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The Free Coinage of Silver.

SPEECH

OF

HON. FRANKLIN BARTLETT,

OF NEW YORK,

IN THE HOUSE OF REPRESENTATIVES,

Monday, August 21, 1893.

The House 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. BARTLETT said:

Mr. SPEAKER: It had not been my intention to address this House at so early a day in the session, but the exigency of the hour, the emergency of the situation, must be my excuse, if any be needed.

The second article of the Federal Constitution, in its third section, provides that the President shall, from time to time, give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient; and in accordance with this constitutional mandate the Chief Magistrate of the nation in his message, conveyed to us at the beginning of this extraordinary session, has recommended the prompt repeal of the silver-purchasing clause of the Sherman act of July 14, 1890; and that other legislative action may put beyond all doubt the intention of the Government to fulfill its pecuniary obligations in money universally recognized by all civilized countries.

The Executive has in clear and direct language sketched the financial and material condition of the Union, and has outlined the legislation deemed essential, and with that message I am in thorough accord. In my opinion, to follow the adjectives used in the Constitution, it is not only most expedient, but vitally necessary, to repeal at once and without compromise, without condition, without bargain or compact, the clause ordering the purchase of silver bullion; and I regard the amendments providing for the free coinage of silver at various ratios, from 16 to 1 to 20 to 1, as remedies more fatal than the disease—like deadly poison given to hasten the moribund patient to his death.

To pass any free-coinage measure would be like digging the spurs deep in the flank of the steed already rushing madly towards the brink of a precipice.

And why should the free-silver men seek to extort from us the passage of a law we believe to be iniquitous, as a condition to the repeal of an act which they admit from even their own standpoint is pernicious? The words of the gentleman from Missouri, who now leads the van of the white-metal men, are memorable, for at the time of the passage of the Sherman bill, in July, 1890, he said:

> The whole bill is in the interest of the gold standard. The whole bill is a murder of silver.

The gentleman from Missouri should not make himself an accessory to the continuing murder of silver by refusing to vote for the unconditional repeal of the law he once pronounced so destructive.

I represent an agricultural county, Richmond County, or Staten Island, and the great water front of the city of New York, extending from Peck Slip on the east side, to West Houston street on the North River, and containing within its limits all the great exchanges—stock, consolidated, produce, cotton, coffee, real estate, and maritime, and that famous street which is the object of almost daily attack upon this floor. I am proud, Mr. Speaker, to represent Wall street; for, conceding that all the primitive virtues exist in the mining gulches of the silver States, it is nevertheless true that there is no place in the world where there is a higher standard of integrity and honest dealing than in Wall street. And, sir, I assert that the animadversions and attacks made upon the financial center of this country spring from unthinking and unintelligent prejudice, and are based upon a defiance of the elemental principles of political economy and an entire misapprehension of the relations of capital and labor.

Of course, in a district such as mine, although the wealthiest in the Union by virtue of the aggregation of capital in its trust companies and banks and in the vaults of its exchanges, the great body of constituents is made up of poor men or men of moderate means; and yet they are all united on this question, and they all demand, in accents as fearless as those of the orator from Nebraska, that the purchasing clause of the silver bill be repealed, and that no free-coinage substitute be enacted.

Bankers and brokers, merchants and clerks, mechanics and farmers, sailors and the 'longshoremen and the laborers on the docks, all, irrespective of party, urge the repeal of this fatal statute. And, sir, I should be recreant to the trust reposed in me were I to allow my voice to be silent at this momentous time.

The gentleman from Colorado, who opened the debate on the free-silver side, said:

> When this vote comes two weeks from now you will find the Eastern Democrat and the Eastern Republican standing together.

His prophecy was only half correct, for you will find all the men, from North, South, East, and West, who believe in honest money and the honest payment of debts, and the restoration of credit, and the maintenance of this country as one of the great solvent nations of the world, united in this battle for the right.

The issue is above and beyond a partisan or party question; it is an issue of patriotism; and every man who loves his home and country, and the Constitution of his fathers should hasten by his vote to check the tide of impending ruin, and to relieve the pent-up agony of the land.

And, sir, I am glad that I shall see every member of my native State—Massachusetts—side by side and shoulder to shoulder in the fight with every Representative from the State of my adoption—New York.

The gentleman from Colorado said that the dwellers in the mining States went West "under the protection of a law that had been upon our books since the days of Washington, Hamilton, and Jefferson." The gentleman, it would seem, supposed that the act of 1792 remained in force until 1873, and he overlooked the act of 1834.

The invocation of the names of our Revolutionary patriots is as out of place as the constant allusion to the dollar of the daddies. He had forgotten, too, that the framers of the Federal Constitution were hard-money men. The power given to Congress in the great written instrument of 1787, "to coin money," means, as I interpret it, the power to coin honest money, money which will stand the test of the melting pot, money which is worth as much after it is melted into bullion as its face value stamped upon the coin represents it to be worth. The words "to coin money" were not intended to grant the right to coin silver dollars worth 50 cents in silver, supplemented by 50 cents of fiat money.

I listened to the speech of the silver orator, the gentleman from Nebraska, with admiration and regret, for I admire his charm of utterance and the courage of his convictions while I regret that eloquence and ferver, fancy and the imagination should supply the lack of logic and the cold substratum of fact.

We have had graceful applications of the stories of the Punic hostages, and of the drummer boy of Marengo who could not beat a retreat, but nothing is said of the calmer, colder side of history which deals with the rise and fall of prices, and the increase or decrease of wages; that greater branch of history which treats of the progress of civilization rather than of the warrior and the tented field, and from which are derived many of the inductions of political economy. I do not blame the silver advocates, as the cruel logic of experience is against this visionary scheme, and they would have scanned the pages of the Past in vain.

If a bimetallist be, as defined by the president of the American Bimetallic League, one who wants the unlimited coinage of gold and silver, then I am not one.

Without an international agreement bimetallism becomes simply silver monometallism, and, believing such international agreement impossible, I am in favor of a single standard of value, and that standard gold. I believe that there can be but one universal measure of value, but one ultimate medium of exchange.

I agree with the report of the special commission of the Austrian upper house, wherein it is said:

In every age there is some metal dominant in the history of the world, which forces its way with elemental strength in the face of any public regulation, and in our day gold is that metal.

And it was so as far back as the reign of King Solomon, for we are told in the Book of Kings—

And all King Solomon's vessels were of gold and all the vessels of the house of the forest of Lebanon were of pure gold; none were of silver; it was nothing accounted of in the days of Solomon.

And again:

And the King made silver to be in Jerusalem as stones * * * for abundance.

The commercial price and the coinage value of the standard metal must coincide, and gold fulfills that test.

Gold is a proper standard by reason of its intrinsic value and its light proportionate bulk. It is, as Andrew Jackson said in one of his messages, both sound and portable. But silver, on the other hand, is so cumbersome and bulky that the people do not want it and will not use it for large payments, and because of its constant fluctuation and enormous overproduction it is no longer fitted to be a measure of value at any ratio, be it as 27 to 1, 28 to 1, or even 33 to 1.

Our people, when needing actual cash, prefer gold and paper symbols, either representative of gold or backed by the credit of the Government. They have no use for heavy silver coins, as is shown by the fact that only 56,223,989 silver dollars are in circulation, while $363,108,461 lie untouched in the vaults of the Treasury. Were silver dollars coined of intrinsic value they would be about twice as heavy as our present cart wheels, and in quantity could be carried by the ordinary citizen only in handbags and handcarts. [Laughter.]

The proposition to coin silver dollars at the ratio of 20 to 1 is untenable. It is no more right to call 70 cents 100 cents than it is to call 50 cents 100 cents. The dishonesty and deception are there in both cases. There is but a slight difference in the grade of the offense.

The Chicago platform declares that—

The dollar unit of coinage must be of equal intrinsic and exchangeable value or be adjusted through international agreement, or by such safeguards of legislation as shall insure the maintenance of the parity of the two metals and the equal power of every dollar at all times in the markets and in the payment of debts.

At that time, in June, 1892, it looked as though an international bimetallic agreement were possible. The result, however, of the Brussels International Monetary Conference demonstrated the impossibility of coming to such an agreement in face of the opposition of every great European power; and since the defeat of the bimetallists at that conference their prospect of final success has been dimmed by the secession of the last great remaining silver-standard country—India.

An adjustment through international agreement is, therefore, at least for many years to come, out of the question. The dollar unit of coinage is not of equal intrinsic value, and can not be until the proper ratio be adopted—27.74 to 1 to-day—and be altered with each fluctuation of the market value of silver.

Every dollar is of equal exchangeable value with every other dollar, as is demonstrated by the continuous and rapid exchange for gold of the Treasury notes issued against the silver bullion. Of course, the plank must be read as a whole, and, interpreted in that way, it pledges the party to maintaining the equal power of every silver dollar with every gold dollar in the markets and in payment of debts. Strictly speaking, at the present rate of production, it is beyond the power of any legislation to maintain silver at parity, or, in other words, at $1.29 an ounce.

To maintain by trusts or other artificial means the price of any commodity, says Ottomar Haupt, it is an indispensable condition of success that overproduction be avoided. Excessive production is not avoided by the mine-owners, and this furnishes an additional reason why international bimetallism is impracticable. With improved machinery the annual output of silver is increased at a lesser outlay, and this, too, with a continuously falling market. Figures do not lie, and they prove that concurrent with the fall in the market price of silver there has been a large increase in production. The product of 1892 was some 157,535,000 ounces, as against an annual average of 78,766,000 ounces for the quinquennium from 1876 to 1880.

Although it is sought to discount the action of India by railing at the administration of Mr. Gladstone, and by the assertion that Mr. Balfour will some day come into power and undo all that has been done, we may, I think, learn profitably one or two object-lessons from the experience of England in the East.

The great lesson taught is the absolute necessity of a fixed or stable rate of exchange, and that with silver there can be no permanent rate of exchange. A fall of 1 penny changed a surplus in the Indian budget to an alarming deficit.

Owing to the fluctuations in exchange, taxation could not be adjusted. The merchants of India complained bitterly of the injury to trade. The European officers whose salaries were paid in rupees were in distress because of the loss on their remittances. And driven to extremity, Sir David Barbour, the financial adviser to the Indian Government, and a staunch bimetallist, was forced to advise the stoppage of free coinage.

Delay was ruining India, and the silver standard introduced into her subject country by Great Britain before the days of Clive and Warren Hastings was forever abandoned. And it must be noted that this course was found imperative in a country where the whole of the great internal trade of 300,000,000 of people is carried on by the actual transfer of coin from hand to hand, there being no system of payment by check or draft.

Let us take the experience of another silver country. In Mexico the shifting from the silver to the gold standard in exchange makes the consumer pay 10 per cent more than he ought to pay for imported goods, while the exporter of Mexican products loses about 5 per cent through the charge made by the banks for converting the exchange into Mexican currency.

On the other hand, to use the words of Mr. Robert Hardie—

Between effective gold standard countries there is a fixed par of exchange which does not vary beyond the narrow limit of the cost of transport of money from one country to the other.

"But," say the silver leaders, "never mind about exchange. We do not care for England or Germany or France. What, wait upon England to fix the ratio for us? Let us build a Chinese wall around our country and defy the outer world." These gentlemen, Mr. Speaker, do not seem to understand that we have any foreign trade or commerce. They do not know that in point of fact the great bulk of the world's commerce is conducted by seven ports, of which New York stands second, coming between London and Liverpool. We can not consume our wheat or corn or cotton, and unless the crops of our farms and plantations decay and diminish beyond conception we must continue to rely in part upon the export of our cotton and breadstuffs.

London is the settling house for our foreign trade, practically the clearing house of the world, and it will so remain in spite of allusions to the Cobden Club and the battles of the Revolution. Were free coinage to be established, the eventual loss through fluctuating exchange to our planters and farmers, to our meat-packers and manufacturers, would amount to millions of dollars, not for one year alone, but annually for all time. [Applause.]

What would happen upon the passage of a free-coinage act? We should lose all our gold at once. The $187,000,000 in gold coin and gold bullion in the Treasury would be immediately drawn out, and gold payments would be stopped. Many, if not all, the banks in the country would suspend payments. All our securities held abroad would come tumbling back. Every one would rush in panic-stricken haste to exchange silver for gold. Coined silver would be poured in from India, where a billion five hundred millions have just been turned loose; from Mexico, where it has already dealt its paralyzing blow, and the uncoined silver would pour in from every country of the civilized or semi-civilized world; we should be compelled to buy gold to settle our balances, as we did during the civil war—and instead of having lost some forty or fifty millions of dollars within three years, we should lose hundred of millions of dollars within a few weeks. The silver men would destroy at one fell blow all our present system of finance, and they have no other scheme to present beyond the free coinage of silver. Nor have they any thought of the morrow. They seem to think:

The present moment is our own;
The next we never know.

For the sake of trying a new evolution in the way of experimental finance, these admirals of the white would sink the whole ship of state.

Mr. Speaker, I desire to call attention to only two acts in the somewhat complex history of our coinage legislation—the Gold Bill of 1834 and the Coinage Bill of 1873—for I consider those measures the most creditable and the wisest of our financial legislation. Prior to 1834 gold had been undervalued by the overvaluation of silver, and as a consequence much of the more precious metal had fled the country. The then situation was summed up by Senator Benton of Missouri:

A great amount of gold, both foreign and domestic, is now waiting in the country to see if Congress will raise gold to its fair value. If so raised, the gold will remain and enter into circulation; if not, it will immediately go off to foreign countries, for gold is not a thing to stay where it is undervalued.

And Mr. Benton submitted a resolution for the appointment of a committee to report what alterations were necessary to be made in the value of the gold coined at the mint, so as to check the exportation of that coin and to restore it to circulation in the United States.

Mr. Benton believed in the axiom of Sir Thomas Gresham, the money broker of Edward VI, that—

Bad money drives out good money.

In the following June the famous gold bill fixing the ratio of 16 to 1 was passed by overwhelming majorities in both Houses, and Mr. Benton thus happily pictures the result:

The good effects of the bill were immediately seen. Gold began to flow into the country through all the channels of commerce; old chests gave up their hoards; the Mint was busy, and in a few months, and as if by magic, a currency banished from the country for thirty years overspread the land and gave joy and confidence to all the pursuits of industry. * * * The instinctive feeling of the masses told them that money which would jingle in the pocket was the right money for them; that hard money was the right money for hard hands, that gold was the true currency for every man that had anything true to give for it, either in labor or property; and upon these instinctive feelings gold became the avidious demand of the vast operative and producing classes.

Practically this law was the establishment by the United States of the gold standard after its initial trial of silver for forty years. Silver then went out of general circulation—from 1853 to 1862 there were no silver dollars in circulation—and so it remained until the coinage act of 1873 made the law conform to the existing state of things by formally and explicitly demonetizing silver.

This much-abused law of 1873 has, ever since 1876, been denounced as a conspiracy against silver, but in my judgment there never was a charge more absurd and unjust. A conspiracy is a secret combination to effect an evil purpose. Here there was no combination save the union of able and expert minds on the wisdom of the measure, and there was no wicked or sinister purpose, but merely the intent to do that which was for the good of the nation. A conspiracy is committed in secrecy, covertly, by stealth, not in the broad light of the noonday sun, openly, and with full publication and on due notice, as was passed this salutary law. The simple truth is that the silver dollar was then at a premium of 3 or 3½ cents, and no one cared whether it was demonetized or not.

Secretary of the Treasury Boutwell first drafted the bill omitting the silver dollar in April, 1870, and sent it to the Senate, where it was passed in the next session, in January, 1871, by a vote of 36 to 14. The House Committee on Coinage, Weights, and Measures reported the bill favorably, but no action in the House was then taken.

Gen. Warner has recently denounced the act of 1873, and has stated that Mr. William D. Kelley, then on the Coinage Committee, knew nothing about it; yet, in fact, Mr. Kelley introduced in the next session a bill similar to Secretary Boutwell's, and omitting the silver dollar, and in debate Mr. Kelley said:

I again call the attention of the House to the fact that the gentlemen who oppose this bill insist upon maintaining a silver dollar worth 3½ cents more than the gold dollar, and that so long as these provisions remain you can not keep silver coin in the country.

Mr. Thomas W. Stoughton, of Michigan, another member of the Coinage Committee, said:

The time has come in this country when the gold dollar shall be distinctively declared to be the coin representative of the money unit.

The bill was passed in the House on May 27, 1872, with a silver dollar of limited-tender quality.

The Senate substituted the trade dollar, and a conference was ordered. A long debate, in which Senators Cole and Casserly of California and Senator SHERMAN of Ohio were most conspicuous, took place on two occasions, the debate being principally upon the recoinage of abraded gold and the charge for the original coinage of gold. But in this debate, in which Senator James W. Nye, of Nevada, also took part, Senator Casserly used this language:

We have more silver than we want. Nevada apppears to be getting ready to deluge the world with silver. I see that her silver product last year was probably over $20,000,000.

The conference report was signed by Senators JOHN SHERMAN, of Ohio, John Scott, of Pennsylvania, and Thomas F. Bayard, of Delaware, and by Representatives Samuel Hooper, of Massachusetts, and Thomas W. Stoughton, of Michigan—men of national reputation, clear sighted and strong headed. Their report was concurred in by the Senate, agreed to by the House, and finally the coinage act became a law on February 12, 1873. The bill had been passed in the House by a vote of 110 to 13, and in the Senate unanimously. In bringing up the bill in the Senate on January 17, 1873, Senator SHERMAN stated, "It passed the Senate two years ago, after full debate," and thereupon the bill was read by the Chief Clerk of the Senate. And the Senator from Ohio, in a speech in 1891, said:

The act of 1873 was not the act of the party then in power, but it was the act of all parties. It was voted for by Republicans and Democrats alike, after full consideration for three years in Congress. It was voted for by every representative from the silver States.

Were any further evidence needed, we might look at the sworn testimony, before the Indian currency committee, of Mr. Robert Giffen, the distinguished writer on finance:

This act (that of 1873) has been objected to by the bimetallic people in the United States ever since, as a thing that was done *sub rosa*, without sufficient notice and discussion. I may say that so far from this being done *sub rosa*, I was one of the people at the time who knew about it, and there was really no mystery about it. It was openly discussed in the Economist at that time.

As to the mare's nest discovered by a gentleman in this House the other day, that the words "and no deposit of silver for other coinage shall be received" were surreptitiously added to the section providing that any owner of silver bullion could deposit the same to be formed into bars or trade dollars, it is sufficient to say that, according to a familiar principle of statutory construction, the alleged sinister words added no force to the provision.

The record and the testimony thus make it manifest that the only conspiracy in connection with the act of 1873 has been that of the silver men to distort, pervert, and falsify the history of its enactment.

The law itself was sound in finance and right in commercial morality. It needed then—it needs now—no apology, and had our coinage legislation stopped right there the country would to-day be prosperous.

Enough has already been said by others about the fatal laws of 1878 and 1890. It was declared by a well-known writer that the clock of Europe went back fifty years after the battle of Waterloo. The clock of this country, sir, turned back a quarter of a century upon the passage of the Bland-Allison act of 1878.

We have heard, Mr. Speaker, a great deal of solicitude expressed in this House for the miner and the agricultural laborer, who, we are told, cry for free coinage of silver. But, sir, I believe and I know that the farm laborers of the country taken as a whole are on our side, and I feel certain that the miners would be with us were they permitted to understand the issue.

It would be a narrow view to assume that the only laborers in our vast territory are upon the farms of Nebraska or in the mines of Colorado or Montana. The blacksmith at his forge, the mill hand at his loom, the carpenter, the mason, and all the higher classes of mechanic, artisan, or artificer, the banker, the merchant, the clerk, the clergyman, the doctor, the lawyer, the editor, the reporter, in fact, everyone who is not an idler, all are laborers in the broad, generic sense of the term; all earn their bread by the sweat of their brow, and they are entitled to just as much consideration as the miner who drills the hole for the dynamite cartridge, or swings the pick in the mountains of the far West.

The relations, too, of capital and labor are misunderstood by some of these gentlemen. Capital and labor are not antagonistic; they are supplementary the one to the other, for without the coöperation of both, nothing can be achieved. All industry is limited by capital; and without the new investment of capital there can be no increase of industry. So, the capitalist, or large employer of labor, who, instead of spending his money in selfish pleasures, consumes his capital in the purchase of machinery, or a plant, and in paying the wages of his employés, receiving in return the interest on his money and a fair compensation for his risk and his own labor—is, in reality, a great benefactor.

And yet, Mr. Speaker, the other day the gentleman from Colorado attacked Massachusetts because she had largely increased her wealth. There are, sir, in many States statutes against vagrancy, but I know of no community in which the honest acquisition of wealth, the outcome of industry and thrift and economy, is held to be a crime.

In this country there is great divisibility of ownership. We are a nation of small landowners, of small householders in the main, a nation of taxpayers, not a country of insolvents and bankrupts, and most of our people desire the full and honest payment of their debts, to pay and to be paid one hundred cents on the dollar. And it was with astonishment that I listened to the strange theory advanced by the gentleman from Nebraska last week, that the debtor can select the mode of payment of his debts, and that he can pay back the gold he borrows in the way which shall inure most to his own advantage without regard to the creditor.

Let us see how this system would operate with the miner, who at the end of his week's work, when he, the creditor, appeared for his wages before his employer, his debtor, should be told, if not in words in substance, "Here, take your pay in this silver which is worth in purchasing power 50 per cent of gold. Take it because I am your debtor for your labor and to me belongs the choice of mode of payment. I know that the purchasing power of our currency has been so scaled down that you can not now buy half the food and drink and clothing for the same nominal amount of wages, and that your wife and children are on the verge of starvation, but remember that you are a wageearner and that wages are the last thing to advance, although the cost of living has been much enhanced. Do not complain, for the great cause of free coinage has triumphed." [Laughter.]

The mine owner himself, however, when he becomes the creditor, will not yearn for the depreciated metal, as is illustrated by the story that the billheads of a prominent silver Senator bear the legend, "All bills payable in gold."

This is an issue between a small section of the country, the silver States on the one hand, and the great body of the federation on the other. Out of 66,000,000 of people but a small proportionate number ask for free coinage, and sordid self-interest is arrayed against the common weal of the Republic. It is an effort to protect the silver industry at ruinous cost to the whole people, and it is, therefore, as asserted in our Chicago platform, unconstitutional and undemocratic.

When we reflect that Colorado last year produced $31,000,000 of silver out of the total product in the United States of $74,989,000, we can understand why the governor of that State desires that his horse should wade in blood, and why a clergyman at Aspen the other day impiously announced that the silver men were on the side of God, although it is a marvelous creed which asserts that the All-wise Creator is in favor of any but the highest standard of intrinsic worth.

The attacks, Mr. Speaker, upon the banks of New York and the East are as wild and frantic as is the assertion that New York and Boston and London would gain an undue advantage by the defeat of free coinage. London and our own cities would gain no more and no less than the full, honest payment of the moneys due them. And this is what the silver men do not wish, for, as one of them confessed a few days since, they want to pay their debts for fifty cents on the dollar. The sale at a fancy price of the output of the silver mines, which can be produced at a cost of 30 cents an ounce, and the evasion of just debts would seem to be the cardinal objects of the silver crusade.

And I ask the silver leaders if it be not somewhat ungenerous to use Northern and Eastern capital to build your railways, lay your water pipes, open your mines, and in every way develop your country, and then to assail the money-lenders because they expect simply the honest fulfillment of the bond.

Why do they attack our banks? Do they not comprehend that it is for the interest of the banks and of Wall street that the market should be full, fair, buoyant, and elastic, that their success depends upon the general prosperity throughout the country? Their interest is the common welfare; they are trustees for the citizen in the preservation of his money, and money-lenders to the producer in time of need; and without the aid of our Northern and Eastern banks the enormous cotton crop of the South could not be moved, for millions of dollars are advanced by these banks every summer and autumn. Without the great central reserve cities of our national banking system and its twenty subordinate reserve cities the commerce and trade of the Union would become so retarded and clogged as to languish and decay, and yet, while the banks of one of the great central reserve cities (New York) are frequently attacked in this House, those of the other two, Chicago and St. Louis, which are engaged in exactly the same business, are never criticised. Is this because some outlying votes are hoped for in the West?

I apprehend, Mr. Speaker, that no legislation can at once restore the country to complete prosperity, but as the causes of the money famine which now afflicts the land are, first, the withdrawal of confidence, and second, the hoarding of money consequent upon such failure of confidence, it is clear that any measure which restores confidence will bring forth all the money we need, and such a measure is that introduced by the gentleman from West Virginia, repealing absolutely the silver-purchasing clause.

63

The wide-spread hoarding of our money would indicate that with all our boasted civilization we are no more intelligent than the natives of India, who hoard the gold ingots which come out from England. While there the disposition to hoard is dying out, here within the past few months the disease has shown an extraordinary development.

Let the Sherman law be repealed and coin no more silver except as subsidiary coin; at least no more for the present. Our circulation per capita is $24.02, which is sufficient, and nearly twice as great as in 1860. In gold and silver, in paper representatives of gold and silver, such as certificates and Treasury notes, in greenbacks, and in national bank notes we have a circulation of $1,611,000,000; and as 95 per cent of our business is done with checks, and drafts, and notes we need in reality no largely increased volume of money. Repeal the law, and gold will pour in from Europe, confidence both at home and abroad will be renewed, money in hoard will come forth, and foreign capital once more will seek investment on our shores.

At an appropriate season I should favor, Mr. Speaker, the bill introduced by the Senator from Indiana, authorizing national banks to issue circulating notes up to the par value of their bonds deposited, and I can see no objection to a law permitting the issue of notes equal in amount by the Comptroller of the Currency to anyone who shall deposit United States bonds, thus giving direct relief in time of stringency without the necessity of applying to a bank. Since July 1 the circulation of our national banks—in notes issued or ordered and to be issued—has been increased by some $34,000,000, and it will soon be over $200,000,000.

Owing to the mistakes of the past our system of currency is not perfect. Like France and Germany, we have the "*étalon boiteux*," or limping standard. That is to say, we have in reality a gold standard, but with a large, although not unlimited, amount of silver circulating at gold value.

"One leg," as Dr. Ludwig Bamberger, a high German authority, expresses it, "which is the gold currency, has a free and healthy motion, while the other, the silver currency, is lame and drags behind and thus proves more or less of a hindrance to its healthy brother." Our silver in the Treasury, like the thalers in the German Reichsbank and the five-franc pieces in the Bank of France, serves only to appeal to the imagination as a last reserve. In reality the only security we have is our gold and the faith of the Government or its pledge to redeem its obligations. We must stop right here and not go on increasing them beyond the possibility of redemption.

The gentleman from Colorado asks: "Can you afford to vote to increase the value of the dollar?" I answer: We do not vote to increase its value; but we vote not to degrade or depreciate it. We can never afford to do that which is wrong; we can always afford to do that which is right.

The silver men all tell us that they are but following the behests of their constituents. It is true that this is a representative government, and that we are the representatives of the people—but our sense of responsibility to our constituents would not justify obedience to the dictates of selfishness or folly.

Any other view would be to reduce the function of constitutional government, indeed, to a very low level.

I say, therefore, in answer to these gentlemen, "It were far better to forfeit your renomination, to lose forever all chance of reëlection, than to vote for any scheme of dishonest finance. The unanimous suffrage of your district, the mad plaudits of all the miners in your State, could not excuse or palliate the injury done to the whole country. Cast back the dread of your constituents. Vote right. Vote for repeal, and so shall ye die not at your death, but shall live in the glad hearts of the people saved. [Applause.]

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