

SILVER.

HON. W. D. BYNUM,

OF

INDIANA.

A STANDARD OF VALUE.

**"Did any country ever accumulate wealth, achieve greatness, or
attain a high civilization without such a standard."**

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, August 22, 1893.

WASHINGTON.

1893.

S P E E C H
O F
H O N . W . D . B Y N U M .

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. BYNUM said:

Mr. SPEAKER: I am free to confess that I assume to address the House on the measure under consideration with some degree of diffidence. Having entertained and expressed views different from those I shall present to-day, I deem it but just to myself as well as my constituents, especially those who still believe that the free coinage of silver would be a great blessing to the country, to give the reasons that shall control my vote.

The condition of the country, as stated by the President in his message, is in many respects without a parallel. With an abundant harvest; free from pestilence; at peace with all nations; our manufactories spreading over the country; our railroads penetrating every corner, and our wealth rapidly increasing, we find ourselves in the midst of a panic the like of which we never before experienced.

There must be some cause, or combination of causes, some one of which was a prime factor in producing this disastrous condition of affairs.

Unquestionably a great majority of all classes believe that the silver law enacted on the 14th of July, 1890, is responsible for the evils with which we are afflicted. In order to discuss this measure to the comprehension of those not familiar with its provisions, I shall briefly outline its main features. It requires the Secretary of the Treasury to purchase 4,500,000 ounces of silver bullion at the market price each month, and issue in payment therefor Treasury notes. These notes are made a legal tender and are redeemable in gold or silver coin, at the discretion of the Secretary.

The authors of this measure were of the opinion that to enlarge our purchases of silver bullion would increase the demand, and thereby appreciate its price. The monetary value of an ounce of silver being \$1.29, while its commercial value was only \$1.05, our silver dollar was intrinsically worth but 81 cents.

The results of the operation of the act of 1890, called the Sherman law, were directly opposite to what was anticipated by its friends. With the exception of a sudden and, no doubt, speculative rise immediately after its passage, the price of silver has

gone steadily down. The average price per ounce in 1890 was \$1.05; in 1891, 99 cents; in 1892, 87½ cents, and in July last, 72½ cents. Up to July 1 last the Government, under the provisions of this law, had purchased 156,575,000 ounces of silver and issued in payment therefor Treasury notes to the amount of \$147,215,000.

The constant fall in the price of silver bullion, notwithstanding the large purchases by the Government, began to excite apprehension in the minds of financiers. The rising volume of silver bullion, being stored away, unless coined by the Government into money would result in a great loss.

Had the Secretary of the Treasury been required to dispose of the bullion on hand on the 1st day of July last it would have brought at the market price but \$114,828,500. To have redeemed the obligations of the Government outstanding therefor would have required the Secretary to have taken from the revenues the sum of \$32,390,500; in brief, by the constant fall in the price of silver bullion the Government was losing, under the operations of the Sherman law, over \$10,000,000 a year. During the operation of this law, whether as a result of the same, I shall not now attempt to prove, gold was being exported in large sums. From July 1, 1890, to January 1, 1891, our net exports of gold amounted to \$624,771. In 1891 they aggregated \$33,885,571, and in 1892 they reached \$58,570,536. During the present year to July 1, they were \$70,815,096.

Thus we see that during the existence of the present law our net loss of gold has been \$164,098,975. This was not the only alarming symptom. The gold reserve in the Treasury on the 1st of August, 1890, two weeks after the passage of this measure, was \$184,092,075. One hundred million dollars of this sum had been treated as a reserve for the security and redemption of the greenback notes. The excess of the total reserve, above the one hundred millions, was known as the free gold in the Treasury, subject to whatever use the Secretary might have for it in the due administration of his department. The reserve began to diminish until the free gold was about exhausted. We finally reached the limit and the Secretary was driven to encroach upon the hundred millions in order to meet the demands and preserve the credit and standing of the Government. On the 1st of the present month, of the \$184,092,075 of gold in the Treasury on August 1, 1890, there remained but \$95,485,413.

Under such conditions it was but natural that our own as well as the people of other countries holding our securities should become alarmed lest they would be compelled to take payment in depreciated silver money. It was natural that American securities should begin to return home in anticipation of a collapse; and that our own people should begin to hoard gold in anticipation that the same would soon go to a premium.

While this was going on the channels through which the Treasury received its supply of gold were running lower and lower. In July, 1890, there was paid into the Treasury, through the custom-house at New York \$17,173,016. Of this sum 95 per cent was paid in gold certificates. In July, 1891, the payments aggregated \$11,303,169, of which 2 per cent was in gold coin, 14.9 per cent in gold certificates, 44.6 per cent in United States

notes, and 28.9 per cent in Treasury notes, issued under the provisions of the Sherman law.

In July, 1892, the payments amounted to \$12,295,908, of which 1 per cent was in gold coin, 13.8 in gold certificates, 28.4 in United States notes, and 42.2 in Treasury notes. In June, 1893, the payments reached the sum of \$18,068,600, not a cent of which was paid in gold coin or gold certificates.

Thus the supply was cut off, and the stock on hand rapidly being exhausted. The Secretary of the Treasury was powerless to do anything. The law required him to maintain the parity between our gold and silver coin and to do this it was essential that he should redeem the Treasury notes in whatever character of money the holders demanded. To have refused to do so would have been an acknowledgment that one was preferable to the other, one more valuable than the other—an admission the Government could not afford to make. To have refused payment in gold would have been to put gold to a premium and increased the excitement and aggravated the stringency.

In my judgment the Secretary, Mr. Carlisle, during the ordeal through which he has conducted the financial affairs of the Government, has not only sustained his high reputation, but has achieved a name that will compare favorably in history with those of the great men who have preceded him. That there was a great pressure to force an issue of gold-bearing bonds there can be no question. To have issued bonds would simply have been a restoration of the reserve by enlarging the demands to be made upon it.

It is not surprising, therefore, that the Sherman law has no friends; that it has been disowned by its reputed father. Every person condemns it as wrong in principle and vicious in practice. The singular fact, however, is that while the friends of free coinage admit that it has worked great harm, they insist that it must remain in force unless something is adopted in its stead. The only excuse assigned for its maintenance is that it increases the volume of money and keeps down the appreciation of gold.

We have already seen that since its enactment \$164,089,974 in gold has been driven out of the country. Nor is this all, during the same period the circulation of national banks was reduced \$7,370,623, making a reduction in the volume of money in circulation of \$171,469,597.

The entire amount of Treasury notes issued under the provisions of this act to August 1, 1893, was only \$148,286,233, showing a net reduction in circulation during its existence, if there had been no accessions from other sources, of \$23,183,499. Why, then, should this measure, productive of such dangers, be maintained a single day? Why should it be used as a club to drive the representatives of the people into the adoption of some other measure which their judgments do not approve? [Applause.]

We have witnessed its operation for three years. It has failed to meet the approbation of anyone. It is condemned not only as pernicious, but as dangerous. It has not only failed to arrest the fall in the price of silver bullion, but has driven from our shores more than \$170,000,000 in gold. It has reduced the circulation of the people nearly \$25,000,000. It has closed the channels of the Treasury to the further ingress of gold. It has pulled

down the pillars of credit that support and sustain our trade and commerce. It has frightened all classes and driven into hiding every character of money, including its own offspring, and yet we are told that we must wait till we get something better in the way of affirmative legislation before it can be repealed.

The cry of distress comes from every quarter. Business is at a standstill, factories closed, labor idle, but no helping hand is to be extended by those who favor free coinage. While the country is prostrate, helpless, and unable to resist, they propose to dose it with their remedies or let it suffer for fear that when restored it will reject their treatment. We who favor unconditional repeal have been warned again and again that if we support the measure that we will lose our seats on this floor.

It may be that there are those here whose sole ambitions are to be returned, and are ready to sacrifice their convictions upon great questions to secure the same, but I scorn to believe it. My confidence is not unbounded, but I am loth to believe a single vote, for or against this measure, will be cast from such base and unprincipled motives. These threats, if not in bad taste, are exceedingly untimely. The people are excited. They feel that something is radically wrong, and they are in a frame of mind that should not be inflamed or misguided. The time has come when cant and subterfuge must be driven from the councils of men and nations, and reason and judgment enthroned in the minds and in the hearts of the people. [Applause.]

Gentlemen who are demanding that something shall be enacted in the place of the Sherman law know that that can not be done now. They know it is unconditional repeal or nothing. If they succeed in grafting upon the measure for repeal a single one of their proposed amendments they know that the same can not be enacted into a law. Your alternative, therefore, is to accept repeal or nothing, and upon that issue you must return and answer to your people.

If this measure should fail, you gentlemen who will have defeated it can return to your constituents and say to them that you knew they were in desperate straits; that the Sherman law was a bad measure; that it had shaken confidence until there was not a sufficient amount of money in circulation to carry on the business, but that you thought it best to keep it on the statutes till you could get what you wanted.

Go home to your merchants who are unable to make collections to meet maturing bills, and say to them that you knew they were being pressed, but you could not secure just what you wanted, and that they will have to bear it the best they can. Go back to the farmers, who are unable to market their wheat at any price, and tell them that you admit there was and is great stringency in money; that the repeal of the Sherman law would probably have relieved the situation, but that you feared that if that was done you would be unable to get something in its stead in the future.

Go to the idle workingmen, against whom the doors of the mills and factories have been closed because their managers could neither collect nor borrow a sufficient sum to meet their pay rolls, and tell them that you knew they and their families

were suffering, but that you felt it was better for them to bear their afflictions till your views should be incorporated into a new law, and if they do not denounce your conduct in words of condemnation, bitter and burning, I am mistaken in their character and temper.

Mr. Speaker, I might conclude and submit the question at this point, but my argument would be incomplete without a discussion of the amendments proposed by the gentleman from Missouri [Mr. BLAND]. The substitute offered by him proposes that the mints of the Government shall be opened to the free coinage of silver, first, at a ratio of 16 to 1; if that should be voted down, then at 17 to 1; if that should fail, then at 18 to 1; if that should be defeated, then at 19 to 1, and if that should not be successful, then at 20 to 1, and if the above amendments should be defeated, that the Bland-Allison law, in force from 1878 to 1890, be voted upon.

As has already been argued in this debate, the number of different ratios proposed by the gentleman from Missouri is a full surrender of his position. Why is the ratio of 20 to 1 any better than that of 16 to 1? If the Government can maintain one it can maintain the other at a parity!

At the average price of silver bullion during 1892 the commercial value of the silver dollar at the ratio of 16 to 1 was 65 cents; at the ratio of 17 to 1 it would have been 69 cents; at the ratio of 18 to 1, 73 cents; at 19 to 1, 77 cents, and at 20 to 1, 81 cents. I do not give these as exactly correct, but approximately so. Could we safely open our mints to the free coinage of silver at any of these ratios?

It requires no argument to demonstrate that one of three results would inevitably follow the moment we did so: Either the commercial value of silver bullion would rise to its monetary value, the monetary value would fall to the commercial value, or one would go up and the other down until they came together. The instant the silver dollar and the bullion contained in it became convertible at the pleasure of the holder, they necessarily would command the same price. This, then, is the important question to be considered.

In order to logically present the question, it will become necessary for me to repeat in some measure facts and arguments which have already been presented.

By the act of 1793, first establishing a mint and providing for the coinage of both gold and silver, our fathers adopted the ratio of 15 to 1. There was considerable discussion as to the correct ratio between the two metals, but from the best evidence that could be obtained this was ascertained as about correct.

For one hundred years prior to that time there had been a remarkable stability of the ratio between the two metals, silver never having risen to 14.14, except during the year 1760, or fallen below 15.50 but once, and that in 1702. Shortly after the ratio was fixed at 15 to 1, within the next three years, silver fell to the ratio of 15.65.

It is a striking fact that silver never, since our mint was first established, has reached the ratio it then had. The slight fall in the value of silver destroyed the parity. Gold was worth more

than its coinage value; not very much—only 3 or 4 cents—but enough to make it profitable to export it. Our gold, therefore, left the country. Recognizing the fact that gold was undervalued by the act of 1793, and that so long as that measure was continued in force it would be impossible for us to retain any gold in circulation, in 1834 the ratio was changed by Congress to 16 to 1. At that time the true ratio was 15.73, so that by the latter act silver was slightly undervalued, and the result was the very opposite—gold coming from abroad, while silver took flight.

A mistake was made in the act of 1834 in making our subsidiary coins contain equal proportions of the silver in a dollar. There was as much profit in exporting the minor coins as there was in shipping away our silver dollars, and although nearly all of our silver coin was in fractional pieces, the people were left without small change. So, in 1853 the quantity of silver in the subsidiary coins was reduced, so that a loss, instead of a profit, would be incurred by exporting them.

From the action of Congress in 1834 in purposely undervaluing silver, and in 1853 overvaluing our subsidiary coins, we are driven to the conclusion that our fathers purposely adopted the gold standard in 1834. That we were upon that standard from that time until the suspension of specie payments during the war there can be no controversy. The silver dollar, about which we have heard so much, was practically no part of our circulation up to 1873. From the time we first opened the mint to 1873 there was coined but 8,031,000 silver dollars, while there was coined \$137,000,000 of minor coins and \$852,214,507 in gold.

When the question of a change of ratio was under consideration in the Senate Mr. Benton said:

He did not think it necessary to discuss and expatiate upon the merits and advantages of a gold currency. These advantages had been too well known from the earliest ages of the world to be a subject of discussion in the nineteenth century; but, as it was the policy of the paper system to disparage that metal, and as that system in its forty years reign over the American people had nearly destroyed a knowledge of that currency, he would briefly enumerate its leading and prominent advantages.

1. It had an intrinsic value, which gave it currency all over the world, to the full amount of that value, without regard to laws or circumstances.
2. It had a uniformity of value, which made it the safest standard of value of property which the wisdom of man had ever yet discovered.
3. Its portability, which made it easy for the traveler to carry it about with him.
4. Its indestructibility, which made it the safest money the people could keep in the houses.
5. Its inherent purity, which made it the hardest money to be counterfeited, and the easiest to be detected, and, therefore, the safest money for the people to handle.
6. Its superiority over all other money, which gave to its possessor the choice and command of all other money.
7. Its power over exchanges: gold being the currency which contributes most to the equalization of exchange, and keeping down the rate of exchange to the lowest and most uniform point.
8. Its power over the paper money: gold being the natural enemy of that system, and, with fair play, able to hold it in check.
9. It is a constitutional currency, and the people have a right to demand it for their currency as long as the present Constitution is permitted to exist.

Not only was gold recognized as the standard from 1834 to 1860, but it was so recognized after the war and even after the act of 1873, about which so much has been said. On the 11th of February, 1874, Senator STEWART of Nevada said:

I want the standard gold, and no paper money not redeemable in gold; no paper money the value of which is not ascertained; no paper money that will organize a gold board to speculate in it.

On the 20th of the same month, on a resolution to instruct the Committee on Finance to report a bill providing for the convertibility of the Treasury notes into gold coin or bonds, he said:

By this process we shall come to a specie basis, and when the laboring man receives a dollar it will have the purchasing power of a dollar, and he will not be called upon to do what is impossible for him or the producing classes to do, figure upon the exchanges, figure upon the fluctuations, figure upon the gambling in New York, but he will know what his money is worth. Gold is the universal standard of the world. Everybody knows what a dollar in gold is worth.

On the 1st of April of the same year, Senator JONES, of the same State, said:

Does this Congress mean now to leave entirely out of view and discard forever a standard of value? Did any country ever accumulate wealth, achieve greatness, or attain a high civilization without such a standard? And what but gold can be that standard? What other thing on earth possesses the requisite qualities? Gold is the articulation of commerce. It is the most potent agent of civilization. It is gold that has lifted the nations from barbarism. So exact a measure is it of human effort that when it is exclusively used as a money it teaches the very habit of honesty. It neither deals in nor tolerates false pretenses. It can not lie. It keeps its promises to the rich and poor alike.

Mr. Speaker, if the slight undervaluation in 1793, not more than 3 or 4 cents on the dollar, drove gold out of the country prior to the act of 1834, and the latter drove silver out afterwards, what might we expect if we should open our mints to the free coinage of both metals at a ratio that would undervalue gold at from 23 to 52 per cent, when the people of the civilized world are on the alert for opportunities of speculation and advised as to markets and quotations in every financial center on the globe on the morning of the succeeding day?

We are told, however, that silver has not fallen in value, but that gold has risen, and that if we will but open our mints to the free coinage of silver, as we have to gold, that silver will again take up its position by the side of gold. Silver, it is said, has appreciably fallen in price because it has been under fire for twenty years. There is some force in this argument. No doubt if silver had not been demonetized by so many nations it would not have reached its present low price. Eleven nations, I believe, have closed their mints to the free coinage of silver since 1873. But what difference does this make? They will not open them at our bidding, and we are powerless to compel them to do so.

We must face the facts as they exist, not as they ought to be, or as we would like to have them. No one who has read the debates of the Brussels conference but has come to the conclusion that all efforts at international bimetallicism under present conditions will fail. It is patent that Great Britain is satisfied with her monetary system and that no other European nation will unite in any agreement to which she is not a party. It is further evident that none of the European governments will change their monetary systems unless it be toward a more perfect gold standard. Whatever action, therefore, we may take we must take alone.

Can we, without the aid and cooperation of other nations, carry

this great burden? The coinage values of the world's product of gold and silver from 1873 to 1892, inclusive, were as follows:

Years.	Gold.	Silver.
1873	\$96,207,000	\$81,800,000
1874	90,750,000	71,500,000
1875	97,500,000	86,500,000
1876	103,700,000	87,600,000
1877	114,000,000	81,000,000
1878	119,000,000	95,000,000
1879	109,000,000	96,000,000
1880	106,500,000	96,700,000
1881	103,000,000	102,000,000
1882	102,000,000	111,800,000
1883	95,400,000	115,300,000
1884	101,700,000	105,500,000
1885	108,400,000	118,500,000
1886	106,000,000	120,600,000
1887	105,775,000	124,281,000
1888	110,197,000	140,706,090
1889	123,489,000	162,159,000
1890	113,149,600	172,234,500
1891	120,578,800	187,733,000
1892	130,816,600	198,605,200

It will be seen from the foregoing table that while there has been a large increase in the production of both metals; that of silver has more than doubled in the last twenty years. Silver has not only suffered because of the large increase in the production of gold and its own relegation to the position of token money by the civilized nations of the world, but because of the enormous increase in its own production.

In view of the fact that all civilized nations have closed their mints to the free coinage of silver; in view of the great increase in its production, and in view of the recent action of the Government of India, heretofore the largest consumer of silver, could we for one moment uphold, much less appreciate the price of silver by opening our mints to free coinage, even at the ratio of 20 to 1. It may be asked, if we could open our mints to free coinage at any ratio? I answer emphatically, No, not under present conditions.

With the mints of all the great commercial nations of the world closed to free coinage: with a redundancy in many parts of the world, and with a rapidly increasing production, I unhesitatingly say we could fix upon no ratio that would give stability to the price of silver, so that it could be used independently as a standard or measurement of values.

The moment we opened our mints to free coinage to the products of the world a wild rush would be made upon us by the people of all the gold-standard nations and a veritable scramble would ensue in the contest to get possession of some of our gold before it was all exhausted. There would pour in upon us in one year more silver than our mints could coin in ten. What would be the result? Does any one seriously believe that silver under such circumstances would rise in price? In my judgment it would be the worst blow that could be given to silver.

Mr. Speaker, for the sake of argument I will suppose for a

moment that my reasoning is fallacious and that my conclusions are erroneous: that silver will not go down, but that with our mints open to it freely its commercial value will go up from 73 cents an ounce, its present price, to \$1.29, its parity or monetary value. In brief, I will suppose that after we shall have adopted free coinage the silver dollar will contain 100 cents' worth of silver bullion. Would the farmers of the country derive any benefit from this change? Would the workingman be in any better condition? Their dollar in silver would be just what it is now; worth no more nor no less. What advantage would it be to any class except the silver producers? They alone would reap the profit.

It may be interesting to the farmers of the country to know what profits the silver producers have been making during the last few years while they have been striving to keep their taxes paid and make ends meet. The Daily mine in Utah in 1891 paid in dividends \$450,000. The Ontario mine in the same Territory and year paid in dividends \$900,000. The Granite mine in Montana in 1892 paid in dividends \$1,020,000. The Barrier Range (Broken Hills mines) in New South Wales last year paid dividends to the amount of \$5,805,000. That the farmers may get a more perfect knowledge of the profits enjoyed by the "silver kings," I will give the results of an investigation made by the Director of the Mint in 1887 as to the cost of production of an ounce of silver.

From estimates from 155 mines, producing 43 per cent of the domestic product, it was ascertained that the cost of production was 52.4 cents per ounce. What advantage will it be to the farmers and wage-workers of the country to pay to the producers of silver, in the way of products and toil, \$1.29 per ounce for silver that they can now purchase for 73 cents and which costs the producers but 52 cents? It may be answered that that will not be the result. If the theory of those who favor free coinage be correct, that silver will rise in value, it is exactly what will be the result.

While I do not think for a moment that silver will rise in value, I have presented this to show how untenable is the position of the free-coinage advocates and how fallacious their arguments.

That the result of free coinage would be that the value of the silver dollar, now at a parity with gold, would drop to its commercial value, now about 56 cents, I have not the least doubt. There is not a government in the world to-day where the mints are open to the free coinage of silver that the coin is worth more than the bullion it contains.

This was true in India before she closed her mints. Mexico has free coinage of both gold and silver; her silver dollar contains 6 grains more of silver than ours, and yet to-day you can buy Mexican dollars in New York at 59½ cents a piece and pay for them with our own silver coins.

The free coinage of silver means here, as it has everywhere, silver monometallism. Of all the enemies of bimetallicism none are laboring so industriously and earnestly to destroy it as the advocates of free coinage. It can result in nothing else.

The gentleman from Nebraska [Mr. BRYAN] in eloquent terms

portrayed the glorious results that would accrue to the debt-ridden farmers of the West and the unemployed wage-workers of the whole country when we shall have reached the silver standard. The mistake the gentleman makes, slight though somewhat serious, is in assuming that we would have a standard. There would be no more stability in the price of silver than there is now. When we reach that blissful state it would be necessary for every man with a silver dollar in his pocket to daily ascertain, if he could, what it was worth. As well said by Senator STEWART, the producing classes do not want "to figure upon the exchanges, figure upon the fluctuations, figure upon the gambling in New York," to ascertain the value of their money.

Let us investigate for a moment and see what the real condition of the farmers and the wage-workers will be when the gentleman's silver millennium is reached. I will suppose that next year, and I hope my supposition will come true, Providence will smile upon the people of Nebraska: that it rains will descend in copious showers and at seasonable times; that the storms and cyclones will be confined within their caves; that the grasshoppers will not come to devour their fair fields; that their crops will be so abundant that the sun at his zenith will stop and linger in admiration and wonder a moment on his ceaseless course to the Pacific; yea, more, I will suppose that the farmers of the whole country have been similarly blessed, and that the yield of wheat will be 600,000,000 of bushels.

Four hundred millions will amply supply the home demand; where will the other 200,000,000 bushels find a market? In the gold standard countries of Europe!

Tariff reformer as he is, I presume that the gentleman from Nebraska has not neglected to impress upon the minds of his constituents that the market for the surplus regulates the price at home. The glories of that silver standard are rapidly disappearing. The constituents of the gentleman from Nebraska would still be in the clutches of the "gold bugs."

This is not all; if the transaction ended here the results might not be so serious, but look to the final outcome. We are upon a silver basis. The price of wheat in Europe will be fixed upon a gold basis; exchange will rise and fall in this country as the price of silver falls or rises. Here will be a new element of uncertainty, which will enter into trade. The buyers, knowing this fact, and that there will likely be a fall in the value of their exchange by the time their deal is perfected, will not only calculate against the farmer the risks of handling his wheat or his cotton, but they will also calculate against him a sufficient amount to insure against any risk of loss in money.

The producers will have to bear all the risks and burdens of a fluctuating standard. No nation, as Senator JONES aptly said, "will ever accumulate wealth without an invariable standard."

It was stated by one of the presidents of one of the great produce exchanges of the country that margins were so close that 1 penny a bushel often determined the source of supply of millions of bushels of grain, and yet with our great and growing commerce, we here have seriously presented to us a proposition that will throw into trade an element of uncertainty against

which no man can calculate. To abandon the standard fixed by the great commercial nations of the world is to demoralize and damage our trade beyond comprehension.

Mr. Speaker, there is another class to which I desire to address a few thoughts—the wage-workers of the country. I have received petitions from some of the assemblies in my State protesting against the repeal of the Sherman law and requesting me to support free coinage. My relations with organized labor has been close. The laboring men of my district have always given me a loyal support, and I know that they believe I would not knowingly cast a vote that would in the slightest degree oppress or harm them. Whatever else may have fallen in price as compared with gold, it is an acknowledged fact that wages have not only been maintained, but have increased. It is not, therefore, to be reasonably assumed that under any circumstances there will be an increase in the rates of wages.

How then will the workingmen be affected? To my own satisfaction, and I believe to the satisfaction of every unbiased mind, I have demonstrated that the only effect of free coinage will be a fall in the value of our standard. A fall in the value of the money in which the workingman receives his wages is in effect a reduction of his pay. If silver money should fall to the commercial value of silver bullion it would result in the reduction of the purchasing power of the workingman's dollar nearly one-half. Believing that I could not cast a vote that would so directly and injuriously affect the laboring classes, I shall follow the dictates of my judgment. [Applause.]

Mr. Speaker, it requires no stretch of imagination to see, at a glance, that by the free coinage of silver the whole machinery of trade, of commerce, and of exchange, domestic as well as foreign, because they are so intimately interwoven as to be inseparable, would be thrown into such inextricable confusion and disorder as to completely paralyze all our industries and destroy our prosperity. Think but a moment of the result, and the mind recoils at the conception. This great country, with her matchless resources, inhabited by the most enlightened and progressive people on earth, with a commerce, domestic and foreign, surpassing the wildest dreams of her pioneers, deliberately abandoning the measurement of values recognized by all the civilized nations of the world and chaining herself to the systems of those still lingering in the shades of barbarism.

There is another question which deserves our serious consideration before we take this leap into darkness. A fall in the value of our money, a reduction in the standard of values means a deficiency in the revenues of the Government of at least \$100,000,000. We have outstanding large obligations payable in gold; these must be met according to the terms of the contract, and to do so would require us to raise the additional sum necessary to purchase gold at whatever premium it might command over silver money.

Not only would we need more money for this purpose, but the rise, apparently, in the price of products required to equip and maintain the different departments, especially the War and Navy, would call for an increased amount, and it is safe to say there would be needed not less than one hundred million more.

The revenues of the Government are now barely sufficient to meet our expenditures. If we are to open the doors of our Mints to free silver, we may bid farewell to any reduction of taxes, but prepare to seek additional sources of revenue. This is the very question that drove India to close her mints against free coinage; her money had depreciated until she was no longer able to meet her expenditures, a large part being payable in gold.

The friends of repeal have been charged with being the representatives of the moneyed powers and "gold-bugs" of Europe. It has been said that a conspiracy has been formed to "down" silver. The gentleman from Missouri [Mr. BLAND] was heard to raise his voice in the far-off West when India closed her mints. He was certain that the British Government had forced India to the extremity, and that the Congress of the United States would be the next subject of her attack. Unfortunately for Mr. BLAND'S assumption, it turns out that India wanted to close her mints against silver, but Great Britain would not permit it.

What reasons Great Britain may have for desiring that we should cease coining silver has not been explained. What advantages would accrue to her have not been stated. We have heard nothing but the bare assertion of the fact. Great Britain produces neither silver nor gold in quantities worth mentioning. Her entire product in ten years, I venture, would not amount to a half million dollars. She is upon the gold standard, and has been there for three-quarters of a century. She is content with her monetary system, and is apparently indifferent as to what other nations may do. She pays all of her obligations in gold, notwithstanding the balance of trade is nearly five hundred millions of dollars against her every year.

Why should we fear the gold standard? Above all nations on the face of the earth we should be benefited by it if any would. We produced last year \$33,000,000 in gold, and coined in the same period \$34,787,222. During the past one hundred years we produced \$1,969,693,945 in gold, a sum greater than one-half of the world's supply of gold coin at the present time. If Great Britain and Germany, which practically produce no gold whatever, can adhere to the gold standard, why can not the United States, that produces one-fourth of the world's supply. Not only do we produce gold enough to supply ourselves, but over all nations we produce an abundance of supplies that draw gold from the farthest corners of the earth.

The products of our farms, our breadstuffs and provisions, will command gold when nothing else will secure it. The balance of trade in our favor against Great Britain is more than three hundred millions every year. England and Ireland paid to our farmers in 1891 over two hundred millions of dollars in gold for breadstuffs and provisions. Great Britain has an interest in the result of our action, but we are not her servants; that distinction is enjoyed by others.

In the Brussels conference her delegates had but one proposition to offer, and that was that the European nations should purchase £5,000,000 in silver for five years if the United States would continue to purchase 54,000,000 ounces annually. She was willing to go down into her pocket and assist in purchasing between thirty and forty million ounces of silver if we would but

continue the operations of the Sherman law for the same period. It was a shrewd proposition. Her representatives no doubt calculated that if they could get us into an agreement for five years they would at the end of that time have all our gold, including the balance of the reserve in the Treasury. We not only repel the insinuation but denounce the action of the advocates of free silver with striving to accomplish what the British Government would give a handsome bonus to have done.

It has been argued that the Democratic platform of the last national convention declared in favor of the free coinage of silver, and that the President and his supporters were untrue to their pledges. It is the right of each and every Democrat to construe the platform for himself, and in doing so I acknowledge no authority save my own judgment and conscience. The platform favors the use of both gold and silver as money, but demands that they must be of equal intrinsic and exchangeable value. The convention voted down an amendment proposed by Mr. Patterson, of Colorado, to insert the word "free" before the word coinage. The convention, if it had favored free coinage at all hazards, could easily have said so in a few words.

Whatever may have been the intentions of the convention, there was one act it performed which removed all doubt, and that was the nomination of Mr. Cleveland on the first ballot by a two-thirds vote. His oft-repeated statements, his well-known views, his bold and courageous declarations in the presence of the most alluring temptation placed a construction upon that platform, and thereafter no one could have been deceived. If there is one principle in the Democratic creed for which the party has stood firmly through the storms of criticism and defeat over and above all others, it is the one in favor of sound money.

Mr. Speaker, gentlemen upon the other side of this question, apparently, through the whole of this debate have been unable to distinguish the difference between the gold standard and gold monometallism. Great Britain has a gold standard, but maintains \$100,000,000 of silver money, and coins from eight to ten millions every year. Germany has the gold standard, but maintains \$100,000,000 of full and \$100,000,000 of limited tender silver. France maintains the gold standard with \$700,000,000 of silver.

There is not a nation on earth with a gold standard but what has more or less silver to supply the needs of its people in domestic trade. This cry about destroying silver is all sham. There is a large and useful field for silver, and no warfare is being made upon it. We are told that there is not enough gold in the world to supply the different nations with sufficient money upon which to transact their business. Most assuredly there is not, nor could the business be transacted with gold if there was a superabundance. But there is plenty of gold by which to fix and measure values and adjust the balances between nations. Were it not for the clearing houses in our great cities, the exchanges there could not be transacted with any kind of money, much less gold, to say nothing about silver. They wholly ignore the fact that a standard must first be established; that after that is done an indefinite number of aids and substitutes may be used as measures.

The gold standard does not mean that gold alone shall be used, but that all measures must conform to that standard; silver, paper, drafts, checks, clearing-house certificates, or any other device may be used, but they must be used in such a way as to give exact measure by the standard. We who are contending for the preservation of the gold standard do so because it is the most stable that has ever been discovered and because all the civilized nations of the world have adopted it. I am in favor of the use of all the silver that we can coin and maintain at a parity with gold, of providing for the issue of all the currency that can be floated at par, but not another dollar.

I have no faith in that character of prosperity which comes with cheap money. Money to be of value to the people, to protect the weak against the strong, must honestly measure the results of human toil. I fully agree that the medium of exchange should be ample to enable the people, at the least cost and in the briefest time, to exchange their productions, but an oversupply of money stimulates wild speculations, unsettles credit, and, sooner or later, brings on a collapse.

In my opinion there is not a scarcity of money in the country to-day. We have transacted a much greater commerce and enjoyed the highest prosperity with far less money than we have in circulation now. Our exchanges are made upon a different basis from those of other nations. We could not do business as France does with her \$40 per capita. We have been driven to the use of greater conveniences. Necessarily ours is largely a system of credits based on confidence, hence the greater the importance that we should at all times and under all circumstances maintain a true standard of value.

I have been amused during this debate at the remarks of some gentlemen who have so indignantly scorned the idea that our standard of values should conform to that of the civilized nations of the world. We are a free and independent nation, they say, and therefore should cut loose from the monarchies of the Old World and establish one of our own. We can do this, but it would be well to know that our parachute is in good working order before we try the experiment.

Mr. Speaker, I am not a pessimist, but I look into the future with some forebodings. The minds of the people in many sections seemed to have been turned from the paths of true wisdom. The seeds of paternalism that have been sown broadcast through the land seem to have taken a firm hold in some localities. From every quarter comes the cry, "What is Congress going to do for the people?"

The belief that Congress, by legislation, can produce unlimited wealth, and distribute the same among the people, seems to prevail in every quarter. There is but one way in which a nation can become rich and her people prosperous, and that is by the productions of toil and not by the inflation of values by enlarging the volume of money. We should do our duty fearlessly and the people must do the rest. [Applause.]