

"We hold to the use of both gold and silver as the standard money of the country, and to the coinage of both gold and silver, without discriminating against either metal."—*Democratic National Platform, 1892.*

"We believe in honest money, the gold and silver coinage of the Constitution, and a circulating medium convertible into such money without loss."—*Democratic National Platform, 1884.*

"I am a bimetallist. I do not believe in a single gold standard nor a single silver standard, but I do believe in the use of both gold and silver as the standard money of the country, and in their free coinage at our mints at a proper ratio, without any discrimination in favor of one against the other."—*David B. Hill.*

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SPEECH  
OF  
HON. DAVID B. HILL,  
OF NEW YORK,  
IN THE  
SENATE OF THE UNITED STATES,  
FRIDAY, AUGUST 25, 1893,  
IN FAVOR OF THE REPEAL OF THE SHERMAN  
SILVER PURCHASE ACT, AND IN FAVOR  
OF FREE BIMETALLIC COINAGE.

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WASHINGTON.

1893.



SPEECH  
OF  
HON. DAVID B. HILL.

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The Senate having under consideration the bill (S. 570) discontinuing the purchase of silver bullion—

Mr. HILL said:

Mr. PRESIDENT: The President of the United States in his recent much-commended and much-criticised special message to Congress took occasion to make a quotation from some very pertinent utterances of Daniel Webster made over fifty years ago.

Permit me at the outset of my remarks to-day to make another quotation from the opening sentences of a famous speech of the same distinguished statesman, delivered in this Chamber in the year 1830, when he said as follows:

When the mariner has been tossed for many days in thick weather and on an unknown sea he naturally avails himself of the first pause in the storm, the earliest glance of the sun to take his latitude and ascertain how far the elements have driven him from his true course. Let us imitate this prudence, and before we float further on the waves of this debate refer to the point from which we departed, that we may at least be able to form some conjecture where we now are.

Imitating that course at this time, it seems desirable, after two weeks of a discussion which has assumed the widest latitude and embraced almost every conceivable subject, no matter how remotely related to the real controversy, that we should now return to the consideration of the precise question involved, from which we have been drifting.

Let us inquire what is the particular question to which our attention has been invited, and for the determination of which we have been convened in extraordinary session? As I understand it, the only subject legitimately presented is as to the advisability of continuing upon the statute books the provisions of the Sherman silver-purchase law. All the questions which have been so elaborately and eloquently discussed simply revolve around this one point, and are only collateral to it.

What may properly be embraced in the realm of the debate of such a concise and narrow question? Is it a wise, just, logical, or necessary measure? Has it answered the beneficent purposes for which it was ostensibly enacted? Has it fulfilled the expectations of its friends? Has it appreciated or depreciated the currency endeavored to be created by it? Has it raised or decreased the price of silver? Has it benefited or injured the country? Who are its defenders or apologists? What do the people desire in regard to it? What would be the effect of its repeal? These are pertinent inquiries to which our attention may be

appropriately directed, and are issues upon which debate may well be confined. All other considerations are irrelevant to this principal question believed to be involved.

Adopting Webster's prudent suggestion, let us first recall the peculiar circumstances under which we meet, and the important character of the duty which surely confronts us at this hour. The President of the United States, in the discharge of a public duty, has summoned the official representatives of the people to the capital in this midsummer month of August to meet an exigency which has arisen in the financial affairs of the country.

Surely no trivial monetary disturbance, no slight financial commotion, no ordinary cause was sufficient to justify the convening of the Congress of the United States in an extraordinary session at such an undesirable period as this. An emergency was believed to have been presented which imperatively demanded that we should be called from our homes, and required to assemble here to deliberate upon the condition of the country. It was shown that our industries were paralyzed, that workingmen were out of employment, that prices were falling, that stocks were depreciating, that money everywhere was being withdrawn from banks and hoarded, that currency was scarce and at a premium, and that confidence was largely impaired.

Sir, the picture was not overdrawn. A financial panic was upon us and is still unabated—a panic longer in duration than the one of 1873 and approaching in severity that of 1857. It is destroying values, wrecking fortunes, and undermining prosperity. It is confined to no section of the country—it is universal. If legislation can relieve the situation, it should be applied promptly and effectually.

It may be unwise to speculate as to the causes which have produced this condition of affairs, but remedies can not well be provided without ascertaining as far as possible the true nature of the difficulty.

President Cleveland has declared to Congress and to the country that the present unusual condition is to be attributed almost wholly to the Sherman silver-purchase act of 1890, and candor compels us to admit that this view is largely sustained by popular sentiment, which has adopted this conclusion either from an intelligent conception of the vicious features of that act or because of a systematic attempt in some financial circles to impress that view upon the country.

There are those who do not wholly agree with the President in his diagnosis of the malady now affecting the body politic, and who do not hastily join with him in the rosy conclusion that the financial millenium is to come the moment the Sherman bill is removed. There are those who have given this subject much reflection who are inclined to the opinion that the cause of the present depression lies much deeper and beyond the Sherman bill, and that its foundations were laid in the evil hours of 1873, when the country unwittingly laid aside the financial policy which had been its guide and safety from the foundation of the Government.

The existing financial disturbance may be attributed to three causes:

First. It is a natural or inevitable result or incident of many

years of real or fictitious prosperity. The nation is not unlike an individual. The body politic may appropriately be compared with the physical body. A most careful observance of the rules of health will not prevent sickness, and neither will a strict compliance with the laws of business prevent commercial difficulties. Sickness is incident to humanity and commercial panics are incident to trade.

Temperance, abstemiousness, dieting, and rest may retard human illness, but it comes to every man occasionally sooner or later: while conservatism, absence of speculation, and observance of correct business principles on the part of the great majority of the business community will protract prosperity for a while, but there will always be times of depression. The student of history knows that financial panics occur about every twenty years, and our country has not been an exception to the general rule. The panics of 1813, 1837, 1857, and 1873 should have led us to anticipate one in about 1893.

In addition to these causes, which for the purpose of this argument I denominate "natural" causes against which it is probable that no prudence could guard or prevent, there was much reason to apprehend financial troubles at this time, owing to the continued violation of correct business principles on the part of our business men in their haste to become suddenly rich. The spirit of gambling, the desire to indulge in illegitimate speculation, the attempt to secure wealth by any means save earning it in the old-fashioned way, are fruitful causes of these times of depression. The reaction—the retribution—has come, that is all.

Why should we be surprised at the present lack of confidence everywhere manifested?

Our financial centers have been flooded with watered stocks of every description in which innocent people have been induced to invest their means by the glittering promises of enormous dividends which are not forthcoming. It has been the fad of the times to organize corporations and issue bonds and stock to an amount ten times the value of the property, and by such questionable enterprises paupers have suddenly become millionaires. The country has been surfeited with such schemes, whereby honest and confiding investors have been virtually defrauded, and confidence has thereby been impaired.

Candor compels me to say that these transactions have usually originated with that class of financiers who infest our marts of trade and are to-day ostentatiously attracting public attention by their parrot-like clamor for an "honest" dollar, and against the continued use of silver money.

Besides we are suffering from the evils of overproduction. We have raised more than we can profitably sell, and the markets of the world have been closed to us owing to our restrictive tariff laws. The balance of trade has unfortunately been against us. We have sold our railroad and other securities abroad instead of at home, and the interest as well as portions of the principal have been coming due and must be paid in gold, because it was so "nominated in the bond," and hence our gold has naturally been leaving us for foreign shores. If we contract enormous debts abroad they must be paid abroad.

Unquestionably some of the present difficulty may be attrib-

uted to the uneasiness of our protected industries, which have been accustomed to rely to a certain extent upon governmental favoritism to support them, and whose proprietors naturally apprehend that such favoritism may be withdrawn under a revision of the taxation laws contemplated by the party in power. I do not disguise the fact that such uneasiness exists and that it contributes its share to the general existing disturbance of financial affairs.

But there is no relief for this situation unless the dominant party abandons its principles and surrenders in advance to the interests which were defeated at the last election. The Democratic party is pledged to tariff reform, and it must redeem its pledges, come what may. Of course it must be expected there will be some friction. It is unavoidable. It is incident to the anticipated withdrawal of public aid from private enterprises; and it can not be prevented, but must be endured. The people perfectly understood the question last fall, and they voted with their eyes wide open. Our course is onward, and we shall not retreat.

Second. Some portion of the present panic may be traced to a concerted effort on the part of numerous monometallists to produce it, in order to further discredit silver as a part of the standard money of the country. That fact is apparent everywhere we turn. We observe it in their senseless arguments constantly used against free bimetallic coinage and their ceaseless endeavors to confuse the present issue by characterizing it as a contest between monometallism and bimetallicism. They seemed to be delighted when the first ray of financial trouble appeared. They hailed the recent action of India with ill-concealed satisfaction. They talked against silver, morning, noon, and night.

They denounced not simply the Sherman silver-purchase bill, but the future use of silver as money. With ghoulish glee they welcomed every bank failure, especially in the silver States, little dreaming that such failures would soon occur at their own doors. They encouraged the hoarding of money, they inaugurated the policy of refusing loans to the people even upon the best of security; they circulated false petitions; passed absurd and alarming resolutions, predicted the direst disaster, attacked the credit of the Government, sought to exact a premium upon currency, and attempted in every way to spread distrust broadcast throughout the land.

The best financial system in the world could not stand such an organized and vicious attack upon it. These disturbers—these promoters of the public peril—represent largely the creditor class, the men who desire to appreciate the gold dollar in order to subserve their own selfish interests, men who revel in hard times, men who drive harsh bargains with their fellow men in periods of financial distress, and men wholly unfamiliar with the true principles of monetary science.

It is not strange that the present panic has been induced, intensified, and protracted by reason of these malign influences. Having contributed much to bring about the present exigency, these men are now utterly unable to control it. They have sown to the wind, and we are all now reaping the whirlwind together.

Third. But no matter what else may have contributed to the present financial situation, it can not be denied that the Sherman silver-purchase law has been at least in part and possibly the most largely instrumental in producing the existing complications.

I do not propose at this moment to present any analysis of that law. It is sufficient now to state that it has lost the popular confidence, that its operations have been unsatisfactory even to its friends, that it has not increased the market price of silver bullion, that it has tended to discredit our silver currency, that it has hoarded up a vast mass of unexportable and undesirable silver bullion in the Treasury of the United States either from the natural effect of the law itself or from its mal or unfriendly administration, so that everywhere there exists an antagonism towards it—a lack of faith in its wisdom and usefulness—a well-founded conviction of its dangerous character and tendencies which naturally makes capital timid, frightens business men, and creates a real and genuine alarm, not a mere imaginary or fictitious suspicion of insecurity.

The nature of the act itself was alone sufficient to create uneasiness. It presented an ever-increasing danger; it was rushing the country towards a precipice which could not be evaded, and it was only a question of time when its inevitable results would bring disaster upon us. The recent action of India hastened it, while the other causes to which I have referred—some natural and some manufactured—united in producing the present extraordinary crisis.

But no matter what various causes alone or unitedly precipitated the existing emergency, it is sufficient for us to know that the panic is here—it is upon us—it is steadily growing worse, and it must be promptly met by the exhibition upon our part of the most intelligent and exalted patriotism, a patriotism which rises above partisan considerations, a patriotism which if need be must sever party lines and ties, a patriotism which sinks every selfish advantage and rises to a just conception of the terrible importance of the occasion.

I am not an alarmist and do not wish to exaggerate the present financial disturbance, but I fear that Senators do not keenly realize the sad havoc which this crisis is making in the business affairs of the country, and the end of which no man can foresee. Neither am I one of those who believe that a simple repeal of the Sherman law will at once restore abundant prosperity. It will require many years to recover from the disastrous effects of the present disturbance. The greater the emergency, however, the greater should be the effort to meet it.

#### OUR PLAIN DUTY.

It becomes our first duty in attempting to solve the present financial problem to ascertain whether there is any existing law upon the statute book which is indefensible and is either wholly or in part responsible for our present unfortunate condition, and if we discover such a one it is our bounden duty to promptly repeal it.

This obligation is so plain that it ought not to require any discussion to emphasize it.

That the Sherman silver-purchase law of 1890 constitutes such an act admits of no doubt. No one now defends it. Few apologize for it. The political party that enacted it seems now the most anxious for its repeal. That it has proved a disastrous failure is scarcely denied by its present or former friends. It is true that for some time after its enactment there existed a disposition among business men to acquiesce in its provisions as a solution of the silver question, and it is but fair to say that there was manifested a qualified approval of it among men of both parties, especially among those who were opposed to free bimetallic coinage and are known as monometallists.

That acquiescence and quasi approval proceeded from different motives and opposite standpoints, the gold monometallists because it had antagonized or prevented the free coinage of silver, and hence they were gratified at its passage, and accepted it as a safe measure, and extreme silver men, because it was some recognition of silver and promised to keep up its price. Both were ultimately bound to be deceived by its specious promises, its false hopes, and its dangerous possibilities. Both ought to be unanimous to-day for its repeal, but I regret to say that those who voted against its passage seem now to be the most reluctant to part with it. It was never defensible. It was a violation of every correct principle of monetary science. It was not even an honorable compromise. It was a makeshift, a subterfuge, a mere temporary expedient. The President in his message, not desiring at this time, for obvious reasons, to offend the sensibilities of those who had voted for it, politely called it a "truce."

It has been asserted that the President himself, in his hostility to independent free-silver coinage, was disposed at one time to regard with favor or acquiesce in the provisions of the Sherman law, which had been the instrument or means by which such free coinage had been defeated. Whether this be so or not, the fact remains and has not escaped observation that while the Democratic national platform denounced the Sherman law and demanded its repeal—denounced it, not as the result of a "truce," but as a "cowardly makeshift"—yet Mr. Cleveland, neither in his speech delivered at Madison Square Garden, New York, in answer to the notification of his nomination, nor in his subsequent letter of acceptance, nor in his inaugural address in March last, criticised the Sherman law, nor made any allusion to it whatever, although it was then already threatening the prosperity of the country with the dangerous results of its operation, which were apparent to everyone who had given the subject any careful attention.

The general disposition to approve or acquiesce in the Sherman law on the part of the monometallists in both parties was further manifested by their tenderness toward it by their newspaper press, by their omission to denounce it, by their approval of it in the platforms of various State conventions—notably that of the Republican State platform of New York in 1891—and particularly by the majority report of the House Committee on Coinage, made up of members of both parties, and presented to Congress in February, 1891, wherein the Sherman law was virtually approved and the necessity for any further or other legislation denied.

On the other hand, true bimetallicists—friends of a double standard—bimetallicists from principle and conviction and not from mere selfish interests—never for a moment acquiesced in the propriety of the Sherman law, but always regarded it as an ill-devised scheme to retard the growing sentiment of the country in favor of free bimetallic coinage.

My own personal record is of the slightest consequence, but the Senate will pardon me for alluding to the fact that my views of the dangerous character of that act are not new, but have been entertained and repeatedly expressed ever since its passage.

Within three months thereafter—on September 23, 1890—at Brooklyn, then at Cooper Institute, New York, on October 8, 1891, at a meeting over which Mr. Cleveland presided, then at Elmira on December 4, 1891, and twice soon thereafter in Albany, I sought—in speeches which have been widely published—to arouse the people to the importance of a repeal of that law.

It is useless to disguise the fact that at that time there existed much apathy upon the subject, other topics seeming to engross the public attention. In fact, my own efforts were misconstrued, and it was insisted in some quarters that I was indifferent to the sacred cause of "tariff reform," and that I was seeking to divert the people's attention away from that great issue in endeavoring to arouse them to the dangerous possibilities of the Sherman law.

Last December at the opening of Congress I promptly introduced a bill for the unconditional repeal of that law, and on February 6 last I had the honor of addressing the Senate at length in favor of its passage. I do not deem it necessary to reiterate the arguments which were then presented. They are as pertinent to-day as they were then, although now it is likely that they would fall upon more willing ears. It was our plain duty then to have repealed that law; that duty is imperative now.

THE SHERMAN ACT IS INDEFENSIBLE.

The backbone of my argument against the Sherman bill may be concisely stated in the following points:

First. The sure peril to all our industries in another green-back issue—for that is what the Sherman law amounts to—employing paper debt in place of gold and silver as a money-measure of labor and the fruits of labor.

Second. Its sure hindrance of our return to free bimetallic coinage, the sole legal tender of the Constitution, of our history before the war, of monetary science, of the people's welfare—silver and gold.

Third. That equivalence between the same silver, whether solid in the coin or liquid in the crucible, can no otherwise be maintained than just as equivalence is established between the same gold whether coin at the mint or bullion from the melting-pot, to-wit, by the right, after melting, to have it transformed to coin again—the right of free coinage, which includes recoinage.

Fourth. That parity (not equivalence), that local parity within the United States (not world-wide parity) of our silver dollars and our gold dollars depends (while free coinage is withheld from silver) upon the Treasury in its payments never disparaging the silver dollar by keeping back gold dollars, as if a superior kind, when called for.

Fifth. That the Sherman law phrasing a concern to maintain on a parity with each other "the two metals" was meant to prevent their parity, and, in fact, contrived a sure cumulative peril to the local, legal, and minor parity of the 25.8 troy grains of gold coined, and the 412.5 troy grains of silver coined, as a dollar, in the United States.

Sixth. That the Sherman law organized an inflation of the people's debt, a prevention of its payment with the silver purchased, such as the Allison law provided, and a contraction of the people's gold. It may be further stated that the new greenback debt, also, was swollen to \$150,000,000. There is one hundred and thirty-two millions less of gold in the people's Treasury, and a great depletion in their private stocks.

This law can not be defended, as it is based upon a wrong theory of finance. It does not provide for the free coinage of silver; it provides only for a limited and restricted coinage of that metal. It provides for the purchase of silver bullion: it treats silver as a commodity. In one view of it the theory of the law seems to have been that the compulsory purchases by the Government of a vast quantity of silver bullion, amounting to 4,500,000 ounces per month, would maintain the price of silver in the market, and that the obligations of the Government to redeem its Treasury notes issued in payment of silver bullion, in gold or silver, in the discretion of the Secretary of the Treasury, would practically maintain the parity of the two metals.

The law has proved a substantial failure for the accomplishment of those ends. The price of silver has steadily fallen, and the demand upon our gold for the redemption of these Treasury notes has weakened the Treasury to an alarming extent. The Secretary of the Treasury has pursued the policy of using gold instead of silver for such purposes of redemption, and necessarily so, as he alleges; and hence our bullion, instead of being coined and circulated as contemplated, has remained hoarded in the Treasury vaults.

The Sherman bill has proved the worst enemy of the silver cause, because it has retarded rather than aided the cause of free coinage.

The Democracy of New York, in their State platform of 1891, hit the nail upon the head when they declared as follows:

We denounce the new Sherman silver law, under which one-tenth of our gold stock has been exported and all our silver output is dammed up at home, as a false pretense but artful hindrance of return to free bimetallic coinage, and as tending only to produce a change from one kind of monometallism to another.

The Democracy of New York wanted that law repealed because it blocked the way to free bimetallic coinage, and not because it would aid the cause of monometallism.

That is exactly my position to-day. I am a bimetallicist. I do not believe in a single gold standard nor a single silver standard, but I do believe in the use of both gold and silver as the standard money of the country, and in their free coinage in our mints at a proper ratio, without any discrimination in favor of one against the other. And as such bimetallicist, I favor the repeal of the Sherman law because it is undemocratic, illogical, dangerous in its tendencies and results, an impediment to free coinage, and a disgrace to the silver cause.

The Sherman law has used "the livery of heaven to serve the devil in" long enough. It is called the Sherman *silver* law, and thousands and tens of thousands of people—possibly a majority of them—regard it as a free-silver law, or one equivalent to it. They point to the fact that many silver men are struggling to resist its repeal as though it was a vital measure to the silver cause, when in fact it is the very opposite to free coinage.

The true friends of silver make a mistake, a serious mistake, when they defend this law and allow it to be confounded with free bimetallic coinage. Instead of it being called a *silver* law, it should have been entitled "The Sherman bill to hinder free bimetallic coinage, to discredit silver, and to impoverish the Treasury of the United States." That is precisely what it has proved to be, and yet a simple repeal thereof is being vigorously resisted as though such repeal would in some mysterious manner injure the cause of free coinage.

The Sherman law is objectionable because it directs the *purchase* of silver, instead of providing for the *free coinage* of silver. Purchase means price, price means commodity, and the treatment of silver as a commodity means its derogation from its intrinsic rank as a money metal. Gold has free coinage, and hence it has no price in the United States. But silver has price. Silver purchases are simply a Government consent to prolong its derogation. Such purchases can never promote their proposed object, to wit, the preservation of a parity between the two metals.

Gold is not purchased by the Government, and should not be. It has the right of free coinage into full legal-tender money for the people, who bring it, to any amount. If melted, it has free recoinage into the same amount of full legal money again, without loss.

Silver-coining nations have not purchased silver. They coin it for the people, just as gold-coining nations coin gold. Their silver if melted loses none of its value, for it is assured of recoinage into the same amount of full legal-tender money again without loss.

It is the absence of the free coinage of silver—the existence of a limited and restricted coinage, that compels Government purchases of silver, and such purchases absolutely prevent parity.

Even the maintenance of a semblance of parity drains the Treasury of its gold, where silver is purchased. Free bimetallic coinage is essential to the parity of the two metals, and nothing else will successfully and satisfactorily maintain such parity.

There are certain elementary facts that can not be made too plain.

The value of free coinage is that it virtually monetizes all the metal wherever it may be.

Silver purchased, even if coined, monetizes no unpurchased silver, and if not coined monetizes none at all. Free coinage of silver is not the purchase of an ounce of silver. Nor is the free coinage the purchase of any gold. The function of free coinage is to effect the monetization of all, but not by the purchase of any.

The Sherman law proceeded upon a wrong and illogical theory, and so did the Bland-Allison law. They were both anomalous

and without precedent, and the true friends of a bimetallic currency should never have consented to the compromise which led to their enactment.

Mr. BLAND, in 1878, should have insisted upon his original bill, which was for the free coinage of silver, and either won or lost upon that issue. But he was persuaded to accept a limited coinage, and there has been difficulty, disparity, timidity, and danger ever since. The Sherman law perpetuated and exaggerated the same error.

The Sherman law should be repealed, and for the same reason the Bland-Allison law should not be revived. Free bimetallic coinage should be the goal for which we should now strive.

#### WHAT MIGHT HAVE BEEN.

My own conviction is unalterable that had the last Congress, or the present Congress if convened in extra session on the 5th of March, not delayed to repeal the Sherman law, the United States would have largely escaped the panic long to be remembered as the monetary panic of 1893, and would have precluded the closure of Indian mints to the free coinage of silver, which, besides increasing panic here, scatter the seed of monetary disorder over the whole earth, as Germany did twenty years ago.

As I have already stated, there is a remedy for our own immediate domestic difficulty—repeal, pure and simple; unconditional repeal. The first remedy for poisoning our currency is to cut off fresh doses of the poison.

But delay to appreciate the wider scope and foreign implications of our inaction has now let in, to block our path towards resumption of free bimetallic coinage, a hindrance greater than the Sherman law itself.

Great Britain by stopping free silver coinage in India interposes perhaps greater hindrance to that resumption than the act of France stopping free bimetallic coinage, in order to defeat Germany's campaign of substitution in 1873. For the free coinage of silver in India was always indispensable as a condition to the free bimetallic coinage of France, and much more important, in the balance of the two groups of free monometallic coinage, than the free silver coinage of Germany.

As the free silver coinage of India was indispensable to the free bimetallic coinage of France, by which independently and alone she maintained the parity of gold and silver at the ratio of 1 to 15½ in all parts of both hemispheres; so free silver coinage in India seems indispensable (perhaps not absolutely so) to free bimetallic coinage by the United States, independently and alone, and to the perfect parity thereby everywhere of gold and silver, either at the ratio of 15½ or 16.

Free bimetallic coinage is not witchcraft. It is business. And if not universal in all mints, but is to be accomplished by the mint of a single great metallic power, it implies the coexistence of each of the free monometallic coinages by other nations.

If even gold free coinage were to become isolated, confined to one nation, free bimetallic coinage by that nation alone would be impossible. If free silver coinage were isolated (confined to ourselves, as it would almost be if adopted now), I fear that free bi-

metallic coinage would be impossible, even to these great United States. Especially would it be impracticable at the present time and under existing conditions.

Independent free bimetallic coinage by the United States is not consistent with the counsels of monetary science, if it is to rest permanently upon an almost isolated free silver coinage.

Our return to free bimetallic coinage is therefore, now, for the first time since 1873, subject possibly to the new hindrance and prior condition of an adequate international agreement.

That is the legacy of the Sherman law, the joint legacy of the Sherman law and the delay to repeal it. But let the dead past bury its dead. And for our parts let us go forth to the future, "without fear and with manly hearts."

These disasters which might have been averted in February or March last, and these hindrances to a resumption of our sound historic monetary system which were doubled in July, do but prescribe to the public men of our American Republic a larger circumspection and a more unflinching purpose. We can not avert, Great Britain can not avert, the deep necessity of that great resumption.

We have a widened and more difficult task to achieve. We are driven perhaps to a change of plan. The goal of our great endeavor is no less the prize of a high calling. International free bimetallic coinage remains no less a capital interest of the human race because its renewal may now have possibly passed beyond the competency of a single government. It is no less now than ever it has been, during the two decades of its vanished beneficence, the most far-reaching worldly interest of the foremost nation of civilized men.

Perhaps, in the stress of our own domestic troubles from the universal monetary disorder, we are liable to forget that long-familiar aspects of the gold and silver question are become obsolete, now that a cessation of free silver coinage has been superadded to the twenty-year cessation of the free bimetallic silver coinage.

Arguments for the simple, easy remedy so lately within our reach are now an anachronism. Only a little while ago it was possible, while free silver coinage was upheld in India, to commit to the newly chosen President of a great people, united in this behalf, by voting to substitute for the Sherman law a free bimetallic coinage law, the renewal of the general parity of gold and silver, and then watchfully strengthening our servants' hands at every vicissitude of that endeavor.

To-day such a task, even if not rejected by an Executive veto, would, I fear, strain and snap the most cordially united efforts of Congress and the Executive.

#### THE PRESENT BIMETALLIC SITUATION.

Perhaps, indeed, I seem to give too much importance to these varying phases in the present nonbimetallism, stopping free silver coinage in India, stopping compulsory silver purchases in the United States. Compared with the stupendous unforeseen stumble, just twenty years ago, out of bimetallism into nonbimetallism, trivial indeed are any passing phases of the universal nonbimetallism, whether local in Calcutta or local in Washington.

The change from a fixed world-wide parity of gold and silver, to their varying disparity, on the 6th of September, 1873, by the unwitting cessation of free bimetallic coinage, was an epoch in history. These varying phases are but symptoms of that disparity. The loss of the age-long parity of gold and silver I believe to have been unwitting.

But I believe the resistance to its renewal is not quite so innocent. I fear it has arisen in the preference of a creditor kingdom and of creditor classes there and elsewhere for a new money-measure in place of the ancient universal bimetallic money-measure of mankind; for a new money-measure half as great, and therefore twice as potent, in every purchase; for a money-measure exclusively of gold; for a new money-measure containing the four thousand million dollars' worth of gold, but not the four thousand million dollars' worth of silver (in round numbers), comprised in the now dislocated bimetallic money-measure.

Such a substitution is chimerical, and it would be fraudulent. To the great bimetallic money-measure the range and plane of prices of all commodities had been for centuries conformed. After twenty years' dislocation of the two moieties of the world's old money-measure, the gold moiety and the silver moiety, a non-conformity of the range and plane of prices of commodities is far from being established, for the disuse of either moiety is not yet begun, and the abolition of either moiety is only dreamed of. There were dreamers forty years ago who dreamed of abolishing the gold moiety of the money-measure by cutting off gold from a free bimetallic coinage.

The dream of abolishing one-half the money-measure rather than reset the dislocated two halves explains the persistent opposition of Great Britain, a creditor kingdom, controlled by creditor classes, to the renewal of free bimetallic coinage—the cause and condition of their permanence in parity. It explains why Great Britain has defeated every monetary conference assembled by France and the United States to that end. It explains the British ukase, for which no British statesman dare stand open sponsor or publish his forecast of its results.

To put either money metal out of the category of money into the category of commodity constrains them to disparity much as if both were commodities; and until their parity is renewed the consequences of disparity can but go on quite remediless.

Repeal of the Sherman law making a commodity of silver by purchases can not, therefore, produce the beneficent results of restoring the parity of gold with silver in full monetary use through a free bimetallic coinage. But meanwhile repeal will facilitate their local parity. Gold monometallists everywhere have hailed the British ukase closing the mints of Calcutta and Bombay as "the doom of silver." The American branch of believers hoot at the "pernicious pig metal" and dream the coming consummation of their hope.

On the contrary, it brings that new-fangled monetary theory—the theory of gold monometallism, begotten in the embraces of ignorance with rapacity—at last to an unequivocal and crucial test.

For the moment, for the day, for the year, it seems to finish the disparagement of silver, commenced with the cessation of

its share in a free bimetallic coinage, continued by its withdrawal from a monometallic free coinage, while Cinderella's sister alone frequents the mints of all the great metallic powers.

But many years ago, the editor of an able newspaper, the New York Evening Post, who was also a great American poet (I refer to Mr. Bryant), summed up in four immortal lines the inevitable outcome of enthroning successful Error above underfoot and duntrodden Truth:

Truth crushed to earth shall rise again—  
The eternal years of God are hers;  
But Error, wounded, writhes with pain,  
And dies among her worshippers.

The incurable wound of this error was inflicted by the worshippers of gold monometallism in England when it was pushed forward, by a necessary logic, to one more step in the disparagement of half the money of mankind—the withdrawal of free coinage from silver in a great Empire where silver was and is and must ever be the sole possible coin of universal employ and full legal tender.

#### THE BRITISH EDIOT IN INDIA.

What was the *modus operandi*? A sudden edict, from their British conquerors on the other side of the globe, stripping off from their only money metal the primary condition of its equivalence, whether circulating as coin or hoarded in bangles. Sir David Barbour, that Indian finance minister and bimetalist who begged for free bimetallic coinage as the scientific solution of India's monetary troubles and the world's monetary troubles, testified that the silver hoards of India were correctly computed at £130,000,000 sterling worth. Free coinage had ever maintained the equivalence of silver in the ornamental bangle with silver in the coin rupee.

The British ukase stripped these Indian savings and ornaments of nearly half their purchasing power, subjected them to varying disparity like the disparity between the silver dollar and 412½ troy grains of silver bullion, and asserted for the British conquerors of 250,000,000 people power to make for them and coin silver purchases, and denied their immemorial right to the free coinage and recoinage of silver. Such is the lot of the Englishman's "dumb-driven cattle." What was the ostensible scheme? It was the endeavor to put a peg in at the present limit of disparity between silver and gold, a disparity caused and continued by stopping the ancient access of silver to free coinage at the mints of Europe, where the alternative adoption of gold was not a physical impossibility.

The public confessions of the gold monometallists—the plain implications of their scheme—are more instructive than even its present failure. The scheme is an open avowal that disparity between silver and gold, that divergence from a bimetallic par, is intolerable. The scheme is an open avowal that in any state of disparity present, the liability to greater divergence from parity, and the liability to less divergence from parity, are two evils which threaten commerce with costs and disaster. The scheme was published and recommended as an endeavor to stop the first liability. Instead of dwelling on its demerits or present failure, I prefer to note the implied admission of the supreme value of a fixed parity of gold and silver.

Another implication is that the most hidebound British gold monometallists can not avoid retaining the use of silver coin as money of full legal tender in the domestic trade and foreign commerce of subject populations whose mere increase during the last decade vastly outnumbers the total population of the United Kingdom on all its islands.

Abolition of silver as money of full legal tender, announced by the New York Evening Post as to-morrow's millennium, is not attempted yet by any sort of fools among British statesmen.

Abolition of India's sole possible coin money of full legal tender being impossible, the subordination of silver there to gold elsewhere in the British Empire is the exact description of this avowed experiment. Parity is discarded; disparity is vainly limited; subordination is attempted. For subordination, if achieved, and a renewal of parity by other powers prevented, involves usurping for gold alone the function of the standard; that is to say, the function of the ancient bimetallic money-measure. Written all over the face of this theory and this endeavor is the rapacious purpose to make the sufferings entailed by the loss of that parity which Great Britain is preventing, work out at last the halving of the old bimetallic money-measure of mankind and the doubling of the purchasing power of a new gold money-measure upon all the wages of labor, all the fruits of labor, all the debts of labor, for the benefit of the creditor classes of a creditor state.

Subsidiary and subordinate coinage of silver for small change is easy enough in Great Britain, which produces neither money metal and has enough of gold. But the attempt to make subsidiary and subordinate to gold the coinage of silver among the vastly outnumbering populations of mankind, who have no other money metal of full legal tender except silver, and whose mere numbers make their sufficient share, and their necessary divisions of gold as a money metal commercially impracticable and physically impossible, is rapacity foredoomed to defeat. It derives from cockney convenience a rule for crowded empires possessing of the two money metals but one, with no reason for its subordination to another, and without gold for it to be subsidiary to, but being subject themselves to the common need of all commercial nations, a single common money metal or a fixed parity between their respective or common money metals, if there are two—the parity of past ages, the international currency of silver equally with gold.

I have noted to the Senate the implied admissions of this precious scheme. I have mentioned its homage to the discarded rule and result of free bimetallic coinage, the parity of gold and silver, in its legalizing and untried method and sort of parity, a bureaucratic maximum limit of disparity.

If any Senator would fain believe that something else than deliberate rapacity inspires the present rulers of Great Britain in their long defeat of the efforts of the two great Republics, France and the United States, for renewal of the parity of gold and silver, and in this latest preventive measure, I will assist his aspirations by some evidence that their Anglo-Indian ukase may rather be deemed mere ornamental imbecility.

These British statesmen, like their royal George, so anxious

for their own good and "the goods of all the peoples" of their empire, have commenced their campaign by creating the most stupendous mass of inconvertible money—money inconvertible with the new unit of value—ever known in the history of the human race. Nobody can deny that fact. I can put in evidence Sir David Barbour's statement of it, a man of science and affairs. I do not cite the British chancellor of the exchequer, Sir William Harcourt. He is a burley bruiser who knows as much about coinage and currencies as John Sullivan. He told a deputation comprising delegates from the London Chamber of Commerce on the 25th of January this tale of the double florin, a silver piece in the mere subsidiary coinage of Great Britain: "The double florin is so unpopular that I believe it has gone abroad."

He told the "city" men of London that, and nobody laughed. That will do for Sir William Harcourt and the "city" opinion of London. He conceives that a subsidiary coin can have extra-national export or international currency; and it is this finance minister who directs the subordination of the silver rupees of India to the gold sovereign of Tower Hill.

I would myself accept the idea that the Anglo-Indian ukase is merely monumental British stupidity, if it were the first act in the monetary drama instead of the fourth.

Great Britain defeated the renewal of the parity of gold and silver at the monetary conference of 1878.

Great Britain defeated the renewal of the parity of gold and silver at the monetary conference of 1881.

Great Britain defeated the renewal of the parity of gold and silver at the Brussels monetary conference of 1892.

Great Britain now, in 1893, is combining her Asian with her European power to prevent renewal of the parity of gold and silver by the United States and France or other foreign powers at any future time. To create the hugest mass of inconvertible money ever known, while posing as monetary purists, may look like pious imbecility worthy of a Pharisee in Bedlam. But on review of the successive acts of the monetary drama, a statesman of sense will "doubt not through the stages an increasing purpose runs."

I admit, for I affirm, that the British new-fangled theory of gold monometallism is an ignorant, insular, weak minded theory, like their theory of taxation without representation before 1776, like their theory of impressments for the British navy in American ships before 1812, like their theory of irresponsible naval intervention to assist the disunion of these States before the Alabama arbitration of 1871.

But it is no disproof of a selfish rapacity that its methods may foredoom their own frustration. And what, indeed, has the greedy purpose of these insular theorists so far brought to pass? Have they demonetized silver? Strictly speaking, silver has not been demonetized. The usual phrase is at fault. It is the indignant utterance of impoverished men and injured nations, but not the accurate language of monetary science.

Until now not an ounce of silver has been demonetized. Coinage has been stopped here and there, but the old silver francs, thalers, florins, dollars, rupees, are still in existence and mone-

tary use. Some German thalers, florins, the Roumanian and Scandinavian silver pieces, have been transformed into francs or rupees. Silver has not been demonetized. So much silver was never in monetary use as now.

Silver in that sense has not been demonetized, and the total achievement of the rapacious and ignorant theorists of gold monometallism thus far has been to polder, to confine within the several boundary lines of all nations—as if they were the dikes of so many sunk-in tanks—one-half the full legal-tender coin money of the world by despoiling silver of its old international monetary power. In place of the old world-wide parity of silver and gold, there is gold in a few and silver in all nations, and no parity for twenty years between them or any, and as many local parities as there are nations formerly bimetallic.

To have despoiled silver of monetary power internationally; to have suppressed parity between one money metal of the North Atlantic States and the money metal of the great mass of mankind—that is the sum-total of results achieved. That is the title of Great Britain to curse her dependent state with the curse of an inconvertible money and boast the "Pax Britannica."

If there is any honest man among British statesmen who has favored the successive procedures of Great Britain in this latest procedure because he knew no better, he has one lesson to learn.

There is no reason under heaven to expect renewal of the stable, unvarying parity, the universal, age-long parity, of gold and silver prior to September, 1873, from any other source, by any other means, than the renewal of its cause—competent free bimetallic coinage.

There is no reason under heaven to suppose the totally unprecedented shocks and fluctuations of divergence and disparity between gold and silver, continuous now for exactly twenty years, will ever discontinue, so long as either money metal is not by competent free bimetallic coinage translated back again out of the common chances and conditions of a commodity.

Meanwhile the local legal parity of our silver dollars with the gold dollar of 25.8 troy grains should be maintained at all hazards and under all circumstances, and the silver purchases stopped and isolated free silver coinage rejected for the present, in order to avert the present and future dangers to that local legal parity of the silver in the silver dollar and the gold in the gold dollar; but especially and also in order not to avert and in order not to prevent the renewal of the greater parity, the parity of all gold and all silver at one fixed ratio around the world, by means of a competent free bimetallic coinage.

My point is not now that our isolated free coinage of silver under present conditions will entail an exclusive silver basis here. My point is that we should not confirm Great Britain in her delusion of a gold basis everywhere by thus increasing European gold stocks with our gold stock; we should not deprive the United States of all power to promote free bimetallic coinage; we should not put off the hope of monetary peace into the next century.

The local parity of the silver dollar and the gold dollar in all these United States is our point of honor. It behooves us to be intolerant of present danger from the Sherman law, intolerant

of the future danger which Great Britain has created for us in absolutely isolated free silver coinage at the present time.

To attain the renewal of free silver coinage along with free-gold coinage it behooves the United States to reverse their present policy, to augment Great Britain's difficulties and diminish our own, to stop temporarily the increase of silver in our currency under existing conditions and increase its gold constituent. Both are feasible. I hope to address the Senate further upon this point at some future time. I will not dwell upon it now.

Repeal of the Sherman law, had it taken place when, almost alone and unsupported, three months after its enactment, I began the systematic advocacy of its repeal, would have entailed long ere this, as I believe, free bimetallic coinage in Europe and America.

It will hasten now that day of deliverance; for it will release from an invidious position all those in the great West who are accused of a dishonest intent of inflation and enable them to fight for the first time with full powers for restoring free bimetallic coinage of the best money in the world—the sole money incapable of inflation.

#### THE PERMANENT REMEDY.

It will be observed from what has already been stated that the permanent remedy for our financial difficulties is a return to the bimetallicism which existed prior to 1873. Nothing else will do it. We have tried everything but the right thing. It has been stated over and over again during the present debate, especially in the other House, that the country has tried the experiment of silver coinage and that it has proved a failure, and that therefore we should now return to a gold standard.

The country has not tried free coinage since it was unwittingly abandoned in 1873, but it has tried a limited and restricted coinage, silver purchases, the accumulation of silver bullion, and a depreciated currency, all of which have been forced upon the country by monometallists through miserable compromises obtained from silver men.

Why not try the only remedy that has not yet been applied? Why keep the Sherman law intact or why indulge in other experiments equally delusive, equally illogical, and equally unsatisfactory? The fact should not be forgotten and can not be too strongly impressed upon the public mind that at the very time silver was demonetized in 1873 it was upon a par with gold. That was when we had free bimetallic coinage in this country—not a gold standard nor a silver standard, but both gold and silver were the standard money.

If pledges in platforms amount to anything, unless they are to be regarded as mere set phrases with which to catch votes and not to be fulfilled, then both the great political parties are solemnly pledged to a return to that bimetallic system which existed prior to 1873. There may be permitted differences as to ratios, as to minor details, as to methods of procedure, and as to the precise opportune time for a return; but the important fact remains that all the political parties are irrevocably committed to the general policy of bimetallicism, which, if pledges are kept, must sooner or later be permanently established.

The Senator who asserts that he is in favor of a single gold standard for the money of the country can not belong to either of the great parties. He must be a no-party man, a free-thinker, a go-as-you-please politician, of which there are types in Congress, in Cabinets, and everywhere. Such a Senator certainly has no right to speak for the Democratic party.

Bimetallism does not mean the stoppage of further silver coinage, while maintaining our present silver currency intact, but it means the free coinage of silver and gold by the Government, either under an international agreement or independently. The stoppage of further silver coinage, but the maintenance of existing silver currency accompanied by the free coinage of gold, is not bimetallism, but it is what the famous French financier, Mr. Cernuschi, called "humped-back monometallism," such as exists in France and Germany to-day.

This is not what our country needs for permanent relief, but we want the establishment of a perfect system of free bimetallic coinage as it existed prior to 1873, whereby every silver dollar may be kept at a parity with every gold dollar. That result was accomplished then—it can be accomplished again.

I am opposed to a single standard of gold because there is not gold enough in the world to fulfill the needs of a sole money metal. I believe I hazard nothing in that statement, but only express the profound conviction of the thoughtful people of the United States, and of the people of every other country in the whole civilized world except the ruling powers of Great Britain. Their course is determined by what they regard as their own selfish home interests, regardless even of the best interests of their colonies.

The business of the United States as well as the business of the world is rapidly augmenting. Ours is comparatively a new country; yet our population is already larger than the mother country, larger than either Great Britain, France, or Germany; our resources are being surprisingly developed, our commerce is increasing, our industries are desirous of extension, the wonderful inventions of our citizens are demanding additional capital, the spirit of progress is abroad, we insist upon more of the costly comforts, conveniences, and luxuries of life than were permitted to our fathers before us; new and growing States are knocking for admission into our Union, and the star of empire is rapidly making its way westward; new and gigantic enterprises of every conceivable description are crowding to the front, and the evidences of a higher, better, grander, and more magnificent civilization are accumulating. We are no longer a weak, puny, contracted, and poverty stricken people, but soon will be by far the wealthiest nation on the globe.

The observance of these gratifying evidences of national progress, gratifying as they are to the patriotic citizen, naturally lead to the suggestion that such a country and such a people should not, in their onward march of improvement, be cramped, hampered, embarrassed, and restricted on account of any insufficiency in the currency. Money is but a measure of value and a medium for facilitating exchanges. Its volume should be sufficient to adequately represent the aggregate wealth of the world. The value of money—the standard—is fixed by govern-

ments in statutes. As one of the financial writers of the world says, "Without law there is no legal tender, without legal tender there is no money."

This great and growing country of ours needs a much larger circulation per capita than any other country in the world. It will not answer to compare the needs of our nation in this regard with the old, unprogressive, finished nations of Europe, where the wealth is largely controlled by a few families.

The insufficiency of our present volume of currency seems to be everywhere conceded, and yet there is an unaccountable reluctance to establish a permanent financial system under which that deficiency can be easily supplied.

The proposition now before Congress to allow the national banks to increase their circulation 10 per cent—and which proposition I earnestly favor—is the outcome of a general desire for an increase of the currency, the insufficiency of which has been made plainly manifest during the present crisis.

To that proposition of itself there is little objection, yet it is a strange spectacle which is presented when we witness that those who are the most clamorous for such increase at the present juncture are usually holding up their hands in holy horror and solemnly protesting against any other increase of the currency—especially an increase of silver money—as "inflation," when in truth both silver and gold are money metals absolutely incapable of inflation.

The speech of a distinguished gold monometallist in the House the other day abounded in references to our "redundant currency;" to the "abundance of money" with which the country is blessed; to the "ample supply" of the circulating medium, and other expressions indicative of the opinion that the country was already surfeited, or at least too well supplied, with currency.

I do not believe it. The country does not believe it. The business men of our land believe it to be untrue. If one fact more than another has been adequately demonstrated in the present emergency, it is the fact that we need more circulation with which to do business. Let us give our national banks the relief which they ask, and then prepare the way for a steady, permanent, and safe increase of silver circulation—silver which shall be at a parity with gold; silver which shall be able to buy as much as gold; silver which shall be coined and circulated, and not hoarded up; silver for which the plain people are clamoring—the silver which was mentioned in the Democratic national platform of 1884, when it declared that "We believe in honest money, the gold and silver coinage of the Constitution, and a circulating medium convertible into such money without loss."

In the year 1892 the total production of gold in the United States was only \$33,000,000, not as much as in 1891. The production has remained about the same for several years, with no material increase, notwithstanding the increase of our population and resources. In 1878 it was \$51,200,000, being \$18,200,000 more than last year. For many years the average annual production was over \$55,000,000, while now such average is scarcely \$33,000,000.

It is true that outside of the United States there has been

some increase in the world's production of gold during recent years, but an average annual increase of only \$10,000,000, which is about the figure, is comparatively insignificant when the increased population and requirements of the whole world are taken into consideration. How much gold bullion is lost, hoarded, used in the arts, and otherwise disposed of and not applied to currency purposes? An annual increase of production of \$30,000,000 would not keep pace with the world's needs, especially if, as is positively proclaimed here and elsewhere, a gold basis is to be finally established by all the governments of the world.

In that event what a contemptible figure the slight annual increase of ten millions would cut in the effort to answer the world's demands. It must be borne in mind that in the event of a universal gold basis, a failure in the requisite gold supply means absolute ruin, a stationery production means hard times, a diminution in production means bankruptcy of tens of thousands; in fact, it may be positively asserted that anything less than a reasonable and liberal increase in the annual gold production would mean stagnation of business, financial disturbance, and a renewal of our present difficulties. The world needs all its silver as well as its gold to give us an automatic and elastic currency.

We need not be disturbed about the increase in the production of silver. It cuts no figure in the solution of the great monetary problem. The annual increase is not 1 per cent of the world's total supply. Every ounce of silver extant on the earth now—the total accumulation—if carried to the Acropolis at Athens and melted in one block would not half fill the famous Parthenon.

When the gold mines of California were discovered, in 1849, Europe became frightened and complained loudly of a fear of being deluged with American gold; but the fear was soon shown to be groundless, and that gold proved to be a blessing to a poverty-stricken world. History will repeat itself in our American history of to-day, and silver will perform the same beneficent purpose that gold did then. It is for the interest of the United States to insist upon silver being a part of our standard money, for we are the great silver-producing country of the world.

It is unnecessary to characterize the demonetization of silver in 1873, or to inquire whether it was done intentionally or ignorantly. Secretary Carlisle, at a time when he reflected his own sentiments, and was not merely the mouthpiece or subordinate of others, characterized the act as a "gigantic crime" against the people.

James G. Blaine in speaking of the same subject said, "If, therefore, silver has been demonetized, I am in favor of remonetizing it. If its coinage has been prohibited, I am in favor of having it renewed. If it has been restricted, I am in favor of having it enlarged."

#### THE QUESTION OF RATIOS.

I do not propose to discuss to any extent the matter of ratios, because I do not regard that the time has arrived for its serious consideration. When the policy of bimetallism shall have been definitely settled, then the opportunity will be ripe for the

opening up of that subject. There have always been conflicting views in regard to the proper ratio which ought to prevail between the two great money metals, and, in my opinion, it is untimely to invite such differences at a period when it is not the precise ratio which is at stake, but when the whole theory of bimetallism is assailed and is struggling for existence. I beg to differ with those good friends who seem to regard the question of ratio as one of the highest importance. I esteem it of the least consequence of any of the questions which are incident to the monetary problem.

If the existing ratio is to be changed at all, the feasibility of which at the present time is of great doubt, it should not be enlarged, but diminished, and put at  $15\frac{1}{2}$ , so as to correspond with the ratio under which the silver pieces of the countries composing the Latin Union were coined.

I realize that this is not the popular idea, and that we hear it everywhere said that the ratio should be increased so that there shall be more silver in our silver dollar, and then all objections to free coinage would be obviated. I have heard intelligent men frequently say, "Let us have a dollar's worth of silver in a silver dollar, and everybody would be satisfied." This is a very narrow and superficial view of a great problem which for its solution depends little upon a mere matter of ratio.

An enlargement of the ratio by this country involves the recoinage of nearly all our silver at a tremendous loss or else its absolute retirement, which would be disastrous; while a reduction of the ratio to  $15\frac{1}{2}$  would enable us to recoin at a profit, and thus place our silver pieces on the same plane as those of European countries. It is evident, under existing conditions, no European country will recoin at a fearful loss, such as would be involved in any of the changes now proposed.

If we do anything, we should hold out an inducement to the Latin Union countries to recoin at a profit instead of a loss, and that can only be accomplished by reducing the ratio to their standard, rather than enlarging ours. We must take a sensible and practical view of the ratio question, and recollect that all changes of policy should be carefully avoided, except for the most imperative and pressing causes.

It is not the quantity of silver in a silver coin piece that absolutely determines its value—it is the legal-tender quality which is given to it by law. The trade dollar contained considerably more grains of silver than did the standard dollar, and yet because it was not legal money it soon became worth only what its bullion was worth in the market. Our silver half dollars do not contain in proportion as many grains of silver as do our silver dollars, and neither do our silver 10-cent pieces; and yet everywhere ten dimes and two half dollars are interchangeable for each other and for a silver dollar, with the like effect as though they were "intrinsically" equal, if I may use that term, or equal in the market, because they are equal to each other by law and are a legal tender.

Every elementary writer on the subject of monetary science does not lay much stress upon or attach much consequence to the exact ratio, except that it is always desirable that whatever ratio is established should be uniform, and that such uniformity should exist in as many countries as possible.

It is said that the weight of all the existing silver is eighteen times the weight of all the gold. But if the quantity of silver employed as small change is deducted, and if the aggregate of silver and the aggregate of gold are valued at the ratio of  $15\frac{1}{2}$ , the total value of gold and the total value of silver are found to be about equal. The great author or inventor of the term "bimetallism" declares that "this is only pure chance, and that bimetallism is indifferent to it," and yet it does tend to establish the fact that  $15\frac{1}{2}$  is after all about the right ratio, at least for successful international bimetallism. It seems to me that the suggestions of some new ratios—1 to 20, 1 to 25, 1 to 30—misconceive the nature of the present difficulty and superadd another.

What the market price of silver bullion may happen to be any day, in the absence of any ratio of free bimetallic coinage, is a fact that offers no guidance in selecting the ratio for its revival. That is making market price, which can only appear, in the absence of a ratio, determine the ratio, which is inconsistent with price and excludes price.

There is no price of gold where gold has free coinage, nor of silver where silver has free coinage. There is no price, but ratio only for either metal where both have free bimetallic coinage.

#### THE TRUE ISSUE.

The true issue to be met is simply whether the Sherman law should be repealed. It is not an issue between monometallism and bimetalism, between a gold and a silver standard.

The question of the demonetization of silver is not involved. Speaking in the popular sense, silver was demonetized in 1873. It is true that a repeal prevents any further coinage of silver, but it only prevents a restricted coinage such as I have described, which is worse than no coinage at all. It does not of itself prevent free coinage, because free coinage has not existed since 1873. A repeal can not injure the silver cause; it should help it. It paves the way for other and better legislation.

The Sherman law has unfortunately become so identified with the free coinage of silver, and the ill effects of its operation have been so manifest, that the sooner it is wiped off from the statute books the better it will be for bimetalism.

Those who foolishly declare that the present contest is between a gold standard and bimetalism not only misstate the true issue, but thoughtlessly or designedly injure the cause of repeal.

If I believed for one moment that the repeal of the Sherman law would injure the cause of bimetalism and would be the means of placing or tending to place the country upon a single gold standard, I should never vote for it, but would as earnestly oppose it as I am now favoring it. And I tell those who seek to make that issue that if their view of the question involved is correct and was so understood, the cause of repeal would find few advocates in either House of Congress. But there is no such issue. The strongest bimetalist can safely vote for repeal without a violation of his principles. He will only clear the way for their ultimate triumph.

It is said that the President's message by its significant omissions and especially in its closing lines contemplates the establishment of a gold standard as the policy of the country, and

looks upon the repeal of the Sherman law as a means to that end. It is to be regretted that the President was not more explicit in his last utterances. He expressly advised the repeal of the Sherman law, and then urged other legislation as desirable, but he left the exact nature thereof in doubt.

It was hoped that the President, in view of the provisions of the Democratic national platform in favor of a double standard, and in view of the well-known opinions of a large majority of his own party in Congress, would have at least spoken a kind or encouraging word in behalf of a return to bimetallicism. It would certainly have made the path of repeal an easier one, and prevented much misconception and bitterness. But while I regard such omissions as unfortunate, and while conceding that it is not easy to reconcile the closing words of his message with a desire for the establishment of a double standard, yet I am not disposed to accept such a construction of them until further evidence of his adverse intentions have been manifested. If he really intended us to understand that he proposed hereafter to favor the policy of a single gold standard, then I must absolutely decline to follow him in his new departure.

I shall refuse to follow in the footsteps of any Administration that seeks to place the Democratic party in a false position, that seeks to lead it away from its traditions, away from the currency of our fathers, away from 'the path of safety, away from Democratic principles and platforms and into the very camp of the enemy. The President must rely upon Republican votes to carry out any such suicidal policy. I shall not believe, however, that any such course will be taken by the President of his own volition or even under the inspiration of indiscreet advisers until clearer evidence shall be furnished than now exists.

I urge a repeal of the Sherman law because it is a hindrance to free bimetallic coinage; because its practical operation is depleting the Treasury of our gold; because it is hoarding up our silver bullion, instead of coining it; because it is lowering the price of silver and creating a greater disparity between silver and gold every day of its existence; because it has lost the public confidence, weakened the public credit, and disgraced the silver cause it was designed to serve.

These are sufficient causes for its repeal without inventing other reasons about which there might be serious differences of opinion, and the discussion of which is 'unprofitable at this crisis.

#### HASTY ACTION TO BE AVOIDED.

It is a most difficult task at this particular juncture of affairs to mark out a fixed and definite financial plan for the future which shall not be subject to revision. We must not only take into consideration our own depressed and almost exhausted condition, but we must not ignore the conditions and actions of other countries. We must await the effect of India's unfortunate action. What has she done? She has stopped the free coinage of silver to individuals, and proposes, as it is understood, to continue it restrictedly, under government direction and control, through purchases of silver bullion.

In other words, she is imitating the action of the United States, which in 1873 stopped the free coinage of silver and subsequently

resumed a limited coinage through Government purchases of bullion, and the result in India is likely to be equally disastrous as it has been in America.

India's action was hastened by the contemplated repeal of the Sherman law by the United States, as the famous Herschell report conclusively shows. She is now following our footsteps, and will sooner or later reap the same dreadful harvest. But her action can not be ignored and lightly dismissed, because it leaves the United States at the present time the only large country, except Mexico, maintaining some system of silver coinage, assuming that India's government, for the present, ceases all coinage.

I make the prediction that the attempt to impose a gold standard upon Great Britain's Indian Empire is doomed to ultimate failure. But we must wait and see.

The VICE-PRESIDENT. The Chair will remind the Senator from New York that, the hour of 2 o'clock having arrived, it becomes the duty of the Chair, under the rule, to lay before the Senate the unfinished business.

Mr. VANCE. Mr. President—

Mr. HARRIS. Let the unfinished business be laid before the Senate.

The VICE-PRESIDENT. The unfinished business, being the resolution reported from the Committee on Privileges and Elections, will be read.

The SECRETARY read the resolution, as follows:

*Resolved*, That Lee Mantle is entitled to be admitted to a seat as a Senator from the State of Montana.

Mr. STEWART. I suggest that that go over informally.

Mr. HARRIS. I ask unanimous consent that the resolution be informally laid aside in order that the Senator from New York may conclude his remarks.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Tennessee?

Mr. VANCE. Before that is done, to which I have no objection, I wish to ask the Senate to fix a time when we can dispose of this matter.

The VICE-PRESIDENT. Is there any objection to the request of the Senator from Tennessee?

Mr. VANCE. I am willing to defer to the pleasure of the Senate, but the matter ought to be understood in some way.

The VICE-PRESIDENT. The Chair hears no objection to the request of the Senator from Tennessee. The Senator from New York will proceed.

#### THE TEMPORARY REMEDY.

Mr. HILL. The temporary relief which the country needs at this hour is the prompt repeal of the Sherman law. We can discuss our monetary theories afterwards. Our duty now is to stop further silver purchases and relieve an almost bankrupt Treasury from the drain of gold out of its vaults.

Let us legislate upon the financial question and then return to our homes. At the regular session next December we can resume the consideration of the establishment of a permanent financial system required by the necessities of our great and growing country. This is not the hour for trying experiments.

The country's condition forbids it. The patient is sick; we must cure him of his dangerous temporary fever before we attempt to cure him of his deep-seated dyspepsia or rheumatism. "One thing at a time" is a good motto in business as well as sometimes in politics and legislation.

The goal for which the country should steadily strive is, first, international bimetallicism—an agreement with at least a few leading nations—and if that is absolutely impossible of achievement, then independent bimetallicism at the earliest moment when the condition of our finances and conditions abroad will safely warrant it. It is impossible to say in advance when that moment will arrive. It may never come. It certainly is not at present. There must be adequate preparation, revised laws, competent administration and friendly administration before such a result can be secured.

The condition of our Treasury forbids it to-day, but I indulge the hope that in the near future the existing conditions in this and other countries may change for the better, and we may be enabled safely to return to the wise policy which we so foolishly abandoned in 1873. It is useless to disguise the fact that the situation has greatly changed for the worse during the past year. The increasing disorder of our finances and the recent action of India have complicated the financial problem and rendered it more difficult of solution.

It is possible that such action of the India government may render the adoption of independent bimetallicism inadvisable or impossible for some time to come. I hope not; but we must proceed cautiously and prudently in the management of the financial affairs of a great nation. Much must depend upon the future policy of India. Nothing can be safely done without the support of a reasonable share of the public confidence, and I fear that the adoption of independent bimetallicism in the present great crisis would be regarded as a dangerous experiment.

Our duty to our country and to the cause of bimetallicism can best be subserved by a prompt repeal of a concededly obnoxious measure, taking the precaution at the same time that the effect of such repeal shall not be misconstrued either at home or abroad. It is not wise or feasible, for reasons to which I have alluded, to couple with such repeal any new or affirmative financial legislation, but it is desirable and all-important that the repealing bill should itself declare in general terms what the future financial policy of this Government is desired or intended to be. Such a course prevents misinterpretation of our action abroad, and reassures our own people as to the policy to which our efforts are proposed to be directed.

What harm can result from such an expression? Who can properly object to it? What Senator at least upon the Democratic side can refuse to vote for such a plain and explicit declaration of our principles? It is simply the substance of the Chicago platform embodied and reaffirmed in a statute. It is important in order that a repeal shall not be regarded as an abandonment of bimetallicism—a victory for monometallicism, a defeat for silver, a return to a gold standard, or a destruction of our silver industries, or a triumph of a score of other false and misleading issues which have unfortunately been injected into this contest.

**Here is the declaration in full.**

And it is hereby declared to be 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. And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetalism 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.

This declaration which I have quoted, and which is appropriately embodied in the present bill reported by the Finance Committee, will give encouragement to Balfour and his associates, the friends of international bimetalism in England, and aid them in their heroic efforts to establish a double standard. It will assist the cause of bimetalism everywhere in the world. It commits this Government to a definite general policy which no Administration, no matter how strongly it may regard itself as entrenched in the affections of the people, will dare to disregard. Its excellent results may not be witnessed now, but they will be realized in the future.

Let us not be impatient, but abide our time. We accept no compromise with principle, but we rid ourselves and our cause from the incubus of an illogical, unsafe, and unpopular law, and obtain in its stead the most important declaration of future policy ever recorded in a statute.

More than that we should not expect or ask at this time, and less than that we can not honorably accept. If you ask me if the bill unconditionally repeals the Sherman law, I answer yes—and no. Yes, in the sense that it absolutely repeals that act, and contains no distinct, affirmative financial legislation, such as has been insisted upon here and elsewhere: but no, in the sense that it does contain a most important condition or qualification, virtually limiting its significance or declaring how the effect of such repeal shall be construed, or, rather, preventing its misconstruction.

Of course there is no legal legislation in favor of bimetalism such as could be enforced in a court of law, but there is moral legislation therein—a declaratory policy embodied in it, a pledge of the faith of the Government is set forth—a binding, honorable obligation upon future legislators, cabinets, and Presidents.

President Cleveland could not approve that law to-day, if we should pass it, and next December take any position upon legislation or upon financial questions based upon the theory that the policy of this Government is any other than bimetalism as therein solemnly declared. The concession contained in the latter portion of the bill can not be overestimated, and its practical value will be more and more appreciated as time rolls on and as the contests of the future shall be developed. No gold monopolist could approve such a measure, and no public man, no matter how exalted he may be, could afford to deliberately deceive and betray the American people upon such a question.

**ALL SHOULD VOTE FOR REPEAL.**

No one, be he a Democrat, Republican, or Populist, should be deterred from voting for this bill simply because it is hailed as an

Administration measure. That furnishes no argument either for or against it. I resent the impertinent suggestion of those sycophants who are constantly posing as the personal or especial friends of the Administration, and who whisper in our ears every day that the Administration wants this and does not want that, and we must not vote so as to displease the Administration.

Sir, I know of but one rule of conduct that has guided my official action here, and which will continue to guide it to the end. If a measure seems to me to be right and proper and meets my approval, I shall support it, and if it does not meet my conscientious judgment I shall oppose it, and the wishes, views, or suggestions of any Administration will have no effect in influencing that result.

As you well know, I was for the repeal of this bill long before the present Administration came into power, and by my voice, pen, and influence contributed my humble share toward the creation of that public sentiment in regard to it which is so well nigh unanimous in my own State. My distinguished colleague and myself will cheerfully vote for this bill, "unawed by power and uncorrupted by Federal patronage." [Applause in the galleries.]

The VICE-PRESIDENT. The Senator from New York will suspend. The Chair reminds the occupants of the galleries that applause will not be permitted. Should there be a repetition of this offense, it will be necessary to have the galleries cleared.

Mr. HILL. The President is entitled to my support and that of every other Democratic Senator when he recommends a meritorious measure which is expressly approved in the platform of the party which nominated and elected him to the high office which he holds. He could do no less than recommend the repeal of the Sherman bill, because such repeal was made a part of the Democratic creed at Chicago. It was his duty so to do, and he has simply discharged that duty, and that is all.

He deserves also in this instance the support of all the other Senators, because the measure which he recommends is demanded by the best interests of the country and is essential to its welfare and prosperity.

#### REPEAL WILL TRIUMPH.

Mr. President, this bill is going to pass this Senate. I believe it; I predict it. The sentiment in its favor is growing stronger each day under the light of discussion. The sober second thought of the distinguished Senators who compose this circle—their calm, deliberate, unprejudiced judgment—will in the end eventually impel them to the conclusion that after all the route of repeal is the safest, best, and surest path to pursue. I have confidence in the wisdom, the discernment, and the patriotism of the American Senate, and we can safely trust its conscientious determination of every great public question presented to it at a critical period like this.

There will be some delay, vexatious though it may be regarded by the public, whose impatience is excusable under the trying ordeal through which our business interests are passing, but such delay is inevitable in a body where deliberation has been its leading characteristic for a century, but there will be no disappoint-

ment in the final result. There will be debate, a full comparison of views, an endeavor to do the right thing, and then a prompt and honest decision.

There will be no filibustering upon such a subject as this, non-political in its character, involving purely financial questions about which there always have been and always will be honest but respectful differences of opinion among men, although questions not involving life, liberty, or the vital principles of free government. Another course in this fearful crisis would be unworthy of the Senate, and the Senate will respect itself.

Let our business men who are laboring under fearful burdens and against great obstacles and embarrassments take courage at the prospect. The present clouds of adversity which so heavily overhang these dark and gloomy days will soon pass away, and relief will surely come. I think I see a bright, clear silver lining to the clouds in the West which now threaten danger, and in the near future that light will become stronger, better, more effulgent under the rays and inspirations of an educated public sentiment desirous of justice, freed from passion, prejudice, and selfishness, and will guide the country back to the sure ground of stable prosperity, the right financial policy, and the monetary principles of our fathers, from which it has so wonderfully and frightfully wandered in recent years.

Then our commerce will return to us, our industries will revive, our exchanges will reopen, the avenues of business will abound with activity, confidence will be resumed, and credit will be restored.

This Republic is not going to be shipwrecked on account of bad financiering. No; it will weather the present storm. Too much is at stake in its preservation, too many hopes are centered in its success, too many prayers are ascending for its safe deliverance for it now to be destroyed.

Divided though we may be in our political opinions and diverse as are our financial views, we none of us forget that this nation belongs to no party nor faction, but it is *our* country that is in peril *our* prosperity that is to be promoted, and *our* liberties which are to be protected.

In the beautiful and appropriate language of a distinguished American statesman, in speaking of the value of our free institutions and of the inestimable boon of liberty bequeathed to us through the blood and sacrifices of our revolutionary forefathers, "This priceless heritage of freedom is ours; ours to enjoy, ours to possess, ours to transmit."