate the report was adopted without division. It became the law, as the joint resolution of July 22, 1876.

On June 10, 1876, Mr. S. S. Cox, from the Committee on Banking and Currency, reported H. R. 3398, of three sections—very similar to the joint resolution of July 22, 1876. It was passed without division.

In the Senate June 27, 1876, the bill was considered on the report of the Finance Committee to strike out all after the enacting clause and insert four new sections. This was a substitute proposed by the Senate Committee on Finance, headed by the distinguished senior Senator from Ohio.

Section 1 provided for the coinage of silver dollars of 412.8 grains, to be legal tender for sums not exceeding $20.

Section 2 provided for exchanging such dollars and minor coins for legal tenders to be canceled and not reissued or replaced.

Section 3 provided for purchasing silver bullion at market rates for such coinage, to be made without loss in coinage and issue.

Section 4, prohibiting legal tender of the trade dollar, and limiting its coinage to export demand. This was before the law of July 22, 1876, had been enacted.

On June 28, 1876, Senator Bogy moved to strike out in section 1 the words "not exceeding $20," the effect of which was to leave that dollar with full legal-tender quality in the payment of all debts. That was agreed to. Yeas 18—8 Democrats, 10 Republicans; nays 14—3 Democrats, 11 Republicans. On June 29 the bill was recommitted to the Finance Committee and was never reported back. It was killed in a Republican Senate.

July 24, 1876, in the House of Representatives, Hon. William D. Kelley, Republican, moved to suspend the rules and pass a free and unlimited coinage bill. Yeas 119—84 Democrats, 33 Republicans, 2 Independents; nays 68—27 Democrats, 40 Republicans, 1 Independent. Two-thirds not voting yea, it failed.

On July 19, 1876, in the House of Representatives, Mr. BLAND, from the Committee on Mines and Mining, reported H. R. 3635, for free coinage of gold and silver. December 13, 1876, at the second session of the Forty-fourth Congress, Mr. BLAND offered a substitute for H. R. 3635, for free and unlimited coinage of silver dollar of 412½ grains, with full legal-tender power.

Mr. President, this was placing the standard silver dollar just where it had been from the organization of our Government up to the date of the passage of the law of February 12, 1873. It was restoring to it all the functions of money, the same as were enjoyed by gold coin. This was agreed to, and then passed: Yeas 168—123 Democrats, 45 Republicans; nays 53—17 Democrats, 36 Republicans. The bill as passed was sent to the Republican Senate, and never considered in the Senate. It slept the sleep that knows no waking, under the kindly care of the distinguished Senators from Ohio [Mr. SHERMAN], from Iowa [Mr. ALLISON], and from Vermont [Mr. MORRILL].

That is for the Forty-fourth Congress, the first Democratic House of Representatives. Now, what were the actions of the Democratic party and its results in that Congress?

First. The Democratic House of Representatives passed a provision increasing the legal tender of the trade dollar of 420 grains from $5 to $50, and the subsidiary coins from $5 to $25, by 124 yeas—99 Democrats, 22 Republicans, and 1 Independent; nays 94—28 Democrats, 65 Republicans, and 1 Independent. The Republican Senate amended, authorizing silver dollars of 412.8 grains legal tender to $20, except customs and interest and their exchanges for greenbacks to be retired and canceled, and for silver bullion at market rates. That was the answer made by the Republican Senate to the demands of the Democratic House.

Second. The Landers free coinage amendment was agreed to in the House of Representatives by—yeas, 85 Democrats, 23 Republicans, 1 Independent; nays, 16 Democrats, 37 Republicans, 2 Independents. Defeated by a Republican Senate.

Third. House bill 3398 for subsidiary coins for redemption of fractional currency, amended in a Republican Senate, for silver dollars of 412.8 grains legal tender to $20, and exchangable for greenbacks to be canceled; and on motion of Mr. Bogy the restriction of legal tender to $20 was stricken out by—8 Democrats and 10 Republicans, to 3 Democrats and 11 Republicans. Recommitted and killed in committee.

Fourth. Kelley's free-coinage bill received—84 Democrats, 33 Republicans, and 2 Independents, to 27 Democrats, 40 Republicans, and 1 Independent.

Fifth. BLAND'S (H. R. 3635) substitute for free, unlimited coinage, passed by—123 Democrats and 45 Republicans to 17 Democrats and 36 Republicans; and in the Senate killed in the Finance Committee.

We come now to the Forty-fifth Congress, from March 4, 1877, to March 4, 1879. At that time there was a Republican President. In the Senate there were 39 Republican Senators, 36 Democratic Senators, and 1 Independent, David Davis. In the House of Representatives there were 136 Republicans, 156 Democrats, 1 vacancy.

In the first or called session of the Forty-fifth Congress, on November 5, 1877, in the House of Representatives, Mr. BLAND moved to suspend the rules and pass "An act to authorize the free coinage of the standard silver dollar and to restore its legal-tender character." Agreed to. Yeas 164—97 Democrats and 67 Republicans; nays 34, only 10 Democrats and 24 Republicans. Among the yeas were Messrs. Carlisle, HUNTON, and MILLS.

This bill, as passed by the House, was as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be coined, at the several mints of the United States, silver dollars of the weight of 412½ grains troy of standard silver, as provided in the act of January 18, 1837, on which shall be the devices and superscriptions provided by said act; which coins, together with all silver dollars heretofore coined by the United States of like weight and fineness, shall be a legal tender, at their nominal value, for all debts and dues, public and private, except where otherwise provided by contract; and any owner of silver bullion may deposit the same at any United States coinage mint or assay office, to be coined into such dollars, for his benefit, upon the same terms and conditions as gold bullion is deposited for coinage under existing laws.

SEC. 2. All acts and parts of acts inconsistent with the provisions of this act are hereby repealed.

Passed the House of Representatives November 5, 1877.

Attest.

GEORGE M. ADAMS, *Clerk.*

November 21, 1877, Mr. ALLISON, from the Finance Committee, reported the bill, with amendments to strike out the clause beginning "and any owner of silver bullion," and to insert his purchasing clause, and to add section 2 for an international monetary conference.

In other words, the distinguished Senator from Iowa, as the mouthpiece of the Republican Finance Committee, reported to strike out the free and unlimited coinage clause of this House bill and to place in it the silver-purchasing clause of not less than $2,000,000 nor more than $4,000,000 of silver per month; and then to sugar-coat it with the international monetary conference.

February 15, 1878, this amendment was agreed to. Yeas 49—16 Democrats, 33 Republicans; nays 22—17 Democrats, 4 Republicans, 1 Independent (Mr. Davis). The amendment—section 2—was agreed to. Yeas 40—10 Democrats, 29 Republicans, 1 Independent; nays 30—24 Democrats, 6 Republicans. Mr. Booth's amendment by a new section for silver certificates was agreed to. Yeas 49—21 Democrats, 27 Republicans, 1 Independent; nays 14—8 Democrats, 6 Republicans. Other amendments were voted down and the bill as amended passed. Yeas 48—24 Democrats, 23 Republicans, 1 Independent; nays 21—7 Democrats, 14 Republicans.

February 21, 1878, in the House of Representatives the purchasing clause was concurred in. Yeas 203—74 Democrats, 129 Republicans; nays 72—68 Democrats, 4 Republicans. The international-agreement section was agreed to. Yeas, 196—77 Democrats, 119 Republicans; nays, 71—63 Democrats, 8 Republicans.

February 28, 1878, the bill was vetoed by President Hayes, and passed on same day over his veto. In the House of Representatives, yeas 196—118 Democrats, 78 Republicans; nays 73—22 Democrats, 51 Republicans. In the Senate, yeas 46—25 Democrats, 20 Republicans, 1 Independent; nays 19—9 Democrats, 10 Republicans.

Under this act 378,166,793 silver dollars have been coined from silver bullion, costing $308,199,262, leaving the seigniorage at $69,967,531.

Mr. President, it was known at the time when this bill was passed, from the published declarations of President Hayes, that a free and unlimited coinage silver bill would be vetoed. This bill, the Allison-Bland bill, or the Bland-Allison bill, or the law of February 28, 1878, was not what the friends of bimetallism and the true friends of unlimited coinage of silver demanded. It was all that they could get. It was then held over them in terror that the President would veto any bill recognizing the unlimited coinage of silver. Not only was that carried out, but after it was limited to not less than $2,000,000 nor more than $4,000,000 he still vetoed the bill, because it was a subversion of the policy of the Republican party which it had deliberately established after the close of the war—the single gold standard. This was the first encroachment made upon the single gold standard, and that it has resulted in untold blessings to the people no one can deny.

Where would the country be to-day if you were to strike out all this money circulation, these 378,000,000 of silver dollars that have been coined from year to year? They have been a part of the currency of this country, and they have been an aid to prevent more dire calamities than have already befallen us.

January 16, 1878, in the Senate, Mr. Matthews submitted his concurrent resolution, declaring that all United States bonds issued under the refunding and redemption acts of July 14, 1870, and January 14, 1875, could be paid at the option of the Government in standard silver dollars of 412½ grains without violation of public faith or in derogation of the rights of public creditors. It was then hurled in our teeth, every time we mentioned the subject of unlimited coinage of standard silver dollars, that we were repudiators, that we were trying to pay the bonds, the precious bonds of the Government, which ought to be paid in gold, in a debased standard silver dollar. To put an end to this the distinguished Senator from Ohio, Mr. Matthews, afterwards one of the justices of the Supreme Court of the United States, introduced this resolution; and, after the fullest discussion in the Senate, that resolution was agreed to. Yeas 43—23 Democrats, 19 Republicans, and the Independent, Judge David Davis, of Illinois; nays 22—7 Democrats and 15 Republicans.

That was sent to the House, and on January 29, 1878, it was agreed to. Yeas 189—116 Democrats, including Messrs. Carlisle and MILLS, 73 Republicans; nays 79—23 Democrats, 56 Republicans.

Here was a positive declaration that all the bonds of the Government, including the funded loan of 1907, could honestly and justly be paid in the standard silver dollars of 412½ grains. That passed the Republican Senate by the vote I have just given, and was passed in the Democratic House by an overwhelming vote. It was intended as a declaration of the law upon that question and the line of conduct to be pursued by the Administration in its execution of the law of February 28, 1878, the Bland-Allison law.

March 5, 1878, in the House of Representatives, Mr. SPRINGER moved to suspend the rules and pass a bill "to authorize the coinage of gold and silver upon the same terms, and to permit deposits thereof in the Treasury for the same purposes." It provided for unlimited coinage of each alike, with full legal tender, subject to mint charge of actual coinage cost. (This was after the passage of the Bland-Allison act.) Yeas 140—102 Democrats, 38 Republicans; nays 102—25 Democrats, 77 Republicans. Two-thirds not favoring, it failed.

December 9, 1878, in the House of Representatives, Mr. Durham moved to suspend the rules and pass a bill to stop coining trade dollars, and to exchange standard silver dollars of 412½ grains for them, and then recoin such trade dollars into the standard full legal-tender dollars. Yeas 153—104 Democrats, 49 Republicans: nays 91—20 Democrats, 71 Republicans. It failed, two-thirds not voting in the affirmative.

On the same day, Mr. Fort moved a suspension of the rules and passage of a bill declaring any discrimination against standard silver dollars by national banking associations a defiance of our laws, and instructing the Committee on Banking and Currency to report a bill for withdrawing their circulation. Yeas 151—106 Democrats, 45 Republicans; nays 89—16 Democrats, 73 Republicans. Not two-thirds in the affirmative, it failed.

Scarcely had the Bland-Allison law been enacted and a dollar coined and issued under it, when the national banks of New York conspired to prevent any beneficial results flowing from its enactment, and ever since that day they have fought it with all the power they could bring to bear. They have refused to recognize it. They have refused largely to keep it as a part of their reserve. In other words, they have put the mark of condemnation upon it in every way that it was possible for them to do.

I come now, Mr. President, to the Forty-sixth Congress—1879 to 1881.

The President was Republican: the Senate, 42 Democrats, 33 Republicans, 1 Independent. In the House of Representatives, 148 Democrats, 130 Republicans, 15 Nationals. President Hayes called an extra session March 18, 1879.

June 27, 1879, in the Senate Mr. VEST offered a concurrent resolution, declaring "that the complete remonetization of silver, its full restoration as a money metal, and its free coinage are demanded alike by the dictates of justice and sound statesmanship." Mr. ALLISON moved its reference to the Finance Committee. Agreed to. Yeas 23—4 Democrats, 19 Republicans; nays 22—21 Democrats, 1 Independent.

At that time the distinguished Senator from Delaware, Mr. Bayard, now our ambassador to England, was chairman of the Committee on Finance. The resolution slept the sleep that knows no waking.

May 24, 1879, in the House of Representatives "An act to amend certain sections of the Revised Statutes of the United States relating to coinage and coin and bullion certificates, and for other purposes," was passed. Yeas 114—99 Democrats, 6 Republicans, 9 Independents; nays 97—89 Republicans, 8 Democrats.

It will be necessary to give a little history of this bill 564.

On April 30, 1879, in the House of Representatives Hon. A. J. Warner, from the Coinage Committee, reported this bill, with eleven sections, providing for the perfect equality of gold and silver as bullion and coin, free mintage with unlimited legal tender. Section 2 restored the standard silver dollar of 412½ grains. Section 3 gave it full and unlimited coinage. Section 4 prescribed the charges for melting and refining bullion.

May 15, 1879, Mr. Killinger moved that the bill do lie on the table. Yeas 109—14 Democrats, 95 Republicans; nays 126—107 Democrats, 10 Republicans, 9 Independents.

Mr. Caulkins moved to add to section 3 a provision for purchasing the silver bullion for such coinage at its market rates. Yeas 114—10 Democrats, 104 Republicans; nays 115—103 Democrats, 3 Republicans, 9 Independents. Disagreed to.

May 16, Mr. MILLS of Texas offered a substitute for section 3. This substitute required the Secretary of the Treasury to purchase without limit all silver bullion, trade dollars, and foreign coins offered for sale, at the market value of silver, as long as 412½ grains standard silver could be purchased for $1 of legal-tender Treasury notes, and to pay for such purchases with a *new issue* of legal-tender Treasury notes, and the silver coins to be exchangeable at par, in sums not less than $20, for such Treasury notes, to be full legal tender for all debts and receivable for Government dues, and the silver bullion, trade dollars, and foreign silver coins to be coined as fast as possible into American silver coins, and all silver coins coming into the treasury to be applied to paying the interest and principle of the public debt before using any of the gold or Treasury notes for such purpose. Disagreed to. Yeas 60—50 Democrats, 10 Independents; nays 155.

May 20, Mr. Fort offered a substitute for section 3, authorizing the deposit of silver bullion at its market value and payment therefor in standard dollars, and the coinage of the bullion into standard dollars. Disagreed to. Yeas 104—14 Democrats, 1 Independent, and 89 Republicans. Nays 118—98 Democrats, including Messrs. Carlisle and MILLS; 11 Republicans, 9 Independents.

The third section was agreed to. Yeas 113—100 Democrats, including Messrs. Carlisle, HUNTON, and MILLS; 3 Republicans, and 10 Independents. Nays 110—9 Democrats, 100 Republicans, 1 Independent.

Mr. Maish moved to insert in beginning of section 4 an amendment providing mint charges for coining gold and silver bullion into coin equal to the difference between the market value of the bullion and the legal-tender value of the coin. Agreed to. Yeas 118—15 Democrats, 100 Republicans, 3 Independents. Nays, 105—95 Democrats, 2 Republicans, 8 Independents.

The fourth section was agreed to. Yeas 113—14 Democrats, 98 Republicans, 1 Independent; nays 109—98 Democrats, 2 Republicans, 9 Independents.

May 24, Mr. Thomas Ryan moved a substitute for the bill, authorizing the purchase of silver bullion at its market price, to be coined into standard silver dollars as fast as could be done by the mints, subject to gold coinage, until the price of the standard silver bullion was equal to the coined dollar, and then for free and unlimited coinage.

Disagreed to. Yeas 69—2 Democrats, 67 Republicans: nays 137—105 Democrats, 24 Republicans, 8 Independents. In the Senate Mr. Bayard, February 2, 1880, reported adversely; and no further action.

On December 8, 1879, Senator VOORHEES introduced a resolution (Senate Miscellaneous Document No. 13), which, after reciting the singularly unanimous demand of the people for the passage of the law of February 28, 1878, and also the law of May 31, 1878, preventing further retirement of greenbacks and the great blessings resulting therefrom to the country, proposed to express immediate and unqualified condemnation of the President and the Secretary of the Treasury for their recommendations for suspending the coinage of silver dollars and for retiring the greenbacks, heard with profound astonishment and regret, and resolving—

> That the true interests of the country require the free and unlimited coinage of both gold and silver on conditions of exact equality; and that it is the part of a wise financial policy to maintain the United States legal-tender note circulation, commonly known as greenbacks, in volume not less than now exists, and to preserve its legal-tender quality unrestricted as to amount, and unimpaired in legal effect.

No final action was had.

In the Forty-seventh Congress there was still a Republican President: from 1881 to 1883 the Senate was 37 Republicans, 37 Democrats, 1 Independent, and 1 Readjuster. The House of Representatives was 150 Republicans, 131 Democrats, 10 Nationals, and 2 Readjusters.

March 17, 1882, a resolution of Mr. Brown, of Georgia, in the Senate, declaring it "inexpedient and unwise to contract the currency by withdrawing silver certificates or to discontinue or further restrict the coinage of silver, and that gold and silver coin upon a proper ratio of equivalence between the two metals and paper issues predicated upon and convertible into such coin constitute the proper circulating medium," was referred to the Finance Committee. Yeas 30—2 Democrats, 28 Republicans; nays 23 Democrats and 1 Independent (Mr. Davis).

This is the only effort in the Forty-seventh Republican Congress to rehabilitate silver.

Now, we come to the Forty-eighth Congress; the President Republican, extending from 1883 to 1885—the Senate 40 Republicans, 36 Democrats. The House of Representatives 201 Democrats, 110 Republicans, 4 Independents, 1 Greenbacker.

April 1, 1884, House bill 4976, pending in the House of Representatives, authorizing receipt to January 1, 1886, of trade dollars for all dues to United States; section 2, exchangeable for standard dollars; section 3, to be sent to mints for coinage; section 4, to be part of coinage under act of February 28, 1878. Mr. BLAND moved to strike out section 4. Agreed to. Yeas 131—115 Democrats, 14 Republicans, 2 Independents; nays 119—37 Democrats; 81 Republicans, 1 Independent. Passed. Yeas 198—140 Democrats; 56 Republicans; 2 Independents; nays 45—11 Democrats; 33 Republicans; 1 Independent.

In the Senate, second session Forty-eighth Congress, the Finance Committee reported a substitute of five sections. Section 1 authorized exchange for standard dollars to July 1, 1885; section 2, to be sent to mints for coinage as part of bullion under act of February 28, 1878; section 4, to renew negotiations with Latin Union and other foreign powers for treaties to open mints to free coinage; section 5, if no such treaties be ratified before August 1, 1886, then suspension of act of February 28, 1878. February 4, 1885, Mr. Ingalls moved to strike out section 5. No other action.

In the House of Representatives, February 26, 1885, House bill 8256, being the sundry civil appropriation bill, was pending with a clause in it to suspend the operations of the law of February 28, 1878. In other words, to suspend the further purchase of silver, just as is proposed in this bill.

Mr. Randall moved to suspend the rules and consider said clause. It was disagreed to—yeas 118, nays 152; and it was abandoned and stricken from the bill.

You will remember that this was just preceding the inauguration of President Cleveland on the 4th of March, 1885.

We come to the Forty-ninth Congress, 1885 to 1887, Mr. Cleveland President, the Senate, 41 Republicans, 35 Democrats; the House of Representatives, 184 Democrats, 139 Republicans, Greenback-Labor, 2.

April 8, 1886, in the House of Representatives, House bill 5690, for the free coinage of silver dollars and placing silver on an equality with gold, reported adversely by the Coinage Committee, was pending. Mr. Dibble's amendment to strike out and substitute a provision for the repeal of the act of February 28, 1878, unless silver be remonetized by the concurrent action of the nations of Europe with the United States, was disagreed to. Yeas 84—33 Democrats, 51 Republicans; nays 201—130 Democrats, 71 Republicans. The bill was then rejected. Yeas 126—96 Democrats, 30 Republicans; nays 163—70 Democrats, 93 Republicans.

December 17, 1886, in the Senate, Senate bill 199, for the exchange to July 1, 1887, of trade for standard dollars, and to be sent to mints for coinage as part of the bullion to be purchased under act of February 28, 1878, was passed without division.

In the House of Representatives. February 12, 1887, Senate bill 199 was pending. Lanham's amendment as substituted, authorizing the receipt of trade dollars for Government dues and for exchange for standard dollars, and for coining the same into standard dollars, not as part of the bullion and coinage, under act of February 28, 1878, was agreed to on division. Yeas 127, nays 99; and passed, yeas 174, nays 36, and went to conference.

The committee of conference reported a substitute, providing for the exchange for six months from date of trade for standard dollars or subsidiary coins, and for coining of the same not to be counted, under act of February 28, 1878. In the Senate this amendment was agreed to. Yeas 49—23 Democrats, 26 Republicans; nays 5—2 Democrats, 3 Republicans. In the House of Representatives it was agreed to without division.

It simply authorizes the trade dollars to be exchanged dollar for dollar for the standard silver dollars and then required such trade dollars to be taken to the mints and coined as additional coinage to the coinage under the act of February 28, 1878. President Cleveland, without approving or disapproving it and without returning it to the House, wherein it originated, kept it for ten days and it became a law.

In the Fiftieth Congress, 1887 to 1889, Mr. Cleveland was President. The Senate was 39 Republicans, 37 Democrats, and the House of Representatives 169 Democrats, 152 Republicans, 2 Labor, 2 Independents.

In the House of Representatives on February 29, 1888, House bill 5034, authorizing the application of the surplus in the Treasury to the purchase or redemption of United States bonds, was passed. In the Senate, on March 26, 1888, Senator Spooner's substitute, declaring section 2 of the sundry civil appropriation law of June 30, 1882, "a permanent provision," was agreed to. Senator Beck offered a section, directing the Secretary of the Treasury on the retirement of national-bank circulation and failure of other such banks to take out equal amount, then to purchase an equivalent amount of silver bullion in excess of the minimum required under the law of February 28, 1878, to be coined and used as provided in said act, which was agreed to. Yeas 38—22 Democrats, 16 Republicans; nays 13—2 Democrats, 11 Republicans. No action in the House of Representatives.

In the Fifty-first Congress, March 4, 1889, to March 4, 1891, Mr. Harrison, Republican, was President. The Senate was 47 Republicans, 37 Democrats. The House of Representatives, 173 Republicans, 154 Democrats, 1 Wheeler, 1 vacancy.

June 5, 1890, in the House of Representatives, House bill 5381, known as the Windom silver bullion purchase bill, was pending. Mr. BLAND moved to recommit, with instructions to report back a bill for the free coinage of silver. Yeas 116—101 Democrats, 14 Republicans, 1 Independent; nays 140—12 Democrats, 128 Republicans. The substitute offered by Mr. Conger was then passed. Yeas 135—135 Republicans, not a Democrat; nays 119—112 Democrats, 7 Republicans.

June 17, the bill was reported by the Finance Committee of the Senate with sundry amendments; while it was pending Mr. Plumb offered an amendment for free and unlimited coinage, which was agreed to. Yeas 43—28 Democrats, 15 Republicans; nays 24—3 Democrats, 21 Republicans. The bill so amended into a free, unlimited coinage measure was passed. Yeas 42—27 Democrats, 15 Republicans; nays 25—3 Democrats, 22 Republicans.

After long wrangling in the House of Representatives June 25, a vote was had on the Senate free-coinage amendment. Yeas 135—113 Democrats, including the Hon. ROGER Q. MILLS, 21 Republicans, 1 Independent; nays 152—22 Democrats, 130 Republicans. The Senate amendments were then nonconcurred in and conference had. The conference report was agreed to in the Senate July 10, by a vote of 39 yeas, all Republicans, and 26 nays, all Democrats, and in the House of Representatives, July 12, by 122 yeas—121 Republicans, 1 Independent (Featherstone), and 90 nays, all Democrats.

The conferees agreed to a bill with sundry amendments. The conference committee substituted in the bill as it passed 4,500,000 ounces for $4,500,000, and they modified the legal tenders "except where otherwise expressly stipulated in the contracts," and they substituted for the bullion redemption provision a requirement that upon demand the Secretary of the Treasury shall redeem the notes in gold or silver coin in his discretion—and the declaration that it is the established policy of the United States to maintain a parity between the two metals at the present legal ratio, or such ratio as may be provided by law, and to require 2,000,000 ounces of the bullion purchased to be coined monthly into dollars until July 1, 1891.

Mr. President, this was practically and entirely a new bill, agreed to in the conference led by the distinguished Senator from Ohio [Mr. SHERMAN], the great bimetallic leader of the Senate to-day. The changes entirely subverted the bill, bad as it was as it passed the Senate and as it passed the other House. Instead of redeeming the Treasury notes issued in the purchase of silver bullion with their equivalent in silver, upon the demand of the holder, the Secretary of the Treasury was required to redeem these notes in gold or silver coin in his discretion; and then the promise of the policy of the United States was put in here to maintain a parity between the two metals at the present legal ratio. I shall have occasion hereafter to comment on this matter in connection with the President's message. It was to maintain the parity of the two metals, not the two coins.

These were the most material changes, and I had the privilege and the honor of protesting against those changes and in predicting that the law would be misconstrued and enforced by an unwilling administration, just as it has been. I am glad to realize (I am sorry for the consequence of the realization, however) that every prediction I made upon the floor of the Senate in opposition to the approval of that bill as reported by the conference committee, has been verified. The distinguished junior Senator from Kentucky [Mr. LINDSAY] did me the honor to quote a large number of passages from that speech, and I stand here to-day without any apology for uttering one of them. Were that bill pending again to-day as it was then, I would simply repeat what I then said.

But what has been done since, Mr. President? I want to get at all the efforts at legislation on the silver question before discussing it.

On January 5, 1891, Mr. STEWART moved to consider Senate bill 4675, displacing the Federal election bill. That was agreed to. Yeas 34—26 Democrats, 8 Republicans; nays 29 Republicans.

On January 14, 1891, Mr. STEWART moved a free coinage amendment to the bill, which had been laid aside up to that time. That was agreed to. Yeas 42—26 Democrats, 16 Republicans; nays 30—3 Democrats, 27 Republicans.

After the bill had been discussed a long time and various amendments made, my colleague [Mr. VEST] offered a free and unlimited coinage provision as a substitute, and that was agreed to. Yeas 39—24 Democrats and 15 Republicans; nays 27, 1 Democrat and 26 Republicans.

Now, remember this was only a short time ago in the Senate, only in 1891, two and a half years ago. A great many of the same Senators are still here.

January 15, 1891, in the House of Representatives the bill was referred to the Coinage Committee and reported February 21, 1891, adversely and by order of the committee placed on the Calendar and no further action was had.

In the House of Representatives, February 6, 1891, on the sundry civil appropriation bill, Mr. BLAND moved a free coinage amendment, but was ruled out on a point of order. Then Mr. BLAND appealed from the decision of the Speaker, and the ruling of the Speaker was sustained. Yeas 134—7 Democrats, 127 Republicans; nays 127—116 Democrats, 11 Republicans.

Now we come to the Fifty-second Congress—1891 to 1893—Mr. Harrison, President; the Senate 47 Republicans, 39 Democrats, 2 Independents; the House of Representatives 235 Democrats, 86 Republicans, 9 People's party, 2 vacancies.

In the House of Representatives March 24, 1892, House bill 4426, for the free coinage of silver, etc., was pending. On motion of Mr. BURROWS to lay on table the yeas were 148—80 Democrats, 68 Republicans; nays 149—130 Democrats, 12 Republicans, 7 People's party. A motion to reconsider was agreed to—yeas 150, nays 148; and the motion to lay on table again defeated—yeas 145, nays 149. After continued filibustering the House adjourned, and no further action was had.

July 1, 1892, in the Senate Senate bill 51 for free coinage, complete as amended, passed. Yeas 29—17 Democrats, 10 Republicans, 2 Independents; nays 25—7 Democrats, 18 Republicans. Sixteen paired for and 16 against it—13 Democrats and 3 Republicans paired for, and 2 Democrats and 14 Republicans against. Counting votes and pairs and the yeas would be 45—30 Democrats, 13 Republicans, 2 Independents; nays 41—9 Democrats, 32 Republicans.

In the House of Representatives, July 5, 1892, the bill was referred to the Coinage Committee. July 6, Mr. TRACEY'S motion to refer the bill to the Committee on Banking and Currency was disagreed to—yeas 43, nays 129. Other filibustering motions were resorted to.

July 13—Mr. CATCHINGS, from the Committee on Rules, reported a resolution to consider Senate bill 51. The previous question on the same was ordered. Yeas 162, nays 130—101 Democrats, 61 Republicans, yeas; 114 Democrats and 16 Republicans and Independents, nays. The resolution was then rejected. Yeas 136—118 Democrats, 9 Republicans, and 9 Alliance; nays 154—94 Democrats, 60 Republicans.

That was only a little over a year ago—a short time.

Now, I want to go a little further in the Fifty-second Congress.

December 7, 1892, the distinguished Senator from New York [Mr. HILL] introduced Senate bill 2534 for the repeal of the law of July 14, 1890, except the fifth and sixth sections, and as this is a very remarkable bill I am very glad the distinguished Senator is present. I say the Senator from New York introduced Senate bill 3524 for the repeal of the law of July 14, 1890, except the fifth and sixth sections, which was referred to the Finance Committee, and was never reported back to the Senate.

This is a very remarkable financial measure, evidently representing the matured thought and judgment of the distinguished Democratic leader from the Empire State of New York. It proposes to stop the purchase of silver and the issue of Treasury notes, and all coinage of the silver bullion already purchased, and to leave in the Treasury the great mass of silver bullion uncoined—and a mere commodity—and the large amount of United States Treasury notes issued and outstanding deprived of all monetary functions, including legal tender and redemption in coin—a bastard; an illegitimate issue of United States notes.

Well may we all pause before this wonderful prodigy for financial legislation. The junior Senator from Nevada [Mr. STEWART] came to its rescue on December 12 by introducing and having referred to the Finance Committee an amendment adding to Senate bill 3524 a provision for the free and unlimited coinage of the standard silver dollar.

December 21, 1892, the Senator from New Jersey [Mr. MCPHERSON] introduced a joint resolution (S. R. 126) for the suspension of all purchases of silver bullion under the law of July 14, 1890, until otherwise ordered by Congress. Ordered to lie on the table. No further action had.

On January 4, 1893, the Senator from Nevada [Mr. STEWART] offered a free-coinage amendment, which was laid on the table and printed.

January 9, 1893, the Senator from Rhode Island [Mr. ALDRICH] offered a substitute, reaffirming our purpose to maintain the parity in the value of gold and silver coins and United States notes and for the issue of bonds—here is the milk in the cocoanut—to be sold for gold to maintain such parity, and the suspension of purchase of silver bullion in the discretion of the President, and repealing the purchasing clause if there was no international bimetallic agreement, before January 1, 1894.

But to go back a little to show the interest of the distinguished Senator from Ohio [Mr. SHERMAN] in anything that squints of international bimetallism or international monetary conferences: July 14, 1892, the Senator from Ohio introduced and had referred to the Finance Committee, Senate bill 3423, for the repeal of the clauses of the law of July 14, 1890, for the purchase of silver bullion and issue of Treasury notes in the purchase, to take effect January 1, 1893.

July 6, 1892, the distinguished Senator from Iowa [Mr. ALLISON], as chairman of the Committee on Appropriations, had reported the sundry civil appropriation bill, with an amendment, providing for the international monetary conference that met at Brussels last year, and of which he was a member. That was on July 6. Immediately, on July 14, the distinguished Senator from Ohio brings in his bill to repeal his own protégé and wipe it out of existence, in ample time to have its proper effect on the proceedings of the international monetary conference to be held at Brussels, and to be referred to in their proceedings, as it was.

I will read that now, to see how our representatives over there talked to those clad in the purple robes of authority—kingly regal authority.

THIRD QUESTION—

This is by Mr. Cannon—

The present policy of the United States, in regard to the purchase of silver, was defined by Mr. Cannon in the following terms:

"The United States has seriously taken into consideration the idea of repealing the silver-purchase act of 1890: the two political parties as well as—

Oh, yes; "as well as"—

the great bankers of New York have advised this repeal, and if during this conference some arrangement is not attained, it is more than probable that

America will not continue disposed to buy annually 54,000,000 ounces of silver at the market price.

Was it not peculiar that just as soon as any indication of an international monetary conference was visible upon the horizon by a proposed amendment in the sundry civil appropriation bill, the senior Senator from Ohio, claiming to strongly favor bimetallism, should come in with a bill for the destruction of his own offspring.

On January 17, 1893, Senate bill 3423 was reported from the Finance Committee by the Senator from Ohio [Mr. SHERMAN], amended by changing the repeal from January 1, 1893, to January 1, 1894, and adding a new section authorizing national banks to issue notes to face value of bonds.

Now, Mr. President, remember this bill was introduced on the 14th day of July, 1892. Congress was in session for some time afterwards. It convened again in December. Not until January 17, 1893, did the distinguished Senator from Ohio bring back his own bill for action in the Senate. He must have been exceedingly anxious for the passage of the bill, considering the long time he consumed before reporting it back. Then what was it when reported back? It repealed the purchasing clauses after January 1, 1894, and then added a new section authorizing the issue by national banks of dollar for dollar of their circulation, the very identical kind of a bill that the distinguished Senator from Indiana, the chairman of the Finance Committee, has already reported to the Senate and is now pending on the Calendar. That amendment was exactly in the language almost of the present bill. It gave the banks the power o issue up to the full face value of their bonds.

January 19, 1893, the senior Senator from Colorado [Mr. TELLER] offered a substitute for free coinage of silver.

January 19, 1893, the junior Senator from Colorado [Mr. WOLCOTT] offered a substitute for coining all silver purchased and to be purchased under said act, differing in that respect. It was simply to compel the coinage of all the silver purchased and to be purchased under that act.

February 6, 1893—now we are in the present year—my colleague [Mr. VEST] offered an amendment restoring the Bland-Allison law of February 28, 1878, as a substitute.

February 6, 1893, the distinguished Senator from New York [Mr. HILL] made a speech, and moved to consider the bill reported by the Senator from Ohio [Mr. SHERMAN].

The junior Senator from Indiana [Mr. VOORHEES] moved to lay that motion on the table. That was ruled out of order on a point made by the Senator from Massachusetts [Mr. HOAR]. The motion was then voted on; yeas 23—12 Democrats, 11 Republicans; nays 42—20 Democrats, 20 Republicans, and 2 Independents.

Mr. President, that was only last February. Now, if our Republican friends were so exceedingly anxious for the repeal of the act of 1890 why did they not repeal it when they had the President, the Senate, and the House? Why did they not make more determined efforts when they had the power and the responsibility? Did we see any of them turning somersaults trying to get a vote upon a repeal clause? Not a bit of it, Mr. President. They were not half as anxious to repeal that act under a Republican Administration as they are to repeal it under a Democratic Administration. For many years they had borne the odium of the gold standard they had established in 1873, and they were not willing under their own Administration to unconditionally repeal the law of 1890 and reëstablish the gold monometallism of 1873; but they are willing to do it under a Democratic Administration. Wonderful patriotism! Wonderful disinterestedness!

But, Mr. President, what has been done under the so-called Sherman law of July 14, 1890? Up to September 1, 1893—I did not have time to get the data up to October 1—up to September 1, 1893, $151,804,170 in the United States Treasury notes therein authorized have been issued in the purchase of 163,047,664 ounces of fine silver of the coinage value of $210,809,100; and 36,087,185 standard silver dollars—costing for the bullion $29,110,116.25, the seigniorage being $6,977,068.75—have been coined. If all the bullion purchased up to September 1, 1893, were coined the number of silver dollars in excess of the Treasury notes then outstanding would be $60,318,741.

Probably about fifty millions of the Treasury notes have been redeemed in gold, and very little in silver dollars. Over $150,000,000 have been added to the volume of our money circulation.

Why have $50,000,000 in gold been paid out in the redemption of these Treasury notes instead of silver dollars? The law of July 14, 1890, says that these notes "shall be redeemable on demand in coin," and "that upon demand of the holder * * * the Secretary of the Treasury shall, under such regulations as he may prescribe, redeem such notes in gold or silver coin at his discretion, it being the established policy of the United States to maintain the two metals on a parity with each other upon the present legal ratio, or such ratio as may be provided by law." And that after July 1, 1891, "he," the Secretary of the Treasury, "shall coin of the silver bullion purchased under the provisions of this act as much as may be necessary to provide for the redemption of the Treasury notes herein provided for, and any gain or seigniorage arising from such coinage shall be accounted for and paid into the Treasury."

These words I have quoted are all parts of the same law—must be construed together and according to their clear intent. The first clause makes the Treasury notes redeemable in *coin*—the standard silver dollar is coin—is money absolute—a full legal tender in payment of "all debts and dues public and private, except where otherwise expressly stipulated in the contract."

The Treasury notes are debts of the United States—are public dues. There is no express stipulation in the law for their payment in gold. Why, then, have they been redeemed in gold?

It is claimed that the declaration "it being the established policy of the United States to maintain the two metals on a parity with each other upon the present legal ratio" so controls the action of the Secretary as to prevent his exercising the discretion nominally vested in him if by such action the parity between gold and silver may be disturbed. The law says nothing about the parity between gold and silver. It says to maintain the two metals on a parity with each other.

Has the Secretary maintained the two metals, gold and silver, on a parity with each other by redeeming the Treasury notes in gold? It is absurd to claim that he has, while with the very Treasury notes he has been purchasing silver bullion at about 56 to 64 cents on the 412½ grains standard silver. He has utterly failed to maintain the two metals on a parity with each other. While the law gives the Secretary the right to "redeem such notes in gold or silver coin at his discretion," yet in the very next sentence it tells him expressly and unequivocally, and not nominally, how he shall exercise that discretion, namely:

He shall coin of the silver bullion purchased * * * as much as may be necessary to provide for the redemption of the Treasury notes herein provided for.

It does not say for a part of such notes, or such part of them as may not be redeemed in his discretion in gold, but for the redemption of the Treasury notes herein provided for; for the redemption of every Treasury note authorized to be issued by him by said act. Manifestly, then, a refusal by the Secretary to pay these notes in gold if demanded would not destroy the parity between the two metals—gold metal and silver metal—and would not establish a discrimination in favor of gold, but, on the contrary, does actually establish a discrimination against the silver dollar just as fully and effectually as if on demand he should redeem silver certificates issued for silver dollars in gold.

Mr. President, I confess that I have been greatly astonished to be informed, as I believe reliably, that under the present Democratic Administration silver certificates calling for so many silver dollars deposited in the Treasury to be returned on demand have on presentation been paid in gold.

Mr. McPHERSON. Does it weaken them?

Mr. COCKRELL. Does it harm them? It is a breach of trust, a breach of faith. It is yielding to a dishonest and a dishonorable demand. It is bowing the knee to gold monometallism. It is acknowledging and establishing gold as the single standard. It is degrading the money of the world and the money of the United States, the silver dollar, and making it a subsidiary coin worth nothing by itself until it is redeemed in gold.

Mr. GEORGE. Is there any law authorizing the Secretary to pay silver certificates in gold?

Mr. COCKRELL. There is not on the face of any book of law in the United States an act authorizing the Secretary of the Treasury on the demand of any king or potentate or representative of any foreign syndicate or gold syndicate to redeem silver-dollar certificates in gold coin. No man can show it. Read your silver certificate, if you have one in your pocket. There is no question about what it means. I have here a little one, but it is just as good as a big one, I presume.

This certifies that there has been deposited in the Treasury of the United States one silver dollar payable to bearer on demand.

"One silver dollar payable to bearer on demand;" and yet I am told that our Secretary of the Treasury has upon the demand of the holders of these silver-dollar certificates paid them in gold. I say he has no right to do it. I say it is not in pursuance of the Democratic policy of the United States, maintained from the foundation of our Government up to this day. I say it is in violation of every principle and policy which our Government has ever proclaimed. We have made silver money as absolutely and unqualifiedly irredeemable without price as we have made gold: and he had no right when a man came to him with an illegal, unjust, infamous, and iniquitous demand, made for ulterior ends and ulterior purposes, to force this country to a single gold standard, to bow to any such demand and pay out any such gold dollars.

Mr. PEFFER. Here is the law.

Mr. COCKRELL. There is no question about it. It is simply a certificate that so many silver dollars have been put there and they are kept on deposit to be returned to the holder. Now I will read the law.

Section 3 of the Bland act provides—

That any holder of the coin authorized by this act may deposit the same with the Treasurer or any assistant treasurer of the United States, in sums not less than $10, and receive therefor certificates of not less than $10 each, corresponding with the denominations of the United States notes. The coin deposited for or representing the certificates shall be retained in the Treasury for the payment of the same on demand. Said certificates shall be receivable for customs, taxes, and all public dues, and, when so received, may be reissued.

As a matter of course, any banker or any gentleman having financial transactions with a friend would, if that friend came and asked that he might have gold in lieu of silver certificates, or in lieu of fractional money, or in lieu of greenbacks, or anything of the kind, give it to him; but when a man comes with silver certificates and makes a legal peremptory demand upon any United States Secretary of the Treasury or subtreasurer that they must be redeemed in gold, I care not whether he is the representative of the Rothchilds of England, or of Great Britain itself, or of Germany, or any other nations or kindred on earth, he has no right to be paid the gold.

Mr. McPHERSON. Will the Senator from Missouri permit me to ask him a question?

Mr. COCKRELL. With a great deal of pleasure.

Mr. McPHERSON. This morning we listened to a very severe criticism by the honorable Senator from Alabama [Mr. MORGAN], in which he found much fault with the Committee on Finance for striking from the House bill a certain provision, which I will read:

And the faith and credit of the United States—

Mark the language—

And the faith and credit of the United are hereby pledged to maintain the parity of the standard gold and silver coins of the United States at the present legal ratio, or such other ratio as may be established by law.

I should like to know whether the Senator from Alabama or the Senator from Missouri best represents the contention of the silver advocates in the Senate. The Senator from Alabama criticises us for striking from the bill a provision of law which would require a demand that the Treasury of the United States shall redeem the silver coin in a way to preserve the parity. The Senator from Missouri now declares that it is contrary to law; that it is a degradation of silver, and the Secretary of the Treasury has no right to redeem it in gold. Who represents the contention of the silver advocates here, the Senator from Missouri or the Senator from Alabama?

Mr. COCKRELL. I can answer that we both represent it; and we both represent that grand old party which has maintained it organization for over a century amid all the storms and political upheavals that have driven every other political organization out of existence. We represent the system of money that it maintained until that system was supplanted by the Republican policy of 1873, establishing the gold standard. I wanted the Senator to ask me that identical question, because we shall have much to do with it hereafter. Does the maintenance of two metals at a parity demand that one of them, just as absolute and as irredeemable as the other, shall be redeemed in the other?

No, sir. That is a false interpretation of the law. I have quoted it. I have shown that the pretended claim that the Secretary of the Treasury had to redeem these Treasury notes in gold to maintain the parity is false. There is not a particle of foundation for it, in my judgment. He violated the spirit of the law. It is true he has the option, but that option is further governed by the declaration that he shall coin of the bullion purchased with Treasury notes a sufficient amount to redeem the Treasury notes—every one of them.

Mr. McPHERSON. Let me ask the Senator from Missouri what is to assist the silver coin to keep step with gold in exchanges and maintain the parity if it be not an exchangeability into gold?

Mr. COCKRELL. Oh, that has nothing to do with it. Money is without price and is irredeemable. We have made silver money. We have not made it a limping leg to gold. We have not made it subordinate to gold. Anyone who undertakes to interpret the law in such a way that the silver dollars coined under the law are redeemable in gold is the worst kind of a gold monometallist.

No, Mr. President, I care not who it is, I do not stand with anyone upon that kind of bimetallism. The silver dollar is money, absolute money. It is irredeemable in anything on earth, or above it, or beneath it. It is the equal of gold in every respect. We do not seek to maintain silver in the light in which the Senator from New Jersey speaks of it. We say let it walk side by side with gold. It will do it if you just let it alone. It will walk with it as it has always done. It commanded a premium in your cowardly gold metal right in the markets of New York during the recent panic. Yes, sir, it has always maintained it. You can take your silver dollar and go into any market in the United States and buy with it just as much as you can buy with the gold dollar.

Mr. McPHERSON. Will the Senator yield to me for another question?

Mr. COCKRELL. With a great deal of pleasure.

Mr. McPHERSON. In respect to the attitude of the silver advocates in this body a great panic has unquestionably been maintained; and I want to say to the Senator that a well-executed counterfeit would have commanded a premium sometimes during the panic.

Mr. COCKRELL. It would do it now if nobody could discover it. No, Mr. President, this panic has not been produced by the silver dollar. It has had nothing more to do with producing the panic than the gentle evening zephyrs. This panic has been growing for years; and the conditions were in such a state of progress that the bankers intended to force this country to redeem all its money in gold, just as the Senator is wanting to do, and whom he is representing, and the aristocratic nations of Europe have joined them. They say we will have the single gold standard and we will have the money of the world redeemable in that single gold standard. That is the battle we are fighting now.

That is the enemy we are contending against now. He is covered behind the breastworks of distinguished citizens here and taking refuge behind them and their opinions, but that is the real enemy we are fighting. When this Government goes to redeem absolute money with any other money, particularly when that is silver, and demanding that it shall be done, it is degrading the silver. You do not redeem money, absolute money, metallic money. You may redeem legal-tender paper currency, but you do not redeem gold and silver. A man goes to the bank of France with a million or a billion dollars of silver francs and demands gold. Does he get it?

Mr. McPHERSON. Why?

Mr. COCKRELL. Simply because they do not intend to degrade silver by making it subsidiary to gold.

Mr. WHITE of Louisiana. May I ask the Senator a question?

Mr. COCKRELL. With infinite pleasure.

Mr. WHITE of Louisiana. Is not every dollar of silver in circulation to-day by express terms redeemable in gold?

Mr. COCKRELL. Not one of them.

Mr. WHITE of Louisiana. The Senator and myself differ on that point.

Mr. COCKRELL. I challenge the Senator to show one line of law authorizing any United States officer to redeem a silver dollar in gold.

Mr. WHITE of Louisiana. I do not speak of the United States, but of France. The Senator was referring to France.

Mr. COCKRELL. Oh, I beg the Senator's pardon.

Mr. WHITE of Louisiana. I ask the Senator whether every French silver dollar extant to-day is not redeemable in gold?

Mr. COCKRELL. Not one of them.

Mr. WHITE of Louisiana. By the terms of the Latin Union?

Mr. COCKRELL. Not by the terms of the Latin Union.

Mr. WHITE of Louisiana. By the terms of the Latin Union each respective nation agreed that it would redeem and exchange every silver dollar outstanding in the hands of a citizen of every other country for gold.

Mr. COCKRELL. Yes; but that is not silver in France, and the Senator knows it. He knows that is a miserable subterfuge.

Mr. WHITE of Louisiana. The Senator uses harsh language when he says it is a miserable subterfuge.

Mr. COCKRELL. I mean no offense.

Mr. WHITE of Louisiana. I am accustomed in debate to be civil. If we are to bandy approbrious epithets, if the Senate is to degenerate into mud-slinging, I think, with all due respect to my venerable friend, that I could sling as much mud as he.

Mr. COCKRELL. Undoubtedly, and more.

Mr. WHITE of Louisiana. But my sense of propriety and decency would prevent me.

Mr. COCKRELL. When I said it was a subterfuge I meant simply in argument, and the Senator knows it is a subterfuge.

Mr. WHITE of Louisiana. I know nothing of the kind.

Mr. COCKRELL. I will show him that it is.

Mr. WHITE of Louisiana. I believe the contrary.

Mr. COCKRELL. I will show the Senator. He is a strong lawyer, and he knows what it is to dodge around a point.

Mr. WHITE of Louisiana. Let me tell the Senator I never dodge half as much as he does. I think he is as artful a dodger as I ever met in my life.

Mr. COCKRELL. Now, let us see what the Lation Union is. We all know about that. The Latin Union binds France to redeem its coin held by other nations.

Mr. TELLER. Not the individuals.

Mr. COCKRELL. It does not relate to the redemption of silver coin circulating in France, and my good friend from Louisiana, whom I love so tenderly, will admit it. There is no use talking about that.

Mr. WHITE of Louisiana. Will the Senator from Missouri allow me?

Mr. COCKRELL. With a great deal of pleasure.

Mr. WHITE of Louisiana. If my answer to the question which the Senator has made does not affirm the proposition which I stated, then I do not know how a proposition can be affirmed. If silver is outstanding issued by the French Government and the French Government has entered into an obligation not treating it as ultimate money, but that every dollar of it outstanding held by another nation shall be redeemed in gold, the existence of that obligation renders every dollar redeemable in gold, because the man who desires to redeem the silver in gold has only to put it into a position where it comes under the obligation which forces it to be redeemed in gold.

Mr. COCKRELL. That does not relate to silver in circulation in France, as the Senator knows. I say that silver money circulating in France and in the hands of the people within its territorial dominion is not redeemable in gold.

Mr. WHITE of Louisiana. Ah, yes, if the Senator will allow me; but the faculty and power to put a dollar in a position where it has a right to demand gold follows that dollar in the hands of every individual in the world, and gives it an attribute which makes it as good as gold.

Mr. COCKRELL. How can the citizens of France, with 600,000,000 silver dollars, place that silver coin in the hands of a foreign government?

Mr. WHITE of Louisiana. Very readily, when the time comes.

Mr. COCKRELL. The idea that six or seven hundred million of coined legal-tender dollars in France, equal there to gold in the payment of the national debt, and in the payment of taxes, and in the payment of the personal obligations and the purchase of millions and billions of dollars' worth of products there, is going to be sent to some foreign government, Belgium, Switzerland, Italy, or Greece, forming the Latin Union, and given into the hands of those governments, in order that they may come back to France and demand under the Latin Union that those coins shall be redeemed in gold, is an impossibility.

Mr. TELLER. I ask the Senator if he will allow me to make a suggestion in reference to the statement made by the Senator from Louisiana?

Mr. COCKRELL. With pleasure.

Mr. TELLER. The Latin Union provides that when France shall have Italian money, and Italy has French money, that they shall strike the balance, and if it shall be found that France has more of the Italian money than Italy has of the French money, that that shall be redeemed in gold. That is the Italian money which will be redeemed, which is circulating out of the country in which it is coined. Under no provision of law or any practice in France has a single French 5-franc piece ever been exchanged for gold, and it can not be done by law.

Mr. McPHERSON. Why not?

Mr. TELLER. The Senator from New Jersey asks why not. Because there is no law requiring it. I do not mean to say that a Frenchman may not, if he chooses, exchange a 5-franc piece, or a number of them, for gold, but there is no policy in France for redeeming silver in gold; and if any Senator makes such a statement he is making that which he can not sustain.

Mr. WHITE of Louisiana. If the Senator from Missouri will allow me one moment, I will make clear the statement I made. The Senator from Missouri made a broad statement that any money which was redeemable was not ultimate money.

Mr. COCKRELL. Metallic money, I mean.

Mr. WHITE of Louisiana. Metallic money. Then he went on and referred to the Latin Union, and I immediately called attention to the fact that the very states that form the Latin Union found it necessary in order to form it to enter into an agreement among themselves that this money should be redeemed in gold.

Mr. TELLER. If I may suggest, the contract was this: As long as Italy had French money she redeemed French money in French money.

Mr. WHITE of Louisiana. She redeemed it in gold.

Mr. TELLER. Not at all. She struck the balance, and when she could no longer redeem it in silver, because she had not French silver, then she was obliged to redeem it in gold.

Mr. WHITE of Louisiana. Then I say this was not ultimate money, and they provided that she should get gold for it by the terms of the Latin Union. My argument is that the faculty of redeeming that money in gold, however remote that faculty was, gives the attribute to the money which makes it equivalent with gold resulting from that very stipulation; and that, in my judgment, is what enabled the Latin Union to keep the silver afloat which it has kept afloat.

Mr. COCKRELL. That is a contingency so far remote that it does not have upon the circulation of the francs of France within the territorial dominions of that great Republic even the influence that ordinary moonshine would have upon it. It is simply mythical. It has grown up in the vivid imagination of the distinguished Senator from Louisiana.

Mr. McPHERSON. Now, if the Senator from Missouri will yield to me for a single moment, I want him to be exactly correct in his speech here, which he is soon to publish, I suppose, and judging from the amount of references that he has before him he has camped here for a week or two, and therefore it will be no interference.

Mr. COCKRELL. It never is any interference, whether I am making a long or a short speech.

Mr. McPHERSON. The agreement made between France and the states of the Latin Union is an agreement which relates only to intercourse between those nations and must end at the termination of the period of time for which the agreement was made. If there is an Italian coin or Belgian coin in her possession, Italy and Belgium are required to pay her in gold, and vice versa. The Senator is quite right, however, when he says that France is not obliged by law to compel the redemption of silver coin in gold coin to maintain the parity; but that she does it in practice is obvious and certain. No man who goes to the Bank of France, or to any bank in France, and asks for the exchange of a certain amount of silver coin or silver francs in gold coins, Napoleons, if you please, is turned away empty.

Mr. COCKRELL. As a matter of course not.

Mr. McPHERSON. Silver—the silver franc being the unit and standard of value in France, the charter of the Bank of France requires the bank to receive these coins on deposit and pay them out to those who deposit them; that is, the public. Therefore, the silver coins stand alone; but in practice France does exactly what the Government of the United States does. It always redeems the coin in gold when gold is asked for, not in sums suited for export, because upon export gold they demand a slight premium. The premium is very slight, for the reason that if gold can not be exported, commodities must be exported to take the place of gold; and if a high premium is put upon it, it bears very heavily upon the exchange of commodities.

Mr. COCKRELL. There is no doubt but that a banker in the United States or anywhere else who had a spirit of accommodation and any of the milk of human kindness about him would exchange a few dollars of gold for a few dollars of silver, or anything of that kind. But I say if a citizen of the United States were to go to the Bank of France and present any considerable number of silver dollars for gold and demand them as his right he would be quickly turned out of the Bank of France.

Mr. McPHERSON. If the Senator will allow me a moment longer, I was going to ask him a further question. The Bank of France to-day has some $250,000,000 of gold coin. I speak in round numbers.

Mr. COCKRELL. That is about right.

Mr. McPHERSON. The Treasury of the United States has $100,000,000 of gold coin standing under and behind her $1,000,000,000 of silver money and paper money. The Bank of France is abundantly able to make exchanges as she pleases; and there is no condition, no pledge, and no law requiring the exchange. The Government of the United States, upon the other hand, is confronted by a positive law which says that you must maintain the parity between the two metals. With $100,000,000 of gold in our Treasury to redeem a thousand or eleven hundred million dollars of paper and silver, and to maintain the parity between the different kinds of money, certainly there is a wide difference between the situation of France and the situation in this country.

Mr. COCKRELL. I understand the Senator, and will he permit me to answer his question in the Yankee fashion of his own State by an interrogatory? The Senator holds that the silver dollars, the silver certificates, the United States Treasury notes issued for the purchase of silver bullion, and the greenbacks are redeemable in gold?

Mr. McPHERSON. I mean that we have Treasury notes issued to the extent of $150,000,000, and under the law which authorizes their issue for the purchase of silver that it is provided that they shall be redeemed in gold at the discretion of the Secretary of the Treasury, and there is no discretion left with him. And I say if he fails to pay in gold those notes with which he is expressly required and commanded to maintain the parity, then all the silver issues of the Government stand practically upon the same foundation.

Mr. COCKRELL. In other words, then, all the silver dollars are redeemable in gold?

Mr. McPHERSON. Not at all.

Mr. COCKRELL. This is a very important question, and I want to know exactly where we are. The Senator contends that the United States Treasury notes issued under the law of July 14, 1890, in the purchase of silver bullion under the Sherman law are redeemable in gold or silver, at the option of the Secretary of the Treasury, and if gold is demanded he must pay gold. Now, what relation does that have to the silver certificates issued for the silver dollars coined under the Bland act?

Mr. McPHERSON. If that money itself is discredited by the failure of the Secretary of the Treasury to maintain the parity it affects in like manner every silver issue by the Government, because the contention of people to-day is that the Government has proceeded in the direction of injecting silver into the circulation to such an extent that it is impossible to maintain the parity and we are fast drifting to a silver basis. That is the contention.

Mr. COCKRELL. Mr. President, the people of the United States do not make any such contention. A few Bull Run panic-stricken bankers of New York may make the prediction that they are scared to death over silver dollars. The masses of the people in New Jersey, the toiling masses, are not sending up their petitions here telling you and me that they are afraid to receive silver dollars. This panic made to order has demonstrated beyond the shadow of a doubt the unbounded illimitable and unlimited confidence the masses of the people have in the standard silver dollar. You may search the United States from Maine to Texas, and from Florida to Alaska and you can not find a man, woman, or child who will refuse to receive the silver dollar just as quickly as the gold dollar, the silver certificate just as quickly as the gold certificate, and to receive the greenbacks or any of them.

The people of the United States are intelligent and patriotic enough to know that every dollar of money issued by authority of Congress is just as good as any other dollar, and they treat it as such. It is only the bankers who have lost confidence, and that is done because of their overnervousness and their fears and apprehensions of what may come to pass in the future, based upon the ulterior object of establishing a single gold standard, and that is the aim of my friend. He has said enough here to convince me that he stands for the single gold standard and for everything in the shape of money in the United States to be redeemable in gold—the silver dollar and the silver certificate. I have, then, truthfully said that the battle waging in the Senate is between the bankers and the plutocrats of the world on one side for a single gold standard, in which all other moneys shall be redeemable at their sweet will and pleasure, and the people on the other side for the maintenance unimpaired of the monetary functions of silver as an equal money with gold, whatever amount may be coined by our Government.

I am very glad this colloquy has come up. It is a question that I intended to discuss further on, and I am glad that it has been developed now. We know where the friends of this bill stand. We know the battle that is before us. We know the objects to be attained. We know the interest our toiling masses have in this great struggle; and we propose to stand by them and defend their interests against the combined powers of the plutocrats of the United States and of every nation, kindred, and tongue on earth; and you shall not succeed.

But, Mr. President, I was criticising the distinguished Secretary of the Treasury, for, as I was told by a distinguished Senator, the holders of these silver coin certificates had demanded gold, and he had yielded to that demand. I say it was wrong. I say furthermore he has a perfect right in equity and justice, under the law, to redeem the United States certificates that were given in payment of the purchase of bullion in silver coin, and while the law gives him nominally the right to redeem in gold or silver at his discretion, yet under that right his discretion is modified. Now, I will read that clause of the law.

Mr. TELLER. I wish to interrupt the Senator to know if I understood him aright.

Mr. COCKRELL. I will yield with pleasure.

Mr. TELLER. Did the Senator from Missouri state that the Treasury Department had redeemed silver certificates proper in gold?

Mr. COCKRELL. Silver coin certificates. That is my information.

Mr. TELLER. I will state that a few days ago—not more than twenty—I called on the Treasurer of the United States and made that inquiry, and he informed me that they never had redeemed the silver certificate proper in gold. I do not mean the Treasury notes, but the silver certificates. He said they never had redeemed them in gold, and I venture to say now there never has been a dollar of them redeemed in gold.

Mr. COCKRELL. My colleague gave me the information.

Mr. TELLER. It is a mistake.

Mr. COCKRELL. I understood my colleague to say expressly that silver coin certificates—not the United States Treasury notes issued for the purchase of bullion—had been redeemed in gold.

Mr. TELLER. No.

Mr. VEST. At the time that the first million dollars was drawn out in gold from the United States Treasury for exportation it was stated in the press, and I have always understood it to be true, that a large amount in silver certificates was included in the million dollars, and that the Treasury Department paid out gold indifferently upon any of the paper circulation of the United States. I so understood from the President's declaration at the time it was made. I do not remember the exact date, but it was a formal declaration made by the President to the effect that every dollar issued by the United States in any sort of obligation (I suppose, of course, that it referred to the paper obligations of the Government) should be paid in the coin which the holder demanded. If reference can be made to that statement, which I have not at command, I think it will be found to amount to that.

Mr. TELLER. Will the Senator from Missouri allow me?

Mr. COCKRELL. Certainly; I only want to get at the facts. It was in conversation with my colleague that I got this information, and I am glad that he has explained it just as it is. I do not want to do injustice to any human being on earth.

Mr. TELLER. The $1,000,000 referred to by the junior Senator from Missouri were not silver certificates, but Treasury notes. Since that time I have put on record a letter from the Treasurer and a letter from the Secretary. The Secretary of the Treasury replied to a Senate resolution declaring that no silver certificates have been redeemed in gold.

The editor of the Century Magazine, in an article about three months ago, declared that all the silver certificates were redeemable in gold, and that is why they continue to circulate as money. A friend of mine in Colorado, a distinguished lawyer of the State, addressed him a courteous letter, saying that he thought he was mistaken, and called his attention to the documents I had had presented to the Senate on that point. The editor replied in a brief letter (declining to publish the gentleman's letter, as the class of people who make such charges always do, without knowing anything about it) that "no matter what Mr. Foster has done, I have the evidence that Mr. Carlisle is redeeming them in gold." So when I came here I went to the Treasury Department, rather than put in a resolution of inquiry, and asked the present Treasurer, Mr. Morgan, whether that had been done, and he informed me that it had not been done. If it has been done at all it has been done since the 4th of March, and I do not believe it has been done at all.

Mr. PALMER. Will the Senator from Missouri allow me to ask the Senator from Colorado a question?

Mr. COCKRELL. With pleasure.

Mr. PALMER. The Senator from Colorado says the notes he describes have not been redeemed in gold. Have they been redeemed at all, any of them?

Mr. TELLER. They have not. In reply to the resolution of the Senate the Secretary answered about a year ago, that they had not been redeemed in gold nor in any paper that drew gold or could command gold. They have been redeemed, of course, in silver coin.

Mr. PALMER. Is it an established fact that they have been redeemed in silver coin?

Mr. TELLER. It is an established fact that they have been redeemed in silver coin. Quite a quantity have been redeemed in silver coin.

Mr. VEST. If it does not interrupt my colleague——

Mr. COCKRELL. No, certainly not.

Mr. VEST. I wish simply to make one suggestion. It seems to me rather an immaterial point so far as this discussion is concerned whether the silver certificates have been paid in gold by the Treasury or not, because the bullion notes, as they are called, the Treasury notes issued under the Sherman act in payment of silver bullion purchased by the Government, unquestionably are paid in gold, and under the terms of those notes they are payable in silver, because there is a lien upon the silver bullion that is purchased for the payment of those notes, and the discretion is given to the Secretary of the Treasury to coin all the bullion that he deems necessary to redeem those outstanding bullion notes. So, in point of fact, it makes very little difference logically as to whether the Treasury Department has paid the silver-coin notes in gold or not.

Mr. COCKRELL. Mr. President, there is a vast difference in the legal effect of a certificate calling for so many dollars, stating that so many dollars have been issued returnable to the holder on demand, as to whether it is to be paid in a different kind of coin or not. That is a material question. I do not withdraw one solitary word I said about anybody who would redeem those silver-coin certificates in gold simply upon demand and not simply as a mere accommodation, because he has no right to do it in the world; but when it comes to the United States Treasury notes issued under the law of July 14, 1890, in the purchase of silver bullion, the law expressly gives to the Secretary the right to redeem them in gold or silver coin at his discretion. There is no question but that it is in his discretion; but it is contended that certain clauses in that law compel him to pay gold.

Mr. GEORGE. That it takes away the discretion?

Mr. COCKRELL. That it takes away the discretion. On the contrary, I say that certain clauses in that law ought to control and limit his discretion.

Mr. GRAY. What clause?

Mr. COCKRELL. The last clause.

Mr. GRAY. The parity clause.

Mr. PEFFER. The clause requiring only coin enough to redeem them.

Mr. COCKRELL. Here is the provision I refer to; that after the 1st of July, 1891—

He shall coin of the silver bullion purchased under the provisions of this act as much as may be necessary to provide for the redemption of the Treasury notes herein provided for.

That follows after the parity clause, and after the provision for redemption in the discretion of the Secretary in gold or silver.

Mr. GRAY. May I ask the Senator from Missouri, then, what relation in his opinion the parity clause in the law of 1890 has to the duty of the Secretary of the Treasury in redeeming those notes in coin, or whether it has any or not?

Mr. COCKRELL. That parity clause was put in in conference. It is the provision of the distinguished Senator from Ohio, and it is a peculiar makeshift. It is made to catch going either way. Now let us look at it:

That upon demand of the holder of any of the Treasury notes herein provided for the Secretary of the Treasury shall, under such regulations as he may prescribe, redeem such notes in gold or silver coin, at his discretion, it being the established policy of the United States to maintain—

What?—

the two metals on a parity with each other upon the present legal ratio, or such ratio as may be provided by law.

Now, shall the Secretary of the Treasury, beginning under Secretary Foster and continued under Secretary Carlisle, by redeeming these Treasury notes in gold bring up a metal containing 412½ grains of standard silver equal to the gold? That is the question. That is what the law says. It says the metal. I say that the Secretary did not accomplish it. It is a mere subterfuge, a pretext to say that that law, which is impossible of execution, has compelled him to do anything of that kind. Oh, no, Mr. President. You can not interpret that law to mean that he shall keep the gold and silver metals on a parity with each other by redeeming the silver coin in gold. It does not say anything of the kind.

Mr. GRAY. If I do not interrupt the Senator——

Mr. COCKRELL. Oh, no.

Mr. GRAY. I wish to ask him, if he will allow me, whether he thinks that the Secretary of the Treasury in construing his duty under the last paragraph of the second section of the act of July 14, 1890, ought to exercise his ingenuity to see how he could evade the obvious, apparent, perfectly plain meaning of that clause by a verbal construction which would transfer his duty in maintaining a parity between the two metals to merely a duty to maintain the parity between the two metals as bullion without regard at all to the obligation to maintain the two metals at a parity as coin? Whatever we may say and however nice we may be in our distinction between metal in bullion and metal in coin, undeniably metal in coin is as much metal as metal in bullion, and the only metal that he could possibly maintain the parity of with gold was the metal in coin.

Mr. COCKRELL. Metal in coin ceases to be metal and becomes money.

Mr. GRAY. Oh, well, metal in bullion ceases to be metal and becomes bullion.

Mr. COCKRELL. There is no money unless it is coined.

Mr. GRAY. It is precisely the same as to say that metal in bullion ceases to be metal and becomes bullion.

Mr. PALMER. May I ask the Senator from Missouri a question?

Mr. COCKRELL. Certainly.

Mr. PALMER. What does he do with the ratios? They are to be maintained at the present or at some other ratio. Has not that ratio relation to coinage alone and not to the metal or the coin?

Mr. COCKRELL. The Senator from Ohio, who fathered the amendment in conference, has never yet been able to explain exactly what it meant or what it does mean. I do not know that it was intended that it should be plain. It was passed in an emergency. It was passed in order to kill the free-coinage bill which had been passed by the Senate, and which, if the conference committee report had been rejected, would have become a law or would have been vetoed by the President at that session. This provision was put in in conference, and it was a makeshift. It could not be anything else, because it says the notes shall be redeemable in coin; and then it goes on and says that they shall be redeemable in gold or silver coin at the discretion of the Secretary, and then they inject a little stump speech and a little promise into the law, such as is proposed to be injected into this bill, and then they set that up as a pretext for doing just what they want to do, and that is, to establish the single gold standard.

Mr. McPHERSON. Will the Senator yield to me a moment?

Mr. COCKRELL. Certainly.

Mr. McPHERSON. I want the distinguished Senator to understand that so far as I am individually concerned, and as I understand it so far as those who think and vote with me upon this question are concerned, we resist no contention on the part of the Senator from Missouri or any other Senator which proclaims that it is the intention, the desire, the determination of this Government, whether you like it or not, whether you wish it or not, to maintain all the money of this country, whether it be paper money or silver money, whether it be in bullion or in coin, on a parity with gold. Now, let us have no controversy on that subject.

Mr. COCKRELL. I do not occupy that position. I am for good money. I am for honest money. I am for one kind of money and only one kind of money, and that is a full legal-tender money, good money; good for the bondholder and the banker, good for the soldier and the citizen, good for the millionaire and the toiling laborer alike; paying a thousand million dollars of indebtedness or buying a dollar's worth of groceries. I want the same kind of money maintained by the sovereign power of the United States as absolute and irredeemable money whenever it is made out of metal. I want the paper money redeemable in the metallic money. You have my financial system—gold and silver unlimited in amount and irredeemable in quantity, absolute money in the hands of the people, and no paper that is not redeemable in either gold or silver. To-day there is not a dollar issued by the sanction of the United States within its territorial limits that is not just as good as any other dollar.

Mr. GRAY. Why not?

Mr. COCKRELL. Because it is a legal tender by the power of the Government. It is law that gives it money value, pure and simple.

Mr. GRAY. How maintained?

Mr. COCKRELL. Maintained because everybody wants it to pay debts. It will buy anything a man wants. This despised and abused silver dollar even among the gold plutocrats of New York commanded a premium of 3 and 4 per cent, and some of the gold-monometallist bankers made a handsome profit in selling the silver dollar as full money. I understood from the newspapers that one broker there made nearly $1,000,000 in selling silver money.

Mr. GRAY. If the Senator will permit me, do I understand his proposition to be that the declaration of the Government that both coins shall be full legal tender is all that in his opinion is necessary to maintain that parity which he talks so much about?

Mr. COCKRELL. I think it is.

Mr. GRAY. How does he account for the fact (for I would really like to know) that at the time of the demonetization of silver in 1873 you could not exchange at a parity five gold dollars for five silver dollars when they were both full legal tender?

Mr. COCKRELL. There was none coined.

Mr. GRAY. There was an absolute premium of about 3 per cent.

Mr. COCKRELL. There was a premium on silver over the gold. If you have a silver dollar and the silver in that dollar in some other place is worth 3 cents more than the gold dollar, and you have a neighbor who is so obliging as to want to make 3 cents out of you and is going to such other place and proposes to give you a gold dollar, I do not suppose you would refuse it to him. The metals in the silver and gold dollars were above the coining value. I admit that up to 100 cents the silver dollar could not pay any debt in the United States better than the legal-tender dollar.

Mr. GRAY. The Senator and I agree precisely as to the fact, and the cause of that fact, it seems to me, would settle the question I asked.

Mr. COCKRELL. Not at all; it does not settle it. The value was not as money. The value by the Government remained unchangeable. The metal in the coin may be far more valuable before coinage than its money value after being coined into money, and the silver metal of 412½ grains is worth 103 cents, while when coined it is as lawful money worth only 100 cents.

Mr. GRAY. I ask the Senator, if it does not disturb him, whether the same reasoning would not apply to the greenback as it was in 1865 and the gold and silver dollars when they were both legal tender and full legal tender.

Mr. COCKRELL. The gold dollar paid no more than the silver, the silver dollar no more than the gold, and the greenback as much as either one of them in legal tender. When you intervene between individuals and the payment of debts then your gold would buy more because then we had no specie resumption. We were not on a metallic basis at all. To-day your silver dollar is worth just as much as your gold dollar. You can not make any distinction between them.

Mr. GRAY. Then I agree with the Senator, and the reasoning would apply of course if you made a dollar out of 412 grains of copper.

Mr. COCKRELL. Mr. President, I was criticising the construction placed upon the law of July 14, 1890. When it is said that it compelled the Secretary of the Treasury to redeem in gold, I say when the whole of it is taken together with the last clause, which says that the Secretary shall coin of the bullion purchased by the notes issued under this act a sufficient amount to redeem the Treasury notes, it means what it says, that the Secretary has a perfect right under that provision to coin every solitary dollar of the silver bullion which is now in the Treasury, and he has the right whenever one of these Treasury notes is presented for redemption to pay it in a coin dollar, and in my judgment he ought to do it. It would not destroy the parity between the coined silver dollar and the gold dollar, but it would establish and maintain that parity. As it is, preference is given to gold and silver is made inferior Silver is not held up side by side with gold, and silver ought to be paid in the redemption of those notes.

Mr. McPHERSON. If the Senator will allow me, in considering the instructions found in the law of 1890, does he draw a distinction between the right to do and the power to do?

Mr. COCKRELL. Mr. President, I do not know that there is any great difference between them. I would construe the law for the purpose of maintaining silver and not for the purpose of degrading it. I would make silver as respectable as gold, and whenever a man came and demanded gold I would make him take some silver, and I would show him that in my estimation silver was the equal of gold. That is done in France; we have the right to do it here; but we are the only nation in the world, so far as I know, that bows the knee to every foreigner or anybody else who wants gold.

Mr. McPHERSON. Rather than degrade silver, as the Senator states it, he would allow the parity to take care of itself and silver to travel alone. That is the idea.

Mr. COCKRELL. The Senator can have his own idea of it. Every silver dollar now in circulation and every silver dollar to be coined under existing law is absolute money, and I say that it is a proper subject for the redemption of any outstanding obligation of the Government except the gold certificates. There is not a bond of the Government to-day which can not be paid honestly, justly, and equitably in standard silver dollars—not one.

The very object that these foreign bankers and brokers and money loaners have had in coming to the Treasury under Secretary Foster and demanding of him the redemption of the Treasury notes in gold, was to degrade and debase silver and establish the single gold standard practically in this country. In my humble judgment, when the late Secretary Foster yielded to the importunate demands of the gold ring and the gold brokers of New York for the redemption of United States Treasury notes in gold; he failed in administering and executing that law fairly and justly, established an unwise and unjust precedent, and gave into the hands of the gold brokers and bullion speculators unjust and dangerous privileges and powers. It gave them the weapons and the pretexts for demanding the issue of gold bonds and the repeal of the Sherman law.

Had he executed the law in a friendly spirit and coined the bullion and redeemed the Treasury notes issued in its purchase in the standard silver dollar, not a dollar of gold would have left this country more than did leave it, and the people of the country would have rejoiced with exceeding great joy to see the standard silver dollar in the eyes of the law the full equal of the gold dollar in legal-tender and debt-paying power, so recognized and proclaimed by the Government and by the new incoming Democratic Administration. The precedent he established should have been held up "not as a pattern to emulate, but as an example to deter," and should never have been followed. I think that very fact had a good deal to do with the scare and with the panicky fears which have been engendered in the minds of doctrinaires.

Mr. MCPHERSON. Will the Senator permit me a moment right on that point, for I know he is exceedingly good natured always?

Mr. COCKRELL. I yield to the Senator.

Mr. MCPHERSON. I know the Senator means to get at the exact facts of this case. I want to ask the Senator, suppose the Secretary of the Treasury had acted upon the proposition just now made by the Senator and had not redeemed the Treasury notes, as he did redeem them, in gold, but had made those notes or obligations payable in silver, what would have been the result upon the panicky condition of the country? It was feared that the Secretary was going to do that very thing, and he came very near doing it because of the want of free gold to do otherwise. What would have been the effect, as I said, upon the panicky condition of the country to know that we had gone upon a silver basis?

Mr. COCKRELL. My judgment is that we should have had no panic. My judgment is that then there would have been no reason for manufacturing the scare which holds the distinguished Senator from New Jersey. We should have had none of it. That added to the intensity of the panic. Why? I am not quoting dates, and I am not in the habit of referring to newspapers for authority, but it has been quoted time and again, and I believe it has been quoted here in the Senate, first, that the Secretary had intimated that he was going to redeem these Treasury notes in silver dollars, and it did not produce any panic. Afterwards the President issued his pronunciamento, in which it was stated again—I do not know whether the President said it or not; I am not responsible for the statement, for I am not responsible for all the newspapers say—but the newspapers reported, apparently by authority from the White House, that the President had stated that all the obligations of the Government should be redeemed in gold.

Up to that time the only paper currency in the United States redeemable in gold or silver were the United States legal-tender notes, the greenbacks. They were expressly redeemable in gold or in silver. Then the greenbacks stood upon the silver coinage and upon the gold coinage. That was their metallic base. It gave a wide and substantial base sufficient to have held a superstructure of a billion dollars.

Mr. McPHERSON rose.

Mr. COCKRELL. I hope the Senator will wait a moment and let me answer his question. He thinks he knows what I am going to say, but I am not going to stop until I answer his question.

Mr. McPHERSON. Very well.

Mr. COCKRELL. There was the base. Three hundred and forty-six million dollars in greenbacks were outstanding and over $150,000,000 of United States Treasury notes issued for the purchase of silver bullion under a law which certainly, beyond any question, gave the Secretary the right to redeem in silver. The President proclaimed to the world that all these obligations should be redeemed in gold. The silver coin was knocked from under the financial body, and it began to totter and sway here and there, because, instead of $346,000,000 in greenbacks resting upon the silver and the gold, it had the whole amount resting upon the gold, with the addition of $350,000,000 of silver coin certificates and $150,000,000 of United States Treasury notes. The bankers of Europe saw it, the financiers of this country saw it, and they said this mass all thrown upon the one gold base can not be supported by that one golden leg, and all the other props and foundations have been ruthlessly torn away from under the fabric by the proclamation of the President.

What occurred? Foreign bankers refused to continue their advances to make investments. They said, "You can not hold up that great fabric on this one golden leg of $100,000,000." Hence came the demand for bonds, then came down the representatives of the foreign bankers, and they had the audacity to demand of Secretary Carlisle, as I read in the speech of the distinguished Senator from Kentucky [Mr. BLACKBURN], the issue of $150,000,000 of gold bonds to add to the strength of this one golden leg, trying to support this mass which was making it wave here and there like a broken reed.

Here was the pretext. Then they said, "Now is the golden opportunity; we will force the United States to come to a single gold standard and to continue to redeem all its obligations, silver dollars and all, in gold coin; we will force them to issue bonds to get the gold; we shall have the selling of those bonds, with the interest, commissions, and brokerage, and we shall have that much of a safe fund in which to invest the money that we secure through our banking operations." No, no, Mr. President. There it was they commenced squeezing. The New York bankers joined them. I do not mean all the bankers, but the leading ones there, who are interested in foreign exchanges, the Heidelbachs, the Ickelheimers, and other foreigners here who are speculating off the world's exchanges. They had a right to do that; but they had no right to come and ask the Government of the United States, the grandest nation on earth, to bow to their infamous and imperious demands.

They then commenced the squeezing process, and they kept on extending it. They intended to extend it only far enough to scare the Senator from New Jersey and the rest of us. This is just what they wanted to do. Then they commenced the process of sending to every organized community wherever they had the name of a man, or a registry, or a city directory, or a county directory, circulars telling them to telegraph the President to call Congress together to repeal the Sherman law, or the country is going to hades. They sent telegraphic messages by the cartload and Congress has been convened; and here we are [laughter], and there is not yet unconditional repeal at the demand and behest of the foreign gold rings and syndicates.

This is the best time this country has ever had to establish a permanent financial system. We have no election coming on this fall, we have all an abundance of leisure on our hands, and I am convinced that we are better informed upon the financial question to-day than the Senate ever has been or will be again. Now is the accepted time; now is the day of salvation. [Laughter.] We had for years a monetary financial system independent of the systems of any nation, kindred, or tongue upon the earth. Less than four millions strong in 1776, we proclaimed ourselves entitled to be a free and independent nation, and for eight long years we resisted the power of the mistress of the seas, old England, established our independence politically, socially, civilly, and in every other way, and entered upon a financial system without having once conferred with England.

We paid no more attention to old England when we established our financial system than we did to the Hottentots. As an independent nation, endowed with all the attributes of sovereignty, we proclaimed to the world our system without calling on them. Great Britain undertook to thrash us and make us yield to the imperious demands of her empire that "once a subject of Great Britain, always a subject;" that when one of her citizens came to the United States and became panoplied with the rights and authority of American citizenship, she still had a right to take him upon the high seas and impress him back into her service. It was under a Democratic Administration that this infamous demand was resisted. The war of 1812–1814 followed. We were only in our teens, in our minority, comparatively with other nations, but we whipped old England and drove back the old lion to his island lair, and we have made him stay there, closely confined, ever since. [Applause in the galleries.]

The VICE-PRESIDENT rapped with his gavel.

Mr. COCKRELL. We have no favor to ask of any nation when it comes to establishing our financial system. They do not ask any favors of us. Think of the miserable position in which we are placed. Mexico established her financial system and never sent any monetary commissioners to confer with us. Guatemala, Nicaragua, Costa Rica, and what not, all over the world, England, France, Austria, Russia, Italy, Turkey, Portugal, all of these countries established their financial systems, and we have never been honored with a monetary delegation from any nation on earth sent at its own request; and yet we must not move a peg; we must stand still and wait for an international agreement. I am tired of it; I am sick of it. I want to see the Senate rise to the dignity and the power which the people in their sovereign capacity have confided to it in the Constitution. I want to see it establish a monetary policy for the United States and maintain it; and when any syndicates or combinations or rings come here and undertake to juggle with our finances, with our Secretary of the Treasury, and try to intimidate him and drive him to grant their requests, we will have it in the code of the United States that they are to be shown the door with the tip of the boot.

Mr. VEST. Mr. President, if my colleague is not interrupted too much I should like to recur to the point in regard to the payment of the silver certificates in gold. I did not think I was mistaken about the construction the Secretary of the Treasury put upon the power conferred upon him. As to whether he has actually paid any of these silver certificates, of course I make no issue of fact, and his statement will be conclusive, but that a silver certificate must be paid in gold, if demand is made upon him by the holder, is unquestionably the declaration of the President and the Secretary. I hold in my hand a letter from Mr. Carlisle, published some months since for the purpose of informing the people of the United States as to the policy of his Department. Referring to the Sherman act he uses this language:

By the terms of the act the Secretary was required to pay for all silver bullion purchased by the issue of new United States Treasury notes, payable in coin, and it provided that upon demand of the holder of any such notes they should be redeemed in gold or silver coin, at the discretion of the Secretary, "it being," in the language of the act, "the established policy of the United States to maintain the two metals on a parity with each other upon the present legal ratio, or such ratio as may be provided by law."

Now, says the Secretary——

Mr. TELLER. From what does the Senator read?

Mr. VEST. From Secretary Carlisle's letter published in the Washington Post.

Mr. GEORGE. What is the date?

Mr. VEST. I do not see the date.

Mr. TELLER. It was published some time ago.

Mr. VEST. It was published in July, some three months ago. It was published at the time this so-called panic commenced, before this session of Congress was called.

Now, I come to the material part of it:

In the execution of this declared policy of Congress it is the duty of the Secretary of the Treasury, when the necessity arises, to exercise all the powers conferred upon him by law in order to keep the Government in a condition to redeem its obligations in such coin as may be demanded, and to prevent the depreciation of either as compared with the other.

That does not apply to the Treasury notes alone, but to all the obligations of the Government, and it is beyond any sort of question whatever. The fact is it has been placed in practical operation, and this Administration has declared, both through its President and its Secretary of the Treasury, that holders of silver-coin certificates will be paid in gold if they demand it. If that is not the meaning of this language, then the English language has ceased to mean anything.

Mr. TELLER. Will the Senator from Missouri allow me?

Mr. COCKRELL. Certainly.

Mr. TELLER. On the 10th day of March, 1892, the Senate passed the following resolution:

Resolved, That the Secretary of the Treasury is hereby directed to inform the Senate what amount of Treasury notes has been issued under the provisions of the act of July 14, 1890.

The amount of silver dollars coined under the provisions of said act.

The amount of silver bullion now in the Treasury purchased under the provisions of that act.

Whether the silver dollars coined under the provisions of that act were available for the ordinary expenses of the Government or whether they are held for the redemption of Treasury notes.

Whether silver dollars or silver certificates have been redeemed or exchanged for gold, and, if such redemption or exchange has been made, the amount thereof.

Whether silver dollars and silver certificates that are received for public dues are used in the discharge of Government obligations; and, if so, what class of obligations are discharged with silver certificates and silver dollars.

I need only read the reply of the Secretary as to the redemption of the silver certificates, that being the only matter in discussion. I quote from his reply of the 22d day of March, 1892, the following:

Respecting redemptions or exchanges of silver dollars and certificates, I have to state that the Department has not redeemed silver dollars or silver certificates in gold or gold certificates, nor has it exchanged silver dollars or certificates for gold or gold certificates.

That seems to be explicit on that point. On February 13, 1892, I received from the Treasurer of the United States, in answer to a letter which I had addressed to him, the following:

TREASURY OF THE UNITED STATES,
Washington, February 13, 1892.

SIR: I have the honor to acknowledge receipt of your favor of the 12th instant, in which you ask whether silver certificates have been redeemed in gold coin, in what amount, and on what authority.

I have to state in reply thereto that, so far as this office is concerned, it has never been done, nor have any of the subtreasury offices been authorized to do so, and no departmental instructions have been issued to that effect.

Respectfully, yours,

E. H. NEBEKER,
Treasurer United States.

Hon. H. M. TELLER, *United States Senate.*

On the 7th of December, 1892, the Secretary of the Treasury addressed the following letter to me, in answer to a letter of mine to him:

TREASURY DEPAREMENT, *Washington. December 7, 1892.*

MY DEAR SIR: I have your favor of December 7. I beg to inform you that silver dollars are not in law or in practice exchanged for gold or for paper that calls for gold.

Very respectfully, yours,

CHAS. FOSTER.

Hon. H. M. TELLER,
United States Senate.

To that I have nothing to add, except the statement that I was recently informed by the Secretary that the same practice prevailed, of paying the silver certificates only in silver dollars, not in gold.

Mr. HARRIS. Does the Senator mean the present Secretary?

Mr. TELLER. Not the present Secretary. I have never conversed with the Secretary on the subject, and know nothing about what he may think on the subject.

Mr. McPHERSON. The Senator from Missouri on my right [Mr. VEST] will please note that in the letter which he has read from the Secretary of the Treasury, the Treasury does not recognize the silver certificates as an obligation of the Government. The Government coins money; it coins silver dollars. The Government does not redeem its coins, unless it may be to call them in for abrasion or something of that character. For the convenience of the people of this country it issues a certificate which stands before the coin dollar, and does serve us as money. The certificate calls for its own redeemer under the law. It may be surrendered at the Treasury, and the Government is obligated to pay to the holder a silver dollar in exchange for his certificate issued. It is not an obligation of the Government in the sense used in the letter, and as distinguished from the obligation of the Government based upon the deposit of bullion and the bullion certificate.

Mr. VEST. I should like to see where that is stated in the letter from which I have read.

Mr. McPHERSON. The law states it for itself. The law makes no obligation upon the Treasury to redeem a silver certificate in gold. The Government itself proposes to accept the silver dollar and the coined dollar for all debts, obligations, taxes, revenue, and everything due to it. The Treasury of the United States redeems them every day through the customhouse. They are received in New York for customs dues; they come to the Treasury, and the Treasury redeems them. That is the redemption which the Treasurer of the United States gives the silver dollar or to the silver certificate; but in the sense employed by Secretary Carlisle, he does not treat it as an obligation of the Government; that is, as he treats Treasury notes, of which he was speaking in the same letter.

Mr. VEST. We have had a great many surprises in this debate, but I must confess that this confession is the most surprising of all. I rather think when the Senator from New Jersey convinces the people of the United States, and especially the capitalists of New York and elsewhere, that the silver certificates are not an obligation of this Government, he will find them rapidly discredited.

What is an obligation of this Government? It is a promise to do something; it is obligatory on the Government to do something. What is a silver certificate? It says that the Government of the United States shall pay a certtin amonnt of standard money, silver dollars, to the holder of that certificate. Is not that an obligation of this Government? Upon whom rests any obligation at all as to the silver certificate if not on the Government of the United States?

More than that. If it did not interrupt my colleague too much, I could go on and read from Mr. Carlisle to show his argument that all these silver certificates rest upon so much gold. Again and again the New York newspapers and all the advocates of the policy which the Senator from New Jersey has been so conspicuous in urging upon us have claimed that one defect, and one great defect, in our system was that we had an enormous pyramid of silver resting upon a small pedestal of gold. If the silver certificates are not part of that pyramid, I confess that I am enlightened to a very large extent.

Mr. McPHERSON. If the Senator from Missouri on my left [Mr. COCKRELL] will bear with me a moment, I want the Senator from Missouri on my right [Mr. VEST] to understand that I contend that the Government of the United States is impliedly bound to keep every obligation of this Government, gold, silver certificates, and all, I do not care what they may be, in coin or paper, on a parity with gold.

Mr. VEST. That is all of it.

Mr. McPHERSON. I was speaking of the Secretary's letter, and I say that there is no law which will require the Secretary to redeem that obligation. What is it? Let us read it:

> This certifies that there has been deposited in the Treasury of the United States one silver dollar, payable to the bearer on demand.

How payable? The law steps in and tells you that the holder of that silver certificate is entitled to a silver dollar at the Treasury of the United States or at a subtreasury of the United States. It is nothing more nor less than a warehouse receipt, under the law. Therefore, I say that the Secretary of the Treasury in the letter from which the Senator read, unquestionably, in speaking of the obligations of the Government, did not treat the silver certificate as an obligation of the Government which it was required to redeem in gold, under the law.

Mr. VEST. I differ with the Senator as to what the Secretary of the Treasury means. I think, upon asking the Secretary, the Senator will find that the Secretary did include the certificates.

I should like to ask the Senator another question as to a higher authority than the Secretary of the Treasury. I ask him if the President of the United States five months ago did not state further that every obligation of this Government and every dollar issued by it of every description should be payable in the coin demanded by the holder?

Mr. McPHERSON. I do not recall the exact language. If the Senator has the letter of the President and has quoted the exact language, I should like to see it. I assume that the President of the United States gave utterance to some such declaration; but I want the Senator to understand that the contention I make in this matter—and I presume it is the same contention made by the President, because I do not think I differ very much with the President in regard to these matters—is that very obligation of this Government in the form of money of whatever nature or character, be it silver dollars or paper dollars, it is the duty of this Government to maintain upon a parity with the very best money of the world.

Mr. VEST. The Senator is unquestionably clear enough upon that point. I think, too, the President has been clear enough upon it. I am not attacking the sincerity of the Senator or the President or the integrity of their intentions in that regard at all. It has passed into current political and financial history that for a time the impression prevailed in the city of New York amongst the speculators and capitalists, that if Mr. Carlisle, the Secretary of the Treasury, reached his $100,000,000 reserve, as it is called, which is the proceeds of the sale of bonds under the act of 1875, to make good the use of greenbacks, he would then refuse to pay gold except upon greenbacks or gold certificates. The stock market fell from 6 to 10 points under that rumor. It was believed in New York that the subtreasurer, Mr. Jordan, had received instructions not to pay out any gold except upon greenbacks after that reserve was reached; and it is notorious that this became a subject of discussion in the Cabinet, and that 20 minutes after 2 o'clock on that eventful day Mr. Carlisle telegraphed to the subtreasurer to pay out the gold. At any rate, if I am inaccurate as to details, the New York capitalists held that every obligation of this Government, including silver certificates, would be paid in gold. I was therefore most profoundly astonished to hear from the Senator from Colorado [Mr. TELLER] this afternoon that the Treasury Department had informed him by implication that that was not the policy of this Government.

Mr. TELLER. I did not say that the Treasurer said it was not the policy of the Government. I simply asked him if the Department was redeeming silver certificates in gold, and he stated to me that it was not. That is as far as he went. He did not say anything about the policy of the Government.

Mr. VEST. I am responsible for the word "implication." I understood the meaning of that communication to be that they were not paying for silver certificates in gold. Here is the question—and there is no use of evading it—suppose I go to the subtreasury or to the Treasury here in the city of Washington tomorrow, present a silver certificate, and demand gold, would it be paid in gold or not? Without undertaking to answer for the Administration—for I have no right to do so—I have no question that it would, or else the declaration of Mr. Cleveland as President, in which he declared that every obligation of this Government would be paid in gold, would be negatived. I have no idea that the Treasury would take refuge behind the construction that we hear to-day for the first time from the Senator from New Jersey, that silver certificates are not obligations of this Government.

Mr. MCPHERSON. I assume that the Senator from Missouri has no disposition to do me an injustice in the broad statement he has made.

Mr VEST. Not the slightest.

Mr. MCPHERSON. I think he has not quoted me exactly correct. I do say—at least if I did not so say, I intended to say—that a silver certificate was not an obligation of this Government, in the sense in which Mr. Carlisle was speaking of it in his letter, nor was it an obligation of this Government in the sense that the Treasury was compelled to redeem it in gold.

Mr. PALMER. If the Senator from Missouri will allow me to proceed for a moment perhaps he may be able to give me the information I am seeking.

Mr. COCKRELL. I yield to the Senator.

Mr. PALMER. I find in the report from the Treasury on the 1st day of October that there was in circulation of silver certificates $326,849,827. I have believed that they were a part of the Government's indebtedness, which was redeemable at the Treasury and payable in gold. Now, I wish to ask if any Senator will furnish me the information, whether it is true that there is in circulation now $324,955,134 which is understood to be redeemable in silver—I mean according to the practice of the Department—or whether it is not the practice of the Treasury to treat the silver certificates as a part of the indebtedness to be provided for in gold? I ask for information.

Mr. COCKRELL. To what does the Senator refer?

Mr. PALMER. I am reading a statement. I have the official Treasury statement. I refer to the fifth item in the list—silver certificates.

Mr. COCKRELL. In circulation?

Mr. PALMER. In circulation, $324,955,134.

Mr. COCKRELL. Those were silver certificates issued under the Bland law, which I will read.

Mr. PALMER. Without discussing the question, I desire to ask the Senator, with his permission, for specific information, whether that amount is regarded by the Treasury Department as redeemable in silver?

Mr. COCKRELL. I can not speak for the Treasury Department. I know that for every dollar of these silver certificates outstanding there is a coin dollar in the Treasury of the United States, and I was astonished when informed by my colleague that those certificates had been redeemed in gold.

Mr. PALMER. The Senator from New Jersey referred to the $324,000,000 a moment ago, but, as a matter of fact, I desire to know whether it is true that that amount is regarded by the Treasury as so far distinct from other Government issues, that the other Government issues are redeemable in gold while this amount is redeemable in silver?

Mr. McPHERSON. Allow me to answer the Senator in this way: In practice, yes. The Treasury maintains a parity. Under the law there is no requirement upon the Treasury to redeem the silver certificates in gold or to redeem them in anything except the standard silver dollars which are in the Treasury for the purpose of making those redemptions upon demand. The Sherman law, as the Senator is aware, does provide for the parity to be maintained as between the two metals. Prior to the passage of the Sherman law there was never any obligation, as I understand, on the part of the Government as to silver issues that should be redeemed in gold.

Mr. PALMER. The Senator does not quite meet my question, whether, as a matter of fact and practice, this amount of $324,000,000 in silver certificates is treated as redeemable by the Treasury.

Mr. McPHERSON. I repeat, practically, yes; as a matter of law, no.

Mr. TELLER rose.

Mr. COCKRELL. I yield to the Senator from Colorado to offer a resolution.

Mr. TELLER. I ask to offer a resolution in order to settle the question whether the Government is redeeming in gold or not. I will read it because I think I can read it better than it can be read at the desk:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to inform the Senate whether silver dollars or silver coin certificates have been redeemed or exchanged for gold or paper that are by law or practice of the Government redeemable in gold.

I desire to ascertain whether they have been exchanged for gold, or greenbacks, or Treasury notes.

Mr. McPHERSON. The Senator ought to say "redeemed by the Treasury." He has not stated that.

Mr. VEST. I will state to the Senator from Colorado that that does not exactly meet the point which we are discussing. I understand that the Treasury has already informed him that they have not redeemed silver certificates. The point I should like to be informed about is whether the holder of a silver certificate can obtain gold upon it now, under existing laws, from the Treasury.

Mr. VANCE. I desire to remind Senators of the fact that a few weeks ago the Senator from Arkansas [Mr. JONES] introduced a resolution calling upon the Secretary of the Treasury to say whether or not applications which had been made at the Treasury for silver had been refused; and if so, why. My recollection is that the answer of the Secretary of the Treasury was that there had been applications made, which had been refused for the reason that the silver in the Treasury by law was required to redeem the certificates outstanding against it. Perhaps some Senator may remember when that was, and remember correctly if I have erred in my statement.

Mr. COCKRELL. The Senator is correct about that. The answer was made, and it is printed as a document, to the effect that the Department had not issued silver certificates in exchange for gold because the silver in the Treasury was required to meet the silver certificates outstanding.

Let the resolution offered by the Senator from Colorado be passed.

Mr. McPHERSON. I desire to call the attention of the Senator from Colorado, before the resolution is acted upon, to a fact which seems very apparent to everybody, and that is, since the present Administration came into power—and I assume that this is addressed to the present Secretary and to his administration——

Mr. TELLER. Certainly.

Mr. McPHERSON. There had been then no free gold in the Treasury, and the Secretary was working upon the reserve. Therefore, if it had been the practical policy of this Government in the past, say, during the former Administration, when there was an abundance of gold to do it, I assume that that ought to be brought out by the resolution, because I take it that since this Administration came into power there has been no gold whatever with which to redeem any silver.

Mr. TELLER. We have in the neighborhood of $100,000,000 of gold. It ran down, I believe, to $92,000,000, but has not been below that.

Mr. VEST. We have had free gold in the Treasury within the last three weeks.

Mr. TELLER. Certainly. I now ask for the present consideration of this resolution as I have modified it.

The VICE-PRESIDENT. The resolution will be read as modified.

The Secretary read as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to inform the Senate whether silver dollars or silver coin certificates have been redeemed by the Treasury Department or exchanged for gold or paper that are by law or the practice of the Government redeemable in gold.

The resolution was considered by unanimous consent, and agreed to.

Mr. COCKRELL. Mr. President, I have passed in review the legislation up to the act of July 14, 1890. I come now to the question, what is proposed to be done by the pending bill? Let me give its history.

House bill No. 1, to repeal a part of the act of July 14, 1890. In the House of Representative August 28, 1893, on the free-coinage amendment at present ratio the yeas were 124—100 Democrats, 13 Republicans, 11 Populists; nays 227—116 Democrats, 111 Republicans. On free coinage at 20 to 1—yeas 122; nays 222. On the restoration of the Bland-Allison law, yeas 136—110 Democrats, 15 Republicans, 11 Populists; nays 213—103 Democrats, 110 Republicans. On the final passage, yeas 240—139 Democrats, 101 Republicans; nays 110—76 Democrats, 23 Republicans, 11 Populists.

In the Senate, August 28, 1893, House bill No. 1, referred to the Finance Committee; August 28, 1893, reported by Mr. VOORHEES with an amendment substituting Senate bill 570. This report of the substitute by Mr. VOORHEES represents the majority of the Finance Committee of the Senate, composed of 11 Senators—6 Democrats and 5 Republicans—and is favored by 2 Democrats (Messrs. VOORHEES and MCPHERSON) and 4 Republicans (Messrs. MORRILL, SHERMAN, ALLISON, and ALDRICH), and is opposed by the minority, 4 Democrats (Messrs. HARRIS, VANCE, VEST, and JONES of Arkansas) and by 1 Republican (JONES of Nevada).

The bill proposes the repeal of the clauses of the law of July 14, 1890, authorizing the purchase of silver bullion and the issue of United States Treasury notes for its purchase, and declares our policy to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals and the equal power of every dollar at all times in the markets and in the payment of debts; and further declares that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States in the markets and in the payment of debts.

Suppose the bill passed and became a law, what would be our monetary condition? We would have in our Treasury silver bullion of the coinage value of $176,990,207, and the only authority for its coinage into standard dollars would be the words in section 3—

He shall coin of the silver bullion purchased under the provisions of this act as much as may be necessary to provide for the redemption of the Treasury notes herein provided for.

How much would be coined without any additional legislation? This is a material and vital question, considering the past and the statement of the President in his message to this session.

This declaration—

Referring to the established policy to maintain the two metals at a parity—

so controls the action of the Secretary of the Treasury as to prevent his exercising the discretion nominally vested in him, if by such action the parity between gold and silver be disturbed.

And that—

A refusal to pay these notes in gold, if demanded, would discredit and depreciate obligations payable only in silver, destroy the parity between the two metals by establishing a discrimination in favor of gold.

It seems to me almost absolutely certain that no more silver bullion would be coined. I can not reasonably come to any other conclusion. There would be left in the Treasury a hoard of silver metal of the coin value I have just stated.

While I firmly believe the Secretary of the Treasury would still have ample authority to coin all the bullion into standard dollars, yet it seems to be absolutely essential that there should be added to the bill express requirement to coin all such bullion into standard dollars. Without such coinage of the bullion on hand we would have $383,245,365 coined under the laws of February 28, 1878, and $36,087,185 coined under law of July 14, 1870, making a total of 419,332,550 standard silver dollars added to our money currency, having full legal-tender power in the payment of all debts, public and private, and before the law and in the confidence of the honest toiling masses the equal in every respect of the precious, cowardly, idolized gold dollar and bearing the sacred inscription "In God we trust," "first used by our National Mint in issuing the 2-cent copper coins in 1864, during the depths of the late rebellion. The subsequent use of the motto on all our larger coins, both of silver and gold, was expressly authorized by the act of Congress of March 3, 1865. These solemn words, so full of historic significance, are now permanently interwoven as a vital portion of our national coinage," quoting the language of Hon. Samuel R. Ruggles. Now we are tantalized and ridiculed by the enemies of silver because we have that sacred and consecrated inscription placed upon the silver dollar. They say to us, You want us to trust in that motto for the 20 or 25 cents that the silver dollar lacks of being equal to the gold dollar.

These would be the only fruits of our twenty years' struggle in behalf of silver as the money of our Constitution. The passage of the pending bill "would absolutely demonetize silver as to the future coinage, and leave it supported by not one word of legislation," and "absolutely sweep from under the silver currency every vestige of law." It would restore in full force and vigor the despised and abused law of February 12, 1873, demonetizing the silver dollar, stopping its further coinage, and establishing the single gold standard.

For twenty years the Democratic party has denounced from every house top, in every highway and by way the crime of 1873, and has struggled in Congress—beginning in 1876 with the first Democratic House of Representatives elected since 1860—to expunge it from our records and substitute for it laws rehabilitating silver as money equal with gold. I have given the record of these fierce struggles during this period. With singular unanimity our party passed the free-coinage bill in November, 1877, but in consequence of the Senate being Republican we had to yield to the Bland-Allison act. Even that was vetoed by a Republican President and was passed over his veto.

The record shows the struggles our party made for a better law, and in the great contest of 1890, with the President, Senate, and House Republican, the Republican House passed the bullion purchase bill, repealing the purchasing and coining provisions of the Bland-Allison law over a solid Democratic vote. In the Senate a free-coinage substitute was passed, receiving 28 Democratic votes and 15 Republicans, with 3 Democratic votes and 21 Republican votes against. The Sherman law did not receive a Democratic vote in either the House of Representatives or the Senate,

Mr. DOLPH. If the Senator will yield to me for a question, I desire to ask him if the Democrats have possession of both branches of Congress, the Senate and House of Representatives, and the Administration besides, why do they not pass a free-coinage law?

Mr. COCKRELL. We will if we can.

Had that bill been an unconditional repeal of the Bland-Allison law, and thereby have restored the law of 1873, I believe I am justified in saying not a Democratic Senator would have voted for it. Is there one who would?

If there is one I will thank him to answer. I pause for a reply.

Our Republican friends in full control passed the Sherman law—not as good a law as the Bland-Allison law—but infinitely better than the law of 1873. We were then unwilling to substitute it for the Bland law, and I reiterate every word I then uttered against it. Every prediction I made in regard to its execution by unfriendly executive officers has been verified. Were it pending to-day, as it was then, I would repeat the speech I then made, and the Senator from Indiana would doubtless do likewise. It is not pending as a measure in lieu of the Bland law.

That is the proposition, pure and simple. You can not avoid it, you can not run around it. There it is. Whether you intend it or not, you accomplish it. The pending measure is to repeal it, and with it the Bland law, and restore the crime of 1873, the demonetization of silver and the establishment of the single gold standard.

I shall never vote to restore the odious law of 1873. Yet I am asked to so vote. My answer is given in the eloquent language of the senior Senator from Indiana—spoken with so much force and emphasis on this floor on February 17, 1893, as follows:

I should vote to-day for the coinage of all the American product of silver. I would go further. I would vote as Thomas Jefferson advised, for free coinage of silver the same as gold. I would vote, in the language of the Democratic platform laid down at Chicago last June, that "We hold to both gold and silver as the standard money of the country, and to the coinage of both gold and silver without discrimination against either metal and without charge for mintage," only stipulating, as we did in that great platform, that the two dollars, the one of silver and the other of gold, shall be of equal intrinsic value and purchasing power.

I should have voted the other day to take up what is known as the Sherman act, and for its repeal, but for the fact that its passage would absolutely demonetize silver and leave it supported by not one word of legislation. I thought the measure was audacious. I thought it an outrage to ask men like myself and others to absolutely sweep from under the silver currency every vestige of law. That is not what we meant at Chicago; that is not what the people mean.

I should vote for the repeal of the Sherman act simply because it is vicious in principle, but it must be in connection with something better. You might as well authorize a circulating medium based upon tobacco by the hogshead, or cotton by the bale, as upon silver in its bullion shape. It must be coined into money, and such is the position of the Democratic party as declared in national convention.

And still I am asked to vote for this bill and thereby vote to restore in full force and effect the crime of 1873. Again, my answer is in the forceful language of Kentucky's most gifted son, Hon. John G. Carlisle, uttered in the House of Representatives on February 21, 1878:

According to my view of the subject, the conspiracy which seems to have been formed here and in Europe to destroy by legislation and otherwise from three-sevenths to one-half of the metallic money of the world is the most gigantic crime of this or any other age. The consummation of such a scheme 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 moment, would not produce anything like the prolonged distress and disorganization of society that must inevitably result from the permanent annihilation of one-half of the metallic money of the world.

I can never vote for restoring such a law, the result of such a conspiracy, and surely entailing the dire results therein so graphically portrayed.

But, say the Democratic advocates of repeal, we do not propose to stop with the simple repeal. After that is secure we promise and solemnly declare "that the efforts of the Government should be directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States in the markets and in the payments of debts."

That is a futile promise. It is already an accomplished fact. Every silver dollar coined by our mints to-day has equal power with any other dollar—coined or issued by us—in the payment of debts and in the purchase of articles in our markets. The standard silver dollar to-day has equal debt-paying and purchasing power with the gold dollar within our domain, and in all our markets—the only markets over which we have any control—legislative or otherwise.

Why then this pretext in this bill of promising something which already exists and to the strength of which no supplementary law we can enact will add anything?

Again our friends say that is not our only promise. We declare expressly that it is—

the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals and the equal power of every dollar at all times in the markets, and in the payment of debts.

You say this is the promise of our last national platform. I admit it; but I ask by whom, by what body was that platform promise to be redeemed, and how? Your only answer must be by Congress and by Congressional legislation, and not by mere Congressional promises. Think of the absurdity, the ridiculousness of the pretense of redeeming a platform promise by a Congressional repetition of such promise! Is this the redemption the voters in November last expected and voted for?

We can make no legislative promises binding any subsequent Congress. If such promises bind at all, they can only bind us, this Fifty-third Congress.

Why, then, shall we make this promise without any effort whatever to redeem it? Why not strike out the promise and do now what we promise? When shall we have more time? When shall we understand the situation, the monetary conditions, any better? Think of the abundant leisure we shall have from now on until the close of this Fifty-third Congress, on the 4th of March, 1895. Here we are, robust, healthy, capable of the vastest physical endurance—sixty hours if you want. Why should we not do it now?

How, in what manner, by what legislative process or otherwise, do you propose to redeem this promise? If by Congressional action, then why not make it a part and parcel of this measure? No, Mr. President, there will never be such a glorious opportunity for the Congress of the United States to establish its financial system as it has to-day. We know more than we have ever known before: we have more leisure than we ever had before; we are all in a better humor than we have ever been before; we are all more patriotic and less partisan, because we behold a majority of the Republican party in the front ranks of the Administration, leading the Democratic Administration to victory! [Laughter.] It is a glorious spectacle, and what a splendid time for nonpartisan and patriotic legislation, with our Republican friends coming over and helping us, and all bimetallists! There is not a Senator here who does not declare himself a bimetallist except my distinguished friend from New Jersey [Mr. MCPHERSON], who, I believe, is the only one who has not planted himself squarely upon bimetallism. Why can we not get together? Why can we not, as sensible men, enact a financial system for this great country?

But some Senators who favor this bill say that we as a nation can only maintain bimetallism with a perfect equality of gold and silver, with unlimited coinage and full legal tender, by international agreement with the leading commercial nations of Europe. I ask, why not? Senators will doubtless reply because the value of silver has so largely depreciated that we as a nation, independently of other leading nations, can not open our mints for the free and unlimited coinage of the silver dollar of 412½ grains and maintain it at a parity with gold; that that quantity of silver is only worth in the markets of the world from 54 to 65 cents on the dollar.

In response to this statement I beg the indulgence of the Senate to present in detail the reasons why, in my judgment, an international agreement with European nations is absolutely impossible now, and the causes which have produced the depreciation of silver as a metal.

[At this point the honorable Senator yielded for a motion to proceed to the consideration of executive business.]

Tuesday, October 10, 1893.

Mr. COCKRELL. Mr. President, in my rejoinder to the reply of our opponents that we can not independently of other nations open our mints for the free and unlimited coinage of silver, I beg the indulgence of the Senate to present in detail the reasons why, in my judgment, any international bimetallic agreement with European nations is impossible now, and the causes which have produced the depreciation of silver as a metal.

I assert these propositions: That the United States by the misrepresentations and unfounded statements of our citizen and official representatives have caused the discriminating legislation of European nations and our own nation in favor of gold and against silver, and that this discriminating legislation alone has caused the depreciation of silver measured by or relatively to gold; and that our own conduct, the actions of our representatives, have made such international bimetallism impossible now. International agreement upon the relative value or ratio of the coinage of nations and the unity of coins has been the dream of doctrinaire statesmen for years past.

Under a joint resolution of Congress of February 26, 1857, the Secretary of the Treasury, Howell Cobb, appointed Prof. J. H. Alexander, of Baltimore, a commissioner to confer with the functionaries of Great Britain relative to some plan "of so mutually arranging, on the decimal basis, the coinage of the two countries as that the respective units shall hereafter be easily and exactly commensurable."

Prof. Alexander visited England in 1857 and 1858 and made known his mission. He was referred by the lords of the treasury to the master of the mint, and was finally informed by Malsbury, of the foreign office, that Her Majesty's Government was not prepared to invite a conference on a project requiring parliamentary action and not considered by the public nor discussed in Parliament, but would confer and consider with him on any proposal which he might be instructed to make. Prof. Alexander, in his report, says:

> This conclusion expressed with a caution that is, I believe, habitual with the Government of Great Britain in contemplation of any change in existing institutions or establishments there, is in reality all that could be arrived at under the conditions of my instructions.

Nothing was accomplished.

What were the causes leading to and influencing the discriminating legislation in favor of gold against silver? It is astonishing to me that among all the writers upon the financial troubles beginning after 1865, no one of them has undertaken to show the moving causes which induced so many nations in Europe to change from the single silver to the single gold standard and to abandon bimetallism. There was some cause for these things. This no one can doubt. Why have these economic writers not gone to the foundation and ascertained what caused Germany to change from a single silver standard to a single gold standard? She had, under the excitement of an overflow of gold in 1857, changed to a single silver standard to avoid an overflow of money. In 1871-'73 she changed to a single gold standard. Other nations did the same. What were the motives which led them to enact this discriminating legislation? I say it is remarkably strange that no economic or financial writer has ever attempted to trace these causes.

Take the monetary status of 1860. Great Britain, Portugal, and Turkey were the only three European nations having a single gold standard. Great Britain had maintained the double standard at the ratio of 15.2 to 1 from 1717 to 1797, when specie payments were suspended and continued up to 1821, and on June 22, 1816, during this specie suspension, adopted the single gold standard, which was the first discrimination by law of any important commercial nation against silver, and in her markets the price for silver, a mere commodity, has ever since been regulated by the value of her single-standard legal-tender gold coins.

The cause prompting England in establishing her single gold standard is manifest. Specie payments were suspended, and she had a great mass of worn, clipped, and mutilated coin, current and legal tender, and yet varying greatly in metal value and weight, and was looking forward to the early resumption of specie payments, and was a great creditor nation, having vast commercial transactions with the civilized countries, and was practically the money center of the world, with the nations paying tribute to her and interest in money on loans, and desired to unify her coinage in the interest of her creditor-ruling classes and increase the purchasing power of the dollar, its value, and hence adopted the single gold standard, and yet retained a subsidiary silver coinage with legal tender for 40 shillings for the transaction of the vast amount of business among her masses, and established the grand central market in London for the sale and disposition of the entire silver products of the world, as a mere metal or commodity, to be there measured by her own gold legal-tender coins.

In 1860 all Asia used silver as the standard money. Austria-Hungary, The Netherlands, Sweden, Norway, Denmark, Spain, and Russia had the single silver standard. France, Belgium, Switzerland, and Italy had the double standard with free coinage and full legal tender at the ratio of 15.5 to 1. Germany had the single silver standard at the ratio of 15.5 to 1, adopted on January 24, 1857.

Such was the condition of coinage in 1860.

Now, let us trace our own action; let us see what influence we, through our Representatives, one of whom, the senior Senator from Ohio [Mr. SHERMAN], is upon this floor to-day—have had in bringing about the present condition. In 1862, the Commissioner of the General Land Office of the United States, Hon. J. M. Edmunds, in his annual report to the Secretary of the Interior, described—

the great auriferous region of the United States * * * embracing portions of Dakota, Nebraska, Colorado, all of New Mexico, with Arizona, Utah, Nevada, California, Oregon, and Washington Territory, and other mountain ranges.

And then said—

These mountains are literally stocked with minerals, gold and silver being interspersed in profusion over this immense surface and daily brought to light by new discoveries. The precious metals are found imbedded in mountains of quartz, rich washings marking the pathway of rivers and floods. Besides their wealth in gold, no part of the world is so rich in silver mines as Nevada and New Mexico, and yet these may be estimated as only in proportion to the gold fields, which are in process of development with amazing results.

The recent discoveries in the Colorado or southern portion of California, and in the regions stretching thence away up to and north of the Salmon River in Washington Territory, are every day stimulating the mining enterprise of our people. Prior to the gold discoveries in 1848, at Sutter's race in California, the gold product of the world was only an average of eighteen millions. In 1853 the yield of Calfornia was seventy millions, about four times the aggregate gold product of the world prior to 1848, and that sum may be set down as the present average from that State alone. If we compare the known gold fields elsewhere in our domain with the yield of California, we would have, if an equal ratio of labor was applied, an annual value of between three and four hundred millions. That an adequate amount of labor to this end will be at hand when peace returns is not to be doubted.

He then suggests that an immense revenue may be readily obtained by subjecting the public mines there to lease under quarterly payments. Mark the language, because it has been misleading in Europe ever since.

An immense revenue may be readily obtained by subjecting the public mines there to lease under quarterly payments, or quarterly tax, as seigniorage upon the actual product.

And then states the amount of the public debt, and that—

A tax of some 8 per cent on the whole yield of the mines * * * would pay off the interest.

And then says:

The yield of the precious metals alone of this region will not fall below $100,000,000 the present year, and it will augment with the increase of population for centuries to come. The value of these mines is absolutely incalculable. * * * Within ten years the annual product of these mines will reach $200,000,000 in the precious metals alone.

There is a distinct statement that these mines were public mines belonging to the Government, upon which a tax could be levied, and that statement has been thrown in the face of our delegates to almost every international monetary conference we have had.

He asserts that while his estimate may be somewhat extravagant he believes "experience will demonstrate that the estimate is too low."

The Secretary of the Interior, Hon. Caleb B. Smith, in transmitting this report to the President, quoted from it and said:

The present annual production in California is estimated to average $70,000,000, and the commissioner after extensive inquiry from all available sources estimates the production of gold the present year at $100,000,000.

And then said:

If an amount of labor relatively equal to that expended in California had been applied to the gold fields already known to exist outside of that State, it is believed that the production of this year, including that of California, would have exceeded $400,000,000.

Four hundred million dollars in one year, and you ask me how did these exaggerations and misrepresentations of our officials have any weight or influence with foreign nations? I answer: In September, 1863, at Berlin, an international statistical congress was convened for the express purpose of considering the question of weights, measures, and coins, and was composed of delegates from Australia, Belgium, Denmark, France, Great Britain, Holland, Italy, Norway, Portugal, Prussia, Russia, Spain, Sweden, Switzerland, Turkey, and many other nationalities and provinces, and our Goverment was there represented by Hon. Samuel B. Ruggles, duly appointed and accredited by the President of the United States.

On September 11, 1863, Mr. Ruggles, as our representative, presented to that congress a written statement in which he quoted from the official report of the Commissioner of the General Land Office of 1862, the parts which I have just read, and then added:

From the documents and other evidences now before the international statistical congress, it must be apparent that the auriferous regions of the United States are destined sooner or later to add materially to the supply of precious metals, and thereby to affect the currency of the world, especially if taken in connection with the capacity of the auriferous regions of Russia, Australia, and British America, and the possibility of increased activity in the mines of Mexico.

He then suggested the appointment of a commission—

To collect such facts as may be gathered from authentic sources in respect to the probable future production of gold and silver, and to present them for consideration to the international statistical congress at the next or some future session.

It is easy to imagine with what alarm, apprehension, and consternation these glowing descriptions, exaggerated statements, of the rapidly approaching avalanche of gold and silver must have been received, considered, and digested by these assembled doctrinaires from the nations of the earth in their efforts to solve the question and to determine and agree upon the weight and standard for the coinage of such masses of the precious metals.

These exaggerations were continued from year to year. They were all spread before the representative men of every nation in the world, the men who were delegated by their governments to represent them in considering the question of weights, measures, and coinage. As a matter of course those reports were made back to every one of the governments represented just as a full report was made to our Government here. But I shall go on and show that these exaggerations continued from year to year.

The Secretary of the Treasury, in the finance report of December 4, 1862, in speaking of the metalliferous regions of the United States, said:

This product of gold and silver during the current year will not, probably, fall very much, if at all, short of $100,000,000, and it must long continue gradually yet rapidly to increase. If this product be subjected to a reasonable seigniorage as suggested by some, or if, as suggested by others, the mineral lands be subdivided and sold in convenient parcels with proper reservations in favor of the miners now in occupation of particular localities, a very considerable revenue may doubtless be obtained from these regions without hardship to the actual settlers or occupiers.

Here is another intimation that these are public mines.

The Director of the Mint, in his report of October 27, 1862, to the Secretary of the Treasury, described in glowing colors the gold and silver yield of our country, and said:

Adding together all these sources of supply of both gold and silver, we may safely estimate an annual yield in these times of $175,000,000, or seven times the amount produced annually for some years prior to the year 1815.

The Director of the Mint, in his report of November 23, 1864, quotes from the report of the Commissioner of the General Land Office of 1862, and then goes on to describe the probable yield of the precious metals in this country, and says:

I anticipate a production of gold and silver for the year 1866 of $200,000,000.

He also estimated the yield of 1865 at $120,000,000, and then said:

In submitting the above estimates of the annual production of gold and silver I concur with the Commissioner of the General Land Office, who computed the yield of the precious metals in 1862 at $100,000,000, although I am not unaware that the computation of the San Francisco press greatly reduces the aggregate.

The Director of the Mint, in his report of September 29, 1865, said:

The reports from the gold and silver mining portions of the United States are of the most encouraging character. The developments of the past year prove the supply of these minerals to be inexhaustible. * * * It is not easy to obtain any other reliable statistics than those officially appended to the report of the Director of the Mint, but these do not assume to give the amount of the entire production of the precious metals. The shipments to other countries must be large.

For example, we are vaguely assured that the silver mines of Nevada average a shipment of one ton daily, which would equal $12,000,000 annually. * * * We have had frequent opportunities for conversation with persons who travel or reside in the various mining regions of the United States and of contiguous provinces, and it is interesting to hear their accounts of the vast development of wealth and prospects of profitable industry. We also have an interesting statement, and one particularly so at this juncture of our national affairs, from a proprietor in the gold region of North Carolina, that "the system of paid labor is likely to show its just and natural effects in the increased return of gold."

In order to ascertain with accuracy our productions of gold and silver, Congress, in the sundry civil appropriation law of July 28, 1866, appropriated $10,000 to enable the Secretary of the Treasury to collect reliable statistical information concerning the gold and silver mines of the Western States and Territories. Mr. J. Ross Browne was appointed the special commissioner for the collection of the mining statistics, and on November 24, 1866, submitted his preliminary report, accompanied by many statistical and special reports, and said:

Assuming the estimate of the product of bullion as above given to be approximately correct, it will be seen that the States and Territories on the Pacific Slope produce annually upwards of $100,000,000 of the precious metals, a quantity more than four times as great as the total product of the world less than thirty years ago. The improved processes for the extraction of these metals from their ores made within the past two years and the constantly increasing area over which gold and silver mines are being developed furnish strong guaranties that there will be no abatement of the product for years to come * * * The approximate estimate already given of the gold and silver product of the Western States and Territories for 1866 shows a total of $106,000,000, or nearly double the combined bullion of the Government and all the banks of the country.

Much consideration is given to the celebrated Comstock lode, and Mr. Browne quotes from a report made by Baron Richtofen in 1866 on the Comstock lode, its character, and the probable mode of its continuance and depth, in which he said:

In winding up these considerations we come to the positive conclusion that the amount of nearly $50,000,000 which have been extracted from the Comstock lode is but a small proportion of the silver awaiting future extraction in the virgin portions of the vein from the lowest level explored down to indefinite depth; but that, from analogy with other argentiferous veins as well as from facts observed on the Comstock lode, the diffusion of silver through extensive deposits of middle and low-grade ores is far more probable than its accumulation in bodies of rich ore.

On March 5, 1868, Mr. Brown submitted a full and final report under said appropriation, in which he said:

No uneasiness need be felt as to a decrease in the source of supply. After many years of travel through the mining regions I feel justified in asserting th t our mineral resources are practically without limit. Explorations made by competent parties during the past year in many parts of the mineral region hitherto unknown demonstrate that the area of mineral deposit is much larger than was ever before supposed.

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And then, referring to the probable production in Mexico' said:

The production should rise to $50,000,000 or $100,000,000 a year, and those companies which could get possession of the best mines should make princely fortunes for all their shareholders.

And then, speaking of the yield throughout the world, said:

A great increase in the production of gold and silver is probable. In California, Australia, and Siberia gold-mining is now conducted under many disadvantages.

And, in speaking of the results of the mining, discussed how individuals are enriched by mining and how nations are enriched by mining and how the precious metals fall in value, saying:

A third effect of the production of the precious metals in large quantities is that the prices of other articles generally are affected. We want gold and silver for coin and for use in the arts, and the smaller the supply relative to the demand, the higher the value.

And then says:

But whatever may be the relative position of the two metals, it is certain that the time is not far distant when the price of the two as compared with other products of human labor must fall. They are now increasing far more rapidly than is the demand for them, and at the present rate of increase they would soon have to begin to fall perceptibly. But the production will become much greater than it is. The vast improvements that have been made both in gold and silver mining in the last twenty years are applied to only a few mines, and the reward for those who introduce them into other parts of the world is so large and so certain that the introduction can not be delayed to any remote period. If all the argentiferous lodes of Mexico, Peru, and Bolivia known to be rich were worked with the machinery used at Washoe their yield would really flood the world. * * * The inevitable fall in the value of precious metals will be of benefit to mankind generally. It will reduce the wealth of the rich and the debts of nations. Those national debts now existing will be reduced 20 or 30 per cent, the interest as well as the principal.

All these statements have been published abroad throughout Europe and are as familiar to the citizens and financiers there as here—in fact, are far more generally known there than here.

While we were thus appalling the nations of Europe and their learned doctrinaires with these fairy tales of the inexhaustible and incalculable production of gold and silver—an overwhelming flood—our officials were not idle in demanding and pleading for the single gold standard and the demonetization of the standard silver dollar, the utter destruction of our Democratic constitutional bimetallic system maintained from the foundation of our Government.

I will throw a little light now upon the demonetization act of 1873, as to how it came to be passed.

The Director of our Mint, in his report of October 10, 1861, said:

The gold dollar of the United States, conforming in standard value and decimal character to all the gold and silver coinage of the country except the silver dollar, has been properly selected and should be retained for the standard of value for all coins used or employed in commercial or governmental transactions with other nations.

The silver dollar of the United States, differing as it does in commercial or decimal value from the other silver coins in our country, can not, without disturbing our decimal system and producing confusion in the relative value of our gold and silver coinage, be used as a standard. * * * As the dollar, which is the unit of our money, is represented in gold coin, it would seem desirable not to have any other dollar in any other metal; but, if this is inadmissible and the silver dollar should be retained, then it should be reduced to eight-tenths of an ounce to be in true relation to our other silver coins. * * * The reason for its retention having ceased, either we should cease to coin the silver dollar or it should be made to conform in weight and value to our lesser silver coins.

The Secretary of the Treasury, in his finance report for 1862, says:

In his last report, the Secretary took occasion to invite the attention of Congress to the importance of uniform weights, measures, and coins, and the worth of the decimal system in the commerce of the world. He now ventures to suggest that the present demonetization of gold may well be availed of for the purpose of taking one considerable step toward these great ends. If the half eagle of the Union be made of equal weight and fineness of the gold sovereign of Great Britain, no sensible injury could possibly arise from the change; while, on the resumption of specie payments, its great advantages would be felt in the equalization of exchange and the convenience of commerce. This act of the United States, moreover, might be followed by the adoption by Great Britain of the Federal decimal divisions of the coin, and thus a most important advance might be secured toward an internatibual coinage, with values decimally expressed.

The Director of the Mint, in his report of October 21, 1863, says:

Permit me again to refer to the anomalous character of the silver dollar of the United States and to the remark on this subject in my report for the fiscal year ending June 30, 1861. The dollar is our unit of value, but the value of the gold and silver dollars under existing laws is not the same, and therefore we have no certain or determined standard of value. Gold, being more fixed and certain in its valuation, is not only better than silver as a standard of value in our monetary system, but better expresses the equivalent value of foreign coin in our currency, and therefore the gold dollar should be by law adopted as the unit of value of our money. •

The Director of the Mint, in his report of October 3, 1864, says:

Permit me again to refer to the anomalous character of the silver dollar of the United States and to the observations on this subject in former reports. The whole dollar should be made in weight and value the exact multiple of our fractional silver currency, and the gold dollar should be by law declared to be the unit of the value of our money.

The Director of the Mint, in his report of October 25, 1867, speaking of international coinage, says:

The first claim that meets us is the fact that in some commercial countries gold is the principal medium of trade, in others silver. To maintain these at a steady relation may be given up as an impossibility. We must therefore calculate or assume that as the world grows richer one nation after another will fall into the wake of those which have taken the lead in adopting gold as the standard, using silver only for subsidiary purposes. * * *

Gold for the civilized, intelligent, aristocratic classes, and silver for the toiling millions, the masses of the people; and that, too, to be a subsidiary silver coinage, limited according to the laws of England to $10 of legal tender!

Nearly five years ago (December 31, 1862) a letter on this subject was addressed to the Treasury Department from the Mint, in which the precise ground was taken which has lately been agreed upon by the Paris conference. * * *

I will come to that directly.

If the proposed international coinage of gold should become a law of the United States the reduced weight would call for a recoinage; and this would be a proper moment to introduce an improvement which the progress of counterfeiting loudly calls for.

In connection with these exaggerations and falsehoods let us trace their effect. What effect did they have? Here are causes, falsehoods, misrepresentations, but believed to be true, and when believed to be true having just as much effect as if true.

On the 23d day of December, 1865, France, Belgium, Italy, and Switzerland united in the monetary treaty "to regulate the weight, title, form, and circulation of their gold and silver coins," whereby they agreed to coin of gold only the pieces of 100, 50, 20, 10, and 5 francs in weight, standard, tolerance, and diameter, and of silver only the five-franc pieces of standard weight and fineness, with unlimited coinage and legal tender for such coins; and further agreed to coin in amounts as herein prescribed for each State, silver coins of 1 and 2 francs, 50 and 20 centimes, of reduced fineness and limited in legal tender to 50 francs; and that any nation could join the convention by adopting its monetary system in regard to gold and silver coins, and that the convention should remain in force until January 1, 1880.

In this convention, known generally as the Latin Union, Belgium, Italy, and Switzerland strongly favored a single gold standard, with subsidiary silver coins under 5 francs.

What induced this convention and the formation of the Latin Union?

The minister of finance, in his report in 1866 to the Emperor of France, concerning a bill relating to this monetary treaty, for it was necessary in order to carry out the provisions of the monetary treaty that act should be passed by the Corps Legislatif, says:

> For ages the yield of silver has been greater in value than that of gold. Since 1846 the proportion between the values of the quantities of the two metals annually extracted from the mines has been reversed. * * * These great quantities of gold, coming for the most part from California and Australia, have thus rendered this metal far more abundant in the issues of coin in all the countries which admitted it, either as principal money, as, for example, England, Portugal, Brazil, the city of Bremen, or as money concurrently with silver, as did France and Italy. The abundance of gold has even caused the introduction of this metal into the monetary system of countries which lately rejected it, as, for example, Switzerland, Belgium, and English India.

And states to the emperor that the silver 5-franc pieces were either exported or melted down and replaced by gold, the cheaper metal, and the object was to reduce the fineness of the silver coins and retain them in circulation. Here we see a scare, a dread, and an excited apprehension of an avalanche of gold to the banishment of silver.

The States of the Church on June 18, 1866, and Greece and Roumania in April, 1867, joined this Latin Union.

In March, 1865, the Government of France called the attention of our Government to the project of the Paris Universal Exposition of 1867, and our Government agreed to participate, and appointed Hon. N. M. Beckwith commissioner-general for the United States, who, on July 17, 1866, transmitted to Secretary of State Seward Document No. 216, containing the project of a law submitted to the Corps Législatif for a coinage as proposed by the Latin Union, and giving reasons in favor of that monetary treaty, and detailing the proceedings, wherein it was stated that "the opinion in regard to a single standard is still divided, both in the financial and scientific world."

A number of sensible men believed "that while Australian and Californian gold inundates European markets the double standard is useful in making the value of silver sustain the value of gold."

And some go so far as to say that, with the double standard in commercial and financial crises, one metal serves as a counterpoise to the other. And for the same reason they say we must not expect silver to go out of circulation, for the discovery of new mines, improved methods of working them, and the return of silver coin accumulated in the East, caused by the introduction of gold as money in those remote and unopened regions, will restore the former abundance of that metal.

Mr. Beckwith also transmitted Document No. 282, being "Report of the committee to examine a bill relative to a monetary convention passed between France, Belgium, Italy, and Switzerland." This report approved the monetary convention and submitted a bill for carrying it into effect, which was duly passed into law.

The committee discussed the question of double standard as follows:

A question of another nature arose in the committee. As the two monetary standards have long been a source of annoyance, why did we not adopt gold as the only standard, like England and many other nations, and thus settle it definitely at once? The committee was not in favor of it. We certainly can not say what the future may have in store for us, but nobody can say but what the measure may be soon adopted. It is too soon yet. Though theory and logic may be for a single standard, facts show that the double standard offers great advantages in practice.

The two help each other, and in time of crises one serves as a balance to the other. The use of both metals moreover facilitates our commercial relations with other countries by allowing our merchants a choice of the coin best suited to the stranger. Does a difference of the value between the two metals of late years give a sufficient cause for such a radical reform? If silver is preferred to-day, the preference may change by the discovery of vast silver mines or a great reflux of silver from the East by reason of the sale of our manufactures in those countries. The proposed law prudently confines itself to present necessities without pretending to look into the future.

Mr. Beckwith also transmitted a copy of the monetary convention of December 23, 1865. We now see clearly the actual scare and apprehension of a continued deluge of gold; and that the convention, the Latin Union, was formed primarily for the protection and preservation of silver as money, then so scarce compared with gold, and the maintenance of bimetallism:

ARTICLE 12. Any other nation can join the present convention by accepting its obligations and adopting the monetary system of the Union in regard to gold and silver coins.

Here is international bimetallism established by France, Italy, Belgium, Switzerland, and Greece. France alone had maintained bimetallism ever since October, 1785. Now Italy, Belgium, Switzerland, and Greece join this bimetallic league. There is no question of their ability to maintain it. But we see what caused this monetary conference. It was to keep silver in their countries and not have it entirely expelled by the overabundance of gold with which they were being flooded. To do that they reduced the quantity of silver in the minor coins and left the five-franc (the dollar) with full legal tender, unlimited and free in coinage.

At this very time, as I stated before, France was preparing for the Paris Universal Exposition, to begin in April.

In March, 1865, she had called the attention of our Government to it, and Mr. Lincoln had appointed Mr. N. M. Beckwith, commissioner-general. An advisory committee had also been appointed in New York, of which Mr. Samuel B. Ruggles—this same man who was in the Berlin statistical congress of 1863—was a member, and chairman of group 5, on mines, metallurgy, etc.

On October 9, 1866, Hon. Samuel B. Ruggles was designated by Secretary Seward to take charge of that branch of the representation at the exposition relating to uniform weights, measures, and coins.

Now, Mr. Ruggles gets himself appointed as the representative of our Government to the Paris Universal Exposition on the subject of weights, measures, and coins.

Meetings, composed of members of the scientific commission, the imperial commission, and the foreign commissioners at Paris, for consultation regarding measures for drawing public attention to the subject of uniformity in weights, measures, and coins, were held.

I want to show just exactly the connection of Mr. Ruggles, and how he, in connection with the distinguished Senator from Ohio [Mr. SHERMAN], manipulated the proceedings to be had in the international monetary conference of 1867.

I do this to show what position he was in, and how he could use that position.

On January 4, 1867, Mr. Berthemy, envoy of France to the United States, submitted to Secretary Seward a copy of the monetary convention of December 23, 1865, and invited the United States to become a party to it.

That is the only time the United States was ever offered an opportunity to become a member of an international bimetallic union. Here it is. I want the Senate to understand it, and I want the country to know why we did not accept it. Here was a bimetallic system upon the ratio of 15½ to 1 maintained by France since October 30, 1785, and all we had to do was simply to subscribe to it. There was no international complication connected with it; nothing to do but simply subscribe to it, and agree that we would coin certain coins. In order to come to that, we only had to strike out about 12½ grains of our standard silver dollar, reduce it to 400 grains, and thus bring it down to the ratio of 15½ to 1.

I want to read to the Senate from the documents before me, because I propose to show that this was an opportunity, an invitation, to the United States to join an international bimetallic union of Europe, and the distinguished Senator from Ohio and Mr. Ruggles prevented it. Never was such a chance had before, and never has there been such a chance since. Here was the standard perfected, tested for nearly a hundred years, already agreed to, with an open clause, with an open door for any nation to join in it; and that great nation, France, once our ally in our sore trouble, the nation which helped give us our independence from Great Britain, the nation which has stood by us closer than any other foreign nation, came with the friendly offering of international bimetallic coinage, the thing we have been talking about ever since 1873.

I shall read from these documents a few passages so that we may understand exactly the situation. I do not desire to do an injustice to anyone, but I think the distinguished senior Senator from Ohio has never been given credit—so called—for the very efficient part he took in bringing about a single gold standard.

I quote now from Senate Executive Document No. 14, Fortieth Congress, second session, the message of the President of the United States in answer to a resolution of the Senate transmitting a report from the Secretary of State concerning the international monetary conference held at Paris in June, 1867. This is the letter of Mr. Berthemy, representing France, to Mr. Seward:

SIR: I have the honor to transmit herewith to your excellency a copy of the text of the monetary convention, concluded December 23, 1865, between France, Belgium, Italy, and Switzerland.

As you will see, Mr. Secretary of State, this act went into force the 1st of August last, reconstituted, under the guaranty of an international contract, a monetary union which had existed in fact between these four states, but which diverse measures, adopted without preliminary understanding, had broken up during late years.

For the purpose of satisfying the just claims and pressing interests of trade the government of the Emperor last year proposed to Belgium, to Italy, and to Switzerland, to intrust to a mixed international commission the care of reëstablishing the ancient uniformity by taking account of facts accomplished, and of the new conditions of the monetary circulation of Europe. Commissioners appointed by these different states assembled at Paris under the presidency of M. de Parieu, vice-president of the council of state, and, in stating the causes for the convention of the 23d December last, they have fully met the immediate end which was assigned for their labors, according to the expression used by the minister of finance of Belgium, on submitting to the Belgium Chamber the project of law intended to sanction the convention: "This act contains in effect, within itself, saving the unity of stamp, a monetary system, complete for moneys (coin), properly so called, to the exclusion of *billon* (base coin)."

At this time the gold and silver coinage of these four States is conducted under conditions that are identical.

In fine, you will remark, Mr. Secretary of State, a clause which is detached from the rest of the stipulations, exclusively destined to determine the monetary regulations of the four countries. I desire to say something of the accession which article 12 guarantees to any other State. This clause may be considered as the manifestation of a wish that sprung up in the proceedings of the international conference, and has not been without influence on the happy issue of the negotiations. After having brought about the disappearance of divergencies of which they recognized the inconveniences, the delegates of France, of Belgium, of Italy, and of Switzerland, seeing a population of 70,000,000 of souls thenceforth endowed with the same monetary system, must quite naturally have been led to fix attention on an interest more general. Without entering on the examination of a question which it was not their mission to solve, they expressed in the name of their governments the desire—

The desire—

to see the Union, as yet restricted to four countries, become the germ of a union more extended, and of the establishment of a general monetary circulation among all civilized states.

Mr. President, here it was; and here we are urged to become a party to it, which we could have done without sacrificing one particle of honor, one particle of convenience, or the sustaining of one nickel or a penny of cost.

I read further:

The Government of the Emperor would be very happy to see this proposition well received, but, at the same time can not dissemble the difficulties and objections it might encounter.

* * * * * * *

If for the moment objections too weighty prevent the Federal Government—

Pleading with us now—

If for the moment objections too weighty prevent the Federal Government from adhesion to the convention of 23d December, the Government of the Emperor would not the less attach special value to being informed of these obstacles, and to learn what observations may have been drawn forth by the examination of that international act.

* * * * * * *

Thus also, in case the Federal Government, without wishing to accede to the union actually constituted, should be disposed, either to enter into arrangements destined to establish equations between some of its monetary types of gold or silver, and those which the convention may determine, or to take part in an international conference at which might be discussed the means of arriving at a more extended monetary understanding, the Government of the Emperor will entertain with readiness the overtures which might be addressed to it in this view.

Now, Mr. President, we see the offer. We see the pleading of this great nation. Now let us trace the progress of it.

Mr. Seward, February 13, 1867, says:

Having consulted the Secretary of the Treasury upon the subject, I have the honor to state in reply to your note that this Government, both in its legislative and executive departments, has repeatedly manifested its interest in the question of international unification of monetary standards; that the importance of a standard unit of equal value in all commercial countries for the uses of account and currency is fully recognized and appreciated; and that the ideal object presented in your communication being acceptable, it only remains to be decided how the desired result may be brought about.

It is to be hoped that neither the quadripartite convention nor the proceedings already adopted by the four governments under its provisions, will be held to preclude any of those governments from entertaining considerations in favor of its modification which may be offered by other governments in the interests of a system universally acceptable.

Mr. Berthemy replied May 27, 1867, to Mr. Seward's letter, and after stating the preliminaries, says;

In consequence, a formal proposition has been transmitted, through the diplomatic medium to divers governments in order that they might cause themselves to be represented in a commission which should meet at Paris on Monday, the 17th of June next, at the hotel of the department for foreign affairs. This conference would be presided over conjointly by the minister for foreign affairs and the minister of finance.

When our replies were received the French Government determined then to hold an international monetary conference so that we could have a full opportunity of discussing this question and entering into it. I will read further from what Mr. Berthemy said. I have just read from page 5 giving the notice to our Government that the monetary conference had been called. I now read from page 6:

There is no need to add that the commissioners will assemble without any programme arranged in anticipation—

Now, mark you; this is very important—

There is no need to add that the commissioners will assemble without any programme arranged in anticipation. They will thus be able to look more freely for a solution of the difficulties which would oppose an assimilation between the systems actually in operation. This mode of proceeding, which has already received so happy application at the conferences of 1865, appears at this time of greater utility, inasmuch as different countries, while appreciating the importance of the object to be attained, would have the means of recurring to divergent opinions. The conference proposed has not otherwise any immediate object than to call out an interchange of views and discussion of principles; in a word, to seek for the basis of ulterior negotiations.

That conference was to meet on June 17, 1867, and Mr. Seward appointed Mr. Ruggles as the representative of the United States to that international monetary conference. But before the monetary conference met Mr. Ruggles, who was already the commissioner of the United States to the Universal Exposition on the subject of weights, measures, and coinage, was there getting in his work, in direct violation and disregard of what the French Government had said should be the meeting of the conference, no programme laid out, or anything of the kind. Mr. Ruggles, as a member of the preliminary international committee on the uniformity of coinage organized by the imperial commission, had been at work. For what? For the single gold standard.

Mr. ALLISON. How was that preliminary committee arranged?

Mr. COCKRELL. The preliminary committee was arranged by the commissioners of the different nations to the Universal Exposition. The several representatives got together and formed a preliminary committee, and this preliminary committee had gotten together and determined in their wisdom to anticipate the action of the convention and have a cut-and-dried platform for the convention to act upon when it met. It was just like when a political meeting is to be held a few gentlemen get together and draw up the resolutions that must be adopted.

Now, somebody else was aiding Mr. Ruggles in this important work of representing the United States. He had in that important work the potential influence of the distinguished senior Senator from Ohio, Hon. JOHN SHERMAN, then chairman of the Finance Committee of the Senate. Now, mark you, we were invited to join the Latin Union for bimetallism. What were our representatives there doing? Invited to a feast to partake of bimetallism, and our representatives go there with a dish of their own and say, "Not one of the dishes you have invited us to partake of will we partake of. No, no. We must have our own diet." I want to read the letter of Senator SHERMAN. Remember this monetary conference was to meet on the 17th of June. On the 17th of May, just a month before it was to meet, Hon. Samuel B. Ruggles addresses a letter to Senator SHERMAN in which he invites him to give some expression of his views, etc., and Senator SHERMAN replies as follows:

HOTEL JARDIN DES TUILERIES, *May 18, 1867.*

MY DEAR SIR: Your note of yesterday, inquiring whether Congress would probably, in future coinage, make our gold dollar conform in value to the gold 5-franc piece, has been received.

There has been so little discussion in Congress upon the subject that I can not base my opinion upon anything said or done there.

The subject has, however, excited the attention of several important commercial bodies in the United States, and the time is now so favorable that I feel quite sure that Congress will adopt any practical measure that will secure to the commercial world a uniform standard of value and exchange.

The only question will be, how this can be accomplished?

The treaty of December 23, 1865, between France, Italy, Belgium, and Switzerland, and the probable acquiescence in that treaty by Prussia, has laid the foundation for such a standard. If Great Britain will reduce the value of her sovereign 2 pence and the United States will reduce the value of her dollar something over 3 cents; we then have a coinage in the franc, dollar, and sovereign, easily computed, and which will readily pass in all countries, the dollar as 5 francs and the sovereign as 25 francs.

If this be done France will surely abandon the impossible effort of making two standards of value. Gold coins will answer all the purposes of European commerce. A common gold standard will regulate silver coinage, of which the United States will furnish the greater part, especially for the Chinese trade.

I have thought a good deal of how the object you propose may be most readily accomplished.

Now, here is the gist of it:

It is clear that the United States can not become a party to the treaty referred to—

That is the language. This is the reason given—

They could not agree upon the silver standard; nor could we limit the amount of our coinage as proposed by the treaty. The United States is so large in extent, is so sparsely populated, and the price of labor is so much higher than in Europe, that we require more currency per capita. We now produce the larger part of the gold and silver of the world, and can not limit our coinage, except by the wants of our people and the demands of commerce.

Here the Senator writes a letter one month before this monetary conference is to be held to one of the delegates to that conference, who is also representing and manipulating another intermediate or preliminary committee.

It is clear that the United States can not become a party to the treaty referred to. They could not agree upon the silver standard.

That is, they would not agree upon the bimetallic standard of the Latin Union. They must have the silver part of the bimetallism stricken out.

You may ask how did that letter have any influence? Was it published? Did it fall into the hands of anybody? In order to show exactly how Mr. Ruggles manipulated and used the influence of Senator SHERMAN, I quote from page 7.

Mr. Ruggles to Mr. Seward, May 30, 1867.

Remember, Mr. Ruggles had gotten Senator SHERMAN'S letter on May 18. He refers to Mr. Berthemy transmitting to our Government the Latin Union conference, and says:

To that treaty the United States are now invited to become a party, in the communication from M. Berthemy, minister of France at Washington, to the Secretary of State of the United States, a copy of which, forwarded from Washington by the Department of State, reached the undersigned on the 29th of May, instant.

He then goes on and states that he had suggested to M. de Parieu the necessity of a modification in the common unit of gold coin, and then that he had been introduced to the French Emperor; and I read now from page 8 what he says:

Upon that occasion the Emperor, after expressing very cordially his gratification that the United States of America had shown their willingness to aid in unifying the coin of the world, proceeded in a straightforward, business way to ask, "What do you wish France to do in aid of the work?" To that interrogatory it was answered, first, that much could be done by distinctly recognizing in the official documents and discourses of the Government the international unification of coin, as a result of cardinal importance to be attained at the Universal Exposition.

Then he goes on and says:

It was further urged that the United States of America, politically, commercially, and geographically had a peculiar interest in the subject, etc.

* * * * * * *

In answer, the Emperor asked, in a kindly tone—

No doubt, as Mr. Ruggles had proposed nothing and asked for nothing, but told about the desire of our country and its greatness and grandeur—

Can France do anything more in aid of the work?

A very pertinent question.

To which it was replied, France can coin a piece of gold of 25 francs, to circulate side by side on terms of absolute equality with the half eagle of the United States and the sovereign, or pound sterling, of Great Britain, when reduced, as they readily might be, precisely to the value of 25 francs. The Emperor then asked, "Will not a French coin of 25 francs impair the symmetry of the French decimal system?" To which it was answered, "No more than it is affected, if at all, by the existing gold coin of 5 francs;" that it was only the silver coins of France which were of even metric weight, while every one of its gold coins, without exception, represented unequal fractions of the meter.

It was then stated to the Emperor that an eminent American statesman, Mr. SHERMAN, Senator from Ohio, chairman of the Finance Committee of the Senate of the United States, and recently in Paris, had written an important and interesting letter, expressing his opinion that the gold dollar of the United States ought to be and readily might be reduced by Congress, in weight and value, to correspond with the gold 5-franc piece of France; that the letter was now before—

Before—

the international committee having the question of uniform coin under special examination, to which letter, as being one of the best interpretations of the views of the American people, the attention of the public authorities of France was respectfully invited. The Emperor then closed the audience by repeating the assurances of his gratification that the important international measure in question was likely to receive active support from the United States.

The letter of Mr. SHERMAN, above referred to, dated the 18th of May, 1867, originally written in English, was presented in a French translation a few days afterwards to the international committee in full session, where it was received with unusual interest and ordered by the committee to be printed in both languages. A copy is herewith transmitted for the information of the Department of State.

Now, I read from page 13, the letter of Mr. Ruggles to Mr. Seward of July 18, 1867. He says:

The undersigned is gratified to learn, by the communication from the Department of State of the 21st of June last, that the steps thus taken for securing the uniformity of money are approved by his Government; that he "is warranted in encouraging the expectation that the United States may give its adhesion to a conventional arrangement which may be susceptible of termination within a period to be specified in such arrangements," and that "the views so ably set forth" in the letter of Mr. SHERMAN "will be so far approved by the public sentiment, the Congress, and the Executive of the United States as to secure a concurrence of the Government in any reasonable plan for producing the desired reform."

Now, you must remember that this is the preliminary conference before which he laid this letter. What does he say?

The subject of a uniform coin did not actually come into discussion, either in the international committee or the subcommission on coins, until early in the month of May.

Now—

On the 17th of May the undersigned presented to the international committee the letter of Senator SHERMAN in a French translation, which was received with lively interest, and forthwith ordered, with the approbation of the imperial commission, to be published both in French and English. It is but due to the history of the unification of money to state that the earnest and active agitation of the subject in a practical form on the part of the United States exerted its full share of influence in leading the Government of France to adopt the decisive measure of inviting in diplomatic form an authoritative "conference" of delegates, duly accredited, from all the nations of the European and American world practically accessible to meet at Paris on the 17th of June, not merely for an exchange of views or a discussion of general principles, but "practically to seek for the basis of ulterior negotiation" between the nations.

The importance of this step had become evident at an early day to the French authorities, and especially to Monsieur Esquirou de Parieu, first vice-president of the "conseil d'etat," preëminently distinguished by his long and well-directed labors in the cause of monetary unification, adorned by his learned and eloquent writings, replete alike with accurate knowledge and classic taste. He was one of the delegates on the part of France who successfully negotiated the quadripartite monetary treaty of the 23d of December, 1865, between France, Belgium, Switzerland, and Italy, the beneficent effects of which enlightened measure are now illuminating continental western Europe from the German Ocean to the Mediterranean, carrying, in his own graphic language, "a common coin of equal value from Antwerp, across the mountains of the Oberland, to the classic coast of Brundusium."

[At this point the honorable Senator yielded to Mr. ALLEN.]

Mr. COCKRELL. I was reading from the letter of Mr. Ruggles, transmitting these reports and commenting upon it, which gives the insight into the *modus operandi* by which the preliminary programme for the monetary conference of 1867 was cut and dried and presented to it, and the influence and power that the distinguished Senator from Ohio exerted. I am going to state what occurred. He tells what he did himself. He says on page 16:

On this occasion the very important question of abolishing the double standard of money, retaining only gold, was elaborately discussed, and with singular ability and ingenuity by distinguished French economists holding opposite opinions. On putting the question to the vote of the numerous and intelligent audience, the single standard of gold was adopted by a large majority. The question of the gold unit then coming up, the English delegates—

Now, mark you—

the English delegates earnestly opposed the proposition of the international committee adopting as the unit the gold 5 francs, and urged the substitution of 10 francs in its stead, expressing their belief that the Government of Great Britain would consent to issue for the purpose a gold coin of that amount to be denominated a "ducat."

Thus before the international monetary conference had met this preliminary committee, an international committee, had cut and dried the whole programme of a single gold standard. Mr. Ruggles goes on and says:

The advocates of a uniform coin cherished the belief that the Government of the United States is not to be discouraged or discomposed by the temporary delay or hesitation of any government in Europe to participate in the widespread work of monetary unification, destined sooner or later to become the crowning civic achievement of modern times.

In the earlier agitation of this subject at the International Statistical Congress at Berlin in 1863, the delegate from the United States found a large and influential delegation from Great Britain zealously engaged in the great endeavor to unify the money of the world. In the present effort of the assembled nations "not for a day, but for all times," the clear good sense and sterling liberality of the English people will not allow their Government to lag or linger much behind. The fire but recently kindled is rapidly diffusing its light throughout the world.

The farsighted negotiators of the quadripartite monetary treaty of 1865, though seriously embarrassed by the fallacy of a double standard, now generally discarded, succeeded in establishing a uniform system not only of gold, but of silver, over a large and populous portion of Europe, since increased by the adhesion of the pontifical states and of Greece; thus including by a singular felicity in this newly enlightened region of the globe the two great seats of ancient civilization.

Now, I wish to read from what one of the English delegates said in that monetary conference, a gentleman who has figured in almost every other conference since then, Mr. Rivers Wilson. I read from page 55:

The English Government was obliged to accept the cordial invitation from the Government of the Emperor to participate in this conference, because a refusal would have shown a want of courtesy, and would have made it liable to accusations of prejudices upon this very important question.

Indeed the English nation is in a position much more independent upon this question than most continental nations.

So long as public opinion has not decided in favor of a change of the present system, which offers no serious inconveniences either in wholesale or retail trade, and until it shall be incontestibly demonstrated that the new system offers advantages sufficiently commanding to justify the abandonment of that which is approved by experience and rooted in the habits of the people, the English Government could not believe it to be its duty to take the initiative in assimilating its coinage with those of the countries of the Continent. But the English Government will be always ready to aid and attempt to enlighten and guide public opinion in the appreciation of the question, and facilitate the discussion of the means by which such an assimilation so advantageous in theory may be effected.

The attitude of Germany was that at that time she was considering herself a political programme which might include her local monetary question, and therefore she would not be bound by anything that was done.

Baron de Hock submitted report No. 4 on the unification of coinage, and the recommendation was the adoption of the series of gold coins now in use in France, adopted by a large part of the population of Europe, and recommending this as the basis of the uniform system sought.

It is extremely desirable that the system of two different monetary standards should be discontinued wherever it still exists.

That the gold standard should be adopted.

I read the remarks of Mr. Meinecke, of Prussia, on page 34 of this report. The German Empire had not then been formed, and Prussia was represented by Mr. Meinecke. He said:

He did not pretend to ask the sympathies of the conference in favor of the Prussian monetary system, for he thinks that the standard of gold in the countries which have adopted it can not be replaced by the standard of silver in force in Prussia only. Prussia, then, must renounce its standard if she wished to rally under a general monetary union. However, Prussia is content with a silver standard: the monetary circulation of which it is the basis is excellent, and there is no urgent reason for introducing there a change so considerable as that which would result from the change of this standard. On the other hand, the difficulty of adopting the gold standard is much greater for Prussia than for any other country. Nevertheless without having the thought of modifying at this time its monetary system. the Prussian Government would not fail to take the matter into consideration if the labors of the conference should aim at establishing a basis for a general monetary arrangement.

The international monetary conference continued in session until July 6, 1867, when it adjourned. During its discussions, on page 36—

Mr. Ruggles said it would be as impossible to abolish the expressions of the dollar in the United States as that of the sovereign in England, but that both might be retained in reducing their intrinsic values. For the sovereign it would be a reduction of only 20 centimes: for the dollar, on the other hand, the reduction would be 3½ per cent on its value. The United States were ready to make this sacrifice in view of monetary unification; such was the opinion of the American people, and after the next winter a general reminting of coin, however considerable, might commence.

Mr. Ruggles further said, as the representative of our Government, that the double standard had never practically existed in this country, and said—now listen:

The original act of Congress, which was passed at a time when we were less enlightened than to-day, either by study or experience, sought to establish a double standard by giving to gold coin and silver coin equal legal currency in payments, whatever might be the amount of the debt.

Less enlightened than now! Jefferson and Madison, and Hamilton and Washington were ignorami on the financial question; they amount to nothing; they imagined that they could establish a double standard, but they had failed. Now, what further does he say:

And that we have sufficiently learned that the system of a double standard is not only a fallacy, but an impossibility, in assuming a fixed relation between the values of two different products, gold and silver. The value of each of these depends upon the quantity produced, and this quantity is beyond the power of legislation. A diminution of value is and ever will be the inevitable result of the increase of supply.

I want to read a little further from Mr. Ruggles. Says he on page 41:

It is true that the silver dollar is still retained as lawful money for debts of any amount, but of a total silver coinage of $136,351,512, 4,366,340 only are in dollars, while $131,985,472 consist of subdivisions of the dollar.

Almost all the divisional pieces which had been coined before the passage of the law of 1853 have disappeared, in obedience to the fundamental and inexorable law of demand and supply, which sets at naught all attempts made to fix by legislation the relative values of the two metals. The legislators and the people of the United States have sufficiently learned, if not by study, at least by experience, that the system of a double standard is not only a fallacy, but an impossibility, in assuming a fixed relation between the values of two different products, gold and silver. The value of each of these depends upon the quantity produced, and this quantity is beyond the power of legislation.

During the fifty-six years which immediately preceded the year 1850 the United State coined in gold dollars $85,588,038, and in silver $78,322,969, which represents a supply of about 1.12 of gold to $1 of silver. From 1850 to 1866 inclusive, the coinage of gold has been $759,618,453 and of silver $59,027,843, which represents about $12.50 in gold to $1 of silver.

Admonished by so great a change in the relative supply of the two metals the United States now share without reserve the conviction more and more extended through the civilized world that it is impossible to establish a double standard which must presuppose a fixed relation between the values of the two metals.

In a written argument presented to this international monetary conference on June 28, 1867, he discussed the probable yield of gold and silver in the United States, and said—I want the Senate to note this:

Its annual product, now nearly $100,000,000, may eventually reach three hundred or four hundred millions. The money of the world must be unified now or never. * * * It is moreover to be considered that the United States and Great Britain may continue to add for many successive periods of fifteen years, the gold to be produced in America and Australia, which will probably fall little short for each period of $655,352,325 for the United States and $455,235,695 for Great Britain, the amounts respectively coined during the fifteen years just elapsed. We will not dwell upon what can not be forgotten, the possibility of a still more enormous product that would result from the more extensive developments and discoveries in the vast auriferous interior of the United States, a field as yet only partially explored.

Without going too far in measuring the gigantic monetary future in reserve for the world, we will simply say that the work of unification can not begin too soon.

I could read many other extracts here.

This international monetary conference after discussing the various monetary systems, utterly ignored the monetary conference of December, 1865, the Latin Union.

No wonder, Mr. President, that this international monetary conference recommended the establishment of the single standard of gold, with silver as a subsidiary minor coin, when they were enlightened by such exaggerations as I have just read, coming from officials of our own Government professing to be statisticians and to know the facts they presented!

This international monetary convention unanimously decided against the adoption of the single silver standard, and in favor of the single gold standard exclusively, The Netherlands alone dissenting on the gold standard, and unanimously affirmed that it was "more easy to realize monetary unification by mutual coördination of existing systems, taking into account the scientific advantages of certain types and of the numbers of the populations which have already adopted them."

Now, I want to repeat to the Senate, here was an international bimetallic union composed of France, Italy, Switzerland, Belgium, Greece, and Roumania, maintaining a bimetallic standard at the ratio of 15½ to 1, and that ratio had been maintained from October, 1785, down to that date by France with slight coöperation from the other governments, notwithstanding the overflow of gold from California and Australia from 1850 to 1860. These nations had agreed upon a bimetallic system, and France, the great nation of Europe which had aided us in securing our independence, had sent us a formal and cordial invitation to come and become a member of that international bimetallic union; we sent Hon. Samuel B. Ruggles as a representative there to represent us; and the distinguished Senator from Ohio was there, not authorized by the Government, but introduced and presented as the chairman of the Committee on Finance in the United States Senate; and they discarded and rejected every overture of bimetallism presented and demanded the single gold standard and that silver should be stricken down.

We now see the germination and the budding of the monetary policy produced by the distinguished Senator from Ohio and Mr. Ruggles, which is now throughout the world aggressive and brutal. It is a single gold standard, the only money of ultimate redemption, with silver and all other money and coin and paper merely subsidiary and redeemable in gold. The only time that has ever occurred in the history of the world where an international bimetallic agreement could have been made was when France offered to us that bimetallic system, and the Senator from Ohio more than any one man is responsible for its rejection.

But now let us trace out this determination to have a single gold standard.

On January 6, 1868, Senator SHERMAN introduced S. 217, in relation to gold and silver coinage. Referred to Finance Committee.

On June 9, 1868, Senator SHERMAN, from that committee, reported the bill back to the Senate with proposed amendments, reducing the weight of the gold coins, and also of silver half dollar, quarter, and dime, and making such silver coins a legal tender for $10, and prohibiting the coinage of the standard silver dollar.

This was in 1868, and the Senator from Ohio [Mr. SHERMAN] then proposed to strike down the standard silver dollar and coin only half dollars, quarter dollars, and dimes of less intrinsic and coining value and make them a legal tender for only a small sum, comparatively.

He made a written report to accompany that bill. I have the report here before me. There was a majority and minority report, Senate Report 117, Fortieth Congress, second session, the majority report made by Senator SHERMAN and the views of the minority submitted by Senator Morgan, of New York. Now listen to the report of the majority:

> The United States is the great gold-producing country of the world, now producing more than all other nations combined, and with a capacity for future production almost without limit. (See reports of Mr. Ruggles and J. Ross Browne.) Gold with us is, like cotton, a raw product. Its production here affects and regulates its value throughout the world.
>
> The United States is a new nation, and therefore a debtor nation. By placing ourselves in harmony with the money units of creditor nations we promote the easy borrowing of money and payment of debts without the loss of recoinage or exchange, always paid by the debtor.

He then indorsed the recommendations of the Paris International Monetary Conference of 1867, and said:

> The single standard of gold is an American idea, yielded reluctantly by France and other countries where silver is the chief standard of value.
>
> All the provisions of the plan proposed are in harmony with the American system of coinage. They are either already adopted or may be without inconvenience.
>
> France, whose standard is adopted, makes a new coin similar to our half eagle. She yields to our demand for the sole standard of gold.

Here we have conclusive proof of the indorsement of the highly exaggerated statements of the productions of the precious metals in our own country made broadcast in Europe by Mr. Ruggles in 1863 and 1867, and our other officials from 1862 to 1868, and the world is told that we demanded the single gold standard, and to secure it were ready and willing to debase and reduce the value of our gold dollar 3½ cents. Why? For the honorable, noble, and unselfish reason that our country was the great gold-producing country, and would deluge the world with gold, and, being a creditor nation, could pay our debts more easily in such debased, reduced coinage (!)

The Latin Union coined gold pieces of 5, 10, 20, 50, and 100 francs, and silver 5 francs, ratio 15½ to 1, or about 400 grains of standard silver in each 5 francs.

Upon this bimetallism we were asked to unite with the states of the Latin Union.

We answered through Senator SHERMAN and Mr. Ruggles by proposing to reduce the gold in our dollar 3½ cents to correspond with the five-franc gold piece, and peremptorily refused to consider even recognition of silver as full legal tender, when, if we had agreed to reduce the silver in our dollar, then worth 3 cents more than the gold dollar and more when the gold was reduced 3½ cents, we would have had bimetallism at the ratio of 15½ to

1. Our bimetallist-now Senator, would not consent, and bimetallism failed and he is the responsible party.

Now, Mr. President, I want to put this matter beyond any doubt. I continue the proofs to sustain the proposition.

On April 25, 1870, the Secretary of the Treasury transmitted to Senator SHERMAN, "A bill revising the laws relative to the Mint, assay offices, and coinage of the United States," with a lengthy report of John Jay Knox, Deputy Comptroller of the Currency, explaining the bill and the reasons for it, published in Senate Miscellaneous Document No. 132, Forty-first Congress, second session.

In this report, with draft of a coinage law, Mr. Knox says:

SILVER DOLLAR—ITS DISCONTINUANCE AS A STANDARD.

The coinage of the silver dollar piece * * * is discontinued in the proposed bill. It is by law the dollar unit, and assuming the value of gold to be fifteen and one-half times that of silver, being about the mean ratio for the past six years, is worth in gold a premium of about 3 per cent (its value being $1.0312), and intrinsically more than 7 per cent premium in our other silver coins, its value thus being $1.0742. The present laws consequently authorize both a gold-dollar unit and a silver-dollar unit, differing from each other in intrinsic value. The present gold dollar is made the dollar unit in the proposed bill, and the silver-dollar piece is discontinued.

On June 25, 1870, in response to a House resolution of June 4, the Secretary of the Treasury transmitted to the Speaker a report of Mr. Knox, giving copies of a voluminous correspondence between the Department and officers of the different mints, assay offices, and other persons, touching the bill and report submitted April 25, 1870. In this correspondence some favored and others opposed the proposed discontinuance of the silver dollar.

The Government of Sweden and Norway instituted a commission known as the Swedish Commission on Coinage, and in July, 1870, our minister there submitted to this commission copies of a letter from our Secretary of State, of June 13, 1870, "on the subject of promoting a common unit and standard of international coinage."

This commission in 1870 submitted their report containing about 300 pages, and in it discussed, with great particularity as to dates, names, etc., every step then taken in regard to a universal coinage, referring to the statements and reports of Mr. Ruggles, Senator SHERMAN'S letter to Ruggles, his report and bill in 1868, to which I have just referred, and the proposal of our Government, and rejected it. But the next year they adopted it. Germany, which had adopted the single silver standard in 1857, over a scare produced by the overflow of gold from California and Australia, December 4, 1871, then flushed with her victories over France and the indemnity of $1,000,000,000 and the consolidation and unification of all her different provinces into one grand empire, desiring to unify the coinage, introduced a new coinage of gold based upon gold, the mark as the unit, and that single gold standard was perfected in 1873.

Denmark, Norway, and Sweden in pursuance of the convention of Sweden and Norway discarded their single silver and adopted a gold standard. In connection with the acts of Denmark, Sweden, Norway, and Germany, the United States the 12th of February, 1873, demonetized the standard silver dollar. These things occurring in rapid succession the nations of the Latin Union had to limit the amount of pieces to be coined by each, and another convention was held in 1875 and a limited coinage continued, and finally the mints of the Latin Union were closed to the coinage of silver. In 1876 Russia changed to a silver standard; that is, she stopped the coinage of silver on private account and only allowed it to be coined for export to China.

Now, here are these data. They show cause and effect. The exaggerated statements and misrepresentations of our own officers and representatives in regard to the production of gold, and our own determination to honor and magnify gold, establish the single standard, debase and degrade silver, caused the legal discrimination to be enacted by other nations.

How ridiculous some of these misrepresentations are I will illustrate by our monetary commission of 1876, of which the senior Senator from Nevada [Mr. JONES] was a member.

Among the witnesses whose testimony was taken and reported was Hon. Edward Atkinson, who testified in regard to the yield of silver, and said:

> I should question the evidence as to the total production of silver, partly on the ground of what I saw in the centennial exhibition from Mexico.

Remember, Mr. President, that the world was to be deluged with gold and silver, with from $200,000,000 to $400,000,000 annually. These exaggerated falsehoods and misrepresentations were continued until when? Until the nations had come to a single gold standard, until gold monometallism had been established in the United States and the friends of silver began efforts for its rehabilitation. From that time on to this there has been no talk of any overflow from gold, no flooding of the world with gold, but the flooding of the world with silver. The talk has all been directed to silver.

Mr. Atkinson says in reply to the question as to what he had seen at the Centennial in Philadelphia:

> A very curious mass of silver, thick in the center and thin at the edge, as if it had been cast in an earthen pan. It was afterward explained to me how it was obtained: that there were cliffs containing veins of metals, against which piles of combustible materials were placed and set on fire, and the production was collected in what might be called an earthen pan, and this was alleged to be a rough production by this process. I at once inferred in relation to silver production that statistics might be fallacious.

This is the statement of a distinguished statistician, which has been published all over the world, of mountains of silver and the silver so soft that a pile of combustible material set up against the side of it and set on fire causes it to pour down in a stream.

Mr. President, I have thus traced, in as consecutive chronological order as possible the facts and figures in regard to the fabulous, mythical exaggerations of the probable production of gold and silver in the United States, in such amounts as to literally flood, deluge the world and seriously impair the currency value of these metals, especially of gold; and in regard to the representations and efforts of Senator SHERMAN, Ruggles, and other officials and representatives of our Government, made to secure the single gold standard in this country, and their bold proposal to the nations of the world to debase and reduce our gold dollar 3½ cents in value because of the excessive production of gold and its depreciation; and then in regard to the actions and legislation of European governments changing their coinage and their discrimination in favor of gold and against silver, in order that we might correctly see the producing causes and the resulting effects.

Beyond question in my mind, the statements and actions of the representatives of our country, which I have shown, caused, forced the discriminating legislation of European nations in favor of gold and against silver, and all combined have caused the change in the ratio of gold to silver.

The actions and legislation which I have stated, abandoning the single silver standard and adopting the single gold standard, and abandoning the double standard by adopting the single gold standard, and by stopping the coinage of full legal-tender silver and continuing the unlimited coinage of gold with full tender, have necessarily and unavoidably caused an enhanced demand for gold and thrown upon the markets of the world an enhanced supply of silver, and very largely decreased the demand for silver, and have broken the connecting link forged and maintained by law for so many years previously at a fixed ratio with very slight changes, and have stricken down silver as a money metal of the world and debased it from money to a mere commodity, a mere metal, like nickel and copper, in the markets, and consequently, when measured by the full legal-tender gold metal, silver has fallen in value.

In further support of my propositions I will quote from the final report of the royal commission of Great Britain—appointed in 1886 to inquire into the recent changes in the relative values of the precious metals—made in 1888. This commission examined fully into all the facts, and in their unanimous report say:

189. Looking then to the vast changes which occurred prior to 1873 in the relative production of the two metals without any corresponding disturbance in their market value, it appears to us difficult to resist the conclusion that some influence was then at work tending to steady the price of silver and to keep the ratio which it bore to gold approximately stable.

190. There is another fact to which we have already drawn attention, pointing decidedly in the same direction. Prior to 1873 the fluctuations in the price of silver were gradual in their character and ranged within narrow limits.

192. * * * Now undoubtedly the date which forms the dividing line between an epoch of approximate affinity in the relative value of gold and silver and one of marked instability is the year when the bimetallic system which had previously been in force in the Latin Union ceased to be in full operation; and we are irresistibly led to the conclusion that the operation of that system, established as it was in countries the population and commerce of which were considerable, exerted a material influence upon the relative value of the two metals. So long as that system was in force we think that, notwithstanding the changes in the production and use of the precious metals, it kept the market price of silver approximately steady at the ratio fixed by law between them, namely, 15½ to 1.

193. Nor does it appear to us *a priori* unreasonable to suppose that the existence in the Latin Union of a bimetallic system with a ratio of 15½ to 1, fixed between the two metals should have been capable of keeping the market price of silver steady at approximately that ratio.

The view that it could only affect the market price to the extent to which there was a demand for it for currency purposes in the Latin Union, or to which it was actually taken to the mints of those countries, is, we think, fallacious.

The fact that the owner of silver could, in the last resort, take it to those mints and have it converted into coin, which would purchase commodities at the ratio of 15½ of silver to 1 of gold, would, in our opinion, be likely to affect the price of silver in the markets generally, whoever the purchaser and for whatever country it was destined. It would enable the seller to stand out for a price approximating to the legal ratio, and would tend to keep the market steady at about that point.

* * * * * * *

198. To sum up our conclusions on this part of the case, we are of opinion that the true explanation of the phenomena which we are directed to investigate is to be found in a combination of causes, and can not be attributed to any one cause alone. The action of the Latin Union in 1873 broke the link between silver and gold, which had kept the price of the former, as measured by the latter, constant at about the legal ratio; and when this link was broken the silver market was open to the influence of all the factors which go to affect the price of a commodity. These factors happen since 1873 to have

operated in the direction of a fall in the gold price of that metal, and the frequent fluctuations in its value are accounted for by the fact that the market has become fully sensitive to the other influences, to which we have called attention above.

Remember, Mr. President, that these are the conclusions, after a thorough investigation, of gold-monometallist Englishmen. Suppose, now, that all this discriminating legislation had been against gold and in favor of silver, where would gold be to-day compared with silver? It would be much less valuable, measured by silver, than silver is to-day measured by gold.

Can any sane man doubt that, if we had agreed to the bimetallic system of the Latin Union in 1867, as we were invited to do, that the market value of silver throughout the world would be to-day equal to gold at the ratio of 15½ to 1, or that the European nations would not have adopted the discriminating legislation in favor of gold and against silver, which I have shown.

Certainly they would not. Can any sane man, can even the Senator from Ohio, doubt to-day that his own actions and representations, coupled with the exaggerated statements and misrepresentations of Mr. Ruggles and our own Government officials as to the enormous yield of gold from our auriferous regions and their refusal to enter the Latin Union for bimetallism, and their demand for the single gold standard—the American idea—have caused the European nations to enact the discriminating legislation against silver and the depreciation in the relative value of silver as a metal measured by gold as money, and have practically made international bimetallism now an impossibility?

In my judgment there can be no question of it. I think I have conclusively proved the propositions I asserted. But "to make assurance doubly sure" and to remove any lingering doubt in any man's mind we will trace the record further.

As soon as the discriminating legislation referred to had been secured in Europe and the United States enthroning gold, the idol, and demonetizing and degrading silver to the condition of a mere commodity, the necessary inevitable result, the depreciation of silver as a metal, a commodity measured by gold as money followed.

Then our bimetallist friends insisted upon international agreements. Oh, yes, after international agreements were made impossible, then the opponents of silver, whenever any legislative effort has been made for its rehabilitation, have interposed some project for international bimetallism. When the Bland bill of November, 1877, for the free and unlimited coinage of silver was passed by the Democratic House of Representatives and came to the Senate, the Senator from Iowa [Mr. ALLISON] insisted upon limiting the coinage and inviting the governments of Europe to an international monetary conference at Paris, to be held in August, 1878.

It was doubtless hoped by him and those who agreed with him that European governments might agree to some bimetallic system. I do not intend to cast any reflection upon the honesty and sincerity of any one who then held or who may now hold to the possibility of such a chimera or delusion. They were then, as now, mistaken in my judgment, and the very measure of limiting the coinage instead of unlimited coinage was a hindrance and an obstacle to the possibility of such a project.

Messrs. Fenton, Groesbeck, and Walker were our delegates, with Mr. Horton as secretary. The principal nations of Europe, except Germany, were represented. Germany declined to send any delegate.

At the first meeting on August 10, 1878, Dr. Broch, of Sweden and Norway, laid before the conference certain tables, from which I read, on page 11:

> Mr. SHERMAN, as Senator of the United States, proposed as an international coin a piece of gold of 125$\frac{5}{9}$ troy grains nine-tenths fine; it will weigh 8.135808 grams, and will contain 7.322281 grams of fine gold.
>
> It will be in fact the English sovereign recoined at the fineness of nine-tenths; it will only differ from it by one three-hundredths of an English penny.
>
> Mr. SHERMAN proposes to accept it as $5, although, in comparison with the American eagle of $10, it is only worth $4.8665.

This showing that they had before them all the documents which we have published in regard to coinage.

At the second meeting this same Dr. Broch laid before the conference the views of the delegates of Norway, Denmark, and Sweden, that they could enter into no agreement which would be binding.

Mr. Groesbeck, as our representative, on page 20, addressing the conference, said:

> Mr. Groesbeck then directed attention to an error, a prejudice, which it appeared had found its way to many minds. It was said that the United States had taken the initiative in the conference because they were a silver-producing country, and that they had as a state peculiar interest in the monetary question. This was not correct. The United States as a state had no interest in the working either of silver or of gold mines.

Now you see the effect of the falsehood stated in the report of the Commissioner of the General Land Office and the Secretary of the Interior about these public mines and the levying of a tax upon them, which would yield dividends enough at 8 per cent to pay the interest on the national debt, thus connecting the whole matter link by link. All these things were known to them.

> And besides, were the United States, he asked, as great producers of silver as had been represented? Here was another error which he also desired to rectify. In the last quarter of a century the yield of gold mines in the United States had been four times as great as that of the silver mines. The yield of the gold mines had, it was true, decreased, and that of the silver mines increased in enormous proportions. But it was well that it should be understood that in the great Comstock lode, which was the most productve of all, such a depth had now been reached that the time was near when the working would have to be suspended, unless it should be extremely remunerative.
>
> * * * * * * *
>
> The remonetization of silver is therefore in no sense an enterprise undertaken by the United States selfishly with a view to private profit; nor is it a new undertaking. They have been in the use of the two metals from the time the Government was organized. It is no new system which they propose to establish; it is the old system, that under which they have long lived and prospered, to which they are returning. From 1792 to the day when, by a sort of inadvertence, in 1873, the silver standard was suppressed not a merchant, not a banker, not a manufacturer, not an establishment nor an interest of any kind could be cited as having raised any objection to the simultaneous use of the two metals. Bimetallism is therefore in the United States not only a tradition of the law, but has entered deeply into the habits of the people.

Here was another error which he also desired to rectify. Why were these errors there? Why did not Mr. Groesbeck in a manly way tell them, "Yes, our representatives made misrepresentations when they came here in 1863, 1865, and 1867, and represented to you and to the nations of the world that we were about to produce from $200,000,000 to $400,000,000 of the precious metals and would flood the world with them; they have made untruthful statements, they were mistaken"? Why did he not do that? These misrepresentations and unfounded statements have been thrown in our teeth in every monetary conference that has been held.

But here is something amusing. Mr. Groesbeck said:

In 1873, in a law which did not very accurately carry out its purpose, silver was made to disappear through inadvertence, rather than intentionally, by an omission to say anything about it.

That is a very elegant description of the crime of 1873! But did they swallow that explanation? Was it satisfactory? We shall see. I quote now from Mr. Feer-Herzog, of Switzerland. He remarked that—

long before the law of 1873 silver had disappeared from circulation in the United States. The actual circulation consisted of gold and paper money.

Gold and paper in 1873!

During the long period of time of which Mr. Groesback spoke, from 1792 to 1873, there had only been coined about 8,000,000 silver dollars—

How much like the Senator from Ohio [Mr. SHERMAN] and the Senator from Vermont [Mr. MORRILL] that sounds! They are the same things that we have been hearing ever since 1878, thrown back in our faces. Mr. Feer-Herzog continued:

while in the three or four months that had succeeded the passage of the Bland bill an equal amount of these dollars had been coined.

As to what Mr. Groesbeck had said of the "inadvertence" in consequence of which the law of 1873 had been passed, and of the surprise which the effects of this law were supposed to have provoked in consequence, Mr. Feer-Herzog laid upon the table documents relating to the preliminary preparation of that law—documents published by the Government of the United States. It appeared, he said, from these documents, that it was not by a mere accidental oversight, but voluntarily and with reflection, that the suppression of the silver standard was determined upon. It was expressly stated that gold was to be in the future the sole monetary standard of the United States, and that silver should cease to be a standard. (Exhibit D, second session.)

It is, therefore, said Mr. Feer-Herzog, difficult to admit that there was any inadvertence.

No, no. There was not any inadvertence upon the part of Senator SHERMAN and probably two or three in the Senate—not more than that—and I do not believe there were three who understood exactly what was in that bill of 1873.

Now, as I said in regard to the views of Senator ALLISON, insisting upon the limit of coinage and with limited coinage operating against the possibility of bimetallism, I quote from the remarks of Mr. Say, president of this monetary conference:

Mr. Say insisted upon the question which he had stated at the opening of the conference, namely, why did not the United States in restoring the double standard permit the unlimited coinage of silver as well as that of gold?

Why did it not? Continuing, he said:

It has been said by the Hon. Mr. Groesbeck that the restriction of the coinage of silver by the Latin Union had supplied a motive for the restriction in the United States, but this view did not seem to be well founded. It was by an amendment of the law that a limit was fixed to the coinage of silver dollars, and Mr. Say felt constrained to believe that this amendment was a mode of agreement, a compromise by means of which a majority could be obtained. The influence of the Latin Union seemed to have counted for so little in the resolution adopted by Congress on this occasion that it does not appear that there was, even for a moment, any question of conforming the American system to that of the Latin Union by the adoption of the relation of 1 to 15½.

Mr. Feer-Herzog supported the observations of the president, by calling attention to the fact that the bill in its original form permitted the coinage of silver without limit.

I read from the reply of Mr. Horton:

Mr. Horton, in reply to the points raised by the president of the conference, called attention to the fact that the majority report of the commission appointed by Congress in 1876 to investigate the silver question had recommended the adoption by the United States of the ratio of 1 to 15½ because it was the ratio of the Latin Union. The bill known as the Bland bill had been proposed in Congress in the summer of 1876. Between that time and the passage of the law in pursuance of which the conference met, the whole question had been thoroughly discussed in the United States in all its phases. In this discussion the situation of the Latin Union had not been lost sight of, but had been made the subject of special attention.

Mr. President, what was the attitude there of foreign nations?

The delegates of the European states represented in the conference desire to express their sincere thanks to the Government of the United States for having procured an international exchange of opinion upon a subject of so much importance as the monetary question.

Having maturely considered the proposals of the representatives of the United States, they recognize:

1. That it is necessary to maintain in the world the monetary functions of silver as well as those of gold, but that the selection for use of one or the other of the two metals, or of both simultaneously, should be governed by the special position of each state or group of states.

2. That the question of the restriction of the coinage of silver should equally be left to the discretion of each state or group of states, according to the particular circumstances in which they may find themselves placed; and the more so, in that the disturbance produced during the recent years in the silver market has variously affected the monetary situation of the several countries.

3. That the differences of opinion which have appeared and the fact that even some of the states which have the double standard find it impossible to enter into a mutual engagement with regard to the free coinage of silver, exclude the discussion of the adoption of a common ratio between the two metals.

After the bimetallic union had been formed and we had been earnestly invited to become a member of it and had refused, no wonder then after the European nations had, each for itself, adopted its own standard, that they have rejected all overtures made by us.

Our commissioners submitted their report, but I will only read a few lines from it:

The states which had, in the past, performed this grand service to the world appeared in the conference of 1878 with a divided opinion; and it is, we think, to the delicate relations, political and financial, of the Latin Union, that the failure of the conference to adopt any positive measures is primarily to be referred.

Switzerland appeared as the uncompromising advocate of gold monometallism for Europe.

The delegation from Belgium also was unfavorable.

* * * * * * *

France, the leading state of the Union, declared through her finance minister, the president of the conference, that, in suspending the coinage of silver, she did not incline to the single gold standard, but, on the contrary, she occupied a position in which she might await the favorable moment to reënter upon the system of the double standard.

* * * * * * *

The United States appeared at the conference at a disadvantage by reason of the belief, quite commonly entertained in Europe, that the action of Congress had been mainly determined by the consideration that the United States are largely producers of silver. This opinion exhibited not a little vitality, and your commissioners found it necessary to combat it. They showed that not only has the Government of the United States no royalty on the production of the mines of the precious metals, but that, through the absence of any accumulated stock, it has in fact far less of a special interest in the question under consideration than many or even most of the states represented in the conference; that the effect of a given decline in silver had been, and would continue to be, a more serious loss to the accumulated wealth of France, Belgium, Holland, and especially Great Britain, through its Indian dominions, than to the United States: that as a branch of industry the production of silver is but one of many occupations to which our available labor and capital have hitherto been inadequate; and that even as a debtor, the United States, a country of vast undeveloped resources, could better bear the weight which would be added to its debts by a diminution of the money supply of the world, than could other states with less recuperative power and a narrower margin for future growth.

Your commissioners have reason to think that these views, during the course of the conference, prevailed over the opinion referred to respecting the motives which had actuated the United States in the recent legislation respecting silver. They believe that the European delegates came to fully recognize the preponderating motive of that legislation as springing from a general interest in an undiminished money supply, and not from the wish to support a particular branch of American industry.

The record of that entire conference was that the nations refused to agree to international bimetallism. How could you have expected them to agree to it?

But in 1869, after the monetary conference of 1867, England and France made a little effort at international bimetallism. France appealed to England, as the United States had rejected her overtures, and was willing to join England in abandoning the silver standard, as the United States had refused to recognize bimetallism. But the distinguished bimetallist of the Senate, Mr. SHERMAN, had something to do with this monetary conference of 1878. He was then Secretary of the Treasury, and wrote a letter to Mr. Groesbeck, dated July 15, 1878. A letter, you will remember, turned up from him, addressed to the Paris Monetary Conference, which destroyed the possibility of international bimetallism at that convention. He says in this letter:

During the monetary conference in Paris, when silver in our country was excluded from circulation by being undervalued, I was strongly in favor of the single standard of gold, and wrote a letter, which you will find in the proceedings of that conference, stating briefly my view. At that time the wisest among us did not anticipate the sudden fall of silver or the rise of gold that has occurred. This uncertainty of the relation between the two metals is one of the chief arguments in favor of a monometallic system, but other arguments, showing the dangerous effect upon industry by dropping one of the precious metals from the standard of value, outweigh in my mind all theoretical objections to the bimetallic system. I am thoroughly convinced that if it were possible for the leadng commercial nations to fix by agreement an arbitrary relation between silver and gold, even though the market value might vary somewhat from time to time, it would be a measure of the greatest good to all nations. My earnest desire is that you may succeed in doing this.

No one anticipated, said he, that there would be any fall in the price of silver, or any rise in the price of gold. Why? Because his financial views are based upon the idea that law had nothing to do with the values of the two metals, gold and silver. That has been the theory. It is the theory of many that law does not give to gold coin a value as money over and above its metallic value. Senator SHERMAN in his wisdom then proposed that the United States and other nations should come together and agree to demonetize silver, and it would not affect the market value of silver; that demonetizing silver and throwing all the demand for money upon gold would not increase the purchasing power of gold or cause a rise in the value of gold.

The various delegates to this international convention declared that they were not ready to abandon the systems which they then had. That looks to me like a statement which ought to have been sufficient to satisfy us that there was no earthly chance of international bimetallism, but it was not.

In 1881, under a provision in the appropriation law for the sundry civil expenses of the Government, approved March 3, 1881, the President was authorized to appoint, and did appoint, "three commissioners to represent the United States at a conference to be called to adopt a common ratio between gold and silver for the purpose of establishing internationally the use of bimetallic money and securing fixity of relative value between those two metals," namely, Hon. William M. Evarts, Hon. Timothy O. Howe, and Hon. Allen G. Thurman, with Hon. Dana Horton as secretary. This conference met at Paris, April 19, 1881.

I shall not consume the time of the Senate in reading all these extracts. I will simply refer to them in the proceedings of the International Monetary Conference of 1881.

The first is the declaration of Germany on page 29. I read this to show that those governments peremptorily refused to change their standards and said they were satisfied with them, and that they simply met us out of politeness through our invitation. That was practically the whole thing.

I read from pages 28 and 29 in regard to Germany; from page 31 in regard to England; page 31 in regard to the British Empire; page 32 in regard to Denmark; from page 32 in regard to Portugal; from page 33 in regard to Russia; from page 34 in regard to Greece; from page 35 in regard to Denmark, Norway, and Sweden; from pages 36 and 39 from Mr. Cernuschi, and France from pages 38 and 39:

DECLARATION OF THE GERMAN DELEGATES.

It is generally agreed to attribute this fall less to the sales of silver made by Germany than to the measure adopted by our Government of taking from silver its quality of legal tender, an action which led the states of the Latin Union to put a stop to their coinage of silver.

It can not be denied that this latter measure, by doing away with the compensating effect which, until then, had maintained within narrow limits the oscillations in the price of silver, removed all obstacles to a progressive and limitless fall; it is, on the other hand, but just to admit that the fear of finding themselves compelled to receive a half milliard of marks of German silver, which could not fail to depreciate in a very considerable degree their own circulation, had no little influence in the decision taken by the Latin Union.

The fall of silver would, nevertheless, not have reached the point it did if, at the same time, the production of that metal had not considerably augmented in America, while the demand in Asia was diminishing.

In view of these combined circumstances, the Imperial Government, in the month of May, 1879, resolved to suspend its sales of silver, and they have not since been resumed. This action, by giving firmness to the metal market, tended to facilitate the initiative of those powers which were interested in the rehabilitation of silver. It also had the effect of diminishing the demand for gold, a fact the more important in that the decreasing production of the latter metal, in the face of a constantly growing demand, had, within the last few years, caused a certain degree of tension in the market.

We recognize, without reserve, that a rehabilitation of silver is to be desired, and that it might be attained by the reëstablishment of the free coinage of silver in a certain number of the most populous states represented at this conference, if these states, to this end, should adopt as a basis a fixed relation between the value of gold and that of silver. Nevertheless, Germany, whose monetary reform is already so far advanced, and whose general monetary situation does not seem to call for a change of system so vast in scope, does not find herself in a position, so far as she is concerned, to concede the free coinage of silver.

Her delegates are, therefore, not able to subscribe to a proposition looking to such action.

DECLARATIONS OF THE DELEGATE OF GREAT BRITAIN.

Now, gentlemen, the monetary system of the United Kingdom since 1816; that is to say, for more than sixty years, has rested on gold as a single standard, and this system has satisfied all the needs of the country without giving rise to those disadvantages which have shown themselves elsewhere, and under other monetary regulations; and, for these reasons, it has been accepted by the governments of all parties and by the nation. The Government of Her Majesty could not, therefore, take part in a conference as supporting the principle of the double standard, and its answer to the invitation of France and the United States necessarily set forth the reasons which prevented it from taking part in the reunion which had been proposed. (Page 31.)

DECLARATION OF THE DELEGATES OF BRITISH INDIA—READ BY LORD REAY.

Mr. President, and gentlemen, the government of British India, in sending delegates to the conference, is not to be regarded as having, by this fact, admitted the adoption of the principle of bimetallism in the British Indies; and in order that it may be free from responsibility for the conclusions which might be reached by the conference, its delegates are not authorized to take part in the votes of that body.

Although the secretary of state, as well as the council of British India, do not believe it possible to nourish the hope, in the present circumstances, of a radical reform of the monetary system of India, they are ready to take into consideration such measures as might be proposed for introduction into India with the object of restoring the value of silver.

DECLARATION OF THE DELEGATE OF DENMARK.

As the Danish Government has no intention of abandoning the single gold standard introduced into the country a few years ago, I have received instructions on the part of my Government to abstain from all discussion of the manner (*quo modo*) by which the bimetallic system could be regulated.

DECLARATION OF THE DELEGATE OF PORTUGAL.

Mr. President, and gentlemen of the conference, the Portuguese Government, in accepting the cordial invitation of the Governments of France and of the United States of America, represented at this conference, desired, while fulfilling a duty of international courtesy, to give to these two governments a proof, in all respects deserved, of consideration and deference; but it frankly stated to them that the Portuguese monetary system now in force would not allow of its entry into the bimetallic union now contemplated. (Page 32.)

But, at the same time, the Russian Government reserves to itself entirely its right of opinion upon this whole matter, and in nothing renounces its liberty of action by reason of any resolutions of the conference. (Page 33.)

DECLARATION OF THE DELEGATE OF GREECE.

The delegate of Greece, in presence of the declarations made by the honorable delegates of England, of Russia, of Portugal, etc., considers it his duty also to declare that, in his capacity of representative of a state which has adopted monometallism, he would not be able to join in any measure which might lead to a change in this system. He will be most happy to take part in the labors of the conference, and he will, while reserving to it full liberty of action, most willingly repo t to his Government upon any other question which may be proposed and discussed. (Page 34.)

DECLARATION OF THE DELEGATE OF NORWAY.

You are aware, gentlemen, that the Scandinavian countries have a monetary union based upon the single standard of gold; my government reserves all its rights, but has given me entire freedom to take part in the discussions, saving only my obligation to report to it finally. (Page 35.)

DECLARATION OF FRANCE.

Mr. Cernuschi, delegate of France, desired, in the first place, to convey to the conference the impression which had been made upon him by the declarations just read, notably those of the honorable delegates of Germany and of Great Britain. The conference could not fail to note the very considerable importance of these declarations.

Upon what condition, in reality, did the success of the work depend upon which the assembly was entering to-day? Upon the concord of the four great metallic powers of the globe, France, the United States, Germany, and Great Britain. The understanding between France and the United States was already an accomplished fact, of which the meeting of the present conference, called as it had been by the two Republics, might be considered the official confirmation. The success of the conference, and the fate of bimetallism, then only depended upon Germany and England. If [continued Mr. Cernuschi] these two join France and the United States, bimetallism becomes the monetary law of the whole world; if one of them should join, it would still be possible; if both should refuse their coöperation, it would be condemned to remain impracticable.

Now, what is the purport of the declarations which have just been read to the conference? It is, in the first place, that the concurrence of Great Britain is, for the time being, refused. (Pages 36, 37.)

Germany was the first to go into the experiment of gold monometallism, at a time when that monetary system was the object of a universal infatuation, amounting almost to a craze. In 1869, the chancellor of the exchequer, Mr. Lowe, was able to declare in full Parliament, on the occasion of the propositions for monetary unification made by France, that he would never treat with a country which retained bimetallism: but he expressed himself as disposed to reduce by one grain the weight of the pound sterling, in order to bring it nearer to the international piece of 25 francs, but only upon the absolute condition that France should give up the coinage of silver; and he was able to add, without being contradicted, that the French Government was inclined to subscribe to such an arrangement. At the same time, on this side of the channel, a vast monetary investigation was being carried on with éclat before the superior council of agriculture and commerce, the conclusions of which examination were favorable to the adoption of gold monometallism. An international conference, called upon the occasion of the Universal Exhibition of 1867, had already pronounced in favor of the same views; and it may be said that everything seemed to presage the early triumph of monometallism.

In the present condition of affairs, what is the proper thing to do? We must, so to speak, blot out from history these last ten years, and return to the *status quo* which obtained before the monetary war; in a word, we must liquidate the disastrous experiment attempted by Germany.

I call special attention to Mr. Cernuschi, delegate for France, who makes the statement I have read:

Germany was the first to go into the experiment of gold monometallism at a time when that monetary system was the object of a universal infatuation amounting to almost a craze.

Why? Because of the wonderful fairy tales and unfounded exaggerations and representations of the officers and representatives of the United States in Europe that we had an auriferous and argentiferous region extending from Mexico clear up to Alaska, a region which was mountainous and filled with the precious metals which would yield annually from $200,000,000 to $400,000,000; and that the world was to be flooded. They became wild. Europe had seen the deluge that came from California and Australia, and here was another which was to be fourfold that which came from California and Australia, more gold than they ever produced annually, to continue for all time to come. These were the representations. As Germany had been scared in 1857 into establishing a single silver standard because of the surplus of gold, no wonder she was made to change from that single silver standard to a single gold standard in 1871–3 by reason of these misrepresentations and exaggerations.

We see now the effect of the misstatements and misrepresentations of Mr. Ruggles and Senator SHERMAN. I now quote from that part relating to India, on pages 266 and 267:

As to India, the great wish of the financial authorities in that country has been, if possible, to have a common monetary system with England.

Silver being impossible, on account of the English system, they must choose between bimetallism or gold, and although for the present the latter solution would be too difficult, it is certain that if the depreciation of silver continues, and if by reason of the discovery of fresh deposits of gold, or from some other cause, the opportunity should offer itself, we should only be too ready to seize it, and to return to the proposals of the commission which sat at Calcutta in 1868, and to enter, though much against our wish, into the struggle which is about to commence between the nations of the earth for the sole metal which will be left to us as the solid basis of an international currency.

Then the effects of the representations of Senator SHERMAN and Mr. Ruggles were disclosed in the remarks made by Mr. Horton, on page 305. What does he say?

The fact was thus recalled to me that a great deal had been written and said in various quarters about the United States, and about the reasons which had led my country to interest itself in the silver question, and that the press had largely reproduced these observations.

I can not say that it surprises me to observe a certain confusion of ideas with reference to the monetary policy of my country. This is the fourth time that I have come to Europe since my entry, in 1876, into monetary controversy as an apostle or advocate, in my way, of a bimetallic monetary union, and each time I have been able to recognize the same phenomenon; it is all very natural; the New World is a long way off.

And exaggerations, as a matter of course, are firmly established in the mind.

Mr. President, in this conference every one of the nations refused. They attended out of deference to the United States, and it would seem that that was sufficient to settle forever the fact that we could not have an international agreement upon that question.

I also quote from Mr. Evarts's speech, on pages 322 and 323:

Mr. Evarts, chief delegate of the United States, then addressed the conference (in English) as follows:

Mr. President and Gentlemen of the Conference, the first disturbance in what was a satisfactory condition in the working of the money market of the world, become so by either a fortuitous or a circumspect consent which had obtained between the nations theretofore; the first disturbance in that condition of things grew out of the debates, and came as a sequel of a conference that really had no function or duty in the matter which we now discuss. The conference of 1867, meeting for and undertaking to treat that important consideration of convenience and utility, the unification of the coins used in the computations and transactions of the world, naturally, under a scientific, a mathematical, a symmetrical consideration of the subject, felt as if there were but one metal money in the world, it would be easier to have a universal system of coinage. Bent, with the zeal of their work, upon accomplishing that secondary result, and finding that the reduplicated impediments grew out, both of the use of the two metals, and of the great diversity of coinage in the two, they thought that the way to get at a unity of coinage was to have but one metal in the service of the world for its money. This was a clear subordination of the end to the means; this was a sacr fice of money that could not be spared in its volume and in its force, in order that the symmetry of the mintage might be more conveniently attained. This was in the nature of a sacrifice of the great and manifold transactions of an open commerce to the convenience and the simplicity of the bookkeeping which records it.

Unluckily, this scientific appreciation fell upon two great countries under circumstances which hid, perhaps, from their eyes the mischiefs, and made of less consideration the responsibilities of an effort toward the demonetization of silver. Germany, interested in its own unification, the great political transaction of our age, found political reasons why the unity of money in Germany was of great importance to the unity of society and of the State. Then this unhappy idea that, as the diversity was most in the silver, and the habits, antagonisms, and preferences of the people were most involved with the silver, if you would unify the money by having only the gold, the empire with its golden currency would easily master the suppression of the diversities of the inferior coinage. In the United States these ideas of the conference of 1867 reached us when we were using neither silver nor gold, and when the public mind was inattentive to the consideration of so intimate, so comprehensive, so universal an influence upon all the interests of a State as a change in their money might exert. In the presence, then, of the fact that neither silver nor gold was the practical and present money in our daily use, the money in which we, to the common apprehension, had to accommodate our relations to the other nations of the world, the movement took place by the act of 1873, a coinage act, as I understand it to have been; which, under this unlucky incident of regulating coin, has seemed to suppress one-half the intrinsic money of the State.

Now, I want to put the matter still further beyond doubt. I know some of my bimetallic monometallists will not believe anything that occurs unless it comes filtered through certain channels. I shall now read from President Cleveland's message of December 8, 1885, and I know you will believe him. In listening to the same kind of a message in behalf of the repeal of the Bland bill and picturing the consequences flowing from it, it would be very difficult for a practiced ear to distinguish between the parts of that message referring to the Bland act and the present message referring to the Sherman act. You would think they were about the same subject-matter and referring to the same time. The same evil is predicted and the same result. But I am quoting him now in regard to the possibility of an international bimetallic agreement, because that is the *dernier ressort* of the opponents of silver, and has been all the way through this fight.

He had sent delegates over there of his own choice and selection—Mr. Manton Marble, Mr. Edward Atkinson—who saw this pile of silver that had flowed out of the mountain side, and others. Mr. Cleveland says:

It may be said, in brief, as the result of these efforts, that the attitude of the leading powers remains substantially unchanged since the monetary conference of 1881, nor is it to be questioned that the views of these governments are in each instance supported by the weight of public opinion.

The steps thus taken have therefore only more fully demonstrated the uselessness of further attempts at present to arrive at any agreement on the subject with other nations.

Mr. President, I desire to read a little more of what was said in 1885. The President himself now refers to international agreement just as if there were a possibility of such a thing. I quote now from Senate Executive Document No. 29, Forty-ninth Congress, first session, being a message of the President of the United States, transmitting, in response to Senate resolution of December 9, 1885, a report of the Secretary of State, with information relative to the gold and silver coinage of Europe. This is the report of the Secretary of State transmitting letters to Mr. Manton Marble from the Secretary of State to Mr. Phelps, our minister to Great Britain, and to Mr. McLane, our minister to France, etc. They were instructed to make full inquiry. Mr. Phelps says to Mr. Bayard (No. 4, page 5):

From these, as well as other sources, I am satisfied that the British Government will inflexibly—

Now, listen, Mr. President—

From these, as well as other sources, I am satisfied that the British Government will inflexibly adhere to their past and present policy in respect to coinage; that they will not depart from the gold standard now and so long established; that they will not become party to any international arrangement or union for the creation of a bimetallic standard or of a common ratio between gold and silver, for the purpose of making both an unlimited legal tender, nor adopt such double standard or common ratio in Great Britain. On this point both political parties quite concur, and I believe that if either were to attempt to introduce such a departure from the existing money standard it would be driven out of power by the force of public opinion.

Now I quote from McLane to Secretary Bayard:

Referring to my separate dispatch, under date September 11, I have to renew the opinion therein expressed, that while France would gladly receive the intelligence that the United States would adopt the French ratio of 15½ of silver to 1 of gold, no consideration of future consequences, whether for good or evil, could induce her to adopt the American ratio of 16 to 1; still less would she adopt any higher ratio to assimilate the present commercial or market value of silver with the value of gold, nor would she consent at any ratio now to permit an unrestricted or even a limited coinage of silver at her mints, the present opinion and purpose of her Government and people being to maintain, if possible, the two metals at their present ratio of 15½ to 1 in domestic circulation and international exchange.

Now I read from Hon. George H. Pendleton to Mr. Bayard, on page 9:

The adhesion of Germany to an international bimetallic union, such as was proposed by the United States and France in 1881, can scarcely be expected, it seems to me, within any limit of time now to be predicted.

The coöperation of Germany in an international bimetallic union may be sought with fair hopes of success whenever it becomes possible to include in such a union England and Russia, the former of which seems to cleave tenaciously to her gold monometallism, while the latter staggers under the evils of a depreciated and largely fluctuating paper money. The adhesion of England at least is certainly now, and would probably for an indefinite period be, regarded by Germany as a *sine qua non*.

I will read a few more extracts from this document. There was an international monetary conference of the Latin Union held in Paris in 1885 among European nations only, at some exposition there, and Mr. George Walker was delegated by President Cleveland to represent the United States. I wish to read a few lines to show the financial standing of the Administration at that time. Mr. Walker was consul-general there, and this is his observation addressed to the delegates of the Latin monetary union assembled in conference at Paris July 20, 1885:

I am instructed to say to you that the policy of the new American Government, in respect to the continuance of silver coinage, does not differ from that of its predecessors. The newly elected President, Mr. Cleveland, on the 24th of February last, in reply to a letter addressed to him by certain members of the House of Representatives, before his assumption of office, declared his opinions very frankly on the silver question, and showed himself to be in perfect accord with the Presidents who have preceded him, on the essential question now under discussion in the United States—namely, the continuance of silver coinage under the Bland bill. He did not hesitate to avow that it was, in his opinion, the duty of Congress to suspend further coinage.

He declared that a disastrous crisis was close at hand in which gold is likely to disappear from circulation and when we shall be reduced to silver alone; that under the operation of the silver coinage law the flow of gold into the Federal Treasury had been steadily diminished, and that silver and silver certificates had displaced, and were then displacing, gold in the Treasury, and that the sum of gold available for the payment of the gold obligations of the United States, and for the redemption of the circulating notes called "greenbacks," if not already encroached upon, was perilously near such an encroachment.

These being the facts of our present condition, our danger, and our duty to avert the danger seemed to the President to be plain. To maintain and to continue in use the mass of our gold coin is possible by a present suspension of the purchase and coinage of silver, and the President affirmed that he was not aware that by any other method it is possible.

That is a beautiful message to convey to bimetallists in Europe in 1885, that this country was going to destruction, that our gold was being driven out of the country and out of our Treasury, and that we would not have gold enough left to redeem the greenbacks. These dire disasters are repeated as the predictions of our President in 1885, and that there was no difference between his position on the finances and the position of his Republican predecessors. I thought there was some difference. I may have been mistaken.

It does seem to me that these things show beyond any question whatever the impossibility of international bimetallism. Mr. Cleveland's own agents and representatives sent there have demonstrated the fact.

I wish to settle this matter beyond any possibility of doubt. Hon. Edward Atkinson was sent as a representative of this Government by Mr. Bayard in 1887. His report is found in the reports of the United States consuls, October, 1887, volume 24. I will read just enough to give an idea of his views. Remember, this is the same gentleman who had the exaggerated idea in his mind of mountains of silver in Mexico, and how the silver metal could be melted away from it and produced in an open hearth, as it were. Mr. Atkinson's report is dated October 1, 1887. He says:

I have further stated that if the principal commercial and manufacturing states of Europe had no immediate intention of changing from the present status of a limited coinage of silver for subsidiary use, the standard of full legal tender being limited in practice to gold coin only, then it might become the true policy of the United States to take action to maintain the gold dollar as the "unit of value" according to the present statute, and for the Executive to recommend to Congress suitable measures, if any further action is necessary, to maintain permanently the present interchangeable quality or convertibility of our currency into gold coin on demand, whether consisting of notes, silver coin, or silver certificates.

A magnificent representative of bimetallism in the United States, going to Europe as representing President Cleveland's first Administration, and telling them that he wanted to know what they were doing, and if they did not do something it might become necessary for the United States "to maintain the gold dollar as the unit of value according to the present statute, and for the Executive to recommend to Congress suitable measures, if any further recognition is necessary, to maintain permanently the present interchangeable quality or convertibility of our currency into gold coin on demand, whether consisting of notes, silver coin, or silver certificates." This is remarkable language for a delegate of the United States in a foreign country attempting to establish bimetallism. Permit me to say that too often in our efforts for international bimetallism have we been represented in the same way, beginning at the statistical congress in 1863, and the monetary conference of 1865, and so on. But he says:

I have reason to believe that my efforts in this direction may have partly removed the dread of a prospective "avalanche of silver," as it is sometimes called, from the continent of North America, especially from the United States, and that this fear, which has been perhaps the most potent cause of the unwillingness even to consider the question of bimetallism, may be wholly removed by the further investigation as to the relative production of silver and gold which may ensue. Another dread may also have been removed, to wit, that of a sudden change of policy in the United States leading to the cessation of silver coinage and also to the possible attempt to dispose of a considerable part of the present stock of silver coin.

Oh, yes, he has disabused the mind of that, and yet told them that we would do it. What is his belief? Here is the point that I wish specially to bring out:

1. There is no prospect of any change in the present monetary system of European states which can modify or influence the financial policy of the United States at the present time.
2. There are no indications of any change in the policy of the financial authorities of the several states visited by me which warrant any expectation that the subject of a bimetallic treaty for a common legal tender, coupled with the free coinage of silver, will be seriously considered at the present time by them.
3. There is no indication that the subject of bimetallism has received any intelligent or serious consideration outside of a small circle in each country named, as a probable or possible remedy for the existing causes of alleged depression in trade.
4. There is no considerable politically organized body of influential persons in either country with whom a combination could be made, if such a combination or coöperation were desirable on the part of a similar body in the United States for promoting any definite or practicable measures of legislation to bring about the adoption of the bimetallic theory according to the commonly accepted meaning of that term. The discussion is as yet almost wholly personal, and without concentration of purpose or the presentation of any well-devised measure capable of being acted upon.

Mr. President, it does seem to me that this ought to be sufficient to satisfy anyone that bimetallism by international agreement is an impossibility. It is useless for us to waste time in trying to get foreign nations to agree upon international bimetallism with us.

The quotation I have just read is a graphic, painful, and yet, doubtless, truthful statement of the views and opinions generally prevalent in Europe in regard to the motives and purposes of our Government. Their origin is easily traced, and Mr. Atkinson is in part responsible for their existence.

The financiers, statisticians, and business men of Europe read and believed all the exaggerations, to use a very mild term, in regard to the certain deluge of the world with the precious metals, and the statements made in our efforts to establish the single gold standard and the resulting action and legislation of our own and their own Governments, discriminating in favor of gold and against silver, and then as soon as gold had been enthroned as the only money, the changed hue and cry raised by the gold monometallists in this country as to the excessive production of silver, and then the bitter denunciations poured out against every effort made in this country to restore silver as a money metal and the unfounded statements as to the production of silver and the refusal of our own people to use the silver dollars as money, and very naturally came to entertain the views, opinions, and feelings so forcibly stated by Mr. Atkinson.

It is therefore useless to make any further efforts for any international agreement to restore silver as a money metal to its old equality and par with gold.

But, Mr. President, we were not satisfied with what was done in 1885, 1886, and 1887; and when the Presidential election was to be held in 1892 the sundry civil appropriation law contained a provision for an international monetary conference and the delegates were appointed by President Harrison to meet, I think, in November, 1892. They were Senators ALLISON of Iowa, and JOHN P. JONES of Nevada, and Representative JAMES B. MCCREARY, and Messrs. Henry W. Cannon, E. Benjamin Andrews, and Edwin H. Terrell.

Mr. ALLISON. I think the Senator should state in this connection that the President of the United States had already invited the nations in conference before the clause was inserted in the appropriation act to which he refers.

Mr. COCKRELL. I think that was done in pursuance of a former provision for that object.

Mr. ALLISON. The invitation had already been extended to those governments before the item to which the Senator alludes was inserted in the appropriation act.

Mr. COCKRELL. I understand that, but I say it was in pursuance of some existing provision of law. I hold in my hand the report of the International Monetary Conference at Brussels. I will not consume the time of the Senate in reading it, but at p ge 50 the delegate of Germany gave his views to show that they did not want to make any change, and at pages 69 and 70 Mr. Rothschild said:

> Apart from other considerations, it seems to me impossible to come to an universal arrangement in respect to a general currency question, as no two countries are alike as regards their individual wealth, resources, and expenditure.

Now look at pages 203, 205, and 206, and we will see the position of France:

> France, under present circumstances, has no cause to complain of her monetary situation, and she does not complain.
>
> She has attempted at various times, and notably in 1881, to come to an agreement with the United States, and it was thus that the way was paved for the conference of 1881, which was only a continuation of that of 1878.

Then on page 205:

> If France and the Latin Union—I believe that for the moment I may speak in its name—should alone open their mints to the free coinage of silver, all the surplus silver of the United States and of Mexico would go to France, to Italy, to Belgium. And where would these countries be able to use it? Nowhere, since in the rest of Europe none wish to admit it as legal tender.
>
> I should never advise such a measure to the government which I have the honor to represent.
>
> If, on the contrary, other European powers, such as England, the German Empire, the Austro-Hungarian Empire, the Scandinavian States, and others, would consent to open their mints to the free coinage of silver, then the aspect of the question would be changed. But have we reached that point?

And then on page 206:

> Since the first day we have heard upon this point declarations which were perfectly frank and sincere, declarations for which I, on my part, am grate-

ful to their authors, because it is well to know upon what we may rely. We have heard the minister of Germany and the minister of Austria-Hungary, and then Sir Rivers Wilson declare that neither Germany nor Austria-Hungary nor England had any intention of modifying their monetary systems, with which they declared themselves satisfied. Under these conditions we evidently can not reëstablish free coinage, and I have not the vanity to believe that I should succeed in pursuading the governments of these great countries and their eminent representatives that they are mistaken, that they have taken the wrong road, and that they are in error in remaining attached to monometallism.

I consider, therefore, until some change takes place, that the question of free coinage is decided so far as we are concerned.

On page 361 of this same report is other evidence to the same effect. I will not quote that, nor ask to have it printed, because it is simply the declaration of Mr. Currie as to what England would do, and of Mr. Wilson, both of them saying that England would under no circumstances agree to it. So it does seem to me that each nation, as each individual, must work out its own destiny. International bimetallism in impossible.

Mr. HAWLEY. Will the Senator allow me to ask him a question.

Mr. COCKRELL. Certainly.

Mr. HAWLEY. Do I understand him to claim that the nations generally are opposed to an international agreement?

Mr. COCKRELL. I have not yet found one solitary nation, in all the international conferences, that was willing to give up its monetary system for any other one that was proposed.

Mr. HAWLEY. Let me call the Senator's attention to the somewhat famous debate in the House of Commons last March, in which several members said substantially that Great Britain alone is in the way of an international agreement. If the Senator will look at the document from which he has just been reading he will find in one of what I may call the minority reports the statement of Mr. Leonard Courtney, as follows:

I am myself drawn to the conclusion that the home Government is the greatest obstacle, perhaps the only substantial obstacle, to the establishment of an international agreement for the use of silver as money, which, without attempting to restore the position of twenty years since, would relieve India from the anxiety of a further depreciation of its revenue in relation to its liabilities.

I think it is the understanding of the bimetallists of Great Britain that it is only their Government, and perhaps only the existing ministry, that stands in the way.

Mr. COCKRELL. I understand; but you may read quotations from the remarks of this distinguished citizen and all the others and you will find even in the Brussels conference that one of the English delegates differed from the others. But I wish to read what Mr. Edward Atkinson said in regard to those cases:

There is no considerable politically organized body of influential persons in either country with whom a combination could be made, if such a combination or coöperation were desirable on the part of a similar body in the United States for promoting any definite or practicable measures of legislation to bring about the adoption of the bimetallic theory according to the commonly accepted meaning of that term. The discussion is as yet almost wholly personal, and without concentration of purpose or the presentation of any well-devised measure capable of being acted upon.

That is the point I make. You can find distinguished Englishmen, and Germans, and Frenchmen, and others who are advocating bimetallism; and we all know that as England commenced the movement for a gold standard and established it she has determined to maintain it ever since, and that she will not change under any conditions until her Government is overthrown, until the power that rules there is overthrown. It will take a cabinet, it will take a House of Commons entirely changed from the present complexion of all the political parties there. The time may come, and I hope it will, but it will only come by open and free discussion before the people of England. It will not come by any measures of the aristocratic and plutocratic class that control the administration of the Government.

International bimetallism is a mere dream. Look at it a moment. You had just as well seek an international language. International bimetallism was prevented when the language of the world was confused at the Tower of Babel and the people were scattered, forming independent nations, each nation to take care of itself and work out its own destiny. We have been trying to get an international agreement upon weights and measures ever since our Government was organized and yet we have not obtained it.

Mr. President, it is not necessary, it is not essential. Every government establishes its own system. It has its own constitution; it has its own laws; it has its own distinctive features peculiar to its own people; its own traditions, its own ancestral memories and cherished antiquities. They will adhere to them; they will not give them up easily. England will not give up her pound sterling. The people of the United States will not give up their dollar.

Mr. HAWLEY. By the way, Mr. President, the Senator will allow me to observe that it happens to be the old Spanish coin, and we borrowed it from another country. The Senator says there is no international relation between our Government and others in the matter of currency. We founded our dollar upon the Spanish dollar.

Mr. COCKRELL. We were scarcely anybody; a few citizens of other countries residing upon this soil under the dominion of England. As a matter of course we had nothing of our own, separate and distinct from other people. But we were rebellious. We rebelled. We established our rebellion into revolution and patriotism, and we established our Government, and then we established dollars and cents as the money of account, not pounds, shillings, and pence, not francs, but dollars and cents; and we made the silver dollar which was in circulation amongst us a Spanish coined dollar, because we had no mints, we had no coinage, we had no silver produced in this country to coin if we we wanted it, so that we had to take a foreign coin and have it made into our standard dollar. We adopted that, and we have maintained it. Then we were only about three and a half million in population I believe, but we did not consult the King of England, we did not bow the knee to His Majesty, and ask him what kind of a financial system we should establish. We did not bow to France and ask her to coöperate with us in establishing a financial system for our youthful Republic. We had some confidence in our own individuality and some self-reliance, and some determination to maintain our independence and our nationality and our principles and our policies in the face of the world.

Mr. ALLISON. Will the Senator allow me for a moment to call his attention to the fact that we adopted as nearly as we could their system and the ratio which we supposed they maintained between the two metals?

Mr. COCKRELL. That who maintained?

Mr. ALLISON. England and France. We did not adopt the Spanish ratio. We adopted as nearly as we could the ratio which was then supposed to exist in continental Europe and in England.

Mr. COCKRELL. We adopted what was believed to be the weight of the money current in our country, and you will find it on a critical examination made of the Spanish dollar and the number of grains it was supposed to contain, and then we made it to correspond with that.

Mr. ALLISON. That is very true; but when we did that we also adopted a ratio between that and gold which should make both metals, as was supposed, circulate freely in our own country as they were then circulating, but for war, in all Europe.

Mr. COCKRELL. I beg pardon; in 1785 France had established the bimetallic system at the ratio of 15½ to 1. It was in the law. It was not done in 1803. Then, when our Constitution was formed and when we came to the mint question in 1792 we had the record of France before us establishing her standard of 15½ to 1, and we did not establish it.

Mr. ALLISON. If the Senator will allow me a moment, I will state that the ratio adopted in 1785 in France was not then a practical ratio as to coinage.

Mr. COCKRELL. Why not a practical ratio?

Mr. ALLISON. Because very soon after it was adopted they went to the system of paper money and had neither gold nor silver.

Mr. COCKRELL. Oh, they did have gold and silver.

Mr. ALLISON. They did not have it in circulation.

Mr. COCKRELL. I beg pardon; it was the lawful ratio, the legal ratio, I understand.

Mr. ALLISON. I agree with that.

Mr. COCKRELL. And it prescribed it exactly. Now, in our act of 1792 establishing the mint we established a system of 15 to 1. That was not the system of France at that time; it was not the system of England.

Mr. ALLISON. Fifteen and two hundred and eleven one-thousandths, or very near that, was the system.

Mr. COCKRELL. Fifteen and two-tenths was that of England. Ours was not the system of any other nation; and as I understand it was ascertained from the reports that were then made by the officers to whom reference was made, and especially with the Spanish dollars.

Mr. HARRIS. A thousand Spanish milled dollars were taken.

Mr. COCKRELL. A thousand milled dollars were taken and assayed, and from their assay we established our ratio.

But, Mr. President, we must present after a century of existence a wonderful spectacle to foreign nations. Think of it! After we had rejected international bimetallism in 1865-67 and then went on and established our single gold standard, we did not ask other nations to agree with us there. The Senator from Ohio, when he led the gold monometallic hosts of this country, unknown among the masses of the people, unrecognized, and thereby secured the law of February 12, 1873, did not go and consult other countries. He did not even reduce the gold in the gold dollar 3½ cents, as he promised to do in France, in order to make them abandon silver. No, no; but the very moment the friends of silver, the true bimetallists, make an effort to restore silver in this country, then we hear the plea for international conferences and international agreements.

European nations, suspicious and jealous of this great Republic, the greatest and most powerful nation to-day in all the essential elements of an independent nationality, can not believe our efforts to secure international bimetallism to be pure and disinterested and unselfish. They know what we have told them heretofore; they think something is concealed; they look with wonder, admiration, and astonishment at our remarkable career as a young nation, our unparalleled development and progress. They beheld us only a few years ago engaged in the most fearful fratricidal war ever waged on earth. They saw us emerge from that war an indisolluble union of indestructible States, with our financial resources apparently exhausted, with an enormous debt—a debt on August 31, 1865, of $2,845,907,626.56, and wondered how we could ever liquidate it. They have watched our progress more closely than we imagine. They have seen us raise the revenues and pay in discharge of that vast debt the enormous sums of $1,701,590,978.80 of the principal, and $2,370,616,966.70 of the interest, aggregating $4,072,207,945.50 up to August 31, 1893, in principal and interest paid on our national bebt.

In addition, they have seen us collect from our revenues $6,953,990,881, paid out in defraying the ordinary expenses of our National Government, making a total expenditure of $11,036,198,837 from August 31, 1865, up to August 31, 1893—an amazing result, never before in the history of the world achieved by any other nation.

The nations of the world stand aghast at our hesitation, our refusal, our timidity to establish independently of them our own monetary system and policy. They can not understand why we are time after time beseeching them to meet in international conferences to agree upon the policy we shall pursue. Out of mere deference to us as a nation they generally accept our invitations and meet with our delegates, and then tell them, and through them tell us and the world, that they each have their own systems and policies and are content and do not desire to change.

Great Britain tells us that her gold monometallism is satisfactory and she does not desire a change. Prussia told us in the conference of 1867 that she was content with her single silver standard adopted in 1857; yet she did not deign to consult us or any other nation when she changed to the single gold standard in 1871 and 1873, nor did Russia, Denmark, Norway and Sweden, Austria-Hungary, or any other European nation.

France in 1867 held out to us the willing hand of a true bimetallic system and we knocked it back in her face by peremptorily refusing to recognize silver and demanding the single gold standard as the American idea, of which great feat of statesmanship the distinguished Senator from Ohio boasted in his report quoted. They met us in friendly conference in 1878, and very politely recalled to us our own exaggerations and statements, and our conduct in the statistical congress of 1863, and the monetary conference of 1867, and reminded our delegates that we had not done what we were urging them to do, that the Bland bill as passed by the House was for the free and unlimited coinage of the standard dollar, and was subsequently changed to a limited coinage measure, and only the minimum coined. They have placed us on the defensive in every convention. They know as well as we do that our representatives deceived and misled them by the unfounded and exaggerated statements of our auriferous and argentiferous productions, made in 1863, and again in 1867, and upon which and under the belief of the truth of which they made the changes in their monetary standards I have shown.

· They ever since have viewed, and now view, with suspicion and doubt the real facts we show them from official records, the truth as it is.

Shall we longer plead with them our dependence, our inability to establish and maintain our own national monetary system, such a one as we desire?

Let us take an exact review of the relative conditions existing in the past and at present between silver and gold, in order to determine our line of duty and interest now.

According to the tables published in the report of the Director of the Mint, showing the ratio of silver to gold each year since 1687, we find the ratio in 1687 was 14.94 silver to 1 of gold, or 14.94 to 1; and in 1871 was 15.57 to 1, and that the two greatest divergencies from this ratio were in 1760, when the ratio was 14.14 to 1, and in 1813, when the ratio was 16.25 to 1; but in the next year, 1814, it was 15.04 to 1.

The average ratios during these one hundred and eighty-five years, 1687–1872, was about 15.5 to 1, showing a remarkable steadiness in the relative values. The ratio in 1872 was 15.63 to 1; in 1873, 15.92 to 1; in 1874, 16.17 to 1; in 1875, 16.59 to 1; in 1876, 17.88 to 1, and in 1888, 21.99 to 1, and in 1889, 22.10 to 1; in 1890, 19.76 to 1; in 1891, 20.92 to 1; 1892, 23.72 to 1; 1893, 28.52 to 1.

These ratios are taken from 1687 to 1832 from tables by Dr. Soetbeer from quotations of such prices at Hamburg; and from 1833 to 1878 from Pixley & Abell's tables of quotations in the London market; and since 1878 from the daily telegrams from London to our Mint Bureau.

London for many years has been the great market for the world in fixing the price of silver as a metal by the gold standard.

We see here a remarkable stability in the ratios from 1687 to and including 1872, at or about the average of 15.5 to 1.

We see a wide divergence in their ratios since 1873. What caused this divergence?

I assert that it was not caused by any excessive production of silver over gold throughout the world.

In proof of this I give the following statements of the average percentage in the value of gold to silver in the productions of the world, in the periods of years indicated:

Statement of the production of gold and silver in the world since the discovery of America.

[From 1493 to 1885 is from table of averages for certain periods compiled by Dr. Adolph Soetbeer. For the years 1886–1892 the production is the annual estimate of the Bureau of the Mint.]

Period.	Total value of gold for the period.	Total coining value of silver for the period.	Percentage of production.			
			By weight.		By value.	
			Gold.	Silver.	Gold.	Silver.
1493–1520	$107,931,000	$54,703,000	11.0	89.0	66.4	33.6
1521–1544	114,205,000	89,986,000	7.4	92.6	55.9	44.1
1545–1560	90,492,000	207,240,000	2.7	97.3	30.4	69.6
1561–1580	90,917,000	248,990,000	2.2	97.8	26.7	73.3
1581–1600	98,095,000	348,254,000	1.7	98.3	22.0	78.0
1601–1620	113,248,000	351,579,000	2.0	98.0	24.4	75.6
1621–1640	110,324,000	327,221,000	2.1	97.9	25.2	74.8

Statement of the production of gold and silver in the world, etc.—Continued.

Period.	Total value of gold for the period.	Total coining value of silver for the period.	Percentage of production.			
			By weight.		By value.	
			Gold.	Silver.	Gold.	Silver.
1641-1660	116,571,000	304,525,000	2.3	97.7	27.7	72.3
1661-1680	123,084,000	280,166,000	2.7	97.3	30.5	69.5
1681-1700	143,088,000	284,240,000	3.1	96.9	33.5	66.5
1701-1720	170,403,000	295,629,000	3.5	96.5	36.6	63.4
1721-1740	253,611,000	358,480,000	4.2	95.8	41.4	58.6
1741-1760	327,116,000	443,232,000	4.4	95.6	42.5	57.5
1761-1780	275,211,000	542,658,000	3.1	96.9	33.7	66.3
1781-1800	236,464,000	730,810,000	2.0	98.0	24.4	75.6
1801-1810	118,152,000	371,677,000	1.9	98.1	24.1	75.9
1811-1820	76,063,000	224,786,000	2.1	97.9	25.3	74.7
1821-1830	94,479,000	191,444.000	3.0	97.0	33.0	67.0
1831-1840	134,841,000	247,930,000	3.3	96.7	35.2	64.8
1841-1850	363,928,000	324,400,000	6.6	93.4	52.9	47.1
1851-1855	662,566,000	184,169,000	18.4	81.6	78.3	21.7
1856-1860	670,415,000	188,092,000	18.2	81.8	78.1	21.9
1861-1865	614,944,000	228,861,000	14.4	85.6	72.9	27.1
1866-1870	618,071,000	278,313,000	12.7	87.3	70.0	30.0
1871-1875	577,083,000	409,322,000	8.1	91.9	58.6	41.4
1876-1880	572,931,000	509,256,000	6.6	93.4	53.0	47.0
1881-1885	495,582,000	594,773,000	5.0	95.0	45.5	54.5
1886	106,000,000	120,600,000	5.2	94.8	46.8	53.2
1887	105,302,000	124,366,000	5.0	95.0	45.9	54.1
1888	109,900,000	142,107,000	4.6	95.4	43.6	56.4
1889	118,800,000	162,690,000	4.4	95.6	42.2	57.8
1890	113,150,000	172,215,000	4.0	96.0	39.7	60.3
1891	120,519,000	186,733,000	3.9	96.1	39.2	60.8
1892	130,817,000	196,605,000	4.0	96.0	40.0	60.0
Total	8,204,303,000	9,726,072,000	5.0	95.0	45.8	54.2

The average percentage for the whole period is 45.8 to 54.2.

From the discovery of America in 1492 to this date, four hundred years, of every dollar of the world's aggregate product of both gold and silver, 45.8 cents were gold and 54.2 cents were silver.

The information available for estimates of the world's production of gold and silver prior to 1687 is not considered definite or reliable by Dr. A. Soetbeer, of Germany, now deceased, who in my opinion was the most impartial and accurate of statisticians, and was a single gold standard advocate.

The estimates of the ratios of silver to gold throughout the world prior to 1687 are uncertain and unreliable, as little is known with certainty as to the fineness of the gold or silver in the coins.

From the reports of the Director of the Mint, I have compiled some data.

In the years 1801 to 1810, inclusive, of the world's production of gold and silver, the proportion or percentage of gold to silver was 24.1 dollars or 24.1 cents of gold to 75.9 dollars or cents of silver. Notwithstanding this large difference in the product, there was great stability in the ratios or relative values.

In the ten years, 1852-1861, inclusive, the world produced $1,724,750,000 of gold and silver, of which the gold was $1,314,-150,000, or 76.2 per cent, while the silver produced was only $410,600,000, or 23.8 per cent, and yet there was no very great divergence in their ratios or relative values. The cause of this remarkable stability in ratio or value was the fact that the mints of the United States were open to the free and unlimited coinage of silver at 16 to 1. And the mints of France from October 30, 1785, were open to like coinage at the ratio of 15½ to 1.

There was a scare in this period of 1852-1861 in regard to an overflow, a deluge of gold from California and Australia, very similar to the scare since that date in regard first to an overflow, a deluge, of both metals, and then when gold was enthroned as the single standard, as I have shown—then as to an overflow—a deluge of silver—which still exists in the vain imaginations of our gold monometallist bimetallic friends.

Have these doctrinaire prophets, Mr. Ruggles, Senator SHERMAN, and others realized the falsity of their predictions and the true facts as to the production of gold and silver? Please recall their fairy tales of the production from our own mines of from two hundred to four hundred millions annually, so persistently proclaimed in Europe in 1863 to 1868, and then hear the truth as shown by the records.

In the ten years, 1862 to 1871, inclusive, the production of gold and silver in the entire world was only $1,616,200,000, an annual average of only $161,620,000 of both metals. Think of it. Mr. Ruggles and Mr. SHERMAN told them we were going to produce from $200,000,000 to $400,000,000 a year in the United States alone, and yet the world produced in that time only an annual average of $161,620,000 of both metals, gold and silver.

In this period the gold product alone was $1,102,825,000, or 68.24 per cent of the aggregate product of both metals, while the silver product was only $513,375,000, or only 31.76 per cent of the aggregate product.

During the entire period, when these sages and doctrinaire statesmen were enthroning gold and demanding the single gold standard, refusing to agree with the nations of the Latin Union to free and unlimited bimetallic coinage, and practically driving them to join in degrading, depreciating, and demonetizing silver and destroying nearly one-half of the world's money, the world was producing 68.24 dollars of gold to 31.76 dollars of silver.

These facts throw an arc electric light upon the unreliability and the falsity of the judgment, opinions, and predictions of such leaders. If so egregiously mistaken then, may not they be mistaken now, and their prophetic warnings prove a delusion, a snare, a will-o'-the-wisp?

Take the entire period, 1862 to 1892, inclusive, thirty-one years, and the world's product of gold and silver has been $6,284,666,000, an annual average of only $202,731,161.

During this period the gold product has been $3,359,422,000, or 53.45 per cent of the aggregate of both metals, while the silver product has been only $2,925,144,000, or 46.55 per cent of the aggregate.

If every nation had had at the beginning of this period of thirty-one years an adequate supply of gold and silver for all monetary purposes, then this annual average product of both metals, after deducting the demands for such metals for industrial purposes and the loss by wear and tear and abrasion, would have been barely sufficient to maintain the average per capita circulation required by the increase of population and to meet the increasing demands for money in the rapidly expanding commerce of the nations of the earth, domestic and foreign.

What has been the product of gold and silver in the United

States? In the twelve years, 1862 to 1873, inclusive, the aggregate product of gold and silver in the United States was $733,000,000, an annual average product of only $61,083,333.33⅓. The gold product was $546,750,000, an annual average of $45,562,500, or 74.60 per cent of the aggregate, while the silver product was only $186,250,000, an annual average of $15,520,833, or only 25.40 per cent of the aggregate—about one-third.

These figures, in juxtaposition with the deliberate, carefully prepared statements of our distinguished representatives and officials, published by them to the nations of the world in 1863 and since, should bring crimson to their cheeks. I do not give them to the Senate as a pattern to imitate, but as an example to deter

The largest yield of gold in any one year in the United States was $65,000,000 in the calendar year 1853. The largest yields since 1862 were $53,500,000 in 1866, $53,225,000 in 1865, and $51,725,000 in 1867, while our annual average yield of gold in the twelve years, 1881-1892, inclusive, was only $32,733,000. These facts seem to me to prove conclusively that the depreciation of silver has not been caused by any excessive production relatively to gold.

The conclusion seems to me irresistible that the depreciation has been caused almost entirely by the legislation of the various nations discriminating against silver and in favor of gold, closing their mints against the free and unlimited coinage of silver, making it a mere commodity—merchandise, and keeping their mints open to gold, and making gold, in bullion as well as in coin, money with full legal tender, and thereby appreciating and increasing the value of gold.

I can not forbear at this point to prove this beyond a reasonable doubt by the solemn declarations of the senior Senator from Ohio:

I quote from Senator SHERMAN'S speech in the Senate on April 11, 1876. He said:

The enormous effect of this law in Germany—

Referring to the demonetization of silver there—

The enormous effect of this law in Germany, and as a consequence the partial demonetization of silver coins, I suppose is felt by every man, woman and child who buys or sells anything. I suppose there is no act of any parliament that has so wide-reaching effect as this act of the German Parliament. The amount of coin in the world is estimated by Mr. Seyd and other technical writers at $3,200,000,000 silver and $3,500,000,000 in gold. So the effect of the act of Germany, aided no doubt somewhat by the large supply of silver by our mines, has been to reduce the purchasing power of the whole of this enormous sum of thirty-two hundred millions of silver fully 10 per cent. The fall of the silver trade dollar in this country has been from 103 to 91.

This effect extended itself to what is called the Latin League, who feared that German silver would be carried rapidly into Italy, France, and the nations of the league, for coinage purposes, and they interfered at once and stopped the coinage of silver. It also created an impression in India; so that, for the first time for two hundred years, the current flow of silver into China and India was arrested, but only for a short time, however. It is one of the remarkable currents of trade in the history of mankind that with the silver that has been coined in the world the greater part flows in a continuous stream into these Oriental countries; and for three or four months a feeling of alarm was created there lest that which they cherish as the measure of all their values should become valueless to them. It created a partial panic, but that panic has passed, and now the stream goes on; silver flows into India and China and all the Asiatic countries as heretofore.

That was not the worst of it. A struggle for the possession of gold at once arose between all the great nations, because everybody could see that if $3,200,000,000 of silver coin were demonetized and $3,500,000,000 of gold coin made the sole standard it would enormously add to the value of gold, and the Bank of France, the Bank of England, and the Imperial Bank of Germany at once commenced grasping for gold in whatever form. Therefore what we have observed recently is not so much a fall of silver as it is a rise of gold, the inevitable effect of a fear of the demonetization of silver; and now the Bank of France has in its vaults the enormous amount of $300,000,000 of gold in coin and bullion; the Bank of England has $170,000,000, and the Imperial Bank of Germany, has $125,000,000. So in these three depositories there is over $600,000,000 of gold, or nearly one-fifth of the supply of the world.

Then in the same speech the Senator from Ohio said:

The demonetizing of silver tends to add to the value of gold, and though its relative value changes it is more stable compared to gold than any other metal or production.

This was the Senator from Ohio in 1876, who was then apparently perfectly unconscious of having himself done anything to contribute to the action of Germany in the change from a single silver standard to a single gold standard, perfectly unconscious that anybody paid any attention to his refusal there in France as a Senator of the United States and chairman of the Finance Committee, to join Mr. Ruggles in agreeing upon the bimetallic system of the Latin Union in 1867, which was offered to us.

A bird's-eye view of all these actions will only occupy a few moments.

In 1870 the mints of all Europe, except Great Britain, Portugal, and Turkey, were open to the free and unlimited coinage of silver into full legal-tender money, the same as gold, at the ratio of 15½ to 1, and the mints of the United States, in the same condition, at the ratio of 16 to 1; and silver as metal and money at such ratio was the full equal of gold, and there was a greater demand for silver for monetary purposes than there was a supply.

In July, 1870, the Government of Sweden and Norway created the monetary commission, joined by Denmark in 1872, and the result was the abandonment of their single silver standard and the adoption of the single gold standard.

In 1871 Germany instituted her change from a single silver standard to the single gold standard, and completed the same July 9, 1873.

The United States, by the coinage act of February 12, 1873, prohibited the coinage of the standard silver dollar and established the single gold standard.

On January 30, 1874, the nations of the Latin Union by a supplementary treaty denied free coinage of silver to individuals, limited their coinage, and finally, in 1877, suspended further coinage of full legal-tender silver.

In 1875-'76 the Netherlands changed from the single silver standard to a single gold standard and stopped the free coinage of silver.

In 1876 Russia suspended the free coinage of silver.

Look at these unprecedented changes. What is the inevitable result? An immense mass, many hundreds of millions of coined silver money made a mere metal commodity, like iron, and thrown upon the markets for sale as such.

This mass of demonetized silver coins made an abnormal addition to the current production of silver, created for the time grave apprehensions as to its future use as money, and destroyed largely the demand for its monetary use, and at the same time created an abnormal and unprecedented demand for an amount of gold to supply its place for money far beyond the sufficiency of the existing stock of gold then in the world and the current production to supply it.

The natural and inevitable result followed: The depreciation of silver measured by gold as money, and a rapid increase or appreciation in the value of gold, not only as compared with silver, but also as compared with the staple products of the world, produced by the sweat and toil of the great masses of the people.

Not only did these great evils result, but the stable foundations of the monetary system of the world were grievously shaken by destruction, ruthlessly made, of one of the two foundations and pillars upon which they rested.

Gold monometallists, in their idolatrous devotion to and worship of the golden calf, were blind to the inevitable consequences. They feared no danger, no calamity, no evil, no impoverishment, no financial disturbances.

The true friends of silver and gold, the true bimetallists, alone foresaw the consequences and predicted them in unmistakable terms.

To prove this beyond cavil, I read the prophecies of Messrs. Seyd and Wolowski, republished in the United States in 1880 by Henry Carey Baird & Co., Philadelphia, in a small volume entitled "The Gold Standard; its causes, its effects, and its future," from the German of Baron William Von Kardorf-Wabnitz, who served more than ten years in the German Reichstag.

This is one of the most wonderful predictions in regard to financial matters which has ever been made in the world. It has been literally fulfilled, and is being fulfilled to-day:

Count Wolowski and Mr. Seyd published the following theses in 1868, the year in which the agitation for the introduction of the gold standard began in Paris—

This was in 1868, the very year that the Senator from Ohio introduced the bill in the United States Senate and made his famous report in favor of demonetizing silver and establishing the single gold standard in the United States. They say:

The demonetization of silver, they predicted, by any great civilized nation, must produce the following results:

1. The international trade of the world will instantly show signs of decline, to the special injury of countries having the largest international trade.

2. The spirit of public enterprise, in railroads and other useful undertakings, will be immediately checked, and consequently the general progress of civilization will suffer.

3. The decline in prices will compel countries internationally indebted to depart more and more from the principles of free trade toward a policy of protection.

4. The nations of the world will be divided into two groups—the one trading in gold, the other in silver—and this condition will render commerce between them unsafe and precarious.

5. Throughout the world a decline in prices will follow, injurious alike to owners of real property and the laboring classes, and advantageous only—and unjustly so—to the holders of State bonds and similar securities.

6. One of the principal difficulties in this period of general depression will be that people will look for its causes in all possible directions. The advocates of the gold standard will offer all possible groundless and fantastic excuses or reasons of a secondary nature only, and the real cause, the demonetization of silver, will be overlooked until the perspicuity of the phenomena and dire necessity shall force thinking men to point it out.

That is a remarkable and wonderful prophecy, and it has been carried out.

I now quote from Lord Beaconsfield, of England, in the same volume. The Senator from Ohio, as I shall quote hereafter, stated that nobody could anticipate such a thing. I want to show that there were some statesmen who did, even if he did not apprehend anything:

The views of Messrs. Seyd and Wolowski were also held by the distinguished statesman who is now the head of the British cabinet—Lord Beaconsfield—who, in 1878, foresaw the coming and the obstinancy of the recent great commercial crisis, and in his above-cited speech said:

"I attribute the great monetary disturbance that has occurred, and is now to a certain degree acting very injuriously to trade—I attribute it to the great changes which the governments in Europe are making with reference to their standards of value."

And again:

"It is quite evident we must prepare ourselves for great convulsions in the money market, not occasioned by speculation or any old cause, as has been alleged, but by a new cause with which we are not sufficiently acquainted, and the consequences of which are very embarrassing."

And finally:

"Convulsions must come, and no one will be able to form an adequate idea of the monetary derangement of the time in which he lives if he omits from his consideration the important subject to which I have called your attention."

I also refer to a quotation from Mr. Goschen, found at pages 51 and 52 of the conference of 1878. He said.

England had plainly stated her intention of maintaining her gold standard; Norway had said so, too; Germany was of the same opinion; while the Latin Union was not disposed at present to resume the free coinage of silver, or depart from the ratio of 1 to 15½, by which they are now bound. Very little, therefore, could result from the conference, because most of the states had decided beforehand on a particular policy. Austria, Italy, and Russia might vote for the proposition as a theoretical question, but having a forced currency they could not give practical support.

A theoretical discussion of the double standard, or of the advantages of the single standard, would accordingly, in his judgment, be a waste of time. Of what avail would it be to discuss theories out of which it was known beforehand no practical result could arise, and thus to lay down principles which one was not about to follow. If the question of the double standard, however, were set aside, another question might fairly be put to the conference, and one of a most practical and useful character. Assuming that the universal double standard preferred by the United States be not adopted, what will be the future of silver? And toward what end ought all states to work, as far as practicable? The aim, he thought, should be to maintain silver as the ally of gold in all parts of the world where this could be done. A campaign against silver would be extremely dangerous, even for countries with a gold standard.

* * * * * * *

The Indian government had suffered a great loss; the merchants had suffered from fluctuations in value, and public functionaries had suffered from the depreciation, but England had given proof of her faith in regard to silver by waiting to see whether it would not recover its former value. Had the example of other countries been followed in India, and precautions taken by limiting the mintage or introducing gold, silver might have fallen an additional 10 or 15 per cent. The *laissez faire* policy in India had done more than anything else to keep up the value of silver. If, however, other States were to carry on a propaganda in favor of a gold standard and of the demonetization of silver, the Indian government would be obliged to reconsider its position, and might be forced by events to take measures similar to those taken elsewhere. In that case the scramble to get rid of silver might provoke one of the gravest crises ever undergone by commerce. One or two states might demonetize silver without serious results, but if all demonetized, there would be no buyers, and silver would fall in alarming proportions. Thus all or nearly all states were interested in silver. He would not enter on the situation of France, but take the case of Belgium. Belgium had coined a large quantity of 5-franc pieces, and if the Latin Union came to an end, these coins would necessarily flow back to Belgium, which country would then not escape the general embarrassment.

If all states should resolve on the adoption of a gold standard, the question arose, would there be sufficient gold for the purpose without a tremendous crisis? There would be a fear, on the one hand, of a depreciation of silver, and one, on the other, of a rise in the value of gold and a corresponding fall in the prices of all commodities.

Again, there was a further important question. Italy, Russia, and Austria, whenever they resumed specie payments, would require metal, and if all other states went in the direction of a gold standard, these countries, too, would be forced to take gold. Resumption on their part would be facilitated by the maintenance of silver as a part of the legal tender of the world. The American proposal for a universal double standard seemed impossible of realization, a veritable Utopia; but the theory of a universal gold standard was equally Utopian, and, indeed, involved a false Utopia. It was better for the world at large that the two metals should continue in circulation than that one should be universally substituted for the other.

The conference could not adopt the American proposition, but an attempt might be made, perhaps, elsewhere, to overcome the temporary and abnormal difficulties created by the German stock of £15,000,000 of silver. At present there was a vicious circle; states were afraid of employing silver on account of the depreciation, and the depreciation continued because states refused to employ it. As long as this sum of £15,000,000 of silver was in the market, an expectant attitude must be maintained.

Mr. Mees, another delegate to that conference, said:

Mr. Mees stated that he had no instructions which would permit him to vote for the propositions of the United States. It is the opinion, he said, of the Government of the Netherlands that so long as England and Germany shall retain the system of the single gold standard, it will remain impossible for Holland to adopt another system. Not only she can not bind herself internationally in this matter, but she could not even adopt separately any other than her present system. Such was the sole declaration which the delegate of the Netherlands was authorized to make in the name of his Government.

* * * * * * *

Mr. Mees added that if the universal double standard was an Utopia, the single gold standard was also an Utopia, and one that would be very dangerous, if by some impossible combination of circumstances it should come to be realized. The general demonetization of silver undertaken everywhere at once would have the most fatal consequences. It would bring in its train an enormous depreciation in the value of that metal, and would occasion crises alarming in their economic effects. What would be better for everybody would be that the two metals should continue to serve simultaneously and, as Mr. Goschen had said, lend each other a mutual support.

Have these prophecies been fulfilled? Mr. President, no such prophets have ever made predictions in behalf of the gold standard and had them fulfilled. Here we have pointed out for successive years exactly what would result from the demonetization of silver. Here we have prophecies as to what it would be. What was the general result, all over the world, of this demonetization of silver? The general result, Mr. President, was a fall in the market value of all the great staple products of the world. I quote from Dr. A. Soetbeer, who made a thorough examination and a statement. He says:

Taking the whole one hundred articles together, we find that the general level of prices was higher in 1886 than in 1847-1850 by 4.96 per cent. The case is very different if we compare the average prices of 1886 with those of the period of 1871-1875. This becomes plain if we compare the prices of different groups in 1871-1875 and in 1886. Taking one hundred as the prices in 1871-1875, we find that a fall in prices had taken place, as follows:

	Per cent.
Group I. Agricultural products	31
Group II. Animal products	23
Group III. Southern products	7
Group IV. Tropical products	12
Group V. Minerals and metals	40
Group VI. Textile material	24
Group VII. Miscellaneous	32

For all the one hundred articles the comparative prices show a fall in 1886 compared to 1871-1875 of 22 per cent.

Mr. President, I will read a short extract from this same work, Gold Standard, from page 31:

If we observe that the commencement of the great crisis in the commerce and trade of the world coincides precisely with the demonetization of silver in North America and Germany, we shall easily perceive the connection of causes between that fact and these phenomena, and see that the mischievous results of the demonetization of silver must, from year to year, become more apparent.

But what was the result in England? England demonetized silver in 1816, and at that time England had depreciated paper money.

The immense resources—

I am reading from Gold Standard again, pages 16 and 17—

The immense resources of the British Empire; its supremacy in the commerce of the world; the rapid development of those astonishing industries, resting upon its natural treasures of iron and coal, which the inventions of Watt and Arkwright had called into life; the ceaseless influx of the wealth of India into the British Islands; all this could not prevent the fearful crises which the several rapidly changing phases of the British finance and banking policy necessarily brought on.

First, following out the doctrines of the prevailing financial school, there was a strong contraction of the note circulation in order to force the resumption of specie payments, in consequence of which a business and financial crisis occurred, whose severity has not been exceeded by any in our times. Then inflation, great increase in the issue of notes, and in consequence of this apparent prosperity, apparent rapid growth of the national interests; then a second contraction of the currency and consequent return of the crisis; and so on, until ultimately the present bank act came into existence, the note circulation acquired a certain stability, and the inexhaustible resources of British prosperity were able, undisturbed by human folly, to enrich the country.

What was the condition in Germany, Mr. President? The same result occurred after the demonetization of silver in Germany. The same author, a German author, speaking of the demonetization of silver by Germany, says:

The fact that a number of smaller states would be forced to follow the example of Germany; that the embarrassments of countries having depreciated standards, as Austria and Russia, would be increased by our proceeding; that France would be compelled to stop its coinage of silver; all this was then considered as unimportant and even as desirable. Even the question whether a general depreciation of silver would follow appeared important only in so far as slower sales of silver would cause greater losses to Germany.

* * * * * * *

The adoption of the gold standard by the German Empire was the signal for the immense commercial collapse the deplorable effects of which have not yet been effaced. The like action by the North American Union by later legislation would have remained isolated, and could hardly have produced similar results. There was in that country no large stock of silver which, like that of Germany, had to be placed on the market; there the greenbacks—the national paper money—still formed the basis of circulation. If under these circumstances the United States alone had adopted the gold standard, and Germany retained the silver standard with subsidiary gold coinage, the United States would probably have experienced difficulties and embarrassments, but the acute and general depreciation of silver which resulted from the change in the German standard would never have occurred.

The introduction of the gold standard in Germany caused no decrease in the circulation of metallic money, as not only the withdrawn German silver and gold coins, but also the not inconsiderable amount of foreign gold circulating in Germany (Napoleons, 10 guldens, 5 francs, Austrian thalers and guldens), were amply replaced; indeed, the minute calculations by Soetbeer suggest that, including the changes in note circulation caused by the German bank law, the amount of circulating medium has been increased. This, according to the scholastic theory, should have resulted in advanced prices of all commodities and in an export of money. But the higher gold prices, in conjunction with the introduction of free-trade practices in our commercial policy, produced the opposite result, namely, a perceptible increased purchasing power of money, and a decrease in the price of all commodities. The wild chase after gold, in which all countries immediately joined, enhanced the price of gold, and thus caused an unprecedented depreciation of the value of land and commodities. The imperial board was obliged to exercise all circumspection and caution to secure to the country its share of gold by a timely increase in the rate of discount, not to the advantage of production.

Now, Mr. President, what was the result in the United States of the demonetization of silver? It was the coinage act of February 12, 1873, and in the following September such a panic as this country never before experienced shook it from center to circumference, a financial depression which brought hundreds and thousands of citizens of the country into bankruptcy and ruin. So that in every country where it has been adopted the result has been a crisis, a commercial depression, bankruptcy, and ruin.

Sir W. Houldsworth, a delegate of Great Britain, said, at the Brussels Conference, in 1892:

In the first place, I am, from my position and antecedents, more peculiarly identified with industrial and commercial life than any of my honorable colleagues, and I need scarcely stay to remark that it is industry and commerce in their widest aspects which are most vitally interested in and will be most profoundly affected by the decisions at which this conference arrives. In the second place, I have had the honor and the responsibility of sitting upon both of those important commissions in England, which were appointed specially to examine into questions intimately connected with that which we are called upon to discuss here. I refer to the royal commission on the depression of trade, which sat in 1885, and the gold and silver commission, which sat in 1887-,88.

Now, with regard to the first of these commissions, without going into details, I feel bound to bring before this conference certain conclusions which appear in the reports. The origin of the commission was the widespread feeling in Great Britain, even so far back as fifteen years ago, that a deep and abnormal depression of trade had set in, which, unlike previous depressions, showed no signs of recovery. All available statistics were brought before us, and a large body of evidence was taken. Conflicting opinions were expressed both as to the extent and as to the causes of the depression; but at last these five definite conclusions were arrived at:

1. That the depression dated from the year 1873 or thereabouts.
2. That it extended to nearly every branch of industry, including agriculture, manufactures, and mining, and that it was not confined to England, but had been experienced to a greater or less degree in all the industrial countries of the world.
3. That it appeared to be closely connected with the serious fall in general prices, which even then was most observable, though it has since been more strongly marked, resulting in the diminution—in some cases even the total loss—of profit, and consequent irregularity of employment to the wage-earners.
4. That the duration of the depression has been most unusual and abnormal.
5. That no adequate cause for this state of things was discoverable, unless it could be found in some general dislocation of values caused by currency changes, and which would be capable of affecting an area equal to that which the depression of trade covered.

It was in consequence of this report, and at the express recommendation of the depression of trade commissioners themselves, that the gold and silver royal commission was appointed to examine into the "recent changes in the relative values of the precious metals." I will not dwell on the report of that second commission, as I feel sure its main conclusions are within the knowledge of most if not all the delegates at this conference. It will be enough to say that it confirmed the findings of the previous commission as to the date of the disturbance, as to the fall in prices, as to the effect of such fall upon all industries; and, in addition, it revealed the serious consequences which had resulted from the destruction of that par of exchange between silver and gold at about 15½ to 1 which had practically existed uninterruptedly for seventy years before 1873, the disruption of which had dislocated, embarrassed, and to some extent destroyed the trade between silver-using and gold-using countries, and turned legitimate commerce into little better than gambling.

In further substantiation of what I have said I quote from the speech of Sir Guilford L. Molesworth, delegate of British India, at the Brussels Monetary Conference:

Now, this state of things was clearly predicted by Ernest Seyd in 1871, when the severance of the link between gold and silver was first contemplated. His prediction has been so remarkably fulfilled that I must quote his words:

"It is a great mistake to suppose that the adoption of the gold valuation by other States besides England will be beneficial. It will only lead to the destruction of the monetary equilibrium hitherto existing, and cause a fall in the value of silver, from which England's trade and the Indian silver valuation will suffer more than all other interests, grievous as the general decline of prosperty all over the world will be.

"The strong doctrinarianism existing in England as regards the gold valuation is so blind that when the time of depression sets in there will be this special feature; the economical authorities of the country will refuse to listen to the cause here foreshadowed, every possible attempt will be made to prove that the decline of commerce is due to all sorts of causes and irreconcilable matters; the workman and his strikes will be the first convenient target; then speculation and overtrading will have their turn. * * * Many other allegations will be made totally irrelevant to the real issue, but satisfactory to the moralizing tendency of financial writers. The great danger of the time will be that among all this confusion and strife England's supremacy in commerce and manufactures may go backward to an extent which can not be redressed when the real cause becomes recognized and the natural remedy is applied."

In fulfillment of this prediction, we find that the difficulties under which we labor have been attributed to all sorts of irreconcilable causes. It has been necessary to invent a theory that progress in manufactures, in improved transport, inventions, and banking have caused a species of economic revolution, which has created a new state in the conditions of trade and commerce differing from that which previously existed. But they overlook the fact that the alleged causes have been in active operation during the greater portion of the century (and when compared with the previous progress, they were far more pronounced during the middle of the century than at present).

It is obvious, therefore, that such a revolution, if it existed, should have arisen at an earlier period, and that it should have developed gradually, instead of setting in suddenly at the exact moment when the link was broken between gold and silver. Moreover, this theory involves another irreconcilable position. It is absurd to suppose that a revolution of this character could have affected gold prices so seriously, and yet should have left silver prices unaffected. Silver is the standard of value of more than half the world, yet silver prices have remained stable, whilst gold prices have fallen from 40 to 50 per cent. Whilst shutting their eyes to these facts, the advocates of such a theory are also blind to the following facts:

1. That the depression which has occurred as a necessary consequence o the suspension of free coinage of silver in France was predicted, and the prediction has been fulfilled to the letter.

2. That since 1871 the population demanding gold has quadrupled, and the foreign trade demanding gold has trebled.

3. That the demonetization of silver for international monetary purposes in Europe has caused gold to perform, single-handed, the work previously done by gold and silver combined.

4. That the annual supply of gold scarcely exceeds the amount required for industrial purposes.

It follows, as necessary consequences of these facts, that with the increased demand for gold its value must rise, or, in other words, gold prices must fall.

The judicial blindness must be great which, ignoring this strong evidence of facts, seeks an explanation in irreconcilable theories.

A very distinguished member of this conference has likened silver to a sick man whose state has been but aggravated by medicines which have been administered to cure him; but I think that this is not surprising, inasmuch as the physicians have not merely mistaken the character of the illness, but they have mistaken the invalid. It is gold who is the sick man, not silver. They have mistaken the bloated condition of gold for a symptom of health, whereas it is the symptom of a dangerous disease which now threatens to develop into a fearful crisis, which, as Mr. Rothschild says, "would be frightful to contemplate."

I could go on indefinitely quoting authorities and facts, conclusively establishing what I have asserted.

Cast your eyes over the world's history since 1873 and see the wrecks, financial crises, panics, failures, depreciation of the prices of the world's products, the constant rise in the purchasing power of gold, the shrinkage in the market values of bonds and stocks, entailing losses to the amount of billions of dollars, all graphically foretold by the friends of bimetallism; the gold monometallists in the meantime, just as Seyd and Wolowski predicted, attributing these dire results to every imaginable cause except the true one, the striking down by discriminating laws one-half of the metallic money of the world and establishing gold only as money.

Our own country has not escaped. We had the panic of 1873, and several severe financial crises prior to the present one. Yet our gold-standard financiers and doctrinaires attribute the causes not to the true one, the demonetization of silver in the United States in 1873 and throughout the world, but to our legislation for the rehabilitation of silver.

Now, the so-called Sherman law is made the scapegoat and must be unceremoniously and unconditionally driven into the wilderness, and with its banishment halcyon days of financial prosperity and restored confidence are to be ushered in.

The so-called Sherman law has had no influence whatever on the exports of gold, to which reference has been made. In the fiscal year 1889 our exports of gold were $49,607,427 in excess of our imports. In 1890 they were $4,331,149; in 1891, $68,130,087; in 1892, $495,873; in 1893, $87,506,463. Think of sane men undertaking to make other sane men believe that the Sherman law drove this gold out of the country! It is ridiculous.

I wish to quote here from the speech of my distinguished friend from Kentucky, Mr. BLACKBURN, in regard to whether the Sherman law drove gold out of the country or not. I quote from his speech on page 2215 of the RECORD, and I doubt not he has verified it:

> The records of the country show that for days and weeks, beginning in the latter part of April, and it is more noticeably true in the month of May, for days and weeks gold left this country at the rate of five millions a week, until thirty-eight millions had gone, until a panic had been produced, until values had been upset and unsettled, until the business of the country had been disturbed. At the rate of five millions a week your gold was shipped out of the country, when never in one day nor one hour nor one instant had foreign exchange been above the rate I have named.
>
> It is plain on the face of paper that one of two things was true, either the shipper was paying ocean freights at a loss out of his pocket or else he was receiving a commission from some one upon every dollar that was shipped. Who shipped this gold? I do not charge that all of the bankers of New York or Wall street were engaged in it. There are bankers there whose character stands too high for me to believe that they were guilty of such a combination; but I know that there are bankers there who represent the Rothschilds, who did ship—Heidelbach, Ikleheimer & Co. and Lazarus Frères & Co. These were the exporters of your gold. They were shipping it when the rate of exchange proved beyond controversy that they were shipping it at a loss; they were either paying the ocean freights out of their pockets or receiving a commission.

It was fictitious, it was planned to order. There is no doubt of this, and I quote this to show exactly what was the reason. If the Sherman law sent gold out, it brought it back very quickly.

The financial collapse in the Argentine Republic occurred in 1890, and was followed in the year 1891 by the failure of the English banking house of Baring Brothers, when it is charged that England's investors lost $1,000,000,000. Gold was demanded and taken from us as stated. Failures in Australia to the amount of many millions have occurred, and gold monometallic England was again shaken to the center. These exports of gold were no more caused by the Sherman law than by an evening zephyr. The present crisis was plainly predicted by Mr. Alfred de Rothschild, delegate from Great Britain to the Brussels conference. This is a very remarkable prediction. He 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 frightful to contemplate and out of which a monetary panic would ensue, the far-spreading effects of which it would be impossible to foretell.

There it is as plain as A B C, in the Brussels conference, predicted just as it has come to pass, and the cause stated, and yet none of these gold monometallic doctrinaires will believe anything about it. They will shut their eyes to all these things. You could not make my friend from New Jersey [Mr. MCPHERSON] read that and comprehend it. He would think it was something else, although it is the opinion of one of his own monometallic friends.

From this same report I have quoted from Sir G. Molesworth, representing India, to show that he predicted that India would change to a single gold standard if that monetary conference adjourned without any agreement.

There was in that monetary conference a Mr. Currie, who was also on the Indian currency commission to settle the financial question in India.

Mr. PLATT. On the Herschell commission?

Mr. COCKRELL. Yes, sir. Mr. Currie was a delegate to the Brussels conference, and at the same time he was a member of the Indian commission. Our commissioners unwittingly told him what we were going to do, or what they thought we were going to do, without any authority to say so. I read from page 118 of the Brussels conference. I do not want to do any injustice to any distinguished gentleman who represented us in that body, but I want to show what they said and how we were represented. We have a right to know that.

Governor MCCREARY, of Kentucky, a representative of the Government of the United States, made an address before that conference, in which he went on to speak in behalf of silver, and then told about the election and about the Democratic platform, which he quoted, and then said:

> Speaking for myself only, I express the opinion that the silver law known as the act of 1890 now in force in my country will be repealed. It is possible this will be done at the present session of Congress—

That is, at the last session of the last Congress.

> If not this session, I believe it will certainly be repealed at the next session of Congress.

Oh, yes; we are going to repeal. "You had better get scared now and come to an international agreement because we shall repeal this law." What did Mr. Cannon, another delegate, say at that conference?

> The United States has seriously taken into consideration the idea of repealing the silver purchase act of 1890; the two political parties as well as the great bankers of New York have advised this repeal, and if during this conference some arrangement is not attained, it is more than probable that America will not continue disposed to buy annually 54,000,000 ounces of silver at the market price.

Yes, we by our delegates told that monetary conference we were going to drop it, silver, and that they had better come to some agreement. The conference adjourned, and was to have met last spring, I believe, was it not?

Mr. ALLISON. It was to have met on the 30th of May.

Mr. COCKRELL. I believe that Indian currency commission just held back long enough to get ahead of us and strike down silver first, and let us bear the brunt of it if we repeal the existing law. We told them what we were going to do. We have always told them in advance we were going to do something to strike at silver, with the expectation of scaring them. There never has been but one time, Mr. President, that the agents and representatives of the United States have ever been able to scare Europe into changing its monetary system, and that was in 1863 to 1865 and in 1873, when we told them that we would flood the world with gold and silver and depreciate the purchasing power of their invested securities. We told them that we were the great gold-producing country, as the Senator from Ohio said, and the gold system had to be established; and we went on and established it, and they were foolish enough to believe that what we said was true, and they changed their whole system to a single gold standard.

The Indian currency commission was appointed October 21, 1892. As predicted by Sir Molesworth, in anticipation of the repeal of the Sherman law by us, India has closed her mints to the free coinage of silver and the crisis predicted is upon us, intensified by many other combinations and causes, and silver has fallen most fearfully in value measured by the gold standard, just as expected by India and England. And we are now called upon to repeal the Sherman law unconditionally, reëstablish the gold standard and practically close the mints of the whole world to the free and unlimited coinage of silver and make silver everywhere a mere commodity, a mere ordinary metal without any monetary functions by the laws of any nation, and still further depreciate it, lessen its value, etc.

Think of the ridiculousness of the proposition that we must demonetize silver and destroy value in order to make Europe come to international agreement! It is perfectly absurd upon its face. We destroy its value or make it the world over a mere commodity, and what greater harm will be done to Europe than to us? What greater losses will they suffer than we shall? We are producing more silver, and gold too, than any other nation. Would not we be the greatest sufferers in the depreciation in prices? Yet it is pretended that we should be in some way or other the beneficiary. There was never such sophistry proclaimed to intelligent free men in the world.

Then truly we would have throughout the world the idealistic doctrinaire single gold standard, which would entail for ages to come upon the toiling masses of every country in the world untold and inconceivable sufferings, losses, financial disturbances, and crises, depressions of all kinds of business, a rapid increase in the purchasing power of gold and a still greater fall in the prices of the world's products.

This Utopian single gold standard. This is what we are coming to, if unconditional repeal is carried.

Mr. President, let us examine this single gold standard—this American idea, so called—boasted of by the senior Senator from Ohio.

I assert that there is not only not a sufficient amount of gold in the world to answer the demands of the world's commerce and business for monetary purposes, but not enough gold and silver combined to meet the monetary wants and demands of the nations.

The estimate of Dr. A. Soetbeer, of Germany, from 1493 to 1885, and since that date of our Mint Bureau, places the world's production of gold and silver for that period, 1493 to 1892, inclusive—four hundred years—as follows: Gold, $8,204,303,000, and silver, $9,726,072,000, being in the proportion of $45.80 of gold to $54.20 of silver, making an aggregate amount of $17,930,375,000.

If this vast amount were all in existence to-day it would only be a fraction over $14.81 per capita of the world's population, estimated at 1,210,000,000.

What has become of this vast sum of the precious metals, and what proportion can be found in all the nations of the world? It has been subjected to all the multitudinous mutations, strifes, and contentions of the peoples of the world during these four hundred years to losses, abrasions, wear and tear, and to all the uses for industrial purposes.

The losses by abrasion are estimated annually for gold about $500,000 and for silver, including subsidiary coins, about $2,000,000.

Now, search and examine the treasuries of the nations the world over for the existing gold and silver; and from the most reliable data available, our Mint Bureau, we can only find $3,582,605,000 of gold coin and bullion, and $3,469,100,000 of full legal-tender silver coins, aggregating $7,051,705,000.

The percentage or proportion of gold to silver is 50.8 gold to 49.2 silver, nearly equal in value. This aggregate of goin coin and bullion and silver coins in the world gives for gold $2.96 per capita and for silver $2.86 per capita, and combined, only a fraction over $5.82 per capita to the population of the world, a wholly inadequate and insufficient supply for monetary purposes.

The conclusive proof of this is found in the fact that according to statistics of our Mint Bureau there is to-day in existence among the nations of the world an immense mass of irredeemable or uncovered paper money, without any metallic basis for redemption, aggregating the sum of $2,635,873,000, including $300,000,000 in South America, $500,000,000 in Russia, $163,000,000 in Italy, $100,000,000 in Spain, $260,000,000 in Austria-Hungary, which latter adopted the single gold standard in August, 1892. Russia, Austria-Hungary, and Italy, as well as other nations, having such uncovered paper money, are grabbing for gold in every direction in order to resume specie redemption on a gold basis. India has in this year closed her mints to the coinage of silver and adopted the gold standard, and entered on the scramble for gold.

This scramble, this grabbing for gold, will more distinctly appear from a careful consideration of the estimates by our Mint Bureau of the world's production and coinage of gold and silver.

I applied to the Director of the Mint for an estimate as far back as the statistics accessible enabled him to make, and he furnished me the statement published in Senate Miscellaneous Document No. 34, present session, giving the production and coinage for 1873-1891, inclusive, as follows:

World's product of gold $2,030,144.579, and coinage $2,752.927,456. The excess of the coinage in these nineteen years over the gross product is $672,782.877.

Silver product	$2,204,155,349
Silver coinage	2,309,962,273
Coinage excess	105,806,924

To see still more distinctly the shifting of gold from one nation to another, and its recoinage, first by one and then by another nation, and so on, let us consider the varied consumption of gold and silver for industrial uses, in industry, manufactures and fine arts.

The two principal demands or uses for gold and silver are for coinage—monetary purposes—and for industrial uses. The eminent statistician, Dr. A. Soetbeer, in his "Materials toward the elucidation of the economic conditions affecting the precious metals," prepared October 1, 1886, estimates for the three recent years an average net annual consumption of the precious metals for "industrial uses" in civilized nations as follows: Of gold, 90,000 kilograms, $59,814,000 (the kilogram being $664.60), and of silver, 515,000 kilograms), $21,403,400 (the kilogram being $41.56). In giving these figures he says:

Surprising as the enormous extent of the estimated annual consumption of gold for ornaments and other purposes in the arts may seem, any doubt as to the probable correctness of the estimate will disappear on consideration of the increasing use of gold for ornament and for industrial purposes with the growth of population and wealth.—*Volume 24, Consular Reports*, page 5134.

In the ten years, 1876-1885, inclusive, just preceding the date of this estimate, the world's product of gold was, according to our Mint Bureau, $1,067,721,842, and the consumption in industrial uses, according to Dr. Soetbeer's estimate of $59,814,000 annually, being 56 per cent, was $598,140,000, which left for coinage only $469,581,842. And the actual coinage was $1,372,407,272, being an excess of coinage of $902,825,430.

This was an enormous excess of coinage in these ten years over the balance of the total production of gold left after deducting the amount consumed in industrial uses. Now, this balance of $469,581,842, left for monetary uses throughout the world in the period of 1876-1885, inclusive, was only 46.95 cents per capita of the world's population, estimated at 1,000,000,000 people, a low estimate, and 4.69½ cents per capita of population for each year during the ten years, to be added to the stock of money in existence to meet the wants and demands of the world's increase of population, commerce, and business.

In this same period of ten years, from 1876 to 1885, inclusive, the world's product of silver, according to our Mint Bureau, was $1,016,586,116, and the consumption in industrial uses according to Dr. Soetbeer's estimate of $21,403,400 annually, being 21 per cent, was $214,034,000, which left for monetary uses for coinage $802,552,116, while the actual coinage was $1,103,371,395, which shows an excess of silver coinage in these ten years of $300,819,279.

This balance of $802,552,116 left for monetary uses in the world in these ten years was only 80.25 cents per capita of population, and only a fraction over 8 cents per capita for each of the ten years to meet the wants and demands of the world's increase of population, commerce, and business.

Take the world's product of both gold and silver during this ten-year period, and deduct therefrom the amounts consumed in industrial uses, according to Dr. Soetbeer, and the balance left for monetary uses was only $\$1.27\frac{2}{10}$ per capita of the world's population, and for each of the ten years was only $12\frac{72}{100}$ cents per capita of population, a wholly inadequate sum to meet the wants and demands of the increase of population, commerce, and business.

In confirmation of the correctness of these estimates as to the world's consumption of gold and silver for industrial uses, I now state the estimates of our Mint Bureau as to the product and such consumption of gold and silver in the United States for the five years from 1888 to 1892, inclusive.

Year.	Gold product.	Industrial consumption.	Percentage.	Silver product.	Industrial consumption.	Percentage.
1888	$33,175,000	$16,500,000	49.4	$59,195,000	$5,280,000	8.9
1889	32,800,000	16,697,000	50.8	64,646,000	8,766,000	13.5
1890	32,845,000	18,105,901	55.1	70,464,000	9,231,178	13.1
1891	33,175,000	19,700,000	59.3	75,417,000	9,630,000	12.7
1892	33,000,000	19,329,000	58.6	73,697,000	9,301,000	12.6
Total	164,995,000	90,331,901	*55	343,419,000	42,208,178	*12.2

*Average.

Consider the vast significance of these figures.

The world's stock of gold coin and bullion is $2.96 per capita of the world's population, and of full legal tender, silver coins only $2.86 per capita.

Since 1857, the largest annual product of gold in the world was $130,817,000 in the year 1892, equal to only the insignificant sum of 10.81 cents per capita of the world's population. With this momentous increase annually to the gold money of the world to meet the increase of population and of the world's commerce and business, it is imperiously demanded of us to vote for the pending measure, unconditionally repealing the Sherman law and restoring the single gold standard of the coinage act of February 12, 1873, a beautiful basis to ask for such a vote.

But examining a little more critically, we find that of the annual product of gold in the world of $130,817,000 in 1892, we produced in the United States $33,000,000, or a fraction over 25.22 per cent, and of our product we consumed for industrial uses about 58.6 per cent, equal to $19,329,000, leaving us only $13.671,-000, or only 20.40 cents per capita, estimating our population at the close of 1892 at 67,000,000 people.

A still more critical examination, according to the estimate of Dr. Soetbeer, of an average annual net consumption of 56 per cent of the world's gold product in industrial uses, shows $73,-257,520 of the $130,817,000 of gold produced in the world in 1892, used for such industrial purposes, and leaves for monetary purposes in the wide world $57,559,480—equal to 4.75 cents per capita of the world's population.

In the name of reason, of ordinary common sense, I ask is this 4¾ cents per capita increase of the gold money of the world sufficient to meet the wants, the demands of the increasing population, commerce, and business of the world? Is not gold monometallism not only an Utopia, but also a ruinously false Utopia—a mere doctrinaire's summer dream.

And we are urged to repeal the existing Sherman law, without any amendment or substitute of any kind whatever, and thereby restore and leave in full force and operation the Sherman coinage law of February 12, 1873, establishing the single gold standard, this Utopia, and wipe from our laws every vestige of legislation recognizing the true Democratic bimetallic monetary system.

No alternative is offered us. Wheresoever we seek refuge, relief, we must fall in the embraces of Sherman legislation, an audacious demand. We want no more of it. Neither the present Sherman law nor the Sherman law of 1873, but the restoration of the constitutional bimetallic system, maintained by successive Democratic Administrations for over half a century.

[At this point the honorable Senator yielded for an executive session.]

Wednesday, October 11, 1893.

Mr. COCKRELL. Mr. President, why not restore true bimetallism? Why not restore silver to all the monetary functions given by our laws to gold as coin and money? Why not make them the equals in every respect by proper legislation now by amendments to the pending bill?

According to professions all of us on both sides of this Chamber, as well as the Executive, are the friends of silver.

If friends, then why not give some tangible evidence of our friendship for silver by proper legislative recognition now?

Now is the accepted opportunity. Procrastination is the thief of time.

The President, in the proper exercise of his constitutional prerogative "from time to time to give to the Congress information of the state of the Union and recommend to their consideration such measures as he shall judge necessary and expedient," and "on extraordinary occasions to convene both Houses or either of them," has convened this extraordinary session of both Houses and submitted to them his views of the state of the Union, and recommended to their consideration such measures as he judges necessary and expedient. We have his message, his views of the existing conditions, and his recommendation.

I quote his recommendation—the only one in his message. He says:

> I earnestly recommend the prompt repeal of the provisions of the act passed July 14, 1890, authorizing the purchase of silver bullion, and that other legislative action may put beyond all doubt or mistake the intention and the ability of the Government to fulfill its pecuniary obligations in money universally recognized by all civilized countries.

This recommendation, the only one given to this Congress, is all in one sentence and all one recommendation—the repeal of the purchasing provisions of the act of July 14, 1890, and other legislative action putting beyond doubt or mistake the intention and ability of the Government to fulfill its pecuniary obligations in money universally recognized by all civilized countries. As a personal and political friend of the President, I stand ready and anxious to carry out by appropriate legislation on the pending bill the recommendation, the only recommendation made by the President.

Why do the Senators on each side of this Chamber, under the leadership of the senior Senators from Indiana and New Jersey, and from Ohio and Rhode Island, claiming to represent the Administration, insist upon and urge the passage of the pending bill without any amendment, simply repealing the purchasing clauses of the Sherman law, and wholly ignoring the most vital and essential part of the President's single and only recommendation:

> Other legislative action putting beyond all doubt the intention and ability of the Government to fulfill its pecuniary obligations in money universally recognized by all civilized countries.

This is by far the most important part of this one recommendation of the President.

The charge is iterated and reiterated, day by day and week by week, that the Senators opposing the passage of the pending bill for simple unconditional repeal are obstructionists—are filibustering, whatever that may mean—and are opposing the wise and judicious recommendation of legislation by the President. This is a false and unfounded charge. If there be obstructionists, it can only be those Senators who insist upon ignoring the most essential and necessary legislation recommended to our consideration.

I believe I am justified in saying, in behalf of the Senators opposing the pending bill, that we stand ready to-day, and will so stand throughout this struggle, ready and anxious to pass this bill with amendments, with "legislation putting beyond all mistake the intention and the ability of our Government to fulfill every one of its pecuniary obligations in money universally recognized by all civilized countries." We are not repudiationists. There is not one in this Senate, so far as I know. We are not inflationists. We do not believe in fiat money.

We advocate "honest money—the strict maintenance of the public faith—consisting of gold and silver and paper convertible into coin on demand," in the words of the national Democratic platform of 1880.

Again, Mr. President, "we believe in honest money, the gold and silver coinage of the Constitution, and a circulating medium convertible into such money without loss," as declared in the national Democratic platform of 1884, upon which the present President was first elected, and which was readopted in the platform of 1888.

We favor now legislation on this bill, not mere idle promises, "to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value," and we want now "to secure such equality by such safeguards of legislation," to be enacted now, and not merely promised, as will insure the maintenance of the parity in value of the coins of the two metals and the equal power of every dollar at all times in the markets and in the payment of debts."

We are now steadily, persistently, and consistently directing—not merely promising to direct—"the efforts of the Government and of this Senate to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States in the markets and in the payment of debts."

We want to engraft on the pending bill, not these idle promises contained in the bill, but the legislation therein promised and recommended by the President.

Is this obstruction? Is this filibustering? We are ready, waiting, to join the advocates of this bill in appropriate legislation to carry out and redeem the promises set forth in it.

We favor legislative action, not legislative promises. You may ask by what legislative action do we propose "to put beyond all doubt or mistake the intention and the ability of the Government to fulfil its pecuniary obligations in money universally recognized by all civilized countries?"

According to the American Yankee idea, I answer by propounding to you, what legislation do you propose? You are occupying the affirmative, you are promising legislation. The country and the Senate want to know what that legislation is. What does the President propose? We have his message. He has exercised his constitutional prerogative, and we know what it is. Is there anything there? That other legislation, which I have just quoted, to make manifest the intention of the Government to redeem all its pecuniary obligations in money recognized by all civilized countries.

We stand ready to carry out that kind of legislation; but the friends of this bill and the President have failed to tell the country what legislation they want. They are as dumb and as silent as oysters.

Mr. PALMER. Will the Senator from Missouri allow me to say a word?

The VICE-PRESIDENT. Does the Senator from Missouri yield to the Senator from Illinois?

Mr. COCKRELL. With pleasure.

Mr. PALMER. The Executive has asked us to pass the pending bill. There is no silence about that.

Mr. COCKRELL. Is that a financial plan?

Mr. PALMER. Yes, sir; that is part of it?

Mr. COCKRELL. That, then, according to the Senator from Illinois, is the financial plan of the national Democratic party of the United States, simply a patchwork to repeal the Sherman law.

Mr. PALMER. It required six days to create the world. This is one step in the direction of a financial policy.

Mr. COCKRELL. Then it is not a policy?

Mr. PALMER. It is not a policy.

Mr. COCKRELL. It is a step, a miserable, pitiful step on a broken leg. We want a system, a policy. What is this?

Mr. PALMER. May I be allowed to ask the Senator from Missouri, will he present his plan? I understood the Senator to claim——

Mr. WOLCOTT. We can not hear the Senator.

The VICE-PRESIDENT. The Senate will be in order. It is impossible to hear the remarks of the Senator from Illinois.

Mr. PALMER. The Senator from Missouri claims that this is no plan. This is to remove an obstruction out of the way of a plan, but the Senators who complain of the silence of the supporters of this bill ought kindly to present a plan of their own, that the two may be contrasted; but, above all, Senators who have plans, should come forward to the rescue and put their plans in comprehensible shape—something more than mere declamation for free silver. I submit that as an answer to the question.

Mr. COCKRELL. I submit that it is no answer at all. The President of the United States has convened the Congress in extraordinary session because of our financial condition. That is the expressed subject submitted to us, and it is simply proposed, according to this bill, to repeal the power given in the Sherman law to purchase 4,500,000 ounces of silver per month, and stop there.

Mr. PALMER. The Senator is right. The bill proposes no more and no less than that; but it is an essential part of any financial or any monetary measure——

Mr. COCKRELL. And that leaves us upon the Sherman law of 1873, establishing the single gold standard, and giving to gold only the right of coinage.

Mr. PALMER. I will say frankly to the Senator that it leaves all laws in force other than the one repealed.

Mr. COCKRELL. That is the only law on the subject in force. The Senator can not evade that.

Mr. PALMER. That is a matter of judgment for the Senator himself.

Mr. COCKRELL. I ask the Senator to show any other law on the subject that would be in force?

Mr. PALMER. Whatever other provisions the law makes are in force. The silver dollars are left by law a legal tender.

Mr. COCKRELL. There is no doubt about that; I stated that. But what law is there recognizing the right of silver to coinage?

Mr. PALMER. Oh!

Mr. COCKRELL. What law is there that does not make gold the single standard in this country and the only metal that is admitted to coinage?

Mr. PALMER. This bill only does what it professes to do. That is all.

Mr. COCKRELL. Yes; and we are not going to permit you to evade the issue. This bill, if passed, places the United States Government on the single gold standard.

Mr. PALMER. The Senator will pardon me for saying one word more. He has argued elaborately that that was done by the act of 1873.

Mr. COCKRELL. Then this bill puts the act of 1873 in force again.

Mr. PALMER. I think not.

Mr. COCKRELL. There is no question about that. I think if the Senator will look over the law he will see that that is the case.

Mr. PALMER. I understand the law which makes a silver dollar a legal tender is unrepealed.

Mr. COCKRELL. Everybody knows that; but is there any law authorizing the coinage of a solitary silver dollar after this bill is passed? Is there any law authorizing any coinage except gold coinage?

Mr. PALMER. None, I think, except the discretionary power contained in the act itself.

Mr. COCKRELL. To coin the bullion on hand, and no further and no more than that.

Mr. PALMER. There is none that I know of.

Mr. COCKRELL. That is right. Now we understand each other. This bill does not give any additional power, not a particle.

Mr. VOORHEES. I do not intend to interfere in the debate. My attention was called yesterday by the senior Senator from Ohio [Mr. SHERMAN] to a continuing provision of law, of which I was not aware the other day when I was on the floor, authorizing the Secretary of the Treasury to purchase bullion for subsidiary coin.

Mr. COCKRELL. There is no doubt about that; I do not dispute that.

Mr. VOORHEES. I am not interfering in the debate. I merely wanted to contribute that fact to the general knowledge upon this subject.

Mr. COCKRELL. There is no doubt about that.

Mr. VOORHEES. That is a large discretion which might extend to $100,000,000. We have seventy-seven millions of subsidiary coin now, and it is generally understood that it ought to be more.

I did not rise as I said, however, for the purpose of interfering in the debate, but merely to contribute that fact, that future silver coinage is provided for by a general and continuing law making such coinage a legal tender for $10.

Mr. COCKRELL. For ten dollars?

Mr. VOORHEES. Yes.

Mr. COCKRELL. There is no question in the world about the power to coin the subsidiary silver, which is a legal tender for five or ten dollars, as I believe it is now.

Mr. VOORHEES. Yes.

Mr. COCKRELL. It was increased to $10. That law is continued. Nobody denies that. That is a class distinction between the toiling masses. We provide a subsidiary silver coin, half and quarter dollars, dimes and half dimes, a legal tender for $10. for the laboring and toiling millions; but for the millionaires, the aristocrats, and the plutocrats, we only furnish gold, the precious gold. We do not degrade them by making them carry around silver, which is a legal tender for only $10. I am opposed to class legislation on money or on anything else.

I will answer the question I asked. What do you propose? In order to do so, however, we must see what are the existing pecuniary obligations of our Government, and in what kind of money they are payable according to the terms of the obligations, and the laws existing when created and when payable.

It can be safely said that every civilized country, every nation in the world claims and recognizes that its pecuniary obligations can be and must be equitably and fully paid in the money called for and specified in the obligations, etc., which was a full legal tender for such payment when the obligations were created and when they are to be paid. That is a sound principle of law, national and international.

If the obligations specify the kind or character of money or currency in which they are to be paid then they can only be paid in such specified money. If the obligations do not specify the kind of money and only specify the amount then they can be lawfully and equitably paid in any full legal-tender money. If the coin or paper money was a full legal tender at the time the obligation was created and is such full legal tender when it matures then no question of equity or good faith can ever arise.

The demand for any other coin or paper money would be in direct violation of the obligation and open practical repudiation and dishonesty.

The existing pecuniary obligations of our Government are as follows:

Funded loan of 1891, issued under law of July 14, 1870, 2 per cent	$25,364,500.00
Funded loan of 1907, issued under law of July 14, 1870, 4 per cent	559,605,700.00
Refunding certificates, issued under law of February 26, 1879, 4 per cent	67,390.00
Total interest-bearing bonds	585,037,590.00
Old matured debt, not presented for payment; interest ceased	1,984,770.26
United States notes, legal tenders or greenbacks	346,681,016.00
Old demand notes, national-bank notes, redemption fund, and fractional currency	27,643,243.37
Gold certificates	79,756,819.00
Silver certificates	330,864,504.00
Certificates of deposit under act June 8, 1872, in exchange for greenbacks	8,285,000.00
Treasury notes of 1890	151,319,040.00
Pacific Railroad bonds	64,623,512.00

The funded loans of 1891 and 1907 are Government pecuniary obligations issued under the law of July 14, 1870, which required that the bonds should be "redeemable in coin of the present standard value." * * * "And the said bonds shall have set forth and expressed upon their face the above specified conditions." Each one of those bonds specifies the law under which issued, and then has in plain English upon its face set forth and expressed, "is redeemable in coin of the standard value of the United States on said July 14, 1870, with interest in such coin."

The senior Senator from Ohio doubtless had charge of this refunding law in its passage, and was determined to protect the interests of the purchasers and holders of such bonds and maintain unsullied the public faith. Hence the requirements of the law and the language of the bonds, about which there can be no question of good faith or honesty. They are payable at the option of the Government, by the recognized laws of every civilized nation, in coin money of the standard value of the United States on said July 14, 1870. And no man living can truthfully say or pretend that the coin of the standard value on said day and now was other than the silver dollar of 412½ grains, 9 parts fine, and the gold dollar of 25.8 grains, 9 parts fine. They were the coin money specified in the law and on the face of the bonds. They can be just as equitably and legally paid in the standard silver dollar, then and now a full legal tender in all payments, as in the gold dollar, without the least particle of tarnishing the public honor or breaking the public faith.

As to the refunding certificates and certificates of deposit, they were issued in exchange for lawful money and are payable in any full legal-tender money.

The old matured debt can be paid in honesty and good faith in the standard silver dollar.

The United States notes or greenbacks, the old demand notes, national-bank notes, and fractional currency can also be paid in honesty and good faith in standard silver dollars.

But, Mr. President, it seems that there is some dispute about the right to pay silver or redeem the greenbacks in standard silver dollars. It seems that the Administration has some scruples about redeeming greenbacks, United States legal-tender notes, in the standard silver dolars. Can they be honestly and justly paid in the standard silver dollar? Let me read what the distinguished senior Senator from Ohio said. You know he is not a greenbacker, nor a populist, nor a repudiationist. I quote from the speech of the senior Senator from Ohio, on the 11th day of April, 1876, on a bill then pending in the Senate in regard to fractional currency and silver coinage. That Senator then said:

> But the vital question presented by the amendments of the committee is the restoration of the silver dollar. Why restore the silver dollar when it is now so depreciated by the events that I have named? Well, sir, the answer is that we have a large amount, some $400,000,000 of United States notes, which now are a legal tender for all purposes, and the time has arrived when we can redeem them all with the old dollar of the United States. We do not create a dollar; we simply provide for its issue. The law was, I have shown you, up to 1873, that this old silver dollar could be tendered for the payment of all debts; but it was simply not coined because the silver dollar was worth more than the gold dollar. Does that prevent us from coining it? Not in the least.
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> The silver dollar was, it is true, a legal tender until 1873, and, in strict law, might be restored to its former position as a standard of value without a violation of the legal contract between the United States and the bondholder.

Mr. President, is not that pretty good authority? But I wish to put this question still further beyond the possibility of a doubt. We all remember with great pleasure our late distinguished associate and colleague from the State of Vermont, one of the ablest jurists in the United States. I refer to ex-Senator Edmunds. Ex-Senator Edmunds, in 1886, said what I shall quote. I quoted Senator SHERMAN in 1876, before the passage of the Bland law. I now quote Senator Edmunds in 1886, after we had had the silver dollar in circulation for eight years:

Mr. EDMUNDS. It may be that I should agree with the Senator from Kentucky—I certainly agree with him that the silver coin of the United States is just as good a legal tender for every bond and debt of the United States, that does not say gold coin exclusively, if there be such a one, as the gold is—and so far and to that extent I am just as strong a silver man as my friend from Kentucky is.

Is there a doubting Thomas now left in the Senate Chamber?

Mr. GRAY. Doubting as to what?

Mr. COCKRELL. That the standard silver dollar can equitably and justly be paid in the redemption of the greenback and of the funded loan of 1891 and 1907.

Mr. GRAY. I never heard anyone express a doubt that it could be legally so used.

Mr. COCKRELL. Then I am gratified that we have other distinguished jurists who confirm everything that I have said, and confirm what the Senator from Ohio and the Senator from Vermont stated.

Now, Mr. President, I will go to the next point.

The silver certificates are issued on the deposit of silver dollars, and are only promises to pay silver dollars. Their language is: "This certifies there have been deposited in the Treasury of the United States five silver dollars, payable to the bearer on demand." It would be a breach of faith to offer to return to the bearer anything other than the silver dollars named.

The gold certificates are issued on deposit of gold coin or bullion, and are payable only in gold. No one seeks to pay them otherwise. The gold is simply housed in the Treasury, to be delivered back to the holder of the certificate on demand or presentation.

Mr. PLATT. Will the Senator from Missouri allow a question?

Mr. COCKRELL. Certainly.

Mr. PLATT. He is making a most thorough examination of the law and practice, and I wish he would state for the information of Senators, if he knows, who it is that deposits the silver dollars in the Treasury under the practice of the Treasury Department at the present time?

Mr. COCKRELL. Any holder of them, I presume. The most of them are deposited there by banks and mercantile establishments, in all probability. I have never investigated that particular point.

Mr. PLATT. Do they not go in some mysterious way directly from the mint to the Treasury, and the only issue of money when they are coined is really the silver certificate?

Mr. COCKRELL. I expect that is the truth of the matter, as to a part of them. I have no doubt of that. When they are coined they are placed in the Treasury, and everybody prefers the certificate to the coin, and then instead of issuing the dollar the silver certificate is issued.

Now I come to the United States Treasury notes issued under the law of July 14, 1890, in payment of silver bullion purchased under that act. In my opinion, it was clearly the purpose of the law to have them redeemed in silver dollars coined from the silver bullion purchased and paid for by them. I have already fully discussed their payment in another place.

The Pacific railroad bonds are currency bonds issued in aid of the construction of those several roads, and are payable as well in greenbacks as in silver dollars. Everybody knows they are payable in anything that is a legal tender.

We have now considered every pecuniary obligation of the United States and see in what kind of money universally recognized by all civilized countries, by every nation, each kind of obligation can be paid. We do not propose to pay the gold certificates or the silver certificates, or to redeem the greenbacks or the Treasury notes, or to pay the interest-bearing bonds in the legal-tender money of foreign nations—China or Japan, Russia or England—but only in the standard money of the United States, our own full legal-tender money called for and specified in them, and in which, by our laws, the only laws creating them or any obligation to pay them, they can be honestly, legally, and equitably paid; in short, only in such money as every self-respecting, civilized country or nation issuing and creating them would pay in pursuance of the law and the terms of the obligation. What more can anyone ask or demand?

Does anyone now claim that we must redeem the silver certificate or the legal-tender notes only in gold? I am exceedingly anxious to ascertain whether there be one or more Senators who now so claim.

I will pause for a reply. I want to know if there is any pretense that the silver certificate calling for silver dollars must only be redeemed in gold, or that the United States greenbacks, legal tenders, must only be redeemed in gold.

But it may be said, and has probably been said, that the President meant in recommending other legislative action putting beyond all doubt or mistake the intention and the ability of the Government to fulfill its pecuniary obligations in money universally recognized by all civilized countries—only gold money; and that gold money is the only money universally recognized by all civilized countries.

Now, let us see if this claim be correct. Is gold the only metal recognized by all civilized countries? The latest authorities I know upon this question giving us an idea of what the money of the world is, is the Indian currency commission report. It is a report of Lord Herschell and others of England. It was made in the present year. It was the report upon which India went to a gold standard practically, or suspended the coinage of the silver rupee. It gives a description of the money of the world, the financial conditions, the financial policies of the different nations of the world. I wish to read some from that report. I read now from page 28:

United Kingdom.

That is Great Britain. As a matter of course we all know that they have—

(1) The standard coin to be of one metal, gold.

* * * * * * *

Gold is the standard or measure, but for the most part not the medium itself. Though, however, in wholesale transactions, and in a great many retail purchases, gold is no longer the medium of exchange, the use of gold coins is probably greater in the United Kingdom than in most other countries.

In India the silver rupee, at the rate of 15½ to 1, is a full legal tender in the payment of all debts. It is not now allowed free mintage or unlimited mintage. It is coined upon account of the Government.

I go then to Canada, our neighbor. The standard is gold, but they have no mint. There is no Canadian gold coin, and little or no gold in circulation. Silver is not convertible into gold.

The American silver dollar circulates at par, at the ratio of 16 to 1, although a government proclamation was issued in 1870 declaring it to be legal tender up to the amount of $10, but only at 80 cents per dollar.

Silver is not convertible into gold.

This is a very remarkable case, since, without any gold currency, and without even a mint for gold, dollar notes and silver dollars circulate at the United States gold-dollar value.

That is right here in our neighboring country, and look how our gold monometallists begin to tremble when a few million dollars of gold leave this country!

I now go to the West Indies.

All the West India Islands and British Guiana have adopted the English currency, gold being the standard, but silver being the legal tender without limit.

They have a nominal standard of gold, with silver a full legal tender.

This is an instance of a gold standard without gold and a silver token currency circulating to an unlimited extent at a value based on that gold standard

I go now to Germany. Germany adopted the single gold standard in 1871–1873 and closed her mints to silver, and they say:

The peculiarity of the case of Germany is that £20,000,000 worth of old silver thalers are retained in circulation at a ratio of 15½ to 1, and are legal tender to an unlimited extent.

I go to the Scandinavian country:

The standard has been gold since 1873, and the mints appear to be open to gold, but there is little gold in circulation. Bank notes convertible into gold are the ordinary currency.

I go to the Latin Union now—France. What do they say? Now I read from it:

The mints are open to gold.

Silver coinage, except of subsidiary coins, has since 1878 been and is now prohibited under the rules of the Latin Union.

There is a large quantity of gold coin in actual circulation.

The peculiarity of the French currency is the large amount of 5-franc pieces, which circulate at the old ratio of 15½ to 1. They are legal tender to any amount, and are accepted as freely as gold coin. They are not legally convertible into gold.

That is what the Herschell commission say, notwithstanding the views of my distinguished friend from Louisiana [Mr. WHITE].

I now go to Belgium. The same condition exists precisely as in France, the Latin Union embracing France, Belgium, Italy, Switzerland, and Greece. Italy is the same way.

The rules as to 5-franc pieces, as to the ratio between gold and silver, and as to legal tender are the same as in France.

There is very little metallic coin in actual circulation; the paper is at a discount, and the exchange below par.

I go now to Holland and the Dutch East Indies. They had the single silver standard for a long time, and then they changed to the single gold standard "at a ratio of 15⅝ to 1, and the Dutch mint was opened to gold, whilst the coinage of silver, except of subsidiary token coins, was prohibited, and remains so at the present time. Silver florins, at the gold value, were legal tender to any amount, and, with paper florin notes, which were also at a gold value, formed the internal circulation of the country."

I go now to Austria-Hungary. They had the silver standard for a long time. They took steps in 1891 to go to the single gold standard and adopted it in August, 1892. They have no coin, practically, in circulation. They have a large amount of irredeemable paper, and their silver was coined at a ratio, I believe, of 15½ to 1, but they have changed the ratio since.

I go to Brazil:

The case of Brazil is perhaps the most remarkable of all, as showing that a paper currency without a metallic basis may, if the credit of the country is good, be maintained at a high and fairly steady exchange, although it is absolutely inconvertible and has been increased by the act of the Government out of all proportion to the growth of the population and of its foreign trade.

They sum up this on page 35, but I will not consume the time of the Senate in reading it. It is just what I have read. They give a summary:

RESULTS OF EXAMINATION OF DIFFERENT SYSTEMS OF CURRENCY.

93. It is impossible thus to review foreign systems of currency without feeling that, however admirable may be the precautions of our own currency system, other nations have adopted different systems which appear to have worked without difficulty, and have enabled them to maintain for their respective currencies a gold standard and a substantial parity of exchange with the gold-using countries of the world, which has, unfortunately, not been the case with India. This has been effected under all the following conditions, viz:

(*a*) With a little or no gold coin, as in Scandinavia, Holland, and Canada;

(*b*) Without a mint or gold coinage, as in Canada and the Dutch East Indies;

(*c*) With a circulation consisting partly of gold, partly of overvalued and inconvertible silver, which is legal tender to an unlimited amount, as in France and other countries of the Latin Union, in the United States, and also in Germany, though there the proportion of overvalued silver is more limited, the mints in all these countries being freely open to gold, but not to silver, and in some of them the silver coinage having ceased;

(*d*) With a system under which the banks part with gold freely for export, as in Holland, or refuse it for export, as in France;

(*e*) With mints closed against private coinage of both silver and gold, and with a currency of inconvertible paper, as has been temporarily the case in Austria;

(*f*) With a circulation based on gold, but consisting of token silver, which, however, is legal tender to an unlimited extent, as in the West Indies.

The case of Holland and Java is very remarkable, since in that case the gold standard has been maintained without difficulty in both countries, although there is no mint in the Dutch East Indies, no stock of gold there, and a moderate stock of gold in Holland; whilst the currency consists of silver and paper legally and practically inconvertible into gold, except for purposes of export. The case of Canada, which maintains a gold standard without a gold coinage, is also very remarkable.

We see, Mr. President, what other civilized countries treat as money, that silver as money is recognized by nearly every civilized country. Suppose England or Germany should adopt platinum instead of gold and should change their standard, I suppose then the United States must hasten to pay all its pecuniary obligations in platinum, the only money universally recognized by all civilized countries. You might just as well make that contention as to contend that under the language of the President you must redeem them all in gold.

I do not know what the President meant except by simply taking his language as I find it, and I say that according to his own language silver dollars are full legal tender, the equal of gold, irredeemable in anything on earth, above it, or beneath it, the money universally recognized by all civilized countries, in which the pecuniary obligations of the Government can all be paid, except only the gold certificates.

WHY NOT RESTORE SILVER MONEY?

Mr. President, we are told of the fearful financial crisis now pending and the deadly paralysis of business, and that all results from our legislation in regard to silver.

These are only the same old prophecies we have heard ding-dong ever since 1877, the same old scare, and the same old trembling apprehension of dire consequences from the restoration of silver to its equal monetary functions with gold. What do they really portend? What is the ulterior object of these predictions? To what monetary system are they intended to bring us? These are vital questions to every American freeman, every patriot, regardless of politics.

I assert that the ulterior object, the final end sought to be attained, is the single gold standard for the United States, with free and unlimited coinage and full legal tender, and all other kinds of money, silver and paper currency, to be redeemable in gold, limited in legal tender and mere subsidiary money.

The senior Senator from Ohio [Mr. SHERMAN] has certainly had more to do in shaping our financial legislation and establishing the single gold standard by the coinage law of February 12, 1873, than any one man in the United States. He certainly understood clearly the objects sought to be secured.

Now, Mr. President, I am going to show you what is to become of all these predictions and pretensions. I take the finance report of 1877, when the Senator from Ohio was Secretary of the Treasury and was making his recommendations to Congress. I read from page 21:

The question of the issue of a silver dollar for circulation as money has been much discussed and carefully examined by a commission organized by Congress, which has recommended the coinage of the old silver dollar. With such legislative provision as will maintain its current value at par with gold, its issue is respectfully recommended. A gold coin of the denomination of one dollar is too small for convenient circulation, while such a coin in silver would be convenient for a multitude of daily transactions, and is in a form to satisfy the natural instinct of hoarding.

It has been the careful study of statesmen for many years to secure a bimetallic currency not subject to the changes of market value, and so adjusted that both kinds can be kept in circulation together, not alternating with each other. The growing tendency has been to adopt, for coins, the principle of "redeemability" applied to different forms of paper money. By limiting tokens, silver, and paper money to the amount needed for business, and promptly receiving or redeeming all that may at any time be in excess, all these forms of money can be kept in circulation, in large amounts, at par with gold. In this way, tokens of inferior intrinsic value are readily circulated, but do not depreciate below the paper money into which they are convertible. The fractional silver coin now in circulation, though the silver of which it is composed is of less market value than the paper money, passes readily among all classes of people and answers all the purposes for which it was designed. And so the silver dollar, if restored to our coinage, would greatly add to the convenience of the people. But this coin should be subject to the same rule, as to issue and convertibility, as other forms of money.

There you have it, a silver dollar redeemable in gold. Now, I read from page 23—

Much complaint has been made that this was done with the design—

Referring to the demonetization of silver—

Much complaint has been made that this was done with the design of depriving the people of the privilege of paying their debts in a cheaper money than gold, but it is manifest that this is an error. No one then did or could foresee the subsequent fall in the market value of silver.

That is remarkable for a financier, a statesman for years and years at the head of the Finance Committee, and who presented himself in Paris to give financial instruction to the assembled delegates of the world in a monetary conference, that no one could conceive of any possibility of the fall in the price of silver by its demonetization, when in 1868, five years before the demonetization of silver, Wolowski and Seyd had published to the world, as many other writers had done, exactly what would occur if silver was demonetized by the world and the mints opened for gold only. Yet Secretary Sherman says nobody could possibly have conceived of such a thing. Now, I read from pages 24 and 25:

The Secretary believes that all the beneficial results hoped for from a liberal issue of silver coin can be secured by issuing this coin, in pursuance of the general policy of the act of 1853, in exchange for United States notes, coined from bullion purchased in the open market by the United States, and maintaining it by redemption or otherwise.

Mr. President, you see exactly what the Senator from Ohio wants. He wants a silver dollar redeemable in gold. I go to the finance report of 1878, page 17, to the same effect. It is to the same effect as the extract I have just read.

And the Secretary respectfully recommends that he be authorized to discontinue the coinage of the silver dollar when the amount outstanding shall exceed $50,000,000.

The Secretary deems it proper to state that in the meantime, in the execution of the law as it now stands, he will feel it to be his duty to redeem all United States notes presented on and after January 1, next, at the office of the assistant treasurer of the United States in the city of New York, in sums of not less than $50, with either gold or silver coin, as desired by the holder, but reserving the legal option of the Government; and to pay out United States notes for all other demands on the Treasury, except when coin is demanded on coin liabilities.

Now, I take the finance report of 1880, also made by Secretary SHERMAN. It is to the same effect:

1. It is too bulky for large transactions, and its use is confined mainly to payments for manual labor and for market purposes or for change. The amount needed for these purposes is already in excess of the probable demand.

2. It is known to contain a quantity of silver of less market value than the gold in gold coin. This fact would not impair the circulation of such limited amount as experience shows to be convenient for use, but it does prevent its being held or hoarded as reserves, or exported, and pushes it into active circulation, until it returns to the Treasury, as the least valuable and desirable money in use.

For these reasons the Secretary respectfully but earnestly recommends that the further compulsory coinage of the silver dollar be suspended.

Now, I will refer to what I have already stated, and that is Senate bill 217 and Senate report made by the Senator from Ohio [Mr. SHERMAN], June 9, 1868, establishing the gold standard with free coinage and unlimited legal tender, and section 2 provides for silver coinage in these words:

The weight of the half dollar shall be 179 grains, equivalent to 116 decigrams; and the lesser coins shall be in due proportion. But the coinage of silver pieces of $1, 5 cents, and 3 cents shall be discontinued.

Section 3 provided * * *—

And the silver coins shall be a legal tender to an amount not exceeding $10 in any one payment.

I have here a quotation from the finance report of December, 1881, made by Secretary Folger. It simply says that they can not circulate the silver dollars, that there are too many of them already issued, and that the Bland law must be suspended.

President Arthur in his message of December, 1881, indorsed Secretary Folger's recommendation. Secretary Folger in 1882 repeated his former recommendation for the suspension of the Bland law, and President Arthur in 1882 reaffirmed his message of 1881 recommending the same thing. Secretary Folger in 1883 referred to and reaffirmed his report of 1881 and 1882, and so he did in his report of 1884. President Arthur, in December, 1884, made sundry recommendations, and I will ask that they may be inserted. In his message of 1884, his last message, he said:

I concur with the Secretary of the Treasury in recommending the immediate suspension of the coinage of silver dollars and of the issuance of silver certificates. This is a matter to which, in former communications, I have more than once invoked the attention of the National Legislature.

It appears that annually for the past six years there have been coined, in compliance with the requirements of the act of February 28, 1878, more than twenty-seven million silver dollars. The number now outstanding is reported by the Secretary to be nearly one hundred and eighty-five million, whereof but little more than forty million, or less than 22 per cent, are in actual circulation. The mere existence of this fact seems to me to furnish of itself a cogent argument for the repeal of the statute which has made such fact possible.

But there are other and graver considerations that tend in the same direction.

The Secretary avows his conviction that unless this coinage and the issuance of silver certificates be suspended, silver is likely at no distant day to become our sole metallic standard.

Mr. President, do they not somewhat remind us of the predictions of to-day. They sound very much just as the predictions of to-day—the dire calamities that then prevailed in 1885 and 1886. Now, let us examine and see their sameness. I have before me a letter written by President Cleveland before his inauguration in 1885.

ALBANY, *February 24, 1885.*

To the Hon. A. J. WARNER and others,
Members of the Forty-eighth Congress:—

In referring to their letter, he says:

It is also fully justified by the nature of the financial crisis, which, under the operation of the act of Congress of February 28, 1878, is now close at hand. By a compliance with the requirements of that law, all the vaults of the Federal Treasury have been and are heaped full of silver coins, which are now worth less than 85 per cent of the gold dollar prescribed as "the unit of value," in section 14 of the act of February 12, 1873, and which, with the silver certificates representing such coin, are receivable for all public dues. Being thus receivable, while also constantly increasing in quantity at the rate of $28,000,000 a year, it has followed, of necessity, that the flow of gold into the Treasury has been steadily diminished.

Silver and silver certificates have displaced and are now displacing gold, and the sum of gold in the Federal Treasury now available for the payment of the gold obligations of the United States and for the redemption of the United States notes called "greenbacks," if not already encroached upon, is perilously near such encroachment.

* * * * * * *

These being the facts of our present condition, our danger and our duty to avert that danger would seem to be plain.

* * * * * * *

From these impending calamities it is surely a most patriotic and grateful duty of the representatives of the people to deliver them.

That was February 24, 1885. You see where the country was predicted to be coming. Just upon the brink of a wonderful precipice. Now, let us see how long that continued, for these panics do not subside instanter, as a rule.

In December, 1885, the financial report of Secretary Manning of the Treasury was submitted. The report gives at great length his views, and recommends the repeal of the purchasing clause of the law of February 28, 1878, and the repeal of the law of May 31, 1878, forbidding the retirement of greenbacks and requiring their reissue; in short, to restore bimetallism, stop the coinage of silver, unconditionally repeal the purchasing clause of the Bland act, retire and cancel greenbacks, and wait for an international agreement.

An international agreement! Now, I will read President Cleveland's message in 1885. The President says:

The desire to utilize the silver product of the country should not lead to a misuse or the perversion of this power.

The necessity for such an addition to the silver currency of the nation as is compelled by the silver-coinage act, is negatived by the fact that up to the present time only about fifty millions of the silver dollars so coined have actually found their way into circulation, leaving more than one hundred and sixty-five millions in the possession of the Government, the custody of which has entailed a considerable expense for the construction of vaults for its deposit. Against this latter amount there are outstanding silver certificates amounting to about $93,000,000.

Every month two millions of gold in the public Treasury are paid out for two millions or more of silver dollars, to be added to the idle mass already accumulated.

If continued long enough, this operation will result in the substitution of silver for all the gold the Government owns applicable to its general purposes. It will not do to rely upon the customs receipts of the Government to make good this drain of gold, because the silver thus coined having been made legal tender for all debts and dues, public and private, at times during the last six months 58 per cent of the receipts for duties has been in silver or silver certificates, while the average within that period has been 20 per cent. The proportion of silver and its certificates received by the Government will probably increase as time goes on, for the reason that the nearer the period approaches when it will be obliged to offer silver in payment of its obligations, the greater inducement there will be to hoard gold against depreciation in the value of silver, or for the purpose of speculating.

This hoarding of gold has already begun.

When the time comes that gold has been withdrawn from circulation, then will be apparent the difference between the real value of the silver dollar and a dollar in gold, and the two coins will part company. Gold still the standard of value, and necessary in our dealings with other countries, will be at a premium over silver; banks which have substituted gold for the deposits of their customers may pay them with silver bought with such gold, thus making a handsome profit; rich speculators will sell their hoarded gold to their neighbors who need it to liquidate their foreign debts, at a ruinous premium over silver, and the laboring men and women of the land, most defenseless of all, will find that the dollar received for the wage of their toil has sadly shrunk in its purchasing power.

The words uttered in 1834 by Daniel Webster in the Senate of the United States are true to-day: "The very man of all others who has the deepest interest in a sound currency, and who suffers most by mischievous legislation in money matters, is the man who earns his daily bread by his daily toil."

Mr. President, if you will read this message of 1885 on the Bland law, and read the late message you will find this quotation in both of them, and you will find the conditions predicted almost alike, the same conditions practically, which were predicted as existing in 1885 and 1886 under the Bland law.

When President Cleveland was first elected, and when he issued the celebrated letter from which I am quoting, and then in 1885 sent to Congress the message to which I have referred, urging and pleading for the repeal of the Bland law just as strongly as he asks now for the repeal of the Sherman law, it precipitated some discussion of what was going on in 1885, and what was causing the crisis which was then impending, and I want to examine it.

On July 14, 1886, in the House of Representatives—that was the first Congress assembled after President Cleveland's inauguration—the Forty-ninth Congress, first session, House joint resolution No. 126, directing payment of the surplus in the Treasury on the public debt was passed; yeas 207—144 Democrats, 61 Republican, 2 Independents; nays 67—14 Democrats, 53 Republicans.

July 27, 1886, in the Senate, Mr. ALLISON reported it with a substitute, which was passed. Yes 42—13 Democrats, 29 Republicans; nays 20—14 Democrats, 6 Republicans. It was placed in conference, and the conference report was adopted in the House of Representatives August 3, 1886. Yeas 120—73 Democrats, 47 Republicans; nays 63—34 Democrats, 28 Republicans, 1 Independent, and agreed to in the Senate August 4, 1886, without division.

The President would not sign it. It went to him on the last day of the session, and he killed it by what we call a pocket veto; that is, he refused to sign it. He made no return to Congress, so far as I have been able to ascertain, of his reasons for it; but in a very handsome book called State Papers of Grover Cleveland, which I possess, I find these remarks made in connection with that joint resolution:

This resolution involves so much and is of such serious import, that I do not deem it best to discuss it at this time. It is not approved, because I believe it to be unnecessary, and because I am by no means convinced that its mere passage and approval at this time may not endanger and embarrass the successful and useful operations of the Treasury Department and impair the confidence which the people should have in the management of the finances of the Government.

That was not a very dangerous joint resolution. There was some question as to the right of the President to pay out certain amounts to redeem certain bonds, etc. The joint resolution, as it passed and as it was pocketed by the President, provided:

That whenever the surplus or balance in the Treasury, including amount held for redemption of United States notes, shall exceed the sum of $100,000,000, it shall be, and is hereby made, the duty of the Secretary of the Treasury to apply such excess, in sums not less than ten millions per month, during the existence of any such surplus or excess, to the payment of the interest-bearing indebtedness of the United States payable at the option of the Government:

* * * * * * *

Provided, That no call shall be made under the provisions of this resolution until a sum equal to the call is in the Treasury over and above the reserve herein mentioned: *And provided further*, That the Secretary of the Treasury, in his discretion, may have in the Treasury, over and above the foregoing sums, a working balance not exceeding $20,000,000.

One hundred million dollars of actual reserve and $20,000,000 of working balance. It is true that this joint resolution did not discriminate between silver dollars and gold dollars. It referred to the surplus in the Treasury, and I apprehend its terms would have embraced the silver dollars as well as the gold dollars; but the President did not sign it. That joint resolution was considerably discussed in the Senate, and the causes which had precipitated that panic were discussed; and now I want to read something of what was said in the discussion as to the causes of the panic. I read from the CONGRESSIONAL RECORD, volume 17, part 8, Forty-ninth Congress, July 29, 1886, page 7674, from the speech of Senator Beck:

If I may be allowed to guess I could guess that it has a very proper meaning. Last year the Secretary of the Treasury was induced to lock up money in the Treasury, as we all agree now, greatly beyond what the interest of the people required, and very much beyond what was needed for the wants or security of the Government, because of combinations of men of wealth and power in New York and elsewhere, many of whom held bonds as security for national-bank circulation. They did not want to have the bonds paid and the circulation based upon them withdrawn, and they determined that they would ruin the country rather than receive any part of their principal or interest in silver coin. They made earnest and successful efforts through their combinations to alarm our Treasury officials. They endeavored to make them believe that they would bring on a panic in regard to the finances of the country unless all the surplus money was held in the Treasury; and their demand for gold, and gold alone, was acceded to. I believe they alarmed the Secretary of the Treasury. I believe that much of the useless locking up of our money was because of that apprehension, and I do not speak of these things without authority. I have before me a very able review, though a somewhat bitter one, of the speech I made in the Senate last winter, by Hon. Horace White, of New York, a very well informed man. In that review he said, among other things:

"A sort of panic ensued in the money market, and it came to my knowledge that Governor Tilden was one of a considerable number of persons who, without any concert of action, had bought large amounts of sterling exchange in order to protect themselves against loss in case silver should become our monetary standard. Sterling exchange means gold in London. Why was Governor Tilden buying sterling exchange? Because, happening to have on hand a certain number of dollars worth 100 cents each in gold and apprehending that if left in bank they would presently be worth only 90 or 80 or perhaps 75 cents each, he took the precaution to insure that they should continue to be worth 100 cents. He had only to write a few lines to his banker to insure this result. This was a typical case of the domineering 'organizations of wealth' that Mr. Beck has conjured up."

And so on.

A very able man, perhaps as able as Mr. White and as well informed, Mr. Abram Hewitt, of New York, made a speech very lately in which he said:

"I have reason to know when the present Administration came into power its first and chiefest concern was to avoid the danger which had been predicted by the Republican Secretary in his official statement and in his private communications. The amount of gold in the Treasury on the 4th of March, 1885, was $126,000,000. This was a much smaller sum than had usually been held in the Treasury in gold since the resumption of specie payment. It was steadily running down. The public confidence was gone. The hoarding of gold had begun—not by the mass of the people, not in stockings, not in secret hiding places, but by the masters of finance, the men whose business it is to handle millions and to prevent their deterioration; they began to prepare for the hour of danger and the collapse which they thought was impending.

"I know three of the greatest institutions in the city of New York—I shall not name them lest it might possibly bring down upon them the condemnation of those who are prejudiced against banks—but I know three institutions in the city of New York which had accumulated more than $25,000,000 of gold as a preparation for the collapse which they thought was coming."

Mr. CALL. Who was that?

Mr. COCKRELL. Mr. Abram S. Hewitt, of New York, a gold monometallist. This was the predicament of President Cleveland in the beginning of his first Administration. The whole Administration was trembling and shaking with dread and trepidation for fear that the Treasury Department would be dishonored and degraded. Whence did they get their information? From these masters of finance, the New York bankers, brokers, and option dealers.

I am quoting now from Senator Beck:

These men were conspiring to break us down. It was a well-organized effort, no doubt. They sent their emissaries from one end of the land to the other. they held their conventions all over the country, seeking to alarm the laboring masses, and to make good their threats if we dared to say that silver and gold should stand upon an equality before the law and that they should be required to take either at the option of the Government, like other people. It was these combinations, whose power our executive officers knew, which actuated the Secretary of the Treasury to make, at their suggestion or demand, the miserable, abortive, absurd effort last summer to save the country from ruin by the exchange for gold of $10,000,000 of fractional currency.

Just think of the great Secretary going up there and bowing to these masters of finance, and begging them to let him have gold for subsidiary silver coinage!

That abortion I need not do more than allude to, because it was too contemptible to deceive anybody and fell flat before it was consummated.

Mr. President, I shall not consume the time of the Senate by reading, but will introduce some extracts from pages 7675 and 7676:

I am not going to say anything now about or against the $100,000,000 reserve; that will not be endangered by the House resolution. I never have believed there was any necessity for $50,000,000 of reserve; I do not believe it now. It becomes more and more absurd every day to hear about $100,000,000 guarding greenbacks. I do not believe the credit of this Government would be impaired one penny if we were to-day to take $50,000,000 or all of that reserve and pay off the 3 per cent bonds with it.

Whatever may have been thought to be prudent in 1879, when the resumption act was an experiment, eight years of experience have shown that the greenback needs no protection. When we paid off $50,000,000 of 3 per cent bonds between the 1st day of January and the 1st day of July last, nearly $40,000,000 of them were paid in greenbacks at the request of the men who held the bonds. When the character of money in which our customs dues were paid at the great port of New York during the month of June was looked into it was found that nearly 82 per cent of all the taxes were paid in greenbacks, although the law requires coin, and coin alone, for customs dues. The greenbacks in the Treasury held for the redemption of national-bank notes have been increased in the last five months from $30,000,000 to $60,000,000. Everybody wants greenbacks; nobody wants to have them redeemed, so that there is no sense in holding or hoarding gold for their redemption, far less $100,000,000 that costs us $5,000,000 of interest annually, as we paid 5 per cent for $6,000,000 of it and 4½ per cent for the balance. But I am not going to argue that question now. It will be swept away some day along with the other rubbish.

The 3 per cent bonds provided for in the resolution will all be paid off long before it is possible for the surplus funds, backed by the monthly surplus, to come anywhere near low enough to interfere with this $100,000,000 so-called reserve. Mr. President, this question has been argued all the time as though the Treasury was a great bank and the people of the United States a great private banking corporation, and as though everybody connected with the Treasury or managing its operations had to keep as much reserve in the Treasury of the people as a private banker would have to keep in order to save himself from unforeseen reverses. There is no analogy between them. Whatever there may be in the theory, the common sense of the proposition is all against the comparison and the assumption. The Senator from Maryland [Mr. GORMAN] and myself may be carrying on a bank in Baltimore. We may have the best men in Baltimore as our depositors; we bank on our deposits, of course; that is all we want them for.

But these depositors, when they see that the Senator from Maryland and myself are making money as bankers, and are making it out of their deposits, may say, "It is too good a thing to let Beck and GORMAN have this; we will set up a bank of our own." When they do they of course take away the money they deposited with us, and they take away the business of their friends, who are also our depositors. The two banks divide the profits. We must have a reserve to meet unexpected calls like that upon us. If our depositors who are left think that in Chicago, St. Paul, Minn., or somewhere else money can be loaned at 10 or 15 per cent instead of 3 per cent, which is all they make by depositing in our bank, they draw their money out. We must have a reserve to meet all these contingencies or fail.

The United States have no such contingencies to guard against. The United States have no competitor in their financial affairs. The money derived from our custom-houses and our internal-revenue offices and from our miscellaneous sources comes, as I said, with the certainty of death, and the more prosperous the country is the larger the receipts are. Nobody can divide with us or take from us any of our depositors.

Mr. President, no condition of things can break the United States. When the reserve of a private man is gone he fails. When the reserve of the United States is gone the Congress of the United States imposes a "5 per cent tax on all incomes over $5,000," and $30,000,000 flows into the Treasury; or "5 cents a pound on tea; 10 cents a pound on coffee; double up the tax on whisky and tobacco," and untold millions roll in. The world knows that; the plain people of the country understand it; and to argue here that we are no better off than a private man who must keep a reserve because he has no other means of payment except his own property is to my mind preposterous. No man's credit can be compared with that of the United States, whose power of taxation extends over a continent and over all the wealth of 60,000,000 people.

Everything every bank has can be called on and be required to come to the rescue of the credit of the United States at any moment when any deficiency is likely to occur. It is therefore an absurd proposition from a business standpoint to assume that we occupy the relation of private bankers, although that assumption has alarmed many people and made them believe that we were in danger of being broken down financially unless we keep this reserve intact. Even when at the end of each quarter when pensions and wages are paid, it is thought to be horrible to reduce that $100,000,000 reserve for a day, although it may be known that it will accumulate and be in large excess for three months thereafter, or until the next general quarterly pay-day comes.

I will go, however, to another speech at the same time from the senior Senator from Maryland [Mr. GORMAN]. I quote now from page 7723:

Mr. Hewitt states that he had that information from ex-Secretary McCulloch. But that is not all. The fact is that on the 7th day of February, 1885, nearly one month before the expiration of his term and when the new Administration was about to come into power, he (Mr. McCulloch) was so alarmed at the condi ion of affairs he saw, that payments out of the Treasury of silver certificates were running rapidly back into the subtreasury in New York from customs and internal revenue, receipts in gold on those accounts diminishing, the gold coin and bullion balance was being rapidly reduced, he was compelled on that date, February 7, 1885, to instruct the subtreasurer at New York to withhold payment of gold and greenbacks in the ordinary transaction with the clearing house in New York. In other words, he issued an order which suspended the whole operations of the Treasury with the New York clearing house as they had been carried on since 1879.

Mr. President, I only read this to show what the panic was at that time:

On the last day of February, 1885, just before this Administration came in, the balance, excluding the fractional silver coin, was $120,969,674, of which $42,093,056 were silver dollars, leaving a deficit, if all the obligations due in gold were paid, of $21,123,382. So it ran until July, 1885, when the Treasury found itself in the condition of having $144,052,929, of which $66,627,843 were standard silver dollars, leaving them short $22,574,913 of gold if all obligations were paid.

How similar were those conditions in 1885 and 1886! Just as bad a panic as we have now practically, and gotten up to order by the same men and to have effect upon the President. The President tells us in almost the same language as the present message of the dire calamities that would befall the country. Suppose he had called an extra session of Congress to repeal the Bland act, does any Senator here suppose that it would have been repealed? No. What did we do upon his recommendation to repeal the Bland act? We simply ignored it, as we had a right to do, being an independent and coördinate branch of the Government. He exercised his full constitutional prerogative when he made his recommendation to us, and we recognized our constitutional prerogative in ignoring it. But, Mr. President, if they were all mistaken in 1885 and 1886, may they not be mistaken now?

Mr. President, I will ask to insert extracts from this very able and interesting report of Secretary Manning (1886), pages 37, 39, and 61, where he goes on to show precisely what was the cause of the depreciation in silver—its demonetization by the principal nations of the world:

CONSEQUENCES OF STOPPING SILVER PURCHASES.

To stop the purchase of silver will enable the Treasury, while the monetary system is restoring to its normal conditions, to maintain with certainty and greater ease the present stock of silver coin at par with gold in all our fiscal and local uses, to the great relief from distrust, of the owners and employers of capital, and so to the greater relief and increasing employment of labor—the first fruits of sound finance and the first condition of prosperity.

To stop the purchase of silver of course will cause a new fall in the London market. Speedier and more assured will then be the day of its final restoration to its former place in the money of the world. It is the recent heavy fall which has opened eyes that were blind and ears that were deaf. But a fall of silver, if the expense and influx to the Treasury are stopped, will not enhance the trouble of the Treasury or increase the difficulty of the duty which the laws impose to keep the silver circulation at par with gold within our own jusisdiction. Of course, compulsory employment of a money temporarily and locally inferior, in funded-debt payments, or in daily expense of any sort, means compulsory acceptance, and would force the inferiority to appear, whereas its skillful employment and an optional acceptance, which the laws of Congress do not forbid, will prevent that inferiority from appearing in our domestic trade which nothing can disguise in our foreign exchanges.

* * * * * * *

If the law were repealed which makes compulsory Treasury purchases of silver, and if that repeal were accompanied by the declaration of Congress that the United States now hold themselves in readiness to unite with France, Germany, and Great Britain in opening their mints to the free coinage of silver and gold at a ratio fixed by international agreement, it is the deliberate judgment of the undersigned that before the expiration of another fiscal year this international monetary dislocation might be corrected by such an international concurrence, the two monetary metals restored to their old and universal function as the one standard measure of prices for the world's commodities, the depression of trade and industry relieved, and a general prosperity renewed.

I respectfully recommend to the wisdom of Congress the unconditional repeal of the act of February 28, 1878, accompanied by such a declaration.

Why did he want to stop the coinage? Upon what ground? Remember, he claimed to be a bimetallist. Upon what ground did he want the limited coinage of silver under the Bland law stopped? He wanted it stopped so that it would force England and other European nations to come to bimetallism. The favorite theory for years and years was that we could never secure bimetallism until we forced European nations to it; that we never can force European nations until we stop the coinage of silver and throw it upon the market, glut the market, and then they will come down and agree with us. That is the theory.

We have been talking about that theory ever since 1878, and yet what has been done right in our face? England has stopped the coinage of silver in India, and precipitated a crisis such as the world has not seen. Yet they tell us that if we would stop the coinage of silver, it would bring about an agreement! Are we to be fed upon such milk as that? Is there any strengthening power in such an argument and such presentations? Think of it. I want Senators to think of it. For years and years the principal argument for stopping the coinage of silver under the Bland law has been that we might get an international agreement. When they saw that we were not going to uphold silver, the idea was that then they would come down and agree with us. Yet, while we were doing that, England has gone on steadily and stopped the coinage of silver in India, stopped the mints to free coinage, without consulting us; and in the Brussels conference they even told us that they intended to do it. It was intimated to us strongly enough to put us on our guard, and then we told them we were going to do it.

So that the argument to-day that the stoppage of the coinage of silver or the purchase of silver under that law will tend to make foreign nations come to a bimetallic agreement with us is without foundation. They have taken the lead of us and closed their mints. We shall have to get something else in order to have a standing in any proper and fair argument.

Now, Mr. President, I will go on with this panic of 1885-6. In 1886 President Cleveland referred to the Secretary's message, and again recommended the suspension of the coinage of the standard silver dollar under the Bland act. But that was still to the Forty-ninth Congress. Secretary Fairchild then comes in and makes his report in 1887, and I will insert extracts from that report from pages 47, 48, and 49. They are very interesting:

STANDARD SILVER DOLLARS.

One of the most interesting facts shown by the foregoing statements is the decrease in the number of standard silver dollars owned by the Government and the increased use of the same money by the people in the form of silver certificates. The five, two, and one dollar certificates furnish a convenient currency, and it is evident that the future use of the silver dollar will be almost exclusively in that form.

* * * * * * *

If the Government held no funds save those needed for its daily expenses, it would perform no different function toward currency when it had once coined or printed it than does an individual who receives and pays out money; but the two great trust funds—that for the redemption of United States notes, ($100,000,000,) and that for the redemption of national-bank notes, at present more than $100,000,000, and whatever surplus there may be from to time to time—form, as it were, a reservoir which takes and holds that kind of currency which the people reject. Were it not for this great Government reservoir a redundancy of any form of currency would be shown either by its exportation to countries where it was needed or by its depreciation here. The silver dollar can not be exported because the silver of which it is made is worth less than 75 cents, and that would be its value for exportation.

* * * * * * *

The foregoing tables show that during the sixteen months ended November 1, 1887, this Department was able to pay out at par and keep in circulation $10,464,905 of the coined silver dollars, and $72,597,732 of their representatives, the certificates, in addition to the amounts of each in circulation July 1, 1886. If the Department had been able to print enough certificates, doubtless the whole of this increased use of silver would have been in the form of certificates, and few, if any, coined dollars would have been paid out. On the contrary, many of those out would have been returned and certificates taken in their place.

There should always be in the Treasury enough silver beside that held against outstanding certificates to enable the Government to at once supply any demand for it on the part of the people; but all held in the Treasury in excess of that amount is absolutely useless for any purpose, and is in fact a menace to the silver which the people hold and also to the United States notes and national-bank notes—to the whole circulating medium, except gold; therefore it would be the part of wisdom to prevent any accumulation of silver in the Treasury beyond a sufficient reserve needed to meet any demand which may be made for it. This can be done by fixing the amount of such reserve, and providing that when it is exceeded by say $5,000,000 the purchase of bullion shall cease until the amount held by the Government again equals such reserve.

President Cleveland, in his third annual message of December, 1887, makes no mention of the terrible crisis in which the country had been enveloped. That was in 1885. The clouds had cleared away, and the silver question was not so important.

Mr. President, has it ever occurred to the friends of unconditional repeal, when they bring before us the weighty power of the President's recommendation, that it is barely possible that the President may be mistaken now, as he has been so often mistaken heretofore?

I refer to Secretary Fairchild's report for 1888, page 29:

SILVER COINAGE.

The ownership of silver by the Government again was largely decreased, in spite of the increase of the total stock of silver dollars in the country, by the coinage of sixteen months. During the past few years the decrease of circulation caused by the cancellation of national-bank notes and by the deposit of money with the Treasurer by the banks to redeem their notes when presented for that purpose has been but little exceeded by the increased circulation of silver certificates and of standard silver dollars; thus silver seems to have filled the vacuum caused by the retirement of national-bank circulation. The circulating medium in small denominations has been largely converted into silver certificates. And, finally, business has largely increased in the South and in portions of the country where there are few banking facilities.

Now I quote President Cleveland's message of December 23, 1888, the last message, in which he says:

The Secretary recommends the suspension of the further coinage of silver, and in such recommendation I earnestly concur. For further valuable information and timely recommendations I ask the careful attention of Congress to the Secretary's report.

We drift along a little further, Mr. President, and I will insert extracts from President Harrison's message of December 3, 1889, in which he goes on to show how the lowering clouds of apprehension and danger had passed away and the country was in good condition:

The evil anticipations which have accompanied the coinage and use of the silver dollar have not been realized. As a coin it has not had general use, and the public Treasury has been compelled to store it. But this is manifestly owing to the fact that its paper representative is more convenient. The general acceptance and use of the silver certificate show that silver has not been otherwise discredited. Some favorable conditions have contributed to maintain this practical equality, in their commercial use, between the gold and silver dollars. But some of these are trade conditions that statutory enactments do not control, and of the continuance of which we can not be certain.

I refer now to his messages of 1890, 1891, and 1892, and to the finance reports.

President Harrison in his message of December 1, 1890, in referring to the Sherman law said:

Some months of further trial will be necessary to determine the permanent effect of the recent legislation upon silver values, but it is gratifying to know that the increased circulation secured by the act has exerted and will continue to exert a most beneficial influence upon business and upon general values.

In his message of December 9, 1891, President Harrison says:

I hope the depression in the price of silver is temporary, and that a further trial of this legislation will more favorably affect it. That the increased volume of currency thus supplied for the use of the people was needed, and that beneficial results upon trade and prices have followed this legislation I think must be very clear to every one; nor should it be forgotten that for every dollar of these notes issued a full dollar's worth of silver bullion is at the time deposited in the Treasury as a security for its redemption.

* * * * * * *

I am still of the opinion that the free coinage of silver under existing conditions would disastrously affect our business interests at home and abroad.

* * * * * * *

The exports of gold to Europe which began in February last and continued until the close of July, aggregated over $70,000. The net loss of gold puring the fiscal year was nearly $68,000,000. That no serious monetary disturbance resulted was most gratifying, and gave to Europe fresh evidence of the strength and stability of our financial institutions. With the movement of crops the outflow of gold was speedily stopped, and a return set in. Up to December 1 we had recovered of our gold loss at the port of New York, $27,854,000, and it is confidently believed that during the winter and spring this aggregate will be steadily and largely increased.

It will be remembered that on the 14th of January, 1891, the free and unlimited coinage amendment of my colleague [Mr. VEST] was passed by the Senate by 39 yeas—24 Democrats and 15 Republicans; to nays 27—1 Democrat and 26 Republicans; and was pending in the House of Representatives. What was done? The business men got up a banquet in New York and invited ex-President Cleveland—as he was then—to attend and address the meeting. I now hold in my hand the letter of Mr. Cleveland to Mr. Anderson, dated from 816 Madison avenue, February 10, 1891, in which he says:

I shall not be able to attend and address the meeting as you request, but I am glad the business interests of New York are at last to be heard on the subject.

The business interests of New York to be heard!

It surely can not be necessary for me to make formal expression of my argument to those who believe that the greatest peril would be initiated by the adoption of the scheme embraced in the measures now pending in Congress for an unlimited coinage of silver at our mints.

When that sentence was written, then he began to meditate, and then he puts in—

If we have developed an unexpected capacity for the assimilation of a largely increased volume of currency, and even if we have demonstrated the usefulness of such increase, these conditions fall far short of insuring us against disaster if in the present situation we enter upon the dangerous and reckless experiment of free, unlimited, and independent silver coinage.

Yes, Mr. President, when he was writing that letter he began to think of the predictions he had made, beginning in 1885, and every solitary one of them not having been fulfilled, in whole or in part.

Mr. PLATT. What was the date of that letter?

Mr. COCKRELL. That was in 1891, February 10.

You see when he got into the middle of the letter he then began to reflect about the number of times he had made the same identical prediction, and every one of those predictions had failed. He then says:

If we have developed an unexpected capacity for the assimilation of a largely increased volume of currency, and even if we have demonstrated the usefulness of such increase—

Here is an open confession—"good for the soul"—to the world that the predictions he had made before had not resulted as he had anticipated, but that, on the contrary, the ignoring of them by us had been a blessing to the country.

But, Mr. President, why shall we not now, by amendment to this bill, establish such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States in the markets and in the payment of debts?

We have ample time; we have all the attainable data, all the information, facts, and figures necessary to enable us to prepare and legislate into existence a just, efficient, and sufficient monetary system, founded on the constitutional, old Democratic bimetallic principles.

The opponents of silver coinage answer in the doleful tones of their long and oft-repeated predictions and shuddering panicky apprehensions of dire consequences and untold evils to flow from the further coinage of silver. We are gravely and solemnly told—as we have been ever since 1878—that unless we stop all further coinage of silver dollars we will drive all the gold out of our country, and will have our country baptized with an overwhelming inflow of silver, and be driven to a single silver standard. They are the same old stereotyped prophecies. If there be any foundation for them in fact, there has been ample time since 1878 to prove them true or false.

Now we come to the cold facts and figures. Here we have had the predictions made ever since 1877 as to what was going to occur from year to year. Now let us take the cold recorded facts and figures, and see whether one solitary prediction ever has been fulfilled. Has gold been driven from our country out of circulation.

The finance report of Secretary Sherman of December 2, 1878, the first one made after the passage of the Bland silver law of February 28, 1878, shows (page 9) that on April 11, 1878, he sold fifty million 4½ per cent bonds, funded loan of 1891, at a premium of 1½ per cent and accrued interest, less a commission of one-half of 1 per cent, and that on November 23, 1878, there were in the Treasury, in excess of coin liabilities, $141,888,100 in gold.

Statement of gold coin and bullion and silver dollars and bullion in the Treasury and in circulation on the dates given.

July—	Gold coin and bullion.	Silver dollars and bullion.	July 1—	Gold coin and bullion.	Silver dollars and bullion.
1879	$245,741,837	$41,276,356	1889	$680,063,505	$343,947,093
1884	545,500,797	180,306,614	1890	695,563,029	380,083,304
1885	588,697,036	208,538,967	1891	646,582,852	433,753,502
1886	590,774,461	237,191,906	1892	664,275,335	491,057,518
1888	705,818,855	310,166,459	1893	592,089,133	537,506,270

Gold coin and bullion in Treasury July 1, 1893, $188,555,433. Silver dollars coined, 419,332,450; out in circulation, 57,029,743; and in certificates, $330,957,504, leaving in Treasury only 31,345,203.

Oh, think of the conduct of these silver lunatics from 1878 to 1893! We have persistently ignored the recommendation of every President who has occupied the Executive chair. While every President and every Secretary of the Treasury has predicted that the country was going to destruction, that financial crises would envelop the whole country, we poor silver lunatics have stood and paid no attention to them, and yet the country has been prosperous and at rest. What would this country be to-day if you took the silver money, the coins and the certificates, out of it? Where would we have anything to circulate? We would not be in this crisis. No; but we would be in the deadly paralysis of a single gold standard, and the business of this country would be prostrate and shrivelled, tenfold worse than now. The silver lunatics said "No, we will not repeal it." And we did not. Had we obeyed their commands we would have brought ruin and disaster upon the country.

But now, Mr. President, if all these great statesmen and learned financiers—Secretary and ex-Senator (and now Senator) SHERMAN, ex-President Hayes, ex-President Arthur, Secretary Folger, Secretary McCulloch, President Cleveland, Secretary Manning, Samuel J. Tilden, the New York bankers who hoarded twenty-five millions of gold in 1885—if all and every one of these have, giving way to their fears and apprenhensions, made predictions which have not been fulfilled, and have every one of them been mistaken, as the records conclusively and beyond any reasonable doubt show, and all their predictions have been absolutely falsified by the record of subsequent events, is it, I ask, in common reason and sense, criminal, censurable, or improper in us plain, common people to suspect, to believe that they are now as much mistaken as then? Their predictions then were just as honestly and conscientiously made, with all the lights before them, as now. We do not question their honesty and sincerity, and their fears. They have up to this date been grievously mistaken in all their predictions. We just as honestly and sincerely believed then they were mistaken.

The facts and figures show we were correct and right in our views and judgments, and they were mistaken, wrong, in theirs. Would it be wrong in us now to suggest to them our doubts of the correctness of their present apprehensions and predictions?

Is it not time, after the lapse of over fifteen years, that these calamity howls shall be brought to a halt? We hear a great deal in the Eastern press about the calamity howlers out West, but if there have ever been any calamity howlers in the West equal to those of Wall street and the East I should like to have them pointed out. Ever since we took away from them their idol, their god (a single gold standard), they have deluged this country and the press with their calamity howls of the crises and the impending dangers. Talk about a Populist in Kansas being a calamity howler! Put him by the side of a New York banker and he would sneak away in shame! [Laughter.]

So much for the assertion that the coinage of silver will drive gold out of the country and bring us to a silver standard. But our opponents say we have only had limited coinage of silver, and that if we give to silver unlimited coinage with full legal tender, then we will certainly be deluged with an overwhelming mass of silver from every nation, kindred, and tongue, and will have piled into our mints all the old silver spoons, forks, teapots, and plate generally, in addition to the great mass of silver coins now in the various nations.

This is a mere guess, assertion, prediction, prophecy. It can only be determined absolutely by the trial. We can only ascertain all the available data, facts, and figures, and then by reasoning—guided by the past and the probabilities of the future—form our conclusions and make up our judgment.

First. Will the silver plate in the world be dumped into our mints? No one denies that a large amount of silver bullion and coin has been consumed annually in industrial uses, in ornaments, in manufactures, and in fine arts.

Is it so consumed in anything near its purity? Certainly not. It is debased, mixed in greater or less proportion with baser metals, and in its present condition could not be received under any ordinary mintage laws for coinage. It would then be absolutely necessary to have the silver extracted from the baser metals, and when purified, then present for coinage.

Now, is not the silver so used in the existing plate, ornaments, etc., more valuable in the plate, etc., than it would be after paying the cost of extraction and losing the entire value of the manufactures in which it exists? There certainly can be no reasonable doubt of this.

The quantity of silver consumed in industrial uses which would ever find its way to our mints would be infinitesimally small and of no consequence whatever. This pretended claim is simply made as a burlesque to bring ridicule and contempt on the silver cause.

Second. Let us now consider how much of the silver coins in existence in other nations would come to our mints. Would we be flooded with the silver from India? According to our Mint Bureau there are $900,000,000 in silver in India, in the rupee silver coins.

The population of India is 280,000,000, and they have only a small fraction over $3.21 per capita, and the silver rupee is their absolute money, with full legal tender at the ratio of 15 of silver to 1 of gold, and at that ratio has full debt-paying and purchasing power, and for ages past has been their only full legal-tender money, used in all the varied and multitudinous transactions and exchanges. The quantity of silver there in the rupee coins—the full equivalent of the dollar—brought here and placed in our mints for our coinage at 16 to 1, would be 6.2 cents less less than $1, and that amount would be an actual loss on every dollar's worth, beside the cost of transportation, insurance, and interest during time in transit and up to its recoinage here.

Would it pay them to suffer these losses? In view of their financially embarrassed treasury it certainly would not. The Indian Government could not afford it and private citizens would certainly not. And it is practically all in circulation among the people and belongs to them and not to the government. It is their coin money.

Besides all these facts the people have not a sufficient quantity to meet the wants and demands of their daily transactions. Yet we are told that we are to be flooded from India. It is a mere chimera. Certainly there could be none from India.

China, with a population of 400,000,000, has, according to our Mint Bureau, $700,000,000 in silver, which is just $1.75 per capita.

Can anyone believe that there is any danger of a flood from that source? The silver there is in the hands of the people, in bullion largely, simply in pieces of silver and used as money in the ordinary business dealings. It is not reasonable to suppose there is any probability of that silver, in whole or even in part, coming to our mints.

In the Straits Settlements, population not given, there is estimated to be $100,000,000 in silver scattered throughout that country in the hands of the people, used as their only money, and so used for ages past. There can not reasonably be expected any deluge from that source.

In Japan, with a gold coinage of $90,000,000, and $50,000,000 of full legal-tender silver coined at the ratio of 16.18 to 1, and a population of 40,000,000, and $56,000,000 of uncovered paper currency without any gold or silver redemption reserve, the silver is only $1.25 per capita, scattered among the people and in constant use in their business affairs, as standard money equal to gold, and to the use of which they have long been accustomed. If sent here for coinage their silver dollars would only contain 1.01 cents more than our dollar, and this 1.01 cents per dollar would not compensate the expenses of transportation insurance, and loss of interest. No one can reasonably expect any overflow from Japan. Their dollars would be worth no more here recoined into our dollars than they are in Japan.

In South America, with a population of 35,000,000, they have $45,000,000 of gold and $25,000,000 of full legal-tender silver coined at the ratio of 15½ to 1. The amount of silver there is only 71 cents per capita, and besides this they have the enormous sum of $600,000,000 of uncovered irredeemable paper currency, and need and require many times more silver than they have for their daily business transactions. There can not reasonably be any fear from that source. Their silver dollars at the ratio of 15½ to 1 contain 3.1 cents less than ours, which would be an actual loss on every dollar.

In Mexico, with a population of 11,600,000, they have five millions of gold and fifty millions of full legal-tender silver dollars, coined at the ratio of 16½ silver to 1 gold, and two millions of uncovered paper. Their silver is only $4.31 per capita; is their only circulating coin money in the hands of the people, used time immemorial as money. Their silver dollar contains 1.03+ cents more silver than ours. Being our near neighbors it is probable that small quantities of their silver coinage might find their way to our mints, but it would be no deluge, and no material amount.

In Egypt, with a population of 7,000,000, they have one hundred millions of gold and fifteen millions of limited legal-tender coins at a ratio 15.68 to 1. Their silver is a subsidiary coin, and amounts to only $2.14 per capita, and is in the hands of the people—used as money in the ordinary business transactions. There would certainly be no deluge from that source, as their dollar contains 1.93 cents less silver than ours. There could be no motive for sending their coin here.

Turkey, with a population of 33,000,000, has fifty millions of gold and forty-five millions of limited legal-tender silver coins—only $1.36 per capita. Their silver coins are in the hands of the people, widely scattered over a large area, and are in constant use in their daily affairs, and all coined at the ratio of 15.1 to 1. The loss on every dollar would be about 5.6 cents. I can not see any probability of any deluge, or even light shower, of silver from that country.

Russia, with a population of 113,000,000—doubtless underestimated—has $250,000,000 of gold and $22,000,000 of full legal-tender silver coins coined at the ratio of 15½ to 1, and $38,000,000 of limited legal-tender silver coins, coined at the ratio of 15 to 1, with the immense sum of $500,000,000 of uncovered paper currency, practically irredeemable and below par. They have use for much more silver than they have. The actual loss on every dollar of their full legal-tender silver would be 3.1 cents and on their limited legal tender would be 6.2 cents. Their paper currency is redeemable in their silver coins. In this financial condition is it reasonable to suppose that any part of the silver coins of Russia now in the hands of her vast population, widely scattered over her vast domains, would be gathered up and sent here to our mints? It seems to me only reasonable and almost absolutely certain that no part of her silver would flow into our mints.

The Scandinavian Union, with a population of 8,600,000, has thirty-two millions of gold and ten millions of limited legal-tender silver coins at a ratio of 14.88 to 1, and twenty-seven millions uncovered paper currency. This silver is a subsidiary or minor coin amounting to $1.16 per capita. If these silver coins were sent to our mints the loss on each dollar would be 6.3 cents. These silver coins are in constant use in all money transactions in limited sums, and no part of it can be spared or sent to our mints.

The Netherlands, with 4,500,000 population, have twenty-five millions of gold and $61,800,000 of full legal-tender silver at the ratio of 15½ to 1, and $3,200,000 limited legal-tender silver coins at the ratio of 15 to 1, with forty millions uncovered paper. Neither their silver coins nor their paper currency are convertible into gold. All their silver coins are in circulation as money in the hands of the people. If their full legal-tender silver coins were sent to our mints the actual loss on each dollar would be 3.1 cents, and on each dollar of their limited legal-tender silver would be 6.2 cents. There is no possibility with such a small amount of silver that they will ever be able to spare it. In addition to that, it does not belong to the government.

Austria-Hungary with a population of 40,000,000 has a stock of $40,000,000 in gold, according to our Mint Bureau, which I think is much below the actual amount, as that Government has been grabbing for and accumulating gold for some time past, having proposed in 1891 to establish the single gold standard, and having established it in August, 1892. They have $90,000,000 of full legal-tender silver coined at the ratio of 13.69 to 1, and $260,000,000 uncovered paper currency, according to our Mint Bureau, but which I think far below the actual amount, as they had at the beginning of 1892 about $345,000,000 of such uncovered paper currency.

Their silver coins are only $2.25 per capita, while their paper currency is from $6.50 to $8.62½. Their paper currency, as well as silver, has been inconvertible. It is doubtless their intention in the end, when their finances will justify, to retire some of their paper and make the remainder redeemable and convertible.

Even with their recently established gold standard it does not seem reasonable or probable that they can resume coin redemption of their uncovered paper, and dispense with their comparatively small amount of silver coins—only $2.25 per capita—gather their silver into the government treasury and send it to our mints for coinage. It would certainly involve a serious loss, amounting to 14.4 cents on every dollar, which any government in the financial stress of Austria, with a national debt of $70 per capita, would hesitate to suffer and could illy afford to incur this loss and send that silver out of the country. There certainly need be no serious apprehension of any overflow from that country of silver to our mints.

Portugal, with 5,000,000 population, has forty millions gold, ten millions limited legal-tender silver money at the ratio of 14.08 to 1—only $2 per capita, and forty-five millions of uncovered paper money. On every dollar of their silver sent to our mints the actual loss would be 14.35 cents. It is certain there would be none sent to our mints.

Spain, with a population of 18,000,000, has forty millions gold, one hundred and twenty millions full legal-tender silver coined at the ratio of 15½ to 1, and thirty-eight millions of limited legal-tender silver coined at the ratio of 14.38 to 1, and one hundred millions of uncovered paper money. In addition to this uncovered paper, $5.56 per capita, Spain has a national debt of over $70 per capita. The full legal-tender silver is $6.66 per capita and the limited legal tender is $2.11 per capita. On every dollar of the full legal tender the actual loss, if recoined in our mints into our dollars, would be 3.1 cents, and on the limited tender 10.1 cents.

Is Spain in the financial condition to gather into her treasury any considerable portion of her silver coinage from its circulation among a tax-ridden people, dollar for dollar with any and all other money in their hands, and dump it into our mints at the actual loss I have named? There can be no reasonable or well-founded apprehension of any such action.

Switzerland, with 3,000,000 population, has fifteen millions of gold. Eleven million four hundred thousand full legal-tender silver money coined at the ratio of 15½ to 1, and $3,600,000 limited legal-tender silver coined at the ratio of 14.38 to 1, and fourteen milons uncovered paper, nearly equal to all her silver.

The actual loss on the full tender coins on every dollar, if sent to our mints, would be 3.1 cents, and on the limited tender 10.1 cents. All her silver is only $5 per capita, and is in the hands of the people, equal to gold and as current money in that country as gold. There can be no reasonable grounds to believe any portion of it will be dumped into our mints.

Italy, with 31,000,000 population, has $93,605,000 of gold, sixteen millons full tender silver at a ratio of 15½ to 1, and $34,200,000 limited tender silver at 14.38 to 1, and $163,471,000 uncovered paper, besides a per capita national debt of over $75. Their paper is at a discount. Their full tender silver is only 51 cents per capita, and their limited tender only $1.10 per capita, combined only $1.61 per capita. No one can reasonably expect any of this silver money to be dumped into our mints, the actual loss being 3.1 on full tender and 10.1 on limited tender.

Belgium, with 6,100,000 population, has, according to our Mint Bureau, sixty-five millions gold, a largely overestimated sum according to Indian currency commission's report, and $48,400.000 full tender silver at ratio of 15½ to 1, and $6,600,000 limited tender silver at ratio of 14.38 to 1, and fifty-four millions uncovered paper, and in addition a national debt of over $60 per capita.

The actual loss on every dollar of her full-tender silver sent to our mints would be 3.1 cents and on the limited tender 10.1

cents. Certainly Belgium is in no financial condition to gather up from the hands of the people using and passing her silver equally with gold and dump it into our mints at the losses indicated.

Now, I go to Germany. Germany is the greatest scarecrow for deluging us with untold masses of depreciated silver so called. There is the country that is going to flood the world with its surplus silver. Germany has a population of 49,500,000, and according to our Mint Bureau, has six hundred millions in gold, an overestimate of probably fifty millions, according to Indian currency commission reports. She has, notwithstanding her single gold standard, one hundred and three millions of full legal tender silver thalers or dollars, as estimated by our Mint Bureau, coined at the ratio of 15½ to 1, in circulation upon a perfect equality with her gold, equal to gold in the payment of all debts and in all purchases, and only equal to $2.08 per capita, and one hundred and eight millions of limited legal-tender silver coined at the ratio of 13.957 to 1, and an uncovered paper circulation of $107,000,000. The per capita of the limited tender silver is only a fraction over $2.18.

In 1890, according to Eleventh Census Report, the German Empire proper had a debt of only $85,181,250, but the States of Germany had a combined debt of $1,874,437,972 owing in different amounts by the several states.

If the German full legal-tender silver were dumped into our mints, the actual loss on each dollar would be 3.1 cents, and on the limited tender 12.7 cents. Consider her indebtedness, Empire and states, her one hundred and seven millions of paper money without any gold or silver coin on hand for its redemption, and her $2.08 full legal tender per capita and her $2.18 limited tender per capita, only $4.26 combined, per capita, and the actual and unavoidable loss to be incurred in sending her silver coinage to our mints, while the coin at home is circulating side by side with gold, and it seems to me certain that there can be and would be no deluge of silver from Germany.

There has been so much said about the silver in Germany that I must beg the indulgence of the Senate to not rely simply upon the reports of our Mint Bureau, but to go to the official records and see whether the Mint is right, and see whether there are $103,000,000 there of full legal tender. I confess we have all been under that impression. I spoke to my friend, the Senator from Iowa [Mr. ALLISON], and asked him if he could give me any estimate of what was stated in the Brussels conference. I had read the report of the Brussels conference and had found that the German representatives there had submitted a table and that it was not printed with the proceedings, although it was stated that it would be printed. I then went back to the report of the monetary conference of 1881, and I will now read from that report the official statement of the German representatives in that conference.

EXHIBITS OF THE FIRST SESSION.

EXHIBIT A.

[Presented by Baron Von Thielmann, page 13.]

A STATEMENT OF THE MONETARY SITUATION IN GERMANY.

I will not read this because we all know she changed from a single silver to a single gold standard and introduced a new coin as her standard, a gold mark. Then she made the silver coins of 5, 3, and 1 mark and 50 and 20 pfennigs, and called in the silver coin, and the world has been scared with what she had ready to dump on it ever since. I will read from pages 17 and 18:

If the provisions of the present monetary statutes should be completely carried out, and if, by reason thereof, the sales of silver should be resumed, the Imperial Government would need to dispose of only so much of the four hundred and ten or five hundred millions of marks in thalers now in circulation, as well as of the bar silver which it has held since 1879, as might not be required for the augmentation of the circulation of subsidiary silver coins.

As has been stated in the above title I, the total amount of Imperial silver coins must not, under the present law, exceed 10 marks per capita of the population of the Empire.

The latter, however, having increased between the census of 1st December, 1875, and that of 1st December, 1880, from 42,727,372 to 45,194,172 souls, making a gain, therefore, of 2,466,800 souls, it becomes possible, at this date, under existing legislation, to augment by about 25,000,000 of marks the mass of silver coins struck up to the present time, and which amounts to 427,000,000 of marks. But, besides this, the Imperial Government has recognized, since the year 1880, the propriety of raising the rate of the fractional coinage from 10 marks to 12 marks per capita of the population, in case the monetary reform should be allowed to take its course.

If this new rate be based upon the total of the present population of Germany it would be necessary to coin a further sum of 115,000,000 of marks in silver money, and this would absorb the 31,000,000 of marks in silver ingots—

Referred to here. That is all they had in bullion, 31,000,000 of marks in bullion. He says:

And this would absorb the 31,000,000 of marks in silver ingots which are now on hand, and 73,000,000 of marks in thalers now actually in circulation.

There would remain to be sold, including seventy-four to eighty-one millions of marks in Austrian thalers, a mass of three hundred and thirty-seven to four hundred and twenty-seven millions of marks, that is to say, of 3,740,000 to 4,740,000 pounds of fine silver.

If the Austrian thalers be left out of the calculation, there would only remain to be disposed of two hundred and sixty-three to three hundred and forty-six millions of marks, or, in other words, 2,920,000 to 3,840,000 pounds of fine silver.

Let us take the reasonable medium estimate there, 4,500,000 pounds of fine silver, its value $69,795,000. What is the increase of population since 1880? Four million four hundred and five thousand. What is the per capita? Twelve marks per capita, equal to $12,686,400, reducing the stock of silver to $57,108,600 in legal thalers, the most of it in bank as reserve money. Did she coin it? Has she coined any since 1880?

Germany in 1882 and up to 1889, according to our census reports, and in 1891, coined $11,870,460 in subsidiary silver, which shows that she has carried out her monetary policy, and there can be no possible danger from that source. The Imperial Bank of Germany on the 18th of August, 1893, had gold coin £36,725,250 and silver £12,241,752; so that from $57,000,000 to $60,000,000 is all there is of standard silver thalers in Germany, and they are a full legal tender and circulating at a par with gold. I say all the pretensions that we are going to be flooded with silver from Germany are without foundation.

Now go to Great Britain. Nobody can claim that her $100,000,000 of silver will ever be brought here. Great Britain, the United Kingdom, has 38,000,000 population, $550,000,000 gold and $100,000,000 subsidiary silver coin money, coined at the ratio of 14.28 to 1, and a full legal tender up to $10, now in circulation as money among the people—used in nearly all the transactions in amounts below $10, and redeemable in gold whenever gold is wanted.

It is worse than ridiculous to pretend even that any portion of that silver money will ever be dumped into our mints, at an actual loss in its value of 10.7 cents on every dollar. There is no danger from that source.

Now for France. France has a population of 39,000,000; eight hundred millions gold, the largest stock in any nation, and six hundred and fifty millions silver, coined at ratio of 15½ to 1, and a full legal tender in all payments, the equal in all respects of her gold coin, and absolute money, irredeemable in anything, just like gold.

France also has fifty millions limited legal-tender coins at ratio of 14.38 to 1. The recoinage into our dollars would entail an actual loss of 3.1 cents on her full legal tender and 10.1 cents on her limited tender on every dollar.

France to-day maintains the true bimetallic system, so far as her coined gold and silver money is concerned, but not as to silver bullion, for her mints are closed to silver coinage.

France has $81,402,000 of uncovered paper money, without any metallic reserve for redemption, and an enormous national debt of $4,446,000,000, exclusive of annuities whose capitalized value is estimated by good authority to be not less than $2,000,000,000. That is according to the Eleventh Census Report. This vast indebtedness is held almost entirely by her own citizens, who receive the interest on it, and when paid will receive the principal.

In this condition of France, can any rational person believe it either probable or even possible for any considerable portion of this silver coin money to find its way to our mints for recoinage into our silver dollars at the inevitable loss to be incurred? It seems to me that any such belief can only arise in drowsy moments when dreams, not reason nor judgment, hold possession of the mental faculties.

The Bank of France on August 18, 1893, held gold $335,000,000 and silver $250,000,000.

In all these countries the silver coins are money in circulation among the people, and where full legal tenders are money equal to gold—dollar for dollar. Should they come here it would be as metal, losing every monetary function the moment they crossed their territorial boundaries and at very great loss. If they did come and were coined, what would they do with them? They would put them into our mints and take the standard silver dollars, and what would they do with them? Take them back to their country? Oh, no; it would be only bullion the moment it left the boundaries of the United States. They would buy something that we have to sell. That is what they would do with it. They would have to do that unless these accommodating New York calamity-howling bankers would give them gold coin in exchange for the silver, and I do not believe they would do it. No, no, Mr. President, we have an abundance to spare of the material products of our labor and our factories and would only too gladly exchange them for many, many dollars. There is no danger of a flood from that source. There is no accumulation of silver bullion anywhere in the world.

[At this point the honorable Senator yielded to Mr. SMITH.]

Mr. COCKRELL. Why not then restore that safe system of bimetallism for which, according to professions, whose sincerity I am not questioning, we all hunger and thirst by day and by night?

But, say our friends, the opponents of unlimited coinage, if, as you say, there be no danger of a deluge of silver from the silver coins of foreign countries—the real danger—the deluge from the annual overproduction of silver in the world, coupled with the closing of the mints of all other nations to such coinage, will certainly come, is inevitable.

Here again come predictions, apprehensions of dire calamities, and panicky fears arising from overnervousness, and not from facts and figures.

Let us now calmly and dispassionately reason together and consider the probabilities, based upon the facts and figures of the past.

In ten years, 1882 to 1891, inclusive, according to our Mint Bureau, the world's product of silver was $1,363,799,078, from which we must deduct the amount of silver consumed annually for industrial purposes, estimated by Dr. Soetbeer at 21 per cent, and shown by our Mint Bureau to be in the United States 12.2 per cent, and which I will estimate at only 15 per cent, to be safe beyond question. This will amount to $204,569,860. Deduct this from the gross product and we have left for coinage $1,159,-229,218.

The world's coinage of silver in these ten years, after deducting therefrom all the coinage in the United States, India, and Austria, amounted to $638,133,496, which, deducted from the balance left for coinage, leaves only $521,095,722 as the surplus to be consumed by the unlimited coinage in the United States in ten years, being only $52,109,572 for each year. That is no deluge, and we should have no overflow from that.

Take five years, 1887–1891:

World's product	$787,063,791
Deduct 15 per cent consumed in industrial uses	118,059,568
Leaving a balance of	669,004,223
Deduct world's coinage, excluding India, Austria, and United States	322,489,068
Leaving a balance for us to coin of	346,515,155
Being only annually	69,303,031

This would have been no overflow, no inundation of silver.

Suppose our coinage limited to our own product—

In twenty years, 1873–1892, inclusive, we produced	$992,719,000
Deduct 12 per cent for industrial uses	119,126,280
We have for our coinage in twenty years	873,592,720
Annually in each of the twenty years	43,679,637
In five years, 1888–1892, we produced	343,419,000
Deduct for industrial uses	42,208,178
We have left for our coinage in five years	301,210,822
For each year, or annually	60,242,164

There is no deluge in this.

Coinage confined to our own product would, in all reasonable probability, not exceed one dollar per capita annually, no more and not as much, in fact, as the increase in population, commerce, and business will absolutely require for monetary uses.

These facts and figures must dispel the trembling fears of a deluge of silver into our mints if opened to the world's product.

If limited to our own product there can be no possible danger of a deluge.

The opponents of unlimited silver coinage have proclaimed all over the world time and again, and it has been repeated by the gold monometallists in foreign countries, that the United States have practically had the single gold standard since 1834 and 1837, and silver was practically demonetized in 1853. There never has been any change whatever by our laws touching the coinage of silver dollars as to 371¼ grains pure silver. In 1834–'37 the quantity of gold to the dollar was reduced, so as to bring us to the standard of 16 to 1. Our mints from 1792 to 1873 were always open to the unlimited coinage of silver dollars and gold coins on exactly same terms, and both coins had equal legal tender—were absolute irredeemable money, without price, and our silver dollar was maintained as the unit of value.

In addition, the half and quarter dollar, the dime and five-cent pieces, were of standard weight and fineness and full tenders equal to gold, until 1853, when they were reduced in weight and limited in tender to $5, simply to keep them as change. Why such misrepresentations? In the Senate, March 8, 1852, Senator Hunter, of Virginia, reported a bill the object of which was to retain our silver currency, which was then leaving the country because of its value being greater than gold; not to demonetize silver. He insisted on bimetallism.

Once monarchs and kings depreciated the coins by reducing the quantity of metal and increasing the paying power. Now governments increase the value and purchasing power by demonetizing one-half of the coin money.

True bimetallism, such as I will show the Senator has recently advocated, was maintained. Sometimes we had more silver, sometimes more gold, but always open mints to unlimited coinage for both alike.

Again, they say our people did not want silver: that no silver dollars were coined up to 1873. It has been hurled in our faces in almost every international monetary conference, and boldly so proclaimed to foreign nations by our own representatives, and hundreds of times here in the Senate. Why this concealment of facts, and these misrepresentations of the conditions existing under our laws?

Consider the real facts and the true conditions. From April 2, 1792, to July 31, 1834, we produced of silver metal practically nothing—insignificant, as stated in Mint Bureau reports.

From July 31, 1834, to December 31, 1844, we produced $250,000, or $25,000 yearly. In 1845–1857—thirteen years—annually $50,000, amounting only to $650,000 in thirteen years. What did we do? We coined of standard silver dollars $2,766,640, and $39,241,110 in half dollars, beside many millions in quarter dollars, dimes and half dimes, all full legal tender equally with gold for all debts up to 1854. From that year on half dollars and smaller coins were only tenders for $5.

From 1792 to 1853, inclusive, we coined $75,961,554.90 in half dollars and small coins, in addition to standard dollars amounting to $2,550,000, aggregating $78,511,554.90. And yet the world is told we coined no silver!

From 1857 to 1873, we coined 5,261,598 standard dollars: in 1870, $445,462; in 1871, $1,117,136; in 1872, $1,118,600, and in one month and twelve days, up to February 12, 1873, $296,600, and if coinage had been kept up at the same ratio for the remainder of that year the total coinage of that year would have been over 2,700,-000 silver dollars. Such was our coinage at the very time silver was stricken down by the coinage act of February 12, 1873.

There is another reason, Mr. President. Foreign coins of gold and silver were full legal tender in our country up to 1857; and we coined during that time much more silver than we produced in our country; and the only other silver which came here was silver coin. They were full legal tender, and why did anybody want to recoin them into full legal-tender money again?

It has also been circulated in foreign countries, and believed by them, that our people refused to circulate and use as money our standard dollars, under the laws of 1878 and 1890. Foreigners do not understand that in consequence of the era of greenbacks and fractional currency our people prefer legal tenders, gold and silver certificates, to the actual coin, and that the silver dollars in our Treasury are practically in circulation by certificates, which are preferred to gold in circulation.

The RECORD of October 1, 1893, shows that of a total coinage of 419,332,550 silver dollars, only $29,635,504 are in the Treasury as a part of its reserve; and of the balance, $58,832,668 are in actual circulation, and $330,864,504 in the Treasury, represented by outstanding silver certificates, and are simply held on deposit, to be returned on presentation of the certificates—which simply certify that so many silver dollars have been deposited in the Treasury, payable to the holder on demand. There is no pecuniary obligation whatever to do aught except return the silver dollars specified.

These are the actual, cold facts, and yet the Senator from Ohio—and it is most remarkable—in his speech on the floor of the Senate on May 31 and June 1, 1892, said—and I call the attention of the Senator to the language—

> Shall we sell the silver on hand? We have $400,000,000 in the Treasury. Our people will not readily take it as money. With all the efforts that have been made by Congress there are only fifty or sixty million dollars of silver in circulation. The balance is there in vaults, in cellars, as the security for the payment of the various forms of paper money. Dare you sell that silver? I wanted to provide in the law of 1890 for the disposition of that silver in certain cases, but the con erees would not agree to it, and now to attempt to sell that silver in a falling market would only be adding misery to ruin. I do not like to talk about these things, but it is my duty to state my own opinions. They may be all wrong.

I should not think any Senator having much regard for the integrity of our financial system would want to talk in that style about our silver money.

Mr. DOLPH. Who was that?

Mr. COCKRELL. The Senator from Ohio [Mr. SHERMAN] in his speech in 1892, when he referred to all our silver as metal in the Treasury, and the question was whether we should sell it or not. The Senator from Colorado asked this question:

> Mr. TELLER. I wish to ask the Senator a question. He says we have $400,-000,000 of silver. That statement would go out as if the Government owns $400,000,000 of silver. Does the Senator mean to make that statement?
>
> Mr. SHERMAN. It is in our Treasury, the property of the Government, and our Treasury notes are outstanding against it.
>
> Mr. TELLER. Will the Senator tell me who owns that silver, whether it is the Treasury of the United States or the people of the United States who hold the certificates?
>
> Mr. SHERMAN. We hold in the Treasury of the United States $413,000,000 of coined silver. We hold of subsidiary silver $77,000,000. So I was nearly $100,-000,000 within the mark. I do not want to say anything about this. We have got this vast mass, and we can not sell it; we dare not sell it.

The Senator from Ohio would not answer the question of the Senator from Colorado, but proclaimed to the world, practically that the United States had four or five hundred million dollars of silver in its Treasury belonging to the United States, which it could sell without a breach of faith, notwithstanding certificates were out calling for nearly every dollar of it. This is our monometallic-bimetallic leader upon the floor of the Senate to-day, and yet he proclaimed that to the world, and it goes into every nation, kindred, and tongue of the civilized world. But he was pressed still further.

Mr. TELLER. Will the Senator assert here that the Government has any right to sell the silver dollars; that if there was a law authorizing it the Government would sell the silver dollars, when it is a trustee and holds the money in trust?

Mr. SHERMAN. There is no doubt the Government will hold that coined money for the payment of these notes outstanding, but it has bullion in its keeping that it dare not sell; and it owes for it. That is affecting the money market.

Mr. TELLER. Has it a right to sell a dollar?

Mr. SHERMAN. It has a right to sell the bullion to pay the notes, but there is no law providing for its sale.

Mr. TELLER. Then it has not any right to sell it.

Mr. SHERMAN. Suppose, for instance, that these Treasury notes outstanding should come to the Treasury for payment, would you take the gold in the Treasury to pay them?

Mr. JONES of Nevada. The Government of the United States has no right to sell bullion.

Mr. SHERMAN. The very moment you attempted to force the silver dollar into the hands of the people you would find at once the gap, the dangerous gap, between silver and gold.

[At this point the honorable Senator yielded to a motion to adjourn.]

No, Mr. President, the Senator from Ohio ought to have known and stated distinctly, because he is looked upon as a great financial authority throughout the world, that nearly every dollar of the silver coin in the Treasury was represented by certificates in the hands of the masses of the people, known as silver-coin certificates; that the Government simply held those silver dollars to be returned to the holders of the certificates, and that the only bullion which was in the Treasury was that purchased under the Sherman law. The Treasury had the right to coin it, but no right to sell it. Then the people of the country would have understood it.

No one can tell what was the effect in foreign countries of the publication of that speech to the effect that the United States had $400,000,000 of silver and it was considering the propriety of selling it. That is the way silver has been handicapped ever since we undertook to break down gold monometallism established by the law of 1873. It has been misrepresented and falsified on every hand, and that, too, by distinguished gentlemen whose words have been taken as true.

Mr. President, in the speech of the Senator from Ohio of August 30, 1893, which I shall not consume the time of the Senate in reading, but which I merely refer to, he proposes to coin this same surplus bullion in the Treasury and use it as full legal-tender money.

In 1892, however, it was different. But think of telling the country that this $400,000,000 was stored in vaults and in cellars and not circulating through its representatives. It was a concealment, a suppression of the true facts.

Where is the gold of the United States? Is it in circulation? Scarcely a dollar of it. It, too, is in the bank vaults and in the cellars as a reserve. The certificates are outstanding Gold no more circulates in this country than silver. There is not $1,000,000 of gold to-day in actual circulation.

The panic has demonstrated that there is no difference in the estimation of the masses of the people between a coined gold dollar or a coined silver dollar or a greenback or a silver certificate. They have all been taken and hidden away in stockings and in hiding places and in the vaults of safe-deposit companies, and even the despised silver dollar has commanded a premium in the open market in Wall street during the panic. No, there is not a dollar to-day in the United States of any kind which is better than the silver dollar in the estimation of the masses of the people among whom it circulates, and there is not a dollar of any kind that has more paying power or purchasing power than the standard silver dollar.

But gold monometallists tell us that gold is the money of civilization, of enlightened nations, of progressive nations, and the doctrinaires are to dictate to us the degree of our civilization by the gold we use or do not use.

Mr. President, it has been thrown up in our monetary conferences why gold should be used, that it is necessary to use gold in large transactions. Mr. Rothschilds, in the Brussels monetary conference, insisted upon utilizing silver as money, but at the same time said that for the great commercial transactions of the world we must have gold. "Why," he said, "my house sometimes wants to ship millions of dollars, and just think of the load we should have to carry if it was in silver dollars." In other words, the money of the world must be made to suit the convenience of those who handle it by the millions and the tens of millions, and not the great masses of the people who earn it and produce the products for which it must be exchanged. That is the single gold standard.

Our gold monometallists say, "If you give unlimited coinage to silver we shall have too much money in this country." I challenge any man, historian or doctrinaire, to show me any nation on this earth, in any age of the world, that has had more full weighted coins of silver and gold of standard fineness than were necessary for monetary purpos s. No, sir; you may search the world over, and no nation, no people have ever had more coined gold and silver of full weight and fineness than they could use for monetary purposes. Such an instance can not be found.

Talk about flooding the world with money to-day. Cast your eye over the world and behold it, and what do you find? To-day all the money of the world, gold and silver, amounts to $5.82 per capita, with which to do the business of the entire world. In what condition is the world? Look at the national debts of foreign countries according to the census of 1890:

National debts of foreign countries	$26,633,016,811
Local debts of foreign countries	1,689,740,252
Total	28,322,757,063

This estimate includes eighty-three principal countries, three hundred and sixty-three principal and a large number of other foreign cities, and all the departments of France.

Per capita debt of some nations: France, $116.35; Great Britain, $87.79; Russia, $30.79; Austria-Hungary, $72.42; Italy, $76.06; Belgium, $63.10; Netherlands, $95.56; Spain, $71.27; Canada, $47.51; New South Wales, $214.87; New Zealand, $298.01; Queensland,

$333.46; South Australia, $321: Portugal, $134.11; while our own is only $14.24.

This vast debt does not include many hundreds of millions, even billions of debts on the part of corporations, minor government divisions, and individuals, on which the interest alone each year is from fifteen hundred to two thousand millions. Then consider the revenues of all the foreign governments collected for government purposes, amounting to billions annually. Then consider the billions needed in the billions of transactions between buyers and sellers of the world's productions, the necessaries and comforts of life, etc.; these aggregate amounts are almost beyond calculation. We have no statistics sufficient to enable any fair computation.

One ascertained amount may give some conception of the magnitude of these transactions. According to Mulhall the value in the year 1888 of all the manufactures of textiles, hardware, clothing, beer and spirits, and leather in the world, amounted to $22,370,000,000, an immense product to be paid for by the consumers annually. All the full legal-tender gold and silver coins in the world, in every place, would have to be used three times simply for these products, not considering the purchase of the other articles.

Now, look at our own country, according to the census of 1890:

Debt of United States less cash in Treasury	$891,960,104
State debts less sinking fund	228,997,389
County debts less sinking fund	145,018.045
Municipal debts less sinking fund	724,463.060
School-district debts less sinking fund	36,701,948
Total	2,027,170,546

These are the debts upon which interest must be paid each year.

What are the annual receipts and expenditures of all our governmental machinery, national, State, Territorial, county or parish, municipal, and school districts? According to the most reliable data from the Census Office the expenditures are $1,000,000,000, which is rather below than above the amount; this is at least two-thirds of all our available money twice to be used. The annual interest on national, State, Territorial, county, municipal, and school-district debts is about $1.50 per capita. These revenues or taxes paid at different periods require some hoarding and when paid in are not at once paid out.

Take our railroads in 1893. The funded debts of corporations, railways, street railways, telephone, telegraph, and other quasi public corporations are over five thousand millions; the annual interest to be paid, which, with dividends on stock, rentals, etc., amounted in 1892 to $417,861,702. Operating expenses in 1892, $846,633,503.

There were paid by travelers and shippers to the railway and street railway companies $306,972,023 for passenger fare, and $898,299,623 for freight, etc.; total, $1,205,272,023, nearly equal to all our circulating money.

Our census reports in regard to farm and home mortgages are not completed; when completed they will show many hundreds of millions, and even billions of indebtedness. I have made no calculations from the census bulletins only in part issued. Mr. Frederick C. Waite, of this city, in a letter to the Senator from Colorado [Mr. TELLER] printed as Senate Miscellaneous Document No. 25, says on page 2, $6,500,000,000. If these figures are correct the annual interest charge can not well be less than 8 per cent, probably much more, amounting to $510,000,000, one-third at least of all our circulating money and nearly $8 per capita of all our people.

I hope the completed and final returns of the Eleventh Census may show these figures too high and above the actual indebtedness. We know this class of indebtedness is very large and by no means includes all the indebtedness of our people; the aggregate amount of which can never be ascertained with certainty.

Take the banking institutions, national, State, and private banks, loan and trust companies, and savings associations. According to the report of the Comptroller of the Currency for 1892, their aggregate loans were $4,346,263,221; and their aggregate deposits were $4,888,533,979. An indebtedness to the banks three times greater than our circulating money; and an indebtedness by the banks to their depositors over three times as much as our available circulating money.

The interest on loans to banks at 6 per cent is over $260,000,000 annually. Then consider the amounts of all the sales of imported and domestic products to our people for consumption. Our whole internal commerce, traffic, exchanges, sales, and puschases, aggregate almost an incalculable sum.

It is impossible to ascertain the sum of all such sales and purchases. In the clearing houses in fifty-eight principal cities, the exchanges in 1892 were $61,017,839,067, and only 8 per cent in cash or currency used. Drafts drawn by national banks upon bankers at other places in 1892, $12,994,959,590.

These figures show the vastness of the transactions by banks alone and their many transfers of money from one point to another while using only about 10 per cent in actual cash.

On September 15, 1892, the receipts by the national banks were $331,205,213, about one-fourth of all the available money in the country, of which 9.39 per cent was cash, and 89.61 per cent substitutes, checks, drafts, exchanges, etc.

It is argued that very little money is needed; that these substitutes answer all the purposes of money and are so much more convenient. They say, look at London, where only 2.77 per cent of actual cash is used in the billions of dollars of transactions. Great exemplar!

Henry Carey Baird, in a letter entitled "Bank of France and French Finance," addressed to the Manufacturer and published in its issue of December 16, 1890, says:

> But we, in this country, have never in practice seen the bank-credit system run mad as it exists in England, and especially in London. For instance, the London Economist of November 22 tabulates the statements of eleven joint-stock banks in London, June 30, 1890, so far as regards the two items of "Liabilities to the public" and "Cash on hand and at the Bank of England." These liabilities were $848,000,000, while the cash, including that in the Bank of England, was but $87,000,000, or 10.3 cents of so-called "cash" for each $1 of liabilities, exclusive of those to the stockholders.

I have given some of the items in regard to the needs of money in the world and in this country simply for reflection, for consideration, to show what our pretended financial system is. It is not based on metallic money nor yet on paper. We have a wholly inadequate supply of all combined in the world, and more especially in this country. We base our system on confidence, trust, and faith. How easily shaken. And yet with our country in this condition, with this great demand for money, this absolute need for an increase of the metallic basis of our financial system, we are commanded to vote now for the unconditional repeal of the Sherman law and establish and leave in force the single gold standard of the law of February 12, 1873, striking down from further coinage the entire silver of the world, so far as our mints are concerned. Look back at our history and see what the system has been. One-half of the money of the world was stricken down. Jay Cooke's failure in 1873 destroyed confidence, and the deadly panic of 1873 crashed from one end of this land to the other.

Come up a little later. A New York snipe named Ward began banking cloaked in the name of our great military chieftain, Gen. Grant. He became at once a financial oracle in Wall street, ran his course, and fell, and our whole financial system was shaken and tottering almost to a panic. Why? Because confidence, faith, trust, were shaken.

In 1885 doctrinaire financiers conjured themselves into the dreamy belief that some ailment existed in our system, and looking around thought it the Bland silver law, began hoarding gold for a premium, etc.; almost a panic. So it has been every few years.

Our Democratic Administration just coming in as now was in a panicky condition, and the Secretary of the Treasury went to New York and negotiated with those bankers to exchange $10,000,000 of fractional silver for $10,000,000 of gold, but the scare got over before they had to use it. President Cleveland came here pleading, and urging, and recommending the repeal of the Bland law because of the fearful consequences that would follow.

Coming on down, the Argentine Republic's financial structure, based on faith, hope, and charity, crumbled into ruins in 1890, entailing a loss of hundreds of millions in Great Britain, Germany, and elsewhere in Europe. The Baring Brothers, of model London, were driven to the wall. The world's financial structure moved and swayed to and fro and reeled on the brink of panic.

Seventy million dollars left our country then, and yet Congress was not called in session to repeal the Sherman law, for it was not in existence.

Now, let us go back to 1890 and see what it was. Just see the doctrinaires and financiers, the great business men in New York, how much they know about it and how they are affected by every little evening zephyr that comes along whispering this thing and that thing. New York. Wall street in agitation. I will read the headlines:

November 10, 1890—Notable shrinkage in values of all securities.
November 11, 1890—Confusion and demoralization in stock markets.
November 12, 1890—Enormous sales of stock on a seesawing market.
November 14, 1890—Slowly recovering from effects of storm
November 15, 1890—Depressed by rumors. Wall street agitated by reports from London. The Baring Brothers involved in recent troubles.
November 16, 1890—Thrilling financial events on both sides of the ocean. France stays the tide of panic.
November 17, 1890—Ten millions to lend. Clearing house to issue ten millions. Clearing-house certificates to support the weaker banks.

How much like the present; but the clearing house had to come to the rescue with $38,000,000 this time, instead of $10,000,000 then.

In May, 1893, the banks of Melbourne, Australia, went to the wall with three hundred millions liabilities, to add to the panic over the Argentine collapse, scarcely dead, and to the effects of the Panama Canal collapse, Austria-Hungary in the market for gold, with gold bonds for sale.

Soon another collapse in Australia; five banks driven to the wall, with one hundred and twenty-five millions liabilities. Then our panic.

Why should it not come? It is just as sure as that the day or night shall succeed each other. I will not consume the time of the Senate in reading from a speech I delivered here in 1891 on the free coinage of silver and the increase of the currency. The very identical things were pointed out there and what would bring a panic, just precisely as it has occurred. I will ask to insert that in my remarks from page 21.

The PRESIDING OFFICER (Mr. FAULKNER in the chair). If their be no objection the request of the Senator from Missouri will be granted. The Chair hears none.

The matter referred to is as follows:

"DISTRUST CAUSES BUSINESS DEPRESSION."

This circular was issued in the interest of the gold monometallists of the country and is a protest against the recoinage of the standard silver dollar. It says:

"The rule has heretofore been almost invariable that money returned to the financial centers in November. Why is this year of 1890 an exception? The answer must be that distrust has caused hoarding, especially hoarding of gold.

"The hoarding of gold since the silver act of July 14 went into operation is clearly shown by the following figures."

Then the circular quotes the figures which it pretends are true and says: "Therefore, the purpose of the silver men is defeated. They want inflation, but in fact produce severe contraction."

Now I quote from another circular. I quote from resolutions adopted by the Chicago Board of Trade January 7, 1891:

"That we deprecate any further legislation by Congress in regard to silver, believing that further agitation of the subject will be injurious to the business and commercial interests of the country and tend to retard"—

What?—

"to retard the increasing confidence of the business world and the speedy return to a healthy state of affairs so much desired by Congress and the country."

You must not do anything to retard the growth of confidence. Confidence is the substratum of the financial system of the United States, and when you shake that the whole fabric totters, and we are told that we must not legislate here in the interest of the great masses of the people and to give a foundation to this financial structure for fear we shall destroy confidence.

But, Mr. President, I want to quote another circular. This is from the circular of Henry Clews, a banker of New York. He says:

"The hoarding of gold has largely come from the holders of the 4½ per cent bonds, which mature next September. Under the Secretary's liberal offer to redeem the same, both principal and interest, they have obtained payment therefor and locked it up simply because the Government has issued money backed by a corresponding amount of silver, and they profess to be scared about the Government credit in connection therewith and make that as a pretext for hoarding."

In regard to the recent panic, I quote also from this same circular of Henry Clews:

"It is apparent now, I think, that in taking a prospective estimate of the outlook it is necessary to note carefully the conditions of general business which preceded the panic. It is also important to keep in mind that this panic differed from almost all its predecessors in the characteristic that it was a rich man's panic. It resembled more closely the panic of 1884 than any other historic parallel of this character, but I venture to predict that the recovery will be quicker and the restoration"—

To what?—

"to confidence more thorough than in the former instance, if all the signs of the times are not deceptive and misleading. The hardest blows fell this time where the material and the preparation for resistance were actually the strongest and not on the rank and file, as in former perturbations of this character."

Mr. COCKRELL. Mr. Clews was so accurate in his description of the "rich man's panic" of 1890, that I will quote from his financial circular of September 9, 1893, in regard to the panic of 1893. He says:

"The winter of our discontent has been made glorious summer" by the death knell of the panic, and now it is over it can be reviewed, and of all the panics that this country has ever had, it has been the silliest, as there was less cause for it than any previous one. It is not unlike the "Bull Run" panic during the war period. From the day that memorable event occurred up to this date, I have never yet been able to find anybody who could give a reason for its occurrence, whether on the battlefield or off at the time. The same can be said of the recent financial panic. I venture to say that no one can now give a good and justifiable reason for it having occurred: for that reason it has been a "Bull Run" panic. The whole country, in consequence, has had to go through a general liquidation of credits. In fact, it started as a gold panic; then came a silver panic, which was followed by a credit panic, and the climax was reached by a money panic. Now the corner has been turned, and building up takes the place of tearing down, the recuperation, I venture to say, will be more rapid than this country has ever experienced after any previous financial eruption.

Why, then, Mr. President, shall we not have more metallic money, silver money as well as gold, irredeemable, absolute money against which no reserve has to be kept; good wherever it goes, which is its own redeemer.

All intelligent writers agree that where money is decreasing in amount, poverty and misery prevail.

But history proves indisputably that every increased influx of the precious metals into human intercourse, by new discoveries or the increased production of the mines, has always been accompanied by a decided amelioration of human necessities by the increase and diffusion of every means for a more humane existence of the masses, which we call the progress of civilization. The great prosperity of Europe which preceded the age of the Reformation followed in the wake of the great increase in the precious metals caused by the discovery of America. The immense development of modern trade by railroads, steamships, and telegraphs followed the tide of gold and silver with which California and Australia supplied the world.

Why withhold from our people these manifold blessings sure to follow an increase of our metallic money?

If we deny it, what follows? Only what the attempt to establish the gold standard has already caused in the past. The paper inflation dogma—greenbackism, populism—all these inflation ideas will prevail as they have in the past. They are the legitimate offspring of gold monometallism. They never existed in the United States when the grand old Democratic party controlled and guided the destinies of this country for over half a century and maintained the true bimetallic system. We never heard of a Greenback party nor of a Populist party nor of an increase of the currency party.

What will follow? Substitutes for metallic money must come in. Your bank checks, your drafts, your clearing-house certificates, your stock gambling, your financial bulls and bears, and panics, and crises, and revulsions and depressions of property and of prices, losses in the value of securities, and the depreciation of the prices of all the products of human labor. We see them almost every year. It is estimated now that the shrinkage in the value of stock on the stock market amounts to hundreds of millions of dollars. I saw one estimate given, I think in the New York World, which estimated the depreciation of the selling price of stocks at over $500,000,000—not money enough to sustain it and confidence gone.

But it is said that we can not maintain any more silver dollars on a parity with gold, that we can not keep every dollar as good as any other dollar. Once for all I want to say that I am in favor of a dollar just as good as any other dollar. Those who are advocating this bill are not the only men who are in favor of an honest and stable dollar. The President in his message seems to think that there is somebody here who does not want an honest and stable dollar. If that is intended as a reflection upon those who advocate the coinage of the standard silver dollar I repudiate it unhesitatingly. I am just as honestly in favor of an honest and stable dollar as the President and I am not trying to impose upon this country any dishonest or unstable dollar.

But, Mr. President, from the foundation of the Government until to day not one solitary silver coin that the United States has coined, whether full legal tender or subsidiary, has ever been redeemable in gold. I challenge any man to point to one law of the United States that has ever made silver coin full legal tender or a limited legal tender, redeemable in gold. Silver coin of the United States has been irredeemable, whether it was of the full legal tender or the limited legal tender, and I say it is not for this Democratic Administration or any Democratic administration to undertake to force upon this country the principle that silver coin shall be redeemed in gold.

Mr. President, this is not Democracy. I do not believe the Administration is attempting to do it. The resolution that we have passed has not been answered; but if we are to be told that the Administration is redeeming our silver dollars in gold I say, halt! the people of the United States are not ready for that. That issue has never been presented to them. They will never sanction it—never. If they do that, they trample under their feet the glorious record of the Democratic party from the foundation of the Government. They trample under their feet every true principle of Democracy. If, therefore, it is meant that we must maintain the silver dollar at a parity with gold by making it redeemable in gold I say no, gold wants no redeemer, nor does the standard silver dollar.

Such an interpretation destroys the silver dollar as money—coined money. Metallic money is absolute and irredeemable in any other money, is without price. There can be in true coined metallic money no money value. Gold and silver as mere metals may have their market value, but as coined money at the ratio established by law they are equal—each money absolute and irredeemable. That is the law. That is Democracy. Value is a relation—a ratio established by law—and can not be measured. Length and capacity are positive properties of things while value is not a property of anything and arises out of the relations existing between things. We measure the length of a thing by laying alongside it some other thing whose length is known. We measure the capacity of a thing by filling it with something else whose quantity is known.

"Values are not determined by any such bringing of one thing to another."

"Labor once spent has no influence on the future value of the article produced." Value is the purchasing power—power in exchange. While price is the money value of commodities—the power any commodity has to exchange for money.

The demand for money depends upon the amount and character of the trade, commerce, and business of a country, and the number of times such articles are sold and resold, while the supply of money depends upon the quantity in actual circulation and the number of times each piece changes hands in business matters. The amount of money required by the people of different nations to meet their demands and supply will vary according to the conditions of the country and their business.

A country small in area and densely populated requires far less money than a country with a larger area and a more widely dispersed population.

The larger the area and the more sparsely or thinly peopled the greater the amount of money required. Our country and people require a much larger amount of money per capita than any nation of Europe, save probably Russia.

Our silver dollars to-day are at a parity with gold dollars. Why? Because the law makes them absolute money, irredeemable and the equal of gold, a full legal tender in the payment of debts. The value of money as a medium of exchange depends upon the law of the country wherein circulating.

Silver as a metal, a commodity, may vary in its value in the market, but coined legal-tender silver dollars, in relation to coined gold, do not vary in value, and will not as long as the law maintains their full legal-tender and their paying and purchasing power. The law can not fix a value between different commodities nor between coin money and any given commodity. It can not, therefore, fix a ratio of value or equivalency between coined gold and silver metal as a commodity.

The sovereign, according to its organic constitution or law, creates money value. The Constitution gives this express power to coin money and to regulate its value, to fix the ratio or value between the coins. Our laws give to coins of silver and gold at the ratios fixed their value, the legal-tender and debt-paying power.

Now, I will read a little incident here, or refer to it in regard to the value given to gold and silver. It is an incident quoted in the Gold Standard, page 9:

On the testimony of Thomas Baring we are assured that it was found impossible, during the crisis of 1847 in London, to raise any money whatever on a sum of £60,000 in silver. But during a similar crisis in Calcutta in 1864 it was equally impossible to raise even a rupee of paper money on £20,000 of gold. The silver in London was not a legal tender above 40*s.*, while the gold in Calcutta was not so for any sum whatever.

Mr. President, this is not merely a contest to repeal the Sherman law and stop the purchase of silver bullion.

Whether intended so or not by the present advocates of this unconditional repeal bill—and I gladly say that many of its advocates do not so regard it—this is a renewal of the contest to establish a single gold standard throughout the world, and to make gold the only money and all silver coins and paper currency redeemable in gold. It originated in 1863, when our representatives told the monarchical and regal governments of Europe that we were about to flood the world with from $200,000,000 to $400,000,000 annually of the precious metals, backed by the demand of Senator SHERMAN in 1867 for the single gold standard and refusal to agree to bimetallism with the Latin Union, the contest has been kept up ever since. One by one the nations of Europe have been scared and driven to the gold standard in imitation of Great Britain, the so-called mistress of the seas.

If we repeal unconditionally, then no one dare say that our laws do not recognize the single gold standard established in 1873. Gold will be the only metal admitted to unlimited coinage.

Silver will depreciate in value, refusals to recognize it debase and humiliate it. It will depreciate in value.

Now, Mr. President, I have quoted some from the distinguished Senator from Ohio in his finance report, showing what policy he wanted, but I now have before me his speech of May and June, 1892, in which he says:

Mr. President, when that law of 1873 was passed the only trouble about it was that we were not as wise as the Almighty Ruler of the universe. We could not see ahead. I have no doubt, however, that if it had been known that silver was going to fall as much as it did after that it might have made a change. But I know myself—and I speak for myself only—that while I did not know it, did not dream of the fall in the price of silver following that law, yet I do now s y, in the light of all the circumstances that surrounded us, that if I had known it I would have kept the silver dollar there and put it on the same footing as the fractional silver dollar, and no better.

The Senator then quoted approvingly from John Jay Knox, late Comptroller of the Currency, as follows:

I am happy to agree with the statement that the silver dollar now coined in this country, if held in England, would be worth a gold dollar, less the loss of interest and the cost of transportation across the Atlantic. This statement is true. I hold in my hand the 5-cent nickel coin. If $100,000 of these 5-cent nickel coins, which are intrinsically worth 1 cent each in the bullion market, were offered for sale in China or in Japan, in England or in France, to a shrewd broker, they would be worth to him exactly $100,000 of gold, less the loss of interest and the cost of transportation from England or France, or China or Japan, to this country. What amount that broker would give for such a large amount of nickel coin or silver dollars is quite another question.

Why is this?

It is because these coins are redeemable in gold; it is because we are upon the gold and not upon the silver standard. When free coinage of silver comes, the promise of this great country, with its great credit unsurpassed anywhere in the world, is withdrawn and our silver dollar, like the Mexican dollar, becomes worth its intrinsic value only at home and abroad.

The Senator from Ohio said in the same speech:

All our money is at par with gold. How is that maintained? We have a careful series of guards and laws which practically make now in the United States gold coin the standard of value, not the legal standard in the sense that the Senator speaks of as the ratio, because whenever that ratio diverges from the market value the ratio ought to be changed always.

In referring to the provisions of law for purchasing silver bullion, he said:

If it had been seigniorage levied upon the people, it would have been the most outrageous seigniorage ever inflicted upon a people by any government in the world; but it was not in the nature of seigniorage, but bought at its market value, and we issued money for it at its coinage value. We have behind it all the silver we bought, and we have that very surplus of silver called the profit fund in our Treasury now, which amounts to $75,000,000. We have treated it as an ordinary income, but that is not the proper way it should be treated. If the time shall come when it will be necessary, the people of the United States can without loss restore this large sum of $75,000,000 for the redemption of the silver coin or for the maintenance of it at the standard of gold.

The careful measures which I have mentioned, by which we have sustained and maintained the gold standard, are now to be swept away by one fell stroke, the free coinage of silver. All the safeguards which experience has shown, not only to our own country but to other nations, to prevent the depreciation of our coin and our currency, are about to be abandoned, a new standard is about to be proposed, and all our money is to be brought down to that standard.

* * * * * * *

If there was but one standard of money, then, as a matter of course, the silver standard might be made the basis of our transactions, but we have gold for our standard; we have an equal amount of gold in the Treasury and in circulation; the precise quantity is shown by the table and is over $600,000,000. This is to be demonetized or left for the use of the rich, who stipulate for gold payments.

The Senator from Ohio, in his speech of August 30, 1893, quotes approvingly from Hon. E. O. Leech, late Director of the Mint:

The closing of the mints of British India to the coinage of silver coins of full debt-paying power is the most momentous event in the monetary history of the present century. It is the final and disastrous blow to the use of silver as a measure of value and as money of full debt-paying power, and the relegation of it to the position of a subsidiary or token metal. It is the culmination of the evolution from a silver to a gold standard which has been progressing with startling rapidity in recent years.

For the last quarter of a century civilized countries have combined to dethrone silver as a precious metal and have declared in unmistakable terms that, by reason of its cumbersomeness, the enormous quantity produced, and the violent fluctuations in its value, silver is not fit to serve as a measure of the value of all other things; that hereafter gold alone shall be the standard of value, and that the business of the world is to be done with gold money and an enlarged use of instruments of credit, such as bank notes, checks, drafts, settlements by transfer, by telegraph, and by clearing house, which nineteenth-century civilization has provided as substitutes for actual money.

This modern preference of gold for silver manifested itself first and most strongly among people of the highest civilization and of the largest commercial pursuits. The reason for it will be found in the immense expansion of modern commerce, requiring very large payments in the settlement of balances and necessitating the use of that metal containing the greatest value in the least bulk, thus making gold the money of commerce; and in the wonderful improvements and developments in modern banking, providing substitutes for money, and avoiding as far as possible the actual handling of cash.

* * * * * * *

Gold is still the sole standard of value in the United States, both legally and actually, and the determination and ability of the United States to maintain all its money at a parity with gold is still unabated.

While the road back to safe financial principles may be rough and stony it is still open, and the sooner we enter upon it the surer will be our relief from the present distressing and threatening business difficulties.

I also refer to the President's message, page 6:

The people of the United States are entitled to a sound and stable currency and to money recognized as such on every exchange and in every market of the world. Their Government has no right to injure them by financial experiments opposed to the policy and practice of other civilized states, nor is it justified in permitting an exaggerated and unreasonable reliance on our national strength and ability to jeopardize the soundness of the people's money.

This matter rises above the plane of party politics.

I confess I may not understand that exactly.

The people of the United States are entitled to a sound and stable currency.

If he means, however, the money recognized as such on every exchange and in every market in the world, then I say we have no power nor right to establish any such money. No nation has the power to give to its money legal tender or to anything monetary functions beyond its own territorial domain. When it goes beyond that, whatever it is, it goes as a commodity, as bullion if it is metal, and as a mere promise to pay if it is paper. I say Congress has nothing to do with providing for the people of the United States the money to be used in the markets of Australia or India or any other country. If this means a single gold standard then I disapprove of the message. I am not in favor of a single gold standard. That issue has never been submitted to the American people yet. It was not submitted in the last campaign—not a bit of it.

As I said, if the purpose is to go to a single gold standard, then I am unalterably opposed to it. I had hoped before I closed my speech, which I shall do now in a few minutes, to have had a report from the Secretary of the Treasury to ascertain whether silver dollars have been redeemed on demand in gold. As a matter of course, the Treasury Department will, for convenience and accommodation, exchange one kind of money for another: but if these men have come to the Treasury with silver-coin certificates or silver dollars and as their right demanded that gold shall be paid to them, I say it has been in violation of the law and every principle that has guided this Government from its foundation if that demand is yielded to. The Government has no right to do it. I am not in favor of yielding to the imperious demands of foreign bankers and brokers in our country. I refer to what the distinguished senior Senator from Kentucky [Mr. BLACKBURN] said on October 4. He said:

But I know of another interview, which was held by the representatives of the Rothschilds in New York. not in the city of New York, but in the city of Washington, not at the request of the Secretary of the Treasury, but on the seeking of the New York Wall street bankers, not on the 29th of April, but on the 26th or 27th of April. I knew then that the demand was made for the issue of $150,000,000 of bonds. So far from this Administration being a party to that conspiracy, that demand was peremptorily, flatly, and unconditionally refused.

Think of it, the representative of foreign bankers coming here and telling us, "You must issue $150,000,000 of gold bonds that we may as a syndicate have the right to dispose of them and manipulate them." No, Mr. President, it only shows the arrogant, brutal demand of these foreign bankers and syndicates who have determined to force upon the world the single gold standard. Think of it: $30,000,000,000 of national indebtedness, strike down silver and make gold the only money, and add to the purchasing power of that $30,000,000,000 not less than 20 per cent—$6,000,000,000 added to the burdens of the masses of the people of the world.

The President in his message says:

The maxim, "He gives twice who gives quickly," is directly applicable.

In other words, hurry, hurry, haste, haste. That is a very old maxim, but I want to quote some others equally as old:

"Too swift arrives as tardy as too slow."

Of hasty counsel take good heed,
For haste is very rarely speed.

That is pretty well verified right here. Haste has not been speed. "One hates to see men do important things in a hurry."

"The more haste we make in a wrong direction the further we are from our journey's end."

This has been in that direction.

"What is done hastily is not done well."

"Who hastens in the beginning seldom goes far."

But, Mr. President, I want to read some authority on this question of haste. I now quote from John Quincy Adams, who spent several years in studying the question of uniformity in weights, measures, and, incidentally, in coinage: indeed, the latter can not be separated from the other two. He says:

If there be one conclusion more clear than another, deducible from all the history of mankind, it is the danger—

The danger—

of hasty and inconsiderate legislation upon weights and measures. From this conviction, the result of all inquiry is that, while all the existing systems of metrology are very imperfect and susceptible of improvements, involving in no small degree the virtue and happiness of future ages: while the impression of this truth is profoundly and almost universally felt by the wise and powerful of the most enlightened nations of the globe; while the spirit of improvement is operating with an ardor, perseverance, and zeall honorable to the human character, it is yet certain that, for the successful termination of all these labors, and the final accomplishment of the glorious object, permanent and universal uniformity, legislation is not alone competent. All trifling and partial attempts at change in our existing system, it is hoped, will be steadily discountenanced by Congress.

Hasten to do this patchwork, to take a step in the wrong direction, by repealing this act, and do nothing more and nothing else, is the demand.

We have ample time now. Just think of it; there is no election coming on this fall; there is no election coming on until next fall. We are all here; we are all bimetallists; we have laid aside politics apparently. The Administration is led by the distinguished Senators from Ohio [Mr. SHERMAN] and from Rhode Island [Mr. ALDRICH] on the one side, and from New Jersey [Mr. MCPHERSON] and from Indiana [Mr. VOORHEES] on the other. A glorious spectacle. We are just in condition, if we are wise, to devise a financial substitute, a financial policy, a financial measure, not a makeshift.

The panic is over. I had forgotten to talk about that. It has been over so long that everybody has about forgotten about it. I have read just for the edification of the public generally the circular of Henry Clews about the panic, which stated that it was the most senseless panic that had ever occurred in this country. A regular Bull Run panic, emphatically a Bull Run panic. Now it is over.

Mr. GEORGE. What firm was that?

Mr. COCKRELL. It was Henry Clews. Now the panic is over, we are all pacified. I believe there is only one Senator who has ever attributed the present condition to the Sherman law, or claimed that it caused the panic. It is all over now; we have ample time. Remember we were called together expressly for the purpose of considering the financial question. Remember, further, in the campaign it came as if from headquarters that the silver or financial question must be relegated to the rear and the tariff must be placed in front. We did it. It was done in the campaign, and we expected, and I believe the people of the country expected, that the tariff would be pressed to the front. I think they had a right to expect it.

But, Mr. President, the financial question has been brought to the front. It is not the fault of Congress. The President had the right to call Congress together for whatever purpose he desired. He exercised that right, and he called us together upon the financial question, and when he convened us he had gone to the end of his Executive power. The responsibility now rests with us as to what we shall do. The responsibility rests upon him for having Congress here. We did not call ourselves into existence here. He brought us here. He is responsible for that and we are responsible for what we do. Why should we bow to England? If we are going to adopt a financial policy why not adopt that of France, the country that stood by us in the dark days of the Revolution and helped us achieve our independence and to-day is a sister Republic? Why shall we bow the knee to England? Are we not old enough to establish a financial system? We are one hundred years old. That is a great age. Can you find any other nation on earth that has not established its own policy?

Mr McPHERSON. May I ask the Senator from Missouri a question?

Mr. COCKRELL. Certainly.

Mr. McPHERSON. Is the Senator from Missouri quite ready to adopt the system of France—that is, to close our mints against silver, as France has done, to stop the purchase of silver as France has done, and to hold in our reserves $250,000,000 of gold to redeem $700,000,000 of silver, as France has done?

Mr. COCKRELL. Not at all. Not a dollar of it is redeemed in silver. I deny it in toto.

Mr. McPHERSON. Gold with which silver may be redeemed.

Mr. COCKRELL. No; it may not be redeemed in gold. It is not redeemable in that way. It can not be done.

Mr. McPHERSON. Standing there, then, as an evidence that the French people, the Bank of France, the French Government have an abundance of gold to maintain all their silver on a parity.

Mr. COCKRELL. No, sir; they have not one dollar of gold to maintain silver. I say to-day (and I challenge anyone to show to the contrary) that there is no nation, kindred, or tongue on earth that has given full legal tender to silver coin and redeemed it in anything else. Metallic money is irredeemable. I read to-day from the Indian currency commission report. They tell you that the silver in France is irredeemable. Every writer tells you that. Look at the law itself. There it is. The silver there is irredeemable. They comment upon the great spectacle of France, Belgium, and those nations maintaining a large amount of silver coin at the ratio of 15½ to 1 at a perfect parity with gold, while it is irredeemable in gold.

Mr. McPHERSON. Why did they close their mints?

Mr. COCKRELL. Simply because they were afraid they were going to be deluged, principally with the silver from Germany, and then with the exaggerated, falsely reported sums that were to come from the United States—$200,000,000 or $400,000,000 a year.

Mr. McPHERSON. If the silver is irredeemable, the silver being irredeemable, not a menace to anything, requiring no gold to maintain its parity and its circulation with gold, why would they be afraid of a deluge of silver? If silver is such a good thing why not take the silver of Germany?

Mr. COCKRELL. The Senator knows perfectly well the existing condition between France and Germany. Germany adopted the single silver standard in 1857, and had a great fierce war with France, the two nations with adjoining territory. France had been overrun and prostrated at the foot of Germany. Germany had demanded $1,000,000,000 of indemnity from prostrate France, and France had raised the money and paid it; and as soon as it was done, having largely paid it in gold, then Germany commenced to discard her silver standard and shipped her money across the border in order to get French gold and try to bankrupt France. That is the reason for it, and a good reason, when your neighbor is trying to cut your throat, to take away from him the instrument he uses.

Now, Mr. President, what shall our system be? I want to quote here (for I do not want to consume the time of the Senate much longer) from our distinguished bimetallic gold monometallist, Senator SHERMAN, in his speech of 1892. I will have his proposal inserted. It is as follows:

> Mr. President, the policy of bimetallism, as understood by me, has always been the policy since the Government was founded. We never had in the true sense of the word the free coinage of silver, strange to say, because, as I stated early in my remarks, Jefferson and Hamilton made a slight mistake in the ratio. Jefferson within twelve years afterwards stopped the

coinage of silver, and only a little of it had been used. So we never had in actual practice the free coinage of silver, but we had what is called by scientists the alternative standard, the cheaper standard, that is, whenever one of the two metals fell below the ratio that metal alone became the standard of value, and when the scale changed back again and the other metal became lower, that again became the standard of value, and it so happened that that occurred three or four times in our brief financial history.

When Mr. Jefferson stopped the coinage of silver dollars because they were exported, American silver coin disappeared entirely and our people depended upon abraded Mexican or Spanish coin for change. In 1831, in the time of Gen. Jackson, the Secretary of the Treasury of that day first proposed a change of the ratio. He said that under the existing ratio silver went abroad, and sometimes all the gold went abroad. Two years after that, after full deliberation, Congress did change the ratio. It became 16 to 1, and the result was that silver was undervalued, because 1 ounce of gold was not equal in value to 16 ounces of silver.

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Mr. SHERMAN. The result was that silver was undervalued, because 16 ounces of silver were worth more than an ounce of gold, and the result was that silver disappeared. Then ten years afterwards, again under Democratic Administration, Congress passed a law in order to avoid this difficulty, and my memory goes back a little to that time. There was no change here to be had, and in the West we had what were called shinplasters, issued by banks and sometimes by private persons. Senators may have seen some of them. We had no change because silver had gone away. It was demonetized; not legally in the sense of demonetization, but it had gone out of the country; and therefore in order to provide for a currency that would not run away at every change in value, in good Democratic times, in 1854, Congress passed a law reducing the amount of silver in minor coins, 50 cents and quarters and all minor coins, 8 per cent, and then made them only a legal tender for $5, so that they would answer the purposes of change but could not be made the instrument of injustice as a depreciated coin.

Now, that is the law and that has always been the law. The Government of the United States has always adhered to that, and maintained its money always at the same standard. Most of this, it so happened, was in Democratic times. That very silver coin provided for by Mr. Hunter and his associates was adopted in the act for the resumption of specie payment. We provided for this minor coinage, the subsidiary coinage, as it is called in the law, to take the place of the fractional currency. It is the policy we are now acting upon, and the policy I advocate is the policy of our fathers from the beginning of the Government to this time.

Why does the Senator conceal apparently the actual facts, that during all the times to which he refers our mints were open to unlimited coinage of standard silver dollars and gold upon exactly equal terms. Knowing these facts, he opposes opening our mints to unliminted coinage of silver, and yet claims to favor our system from 1792 to 1873, the true bimetallic system, when our mints were so open.

And also I quote from the speech of Senator SHERMAN of 1893:

There is no doubt that the act of 1890 is made the imaginary pretext for many evils it did not produce. It is made to bear the results of wild speculation, of fears well or ill founded as to future legislation, of failures and disturbances with which it has no connection. It is made the scapegoat for extravagance and folly.

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Let us not deceive our people as to the reasons for this repeal: for when the purchasing clause is repealed you will still have to deal with the real causes of the prevailing stringency and distrust. I do not vote for this repeal with any expectation that it will in any considerable degree relieve us from the industrial stagnation that has fallen upon all kinds of business and production, and that has thrown out of employment hundreds of thousands of laboring men and women. They care little about the kind of money that is paid them, provided that it is equal in purchasing power to any other money, and is backed by the United States. They do not study the question of ratio, or the difference between silver and gold, and, if left to choice, prefer the notes of the United States to either coin.

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Now, I wish to make a few observations in regard to what ought to be done for the future. If the purchasing clause is repealed, what then? I do not want to advise either this Congress or the Administration. I have no right at all to be weighed in their council, but I take it that whether we are Democrats or Republicans we are all Americans, and that every American would desire to do that which is best for all interests and all parties. I think there are certain urgent duties resting upon the Democratic party at this time, and although I am not their adviser, I have the right as an American citizen to give them my opinion, and I will briefly do it.

The Senator then recommends—

1. Strengthening the reserve in the Treasury by issuing bonds or Treasury notes bearing interest, to be sold for gold, to maintain the parity of all our money.

2. In event of deficiency in revenues the Treasury Department should have power to meet and provide for it.

3. Coining the seigniorage in the Treasury and using it in the ordinary operations of the Government.

He then says:

I heartily and truly believe that the best thing we can now do is to suspend for a time, at least, the purchase of silver bullion. We should then turn our attention to measures that are demanded immediately to meet the difficulties of the hour. Let this be done promptly and completely. It involves a trust to your officers and great powers over the public funds. I am willing to trust them. If you are not, it is a strange attitude in political affairs. I would give them power to protect the credit of the Government against all enemies at home and abroad.

If the fight must be for the possession of gold, we will use our cotton and our corn, our wheat and other productions, against all the productions of mankind. We, with our resources, can then enter into a financial competition. We do not want to do it now. We prefer to wait awhile until the skies are clear and see what will be the effect of the Indian policy, and what arrangements may be made for conducting another international conference.

Mr. President, we have tried all these makeshifts which the opponents of the unlimited coinage of silver have forced us to adopt or leave their single gold standard of 1873 still in full force. We have tried them all. Now why not let the true friends of silver once try their policy? We have tried all the expedients that you gentlemen have forced us to take towards the rehabilitation of silver, and now why not let our proposition be tried for a while? Is there any reason for it? Why not let the friends of silver try their policies a while? They were tried in the United States for nearly a century, and they proved satisfactory. They have been tested by time and approved, and now why not let them be tried again?

You ask me what would be my policy. I ought to answer that by asking you what your policy is. What do you gentlemen propose to do when you get the act repealed, if you ever do? We would like to know something about it. We have a right to know.

As a great and growing nation increasing in population more rapidly than any nation, and also in wealth and the development of our manifold resources, this Congress and this Administration owe it to the sovereign people, the great masses whose servant and representatives we all are, to devise and establish by just and wise laws a safe and permanent financial system.

If I had the power to declare and enforce a monetary system for our great country I would open our mints to the unlimited coinage of gold, with full legal tender, and to the unlimited coinage of silver at the present ratio or 15½ to 1, and receive all the silver bullion offered to the mints at its market value and issue in exchange therefor standard silver dollars with full legal tender, and silver coin certificates payable in silver dollars, until 412½ grains of standard silver metal were equal to a coined dollar and then give free as well as unlimited coinage to the silver dollar, and coin all the silver so offered as rapidly as possible into standard dollars; retire the national-bank circulation as rapidly as practicable, and with the increase of the silver dollars, if the currency of the country increased more rapidly than the increase of population and the demands of commerce, I would extinguish the bonded debt as rapidly as possible and retire the noninterest-bearing legal-tender notes gradually, until we, as a nation, owed no man, woman, or child a dollar of debt.

That is the system I would adopt, and I would enforce it by the imperious demand of Andrew Jackson. I want to wipe out the bonded debt, and now, since this fierce contest has come, I want to wipe out every paper obligation of the Government. I do not want any pretext made that this Government is hereafter to keep a gold reserve. Wipe out your bonds and then your greenbacks and have nothing that the Government is compelled to redeem in gold or in silver for that matter.

We want no reserve held in the Treasury of the United States. We want no redemption fund there. We want the money of the United States to be in circulation in the hands of the people, and we do not want our finances to be in such a condition that a few foreign bankers and syndicates can form a ring upon us and draw out our reserves. That is the only reason on earth why I would retire the greenbacks. That is what our country wants as a great country, a permanent financial system. We do not want to be driven around by a parcel of foreign syndicates and bankers. We want to be above their power, above their influence, above their reach.

Then our money would be gold and silver coins of equal legal-tender paying and purchasing power, and our only paper currency the certificates for the deposited coins held in the Treasury for their redemption on presentation, and I would make these certificates call only for dollars in coin, and would pay such kind of coin, silver or gold, as the stock of each on hand might justify. If the prophecies of the opponents of silver should by any possible means be fulfilled, then when we had a sufficiency of silver dollars, together with the gold, I would suspend such coinage. If this plan be impossible of securing, the next best plan would be opening our mints to the unlimited coinage of gold and the silver produced from our own mines, exchanging for the silver at its market price silver dollars or silver coin certificates, as before stated.

According to the figures I have given, the reasonable probabilities are that we would receive of our own mine product for coinage each year, only about $60,000,000, not $1 per capita. Certainly there could be no danger in this.

Suppose we found there was some danger, is Congress impotent to save the country from danger? Not at all. it is in danger now. What we are trying to save the country from is real danger, but the friends who propose the unconditional repeal are trying to save the country from an imaginary danger, a midnight dream, a nightmare without foundation. It has already disappeared and is dissipated. We are trying to save the country from real danger, from gold monometallism, and the evils that have resulted to the world from it.

No one more strongly favors true bimetallism, the perfect equality of gold and silver as bullion or metal, and as coin, than I do, and no one labors more earnestly and consistently to secure such bimetallism than I do. The discriminating legislation of foreign nations and of our coinage act of February 12, 1873, and the very recent action of Austria-Hungary, and especially of India, have so greatly depreciated the value of silver as a metal in the market that it seems unfair to the great masses of our people to permit owners of silver bullion or metal to have the same coined free in our mints into standard silver dollars—silver money—endowed by our laws with full legal tender, with all monetary functions, when unlimited coinage in our mints of silver bullion at its market value in exchange for coined dollars would just as surely bring us to free coinage if our contentions proved true, and remove every possible ground that we are attempting to enact class legislation for the special benefit of silver-mining States and silver-bullion owners.

Therefore I would prefer unlimited coinage to free coinage as I have indicated; and the hue and cry that we propose legislation for silver simply for the benefit of silver miners is false so far as I am concerned. I have not a dollar of interest, directly or indirectly, and never expect to have, in any silver mine or in anybody interested in a silver mine except citizenship in this country. I am not advocating silver here because my people are interested in silver mining or in its metallic value. I am advocating silver for monetary purposes and because my people, in my judgment, demand its use for monetary purposes.

Mr. President, the first step to be taken, however, before we get any plan, is by way of amendment to the pending bill to require the coinage of all the bullion on hand in the Treasury, and to coin it into standard silver dollars, and with them, or with silver-coin certificates to retire and cancel every United States Treasury note issued for the purchase of silver bullion just as quickly as possible. That ought to be done in thirty-six hours. Coin certificates ought to be issued for the full amount of these Treasury notes, based upon the silver in the Treasury; they ought to be put in the subtreasuries and the national depositories, and every United States Treasury note which is outstanding ought to be taken in at once.

That is what the country needs; and it needs it quickly. In my judgment such an amendment ought to be put on the pending bill immediately or passed in a separate bill, which can be passed more quickly than this bill will ever get through in any shape, manner, or form. I would reëstablish as quickly as possible the old constitutional Democratic bimetallism as nearly as the changed conditions would permit, with the hope and belief of finally attaining it in full. I would also increase the silver in the half and quarter dollars and dimes to the half, one-quarter, and one-tenth of the standard dollars and have but one currency for the Government and the people, the laborer and the office holder, the pensioner and the soldier, the producer and the bondholder, and wipe out any class distinction by law.

We hear some criticisms of those who only speak their sentiments in regard to the message of the President. Mr. Cleveland is not the Democratic party. The Democratic Senators on this floor do not make the Democratic party. We as well as the members of the House of Representatives, as Democrats, are the agents, the servants, and the representatives of the sovereign people just as Mr. Cleveland is. Mr. Cleveland is at the head of our Democratic Administration, and he has his constitutional functions. We as Democratic Senators here have our constitutional functions, and they are as separate and distinct as the midnight darkness and the noonday brightness. They go in separate spheres.

Why should criticism be had of a Democratic Senator now because he does not bow at once to the unconditional repeal of the Sherman law? Did anybody ever make such a criticism in 1885? Mr. Cleveland then demanded—no, not demanded, but recommended—the repeal of the Bland law. He sent his message to us. He did not call us in extra session; but if he had it would not have made a particle of difference. He sent his message to Congress recommending the repeal of the Bland law. Did we repeal it? No, sir; we did not. We never entertained the proposition. Were we read out of the Democratic party? Not a bit of it.

We come to 1886, when he again recommended the repeal of the Bland law, and we paid no attention to it. It was his duty to recommend it as he honestly believed, and it was our duty as honestly entertained to pay no attention to it. There was no reading of us out of the Democratic party. In 1887 the clouds had been dissipated, the fears and apprehensions had subsided, everything was going along peacefully and quietly, the country was on the road to prosperity, and the President did not say anything about the Bland act in 1887, but in 1888, in the farewell message of that session, he referred to it incidentally, and indorsed the recommendation of the Secretary of the Treasury.

I see no cause for any criticism. We have had struggles before, and we were not ignored or read out of the Democratic party.

I hold in my hand a letter dated "Executive Mansion, Washington, D. C., September 25, 1893," addressed to Hon. W. J. Northen, and signed Grover Cleveland.

I have not the time to read all of this letter, but it is about a safe and stable currency and one dollar being as good as another dollar, all of which we have to-day. The President says:

> In the present state of the public mind this law can not be built upon nor patched in such a way as to relieve the situation.

We do not want to build on it; we do not want to patch it over; but we want to wipe it out and pass a proper substitute for it. That is what we want, and that is just what the President wants. We stand side by side and shoulder to shoulder. I read, however, in this letter:

> I am astonished by the opposition in the Senate to such prompt action as would relieve the present unfortunate situation.

So am I astonished, profoundly astonished that the President should expect us, who have fought here for years and years for our honest and sincere convictions in regard to silver, to flee from the battlefield of silver and fall upon a single gold standard. Not quite yet, Mr. President. What right did the President have to expect us to yield because of the panicky apprehensions of Wall street and a few business men? The President continues:

> My daily prayer is that the delay occasioned by such opposition may not be the cause of plunging the country into deeper depression than it has yet known, and that the Democratic party may not be justly held responsible for such a catastrophe.

Mr. President, would it be sacriligious in me, would it be improper in me to recommend to the President, when he offers up his prayers to accompany them with that grand old Presbyterian song:

God moves in a mysterious way
His wonders to perform;
He plants His footsteps in the sea,
And rides upon the storm.

* * * * * * *

Ye fearful saints, fresh courage take;
The clouds ye so much dread
Are big with mercy, and shall break
In blessings on your head.

* * * * * * *

Behind a frowning providence
He hides a smiling face.

* * * * * * *

The bud may have a bitter taste,
But sweet will be the flower.

Blind unbelief is sure to err,
And scan His work in vain;
God is His own interpreter,
And he will make it plain.

The President has had fears that these lowering clouds were about to swamp this country ever since 1885. There is only one man in public life who has more unfulfilled predictions on record than the President, and that is JOHN SHERMAN. [Laughter.]

This is no disrespect to him. He is an honest and a brave man, and he has the courage to tell us what he thinks. But, oh, how often he has been mistaken! [Laughter.] There is no danger to the Democratic party. When Mr. Cleveland and every Senator here, and every member of the other House, and all the members of that grand old party who compose it to-day, shall have passed to that bourne whence no traveler returns, the Democratic party will only be in its youthful vigor and manhood.

It is the only political organization which has survived the wreck and ravages of time for over a century. It was not organized to die and fade away from this earth. Its principles, crystallized and proclaimed by the immortal Jefferson, became vitalized with immortality, and they will stand as beacon lights and as monumental landmarks; they will be pillars of cloud by day and pillars of fire by night to guide the Democratic hosts to victory when all of us shall have passed away.

No, no, Mr. President, our differences will not destroy the Democratic party. It will survive us and all our struggles, and continue to bless the country as it has; and the enforcement of its principles will bring it to true Democratic bimetallism.

[NOTE.—Since the foregoing speech was delivered, the Secretary of the Treasury, in response to the resolution of the Senate, has reported to the Senate that he has not redeemed silver certificates issued on the deposit of silver dollars in gold or gold obligations. I am very glad to be able to make this statement, which sustains what I stated to be the law and removes from the Secretary any ground of criticism.]

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