BIMETALLISM—REMONETIZATION OF SILVER

SPEECH

OF

HON. JOHN H. MITCHELL,

OF OREGON,

IN THE

SENATE OF THE UNITED STATES,

TUESDAY, SEPTEMBER 12, 1893.

WASHINGTON.
1893.

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

Mr. MITCHELL of Oregon said:

Mr. PRESIDENT: In this great debate, second to none in importance that has ever occurred in Congress, the vital questions involved are: What shall in our future history be the money of ultimate redemption? Shall it be gold alone? Shall it be silver, or shall it be gold and silver? Shall we by legislation eliminate silver from our circulating medium as legal-tender money and have for our standard a medium which is constantly contracting in volume, constantly appreciating in value, constantly depressing the price of all our commodities—our wheat, cotton, corn, and other agricultural products—and the price of labor as well; a medium which has in the past twenty years, according to the opinions of many of the ablest political economists and statesmen, appreciated from 35 to 50 per cent, or shall we, by yoking the money of the two precious metals together, have a circulating medium embodying the essential elements in a monetary standard—those of constancy and stability?

However we may attempt on either side of the great controversy to befog or mislead, these after all are the great pivotal points on which it must turn. The fundamental problem to be solved is: Are we to be a nation of monometallists, and, if so, whether gold or silver monometallists? or are we to become what Washington and Hamilton and Jefferson and the other founders and builders of our Republic declared us to be, and what every national convention of every political party that has ever existed in this country has declared us to be—a bimetallic nation? Will it be denied by any that the absolute demonetization of silver, as is proposed by the unconditional repeal of the purchasing clause of the Sherman act of 1890, the perpetuation of the gold standard, and the establishment of a policy that gold and gold alone shall be the sole medium of ultimate redemption, will be to completely and absolutely overturn and destroy the policy of the founders of our Government upon this question and consign silver as a money metal to indefinite overthrow.

And can it be successfully denied, moreover, that the Constitution, by its very terms, gives recognition to both gold and silver as money metals, and not gold alone? The inhibition on the power of the States clearly indicates this. "No State," says that great charter, "shall make anything but gold *and* silver coin a tender in payment of debts."

Are we prepared, then, in this year of our Lord, after over one hundred years of material growth and prosperity such as has never been witnessed in any other nation on the face of the globe—because now, forsooth, our beloved country and its people are reeling temporarily amidst the shadows of financial and industrial desolation—to abandon the policy plainly outlined in the Constitution, established, recognized, and approved by the builders of the Republic, and avowed by every political party that has ever existed since the foundation of our Government?

If we are prepared to do this, upon what authority? At whose instance? By what command? Under whose direction and by what inspiration do we advance toward its accomplishment? What Legislature of any State has memorialized us in favor of such an abandonment? Has the Legislature of Massachusetts or Rhode Island, New York or Mississippi, Ohio or California, Minnesota or Oregon, or any other State done so? Do the files of the Senate show any such memorial from any State in the Union? Not a solitary State Legislature has spoken on the subject. Not a single memorial from any State Legislature has come to the Senate asking the unconditional repeal of the purchasing clause of this Sherman act. Have the people of any political party in any State convention declared in their party platform in favor of the demonetization of silver and of the single gold standard, and of making gold alone the medium of ultimate redemption? No declaration of any such policy can be found, I imagine, in the platform of any political party that has ever existed in this country.

While in Oregon during the summer I was industrious in endeavoring to obtain the opinions upon this subject, so far as possible, of leading representative men of all parties, in all parts of the State, not only of those engaged in agriculture, but of those belonging to the laboring classes, as well as merchants and business men generally, including bankers; and among others I had a conversation with my predecessor in this body, Hon. Henry W. Corbett, one of the leading bankers and business men of Portland. Recently I find published in the daily Oregonian of August 8, published at Portland, Oregon, an open letter from him addressed to myself. As no copy was sent me, it only came to my notice a few days since, and then by accident. Mr. Corbett is a highly esteemed and phenomenally successful banker and business man of large experience in affairs, including a term of six years' service in this body, and his suggestions are therefore entitled to, and shall receive from me, respectful consideration. The letter is as follows, and I ask that it be read as a part of my remarks:

The Secretary read as follows:

AN OPEN LETTER—EX-SENATOR CORBETT TO SENATOR J. H. MITCHELL.

SEA VIEW, *August 5, 1893*

MY DEAR SIR: You were kind enough, while in Portland, to ask my views upon the present condition of the finances of the country. I then suggested to you as the first remedy the unconditional repeal of the silver-purchasing clause of the Sherman act. In our brief conversation, however, I do not think we touched upon the question of free coinage, and as I see that you have expressed yourself as being favorable to free coinage, if the Sherman act be repealed, unless convinced of the inefficiency of such coinage act (as I interpret your manifesto). and believing you are actuated by a sincere desire to do what you think is for the best interest of the country, I wish to point out to you the ruinous effect of the enactment of such a law.

The Sherman act was a compromise measure, it being less harmful than free coinage. Under that act silver bullion is purchased at its supposed gold value, but since the enactment of that law silver has greatly depreciated, and the issue of more silver certificates, together with the silver and currency now in circulation, is likely to embarrass the Government greatly in the redemption of the same in gold. Should the Government fail to redeem this large amount of circulating medium on demand, it would naturally sink to the value of silver. The free coinage of silver means that every man that has $550 in silver bullion can take it to the United States mint and have it coined, at the present ratio, into a thousand silver dollars. The Government stamp upon this coin would seem to pledge the faith of the Government to redeem the same in gold. Oregon is a gold and wheat producing country. Why should Oregon exchange a gold dollar worth 100 cents with Nevada for a silver dollar worth 55 cents? Or why should Senator STEWART ask Senator MITCHELL to give him a gold dollar for a silver dollar, or for silver bullion worth 55 cents? Or why should the farmers of Oregon sell to Nevada wheat worth 60 cents a bushel in gold for silver only worth 33 cents? It will readily be seen if we export wheat to England in cargoes worth $100,000 here in gold, and allow them to pay us in silver dollars worth only $55,000, it would only be a question of time when Oregon would be bankrupt. This is equally true of many other commodities that are exported from the country. Other enlightened nations with whom we deal have established the gold standard as a measure of value; therefore unless we maintain a gold standard in this country exchange will be against us in about the proportion before named. Our only safety lies in ceasing to purchase silver and the discontinuance of coining silver, except so far as we can provide ourselves with sufficient gold to redeem such coin and currency. Otherwise still greater disaster will beset our country.

If the present amount of circulating medium should be reduced to a silver standard, the $1,400,000,000 of currency now in circulation would be reduced to about $860,000,000, thereby creating great disaster and widespread distress throughout the whole land. You are undoubtedly correct in stating that much of the distress, particularly in the manufacturing districts of the country, is due to an apprehension that Congress will repeal our tariff laws, which now protect our American industries. But no such laws having as yet been passed, the first and greatest apprehension and distrust is that we will soon sink to a silver basis, under the Sherman act, and that the Government will not be able to maintain the gold standard. It certainly could not under free coinage; that would cause silver to flow to us from all parts of the world for coinage at our mints, and for which they would claim the Government was in duty bound to redeem its coinage in gold. This it would be impossible for the Government to do; neither would it feel bound to do so, unless, as now, it should reap the profit from the coinage of such bullion.

It is probable that the Government can maintain the present silver coin, certificates, and currency of the country by providing itself with sufficient gold to maintain interchangeability of the two metals. The most practical way to do this would be the reënactment of the law by which all customs dues shall be payable in gold. This is absolutely necessary for the Government to provide itself with sufficient gold to keep up this interchangeability without resorting to the sale of bonds. I can not see why the people of the United States should be compelled by law to pay $100,000,000 annually to a few silver States for their $55,000,000 of silver product, which they would practically be compelled to do in the redemption of the free coinage of silver. A gold standard we must maintain. Every business man, every laboring man, and every honest man wants an honest dollar that will buy a dollar's worth in every part of the world.

Politically, I can not see that the Democratic Administration could have administered the Sherman act otherwise than it has done. Both Administrations have executed the law in much the same way. The fault lies in the law itself. It should never have been passed. Both parties were responsible for the act. Each was bidding for the support of the silver States, and both parties were deceived and deserted by these States. Mr. Weaver became their candidate to carry out their policy. Neither the Republican nor the Democratic party owes them anything; therefore all honest men of both parties should join hands in giving to the country a sound currency, independent of their wishes.

No one desires absolutely to demonetize silver. I believe in the use of both metals as money, but do not believe in the free coinage of silver. I believe in the coinage of both by the Government in the ratio of 1 to 16 to the extent that we can redeem the silver in gold, thereby keeping them on a parity. But the proposed free coinage of silver for private parties for all the excessive production of this metal would make it impossible for the Government to redeem or keep it interchangeable with gold. Having thus pointed out the evils of free coinage, I trust you, as well as our members in the House of Representatives, will favor the enactment of such laws as will give the stability in our monetary affairs that will subserve the best interests of the whole country.

Very respectfully,

H. W. CORBETT.

Mr. MITCHELL of Oregon. I regret, Mr. President, I am unable to agree with the distinguished writer of that letter as to the probable effect of the establishment of bimetallism or the double standard in this country. I do agree with him that the Sherman act, which from the beginning was, as declared in the Democratic national platform, a "cowardly makeshift," is radically wrong, and ought to be repealed, and give place to better legislation; not, however, because it is responsible to any considerable extent for the present deplorable condition in which we find our country, because, in my judgment, it is not, but because it degrades silver by treating it as a mere commodity instead of a money metal.

THE SHERMAN ACT NOT THE CAUSE OF THE PANIC.

The causes leading up to our present misfortunes are in part world-wide and had their origin not in this country, but in speculative dealings between London bankers and the people of South America, which resulted through the Argentine bankruptcies and the fall of securities in bringing ruin to the doors of the Barings and other moneyed institutions. The same causes, overtrading and land speculation, later on and during the present year brought universal bankruptcy to Australia.

These great and unexpected shocks to the business world, these dynamic explosions at the very doors and under the very vaults of the great money-brokers of England, and by which some of them were engulfed in ruin, sent a shudder of apprehension throughout the financial world, which caused a sudden hoarding not alone of gold, but of gold, silver, and paper, a general calling in of loans on the part of bankers, a refusal not only to make new loans, but to extend old ones, while general distrust seized upon every financial community. These are some of the causes which, in my judgment, initiated the panic whose storm center has passed from South America, Australia, and certain European countries, and which so recently spent its fury in the United States; and the Sherman act has had no more, in my judgment, to do with all this than had the man in the moon or the recent fantailed comet. On the contrary, but for the fact that the Sherman act has in the past three years added to our circulating medium about $151,000,000 of legal-tender Treasury notes (the amount issued to date, August 1 last, was $148,286,221; the amount to present date is over $151,000,000), the panic that is now upon us would have come quicker and been more aggravated than it now is.

FEAR OF TARIFF REVISION AND THE INAUGURATION OF A FREE-TRADE POLICY HAD MUCH TO DO WITH THE PRESENT PANIC.

To these causes, however, which in and of themselves would have had, perhaps, but comparatively small influence in this country, was added that all-pervading apprehension of American producers that the doctrine of protection to American industries and American labor was, on the election of Mr. Cleveland on the platform upon which he stood, placed in imminent peril; that the doctrine of the national Democratic platform on which the Administration came into power, to the effect that any tariff which resulted in giving protection to American industry and American labor is unconstitutional, would be enforced. Scarcely had the new tariff known as the McKinley act come into operative force in all of its provisions, and when our country was rapidly entering on a period of material development and prosperity such as the world had never seen, a majority of the electoral votes of the country called a halt, a change was demanded and a change was granted by the votes of the people, and now the people are reaping the harvest resulting from that change.

No sooner was it known that a President and two Houses of Congress had come into power pledged to the doctrine of free trade than manufacturers in every department and grade of industry throughout the land began to hedge instead of extend the manufacture of products. There was contraction instead of increase in the operative force in skilled and other labor on the pay rolls. There was a gradual and constant lessening of the number. Finally, all these causes combining, none so potential, however, as the one last indicated, the fires of furnaces went out; the wheels of machinery ceased to go round; orders fell off; business prosperity gave way to business stagnation; hundreds of thousands of laborers were thrown out of employment, and with despair written on their faces they are to-day wandering up and down the streets of our principal cities clamoring for work which they can not obtain, and the cry for bread from starving myriads of men, women, and little children falls upon the nation s ears.

Will any sane man, in the face of these tremendous consequences, insist that they are all or to any appreciable extent chargeable to the Sherman act, or that the simple repeal of that act without some other great measure of relief will in and of itself afford redress or rectify the evil that is upon us?

While I believe there is, occasioned by the persistent efforts of the gold power in New York, a very general belief in the country, especially in the cities and towns, where the banks and Board of Trade and Chamber of Commerce of New York and the press of that city could the more readily make their influence felt, a belief to the effect that the Sherman act is responsible for the present financial distress; it is a most remarkable fact developed in this debate, in both Senate and House, that there is a general consensus of opinion among members, as well those who favor unconditional repeal as those who do not, that the Sherman purchasing clause is in no sense properly chargeable for the present stringency or money famine.

Had the act of 1890—the Sherman act—been utilized by the Secretary of the Treasury to the extent its provisions authorized when the shadow of this financial eclipse began to darken our country's horizon, it would have done much, in my judgment, to relieve the situation. That act provided that until the 1st day of

July, 1891, the Secretary of the Treasury should coin 2,000,000 ounces of silver bullion, purchased under its provisions, into standard silver dollars, and after that date he was authorized to coin of the silver bullion purchased thereunder as much as might be necessary to provide for the redemption of the Treasury notes therein provided, and any gain of seigniorage arising from said coinage should be paid into the Treasury.

About 163,000,000 ounces of silver have been purchased under the Sherman act against which legal-tender Treasury notes have been issued to the extent of its bullion value, while only about $36,000,000 have been coined with which to redeem them. The exact amount to the present date is $36,087,185, the gain of seigniorage on which was $6,691,109. The Secretary of the Treasury, therefore, has the power to-day under this much-despised Sherman act, and has had it since its passage, to order any part, or even the whole, of the one hundred and forty-odd million ounces of silver bullion in the Treasury, of the coinage value at present rates of $174,061,242, coined into standard silver dollars. This would have left nearly $50,000,000, including the $6,691,109 seigniorage gained on the amount already coined, of free silver in the Treasury against which there would have been no outstanding Treasury notes or silver certificates that might have been at once put into circulation, and which would have gone far to relieve the money stringency in the West and South.

We are told it was lack of confidence that precipitated the recent panic. Lack of confidence by whom and in whom, or in what, pray? Surely there has been no evidence adduced of any lack of confidence by anybody or any class of people in any part of the circulating medium of the country in either gold, silver or paper. The evidence is overwhelming to the contrary. There did spring up a lack of confidence, it is admitted, but it was a lack of confidence in the banks, and not a lack of confidence in any part of any kind of money so deposited.

When individual depositors had from the $1,752,000,000 of individual deposits in the national banks of the United States May 1 last drawn out by July 12, in a little less than two and a half months, $177,000,000, or over one-tenth of the total deposits, what does it indicate? When people withdraw their money from banks and hoard it, becoming their own depositors, it goes for nothing so far as proving any lack of confidence in the money. It proves just the reverse. It does prove, however, a lack of confidence in the banks. The truth of the whole business is, this trouble was, in a very large measure, started by the banks. The bankers of England early in the spring nudged the bankers in Wall street and intimated now is a good time to forever set the seal on bimetallism under the pretense of repealing the Sherman act. The howl was started. The New York bankers nudged the Chamber of Commerce of the city of New York and the metropolitan press. The Chamber of Commerce, in turn, gave the cue to boards of trade and chambers of commerce throughout the country. The howl started in perfect unison—all inspired across the seas—and finally the thing got away from them, proved a boomerang, and the banks suffered along with the rest.

THE SHERMAN LAW WAS NOT INSTRUMENTAL IN DRIVING GOLD OUT OF THIS COUNTRY.

Up until within the last two months we were told by the metropolitan press and by resolutions of boards of trade and chambers of commerce with an iteration which became monotonous, not to say tiresome, that the Sherman law was driving all the gold out of the country, but the Sherman act is still on the statute book, while for the past two months gold has been flowing into the United States at an average rate of nearly $1,000,000 per day, $54,000,000 having come in since July 1 last, and still the ships on the ocean are freighted with the yellow metal. Whatever may be the objections to the Sherman act, therefore—and there is one insuperable objection to it, and that is because it degrades one of the money metals, treating it not as money, but as a commodity, and it ought for this reason to be wiped out of existence by the substitution of legislation establishing free bimetalic coinage—it, in my judgment, was never instrumental in driving gold out of the country.

The very fact that gold is returning to this country more rapidly and in greater quantities than it has ever gone out since the passage of the Sherman law, ought of itself to be a sufficient answer to the charge. But there are other and still more conclusive answers. And the first is, the balance of trade commenced running against us. Our imports for the fiscal year ending June 30, 1893, exceeded our exports by many millions, and this balance had to be met in gold. Again, Austria-Hungary, having recently come to a gold standard, thus creating an abnormal demand for gold in that country, it was sought after in all directions, including the United States.

This same note of prophecy, which was never verified, was sounded in our ears in 1878 when the Allison-Bland bill was pending in the Senate. We were then told by the leading metropolitan papers, representing the banking interests, as also by the then President of the United States, Gen. Hayes, and by our distinguished colleague from Ohio, then Secretary of the Treasury [Senator SHERMAN], that if that bill became a law and remained in force five years, it would drive all the gold out of the country. That prediction was potential with me then in controlling my vote against that bill

I believed if that were to be the effect of the proposed law, it would work contraction of our circulating medium and result in reducing prices and in bringing harm not only to the commercial world, but to the great producing and laboring classes of our country, and I was one of two Senators only west of the Mississippi River that voted against the Allison-Bland bill—Senator Sargent, of California, being the other. That bill, however, passed both Houses by a large majority, was vetoed by President Hayes and passed over his veto—I voting to sustain the veto—and what was the result?

It became a law of the land and remained so, not only for five years, but for nearly twelve years, during the whole of which time the Secretary of the Treasury purchased $2,000,000 worth of silver bullion each month and coined it into standard silver dollars of 412½ grains each, issuing silver certificates therefor. Of the silver bullion thus purchased there was coined 378,166,793 legal-tender standard silver dollars of 412½ grains each. And was gold driven out of the country? Did we come to a silver basis? Did this country become the dumping ground of silver, as predicted? Not at all. None of these evil predictions came to pass. On the contrary, at the end of twelve years' operation of that law we had in this country something like $470,000,000 more gold in circulation than we had when the act was passed in 1878.

But not only so. During the first six years of its operation after the passage of the Bland-Allison act, that is, from 1878 to 1883 inclusive, there was an excess of imports of gold coin and bullion to this country over the exports of $187,671,027. The total exports of gold coin and bullion during these six years was but $64,184,994, while the total imports of gold coin and bullion for the same period was $251,856,021 while the further significant fact is disclosed by the statistics that for the six years immediately following the demonetization of silver in this country in 1873, that is, the six years, 1873 to 1878 inclusive, there was an excess of exports of gold coin and bullion over imports of $114,-127,396—the total imports for these six years being $89,457,595, while the total exports were $203,584,991. And thus the record of statistics conclusively shows that so far as the demonetization of silver in 1873 resulted in bringing gold into this country, it had precisely the opposite effect, while the enactment of the Allison-Bland bill, which it was predicted would drive gold from this country, was just the reverse in the effect of its operation. So much, therefore, for the predictions of gold monometallists in the past.

Mr. HIGGINS. Would the Senator object to a question?

Mr. MITCHELL of Oregon. I would rather not be interrupted, but I will hear the Senator's question.

Mr. HIGGINS. I do not wish to interrupt the Senator, but I should like to call his attention to the fact that from 1873 until the resumption of specie payments, in 1879, we were upon a paper currency of fluctuating character, and during all that time we had to pay to Europe an excess of gold in settling our accounts with them. I ask the Senator whether or not that did not have some influence on the outflow of gold at that time, or whether it was due at all to the demonetization of silver dollars in 1873?

Mr. MITCHELL of Oregon. It might have had some influence, but during the whole of that time a comparison of the statistics will show that the effect of the demonetization of silver, or rather what followed after the demonetization of silver, in 1873, was a very largely increased exportation of gold from this country over preceding years, while immediately following the passage of the Bland-Allison act there was a very largely increased importation of gold into this country, amounting to millions. One hundred and eighty-seven million dollars in excess of our exportation came in during the first six years.

Mr. HIGGINS. I would ask the Senator was not that due to the resumption of gold payments and our going abroad for gold?

Mr. MITCHELL of Oregon. I think it was very largely due to the legislation to which I have been calling attention, besides we resumed specie payments in ten months after the passage of the Allison-Bland act of 1878, and had really made every necessary preparation for resumption before that act was passed.

"A GOLD STANDARD WE MUST MAINTAIN,"

says Mr. Corbett in his letter, and this is but the echo of the proclamation of the Administration. The one, the former, is in direct conflict with the Republican national platform of 1892, which says: "The Republican party demands the use of both gold and silver as standard money," while the latter is in equally flagrant conflict with the declaration of the Democratic platform of the same year, upon which the Administration came into power, which says:

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 or charge for mintage, but the dollar unit of coinage of both metals must be of equal intrinsic and exchangeable value.

The plank on this subject in the national platform of the Republican party of 1892 is as follows:

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

While in 1888 the national Republican convention resolved as follows on this subject:

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

These are the declarations of the two parties; those of the Republicans in 1888 and 1892, and of the Democrats in 1892. I claim with pride to stand to-day squarely with both feet on the platforms of the Republican party of 1888 and 1892. For one I am unwilling to be a party to a game of national deception. I am unwilling to aid in practicing on the people of this country, on the people of my State and the Legislature of my State, which has so generously thrice honored me with a seat in this body, a confidence game of such questionable character and gigantic proportions. I will not agree to the proposition that "a gold standard we must maintain," in the face of these emphatic declarations of the party to which I belong and to which I am indebted for a seat in this body; certainly not, at least until the Legislature of my State instructs me to the contrary.

Whatever may be said, Mr. President, of the average American politician, and however venial may the offense of the deliberate breaking of party pledges in party platforms be regarded in certain quarters, the fact remains all the while that the great body of the American people are honest, and do not with any more complacency look upon such an offense than upon any other species of false pretense by which, through the deceptive arts of some Jeremy Diddler, men are hoodwinked, deceived, and finally defrauded out of their rights.

"The American people, from tradition and interest," says the Republican platform, "favor bimetallism, and the Republican party *demands*"—demands what? Not the use of gold alone, not the single standard of either gold or silver, but demands, not merely the use of gold and silver as money—gold as the standard and silver as subsidiary coin—but "demands the use of both gold and silver *as standard money*."

What does this mean? What did the convention which adopted it intend the voters of the country should understand it to mean? Was it intended by this that the party demanded the single gold standard and the use of silver as mere subsidiary coin? Had the people so understood it, the party would have been beaten, as in that case it would have deserved to have been beaten, infinitely worse than it was.

What is standard money? What do we mean when we speak of the single standard? The single standard is one where the values of all commodities are fixed by the value of a single medium, called money, which is alone a legal tender. Thus, when we speak of the single gold standard, and for which the present Administration is now contending with all the potentiality which naturally attaches to a powerful national administration, aided, unfortunately as I believe, by a majority of the Republicans in each House, we must be understood to mean a standard under which gold coin only is a full legal tender.

If we speak of the single silver standard—a standard which no party or no considerable number of people of any party in this country desires—although for one, if we are to be a nation of monometallists, and have but a single standard, then I prefer that standard be silver—we must be understood as meaning a standard under which silver alone is a full legal tender. But when we, as stated in the Minneapolis convention, demand the use of both gold and silver "as standard money," we must be understood to mean that we *demand*, not merely *favor*, but *demand* the use of what is known as the double standard, wherein both gold and silver coin at a fixed ratio are full legal tender. So much for party platforms and pledges.

But oh, says one, these are times when party platforms must be set aside—when party promises and party pledges must be retired to "innocuous desuetude"—times when men must rise above party and become patriots. There are times, Mr. President, it is conceded, when fealty to mere partisan politics should give way to fealty to the common good, when in a great emergency the vital interests of the people plainly indicate the necessity, demand the sacrifice, and clearly point the way; but while this is so, no such emergency can exist, and none such exists now, as demands of the sworn representatives of the people, or of sovereign States, a voluntary sacrifice of opinion, a deliberate abandonment of individual judgment, a surrender of well-defined and preconceived conceptions, based upon years of laborious study, in reference to vital questions of governmental policy affecting the general welfare.

And, Mr. President, if there ever was an instance in the history of the American Senate when mere partisanship was subordinated to devotion to individual conviction upon a great vital question of governmental policy, affecting the future of our Republic and the general welfare of its 67,000,000 of people and of the unborn generations yet to come, then it is exemplified here today. Rent in twain, as with the fearful and irresistible force of a cyclone, are each of the two great political parties on this floor in reference to the great question under discussion. And if ever in the history of our time any considerable number of the members of this, the greatest legislative body on earth, deserved to be crowned as patriots, as Senators worthy that great designation, then it is that portion of the majority of this Senate who have, in the face of Executive influence and power, to say nothing of individual and public clamor, the courage to stand firm, and by their voice and vote assert their individual convictions in reference to the question involved in this, the greatest controversy that has occurred in this Senate the present generation.

WHAT WOULD BE THE INEVITABLE EFFECT PRESENTLY AND REMOTELY OF THE UNCONDITIONAL REPEAL OF THE SHERMAN ACT?

What does the unconditional repeal of the purchasing clause of the Sherman act mean? What, in one respect at least, is to be the inevitable effect? It means, in this hour of a money famine, the contraction of our currency by the destruction of a monthly supply of legal-tender circulating medium of from three and a half to four million dollars. It means the curtailment and destruction of our supply of circulating medium to the extent of from forty-two to forty-eight or perhaps fifty millions of dollars per annum. It means contraction, immediate, direct, and effective.

Who ever heard of a financial panic being relieved by legislative contraction of the currency? Who ever heard of the congestion of a money famine being dispelled by a legislative reduction of the amount of money in circulation, or of a reduction of the volume by act of Congress, while the country is demanding more money, more circulating medium? The whole power of the present Administration has been struggling here for the past month and over in an attempt to contract the currency. It was for this purpose, and for this alone, if I read the message of the President aright, that Congress has been convened in extraordinary session in the dog days.

This is the sole recommendation the President has made to us. Has the President or Congress, in their impassioned zeal to destroy silver, paused long enough to consider the fearful effects of the process of contraction of the circulating medium at any time, much less when a financial panic is upon the country? Of the evils of contraction, its baneful effects at any time or under any circumstances, I would invoke the words of Senator SHERMAN uttered in this Senate over twenty-four years ago, in 1869, when he said:

> The contraction of the currency is a far more distressing operation than Senators suppose. Our own and other nations have gone through the operation before. It is not possible to take that voyage without the sorest distress. To every person except a capitalist out of debt, or a salaried officer, or annuitant, it is a period of loss, danger, lassitude of trade, fall of wages, suspension of enterprise, bankruptcy, and disaster. It means ruin of all dealers whose debts are twice their business capital, though one-third less than their actual property. It means the fall of agricultural production without any great reduction of taxes. What prudent man would dare to build a house, a railroad, a factory, or a barn with this certain fact before him?

> I earnestly recommend—

Says the President in his message at this extraordinary session—

> 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.

Here, it is true, is a plain and distinct recommendation to do one thing—that is, to repeal the purchasing clause of the Sherman act. But what "other legislative action" does the President suggest? Congress is admonished that in addition to repeal there should be some "other legislative action." But the President has seen proper to refrain from expressing any opinion whatever, much less from making any recommendation whatever, as to the kind or character of such "other legislative action" that should be had.

It would seem to many, and it seems to me, when we are called upon to repeal a certain act, to wipe from the statute book certain provisions of law relating to the financial policy of our country, and when the President himself concedes some other legislation should be enacted to take its place, that then we have a right to know, before wiping from the statute book the legislation denounced, the kind and character of legislation the President desires to be substituted. Had the President in mind when he used the phrase, "other legislative action," legislation looking to the issue and sale of bonds, or the repeal of the tax on State bank issues, or the increase of the circulating medium by permitting national banks to issue up to the par value of their bonds deposited, or did he have in mind the sale at its market value of the silver bullion on deposit in the Treasury, or an act for the compulsory coinage of that bullion into standard silver dollars, or does he contemplate recommending the interconvertibility of bonds and legal-tender notes?

Surely, it seems to me, when it is conceded on every hand, no less by the President of the United States than by everybody else, that the repeal of the purchasing clause of the Sherman act, which contracts the circulating medium of the country to the extent of nearly $50,000,000 a year, must be replaced by some other legislation of some kind or character, that then some recommendation should have been made in that regard; and inasmuch as no such recommendation has been made, then has not Congress the right, nay, is it not its plain duty to follow its own judgment, and in repealing this law, as recommended by the President, to substitute at the same time and by the same act some such legislation as in the judgment of Congress should be substituted in its place, just as the Sherman law of 1890 was substituted for the Allison-Bland act of 1878, by one and the same act?

WILL THE UNCONDITIONAL REPEAL OF THE SHERMAN ACT HASTEN INTERNATIONAL BIMETALLISM?

But we are told that the unconditional repeal of the Sherman act will hasten international bimetallism. In other words, if the Congress of the United States will set its seal of condemnation on silver, will effectually demonetize and repudiate it, as most of the European nations have already done, then these same European nations will suddenly come to the rescue, will wheel into line as the friends of silver and bimetallism and by an international convention restore it to its place as a money metal. Was ever a more absurdly ridiculous proposition presented to the American Congress? Perhaps I hardly ought to say that. Perhaps I ought not to characterize it in that way, but to me it does seem so absolutely ridiculous that I can not help it. We are counseled to fall into line and demonetize silver, insist on the establishment and perpetuation of the single gold standard as a means of inducing England to rush into an international convention with a proposition favoring the double standard!

Such a proposition, with all due deference to those who suggest or support it, is a most suspicious compliment, to say the least, to the intelligence of those who compose the Fifty-third Congress. For one, I fail to appreciate the compliment. Even were there any grounds for hope of securing international bimetallism—and in my judgment there is none whatever so long as England is permitted to dominate the nations of the earth financially—legislative destruction of silver on our part would be fatal to it.

I agree that international agreement or concurrent legislation by the principal European governments in the interest of bimetallism is a consummation devoutly to be wished for. That consummation would be beneficent in the highest degree to the people of this country as a whole. That it would impart increased vigor to our prosperity and promote the general welfare there can be no room for doubt, and if I could be brought to believe what seems to me to be a proposition surrounded by the gravest doubt and enveloped in clouds of the darkest uncertainty, that the legislative destruction of silver as money in this country would result in imparting at an early day vitality to international bimetallism in the fullest and best sense of that term, then I would not hesitate to vote for the destruction of silver in this country, as is proposed by the pending bill. But I can not bring myself to believe that the beautiful and impressive description of the resurrection of the dead, as given by St. Paul in his Epistle to the Corinthians, can have any application whatever to the burial of silver in this country. The sublime declaration, and one which brings consolation to the mind of man as he stands on the brink of the grave, "It is sown in corruption, it is raised in incorruption: it is sown in dishonor, it is raised in glory: it is sown in weakness, it is raised in power," can have, to my mind, no application whatever to the death and burial of silver as money by the Congress of the United States.

Within the past twenty-six years we have had four international congresses, all, with one exception, held at the instance of Republican Presidents of the United States, and what has been accomplished, save an awakening in the interest of bimetallism by the elaborate speeches made in the several congresses by our very able and faithful representatives? There is no doubt there has been a great change in public sentiment among European nations, and even among many of the ablest financiers and statesmen of England, favorable to bimetallism; but while this is all so the British lion, in the form of the Government of Great Britain, stands ready and always in the pathway that leads to an international agreement and completely and effectually blocks the way. And there stands to-day that mighty imperial power controlling securities of this country and other nations to the amount of over $10,000,000,000, and under the lead of Gladstone scorns and ridicules the idea of an international agreement, which could but result in a large depreciation of this enormous and abnormally appreciated amount held by English creditors.

It will not, moreover, be forgotten that so jealous is the Government of Great Britain of the single gold standard, and so studiously careful to refrain from doing any act, either diplomatic or otherwise, that might be in any manner construed as indicating any restlessness on her part with the single gold standard of that Government adopted in 1816, or any willingness to consent to bimetallism, that Her Majesty's Government declined to accept the invitation of the United States to the Brussels conference in its original form. The invitation, as originally issued, it will be remembered, contemplated an international conference to inquire into the possibility of establishing by international agreement a fixed legal relation between the values of gold and silver. This invitation Great Britain declined to accept, and it was only after the President of the United States had modified the invitation to suit the fastidiousness of Her Majesty's Government that it was accepted. And furthermore, to the end that this difference between the invitation which Great Britain accepted and the one which was declined might not be lost sight of, and be properly emphasized, Sir Rivers Wilson, delegate of Great Britain, in his introductory at the Brussels international monetary conference, after declaring that he spoke for Sir Charles Fremantle as well as for himself, said:

In the first place, I desire to explain to the Conference the attitude of Her Majesty's Government upon the monetary question. The invitation of the United States in its original form contemplated the meeting of a conference to examine the possibility of establishing, by international agreement, a fixed relation between the values of the two precious metals. Her Majesty's Government did not find it possible to accept an invitation conveyed in terms which might give rise to a misunderstanding by implying that the Government had some doubt as to the maintenance of the monetary system which has been in force in Great Britain since 1816.

* * * * * * *

Her Majesty's Government therefore accepted the invitation of the United States in its modified form; that is to say, to consider what measures, if any, could be adopted for the purpose of increasing the use of silver as currency.

But not only so. Subsequently, Sir Guilford L. Molesworth, delegate of British India, in the course of his remarks, among other things, said this:

A predetermination not even to discuss such an eventuality appears to place Great Britain in an illogical position, for she has recognized the necessity for the rehabilitation of silver, and has practically admitted the efficacy of bimetallism as a remedy, inasmuch as she has consented to allow one-fifth of the metallic reserve of the Bank of England to consist of silver; only, however, on condition of the formation of an international agreement of the other powers on a bimetallic basis, thus appearing in the position of desiring to impose on the shoulders of other nations a burden of which she is unwilling to take her fair share.

To this Sir Rivers Wilson, with apparent indignation, made the following immediate reply, as will be remembered by our distinguished American representative [Mr. ALLISON], who sits be fore me:

I desire to reply—

Said he—

in a few words to the observations of the honorable delegate of India upon the premature character, as he calls it, of the declaration of which I had the honor to make several days ago. I wish to state that it was purely out of respect for the delegates and to shorten as much as possible their labors that I felt it my duty to make a very explicit declaration and to state that my Government as a government could not admit that the maintenance of our existing monetary system should be brought in question or that the presence of British delegates at a conference where bimetallism is discussed should lead to the supposition that England would be ready to examine the possibility of a change in her monetary system.

It was for that reason that my colleague, Sir Charles Fremantle, and myself thought that it was opportune to let it be known from the very beginning of our debates that our Government did not desire to take up the discussion of the question of bimetallism.

This was also the opinion of Mr. de Rothschild, who has just told me that he wished to associate himself with me in these remarks.

But prior to this, and at the second sitting of the Brussels conference, this leading delegate and spokesman for Great Britain had taken care to define beyond question the attitude of Great Britain in that conference, when, in speaking to the resolution of the delegates of the United States, submitted by their chairman, Senator ALLISON, he said:

We accept the resolution of the delegates of the United States as it stands, adding only this reservation and this explanation, that we consider it as being in fact a recapitulation of the substance of the invitation which has been addressed to the different governments and which has been accepted by them.

And further speaking, he said:

Her Majesty's Government did not find it possible to accept an invitation conveyed in terms which might give rise to a misunderstanding by implying that the Government had some doubt as to the maintenance of the monetary system which had been in force in Great Britain since 1816.

And still further speaking for Sir Charles Fremantle, who seems to have been a mere figurehead in the conference, Sir Rivers Wilson said:

Our faith is that of the school of monometallism pure and simple. We do not admit that any other than the single gold standard would be applicable to our country.

This all clearly and unmistakably shows the unalterable attitude of Great Britain on the subject of international bimetallism, and it is one which affords no grounds of hope whatever on the part of the United States, as it seems to me.

Mr. HOAR. What administration was in power in England when that utterance took place?

Mr. MITCHELL of Oregon. Gladstone's.

Mr. HOAR. Is it not the Senator's information that a very great difference of opinion in that respect existed in the minds of the members of the Salisbury administration?

Mr. MITCHELL of Oregon. I have no doubt some difference existed. At the same time, we certainly can not hope for any international agreement while the Gladstone government remains in power, and I think it is extremely doubtful whether any change of administration would bring it about. Of course there is a very large element of leading financiers and statesmen of Great Britain who are cordially in favor of international bimetallism.

Mr. STEWART. And against the repeal of the Sherman act.

Mr. MITCHELL of Oregon. But it must be remembered we had two international monetary conferences, I believe, while the Salisbury government was in power, which came to naught.

Yes, this element in England favorable to bimetallism is, as stated by Senator STEWART, against the repeal of the Sherman act. Yes; that is true. As I said, all this clearly and unmistakably shows the unalterable attitude of Great Britain *as a government* on the subject of international bimetallism, and it is one which affords no grounds of hope whatever on the part of the United States, as it seems to me. But no more encouraging was the attitude of Germany. That power, in responding through its leading delegate on the second day of the conference to the proposition of the American delegates, submitted by Senator ALLISON, which was to this effect: that in the opinion of this conference it is desirable that some measure should be found for increasing the use of silver in the currency systems of the nations, said:

Germany being satisfied with its monetary system, has no intention of modifying its basis. * * * In view of the satisfactory monetary situation of the Empire, the Imperial Government has prescribed the most strict reserve for its delegates, who, in consequence can not take part either in the discussion or in the vote upon the resolution presented by the delegates of the United States.

That was not a resolution in favor of an international agreement as to bimetallism, but simply a resolution in favor of an increased use of silver.

Still less encouragement was given to our delegates, according to their own report, from Austria-Hungary, which, although represented at the conference by delegates, had them instructed, to take no part whatever in any discussion or vote.

It is true, some little encouragement was given by the declaration of some of the less influential delegates from Great Britain looking, not to bimetallism, but to an increased use of silver; Sir William Houldsworth, a delegate of Great Britain, saying:

A further fall (in the level of prices) would be a disaster. I frankly admit that, in my opinion, there will never be a permanent solution of this difficulty until we have an international bimetallic agreement.

While real, genuine encouragement came, it is true, from the Netherlands, whose leading delegate, Mr. Van den Berg, said:

Our ideal is an international bimetallic agreement. Such an agreement we firmly believe to be possible and desirable, both from the theoretical and also from the practical point of view.

Belgium gave little encouragement when, through her principal delegate, Mr. Alph Allard, she said:

The crisis which oppresses us is no birth of yesterday. It dates from 1873, the moment when free coinage of silver was suspended in Europe. The true remedy, which would be at the same time efficacious and thorough, would be the reëstablishment of free coinage, but it appears to me that for the moment this solution has no chance of being adopted.

This conclusion, Mr. President, was not strange, in view of the very positive statements that had just preceded from the leading delegates of Great Britain and Germany, and the Belgian delegate, although comprehending the disasters that had come to the different countries since the demonetization of silver in the great fall of prices, and intimating that bimetallism was the only remedy, clearly showed that in view of the declarations to which he had just listened there was no hope for that.

Finally, Mr. President, after ten sessions of this international monetary conference, which resulted precisely as the three preceding international conferences resulted, in nothing but talk, a motion was presented for a recess until May 30, 1893; whereupon resolutions expressing gratitude to the Government of the United States were adopted, and the conference adjourned to May 30, 1893, and has not yet been reconvened.

Mr. ALLISON. I do not wish at this time, of course, to interrupt the Senator from Oregon——

Mr. MITCHELL of Oregon. All right; go on.

Mr. ALLISON. But I desire to say just a word in regard to the British delegates. Sir Rivers Wilson on two occasions stated that he spoke for himself and Sir Charles Fremantle, the reason being that he and Sir Charles Fremantle were the only two delegates from Great Britain who were supposed in any way to directly represent the Government. Sir Charles Fremantle is master of the mint, and one of the most distinguished experts on mint questions in Great Britain, and it was for that reason that Sir Rivers Wilson spoke for himself and Sir Charles Fremantle; Sir William Houldsworth, a member of Parliament, being constantly in sympathy with the contention of the United States upon this whole subject, as well as the two delegates from India.

I merely desire to make this statement now in justice to Sir Charles Fremantle, who is an eminent man in Great Britain as an expert upon this subject. At some other time, if we do not reach a vote within a day or two, I may have an opportunity to say a few things upon the final outcome of that conference.

Mr. MITCHELL of Oregon. I know Sir Charles Fremantle is an eminent man, and is at the head of the mint. I was led to make the remark in a side manner owing to the fact that he allowed Sir Rivers Wilson to speak for him more than once during the conference.

But, in connection with what I have been saying in regard to this conference, I desire to call attention to the recent declaration of Mr. Gladstone.

When Premier Gladstone a few days since was interrogated in the British Parliament as to whether he intended to send his commissioners back to the Brussels conference, he replied as follows:

> What is the use? What do we want with a bimetallic convention? I am afraid to undertake to state what the amount is, but a very large amount of money is due to people who live within the United Kingdom, from people who live without the United Kingdom. I should estimate it at two billions of sterling—ten thousand millions of American dollars. I admire the philanthrophy of gentlemen who would make a gift to our debtors of that amount, but I do not see what cause we would have to congratulate ourselves, though I may see some reason why the rest of the world should congratulate itself.

Mr. President, while the great premier, the Grand Old Man, has, by his recent victory in the House of Commons in the passage of his home-rule bill in the interest of Ireland, added another wreath to a fame that will endure during the coming ages, he is too faithful to the interests of the great creditor classes of England to ever consent to any proposition while he is at the helm looking to the restoration of bimetallism through international agreement.

BIMETALLISM AT THE PRESENT RATIO OF 16 TO 1 IS WHAT THE PEOPLE OF THE UNITED STATES SHOULD INSIST UPON AND WHAT THE CONGRESS SHOULD GRANT.

What is bimetallism? What do we mean when we say we favor the double or bimetallic standard? There has been a great amount of misstatement on the part of the single gold standard people of the principle of bimetallism, and its operation and merits have been grossly both misrepresented and misunderstood.

The principle of bimetallism was never, perhaps, more clearly stated than by the Most Rev. Dr Walsh, archbishop of Dublin, in an elaborate interview recently published in a Dublin newspaper, in which he said:

Bimetallism, as some writers express it, is the monetary system in which the two precious metals, gold and silver, are taken as standards of currency. That, however, is a misleading way of putting the case. The word "bimetallism," indeed, is an unfortunate one to have been chosen. It gives prominence to the idea of duality, and so leads many half-informed people to think that bimetallism as distinct from monometallism aims at having two standards of value, instead of one.

Now, this is not at all the case. In the bimetallist's system there are not two standards of value; there is but one. One of the essential requirements of a standard, whether of value, or of length, or of weight, or of anything else, is that it shall be one.

The word "bimetallism," then, as I have said, is in one aspect an unfortunate one to have been chosen. It gives rise to an unhappy notion that the bimetallists favor some sort of shifting or alternative system of standards. But this is not so. The very opposite is the fact. Unity of standard and stability of standard—in so far as stability in this matter of standard of value is within reach of attainment—these are the fundamental points of bimetallism.

Sir David Barbour, in his treatise on Bimetallism, thus defines it:

WHAT IS BIMETALLISM?

The contention of the bimetallists is that it is possible to declare a fixed ratio of exchange for certain purposes between the two metals when used as money, debts being paid at the option of the debtor in coins of either metal, and that the existence of this fixed ratio for the purposes of the currency will control and regulate the market price of the two metals so as to prevent it from varying in any material degree from the fixed legal ratio of the currency.

Although a firm believer in bimetallism and that kind of bimetallism which can exist only by placing gold and silver on terms of exact coinage and legal-tender equality, and under such legislation as will make silver as well as gold primary money, or money of ultimate redemption, and to the end that a steady equilibrium and parity may be maintained between the two metals, I am loth to cast my vote for an increased ratio. The demand for an increase in the ratio did not come in the first instance from the true friends of bimetallism. The suggestion had its birth in antagonism to such a policy.

While possibly I might be willing to vote for an increase in the ratio not greater than 20 to 1, if convinced that such condition is the only way that ultimate legislation can be obtained giving proper recognition to bimetallism, I should do so with the utmost reluctance and for very many reasons. I candidly confess I would much rather reduce the ratio to 15½ to 1 than to increase it to 20 to 1; and in doing so I believe, could it be carried and bimetallism with such a ratio firmly established, it would advance the real interests of the people of this country, irrespective of class, profession, occupation, or condition. The objections to increasing the ratio are to my mind numerous.

It is true the question of the legal relation of silver to gold, while important to be considered, is of secondary importance. The primal object is the remonetization of silver. The great purpose is the undoing of the wrong inflicted upon this country and upon civilization by the demonetizing act of 1873. But in view of the fact that with the exception of Holland, where the relation of the two metals is, I believe, 15.6 to 1, the relation in all European countries where a double standard has any recognition is 15½ to 1, it would seem to be the part of wisdom in the event of a change of ratio in this country, that it should be changed to 15½ to 1, instead of 20 to 1. Should the mints of European countries fortunately be again opened to silver, it is of the utmost importance that the ratio in the United States should not be such as to prevent its circulation.

France has maintained the legal ratio of 15½ to 1 for the last ninety years, since 1803, and carrying as she does over $700,000,000 of silver, we could hardly expect her to consent to such a ratio as would necessitate a recoinage of this immense stock. Another weighty objection to a change of ratio from 16 to 1 to 20 to 1, it seems to me, is this: We have to-day in this country or had on the 1st day of September, 1893, 419,332,450 standard silver dollars, each containing 371¼ grains of fine silver or 412½ grains of standard silver; $61,654,630 of which were, September 1, 1893, in circulation, the balance $357,677,820 being in the Treasury.

A legislative change in the ratio to 20 to 1, brought about by no decrease in the number of grains in the gold dollar, but by an increase in the number of grains in the silver dollar, must result necessarily in one of two things, neither of which is desirable, or, indeed, scarcely practicable, and one of which can only be brought about at an expense to the Government, according to the estimate of the Secretary of the Treasury, of $112,866,321. The one is to have two kinds of legal-tender silver dollars in this country bearing different legal relations to gold; the other is a recoinage of the 419,332,450 standard dollars now in the United States at the expense just indicated.

Bearing upon the question as to the probable cost of the recoinage of our present stock of silver in the event of a change from our existing ratio of 16 to 1, I beg to submit the following communication from the Secretary of the Treasury:

[Letter from the Secretary of the Treasury relative to the cost of recoining silver currency under the proposed ratio of 1 to 20.]

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., August 19, 1893.

SIR: Referring to our conversation relative to the probable cost incident to the change from the present coining ratio between gold and silver (1 to 16 for the standard silver dollars, and 1 to 14.95 for subsidiary silver) to a ratio of 1 to 20, you are respectfully informed that the number of silver dollars coined since 1878 aggregates 419,332,450.

Without any allowance for abrasion, and loss incident to melting the same, the coining value of these dollars, at a ratio of 1 to 20, would be $333,222,162, or $84,110,228 less than their present face value.

To recoin these dollars at a ratio of 1 to 20 would require the addition of 81,376,700 ounces of new bullion, which, at the average price paid for silver under the act of July 14, 1890 ($0.93¼), would cost $75,883,700.

In addition to this, I estimate that there would be a loss from abrasion, and in the melting of these dollars, of at least $3,000,000, which amount, together with the difference in the face value of the coins ($84,110,288) would have to be reimbursed to the Treasury by an appropriation for that purpose.

From the fact that the silver dollars are distributed throughout the country, it would be necessary, as they are redeemed at the several subtreasuries, to transport them to the mints, and the expense of transportation for $300,000,000, the amount outside of the stock on hand at the subtreasuries and mints at Philadelphia, San Francisco, and New Orleans, would average at least 1½ per cent, or $4,500,000.

I therefore estimate the cost of recoining the silver dollars already coined as follows:

New bullion to be added	$75,883,700
Loss by abrasion and melting	3,000,000
Cost of coinage (labor, materials, etc.)	6,290,000
Copper for alloy	68,200
Transportation of dollars to mints	4,500,000
Total	89,741,900

The stock of subsidiary silver coin in the country is estimated at $77,000,000, which at full weight would contain 55,699,875 ounces of fine silver. This amount at a ratio of 1 to 20 would coin $55,843,802, or $21,156,197 less than the present face value.

To recoin $77,000,000 of subsidiary silver into an equal amount of fractional coin at a ratio of 1 to 20 would require the addition of 18,797,625 fine ounces, which, at $0.93½ per fine ounce, the average price paid for silver under the act of July 14, 1890, would cost $17,528,785.

There would be a loss of about 2½ per cent by abrasion from the face value, or about $1,925,000.

I would, therefore, estimate the cost of recoining the subsidiary silver in the country, at a ratio of 1 to 20, as follows:

New bullion	$17,528,785
Loss by abrasion	1,925,000
Cost of coinage (labor, materials, etc.)	2,500,000
Copper for alloy	15,636
Cost of transportation	1,155,000
Total	23,124,421

RECAPITULATION.

Estimated cost of recoining silver dollars	$89,741,900
Estimated cost of recoining subsidiary silver	23,124,421
Total	112,866,321

Very respectfully,

J. G. CARLISLE, *Secretary.*

Hon. DANIEL W. VOORHEES,
United States Senate.

Mr. President, while differing radically in some of the conclusions and recommendations of the distinguished Senator from Massachusetts [Mr. HOAR], I can not at this time and in this connection refrain from referring to and incorporating into my remarks the following portion of his very able and elaborate speech on the monetary situation delivered in the Senate, August 15 last. In that speech, in discussing the doctrine of bimetallism, he, among other things, said:

You may drive out nature with your legislative fork, but again and again she comes running back. This doctrine is recognized in the Constitution. "No State shall make anything but gold and silver coin a tender." "No State shall coin money, emit bills of credit, make anything but gold and silver coin a tender in payment of debts."

That the words "money" and "gold and silver" were regarded as equivalents in constitutional meaning is shown by the fact that the Constitution makes a separate provision as to bills of credit and does not include them in the sentence which applies to money. It is not gold or silver that a State may make a legal tender, but gold and silver, the legal value of which, by another clause of the Constitution, is to be determined by Congress.

Chief Justice Ellsworth and his associate, who represented Connecticut in the Constitutional Convention, in their report to their constituents of the proceedings of the convention, say that the new Constitution provides that no State "shall make anything but money a legal tender for the payment of debts," showing that, in their judgment, the word "money" and the words "gold and silver" are identical or equivalents.

Alexander Hamilton considered this question in his great report on the mint and the coinage. He gave fullest weight to the arguments of the monometallists. He admitted that the money unit had up to that time virtually attached to gold rather than to silver. But with the fullest concurrence of President Washington and the statesmen of his time, he declared for the principle of bimetallism. His arguments have not lost their original force. They have not been answered in any discussion. The people of the United States, when the tempest has passed, will settle down and be reconciled to the solution of this great problem in which Washington and his Cabinet joined. They never will be permanently reconciled to any other.

"To annul the use of either of the metals as money is to abridge the quantity of circulating medium, and is liable to all the objections which arise from the comparison of the benefits of a full with the evils of a scanty circulation."—*Hamilton's Report, Lodge's Edition*, page 243.

Daniel Webster declared more than once, and with great emphasis, that the Constitution requires the coinage of both metals; and it would be a disobedience to our constitutional duty were Congress to discard either.

Mr. President, all our great financial authorities of both parties, from the framers of the Constitution, from Alexander Hamilton, and Jefferson, and Webster, and Calhoun, and Benton, and Chase, and Fessenden, Federalists and Republicans, Whigs and Democrats, down to the disturbed period which followed the war, have agreed upon this policy. There were differences which divided political parties. Whether Congress should authorize a paper currency, under careful safeguards, redeemable in coin, or should leave that to State discretion, or to private enterprise, was a question which divided parties and made and unmade Presidents and administrations. But down to the year 1863 it never was heard in this country that the legal tender and the standard of value should be anything but gold and silver; nor was it ever claimed until 1873 that both gold and silver could not be relied upon to perform this service.

Against the pronunciamento of my friend, ex-Senator Corbett, that "*a gold standard we must maintain*," I place the declarations of this eminent Senator, and those of the distinguished statesmen quoted by him.

The Spanish milled dollar, which had been in circulation among the colonists for over a century before the Revolution, and which was in 1785 adopted by Congress as the unit of our money and the standard and lawful dollar, was confirmed and perpetuated as the standard silver dollar by the act of 1792, and a duplicate coinage was provided for, and each contained precisely the same amount of pure silver—371¼ grains—and the ratio was then fixed at 15 to 1. Since then we have made two changes only in the ratio, but each time the change was in the gold dollar. I am most decidedly in favor of maintaining the existing ratio, which is to retain and perpetuate the present silver dollar both as to size and number of grains of fine silver. It is to maintain intact the same silver dollar, carrying the same number of grains of pure silver, the same degree of fineness established by the founders of the Republic over a century ago.

The Congress shall have power—

Says the Constitution—

to coin money, regulate the value thereof and of foreign coin, and fix the standard of weights and measures.

The power here given, it will be noticed, to *regulate value* relates to *money*, not to the *money metal*. Congress has no power under the Constitution to regulate the value of a money *metal;* Congress has the power to coin money out of metal, either gold or silver, and, having done this, having impressed on this money metal the function of money, then the power attaches, and only then, to *regulate the value thereof*. Hence it is Congress, in dealing with this question in regulating value, should constantly keep in mind the fact that it is the function of money mainly that gives to the money metals their principal value. To fix a ratio according to the commercial value of gold bullion, when gold bullion has free access to the mints to be minted free into legal-tender money, and the commercial value of silver bullion when it is denied the right of being coined at all into legal-tender money, is not only manifestly unjust, but is beyond the constitutional power of Congress, in this, that it is simply regulating the relative value of money metals, instead of money.

Mr. President, the only ground upon which an increased ratio is urged is because of the present disparity in the commercial value of the two metals, gold and silver, as commodities. And the contention proceeds upon the assumption that this disparity will continue, even though silver be remonetized and clothed with all the functions of legal-tender money. Demonetize gold to-day, close the doors of the mints to its free and unlimited coinage throughout the world, and who will deny that its commercial value will at once largely depreciate? Open the mints to the free and unlimited coinage of silver, and its commercial value at once appreciates.

Demonetize gold and remonetize silver, reversing the present situation, and you will have the commercial value of the two metals rapidly approximating each other nearer to a ratio of 10 to 1 than 25 to 1, as at present. In discussing, therefore, the question of a change of ratio we must not lose sight of the fact that the commercial value of the two metals as commodities will be drawn toward each other, silver up and gold down, and, as I believe, so as to very soon place them on a parity of 16 to 1—the ratio that has existed without change, as I have stated, in the number of grains of the silver dollar for one hundred and eight years.

To increase the ratio from 16 to 1 to 20 to 1 is to meet, in my judgment, half way the imperious and unreasonable demand of England that the purchasing power of gold shall be appreciated. It is to consent to such appreciation to the extent of precisely 25 per cent, and to that extent are the wheat and cotton producers of this country injured.

If, then, the fight for the remonetization of silver and the establishment of a bimetallic standard is not to be abandoned by the American people; if the contest is to be continued, as I believe it will be, and as in my opinion it should be, in the interest of humanity and the civilization of the age in which we live, then let the lines of battle be ranged in such a manner so that when victory is achieved it will be final and complete, and will not involve a surrender on the part of the producers and debtors of this country to the extent of one-fourth of the exactions made by the money power of Great Britain.

WE SHOULD DECLARE OUR MONETARY INDEPENDENCE OF GREAT BRITAIN.

We are constantly reminded by the single gold standard advocates of the alleged impotency of the United States as a factor among the nations in the monetary world. It is impossible, we are told, that our Government can establish and maintain a monetary policy unless we advise and consent with Great Britain. Is it not, Mr. President, about time we should find out where we stand? What are the extent of our functions, powers, and possibilities as a nation? Whether we are a sovereign and independent Government, or one of the dependent British provinces?

There is lurking in the minds of the great masses of the people an old-fashioned notion that more than one hundred years ago our ancestors asserted, fought for, and won our independence of that haughty and dictatorial power; and this, too, not so much on the great question of individual freedom or personal liberty, as on the still greater and grander question, if possible, of industrial independence, of freedom from the commercial oppressions of Great Britain. It is, moreover, one of the brightest stars in the firmament of our country's greatness, one of the resplendent gems in its diadem of glory, that from that day to the present this Government of ours has never in any manner, or to any extent, or for any purpose, abdicated its exclusive and plenary power to assert, establish, and maintain, without the advice and consent of Great Britain or any other nation on the globe, a domestic industrial and commercial policy of its own.

True it is, the insidious influence of free trade exerted by English interests may at times mislead a majority of our people and bring into power an administration pledged to the doctrine of the unconstitutionality of legislation which gives protection to American industries and American labor, still relying on the good sense and true Americanism of the American Congress, whether under the control of one political party or another, have we not reason to hope that such a fearful heresy as the doctrine of British free trade may never be incorporated into the legislation of this country? True, we have unfortunately in the past permitted Great Britain to dominate us and overreach us in our shipping interests and carrying trade, as she has dominated and outstripped other nations in the carrying trade of the world. At her instance, unfortunately, we abandoned protection to our shipping, and as a result nearly 90 per cent of our foreign carrying trade is to-day carried in English bottoms, causing an annual drain upon this country of over $300,000,000, which rightfully and under proper legislation belong to us, and to this extent we have been grossly derelict in exercising those grand functions of government which pertain to us as an independent nation, and the proper and rightful exercise of which would rehabilitate our merchant marine and give us in perpetuity a certain and large annual balance of trade in our favor.

In view, therefore, of our country's innumerable resources, diversified as are the industries of man, of its almost illimitable wealth, with a trade and commerce, internal and external, well nigh immeasurable in magnitude; with a population composed of healthy, able-bodied, intelligent, industrious, and enterprising people, nearly double that of the most populous of any European nation on earth, save Russia, and surpassing in all those grand qualities that go to make up true manhood and true womanhood the people of every other country on the globe—is it not about time we should assert our monetary manhood and independence, and no longer yield to or acknowledge our dependence financially on Great Britain or any other power, or indeed all the European powers combined? Just so long as we plead guilty to our financial impotency, just so long as we acknowledge our dependence in monetary affairs on Great Britain, just so long—

notwithstanding all our boasted greatness as a free and independent people—we will be virtually in that regard as much a dependency of that empire as India is to-day.

THERE HAS BEEN NO SUCH EXCESS OF PRODUCTION OF SILVER OVER THAT OF GOLD AS TO DEMAND A CHANGE OF RATIO.

We are told there has been in these recent years a vast increase in the production of silver over that of gold, and for this reason there should be an increase in the ratio; and for this reason, also, we are admonished we are unable to absorb it or carry it as a money metal. On this subject there seems to be either a lamentable degree of ignorance in certain quarters or otherwise an unpardonable amount of misrepresentation. From the earliest periods of civilization to the present hour there has been a most remarkable maintenance of equilibrium, if we may so speak, in the production of gold and silver in the world.

Through the passing centuries the production in weight of the two metals has with unvarying exactitude ranged, for the first century after the discovery of America, at from 1 to 10 to 1 to 12, and since that time for the last century and a half at about from 15 to 16 ounces of silver to 1 ounce of gold. In the Statistical Abstract of 1892 is a statement showing the commercial ratio of silver and gold for each year for a period of two hundred and five years, from 1687 to 1892, and from this statement, the verity of which is borne out by statistical testimony of the highest character, it will be seen that until recently the commercial ratio in all of this long period of over two centuries never went beyond 16¼ to 1, except in the single year of 1813, and that the ratio during all this long period remained substantially at 15½ to 1.

Nor was this ratio affected either by the gold discoveries in Australia and California, by the demonetization of silver by England in 1816, the demonetization of gold by Germany and Austria in 1857, or the rule of the double standard established by the Latin Union in 1865. Through all these varying conditions the ratio remained substantially the same down to the demonetization of silver in 1873 by the United States. Only since the demonetization of silver by the United States in 1873, by Germany in 1874, and aggravated by India in 1893 has the commercial ratio varied.

Prior to that, take the six years from 1844 to 1850, and, according to the statistics of the Director of the Mint, the annual average production of gold and silver in the world was: Gold, $36,216,428; silver, $34,214,286, an increase on the average of gold over silver for these six years of $2,002,142, whilst the average annual production of gold and silver in the world since 1850, or, in other words, for the forty-two years from 1850 to 1892 has been: Gold, $120,144,761, and of silver but $83,286,476, or an average annual increase of production of gold over silver for the past forty-two years of $36,858,285.

True it is for the twenty-two years—1871-1892, inclusive—while there has been a large increase in the coinage value of the annual production of both gold and silver, that of silver has predominated, the total coinage value of the production of gold for these twenty-two years in the world being $2,460,087,000, while that of silver has been $2,633,597,000, or a total increase in the production of silver, coinage value, over gold in these twenty-two years of only $178,510,000, or an annual average of only $8,-091,363.

But this increase in the production of silver over gold in the past twenty-two years is but a tithe of the disparity in production that has existed in numerous times in the past, and still the ratio of from 15 and 16 to 1 has been maintained, substantially, at least, for over one hundred and fifty years, and at the still closer relation of from 10 to 1 and 12 to 1 for centuries prior to that. For three hundred years, from 1540 to 1840, the difference between the average annual production of silver and gold was infinitely greater than it has been for the past twenty years. Compare, for instance, the past twenty years with the twenty years between 1580 and 1600, and we find that while in the past twenty years the total product of silver, coinage value, was in excess of that of gold only on an annual average of a little over $8,000,000, there was produced in the two decades from 1580 to 1600 nearly four times in value as much silver as gold. The gold production of the world for these two decades was but $98,095,000, while that of silver was $348,254,000; or in ounces the production of silver during these two decades was over fifty times greater than that of gold, the number of ounces of silver produced being 253,084,800, while that of gold was but 5,336,000 ounces; and again in the present century, including the decade from 1800 to 1810, the production of silver was over fifty times greater in weight than the production of gold.

From 1810 to 1820 the production of silver was forty-seven times greater in weight than that of gold, instead of but sixteen times greater; and yet, during all these several periods in this century where the production of the two metals would have indicated a ratio of 50 to 1 and 47 to 1, bimetallism prevailed and was maintained at the then ratio of 15½ to 1.

IS THE PRESENT SILVER DOLLAR A DISHONEST DOLLAR?

Equally false and ill-founded with the prediction that the Sherman act has driven gold out of the country and that free coinage would do the same, is the incessant and miserable cant about the dishonest silver dollar. I regret that this continued iteration has had its effect on so many and has induced them to favor an increase of ratio. Is a dollar a dishonest one which will buy as much of anything in any place in any State or Territory of the United States, including labor or any product of labor, as will a gold dollar? And yet this is a fact to-day, and has been in reference to the silver dollar ever since and for a long time before the Sherman law was passed. Is a silver dollar, or a silver certificate representing a silver dollar, which will command a premium in the great commercial mart of New York, as it has done recently, of from 3 to 4 per cent over certified checks of the best banks in New York a dishonest dollar? And yet such is the state of the case in reference to the value of the silver dollar and the silver certificate.

The aphoristic expression "a dishonest dollar" is an American paradox. It is an invention originally of some not over-conscientious advocate of the single gold standard. Never before in the history or literature of any nation was a legal-tender dollar of any metal, or even a paper dollar which passed at par and was held at a parity of every other dollar at all times, in all portions of such country, denounced by the people of that country, or any portion of them, as a dishonest dollar. The alleged basis upon which it is so characterized in this country by a certain class is because of the difference between the commercial or market value of the amount of silver bullion in a silver dollar and the commercial or market value of the bullion in a gold dollar.

How is it in France? Did any financier or statesman, any journalist or correspondent, or even any demagogue in France ever denounce the 5-franc pieces, constituting their seven hundred million dollars of silver as dishonest francs, and yet the variation between the market value of the two metals has been nearly, if not quite, as great in France the past nineteen years as in this country. From 1803 to 1873, while the principle of bimetallism in its full and completest sense prevailed in that country, the market price of the two metals kept constantly at a ratio of 15½ to 1—never varying in all those seventy years so much of a fraction as to reduce the ratio to 15 to 1 or to increase it to 16 to 1. During and for the period of the next four years—1875 to 1878, inclusive—it remained at a fraction over 17 to 1; in the six years, 1879 to 1884, inclusive, it was over 18 to 1; the next year, 1885, it was 19 to 1, and in 1892 it reached 24 to 1.

But as the validity and use of the French legal-tender 5-franc piece were not affected by this change in the relative value of gold and silver bullion, and as the silver 5-franc piece in France, precisely as the silver dollar in the United States, remained constantly at par and on a parity with every other dollar, both gold and paper, in the country, the thought of anathematizing the $700,000,000 of silver owned by France never entered the brain either of the wisest financier and statesman or the most arrant ademgogue of France. Possibly the fact that such a denunciation in that country would have subjected the denunciator to imprisonment under the laws of France may have operated to prevent it.

And in this connection it might be well to inquire whether, after all, it is the silver or the gold dollar that is dishonest, if that term can with propriety be applied to either one. Is it not just possible, indeed is it not a patent fact borne out by overwhelming testimony, that the difference in the commercial value of the two metals of the present day has been brought about more largely by the appreciation of gold than by the depreciation of silver?

If this is so, if it be true that a pound of silver bullion will buy as much wheat or cotton or other agricultural products to-day as it did in 1872, before silver was demonetized, while a pound of gold bullion will purchase infinitely more of wheat, cotton, corn, or other agricultural products now than then, it follows conclusively that it is the appreciation of gold and not the depreciation of silver that has led to the parting of the commercial values of the two metals, and it further follows that the gold dollar is a dishonest one, and not the silver dollar. Bearing upon this, I desire to attract attention to an editorial of Mr. Charles

A. Dana, of the New York Sun, published March 1, 1885, in which he said:

The fundamental blunder of Mr. Cleveland, and of those who agree with him, is the assumption that because the silver dollar is worth only eighty-five one hundredths of a gold dollar it is a depreciated and dishonest coin. It does not seem to occur to them that perhaps the silver dollar is still worth 100 cents, but that the gold dollar has grown to be worth 115 cents. Yet we have only to look at the prices of all kinds of staple commodities to see that the so-called 85-cent dollar will buy as much as the gold dollar bought ten years ago, and that the maintenance of the gold standard means a lowering of the price of everything that is bought and sold by it.

INTRINSIC VALUE.

On a par with the senseless twaddle about the dishonest dollar, the 50-cent dollar—continually coming, not from Senators or Members of the House—we do not hear it where a decent respect not only for truth but for the proprieties has an abiding place, but from certain shallow-brained editors, gold monometallists and others, who are either dishonest in their asseverations or have not the intellectual capacity to distinguish between fact and fiction, between argument and senseless slang and far-fetched ridicule—is the assertion as to the *intrinsic value* of the gold dollar. Gold, we are told, is *intrinsically* valuable, and it is this intrinsic value alone that gives it value and stability as money.

This is an error. Gold has no more intrinsic value than iron, or nickel, or lead, or any other metal. Nothing is intrinsically valuable. If anything can be properly said to be intrinsically valuable, then I would say there is more intrinsic value in an apple, or pear, or orange, or cantaloupe than in all the three thousand and odd millions of gold in the world. The value of any article is something external to such article. "The term 'value,'" says Macleod, in his Elements of Economics, "denotes a relation reciprocally existing between two objects." And again, "Value is only the price of things, and that can never be certain, because it must be at all times and in all places of the same value. Therefore, nothing can have intrinsic value." Gold, having no intrinsic value, has intrinsic qualities, just as diamonds, or lead, or iron, or the thousand herbs of the field and the barks of the trees of the forest have intrinsic qualities.

But none of these, no less any of the latter than of gold has in and of itself and alone, separated from all other external objects or things, any intrinsic value. Gold, therefore, derives its value from external operations, from the uses to which it can be and is applied by man. It is the function of money, the imperial stamp and recognition of the Government that gives it value, and in virtue of which it does duty in the world in the interests of society and civilization. If gold has intrinsic value, then that value must attach to it in unvarying rate at all times, in all places, under all circumstances.

Let us test the alleged intrinsic value of gold by an illustration. Suppose a castaway on an island in midocean, with every avenue of hope of escape absolutely cut off. By his one side is the three thousand five hundred millions of gold in existence in the world to-day, and by his other side is a loaf of bread. Neither has any intrinsic value; but the value of each so circumstanced is determined, not by intrinsic value, but by the estimate placed on each in the mind of the castaway; and in such a case, notwithstanding all the loud declamation as to the intrinsic value of gold, who can doubt as to what the determination of the castaway would be as to which of the two—the three thousand five hundred millions of gold or the loaf of bread—is the more valuable?

This phase of the monetary question was never more clearly elucidated than by Senator JONES in his masterly and much complimented speech before the Brussels Monetary Conference, wherein he said, and I can quote but briefly from this portion of his elaborate address:

> The theory that money must have what is unscientifically termed intrinsic value is based upon a confusion of ideas arising from the assumption, perfectly correct in itself, that men should labor before receiving money, and that money which did not represent labor—that is to say, money which did not represent human sacrifice—should not be accredited with the power to purchase or command the products of labor. So it has been assumed, because gold and silver can not be obtained without labor, that they are therefore the only materials adapted for money.
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> The gospel of intrinsic value is one that well accords with the purpose in view on the part of the money-lending classes, when they insist that value resides in the article rather than in the mind. They would like the world to believe that gold has intrinsic value rather than intrinsic qualities. By fastening the word "value" to the word "gold," they appear to think that the world will be humbugged into believing that gold has irremovable value.
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> The much-vaunted intrinsic value of gold, then, does not exist. The idea that it does exist is founded upon a misconception altogether too long tolerated regarding the meaning of the term "value."
>
> Value I define to be: Human estimation placed upon desirable objects whose quantity is limited and whose acquisition involves sacrifice.
>
> Value is subjective, not objective. It resides not in the article, but in the mind. It is the degree of mental estimation in which the possessor of an article holds the qualities possessed by the article, as modified by the limitation of the quantity of such articles, and the average amount of sacrifice necessary to obtain them. An article may, therefore, have estimable qualities that are intrinsic, and for which the possessor may value or esteem it, but no article whatever can have intrinsic value.
>
> Gold, therefore, has no intrinsic value. As a commodity it has qualities that are esteemed. The value placed upon it is not derived from its commodity use, but from its use as money. The money quality is not an inherent, not a natural, not an intrinsic quality of gold, but is purely artificial. Money itself is an artificial creation. It is created by the edict of society, and can exist only in society.

This statement and this reasoning are in strict accord with the ablest financial writers who have written on this subject for centuries past. The expression "intrinsic value" seems to be a modern invention of gold monometallists.

MacLeod, in his Elements of Economics, page 230, has this to say on the use of the term "intrinsic value:"

> ON THE ERROR OF THE EXPRESSION INTRINSIC VALUE.
>
> We must now say something about an expression which has been the source of enormous confusion in economics; which has especially obscured the comprehension of the subject of credit, and no progress can be made in the science until it is entirely exterminated.
>
> All ancient writers clearly understood that the value of a thing is something external to itself, and we have not found in them any trace of such confusion of ideas as intrinsic value.
>
> It is not easy to determine when the unfortunate expression "intrinsic value" came into use. But it arose in this way: When people thought about value, they looked to some quality of a thing as its value. They therefore gradually began to speak of intrinsic value. So long ago as 1696 an able

writer, Barbon, pointed out the confusion which had arisen from mistaking the absolute qualities of an object for the quantity of things it would exchange for:

"There is nothing which troubles this controversy more than for want of distinguishing between value and virtue.

"Value is only the price of things; and that can never be certain, because it must be at all times and in all places of the same value. Therefore, nothing can have intrinsic value.

"But things have an intrinsic virtue in themselves, which in all places have the same virtue: the loadstone to attract iron, and the several qualities that belong to herbs and drugs, some purgative, some diuretical, etc. But these things, though they may have great virtue, may be of small value or no price, according to the place where they are plenty or scarce; as the red nettle, though it be of excellent virtue to stop bleeding, yet here it is a weed of no value from its plenty. And so are spices and drugs in their own native soil of no value but as common shrubs and weeds, but with us of great value, and yet in both places of the same excellent intrinsic virtue. * * *

"For things have no value in themselves; it is opinion and fashion brings them into use and gives them a value."

Barbon thus puts his finger on the very phrase which is the curse and the bane of economics at the present day—the expression intrinsic value—which is confounding an intrinsic quality with an external relation,

The following passage from Senior shows how easily able men are betrayed into this error. He says: "We have already stated that we used the word 'value' in its popular (?) acceptation as signifying that quality in anything which fits it to be given and received in exchange, or, in other words, to be lent or sold, hired or purchased."

"So defined, value denotes a relation reciprocally existing between two objects."

Now, the quality of a melon which fits it to be sold is its agreeable flavor: its flavor, therefore, according to Senior, is its value, and so defined, he says it means that it costs 5 cents. That is, he defines the quality of a thing to be its price.

Smith, however, is the principal author of the confusion on this subject in modern times. As we have pointed out in a previous chapter, he begins by defining the value of a thing to be the thing it will exchange for; he then suddenly changes his idea of value to the quantity of labor expended upon obtaining the thing itself. Thus, the quantity of labor necessary to produce it came to be considered as the value of a thing and then value came to be called intrinsic. This unhappy phrase, intrinsic value, meets us at every turn in economics; and yet the slightest reflection will show that to define value to be something external to a thing, and then to be constantly speaking of intrinsic value, are self-contradictory and inconsistent ideas. And it came to be held that labor is necessary to and is the cause of all value.

It is the money function impressed on the money metals by operation of the legislative decree of the Government that gives to these metals their principal value. Demonetize gold throughout the world to-day, degrade it, as silver has been degraded, to the level of a mere commodity, and you subtract at one blow, not from the intrinsic value of gold, because it has no intrinsic value, but from its extrinsic value over three-fourths of its present value. Then it is only valuable as there is a demand for it, for use in the mechanic and manufacturing world.

Sir Daniel Barber says:

Gold and silver owe almost the whole of their value to the fact that they can be converted into and used as money.

Mr. Samuel Smith, member of Parliament, England, says:

Gold and silver derive their value mainly from their use as money. If all the world passed such laws as England and Germany have done, silver would be almost valueless.

While Robert Barclay says:

Law singles out gold or silver, or both, to be used as money, and gives them special functions, which it confers on no other commodity.

We must not, therefore, be told that the stamp of the Government, that the governmental recognition of either of the money metals as legal-tender money, does not create their principal value. This is not true. In other words, it is falsely asserted that it is to the intrinsic value of the metal out of which money is made to which we must look for its value as money. Never, Mr. President, was a greater heresy uttered. Does any sane man believe that a pound of gold bullion with full governmental recognition as legal-tender money withdrawn from it, is worth as much, is of the same value as is a pound of gold bullion with the Government right to have it coined into legal-tender money, with a certain number of grains and a certain degree of fineness constituting a dollar?

It is amazing that the impassioned zeal of the gold monometallist will lead him to the assumption of such an absurd position. If government recognition of silver as a money metal by India with the right to free coinage in that country added nothing whatever to the value of silver bullion, not only in India but throughout the world, then why was it, I should like to know, when such recognition was withdrawn by the action of the Indian council and the approval of the Empress of India and the Queen of Great Britain, the price of silver bullion dropped suddenly from 75 cents per ounce to 62 cents per ounce?

If the stamp of the Government adds nothing, then why did silver bullion, which was worth \$1.32½ per ounce in 1872, just prior to its demonetization by the United States, or at a premium of 3 per cent over gold, fall to \$1.21 an ounce in 1874, and \$1.12½ in 1878, and 62 cents per ounce in 1893, when the duplicated power of demonetization in India was added to that of the United States? There is, moreover, a wide difference between the principle that the mere fiat of the Government can make money out of paper that has no support save the credit of the Government, and the proposition that the stamp of the Government can materially add to the extrinsic value of the money metals, gold and silver, the coinage of which for centuries has been recognized as primary money, and being such, as money of ultimate redemption.

UNLIMITED BIMETALLIC COINAGE WOULD NOT MAKE THE UNITED STATES THE DUMPING GROUND OF THE SILVER OF THE WORLD.

Equally untenable is the assertion so insistently made that the establishment of free bimetallic coinage in this country would result in making the United States the dumping ground of the silver of the world. "Under free coinage," says Mr. Corbett, and so say the single gold standard men in unison, "silver will flow to us from all parts of the world for coinage in our mints, and which they would claim the Government is in duty bound to redeem at its coinage in gold."

There are many reasons why this would not be so. Some of them are summarized in the following statement of R. E. Preston, Acting Director of the Mint, which I beg to submit as a part of my remarks:

The silver of Europe is coined at a ratio of 15½ to 1, whereas American coinage is at the rate of 16 to 1, and as the bulk of European silver has been in use many years, it has probably lost 3 per cent by abrasion. Here is a dead loss of 6 per cent on every dollar's worth of European silver to be "dumped" on this country to which must be added freight and insurance. But this is not all. The European coins could not be offered to our mints. The one-tenth alloy which they contain would have to be extracted, a loss of 10 per cent, and the extraction would cost another 5 per cent, making a loss and cost of not less than 22 cents before the "dump" reached our mints, the total loss on every dollar's worth of European silver brought over here being not less than 32 cents. To put it in another shape, foreign speculators, in order to "dump" European silver on our mints, would be compelled to sell for 68 cents the silver that cost them a dollar in gold.

Mr. President, for one, until international bimetallism can be secured, I would not seriously object to limit the coinage to the American production, nor to reasonable seigniorage or mintage charge, provided by this our mints could be opened to the coinage of the whole American product, but I prefer both free and unlimited coinage with full legal-tender functions to both for all debts, public and private. This is real bimetallism.

THE WORLD'S SUPPLY OF GOLD IS WHOLLY INSUFFICIENT TO MEET THE DEMAND.

If gold alone is to be the basis of circulation and credit and the sole money of ultimate redemption, then a comparison of the world's product of gold with the demand for gold will conclusively show how absolutely insufficient it is.

The Director of the Mint places the entire stock of gold in the world at $3,632,605,000. The annual production of gold in the world at present is about $130,000,000. Of this amount the United States produces about $33,000,000. Not less than one-half of the annual output of gold—some statisticians put it as high as two-thirds, although this, it is believed, on a careful comparison of the estimates, will be found somewhat too high—is used annually in arts and manufactures.

To the present stock of gold, therefore, in the world, less considerably one-half, at a fair estimate of the annual product, only can be added each year, and as the silver stock of the world is some $370,000,000 more than gold, the estimate of the world's supply of the latter being a fraction over four thousand millions—suppose this latter is destroyed as a money metal, and this seems to be the general programme to-day of the money power throughout the world, it would, conceding our annual output of gold continues as now, require over seventy years to replace it with gold, even if in the mean time no loss occurred to our present stock of gold on hand.

But against our present stock of only about $3, 600,000,000 of gold, what is the demand if we continue the gold standard and absolutely destroy silver?

There are to-day necessarily accumulated in Government and bank vaults, since the demonetization of silver, over $1,000,000,000 of gold coin, held as Government and bank reserves. This it will be seen is considerably over one-fourth of the world's entire stock of gold. Austria is reaching out for some one hundred and eighty or two hundred millions of gold to hold for redemption purposes. Already she has increased her reserve from $31,330,000, the amount she held a year ago, to something over $120,000,000. Germany, since silver was demonetized, has increased her stock of gold to $500,000,000; France holds $900,000,000; the United Kingdom $550,000,000; the United States some $687,000,000; Spain, Italy, Egypt, Australia, and Japan, each about $100,000,000.

Hear what Mr. Van-den-Berg, president of the Netherlands

Bank, and delegate of The Netherlands in the Brussels Conference, says upon this subject:

Is it still possible to maintain the doctrine—I will not say of the abundance—but of the sufficiency of gold for the monetary use of the nations? For my part, I am firmly convinced to the contrary. I can not contemplate the future without terror, if we persevere in the path which Europe has unfortunately entered, by abandoning and proscribing silver and by relying upon gold alone for international exchanges. * * * For my part, I am sure that universal monometallism by the nature of things is an unattainable Utopia, and that universal bimetallism is the only safeguard against the fatal results of the operation which monometallists propose to perform in the social organism, namely, to cut off the silver arm in order to cure the gold arm.

Mr. Goschen recently said:

A campaign against silver would be extremely dangerous even for countries with a gold standard. * * * If all states should resolve on the adoption of the gold standard would there be sufficient gold for the purpose without a tremendous crisis?

The eminent statistician and financier, Boissevain, of the Statistical Institute of The Netherlands, and a delegate of The Netherlands in the Brussels Conference, in discussing this subject, says:

I ask anyone who reads regularly the weekly and monthly reports of the state of the great European markets, whether he has not found in these reports, not a proof of the abundance of gold, but an indication of the relative scarcity of that metal? In all recent reports in the great financial market of London, we have been used to see almost always that "capital is abundant and the rate of interest on loans is low, but at the same time there is uneasiness because there is a question of withdrawal of gold." At a time when capital is extremely abundant, when the rate of interest is extraordinarily low, the news of the withdrawal of £1,000,000 frightens the London market.

THE IMMENSE GROWTH OF THE UNITED STATES DEMANDS AN INCREASE IN THE AMOUNT OF ITS CIRCULATING MEDIUM.

In the discussion of the monetary question as applicable to the present condition and wants of this country we are prone to forget the magnitude and importance of the United States, whether considered in respect of its extent of territory, its population, its trade, its commerce. Too often does the advocate of the single gold standard lose sight of the important fact that the United States of to-day, in its giant growth, in every element which contributes to material greatness and physical and commercial imperialism, not only *can* absorb infinitely more money as a circulating medium than when in its infancy, or even twenty-five or thirty years ago, but that present conditions are such as to *imperatively require* an infinitely larger amount of circulating medium than it did then.

A few comparisons as to population, wealth, trade, commerce, and other of the elements which contribute to the greatness of the Republic can not fail to indicate unmistakably our capacity to absorb a larger volume of circulating medium without at all trenching on the domain of what is termed inflation.

In 1860 our total population was but a fraction over 31,000,000, while to-day it is over 65,000,000. In 1860 the total number of families in the United States was but 5,210,934, while in 1890 there were 12,690,152. In what is known in census parlance as the "Western Division," composed in 1860 of the States of California, Oregon, and Nevada, and the Territories of Montana, Wyoming, Colorado, New Mexico, Arizona, Utah, Washington, and Idaho, there were settled, all told, in 1860, but 143,009 families, while in 1890 in this same [illegible] were located 620,418 families, or an increase of nearly [illegible]00 per cent.

The total wealth of the United States in 1860 was but $16,159,-616,068, while in 1890 it had reached the enormous sum of $62,-610,000,000, or an increase of over 287 per cent. Our total mileage of railways in 1860 was only 30,626, while in 1890 it was 167,741 miles, while at the present time it is about 171,000 miles.

In 1860 the value of our total farm products was but $1,363,-646,866, while in 1892 it amounted to a fraction over $4,500,000,000.

In 1860 the total value of our exports of domestic merchandise was but $316,242,423, while in 1892 there had been an increase of over 300 per cent, amounting to the enormous sum of $1,015,723,011.

The quantity of cotton of domestic manufacture exported from the United States in 1870, less than twenty-five years ago, amounted in value to but $3,787,282, while during the year 1892 the value of this same product exported amounted to $13,226,277, an increase of nearly 350 per cent.

In 1870 the total production of cotton in the United States was but 3,114,592 bales, amounting in gross weight to 1,451,401,357 pounds, while in 1892 the production was 9,035,379 bales, of the gross weight of 4,506,575,984 pounds, or an increase of over 300 per cent.

Twenty-three years ago our total exports of domestic cotton amounted to but 958,558,523 pounds, while in 1892 our exports amounted to 2,935,219,811 pounds, or nearly 300 per cent increase; while for the same year we retained for home consumption 1,571,356,173 pounds, against 492,843,773 pounds retained for a like purpose in 1870.

We also imported raw cotton during the year 1872 to the extent of 28,663,769 pounds, against 1,698,133 pounds imported in 1870; while our total consumption of domestic and foreign cotton for the year 1870 was but 494,314,086 pounds, as against 1,599,-887,165 pounds consumed in 1892.

In 1860 the total production of wool in this country was but 60,264,913 pounds, as against 294,000,000 pounds produced in 1892. The domestic wool retained for home consumption in 1860 amounted to but 59,208,985 pounds, as against 293,797,544 pounds in 1892; while our imports of wool for 1860 was but 26,282,955 pounds, as against 148,670,652 pounds imported in 1892. Our total consumption of domestic and foreign wool in 1860 was but 85,-334,876 pounds, as against 439,460,633 pounds in 1892, an increase in the matter of consumption during that time of over 500 per cent.

In 1870 we imported but 47,408,481 pounds of tea, and during the year 1892 our imports amounted to 90,079,039 pounds. During 1870 our imports of coffee amounted to 235,256,574 pounds of the value of $24,234,879, as against 632,941,912 pounds in 1892 of the value of $126,801,607.

In 1870 we imported into this country sugar free and dutiable 1,196,773,569 pounds of the value of $56,923,745, on which we paid a duty of $36,819,041, while in 1891 our imports of sugar, free and dutiable, amounted to 3,483,477,226 pounds of the value of $105,-728,216, on which we paid a duty of $32,303,692.63.

Twenty years ago, in 1873, our total production of pig iron was but 2,560,963 tons, while in 1892 we produced 9,157,000 tons. Our total consumption of domestic and foreign pig iron in 1873 was but 2,642,852 tons, as against 8,346,662 tons in 1891. I have not the figures for 1892.

In 1872 our total production of iron and steel railroad bars was but 892,857 tons, while in 1891 we produced 1,307,176 tons.

In 1873 our total production of wheat was but 249,997,100 bushels, as against 611,780,000 bushels in 1892. Our exports of wheat in 1873 amounted to but 5,201,715 bushels, while in 1892 we exported 225,665,812 bushels. In 1873 we retained for home consumption 197,982,385 bushels, while in 1892 we retained over twice that amount, or 386,114,188 bushels. Our total consumption of domestic and foreign wheat in 1873 was but 199,292,418, while in 1892 it was 386,737,724 bushels.

The production of corn in the United States since 1873 has about doubled. The total production in that year was 1,092,719,000 bushels, while in 1892 it was 2,060,154,000 bushels.

The petroleum industry has developed enormously in the last twenty years. In 1871 the total production of all grades of petroleum, including mineral and all natural oils without regard to gravity, amounted to but 11,278,589 gallons, while in 1892 the production had increased nearly tenfold, amounting to 104,397,107 gallons.

In 1872 we produced in this country 156,352,125 pounds of cane sugar, while in 1892 the production amounted to 497,169,856 pounds, or 221,951 tons, as against 69,800 tons in 1872.

Our clearing-house business in fifty-seven cities for the year ending October 31, 1892, amounted to the enormous sum of $61,017,839,067.

With such a showing, who can doubt the capacity of this great country to absorb in legitimate business, in healthful channels of enterprise, and in material development an infinitely greater amount per capita of circulating medium than we have to-day? Then it would not be in the power of the banks of this country to make a corner on our currency, much less would we be dependent on the bankers of England and Scotland for money to carry on our business or pay our debts.

To those who proclaim there is sufficient money in this country to do its business, and who are clamoring for contraction, I would attract attention to the small percentage of circulating medium in this country, both according to per capita and wealth, as compared with other countries. Our total circulating medium, including gold, silver, and paper, amounts to $1,665,390,000, and estimating our present population at 67,000,000 and our wealth at sixty-nine billion, we have a circulation per capita of $24.34, and per cent of money to wealth of 2.4.

Comparing this with France, we find her total circulation, gold, silver, and paper, to be $1,681,402,000, or a fraction more than our circulation, while her population is but 39,000,000, and her aggregate wealth but $42,990,000,000, thus giving her a circulation of $40.56 per capita, and 4 per cent of money on her wealth, or within a fraction double that of the United States.

Again, take Belgium, where the money—gold, silver, and paper—in circulation is one hundred and seventy-four million with a population of but 6,100,000, and a total wealth of $5,035,000,000, thus giving her a circulation per capita of $25.53 and of wealth 3.2 per cent.

Italy, with a circulating medium of $307,276,000, with a population of 31,000,000, has a circulation per capita of only about one-half of that of the United States, but its per cent on its wealth is nearly double that of the United States, its total wealth being placed at $13,815,000,000, its circulation on this amount being about 3.1 per cent.

Take Portugal, a country with the gold standard. It has a circulation of ninety-five million with a population of 5,000,000 and $2,040,000,000 of wealth, thus giving it a per capita circulation of about $20 and a per cent on its wealth of 4.6, or nearly double that of the United States. If France, with a population of but a fraction over one-half of ours, and with but two-thirds our wealth can absorb and keep at par and parity $900,000,000 of gold, $700,000,000 of silver, and $81,000,000 of uncovered paper, what is there to prevent us from absorbing all the gold we have and are, in the general scramble, able to get; and also all our present stock of $560,000,000 of silver, including our annual products when turned into legal-tender money, and keep the dollar of either metal at par and as good as any other dollar?

THE DISASTROUS EFFECTS OF THE DEPRECIATION OF SILVER ON THE INTERESTS OF THE FARMER.

In a speech delivered by me in this body January 29, 1890, I attempted to show, and as I believe did from reliable statistics conclusively show, that as silver has been degraded and has fallen in price and the circulating medium contracted, wheat, cotton, and other agricultural products have fallen in price, as also has the price of labor, while when silver has been sustained and advanced in price so has the price of these commodities. Silver, and not gold, in this country has been the great indicator, if not indeed the regulator of the prices of all commodities in the past as it is to-day. As compared with the price of wages, the price of wheat and cotton, and other agricultural products, silver bullion has not depreciated, but gold has appreciated. A pound of silver bullion will buy as much wheat or flour or cotton or almost any other product of labor in any part of the United States as it ever did at any time before.

In 1872, before silver was demonetized and when silver bullion was selling at $1.32 per ounce, or at a premium of nearly 3 cents per ounce over gold, wheat sold at from $1.35 to $1.40 per bushel and cotton at 18 cents per pound. During the years of 1873-'76, inclusive, under Grant's second Administration, silver averaged $1.21 per ounce, while the average price of wheat during the same period was $1.24 per bushel and that of cotton 13¾ cents per pound. During Hayes's Admistration the price of silver under the pressure of demonetization continued to go down. The average price during these four years (1877-'80) was $1.12¾ per ounce, while the price of wheat and cotton fell in like proportion, the average price of wheat during these four years being $1.19 per bushel, while the average price of cotton for the same time was 11 cents per pound.

Coming on down to the quartet of years, 1881-'84 under the Garfield and Arthur Administrations, silver sold at an average of $1.10 per ounce, while the average price for wheat was but $1.06¼ per bushel, and of cotton 10½ cents per pound. Under Cleveland's first Administration (1885-'88) the average price of silver was but 96⅝ cents per ounce, while wheat sold during the same period at the comparatively low price on an average for that period of 86½ cents per bushel, while cotton brought but 9¼ cents per pound. Under Harrison's Administration there was a slight advance in the average price of silver for the four years (1889–'92) reaching the average of 98 cents per ounce, while the average price of wheat during this time was also slightly advanced, the average being 90 cents per bushel, while the average price of cotton for the same period was 9⅝ cents per pound.

This brings us down to the present year, the first under President Cleveland's second Administration, and what do we find has been the decline in silver during the first five months of that Administration, and how has the price of wheat and cotton followed the price of silver during this period? When Cleveland was inaugurated March 4 last, silver bullion was selling at 84 cents per ounce and wheat in Chicago at 74⅝ cents per bushel, while August 4, last month, silver was selling at 70 cents per ounce, having been in July as low as 62 cents, while wheat in Chicago was on the 4th of this month selling at 55¾ cents per bushel, having been down as low as 54⅜ cents per bushel in July, the lowest price ever reached by wheat in that city, while cotton is rated at 7¾ cents per pound.

These statistics are reliable. They are but photographs of the official files in the Departments in this city, and recently arranged in the form of an object-lesson by George O. Jones, the eminent statistician, in his valuable and highly interesting and instructive monetary chart. They are figures in respect assuredly, in so far as they exhibit the relation of prices to that of silver during the period specified, which can not be made to and will not lie. They present an object-lesson, moreover, the importance and truth of which can not but be appreciated by the most obtuse and acknowledged by all who are entitled to be called honest.

Can the eight million and odd farmers in this country be hoodwinked and deceived by the pretense that their interests are to be advanced by the demonetization of silver and the maintenance and perpetuity of the single gold standard? Can they be so blind to their own interests as to be made to believe that the elimination of one of the precious metals from the circulating medium of the country, with the resultant contraction of that medium, the destruction of silver, the money of the poor man and the workingman, will advance their interests or contribute to their welfare? To suppose for a moment that such a thing can be so, is to misinterpret the intelligence of the great masses of the farmers, the planters, and producers of this country.

The naked truth is, ever since the demonetization of silver the price of farms and farm products has been gradually depreciating, until to-day the farmers of this country, and especially those in that section of the country which I in part represent, are reduced to a condition more deplorable than that ever experienced by them at any time heretofore.

In this connection, and bearing directly on this question, I ask the privilege of incorporating in my remarks the whole of a very interesting editorial printed in the New York Sun on the 10th of the present month. It contains some very valuable comparisons and information generally on this important subject:

[The Sun, Sunday, September 10, 1893.]

THE FARMERS AND THE CRISIS.

When, by reason of unfavorable conditions, nearly half of the population is deprived in whole or in part of its power to purchase of the products of those engaged in manufacturing industries, the whole commercial and industrial world suffers from paralysis; the exchanges become deranged; hoarding ensues; monetary stringency follows; mills, factories, and furnaces close; operatives, ceasing to earn, lose their power to purchase of the products of their own labor as well as of the labor of others; and the circle of declining activity constantly widens.

Such are the conditions now existing, and they are largely if not almost wholly due, primarily, to the loss of the power on the part of some 45 per cent of the people to purchase of other than the veriest necessaries.

On the other hand, whenever this great multitude of people have large revenues, their purchases are of such volume and the character and quantity bought so constant that manufacturing plants are fully employed, and new ones are built to meet augmenting demands; the mill-owner buys raw material in advance of consumption; operatives and artisans have constant work; the wage scale being an ascending one, the ability of the worker to buy of the products of his own labor and of the labor of others is enhanced; money seeks employment with confidence; the merchant's stock rapidly disappears and is constantly replenished; collections are easy, and, in short, labor is fully employed, manufacturers overrun with orders, money is abundant, and times are good.

As the prices of farm products have fallen, so has declined the purchasing power of that great body of producers constituting nearly half the working force of the nation, and so has waned the prosperity of all.

At the taking of the census of 1870, 52 per cent of all the males following regular vocations were engaged in agriculture, and this was approximately the proportion of the people living upon the farm; ,but by 1880, owing to the growth of manufactures, the proportion had been reduced below 49 per cent, and is now probably about 45 per cent.

After the close of the civil war farm products brought such prices that the 52 per cent of the population then directly dependent upon agriculture had ample revenue; their purchases of the products of manufacture were so liberal that many establishments ran night and day: the mill-owner, the producer of raw material, the merchant, and all those engaged directly and indirectly in distribution or construction, as well as those employed in the subsidiary industries, were fully employed at remunerative rates, the result being an era of prosperity never equaled in our history, as neither before nor since have those prices for farm products been equaled.

Now the very reverse of such conditions obtains, except in so far as relates to the desire of the farmer to buy of the products of others. This desire remains, as it has during all the years when declining prices for his products have forbidden its exercise, except in the most restricted manner.

As the power of the farmer to buy declined, so has declined, measurably, the activity of the industrial and commercial world, except as an impulse has been given to commerce and manufactures by the construction of an immense railway mileage, often in advance and excess of local needs. While the development of transportation facilities served to mask and postpone some of the inevitable results due to the farmer's loss of purchasing power, the almost entire cessation of such works tends to emphasize the loss of that power which the farmer exercised in such a way as to cause a rapid extension of the industrial equipments of the country, until it has become more than sufficient to meet demands reduced by reason of the loss of revenue suffered by the greatest body of workers in the country.

The nation is likely never again to have its economic conditions hidden by a factitious prosperity growing out of great railway constructions, as such operations are no longer possible, there being no region, except very limited Southern areas, where expenditures could be made to appear as promising returns to tempt the possessors of available funds.

For more than fifteen years—1878 to 1893—all the great primary agricultural staples have been declining in price, although there have been periods when the price of some one was high for a limited time. This is more notably true as respects secondary products, especially meats and lard; but the trend of the whole scale has been constantly downward, and the general price level at the end of each year was lower than at its beginning. In the meantime there has been no material reduction in the cost of production, the self-binder, the gang plow, mower, hay tedder, and hay loader, and all other other great improvements in agricultural machinery having come into use prior to 1878. Subsequent modifications and improvements have been in the direction of greater facility in operation rather than of lessened cost. While it is true that there has been a material reduction in the cost of farming implements, such reduction has not always resulted in lessening the cost of production on the farm, as new machines have often displaced those which were but partially worn and which were quite as efficient.

It is probable that upon farms large enough to warrant the purchase of full lines of improved machinery the cost of production has thereby been lessened 10 per cent, but such farms, constituting less than 5 per cent of the whole area under cultivation, the aggregate saving from such economies has been slight and has probably been fully offset by the progressively increasing use of commercial fertilizers, which has been found necessary in all the region east of the Mississippi, not to increase the fertility of the land, but simply to prevent further deterioration.

While the cost of production can not have been lessened as much as 5 per cent since 1875, prices for the staple products of the farm averaged 82 per cent greater during the five years ending with 1875 than now. This is especially true as respects the five staples—corn, wheat, oats, hay and cotton—which employ 195,000,000 out of the 206,000,000 acres now devoted to staple crops.

The following table shows, in five-year averages, the gold value per acre (in the local farm markets) of the product of the five staples named, for quinquennial periods, since 1866, and an estimate of the value, with average yields, of an acre under each such staple in 1893 at present prices:

Staples.	Value of an acre's product—					
	1866-1870.	1871-1875.	1876-1880.	1881-1885.	1886-1890.	1893.
Corn	$12.84	$11.30	$9.62	$10.25	$8.81	$8.35
Wheat	13.16	11.90	12.00	10.20	9.07	6.00
Oats	10.92	9.81	8.58	9.17	7.50	5.75
Hay	13.28	14.38	11.57	11.15	10.19	10.00
Cotton	28.01	28.55	17.65	15.63	13.84	10.65
Total	78.21	75.94	59.42	56.40	49.44	40.75
Average	15.64	15.19	11.88	11.28	9.89	8.15

If, as is altogether probable, the revenue derived from the cultivation of each acre of the staples named has not since 1885 been in excess of the cost of production, then it is readily seen that the workers among the 30,000,000 who inhabit the farms of the United States have for eight years received no more than laborers' wages, and could purchase but the barest necessaries. As prices now current are 21 per cent below the average of 1886 to 1890, it follows that the products of the farm are now sold below the cost of production, and that the farmer is wholly without purchasing power other than such as results from his wages as a common laborer.

Granting that present prices even cover the cost of production, or say $8.15 an acre, it is evident that every cent that can be added thereto will be in the nature of profits or rent, and will add that much to the purchasing or debt-paying power of the cultivator; but there is abundant evidence that $8.15 does not represent the actual average cost of producing the staple products, and that the farmer's debt-paying and purchasing power has been reduced to that of the lower class of labor, and will afford him, while present prices obtain, but the means of the most meager subsistence. That present prices are below the cost of production appears probable from the fact that, outside a few favorably situated communities, there has been no reduction of farm indebtment in recent years, while the farmer has, over wide areas, from year to year been reducing his purchases of the products of manufacture, although his revenues have been 21 per cent above the present level.

The extent of the reductions made in revenue from each acre under staple crops is best shown by saying that the acre revenue from 1866 to 1870 was $7.59, or 93 per cent greater than in 1893; from 1871 to 1875 it was $7.04, or 86 per cent greater than in 1893; from 1876 to 1880 it was $3.73, or 46 per cent greater than in 1893; from 1881 to 1885 it was $3.13, or 38 per cent greater than in 1893; from 1886 to 1890 it was $1.74, or 21 per cent greater than in 1893. The great diminution in the purchasing power of the farmer, implied by these progressive reductions in acreage revenue, without compensating reductions in the cost of cultivation, is thus clearly shown; but the enormous yearly aggregate of lost purchasing power is comprehensible only when we multiply the acres now employed in growing staples by the declines shown in the acreage value of products since 1870. While very accurately measuring the farmer's loss of revenue by reason of the declining value of the acreage product, even multiplying the acres under staple crops fails to show the whole loss, as no account is thereby taken of the reduction in the value of animals and the thousand and one things produced on the farms of the United States, which have suffered, in many cases, quite as great a decline in value as have the great staples to which this showing is confined.

As 206,000,000 acres are now employed in growing staple crops, it follows that the power of the farmer to purchase is this year $1,563,000,000 less than it would be if he was receiving the prices of 1866-1870 for his great staples. If the prices now realized in the farm markets equaled those received from 1871 to 1875, the farmer would this year be able to spend $1,450,000,000 more for manufactures and other commodities than he will be able to spend with prices at the present level. Were prices now equal to the average of those obtained from 1876 to 1880 the purchasing power of the farmers would this year be augmented by $768,000,000. Should the crops of 1893 give average yields and the prices equal those current from 1881 to 1885, the farmer's spending power would be $645,000,000 greater than with present prices. Even with prices as low as those prevailing from 1886 to 1890 the farmers of the United States would have $358,000,000 added to their debt-paying and purchasing power in 1893; and like advances on the other products of the farm would create an ample fund for building and general improvement, thus employing more labor.

The least of these sums, added to the sums yearly distributed among the producers of metals and textiles, would afford employment for great numbers, keep the mills in motion, make money abundant, and bring good times.

Much stress is laid upon the necessity of cheap food for the wage-worker; but what possible benefit can be derived from a cheapness that deprives the 30,000,000 who produce food and fiber, of the ability to keep the wage-worker employed by buying the products of artisan and operative?

Doubling the present price of wheat would probably add the price of six or eight days' labor to the cost of the year's supply of bread for the average family; but with wheat at an average of $1 a bushel at the farm markets, and other farm products at proportionate prices, there would be no idle mills, and the earner of wages would have that easily procured and constant work which would assure him the continuous ability to buy bread. Would not that be far better than existing conditions and bread unattainable though low in price?

We recently published a statement to the effect that the 1,600 young women employed in the Warner corset factory at Bridgeport, Conn., had been reduced to half time; that 600 of them were unable to buy food, and were fed by the charity of their employer. Such conditions exist because the women upon the farms are unable to renew their corsets with wheat selling west of the Mississippi at from 30 to 40 cents a bushel.

The relation between the price of wheat, the lack of power to buy corsets, and the idleness and inability of the women of Bridgeport to buy bread is as obvious as that between the earth's movements and day and night.

However people may have disagreed about the late Zach Chandler's statesmanship, no one questioned his success as a merchant, and this was due as much to his power of discerning economic conditions affecting his customers as to the unerring judgment with which he provided saleable goods. Soon after the close of the civil war, being asked if he could find sale in the farming districts for a lot of rich dress goods, which he was shipping to small inland towns, his reply was characteristic:

"Sell them! Sell them! Why, the women on the farms of Michigan have discarded homespun and calicoes for silk and merino, and no farmer's son now thinks of going out to plow unless dressed in doeskin trousers and calfskin boots. Don't you know that wheat is selling for $2 a bushel?"

Such was the late Mr. Chandler's way of stating the operation of that economic law which enables people to buy liberally of the products of others.

Mills and furnaces are idle, and operatives unable to buy bread, because a large part of the 30,000,000 inhabiting the farms have lost their purchasing power; the purchasing power has been lost because the products of the soil have, over wide areas, sold at or below the cost of production; farm products bring inadequate prices because, primarily, of the existence during recent years of a cultivated acreage in excess of the world's requirements; and there are those who believe that the depressing influence of this excessive acreage upon prices has been intensified and augmented by methods employed upon the produce exchanges.

When we reflect that had the 460,000,000 bushels of wheat exported since July 1, 1891, brought but 15 cents more a bushel, the corn exported, 10 cents more, and the cotton exported only 4 mills more a pound, fully $100,000,000 less in gold would have gone abroad and many millions less in American securities have been sent back, we can understand that the purchasing power of the farmer would have been enhanced by several hundred millions, as like advances would have been secured on all similar products sold at home.

Such an addition to the farmer's power to purchase would have kept the mills and furnaces employed; the operatives, having constant work at high wages, would be able to buy bread; and their power to purchase of the products of their own labor, as well as of the products of the labor of others, would be vastly increased; gold would be abundant, confidence unimpaired, and prosperity still be the rule.

With prices of farm products again such as to afford fair remuneration for the labor and capital employed in production, as they presently must be by reason of the elimination of the world's acreage excess, the purchases of the 30,000,000 upon our farms will help to keep every spindle busy; labor in the towns will, at least for a time, be well employed; hoarding will cease, confidence will be restored, money become abundant, and an era of prosperity will result from the operation of that natural law which is the ultimate arbiter in determining the price of nearly every product of labor.

WERE WASHINGTON, JEFFERSON, HAMILTON, WEBSTER, CLAY, LINCOLN, GRANT, GARFIELD, BLAINE, ALL FREE-COINAGE ADVOCATES, INFLATIONISTS, AND FINANCIAL LUNATICS?

It is a common habit of the metropolitan press—in fact, of the press of most cities where the money power controls—to denounce the advocates of free bimetallic coinage as inflationists, wild theorists, and indeed the term "financial lunatics" is a common expression. This, of course, would not be considered argument to any extent by anyone. It is not intended as argument. It is intended, however, to hold up to supposed ridicule the men thus attacked.

Do these persistent advocates of the perpetuation in this country of the single gold standard forget, or are they ignorant of the history and public records of these great men, that Washington, Jefferson, Hamilton, Webster, Clay, Lincoln, Grant, Garfield, and Blaine, to say nothing of many of our statesmen now living, were each and all earnest advocates and supporters of free bimetallic coinage?

In this connection I deem it not improper to attract the attention of some of the able editors and correspondents of the class of papers to which I have referred to some of the utterances of some of our greatest statesmen that have ever lived, whom the people of this country delighted to honor while living and whose memories when dead are engraved in perpetuity in the hearts of the American people.

In 1878, on the 21st day of February, the late James A. Garfield, then a member of the National House of Representatives, subsequently chosen a Senator in Congress from the great State of Ohio, and still later elected Chief Magistrate of the United States, when the Allison-Bland bill was under discussion, said:

> Every man who is opposed to the use of silver coin as part of the legal currency of the country, I disagree with. Every man who is opposed to the actual legal use of both metals, I disagree with. I would endow the two dollars with equality and make the coinage free.

In less than a year from this time, when Gen. Garfield advocated the free coinage of silver, he was reëlected to the National House of Representatives by over 10,000 majority, and subsequently to this he was chosen Senator from Ohio and later elected President of the United States.

Again, during this same debate in 1878 the late James G. Blaine, from his place in the Senate of the United States, on the 7th day of February, 1878, gave expression to his views upon this question in the following words:

I believe gold and silver coin to be the money of the Constitution; indeed, the money of the American people anterior to the Constitution which that great organic law recognized as quite independent of its own existence. No power was conferred on Congress to declare that either metal should not be money. Congress has therefore, in my judgment, no power to demonetize silver any more than to demonetize gold; no power to demonetize either any more than to demonetize both. In this statement I am but repeating the weighty dictum of the first of constitutional lawyers. "I am certainly of opinion," said Mr. Webster, "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."

Few persons can be found, I apprehend, who will maintain that Congress possesses the power to demonetize both gold and silver, or that Congress should be justified in prohibiting the coinage of both; and yet in logic and legal construction it would be difficult to show where and why the power of Congress over silver is greater than over gold; greater over either than over the two.

If silver had been demonetized he did not then know it was demonetized, and he was Speaker of the House of Representatives, I believe, when the act of 1873 was passed.

If, therefore, silver has been demonetized, I am in favor of remonetizing it. If its coinage has been prohibited, I am in favor of ordering it to be resumed. If it has been restricted, I am in favor of having it enlarged.

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That remonetization will have a considerable effect in advancing the value of the dollar is beyond doubt.

And on page 821 he said:

The responsibility of reëstablishing silver in its ancient and honorable place as money in Europe and America devolves really on the Congress of the United States. If we act here with prudence, wisdom, and firmness, we shall not only successfully remonetize silver and bring it into general use as money in our country, but the influence of our example will be potential among all European nations, with the possible exception of England.

That is Mr. Blaine's view. Do not destroy silver here as a means of bringing about an international arrangement, but build it up, hold it up, support it, sustain it, remonetize it, and in that way bring the nations to agree with us.

Indeed, our annual indebtedness to Europe is so great that if we have the right to pay it in silver we necessarily coerce those nations by the strongest of all forces—self-interest—to aid us in upholding the value of silver as money.

And further on, on the same page, Mr. Blaine continues:

I believe the struggle now going on in this country and in other countries for a single gold standard would, if successful, produce widespread disaster in the end throughout the world.

The destruction of silver as money and establishing gold as the sole unit of value must have a ruinous effect on all forms of property except those investments which yield a fixed return in money. These would be enormously enhanced in value, and would gain a disproportionate and unfair advantage over every other species of property. If, as the most reliable statistics affirm, there are nearly $7,000,000,000 of coin or bullion in the world, not very unequally divided between gold and silver, it is impossible to strike silver out of existence as money without results which will prove distressing to millions and utterly disastrous to tens of thousands.

Alexander Hamilton, in his able and invaluable report in 1791 on the establishment of a mint, declared that "to annul the use of either gold or silver as money is to abridge the quantity of circulating medium, and is liable to all the objections which arise from a comparison of the benefits of a full circulation with the evils of a scanty circulation." I take no risk in saying that the benefits of a full circulation and the evils of a scanty circulation are both immeasurably greater to-day than they were when Mr. Hamilton uttered these weighty words, always provided that the circulation is one of actual money and not of depreciated promises to pay. * * *

In the report from which I have already quoted Mr. Hamilton argues at length in favor of a double standard, and all the subsequent experience of well-nigh ninety years has brought out no clearer statement of the whole case nor developed a more complete comprehension of this subtle and difficult subject. "On the whole," says Mr. Hamilton, "it seems most advisable not to attach the unit exclusively to either of the metals, because this can not be done effectually without destroying the office and character of one of them as money and reducing it to the situation of mere merchandise." And then Mr. Hamilton wisely concludes that the reduction of either of the metals to mere merchandise (I again quote his exact words) "would probably be a greater evil than occasional variations in the unit from the fluctuations in the relative value of the metals, especially if care be taken to regulate the proportion between them with an eye to their average commercial value."

I do not think that this country, holding so vast a proportion of the world's supply of silver in its mountains and its mines, can afford to reduce the metal to the "situation of mere merchandise." If silver ceases to be used as money in Europe and America, the great mines of the Pacific Slope will be closed and dead. Mining enterprises of the gigantic scale existing in this country can not be carried on to provide backs for looking-glasses and to manufacture cream pitchers and sugar bowls. A vast source of wealth to this entire country is destroyed the moment silver is permanently disused as money. It is for us to check that tendency and bring the Continent of Europe back to the full recognition of the value of the metal as a medium of exchange.

It is for the United States, said Mr. Blaine, to check Europe and bring her back to the proper position.

These, Mr. President, are the utterances of one of the ablest, if not the ablest, American that ever lived in this country—a man idolized by his party, and whose abilities, great intellectual powers, prescience, and sagacity as a statesman, were admired and respected by people of all parties, not only of this country but throughout the civilized world. Subsequent to these utterances he was chosen Senator of the United States from his own State, was nominated for President of the United States by the Republican party, and was twice Secretary of State.

The position occupied in this Senate to-day by those who advocate free bimetallic coinage of gold and silver is precisely that, as the record conclusively shows, occupied by the distinguished men to whose utterances I have attracted attention.

And yet must we be denounced as crazy lunatics and inflationists! Nor will it do to say that there have been any such changes in the situation either in this or in any of the European countries since these speeches were made that would demand, much less justify, a change of attitude by these great men were they alive and our leaders here to-day as they were then. That was in 1878, but fifteen years ago.

England was then a single gold standard country and had been since 1816; the United States had then demonetized silver and gone to the single gold standard, and France had then suspended the coinage of silver; Germany and Austria had then demonetized silver; the five or six nations composing the Latin Union had then provided a limit of 120,000,000 francs a year on the coinage of silver; Holland, which had been on a silver basis since 1847, had three years before (in 1875) closed its mints to the coinage of silver; two years before (in 1876) Russia had suspended silver coinage, except to an amount necessary to meet the

Chinese trade, while the increase in the production of silver over that of gold since then has not been such as to warrant for one moment any change of attitude on this great subject. And who can doubt as to what the attitude of these great men would be to-day on this subject, were they alive and here?

Mr. President, with all due deference to my distinguished friend and constituent, ex-Senator Corbett, sincerely regretting my inability to see as he does, and treating his open letter to me with that consideration and courtesy to which it is entitled, I beg to respond to his declaration, "A gold standard we must maintain," in the language of that great statesman, James G. Blaine, when in his place in this Senate, in 1878, he said:

I believe the struggle now going on in this country and in other countries for a single gold standard would, if successful, produce widespread disaster throughout the world.

And against Mr. Corbett's letter as a totality, and as a much better answer than any words I can employ would be, I place the official utterances of the distinguished statesmen I have just quoted.

Let me say to my friend, Mr. Corbett, a gentleman rich beyond the dreams of avarice, who basks in the genial sunshine of abundant, never-diminishing but always increasing prosperity, and who is never compelled "to take thought for the morrow,' save, perhaps, to prepare himself for the anxieties and burdens of the daily augmentation of the future of a fortune almost colossal in its proportions—let me respond to his open letter to me in the language of one of France's most eminent economists and financiers, J. B. Dumas, member of the French Academy, perpetual secretary of the Academy of Sciences, and president of the board of control of the monetary circulation, delegate to the International Monetary Conference at Paris in 1881, when, in debating this question, he said:

There are in all countries hills and plains; as to the hills I have no concern about them; they demand gold, let us give them the satisfaction of handling handfuls of it if they will or can, they will always find their interests satisfied. What touch and interest me are the plains, extensive, covered with an abundant population—a population which labors, lives on little, can be poor, can be frugal, and has need of a money suited to it. It is for its sake that I demand the maintenance of that silver money, which I consider not only as the money of the middle class in its daily needs, but of the artisan, of the laborer, of the part of the nation the most interesting, the most considerable, and the most worthy of interest.

For its sake, I repeat, I dread to see silver disappear, to see it lose its paying power, pass to a degraded state in public opinion, because everything in that direction will be suffering for it, without being an enjoyment for the elevated part of the population, so often spoken of as representing civilization, culture, wealth, power. No; the wealth of a country, its importance, its power, are not on the summits; they have their home below, also, in that population that labors, that produces, that saves, and for which gold is so often a chimera, and silver the daily bread and the safeguard for the morrow

My view of the real character of the present contest in the Congress of the United States was well expressed in a recent editorial in the Toledo Journal as follows, and which has been heretofore quoted in this debate:

SILVER AND GOLD.

The great fight for honest money, now being waged at Washington in favor of honest money and rights of the people, is justly attracting attention of the civilized world.

Attempting to introduce a new standard of value; to strike down at once the larger half of the coin of ultimate payment, to double every debt and immeasurably burden the debtor class in the interests of those in power; the battle is the most important waged for centuries. Blinded and deceived by the specious pleas of those who hope to reap large gains by the crime; urged on by men who wish to retain their grasp on the sole coin of general use and recognition, many are joining in worshiping the golden calf, forgetful that to make any single commodity the sole arbiter of fortune places it within the power of a few to combine in hoarding that article, and, by withdrawing it from circulation, to retain their grasp on the throat of enterprise and effort.

None wish money to keep. Its sole use is to measure values in exchange. Those enjoying fixed incomes are not molested except their position vanishes. But all others suffer incalculable loss from the debasement of the currency. Silver and gold provide a basis for currency which will satisfy the most insistent. Gold alone offers opportunity for scheming and corners. Cut off from its long-time continuous use as a basis for currency, silver has of necessity fallen in value, as would gold were it dethroned from its position. Gold alone serves well the wealthy, but leaves the poor man at the mercy of schemers at any time. It would be impossible to corner silver; gold is at the mercy of the gambler, because of its inferior volume.

This latter fact alone supports the demands of the people that bimetallism be maintained. Shorn of its power, silver, in its downfall, has pulled down many a strong institution; restored to its honorable position by the United States, the nations of the world must follow our footsteps; else every silver-using nation of the globe will turn to us for trade, and without this England would soon follow our line of action. The struggle is a mighty one, and in it the entire world is deeply interested. What the outcome shall be lies in the womb of the future. Nations move by inexorable laws, whose force and direction we little understand. If reason and judgment prevail, we shall presently be out of our troubles; if the anarchy of gold wins we may look for darker times and greater woe and sorrow than we can now imagine.

I submit in this connection an editorial which appeared in the New York Press on the 6th of the present month on the subject of bimetallism:

[New York Press, September 6, 1893.]

THE BATTLE OF THE STANDARDS.

The Press has already asked the question, After the repeal of the purchasing clause of the Sherman law, what then? What does the Administration propose in the way of constructive legislation? Sound financial men will not look with favor upon the various propositions which apparently emanate from the Treasury Department, looking to the repeal of the 10 per cent State-bank tax and the issuance of currency, under Government supervision, by State banks. Certainly such schemes as these will not satisfy the honest bimetallists and redeem the pledges of the Republican party to keep gold and silver at a parity. Stoppage of the purchase of silver will not provide a settlement of the silver controversy. It simply clears the way to a fair discussion of the question. The real issue between bimetallism and gold monometallism remains. This contest will be severe and the result momentous.

Within the next few years it is to be determined if the civilized world is to abandon silver as a measure of value, and to follow the lead of England in an effort to base the values of all property upon, and conduct the operations of commerce with, the single metal, gold. When observation is made of the gigantic forces arrayed upon the side of gold monometallism, and of the tremendous interests that are menaced with harm by such a policy, it is not difficult to determine that the battle will be fierce and long, and that victory will not easily be won by either contestant.

The interest of this country in the struggle may be said to lie to a large extent upon the side of bimetallism. We are the greatest of all the producers of silver. About 40 per cent of the world's supply of the metal comes from our mines. We must therefore gain a special advantage from restoration of silver to its ancient place as the coördinate of gold. All Asia, and nearly, if not quite, all Latin America, have but one money metal, and that is silver. On the west we face Asia as we face Europe on the east, and Latin America is within our hemisphere, with trade that is certain to be mastered by us if we act wisely. No gold monometallic nation can maintain commercial relations with silver monometallic nations so easily as the latter can trade with one another, or with a nation which maintains silver and gold upon a parity. If all hope of divergence from the gold standard shall disappear, the possibility that we can overthrow British supremacy in the silver-using nations will also disappear. Englishmen have not failed to appreciate this fact; and it may perhaps account partly for their strong eagerness that we shall abandon silver.

Complete rejection of silver means the permanent appreciation of gold. As gold goes up—as it has been going up almost without intermission for twenty years—the prices of staple commodities decline. Wheat, cotton, petroleum, and silver have declined in value principally because the standard by which they are measured has advanced. Wheat has fallen from $1.50 to about 60 cents a bushel, not because wheat is produced in excess, for it is not, but because gold has so advanced that more wheat is required to buy gold. To whose advantage is this depression of prices? England produces no cotton, no silver, no petroleum, and not half enough wheat to feed her people. We are the chief of all the producers of these materials. Thus the predominance of British gold monometallism has supplied British mills with cheap cotton, British workmen with cheap food, and British mints with cheap silver, and all at our cost.

Our debt to England may probably be counted in thousands of millions. Interest and principal are paid chiefly in these commodities, every one of which has been artificially depressed in price by the demonetization of silver, with the effect to augment our indebtedness. What patriotic American can contemplate this fact with indifference? What patriotic American can avoid a feeling of humiliation that our money policy, like our tariff policy, is dictated by a foreign nation which would exult to have our manufacturing industries crippled, while our farmers and planters and miners are compelled to furnish our rivals with materials at less than half price?

Bimetallism, therefore, represents American interest, as gold monometallism represents British interest. What is the attitude of the Republican party toward the question? Beyond dispute the party is committed conclusively to the promotion of the joint use of both the precious metals. It is committed by its official utterances in its platforms; by the tradition and practice of the Government; by the fact that three Republican Presidents summoned three international conferences, in earnest effort to procure an agreement to remonetize silver; and by the fact that the Republican party represents protection to American interests from European aggression.

This was not once denied by those who took part on the gold side of the recent debate in the House of Representatives. The Western farmer who is impoverished by gold monometallism, the silver miner whose industry is injured by it, the cotton planter who has his debts enlarged by it, these men are our fellow-citizens. Their prosperity brings prosperity to the nation. When they can buy then the great manufacturing industries of the East have an insatiable market. When they suffer we suffer. When their products are exported at half their value or less the nation, as a nation, is the victim of a kind of brigandage.

The same devotion to our country's welfare which impels the party to resist British free trade urges it to oppose British gold monometallism. Both systems have a common origin. Both have a common purpose—to pluck and to plunder other nations for British advantage. The cause of the Western victims of the single gold standard is our cause. It is the cause of the Eastern manufacturer, who is menaced from the same source with free trade. It is the cause of the Eastern merchant, who finds trade active only when the West is rich. The Republican party, then, must stand fast by bimetallism. It must be faithful to its declarations and its principles. It must be firmly allied to the West in the conflict now begun. The way to success is not wholly evident. The one thing that is evident to the Press is that the Republican leaders must keep faith with the people. That party has promised a bimetallic currency, has promised that gold and silver shall be kept at a parity, and the best interests of the country demand that those promises shall be faithfully kept.

In this connection, I desire to put in evidence the recently oft-quoted official declaration of Hon. John G. Carlisle, the present Secretary of the Treasury, made in the House of Representatives in 1878, during the debate on the Allison-Bland bill. He then said:

I am in favor of unlimited coinage of both metals upon terms of exact equality. No discrimination should be made in favor of one metal and against the other; nor should any discrimination be made in favor of the owners of gold and silver bullion and against the great body of people who own other coins or property.

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I know that the world's stock of the precious metals is none too large, and I see no reason to apprehend that it will ever become so. Mankind will be fortunate, indeed, if the annual production of gold and silver coin shall keep pace with the annual increase of population, commerce, and industry.

It will be seen from this that Secretary (then Representative) Carlisle then favored the unlimited coinage of silver. Without having so far vouchsafed any reason he seems to have changed now. Proceeding further, he said what I wish to read, although it has been read, I suppose, fifty times heretofore in this debate:

According to my views 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, pestilences, and famines 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 half the metallic money in the world.

I am in favor of every practicable and constitutional measure that will have a tendency to defeat or retard the perpetration of this great crime, and I am also in favor of every practicable and constitutional measure that will aid us in devising a just and permanent ratio of value between the two metals, so that they might circulate side by side, and not alternately drive each other into exile from one country to another. Our ratio, as recognized by the present bill, is 15.98 to 1, while the ratio established by the states composing the Latin Union—France, Belgium, Switzerland, Italy, and, I believe, Greece—also is 15½ to 1. We therefore undervalue silver, as compared with the valuation put upon it by those countries.

THE ARGUMENTS OF THE SINGLE GOLD STANDARD MEN CONFLICT AND DESTROY EACH OTHER.

The arguments of the gold monometallists and single gold standard men are remarkable, more for the way in which they fail to harmonize with each other and the manner in which they antagonize and utterly destroy each other, than in the force of their logic, either separately or collectively. For instance, in one breath we are told that the proposition for free coinage is a mere selfish proposition on the part of silver-mine owners to increase the price of silver and then make a market for their future product; the next moment we are told that free coinage can have but one result, and that will be just precisely the opposite effect from increasing the value either of the silver bullion or in maintaining the par value of the standard silver dollars. The plea of the man who was sued for the kettle—according to the old story—was in comparison free from contradiction and duplicity compared with these arguments.

DEMONETIZATION OF ONE OF THE PRECIOUS METALS IN ORDER TO INCREASE THE PURCHASING POWER OF THE OTHER NOT A NEW THING.

The European disposition and attempt to appreciate one of the money metals by demonetizing the other, is not a new thing in European history. Sometimes the blow has been dealt at the money of one metal and sometimes at the other. Sometimes it has been gold that has received the legislative knife; at other times silver. But in each instance, and always, it is the money of that metal the annual production of which is supposed to have been at the time the greatest, that has fallen under governmental displeasure—whether it was silver or whether it was gold—and in each and every case, and always, the blow has been struck by the creditor class.

In 1857 Germany and Austria, through the impression then prevailing that the output of gold from the mines of Australia and California would continue to increase and result in a general rise of prices in all commodities, demonetized gold. Then the voice of Chevalier was heard and to a large extent heeded by the European nations in denunciation and demonetization of gold. But before a decade had passed away the legislative batteries of these same governments, and also several others, were directed against silver. And it is a historical fact that but for the controlling influence of France in the convention of 1865, when the Latin Union was formed, the single gold standard would have been adopted there then.

THE EFFECT OF CLOSING THE SILVER MINES WILL SERIOUSLY AND DISASTROUSLY AFFECT EVERY INDUSTRY AND DEPARTMENT OF BUSINESS IN THE WEST.

Do our friends in the far West realize the fearful blow that is being leveled at the mineral States of that region by the pending bill? Do our people in California and Oregon and Washington and Montana and Idaho realize the immeasurable injury that must come to them from the closing of the mines in Oregon, Idaho, Montana, California, Arizona, New Mexico, and Colorado? Are the great transcontinental railroads blind to their own interests that they will consent to the destruction of an industry that contributes so largely to the development of that great country and to their individual interests? Do the cities of Portland, Salem, The Dalles, Astoria, in Oregon; Tacoma, Seattle, and Spokane, in Washington, and other important cities and towns in these frontier States realize that the destruction of the mining interests of that grand region is a fearful blow at their prosperity in various branches of industry, as well as a death warrant financially to hundreds of thousands of our best citizens?

In a word, do the people of these States and Territories, these cities and towns of the distant West, realize that their interests are being sacrificed in the interest of the gold power? Are not the hardy pioneers and prospectors, who, with their lives in their hands, have entered the shades of the wilderness and fought their way single-handed and alone, laying the foundations of empire and of free and independent States amid those desolate regions, where, in the beautiful language of Scott, lie

> Rocks, hills, and mounds confusedly hurled,
> The fragments of an earlier world—

are these grand pioneers and their families not entitled to some consideration at the hands of the American Congress? For one, aside from the great questions of national consideration involved, I feel in duty bound to stand by the Western pioneer, and by the hardy and courageous miner of the far West, and to the extent of my ability and power, and the extent of my voice and influence uphold, support, and defend them and their families, and their rights and interests, in the Senate of the United States.

CONCLUSION.

The question involved in this debate is not one concerning merely the selfish interests of the silver miner or the owner of silver mines nor yet solely the interests of those States and Territories known as silver-producing territory. These interests, though important, are but infinitesimal in character when compared with other transcendent, individual, and national interests involved. Not alone are the mere interests of the silver-producing States, but the best interests of the aggregated masses of the Republic held in jeopardy, exposed to danger, placed in imminent peril by the mighty and unprecedented effort here being put forth through the influence of the gold power of the world, operating through the virile agency of a powerful Administration in the fresh and vigorous manhood of the first year of its existence. In the presence of this great conflict the best interests of the farmer, the planter, the producer, the merchant, the mechanic, the wage-worker, the best hopes and grandest aspirations of the Republic tremble in the balance. Individual enterprise, human progress, the hopes and aspirations of the people, civilization itself, await the result in a state of pitiable paralyzation.

The eyes of the money-changers of Lombard street and the unconscionable stock-gamblers of Wall street are centered upon the Senate of the United States as never before. They await with ill-concealed anxiety the result of a vote that will increase by one-half the purchasing power of gold, and cut down in like proportion the price of every agricultural commodity produced in this country.

Demonetize and utterly destroy silver as a money metal, as is proposed by the pending bill, and the record on history's page of the disgraceful scramble among the nations that must inevitably follow for the possession of the world's supply of gold will be a dark and ineffaceable blot on the civilization of the age. Then each of the great powers, like the miserable miser in the Chimes of Normandy, will cry, "Gold! Gold! Gold!" and to obtain it no sacrifice of either interest or honor will be too great, not even the reduction of the people to a system of peonage or serfdom. Let this be done, then the little less than four thousand millions of gold in the world will become the mighty and attractive jack-pot for the possession of which the dice of the nations will be thrown. And pending that great international game, in which nations will be the gamblers, the best interests, the most sacred rights, the brightest hopes, the highest aspirations of the great masses of the people will, it is feared, go down forever in impenetrable darkness and irretrievable ruin.