SILVER.

SPEECH

OF

HON. THOMAS C. CATCHINGS,

OF MISSISSIPPI,

IN THE

HOUSE OF REPRESENTATIVES,

SATURDAY, AUGUST 19, 1893.

WASHINGTON.
1893.

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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. CATCHINGS said:

Mr. SPEAKER: I shall vote for the unconditional repeal of the purchasing clause of the Sherman law. I shall vote against every proposition which directly or indirectly looks to the free coinage of silver by this country at this time at any ratio that has been suggested. I have not reached this conclusion, Mr. Speaker, except after the most careful and patient reflection and consideration. I represent a constituency which in intelligence and straightforwardness of purpose is excelled by none.

I would be recreant to every duty which I owe them if I had not given this question my most conscientious thought and painstaking investigation. I do not address the House with the hope or expectation that anything I shall say will change the judgment or alter the vote of any gentleman present. I do so simply that I may give to my constituents plainly, frankly, and honestly, the reasons which impel me to assume the position which I occupy upon this question.

It is said, Mr. Speaker, that no man can stand upon the Democratic platform who is not prompt and swift at this time, or any other time and under any and all circumstances, to vote for the free coinage of silver, and that, too, at some one of the ratios named in the special order of business under which we are proceeding. I deny this utterly and absolutely. My Democracy is as good as that of any man on this floor, and I will suffer no man to challenge it or put a taint upon it. It was not declared by the Chicago platform that the Democratic party should at this time or at any other given time vote for the free coinage of silver. That platform is in the following words:

We denounce the Republican legislation known as the Sherman act of 1890 as a cowardly makeshift, fraught with possibilities of danger in the future, which should make all of its supporters as well as its author anxious for its speedy repeal.

We hold to the use of both gold and silver as the standard money of the country, and to the coinage of 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 or be adopted through international agreement, or by such safeguard 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 payment of debts, and we demand that all paper currency shall be kept at par with and redeemable in such coin. We insist upon this policy as especially necessary

for the protection of the farmers and laboring classes, the first and most defenseless victims of unstable money and a fluctuating currency.
We recommend that the prohibitory 10 per cent tax on State bank issues be repealed.

It committed the Democratic party to the coinage of both gold and silver by either of three methods, designating neither as the one which should absolutely be chosen and acted upon. The first method suggested by that platform was the coinage of silver upon such terms as would make the silver dollar equal in value with the gold dollar.

The second method suggested by that platform was the coinage of silver upon some ratio to be agreed upon with the civilized nations of the earth: and the third method was coinage upon some arbitrary ratio, but which should be maintained by suitable safeguards of legislation. In my judgment the first and the third of these methods must, in view of the world's present attitude towards silver, be repudiated as incapable of adoption at this time. I stand myself for the adoption of the second method. And in doing so I am squarely upon the platform adopted by the Democratic convention in 1892.

Much has been said as to the dread fate which will happen to us who do not haste to join those who assume that they are the only true friends of silver. Mr. Speaker, I have just as much respect and just as little respect for a member of this House who would suffer himself to be forced to the surrender of his convictions by threats of that sort, as I have for a gentleman who would attempt by such methods to influence the vote or the action of his colleagues on this floor.

This question is too serious and too far-reaching in its consequences to be determined by such forensic methods as that. I had thought that we were here to exchange views honestly and conscientiously, making suggestions on the one hand and meeting them on the other, so that out of a multitude of counsel there might come wisdom.

But I may be allowed to remark, in passing, that there was another declaration in the platform adopted at Chicago; and it pledged the party to the repeal of the 10 per cent tax on the issues of State banks. I would like to know how it is that some gentlemen are so urgent in requiring that we shall vote at this time for the free coinage of silver, and that upon such terms as they have chosen to prescribe, while at the same time they are disposed to ignore utterly this other plank in the platform.

For myself, I take the whole platform from the beginning to the end of it. I am against the free coinage of silver at this time; I am for the free coinage of silver if we can obtain it under suitable regulations with the nations of the civilized world; and I am for the absolute and immediate repeal of the tax on the issues of State banks.

Mr. Speaker, I know of no better method by which we may safely mark out our future pathway, than by taking into consideration and drawing lessons of wisdom from the events of the past. He is a foolish man, indeed, who will give no heed to the experience of mankind. This is not the first time that the question of a double standard has troubled this country. It was a source of anxiety, of difficulty and embarrassment at the very beginning of the Government, when we had conquered the right to take our place among the great sisterhood of nations, and sought to exercise the sovereign power of coining our own money.

At that time the question of the double standard was carefully considered and debated by the wisest of our ancestors. The range of discussion was not limited to the consideration of the ratio which should be adopted between gold and silver, but was extended to the question as to whether the double standard was capable of being maintained at all. And, sir, I can not impress it too clearly upon those who do me the honor to listen to me, that at that time the theory had not fastened itself upon the minds of the fathers of this country that the Government by its mere declaration could impress a fixed value upon gold and silver, and, by such declaration, maintain a fixed relative value of the one to the other.

Amid the colloquy and the discussion then elicited we find that there was absolute agreement that no ratio could be maintained unless it were based entirely and unequivocally on the commercial value of the two metals.

The theory now so loudly advanced that we can by mere fiat of law establish a ratio which will remain, regardless of the real value of the metals, is of modern invention.

It was agreed by Mr. Jefferson, by Mr. Hamilton, and by Mr. Morris that if the double standard was to be attempted at all, it should be predicated of a ratio to be fixed by the commercial or market value of the two metals. And it was so well recognized then that from the inherent nature of things the relative value of the metals would fluctuate, whereby any ratio that might be fixed might fail, that Mr. Morris was in favor of abandoning the double-standard idea altogether, and putting the country absolutely and at once on a silver basis, by making silver alone the standard of value. It was his judgment, although at that time and for many years preceding there had been but slight variation in the commercial value of gold and silver, that it was not possible for the Government to fix a stable ratio for the coinage of the two metals.

Mr. Jefferson and Mr. Hamilton were by no means certain that any ratio that might be fixed could be maintained, but they agreed that under the conditions then prevailing it was best to try the experiment; and so, after much research and reflection, they settled on what they believed to be the commercial or market value of the two metals and fixed the ratio at 15 to 1, which meant that 371¼ grains of fine silver were assumed and declared to be the equivalent in value of 24¾ grains of fine gold.

What I have stated is history. There is no theory involved in it. You may all learn it for yourselves if you choose to read the history of the country in that regard; and, Mr. Speaker, I shall state nothing in this connection which depends on theory. My experience in this world has been that ninety-nine out of every one hundred theories fail to square with the facts, and that after being dallied with and tossed about from time to time, to the amusement of those of a speculative turn of mind, they have been abandoned and tossed aside as worthless rubbish.

It turned out, notwithstanding the care and patient consideration that had been given to this question of fixing a ratio between gold and silver, that the wise statesmen to whom I have referred had committed an error. It was not a large one, but still it was an error. It appears that gold was worth a little more than they had supposed it to be. Their ratio was wrong; not very much out of the way, but enough out of the way to make it to the interest of the men who held gold bullion not to have it coined into dollars.

It was soon discovered by brokers and those who were shrewd in matters of trade, that the owner of 24¾ grains of fine gold could go into the market and with it purchase more than 371¼ grains of fine silver. It was not to his interest, therefore, to have his gold coined into dollars. If he wanted money, he bought silver dollars with his gold bullion, or bought silver bullion with it, and then took the silver bullion to the mint and had it coined into silver money.

The owner of gold saw that he could make a profit of 4 or 5 cents on every 24¾ grains of fine gold by withholding it from the mints and exchanging it in the form of bullion, for silver bullion, and having the latter coined. The natural and inevitable result was that gold ceased to go to the mints at all, and the country, while having, so far as law could make it so, a double standard, in fact was on a silver basis pure and absolute. By the simple and inexorable rule of common sense that makes men do those things that are most beneficial to themselves in matters of business, the law prescribing a double standard was overthrown, and a single standard of silver set up in its place.

Theory said that we had the double standard and that gold was worth exactly fifteen times as much as silver, because the act of Congress had so declared. Facts said that the act of Congress was a lie, because in the markets of the world gold was worth more than fifteen times as much as silver, and because, as a consequence thereof, gold was keeping away from the mints, where it was undervalued, leaving us with nothing but silver money and a silver standard. In that conflict between theory and facts, theory went to the wall and facts triumphed. In such a conflict so it has ever been, and so it will ever be until the end of time.

So completely and rapidly was the country settling down to a silver basis that Mr. Jefferson became alarmed, and, for the purpose of arresting the conditions prevailing, issued his proclamation in 1805, forbidding the further coinage of silver. He had no warrant of law for this, but felt that the gravity of the situation justified the step. Matters then drifted along in such confusion that, practically, neither gold nor silver was coined, and in order to reinstate the double standard, it became necessary to fix a new ratio of value between the metals.

The matter underwent very considerable investigation and discussion, and the trouble arising from the constant liability to fluctuation in the relative value of the two metals was fully recognized. There was no excitement and angry discussion at that time to warp or obscure men's judgments, and the work of devising the means by which gold would be induced to again come to the mints for coinage was seriously considered. Mr. Benton, who took part in the discussion, says:

> The difficulty of adjusting this value so that neither metal should expel the other had been the stumbling block for a great many years, and now this difficulty seemed to be as formidable as ever. Refined calculations were gone into; scientific light was sought; history was rummaged back to the times of the Roman Empire, and there seemed to be no way of getting to a concord of opinion, either from the lights of science, the voice of history, or the result of calculations.

The ratio of value between the metals was by the act of 1834 finally changed from 15 of silver to 1 of gold to 16 to 1. By this alteration it soon appeared that the situation became exactly reversed. The new ratio undervalued silver, for it soon became evident that gold was not worth sixteen times as much as silver. The very same self-interest that had kept the owner of gold from taking it to the mints to be coined under the ratio of 15 to 1 now kept the owner of silver from taking it to the mints to be coined into dollars. He could, with the bullion required to be put into a silver dollar, go into any market where gold was sold and purchase more gold bullion than was required to be put into a gold dollar. He would therefore have lost by the operation of having this silver bullion coined into dollars, and of course he did not do it.

If he wanted coin he bought gold coin or bought gold bullion with his silver bullion, and had that coined. The great gold discoveries of the world, beginning with California about 1848, made gold so plentiful that silver, at the ratio of 16 to 1, continued to be more valuable than gold until the year 1874, and the natural and inevitable consequence was that it was practically driven from our coinage. As the owners of silver bullion could not, without suffering great loss, have it coined into dollars at the ratio of 16 to 1, our mints were as effectually closed against silver as though its coinage had been expressly prohibited by law. Again, gentlemen, I desire to say that I am not indulging in theory. I am stating facts that any man can delve out of history for himself.

From the establishment of our mints to 1878 little more than $8,000,000 of silver were coined, and these were melted down in time and exported as bullion. This inevitably resulted from the undervaluation of silver by the act of 1834, which made it unprofitable to coin silver at our mints. A very considerable quantity of half dollars, quarter dollars, and dimes were coined; but, as the bullion contained in two half dollars, or four quarters, or ten dimes was worth more than the bullion contained in a gold dollar, it was found profitable to melt them down and sell the bullion.

Nothing but the necessity for small change had caused them to be coined, and the same necessity led to the passage of the act of 1853.

In order to keep our small coins from being melted down and exported, as they had been because of the undervaluation of silver in the act of 1834, the act of 1853 reduced the amount of silver in them so that a dollar in such money would be intrinsically less valuable than a gold dollar; and to compensate for this depreciation in value, they were declared to be a legal tender only to the amount of $5.

But we search in vain for an act of Congress reducing the ratio and placing a just value upon silver, so that its coinage could be resumed without loss to the owners of silver bullion.

During all these years the mints and coinage laws of France and other countries admitted silver at the ratio of 15½ and 15 to 1, and practically all of our silver bullion and silver dollars, that did not go into our coinage as small money or change, found their way to those countries whose ratio placed the true value on silver, and did not underrate it as ours did.

I am led here to call attention to the utter want of foundation for the charge so constantly and vociferously made, that this country, up to what is erroneously called the demonetization act of 1873, was devoted to the use of silver as a money metal.

As soon as it was discovered that by the ratio of 15 to 1, which, as stated, undervalued gold, silver was becoming our standard, steps were promptly taken to reverse the situation and make gold the standard, by raising the ratio so as to undervalue silver, and thereby debar it from our mints. If it be said that this was not the actual purpose of the act of 1834, it can not be denied that when it became known that its effect was to shut out silver, the act was deliberately allowed to remain.

While the law as to small money was altered by reducing the amount of silver in it for the avowed purpose of keeping it from being melted down and exported, not a voice was raised in favor of reducing the ratio so as to make it again possible to coin silver dollars without a loss. It was perfectly known that silver was fleeing our shores, and yet no hand was lifted to stay its flight.

Men are presumed to intend to do those things that naturally or necessarily follow their acts. This rule is so just and in such accord with human nature and human action that it has been adopted as a maxim of law which every court in the land daily recognizes and enforces.

When men now, in the excitement and enthusiasm of free-silver oratory, proclaim that we have turned from the paths that our forefathers trod, they may be answered by the truth of history, which is, that from 1805, when Mr. Jefferson placed his iron hand upon the throat of silver, until the Bland act of 1878, our legislation had been framed in a spirit of hostility to silver. Under that legislation, not only was the further coinage of silver prevented, but even that which had straggled into the mints and come out in the form of dollars was degraded, melted into bullion, and exported from our shores. The hand of vandalism was even laid upon our subsidiary silver.

During this period of silver's overthrow and degradation those who represented us in the Halls of Congress sat with sealed lips and motionless hands and suffered the silver mined in this country to leave our shores and seek refuge in the mints of other countries. From this review of our legislation no other conclusion is left, but that the country was satisfied wfth the gold standard indirectly erected by the coinage law of 1834 and preferred to let silver go.

Until silver coinage was begun in 1878, under the provisions of the law commonly known as the Bland act, we had substantially no silver dollars in circulation. Our silver money consisted of small money and a limited quantity of foreign coins.

Gold was the standard of value and, supplemented by notes issued by State banks, constituted our medium of exchange. As the direct result of the discrimination against silver under our coinage laws, while $816,904,807 gold dollars had been coined up to 1874, we had coined but $8,045,838 of silver, and they had not been in circulation for twenty-five years. During that period there was no agitation of the people for a change in our laws that would undo the discrimination against silver and admit it to our mints; we had an abundance of money and great prosperity among all classes of our people: and the gold standard resulting from our coinage laws was acquiesced in by all. The plain truth is we had no silver money aside from small change, and did not want it.

Again, gentlemen, I am not dealing in theory. Again I am telling you simple facts, which any man may ascertain for himself by reading, as I have done, and facts which no man has disputed on this floor, and which no man will dispute.

Mr. DAVIS. Will the gentleman allow me to ask him a question?

Mr. CATCHINGS. Yes.

Mr. DAVIS. Had we not in circulation foreign silver, and did we not invite the circulation of foreign silver by making foreign coin a legal tender, and in that way get circulation without coining?

Mr. CATCHINGS. That was done, and it had the effect of giving us a small amount of foreign currency. But even that foreign currency was not admitted here in accordance with its nominal value. The value at which it was to be received was fixed by law; and even then, as I recollect, its entry into circulation came about almost entirely through purchases of the public lands and payment of public dues.

Mr. DAVIS. I will ask the gentlemen whether Spanish milled dollars, which contained 371¼ grains of silver, were not adopted as a standard?

Mr. CATCHINGS. That is true, but the reports will show that there was only a very small amount of foreign money in this country at the breaking out of hostilities between the States in 1861. If I am mistaken in this I invite any gentleman to get the statistics and dump them into this House, so that they may be seen and read by all.

Mr. LIVINGSTON. May I suggest to the gentleman, with his consent, that we provided by law for the minting of foreign coin from January, 1874, for seventy years previous, repeatedly.

Mr. CATCHINGS. What do you mean by minting?

Mr. LIVINGSTON. Coining for foreign nations silver and other money.

Mr. CATCHINGS. That has nothing whatever to do with the proposition. It is wholly foreign to this issue, and I must be excused for not suffering myself to be diverted from the main question to be argued.

Now, Mr. Speaker, let us come to the next act of Congress relating to silver. Before examining that, however, let us rapidly review the situation and state of our currency as it was pending the war between the States, and for some years thereafter. The emergencies of that great war made it necessary that there should be a large issue of paper money. And the uncertainty of that conflict was such that that paper money was at a discount. It did not circulate anywhere in the whole United States at its nominal value.

Now, gentlemen of the House, what happened then? Why just what any man of sense would have foretold, just what has happened under similar circumstances since the world was made, and just what will happen whenever similar conditions prevail. The gold and silver coin of this country went as absolutely out of sight as if it had been gathered into a mass and dumped into the middle of the Atlantic Ocean; and there was not a man during those long years who laid his eyes upon one gold dollar or one silver dollar—not one, and until we had resumed specie payments in 1879 there was no coin, either of gold or silver, in circulation. Greenbacks were at a discount, and the gold in the country either went abroad or was bought and sold as a mere commodity.

We had no coin in circulation, because a man would have been a fool who would have taken his gold or silver with which to effect his business transactions or pay his debts, when he could have done the same thing with depreciated paper money. Here is a most striking illustration that it is impossible, in the very nature of things, so long as human nature is constituted as it is, to circulate side by side two kinds of money, one good and the other bad. The dearer money is always withdrawn from circulation, and usually leaves the country, as silver fled from our shores after the act of 1834.

This is the principle underlying what is spoken of as Gresham's law; but that law was not an invention of Gresham. It is not a theory; it simply expresses a practical truth, which the humblest man understands as well as Gresham did, and upon which the humblest man instinctively bases his conduct as quickly and certainly as the most learned. Gresham's law is merely a clever definition of one characteristic of human nature, and it is a law which can never be altered or repealed. It operates by day and by night and from century to century, as changelessly as the revolving planets, and it will so continue until this world itself shall be no more.

The next act relating to silver is that of 1873, which is often erroneously characterized as an act demonetizing silver. It did not demonetize a dollar of silver on the whole globe. Certainly it did not demonetize any American silver, because, as already shown, there was none to demonetize. We had no silver in this country in 1873, except our small coin, and the law under consideration had no relation to that. The act of 1873 simply dropped from the list of coins which the mints were permitted to produce the silver dollar; but it had no relation whatever to our halves, quarters, dimes, and half-dimes; and it had no effect upon our silver dollars because we had no silver dollars. But it did do this: It prevented the further monetization of silver in this country, except for token or subsidiary money.

Mr. PATTERSON. Is it not a fact that it was not the act of 1873 that dropped the silver dollar from the coinage, but was the act of 1874?

Mr. CATCHINGS. Perhaps you are correct about that. But it is immaterial to the line of argument I am making whether the silver dollar was dropped in 1873 or 1874. My impression is that it was dropped by the act of 1873; but I will accept the correction of my friend and place it in 1874, though all I have said remains just as pertinent to my argument.

Mr. ALLEN. I think you had better stand by the first position.

Mr. CATCHINGS. Mr. Speaker, I do not believe that the act of 1873 had any material effect upon the price of silver at that time, because, although it closed our mints against the standard silver dollar, an enormous use of silver by this country set in contemporaneously with the passage of that act. Provision had been made for the coinage of what was called the "trade dollar," to weigh 420 grains, which it was thought would be useful for shipment to China and Japan and other Eastern countries, and tend to facilitate our commerce with them. At the same time we began the coinage of large quantities of fractional silver to take the place of the fractional paper currency then in use.

So that from January 1, 1873, to March 1, 1878, we coined $31,715,960 (trade dollars), and in subsidiary coins, $48,831,912. This was more than the total coinage of silver for thirty years previous. Followed as it was by this enormous coinage, I am disposed to think that the act of 1873 had little, if any, effect upon the price of silver. I am confirmed in this belief by what my distinguished friend, Mr. BLAND, said in a speech delivered in this House on March 22, 1892, viz:

> Until the very day that she (meaning France) suspended or limited the coinage of silver, silver bullion was at a par with gold bullion everywhere. The moment the French mint put a limitation upon the coinage of silver, that moment it began to fall, and not till then. There was, it is true, a slight depreciation before, but it was so slight as to hardly occasion notice.

The trade dollars, from some cause, were not acceptable to the people of China and Japan, and having failed to effect the purpose they were intended to accomplish, were taken up by the Government, melted down, and recoined into standard dollars.

Before considering the Bland act of 1878, which comes next in sequence, it will be profitable to take a cursory view of what was going on about that time in other countries with regard to silver. It must be remembered that during all these years of which I have been speaking the mints of France and of all the States of the Latin Union, composed of France, Spain, Belgium, Italy, Greece, and Switzerland, had been thrown wide open to the reception of the world's silver bullion. It must also be remembered that Scandinavia, Germany, Austria-Hungary, Holland, and the Dutch East Indies not only coined silver freely, but discriminated against gold and excluded it from their mints. So that here were all the civilized nations of Europe, except Great Britain, receiving silver with open arms, and some of them even extolling and lauding it above gold.

But there came a cataclysm, so far as silver was concerned, with the ending of the great struggle in 1870–1871 between France and Germany. One of the results of the great victory which had come to the arms of Germany was the payment by France of a war tribute or indemnity of about $1,000,000,000 of gold. The mighty Empire created by the consolidation of the German states, flushed with victory and strengthened by this large mass of gold, at once became seized with the ambition to place itself upon a pinnacle of commercial greatness as lofty and commanding as that of Great Britain, and to that end the great statesmen who shaped its policies resolved that it should follow the example set by England in 1816, adopt a gold standard and close its mints to the further coinage of silver.

As part of the process which Germany was obliged to pass through in order to accomplish this ambition, her great mass of silver thalers, which had been accumulating for years, had to be disposed of, so they were thrown upon the markets of the world, and offered for sale as bullion. This action of Germany created consternation among the silver-using nations of Europe. So great a stimulus was given to the flow of silver into those countries whose mints remained open to it that in less than six months after this action of Germany, and before it had sold one-tenth of its silver, the coinage at Brussels and in France sprang from 38,000,000 francs in 1871 and 1872 to 235,000,000 in 1873.

To escape from this deluge of silver which threatened to engulf them and to drown their industries by the blighting effects of a demoralized and depreciated currency the States of the Latin Union were hastily convened in 1874 and steps taken to prevent the further uprising of the silver flood. It was agreed by those States that they would limit the coinage of silver for twelve months. They hoped that by that time the confusion, which had been set on foot by the action of Germany, would subside so that they could return to their first love, and deal freely and affectionately with silver as they had always done. Disappointed in that, the limitation agreed upon was extended for another year, and for another, and another, until 1878, when the wise men of those nations saw that these changed conditions had come to stay, and then, and then alone, did they abandon all hope and absolutely close their mints to the further coinage of silver, except as to subsidiary coin.

Holland also took fright, and in 1873, to save itself from the silver deluge threatened, suspended the coinage of silver.

After vainly hoping and waiting for a reaction which would permit its mints to be safely opened to silver again, it gave up the contest in 1875, and adopted the gold standard, with a prohibition against silver coinage, except of token or small money.

Austria-Hungary held out until 1879, when, seeing that silver had fallen from $59\frac{1}{4}$ pence in 1873 to $51\frac{1}{4}$ pence, it closed its mints to the coinage of silver on private account, but continued to coin at its own discretion until 1891. In 1891 it resolved to adopt a gold standard, thus abandoning silver coinage altogether, except for subsidiary coin.

For the same reason Scandinavia in 1873 adopted the gold standard, and its silver is only subsidiary currency. India held her mints open to silver until July of this year, although her rupees had depreciated until they were worth little more than one-half of their face value.

The action of these countries can not be imputed to hostility to silver. Certainly it does not lie in our mouths to impute such a motive to them. On the contrary, they had been steadfast friends of silver when we were its enemies and had kicked and spurned it from our shores, and had only abandoned it after a vain and hopeless struggle in its behalf. They realized the truth of the principle announced by Jefferson and Hamilton, when, in 1792, they were considering the ratio to be adopted between gold and silver, namely, that "the proportion between the value of gold and silver is a mercantile problem altogether."

Germany having adopted the gold standard and thrown silver overboard, it was evident to them that the value of silver must fall.

The demand for silver was reduced by just the amount which Germany, while coining it, had been using, or would have been likely thereafter to use.

The value of silver was not only lessened by this diminished demand, but by the glutting of the markets with the share of silver which Germany thus threw upon other countries and by the $300,000,000 of silver coin it had offered for sale. Contemporaneous with this action of Germany there came an enormous increase in the output of silver. These countries knew that they could not maintain silver at a value above its mercantile price and that if they kept their mints open to silver their silver money would fall in value just as silver bullion should fall. So that all things seemed to combine to drive down the price of silver from that which it had so long maintained.

Now, I am not a theorist. I have been accustomed all my life to ascertain what were the real facts, those about which there could be no possible doubt, and then I have tried to apply to those facts when definitely ascertained the plain, simple methods of reasoning which suggest themselves to the mind of any man of ordinary sense. And by that sort of reasoning, given these facts, that all the silver-using States had shut their mints to silver and that there had come about this enormous increase in the world's output of silver, I have been simple enough to believe that in them is to be found the cause of the fall in the price of silver.

But, Mr. Speaker, we are told (and it has been said here repeatedly) that for seventy years prior to 1873 the mere fact that France had coined silver freely at a ratio of 15½ to 1 had kept the price of silver stable relatively to gold. I confess my inability to accept that proposition. No doubt the coinage laws of France added value to silver bullion and gave a steadying influence upon its price, but the real cause which upheld silver during all those years lies plainly on the surface.

The ratio of 15½ to 1 continued up to 1873 to fairly represent its market or commercial value. You may follow the price of silver back during those seventy years, and you will find that during all that time the actual market price of silver had remained substantially about the same. But that market price was broken when the action of Germany diminished the demand for silver, just as the market price of anything is always broken by diminution of demand. And when to diminished demand there was added increased supply, the price was necessarily driven lower still.

I have not been able to bring myself to the belief that an enactment by this Government or any government can fix a definite value to silver. The argument is, that if you are allowed to take your silver to a mint and have it coined into dollars, your bullion is necessarily equal to the nominal value of the dollars into which you are permitted to have it coined.

Why, sir, just the reverse of that proposition is true. There can be no doubt of this: that with mints open to the free coinage of silver, silver bullion is just as valuable as the silver dollars into which it can be coined; but the effect is that the value of the silver dollar under those conditions is dragged down to the market value of the bullion, not that the value of the silver bullion is lifted up to the legislative value of the silver dollar.

All experience has demonstrated the truth of this proposition. The argument that if we open our mints to the free coinage of silver on a fixed ratio the value of silver bullion will at once be raised to the valuation so assumed by law seems to be based upon the following careless and illogical statement made by the British commission of 1888:

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

If this proposition is sound, then it might as well be said that we could take copper or tin in place of silver, provide for its coinage into dollars, declare that they should be converted into coin which should have full legal-tender power at the ratio of 15½ of copper or tin to 1 of gold, and thereby "affect the price of (copper or tin) in the market generally, whoever the purchaser and for whatever the country it was destined." According to this doctrine it would enable the seller of copper or tin "to stand out for a price approximating to the legal ratio, and would tend to keep the market steady at about that point."

If the proposition of the British commission is sound, it will cover copper or tin as well as silver, and yet no sensible man believes that they can be raised in value by free coinage of them so that gold shall only be worth fifteen and a half times more.

The proposition commits the unpardonable fault of wholly leaving out of consideration the market or commercial value of silver.

Let us now see what was the effect of the action of those states that closed their mints to the further coinage of silver? Their silver money was kept at a stable ratio with gold because by closing their mints they gave to their silver money greater value than that possessed by silver bullion; that is to say, their silver money, in addition to its bullion value, had a value springing from the use to which it could be put in effecting exchanges of commodities and in satisfying debts.

It was the closure of the mints of those countries which maintained the value of their silver money, and it is also because we have not had free coinage of silver that we have been able to uphold our silver coin in the face of the tremendous downfall in the price of silver bullion.

But take the case of India, which pursued the contrary policy. India suffered its mints to remain open to the free coinage of silver, notwithstanding the action of Germany in 1873, and that of the other countries named, and it is the only country on the face of this earth assuming to have relations to any extent with the civilized world that did so. And there, as the natural and necessary result of a policy which placed its money and silver bullion upon the same level, we see that its silver money has gone down, and down, and down, just exactly as the price of silver bullion has.

Now, gentlemen, here are two illustrations. You can take them and draw your own conclusions. I repeat that experience has proven that when you have free coinage of any metal your coined money can not be worth any more than your bullion, and will fall to the value of bullion. I say that when you have not free coinage your coined money has a greater value than your bullion, because it has the bullion value and also the additional value given it, as I have suggested, by the use that can be made of it in the exchange of commodities and in paying debts.

The facts stated by me can not be disputed, and if my deductions from those facts are sound I would like some gentleman to tell me why we would not have the experience of India repeated here should we have free coinage. If we should throw our mints open to the free coinage of silver, and admit the whole output of the world, I see no reason why that experience would not be repeated here, driving down the value of our silver dollars to a correspondence with the value of silver bullion.

If France and other countries that had long been accustomed to the use of silver had believed that the ratio of 15½ to 1 had been maintained prior to 1873, as is contended here, either by force of legislative enactment or because the right to coin bullion at that ratio made it have the value assumed by that ratio to belong to it, does any gentleman suppose that they would have altered their laws so as to suspend free coinage? Their action in limiting coinage from year to year before finally abrogating it entirely in 1878 shows that they abandoned silver with extreme reluctance. It is perfectly clear to my mind that they closed their mints to silver because they foresaw a fall in silver and knew that if they did not do so all their silver money would depreciate in value correspondingly. Silver did fall from a ratio of 15.92 to 1 in 1873 to one of 17.94 to 1 in 1878, when the Latin Union abandoned silver coinage entirely, and to 18.40 to 1 in 1879, when Austria-Hungary closed its mints to private coinage.

But the depreciation in value of their silver money would not have been the only injury resulting to these countries from free coinage. Upon the principle heretofore mentioned, as expressed by Gresham's law, when their silver coin had become depreciated, their gold coin would have withdrawn from circulation; for man's self-interest will always prompt him, where there are two kinds of money, one being better than the other, to use the cheap money and hoard or sell the other.

In passing from this phase of the question, I will remark that it is not to be supposed for a moment that the tremendous fall in silver that has continued from 1873, when the mercantile ratio with gold was 15.92 to 1, until now, when it is 28 to 1, has been caused alone by the action of other countries in abandoning the coinage of silver. The discovery of new mines, and of modern processes for treating argentiferous ores, and increased transportation facilities, have enormously augmented the world's output of silver. In 1873 it was 63,267,000 ounces, while in 1892 it was 152,061,800 ounces.

Gentlemen in discussing this question have pointed to the fact that we are now maintaining an immense amount of silver money at par with gold; and by some sort of mental obtuseness they seek to build on that an argument that if we open our mints to the free coinage of silver we can still maintain this parity between the two metals.

I can tell you, sir, why the silver dollar is as good as the gold dollar with us. It is because ours is a great nation, stirred by ambition, and boastful of its credit, and every man feels it in his heart that this great and proud people do not intend to let any money which they may issue be debased and degraded in the estimation of the world.

Every man who takes a silver dollar knows that we will redeem it and that it will be kept as good as gold, even if it be necessary for the Government to enact a law that will drag gold from the uttermost corners of the earth to maintain the value of that dollar. That is the reason. It is the faith of the people in the Government itself. It is the same faith which makes our three hundred and forty-six millions of greenbacks pass current in this country with gold.

If I am mistaken in this, and if it be true, as has been claimed by gentlemen, that these silver dollars pass current according to their own value, notwithstanding the fact that every man who takes one knows that he possesses in that silver dollar but 56 cents worth of silver, then this parity of value must be because there is a conviction or belief on the part of the people that the other 44 cents of apparent value has been added to it in some manner by legislative enactment. That is to say, that we have 56 cents in silver in actual value, and 44 cents of added value based entirely upon a declaration of law. That is fiat money doctrine pure and simple.

But if it be true, as gentlemen say, that this Government, by legislative fiat, can add 44 cents to the value of a silver dollar, why, let me ask, should we tax the people to purchase the 56 cents' worth of silver contained in it? Could not the Government just as well take 40 cents' worth, or 30 cents, or 10 cents, or no cents worth of silver, and make it answer the purpose of a dollar just as well, if legislative enactment can do so much? Why not abandon silver altogether and turn our printing presses loose? It would be better and it would be cheaper. And then it would be decidedly more expeditious.

I am advised by those competent to give information on the subject that our mints can only coin $50,000,000 or $60,000,000 annually. But with the printing presses thoroughly greased and kept regularly at work, the Lord only knows how many billions upon billions of just as good money as our 56-cent silver dollars are we could turn out in the course of a year. [Laughter.]

Mr. Speaker, I am not jesting upon this subject. I am simply taking the arguments which gentlemen have offered here and following them out to their legitimate conclusion. Therefore, I say that if it is within the power of Congress by legislative pronunciamento to add 44 cents value to every dollar coined of silver in this country there is no reason why we can not just as well add 100 cents of value to a piece of printed paper and save to the people the expense of purchasing the 56 cents' worth of silver contained in our dollars.

The simple truth is our silver dollars do not pass for 100 cents upon their merit, but are upheld by the faith our people have that the Government will keep them at par with gold regardless of their real value. They are merely regarded by the people as obligations of the Government, just as greenbacks are, and are received by them just as they receive greenbacks.

Let us now consider the act of 1878, commonly known as the Bland act. It required the Secretary of the Treasury to purchase at the market price not less than $2,000,000 worth of silver bullion per month, nor more than $4,000,000 worth, and cause the same to be coined into silver dollars at the old ratio of 16 to 1, and the dollars so to be coined were made a legal tender at their nominal value for all debts and dues, public and private, except where otherwise expressly stipulated in the contract.

The market thus assured to silver bullion, was a great stimulus to its production. In 1877, the year before the passage of this act, the output of American mines was 30,783,000 ounces. By 1890, when the Sherman law was passed, it had increased to 50,000,000 ounces. During this period the Government had bought altogether 291,292,019 ounces, at a cost of $308,199,261, and had coined the same into standard dollars, worth nominally $378,166,793.

The difference between the cost of the bullion and the nominal value of the dollars into which it was coined is $69,967,532.

It may be remarked here that the magnificent sum represented by this difference, under free coinage, would have gone into the pockets of the mine-owners instead of into the Treasury for the benefit of the whole people. I want some man to tell me why we should have opened our mints to the free coinage of siver, and thereby put this $69,967,532 into the pockets of the mine-owners instead of putting it into the Treasury for the benefit of the whole people.

Notwithstanding the enormous quantity of silver bullion purchased by this Government during this period, and although the mints of India were open to silver and absorbed vast amounts, its price steadily fell from a ratio of 17.94 to 1 in 1878 to 22.10 to 1 in 1889.

In July, 1890, the act commonly known as the Sherman law was passed.

It directed the Secretary of the Treasury to purchase from time to time silver bullion to the aggregate of 4,500,000 ounces in each month, at the market price, and issue in payment therefor Treasury notes, in such form and such denominations as he might prescribe.

The Secretary was required to "redeem such notes in gold or silver coin, at his discretion, it being the established policy of the United States to maintain the two metals on a parity with each other upon the present legal ratio, or such ratio as may be provided by law."

Under that law he has purchased, up to August 1, 160,157,168 ounces, paying therefor $149,661,211.

The present value of the same, being estimated at 72½ cents per ounce, is $116,113,947, showing that the Government has lost by this transaction $33,547,264, and yet in the face of this fact there are gentlemen who hesitate about striking down such a monster of wrong and absurdity as this law. There have been issued in payment for this bullion $148,286,348 of Treasury notes. Of the bullion bought, 27,911,182 ounces were coined into dollars of the nominal value of $36,087,145.

The difference between the cost of the 27,911,182 ounces so coined and the nominal value of the dollars into which they were coined is $6,977,069.

We now have 130,461,034 ounces of bullion stored away in the vaults of the Treasury, which, according to the Director of the Mint, it would take four or five years to coin.

Mr. HUTCHESON. Since 1861 the world has never had less than $175,000,000 of metal coined. It has approached now $325,000,000. The whole product of gold is $130,000,000. Now, conceiving that every dollar of gold would be coined into money, are you willing to turn the hand of time back and make the total fifty millions less than it was in 1862 in coined money; and, if not, with what will you supplement the gold coin?

Mr. CATCHINGS. My distinguished friend has overlooked the fact that the hand of time is forever turning forward, and that I am protesting against any action that will interrupt its forward movement. He has forgotten that there has been a great evolution in the methods by which the world transacts its business. He does not take into account that it has been demonstrated time and again that the medium of exchange in this country no longer consists mainly of gold or silver dollars, nor of greenbacks, nor of national bank notes, nor of anything commonly regarded as money; that all these constitute but the smallest part of our medium of exchange, which besides them includes credits on account, bank credits, checks, bills of exchange, clearing-house associations, and all those devices by which the use of money is economized and the exchange of commodities facilitated to a degree which was never dreamed of in the years to which the gentleman would refer me.

Why, Mr. Speaker, the reason the world does not take this silver is because the world does not want it except in limited quantities. The world to-day, notwithstanding what its laws may proclaim, and notwithstanding their legal-tender quality, regards our silver dollars as little more than subsidiary coin, or token money. It treats them practically as it does our half-dollars and quarter-dollars, and it wants them to little more than the same extent.

Our silver dollars are no more fitted for the transaction of other than business of the smallest nature than our subsidiary money is. They are too bulky and heavy to be used except in small quantities. Who ever heard of a large sum being paid in silver? The truth of what I state as to the very limited use that the country will make of silver dollars, is attested by the fact that we could not keep them in circulation among the people, except to a very small degree, when their coinage was begun under the provisions of the Bland act.

The country soon became surfeited with them, because the use that could be made of them in business transactions, because of their bulk and weight, was circumscribed, just as the use is that can be made of subsidiary money, which we commonly speak of as change. Our silver dollars were used to a considerable extent during certain seasons of the year, but during most of the year they were lying idle in the Treasury, to which they had returned because no use could be made of them in business. To remedy this condition, we provided in 1886 for the issuance of silver certificates of the denominations of $1, $2, and $5, to be put in place of silver dollars, themselves deposited in the Treasury.

While the silver dollars themselves could not be kept in circulation beyond a very limited amount, these small silver certificates were eagerly taken and freely used, because they are convenient to handle. They circulate, not upon the faith of the silver dollars against which they are issued, but upon the general faith of the people in the power and purpose of the Government to keep them good, just as greenbacks and national bank notes are taken. An inspection of the monthly statements of the Treasury Department will show that nearly the whole use that we make of our legal-tender silver money is through the medium of silver certificates, and that a comparatively small number of silver dollars are kept in circulation. But for the use of these silver certificates there can be no doubt, I think, that the great bulk of our silver dollars would remain idle in the vaults of the Treasury.

Mr. HUTCHESON. Then you propose to put credit in the place of money?

Mr. CATCHINGS. What I propose is not to strangle the efforts of the people of this country to transact their business in accordance with modern processes, whatever they may be, and which are constantly changing and developing with the experience of mankind.

I will now call the attention of my friend to the case of France. While the distinguished gentleman from Tennessee [Mr. PATTERSON] was speaking, a day or two since, the Delegate from Utah [Mr. RAWLINS] asked him why this country can not maintain $19 per capita of silver as France does.

I hold in my hand this statement to-day issued by the Treasury Department:

Monetary systems and approximate stocks of money in the aggregate and per capita in the principal countries of the world.

Countries.	Monetary system.	Ratio between gold and full legal-tender silver.	Ratio between gold and limited tender silver.	Population.	Stock of gold.	Stock of silver.			Uncovered paper.	Per capita.			
						Full tender.	Limited tender.	Total.		Gold.	Silver.	Paper.	Total.
United States	Gold and silver	1 to 15.98	1 to 14.95	67,000,000	$604,000,000	$538,000,000	$77,000,000	$615,000,000	$412,000,000	$9.01	$9.18	$6.15	$24.34
United Kingdom	Gold		1 to 14.28	38,000,000	550,000,000		100,000,000	100,000,000	50,000,000	14.47	2.63	1.32	18.42
France	Gold and silver	1 to 15½	1 to 14.38	39,000,000	800,000,000	650,000,000	50,000,000	700,000,000	81,402,000	20.52	17.95	2.09	40.56
Germany	Gold		1 to 13.957	49,500,000	600,000,000	103,000,000	108,000,000	211,000,000	107,000,000	12.12	4.26	2.16	18.54
Belgium	Gold and silver	1 to 15½	1 to 14.38	6,100,000	65,000,000	48,400,000	6,600,000	55,000,000	54,000,000	10.66	9.02	8.85	25.53
Italy	do	1 to 15½	1 to 14.38	31,000,000	93,605,000	16,000,000	34,200,000	50,200,000	163,471,000	3.01	1.62	5.27	9.91
Switzerland	do	1 to 15½	1 to 14.38	3,000,000	15,000,000	11,400,000	3,600,000	15,000,000	14,000,000	5.00	5.00	4.67	14.67
Greece	do	1 to 15½	1 to 14.38	2,200,000	2,000,000	1,800,000	2,200,000	4,000,000	14,000,000	.91	1.82	6.36	9.09
Spain	do	1 to 15½	1 to 14.38	18,000,000	40,000,000	120,000,000	38,000,000	158,000,000	100,000,000	2.22	8.78	5.56	16.56
Portugal	Gold		1 to 14.08	5,000,000	40,000,000		10,000,000	10,000,000	45,000,000	8.00	2.00	9.00	19.00
Austria-Hungary	do		1 to 13.69	40,000,000	40,000,000	90,000,000		90,000,000	260,000,000	1.00	2.25	6.50	9.75
Netherlands	Gold and silver	1 to 15½	1 to 15	4,500,000	25,000,000	61,800,000	3,200,000	65,000,000	40,000,000	5.55	14.42	8.89	28.88
Scandinavian Union	Gold		1 to 14.88	8,600,000	32,000,000		10,000,000	10,000,000	27,000,000	3.72	1.16	3.14	8.02
Russia	Silver	1 to 15½	1 to 15	113,000,000	250,000,000	22,000,000	38,000,000	60,000,000	500,000,000	2.21	.53	4.42	7.16
Turkey	Gold and silver		1 to 15.1	33,000,000	50,000,000		45,000,000	45,000,000		1.52	1.36		2.88
Australia	Gold		1 to 14.28	4,000,000	100,000,000		7,000,000	7,000,000		25.00	1.75		26.75
Egypt	do		1 to 15.68	7,000,000	100,000,000		15,000,000	15,000,000		14.29	2.14		16.43
Mexico	Silver	1 to 16½		11,600,000	5,000,000	50,000,000		50,000,000	2,000,000	.43	4.31	.17	4.91
Central America	do	1 to 15½		3,000,000		500,000		500,000	2,000,000		.17	.67	.84
South America	do	1 to 15½		35,000,000	45,000,000	25,000,000		25,000,000	600,000,000	1.29	.71	17.14	19.14
Japan	Gold and silver	1 to 16.18		40,000,000	90,000,000	50,000,000		50,000,000	56,000,000	2.25	1.25	1.40	4.90
India	Silver	1 to 15		255,000,000		900,000,000		900,000,000	28,000,000		3.53	.11	3.64
China	do			400,000,000		700,000,000		700,000,000			1.75		1.75
The Straits						100,000,000		100,000,000					
Canada	Gold		1 to 14.95	4,500,000	16,000,000		5,000,000	5,000,000	40,000,000	3.56	1.11	8.89	13.56
Cuba, Haiti, etc	do	1 to 15½		2,000,000	20,000,000	1,200,000	800,000	2,000,000	40,000,000	10.00	1.00	20.00	31.00
Total					3,582,605,000	3,489,100,000	553,600,000	4,042,700,000	2,635,873,000				

TREASURY DEPARTMENT, *Bureau of the Mint, August 16, 1893.*

It shows that France has $20.52 per capita of gold to $17.95 of silver and $2.09 per capita of paper, her gold exceeding her silver and paper money together. Gold, therefore, is the bulwark of her financial system. If we should coin as much silver per capita as France has we would have about $1,224,000,000.

If we had $20.52 per capita of gold, as France has, our stock of gold would be about $1,500,000,000 instead of $604,000,000, as it now is.

If we could diminish our paper money so that we would have only $2.09 per capita of it, as France has, our paper money would be only $136,000,000 instead of $412,000,000,000, as it now is, not including $170,000,000 of national-bank notes. If we could adjust our finances in this manner, a fair parallel between France and the United States might be drawn, and with such readjustment I should unhesitatingly say that we could maintain at parity with gold the same amount of silver per capita that France does. But with our present stock of gold and our enormous paper issues, it would, in my judgment, be impossible to maintain at par with gold $1,224,000,000 of silver.

It must also be remembered that France can and does make use of more silver than ourselves, because it has not our extraordinary facilities for transacting business without the use of money at all.

Let us take the case of a farmer who hauls a bale of cotton to town for the purpose of selling it and buying meat with its proceeds. He may do that of course by actually paying over the money for which he sells his cotton to the man from whom he buys the meat; but the man who buys his cotton will most likely give him a check on a bank, and when he goes to pay for the meat he will most likely turn that check over to the man who sells him the meat. And the man who sells the meat, doing business, we will suppose, at the same bank, deposits the check there, the amount is charged to the man who drew the check, and credited to the man who deposited it, and not one dollar of gold and silver or any kind of money has been used. This is a simple illustration of hundreds of thousands of transactions of more or less similar character that are daily effected. Indeed more than 90 per cent of all the business of this country is transacted without the actual use of money. In France all transactions such as this are effected by means of actual money.

Mr. RAWLINS. Will the gentleman yield to me for a question?

Mr. CATCHINGS. Yes, sir; if it is not too long.

Mr. RAWLINS. Do you regard the credit system superior to a system wherein the people transact their business by metallic money?

Mr. CATCHINGS. Is that the question?

Mr. RAWLINS. That is the question.

Mr. CATCHINGS. The proposition impliedly put by your question is utterly impracticable. It is just as impossible that the business of the world shall be transacted by the use of specie alone as that I should take wings this moment and fly to heaven. All the gold and silver that was ever dug from the bowels of the earth would not suffice to transact the business of New York City for two weeks if it had to be done with actual money. It is utterly preposterous to even think of doing the business of the country with gold and silver, no matter how plentiful they may be.

Mr. RAWLINS. Will the gentleman permit me to ask him one other question?

Mr. CATCHINGS. Yes, sir.

Mr. RAWLINS. I concede largely what you say, but if the country to-day had twice as much money metal to transact its business, when confidence and credit are destroyed, do you not think our situation would be far better than it is?

Mr. CATCHINGS. I must be permitted to express a very great big doubt as to whether it would or not, for to my mind all experience shows that when confidence is destroyed and credit gone, our money invariably, to a very large extent, goes into hiding; and that even if it should remain in circulation, it is utterly impossible to have a sufficient volume of it to suffice for the transaction of more than a trifling part of the normal business of the country. We transact our business chiefly through the medium of checks, bills of exchange, book credits, clearing-house associations, and other economic devices, and so long as confidence prevails, because of their greater convenience, these methods would be used instead of money, no matter how much of the latter there might be.

If confidence is destroyed and a panic comes on, such as that which now afflicts the country, no matter how ample or redundant our currency might be, fright would take the place of reason and disruption of business would ensue. When a panic once begins it would seem that like certain kinds of fever it must run its course.

The New York Clearing House Association during the present panic has issued $38,000,000 of its certificates, which, among the banks belonging to that association, have circulated and taken the place of that amount of money. They have practically been the exact equivalent of that much money.

We have within the past few weeks imported more than $30,000,000 of gold, and during the same time the volume of national-bank notes, by new issues from the Treasury, has been increased by $12,000,000. Yet we have seen that this addition, we will say of $80,000,000, has had no staying effect whatever upon the panic. There is no sense in a panic and no reason can ever be given which will justify a panic. Nothing but harm can ever come from one. And that is why no amount of money can stay one when it is fairly begun. A panic is a senseless movement, and it can not, therefore, be reasoned with.

We have just as much money to-day as we ever had, and yet it has absolutely disappeared from sight, and the country is suffering from a great money famine. The enormous quantities of gold which have been imported from Europe during the last few weeks and the additional issues to the national banks have not recalled one dollar of our affrighted money from its hiding place, and have been as impotent as would be a drop of water poured upon the desert of Sahara only to be licked up by the blistering sun.

Mr. BOATNER. Will the gentleman allow me to ask him one question?

Mr. CATCHINGS. Yes, sir.

Mr. BOATNER. Upon what theory do you expect the repeal of the purchasing clause of the Sherman act to restore confidence? I understand you to say that during the existence of a panic no amount of money will restore confidence. If that is the case, upon what theory do you expect the repeal of the purchasing clause to restore confidence?

Mr. CATCHINGS. I want the purchasing clause of the Sherman act repealed for two reasons. In the first place, it is a very unsound and a very unwise law. I believe the effect of it has been to accumulate within the vision of the whole world such a mass of silver bullion as it has never before had the opportunity to gaze upon; and, inasmuch as the price of silver is regulated by the world's visible stock of silver, just as the price of cotton is regulated by the world's visible stock of cotton, so we have seen in the presence of this great mass of silver prices fall and values knocked out. [Applause.] I want to stop this growing accumulation of bullion. That is one reason I want the law repealed.

The SPEAKER *pro tempore* (Mr. HATCH in the chair). The time of the gentleman has expired.

Mr. HOPKINS of Illinois. Mr. Speaker, I ask that the gentleman from Mississippi be allowed to complete his remarks.

There was no objection.

Mr. CATCHINGS. And, Mr. Speaker, there is another reason why I would like this purchasing clause of the Sherman act repealed. I do believe that it would tend very greatly to restore confidence. I will say more than that. I believe it will absolutely restore confidence and unlock the money which has been hidden away and restore it to the channels of trade; and I say this because, after giving as much reflection to the situation as I am capable of, I can not find a single pretext for this panic, except the Sherman law.

I have heard gentlemen talk about it and make one suggestion and another, but I have heard nothing suggested which, in my judgment, could possibly have produced this panic, except the Sherman law.

It can not be, that the failure of the Barings several years ago, and the stringency of the money market thereby set up, has produced this panic. If it may be attributed to that, why did not the panic begin when the first shock from that failure was felt, and why should it break out years after the effect of that failure had been discounted? Any why has not a panic been produced by it in England, where its effect fell with tenfold more force than here? But it has produced no panic there.

It has been said that the great failures of banks in Australia and in London in the early spring account for this panic; but I can not accept that explanation when I see that by those failures no panic was produced in Australia, in Great Britain, or anywhere else in Europe. The losses from those failures fell upon our friends across the ocean and not upon us, and if they created fright that fright must have affected communities abroad much more strongly than ours. Therefore, I find myself compelled, as a plain practical man, devoted to facts and with no fondness for theories, to utterly disregard those occurrences as a means of accounting for our panic. Our crops have been fairly good.

While it is true that there is a depreciation of the agricultural interests of the country, I am not conscious that it is greater to-day than it was twelve months or two years ago; at least, I find no marked change in the condition of our farmers that could suddenly precipitate a panic here, in sight of God and man, destroying credit, pinching the poor, crushing the rich, and threatening bankruptcy to all. The wise men of Europe saw that, disregarding our own experience, disdaining the counsels of older countries, and giving no heed to the rapid march of events, we had seemingly accepted the visionary theory that we, acting alone, could compel the civilized nations of the world to remodel their monetary systems and unite with us in the free coinage of silver. They saw the price of silver driven down by the mountain of bullion accumulated under our senseless legislation.

I know not how it may strike other gentlemen, but to my mind it was most natural that those wise men should have begun to think that we were fast reaching the limit of our credit. It must be remembered in this connection, though the fact is too often forgotten, that there is a limit to the credit of nations, just as there is a limit to the credit of individuals.

We had that illustrated in the case of our greenbacks. Although in 1865 this country had emerged victorious from the protracted struggle between the States, and was apparently stronger and greater than ever, and although we had only about four hundred millions of greenbacks outstanding, yet the people declined to take them at par. They did this because they questioned the credit of the Government; that is to say, they questioned the ability of the Government to redeem those greenbacks in gold.

But when, in 1875, the resumption act was passed, and notice was given to the world that on the 1st day of January, 1879, this Government would stand prepared to pay gold to all persons who desired to exchange greenbacks for it, instantly faith in the capacity and purpose of the Government to redeem those obligations sprang into existence, and we saw them rise steadily and steadily in value until finally, when the day of redemption came, they were at par with gold, as they have remained ever since.

This, I say, is a striking illustration of the fact that people, when they are asked to give credit to a government, debate the question upon the same lines precisely as when they are called upon to give credit to individuals. And when people abroad saw that we were engaged in this foolish and senseless effort in regard to silver, it was most natural that they should think that we were approaching the point when we would no longer deserve credit; when we would no longer be able to redeem our obligations in gold, and when our securities, held by them in such great quantities, might be paid off in depreciated silver. Then began the return of those securities to this country for conversion into gold, though not in sufficient quantities, I frankly admit, to justify this panic. I am not stating this to justify the panic, because it can not be justified; but the fact remains that our securities did return in very considerable quantities.

About that time our own people got alarmed and began to pay their customs dues in silver or silver certificates, or Treasury notes issued under the Sherman law, so that instead of paying about 75 per cent of them in gold, as has been the general rule for many years, the gold paid in ran down until last month none at all, I believe, was received at the custom-houses. So the thing spread, and became contagious. Panics are always produced that way. The papers began to talk about the matter, and the drain of gold from the Treasury became so serious that the amount rapidly dwindled to the one hundred million limit and finally went below it.

It may be a strange thing, but it is a fact nevertheless, that the people of this country had been so long accustomed to see that $100,000,000 of gold lie there in the Treasury as a solid basis upon which we had built up our greenback currency, that they felt it could not be touched without great disaster; and when our stock of gold was being drained away and we were closely approaching the $100,000,000 limit there were many men, sensible business men, who believed that if we ever crossed that limit this country would fall asunder and would instantly go to the "demnition bow-wows." [Laughter.] It was regarded as a sort of "dead-line," such as boys draw when they play marbles, to cross which would bring the game to an end.

Now, Mr. Speaker, I freely confess that I have not mentioned a fact that can justify the mad fright that has deprived us all of our senses, but if this panic did not result from the causes indicated by me I will thank some gentleman before the debate closes to tell me what did cause it.

That is a much longer answer than I had epxected to make to my friend from Louisiana, and I will try to get back to my line of discussion.

Now, Mr. Speaker, another thing has been demonstrated by our silver legislation, and that is, that the market price of silver goes up or goes down just exactly as you have or have not a demand for it; in other words, it stands on a level with any other commodity; there is nothing sacred about silver, which makes it different from any other commodity in this respect.

When you have had an enlarged use for silver you have always had temporarily an increased price for silver, and *vice versa*. That was illustrated when the Bland act was passed. In that act we provided for the purchase of $2,000,000 worth of silver each month. The consequence was that there was an immediate and quite sharp rise in the value of silver bullion. But there resulted what invariably results when you artificially create a demand; you by the same means artificially stimulate production.

The world's output of silver sprang from 62,648,000 ounces in 1877, the year before the passage of the Bland law, to 91,652,000 in 1885, when the price went down below that of 1878. The production increased thereafter until it reached 125,420,000 ounces in 1889, and the price of silver fell to a ratio of 22.18 to 1 in 1889.

The Sherman act of 1890 calling for a still larger use of silver, the price temporarily rose until it reached the ratio of 19.83 to 1 in 1891. But it at the same time stimulated the production of silver, so that the world's output increased from 125,420,000 ounces in 1889 to 144,426,200 in 1891 and 152,061,800 in 1892. Thereupon the price fell, as was natural, and it has continued to fall until it is now about at the ratio of 28 to 1.

It thus appears that, notwithstanding the low price of silver that has prevailed for many years, whenever an enlarged market has been provided for it, the production has increased: and in spite of the protestations of our friends from the silver States that it can not be mined at the present price, he would be a bold man indeed who would undertake to construct a coinage law upon the assumption that the limit of production has been reached.

While not given to prophecy, I make bold to venture the prediction that if by free coinage, or otherwise, we provide a better market for silver, its production will be correspondingly augmented.

It is perfectly clear to my mind, from this review of the silver situation, that Jefferson and Hamilton were absolutely correct in saying that the ratio between gold and silver is to be determined by the market price of the metals, and that it can not be arbitrarily made by legal enactment.

Mr. Speaker, as our bullion accumulated through these senseless purchases, and the world began to gaze upon it and see its volume grow and grow and grow, with that uncertainty which must have existed in the minds of all as to what would be the ultimate fate of that bullion—whether it would be dumped upon the market, as Germany had attempted to dump her silver, or whether we were to throw our mints open to free coinage and have a flood of cheap silver dollars—the price of silver was necessarily forced down.

Our friends who would press this country into the immediate free coinage of silver are fertile of resource and apt with theory. Indeed (and I say it with most profound respect for gentlemen who differ with me, because they are my personal and political friends, and I know them to be men of ability far greater than I possess), I must say that after a patient hearing and examination of all that can be said in behalf of their position, I am driven to the conclusion that it all rests upon theory, and that there is not a fact in the history of the world upon which that theory can rest.

It is fanciful, visionary, beautiful, delicately embroidered, handsomely mounted, but at last it is only a pretty picture to look at and to allure the imaginations of those who are fond of speculation. Their theories can not be squared with facts which stare us in the face and which must not be ignored if we would find the truth. One of these theories is that even if our gold should be driven from this country by depreciated silver money, as in my judgment it certainly would be, no loss would thereby be inflicted upon us. It is said that the place of gold would soon be taken by silver. So it would be in time, but it would not soon be taken.

My friends can not move as fast on this line as they think; for, according to the estimate of the Director of the Mint, it would take ten years to coin $500,000,000 of silver dollars, and if our six hundred millions of gold should be driven out of the country it would take ten or twelve years to supply its place, even with depreciated silver dollars.

Pending this substitution of silver for our $600,000,000 of gold there would be necessarily such a contraction of our circulation as would plunge the country into the greatest financial distress, if not universal bankruptcy. A great country like this could not radically alter its entire monetary system, including its standard of value, without such disturbance and disruption as would inflict a paralysis of business that would not be relieved during this generation.

It is said that in the course of time silver would take the place of gold; and that, although our gold would go to Europe, it would still circulate as part of the world's medium of exchange; and that European nations would still trade with us. All this is true; but what would be left to us? We would be left with a fluctuating, unstable medium of exchange, which could not but operate harmfully to us. It would inject into every business transaction an element of uncertainty that would invest it constantly with a speculative character, and it need not be said to any thinking or business man that that would be highly injurious. We would place ourselves upon a level with the semicivilized countries of the world, who have been, as we know, when it comes to international transactions, largely at the mercy of the civilized countries, for the reason that they have been operating upon an unstable, an uncertain, a falling exchange.

Why, sir, even India found itself compelled at last to take position with the leading states of the world. Its troubles had become innumerable; its difficulties had become unbearable; and, notwithstanding its limited commercial intercourse with the world, it was constrained, after vainly attempting during many years to stem the tide, to seek respite from its afflictions and attempt, by cessation of silver coinage, to stop the fall in exchange and give greater stability to its silver money.

I know it is said, and I have heard it said on this floor, that India did not voluntarily suspend the coinage of silver, but was coerced into doing so by England. There is no warrant for that statement. Those who have read the report of the Herschel committee upon which this action of the Indian government is based, are bound to be advised that the influence of the home government was restrictive upon India. The Indian government applied for permission to suspend absolutely the coinage of silver and for permission to throw its mints open to gold, so as to come absolutely and at once to a gold standard.

But the home government declined to suffer India to go so far. It did permit the Indian government to close its mints to the coinage of silver on private account, but it insisted that it should contemporaneously with that, give notice that it reserved the right to coin on government account, and that in addition it would coin silver in exchange for gold at the ratio of 1*s*. 4*d*. to the rupee. But they refused to permit it to throw its mints open to gold. So the action of the home government restricted the Indian government and did not permit it to go as far as it had desired.

And this, Mr. Speaker, is another instance where legislation has been powerless to maintain silver above its market value. Here was an effort on the part of Great Britain to prevent a further decline in silver, and to fix the value of the Indian rupee at 1*s*. 4*d*.; and the Indian council in London, with the same end in view, refused to sell bills on India except at that ratio.

But the effort was entirely in vain. The rupee at 1*s*. 4*d*. was valued above the market price of silver. The council could not sell their bills at that price, and they had to relax the regulation and sell at 1*s*. 3½*d*., I believe. At all events, here is another instance of the utter futility by legislation of undertaking to fix the value of metal.

And so these gentlemen say—but I will not leave this phase of the question until I have read to the House a striking passage from a speech made at the recent Brussels conference by Mr. Van den Berg, president of the Bank of the Netherlands, who was a delegate to that conference. He was discussing the necessity that all nations are under, if they would avoid disturbance and financial loss in their intercourse with others, of accepting the standard of value adopted by the great civilized countries of the world. Before proceeding further I will state that he is, and has always been, a bimetallist. My friend here, Mr. BLAND himself, who has given his best years to the study of the silver question, is not a more firm believer in bimetallism than is Mr. Van den Berg. He accepts the theory that great appreciation of gold has resulted from the suspension of the free coinage of silver, and believes that the world has not gold enough for the transaction of its business, and in time must of necessity make use of silver also.

The words that I am about to read come, therefore, from a friend and not an enemy of silver. He called attention to the fact that in 1876 some writer in the Journal of Economy in France had suggusted that matters might be so arranged as that Eastern countries would be satisfied with the use of silver, and that the division of gold would be restricted to America and the civilized countries of Europe; and that in March of that year he had in a published communication denied that proposition, and said:

> That the East (India) could not withdraw with impunity from the general economic laws which govern the currency in the civilized countries of Europe; that there, as here, the nature of things is opposed to the maintenance as a measure of value of a metal (silver) subject to continual and violent vacillations in value; and that the East (India) would find itself compelled to follow the general movement towards gold in order to escape from profound disturbances in its internal economic situation and its commercial and financial relations with foreign countries.

He continued:

> And now, gentlemen, I ask you whether any prediction was ever more completely fulfilled?
>
> We see British India struggling against the difficulties and damages which have been produced by the inaction of their government with regard to the measures which it might, and, in my opinion, should have taken, in order to insure the monetary standard (silver) of the country against the fluctuation and vacillations which have for long disturbed all business and social relations.
>
> We know that the British Government has been compelled to open an inquiry to obtain information upon the present monetary situation in India; and we have been informed by the direction of Sir Guilford Molesworth, one of the Indian delegates, that very serious attention is at present being given to the measures which should be taken for establishing the currency system of India on the same basis as that of England, namely, upon a gold basis.

Mr. Van den Berg was wiser than the statesmen of India and Great Britain in 1876. He clearly foresaw what they did not, that India could not prosper in its business with the civilized countries of Europe unless it should adapt its measure of value to theirs, and that the time would surely come when to escape from the "profound disturbances in its internal economic situation and in its commercial and financial relations with foreign countries" it "would find itself compelled to follow the general movement toward gold."

The prediction made by him has been verified by the recent action of the Indian government.

I appeal to gentlemen to give heed to the far-seeing sagacity of this sturdy and enlightened bimetallist, and not plunge this great country headlong into the condition from which India, after years of costly experience, is struggling to escape. If India, with its limited international intercourse, has been compelled from its necessities to join the procession of civilized nations, and accept their gold standard as its measure of value, how can it be possible for this great and growing Government, with its foreign commerce of $2,000,000,000, to give up the place it has occupied in that procession since 1834 without producing the most violent disturbance of values and economic upheaval that the mind can conceive of?

The Indian government has been compelled after long years of waiting and hoping, to close her mint to the coinage of silver. And it seems to me to be strange that there should be gentlemen present who would wish to take this Government from the gold basis on which to-day it substantially stands, and degrade it to the very condition which brought such distress and disturbance and loss to India, and from which she is now struggling desperately to escape.

And, my friends from the South, I wish to say a word to you. We would be the chief sufferers from the monetary dislocation which would certainly follow fast upon the heels of the change from the use of both gold and silver as now to the employment of silver alone. Two-thirds of all the cotton that we grow is sold to Europe and the fluctuations in exchange that would result and the disturbances that would surely come would fall most heavily upon the devoted people of the South.

Mr. Speaker, I am free to say that if I believed, as earnestly as my distinguished friend from Missouri [Mr. BLAND], in the theories which he preaches, my courage would fail me if it were left with me to say whether this country should boldly plunge into an experiment regarded by the President and his advisers, and by so many of the ablest statesmen of the world, as fraught with danger and disaster. I do not profess to be a timid man, nor one of exceptional courage, yet I do believe that, regardless of my convictions, I would shrink when the time for decision came, from compelling the adoption of my conclusions.

Mr. Speaker, some of these same gentlemen who insist that we would not be injured should our gold leave us, because it would in time be replaced with silver, singularly enough advance the wholly inconsistent theory that our gold would necessarily come back to us, for the reason that foreign countries must continue to trade with us and must buy our products, which, it is said, they would pay for in gold. They forget that the same conditions that had expelled our gold would prevent its return.

As a matter of fact, however, the gold would not return. It would come to us no more than it has gone to India in trade, no more than it goes to China or any other silver-using country. Balances are not settled in that way. If there should be a balance in our favor which had to be settled in coin, you may be sure that it would be settled in silver.

Singular as the statement way be, it is nevertheless true, that India is a very large creditor nation; and yet whoever heard of a balance of trade in favor of India being settled in gold? Why should the English or the French or the Germans send gold here to pay debts when they have the huge stock of nearly four billions of silver in the world to draw upon to get such amounts as they need to send here?

Now, Mr. Speaker, my friend from Missouri [Mr. BLAND]—and I mention him so frequently because he is the most distinguished leader on the side which is in opposition to me in this House, and not for the purpose of unduly making use of his name, which, as my friend, of course he will understand—the gentleman from Missouri [Mr. BLAND], speaking for those who agree with him, says that there has been an enormous rise in the price of gold, resulting from the action of the world with reference to silver.

When I come to this subject, I am reminded of a jest once made by one of Mississippi's most distinguished lawyers, who now, alas! has gone to join the great majority. I was engaged with him in the trial of a large and important lawsuit, and it came to pass that during its trial there was put in evidence a most singular kind of account. It was one the like of which I had never seen before, and will never see again. Indeed, it was such that I find it impossible for me now at this time, to explain it, but it was many-sided and admitted of many constructions.

This distinguished lawyer, the Hon. Wiley P. Harris, in speaking of this account, said:

Gentlemen of the jury, when I approach the discussion of this account, I find myself like the ancient geographer who, when attempting to delineate upon his maps a part of the world that had never been explored, and was therefore wholly unknown by him, marked it down as covered by mountains, volcanoes, arid plains, and deserts.

[Laughter.]

I wish I could as easily dispose of this question as to the appreciation of gold. It is something about which we can only speculate. No man on the face of this earth has the wit to absolutely prove anything on the subject one way or the other. The whole proposition rests upon two facts, and a syllogistic method of reasoning is adopted. I am not contending against the proposition. I only aver that, after all that has been said regarding it, the candid man must admit that it still remains largely a matter of conjecture and speculation.

Years ago prices were higher than they are now. Consequently it takes more products to-day to buy the same amount of gold than it did years ago. From these two facts the deduction is broadly drawn that the difference in prices between now and then results from the appreciation of gold. If I were to concede the truth of that proposition I should still want some gentleman to tell me how it can affect the issue here, unless it can be shown not only that the appreciation of gold is the cause of this fall in prices, but that this Government, acting alone, without the coöperation of other governments, can pull down the price of gold and restore fallen prices to their former level. Because if we can not do this it is in vain to discuss the question whether gold has appreciated or not.

If we can not rectify the evil all that remains to us is to contemplate it and reflect upon the cruelty of the act which resulted in our affliction; so that if I should admit the doctrine as to appreciation of gold, and the deductions drawn therefrom as broadly as stated, I should still occupy the position I do; because to my mind it is clear that it is utterly impossible for this country, by the free coinage of silver, single-handed and alone, to drag down the price of gold and put up prices as they were. But we happen to know that there are many causes which have operated to bear down prices.

Take the case of the staple product of the section of country in which I live; and that reminds me, Mr. Speaker, of a most prodigious falsehood projected into space by the silver convention which met in Chicago. It was solemnly said by that convention that suspension of the free coinage of silver, by the act of 1873, had driven down the price of cotton from 19 cents in 1873 to 7 or 8 cents at this time.

That statement was made for the purpose of inducing the cotton-planters of the South to believe that if free coinage could be restored, cotton would again go to 19 cents a pound. There is not a cotton-planter who does not know that never, until the inflated prices of the war and the years succeeding, did cotton bring 19 cents per pound. Never in the good old days when free coinage of silver was militant throughout the world, did the most enthusiastic and ardent planter of the South expect to get more than 10, 11, or 12 cents for his cotton. The rule was that he rarely got so much as that.

Mr. BOATNER. That would be satisfactory.

Mr. CATCHINGS. You have had as fair prices a good many times since the suspension of coinage, as I am going to show before I get through.

Mr. HOPKINS of Illinois. I will ask the gentleman if it is not true that that 19 cents was not paid on a gold basis?

Mr. CATCHINGS. Of course it was. It was paid on an inflated price caused by the depreciated paper which at that time was our only money. And that convention knew the statement to be false when it was made.

Mr. PATTERSON. And was not that price caused by the increased demand for cotton?

Mr. CATCHINGS. Certainly. By reason of the war, and the disordered conditions following it, there was a greater demand for cotton than could be met.

Mr. MILLIKEN. Will the gentleman permit me to ask him a question?

Mr. CATCHINGS. Certainly.

Mr. MILLIKEN. Is it not true that last November and October, before this panic occurred, notwithstanding the gold standard, that we were paying a higher price to labor than ever before in this country?

Mr. CATCHINGS. I will touch upon that before I get through, if my friend will pardon me.

Everybody knows that as soon as we recovered from the disorganization which necessarily succeeded the great struggle between the States we devoted ourselves earnestly and seriously to the cultivation of cotton. New farms were opened up and a great stimulus was given to its production. General [addressing Mr. MEYER], how much cotton did we produce in 1873?

Mr. MEYER. Three and a half million bales.

Mr. CATCHINGS. How much last year?

Mr. MEYER. Nine and a half.

Mr. CATCHINGS. So, Mr. Speaker, the result was that whereas we produced about three and a half million bales of cotton in 1873, last year in this country alone there were produced about nine and a half millions.

Mr. HUTCHESON. Seven and a half.

Mr MEYER. We produced 9,100,000 bales.

Mr. CATCHINGS. I will take the statement of the gentlemen from Louisiana, as he is well informed on the subject, and he says there were 9,100,000 bales produced. I accept that statement as true and base what I have to say upon it, right or wrong.

Now, Mr. Speaker, it has been a fixed belief of the people of my section of the country that to a great extent the price of cotton has fallen off because of this enormous increase of production. It has been an accepted conclusion with them, and this is manifested by the fact that the farmers' societies all over the South, being greatly disturbed by that fall and the accompanying loss, have been attempting by every means within their power to hit upon some plan by which the output of cotton could be reduced.

So fixed is this belief among them that the reports of the Agricultural Department and the estimates of cotton exchanges and of all other experts that are given out periodically for the purpose of indicating the condition and probable amount of the cotton crop are eagerly sought and inspected by them. So sure have they been that the price of the crop depended largely upon its volume that they have often suspected, and not infrequently charged, that extravagant estimates have been published for the purpose of bearing the price.

I only allude to these things for the purpose of showing that unless our people have always labored under a delusion in this respect, the fall in the price of cotton can not be attributed entirely to the alleged appreciation of gold.

Mr. HOPKINS of Illinois. I would like to ask the gentleman if the cultivation and production of cotton in Egypt and India has not also contributed to the fall of the price in cotton?

Mr. CATCHINGS. Very greatly. The output of those countries has increased in about the same ratio as that of this country has.

I will now show that until the great depression began, under which we have been struggling for two or three years and which has driven down prices all over the world, we were getting very nearly if not quite as much for our cotton as it brought prior to 1861, when the whole world was enjoying all the benefits that can come from the free coinage of silver.

Mr. BOATNER. I did not understand the gentleman.

Mr. CATCHINGS. I said, and I am going to prove, that until the serious depression set in about three years ago, which happened to be accompanied by a large increase of production, the price of cotton was quite as great as it was during the favored years prior to 1861, when we had the advantage of the free coinage practiced by France and other countries abroad, and that at this very moment prices are no lower than they were many times prior to 1861.

I beg leave to insert at this stage of my remarks a table of prices for the inspection of any gentleman who feels enough interest in it to look it over. It begins with 1826 and comes down to 1886, giving the highest and lowest prices of cotton.

[For table see top of next column.]

It appears from this table that the price of cotton was very often as low as it now is.

Lowest and highest prices of corn, cotton, oats, tobacco, and wheat for sixty-two years: 1825–1886.

[Where no mention of quality is made it is understood that the price quoted is for the cheapest grade of each commodity. The prices are those of the New York market.]

Year.	Corn, bushels.		Cotton, upland, pounds.		Oats, bushels.		Tobacco, Kentucky leaf, lbs.		Wheat, bushels.	
	Lowest.	Highest.	Lowest.	Highest.	Lowest.	Highest.	Lowest.	Highest.	Lowest.	Highest.
1825	$0.42	$0.75	$0.13	$0.27	$0.26	$0.40	$0.03	$0.09	$0.75	$1.06
1826	.62	.83	.09	.14	.42	.60	.03	.08	.84	1.02
1827	.54	.75	.08	.12	.31	.56	.03	.06	.90	1.25
1828	.46	.62	.09	.13	.24	.37	.03	.06	.95	1.62
1829	.48	.64	.08	.11	.27	.46	.05	.07	1.00	1.75
1830	.48	.65	.08	.13	.26	.40	.03	.07	1.00	1.15
1831	.54	.75	.07	.11	.27	.48	.03	.06	1.06	1.35
1832	.50	.87	.07	.12	.38	.56	.03	.06	1.12	1.35
1833	.65	.86	.09	.17	.30	.48	.03	.08	1.15	1.28
1834	.53	.75	.10	.16	.28	.48	.04	.08	1.02	1.10
1835	.70	1.12	.15	.20	.33	.75	.06	.11	1.04	1.50
1836	.83	1.12	.12	.20	.40	.75	.06	.10	1.37	2.12
1837	1.00	1. 5	.07	.17	.40	.75	.03	.09	1.55	2.10
1838	.76	1.00	.09	.12	.25	.60	.04	.13	1.35	2.00
1839	.75	.98	.11	.16	.30	.60	.08	.16	1.15	1.37
1840	.46	.63	.08	.10	.24	.43	.03	.16	.95	1.25
1841	.47	.81	.09	.11	.37	.50	.04	.14	.90	1.50
1842	.54	.68	.07	.09	.25	.53	.02	.09	.83	1.30
1843	.48	.60	.05	.08	.27	.34	.02	.07	.84	1.20
1844	.43	.54	.05	.09	.27	.37	.02	.06	.82	1.12
1845	.45	.85	.04	.09	.29	.51	.02	.07	.85	1.40
1846	.55	.80	.06	.09	.28	.48	.02	.07	.80	1.35
1847	.64	1.10	.07	.12	.39	.65	.02	.08	1.01	1.95
1848	.52	.78	.05	.08	.32	.51	.03	.08	.95	1.40
1849	.57	.70	.06	.11	.33	.49	.03	.09	1.20	1.35
1850	.55	.72	.11	14	.37	.51	.05	.14	1.00	1.50
1851	.53	.68	.08	.14	.65	.80	.03	.14	.93	1.22
1852	.62	.78	.08	.10	.75	.86	.03	.09	1.03	1.15
1853	.64	.82	.10	.11	.41	.52	.04	.10	1.22	1.80
1854	.76	.98	.08	.10	.45	.75	.05	.11	1.75	2.50
1855	.93	1.15	.07	.11	.42	.82	.06	.13	1.96	2.80
1856	.48	.94	.09	.12	.35	.50	.06	.16	1.30	2.17
1857	.71	.98	.13	.13	.40	.66	.07	.20	1.25	1.95
1858	.58	1.03	.09	.13	.40	.53	.06	.18	1.20	1.50
1859	.76	1.05	.11	.12	.36	.58	.04	.14	1.30	1.65
1860	.64	.95	.10	.11	.37	.47	.03	.13	1.35	1.70
1861	.48	.74	.11	.28	.30	.47	.03	.16	1.20	1.60
1862	.50	.75	.20	.68	.37	.67	.06	.30	1.30	1.55
1863	.68	1.23	.54	.88	.53	.90	.08	.36	1.25	2.00
1864	1.25	1.97	.72	1.90	.86	1.02	.08	.55	1.72	2.75
1865	.70	.97	.33	1.22	.45	.90	.07	.45	1.25	1.88
1866	.80	1.32	.32	.52	.55	.85	.08	.18	2.20	3.45
1867	1.00	1.40	.15	.36	.67	.94	.09	.16	2.30	3.40
1868	1.01	1.41	.16	.33	(*)	(*)	.08	.15	2.05	3.25
1869	.75	1.16	.25	.35	.67	.84	.08	.13	1.45	2.18
1870	.76	1.15	.15	.26	.52	.69	.07	.12	1.40	1.90
1871	.65	.90	.15	.25	.42	.70	.06	.11	1.45	2.00
1872	.61	.80	.18	.25	.42	.55	09	.16	1.65	2.10
1873	.50	.77	.13	.21	.42	.58	.09	.16	1.55	2.25
1874	.53	.84	.15	.19	.38	.53	.07	.25	.93	1.35
1875	.49	.76	.13	.17	.30	.64	.09	.28	.92	1.37
1876	.38	.49	.11	.13	.28	.35	.07	.19	.84	1.27
1877	.41	.58	.11	.13	.22	.46	.07	.16	1.06	1.85
1878	.45	.60	.09	.12	.29	.45	.04¼	.07	.83	1.31
1879	.44	.64	.09¼	.13¼	.31	.50	.04¼	.07½	1.10	1.56
1880	.48	.61	.11	.13¼	.36	.49	.05	.07½	1.03	1.59
1881	.48	.76	.09⅞	.13	.42	.52	.05½	.12	1.14	1.56
1882	.63	1.00	.11⅝	.13	.37½	.72	.03½	.09	1.03	1.43
1883	.55	.70	.10	.11⅛	.36	.51	.05	.11	.95	1.24
1884	.45	.66	.10⅛	.11⅞	.32	.42	.05	.09	.74	1.05
1885	.40	.57	.10	.11½	.27½	.41½	.07½	.09	.88	1.05
1886	.43	.55	.08$\frac{13}{16}$	.09$\frac{9}{16}$	.30⅛	.39	.07¾	.09¾	.83	.95½

*Nominal.

In 1885, when this great appreciation of gold was supposed to have taken effect, we got 11½ cents; in 1882 we got 13 cents; in 1881 we got 13 cents; in 1879 we got 13½ cents, and so on. An inspection of this table will show that a man might very reasonably think that he could account for the fall in the price of cotton by the increase of production.

Mr. BOATNER. Are you giving the average prices?

Mr. CATCHINGS. This table gives the highest and the lowest prices.

A MEMBER. What are you reading from?

Mr. CATCHINGS. I am reading from an authentic table which was prepared some years ago. I am going to put it in my speech if I should conclude to let the speech go into the RECORD.

I hold in my hand another table, prepared for me by the Department of Agriculture, giving the highest and lowest prices of middling upland cotton from 1884 to 1892, inclusive, which I will also insert.

Highest and lowest prices of middling upland cotton in New York for the years indicated.

Years ending August 31—	Highest, per pound.	Date of highest quotation.	Lowest, per pound.	Date of lowest quotation.
1884	\$0.11 15/16	Apr. 14, 1884	\$0.10 1/8	Sept. 1, 1883
1885	.11 1/2	Feb. 26, 1885	.09 3/4	Oct. 24, 1884
1886	.10 1/4	Sept. 1, 1885	.08 13/16	Feb. 26, 1886
1887	.11 7/16	May 31, 1887	.09 1/8	Nov. 4, 1886
1888	.11 5/8	Aug. 14, 1888	.09 7/16	Oct. 3, 1887
1889	.11 1/2	Aug. 20, 1889	.09 5/8	Oct. 7, 1888
1890	.12 3/4	May 28, 1890	.10 1/4	Nov. 4, 1889
1891	.11	Sept. 2, 1890	.07 15/16	Aug. 17, 1891
1892	.08 13/16	Sept. 5, 1891	.06 11/16	Mar. 28, 1892

And, recurring to the question of increase in production, I will insert the table in my possession, prepared for me by the Department of Agriculture, showing by pounds the production of cotton in the United States from 1884 to 1892, inclusive:

Years ending August 31—	Pounds.	Years ending August 31—	Pounds.
1884	2,757,544,422	1889	3,439,934,799
1885	2,742,966,011	1890	3,627,366,183
1886	3,182,305,659	1891	4,316,043,982
1887	3,157,378,443	1892	4,506,575,984
1888	3,439,172,391		

Assuming a bale to contain 500 pounds, it will be seen that the number of bales produced in 1887 was 6,314,756; in 1888, 6,878,344; in 1889, 6,879,869; in 1890, 7,254,732; in 1891, 8,632,088; and in 1892, 9,013,111.

Notwithstanding the enormous and rapid increase of production here shown, an inspection of the tables I have furnished will show that until 1892 the price was quite up to the average price prior to the late war, at which time, except in the case of England, all the countries of the world coined silver freely.

But the crops for the past three years have been so great that at the end of each season a large quantity of cotton remained unconsumed, and was carried over and added to the following crop. This condition continuing for several years, the price broke in 1892, and has not rallied.

Here is a cause for the present low price of cotton so simple that no man can fail to see it. Why should we ignore it and wander off into a labyrinth of theory and speculation about the appreciation of gold?

Again, let us take the case of sugar. Sugar has fallen 2 cents a pound. Everybody knows that the fall in the price of sugar is because we took off the protective tariff of 2 cents. That not only gave cheaper sugar, but established, beyond the domain of argument, that the tariff is a tax. [Laughter.] Now the appreciation of gold certainly had nothing to do with the reduction in the price of sugar.

Again, I remember that in the Fifty-first Congress, when an effort was being made to pass what was known as the compound lard bill, it was stated by the gentleman from Missouri [Mr. HATCH] on the one side and the gentleman from Iowa [Mr. Conger] on the other, that compound lard (which, as everybody knows, is a compound of hog's lard and cotton-seed oil) had forced down the price of lard 4 cents a pound. There was a fall in the price of lard, and a great one at that, accounted for by a plain and obvious reason which had no connection whatever with the appreciation of gold.

Mr. GEAR. I will ask the gentleman whether that decline in the price of lard has been a serious injury to the farmers throughout the West who raise hogs?

Mr. CATCHINGS. It has been a very great benefit to the farmers in my part of the country. Here is a case, where, by the natural evolution of business, by the invention of man, you find a new condition brought about by which great injury is inflicted on one set of producers and great benefit done to another.

Mr. CLARKE of Alabama. Compound lard has been a great benefit to the consuming world also.

Mr. CATCHINGS. Certainly. But the point I am making is that this is another case where even so great a fall in price as 4 cents a pound can be easily accounted for without reference to the appreciation of gold.

Mr. BOATNER. You did not admit, however, the deduction that compound lard had driven down the price of ordinary lard.

Mr. CATCHINGS. Certainly I did; and I denounced the effort to suppress compound lard as an effort to take away from the people a good and wholesome product, and to tax them 4 cents a pound extra for the benefit of the hog-raisers of the country. My speech on that subject is in the RECORD.

The apprehension that the compound-lard bill would become a law forced down the price of cotton seed from twelve to five dollars a ton. If it had become a law the price of cotton seed might have remained at that low figure, and another case of fall in prices would have been presented, that had nothing to do with the appreciation of gold. Cotton seed last winter sold for $2 a ton, showing the laws of demand and supply at times raise as well as lower prices.

Again, take the case of sewing machines. They are very much cheaper now than they formerly were, for the very obvious reason that the patents on them have expired. You can buy a sewing machine for less than 50 per cent of the price before the expiration of the patents. Here is another case where you can find a very simple reason for the fall in price without going into the question of the appreciation of gold.

Again, who does not know that steel rails that at one time sold for $200 a ton can now be bought for about $30 a ton, this being the result of the Bessemer process of making steel, whereby their cost has been enormously lessened? Here again you have a most astonishing fall in the price of one of the most useful articles produced in this country, and which can not be remotely connected with the appreciation of gold.

Take the case of quinine. It formerly cost $4 an ounce. It was then only obtained from South America. Now the cinchona tree is largely cultivated in India, and by improved processes "more quinine can now be made at less cost in from three to five days than could have been effected by old methods in twenty days." Surely it can not be claimed that this fall in the price of quinine has been caused by appreciation of gold.

Instances innumerable might be given of a fall in prices from easily detected causes wholly unconnected with the gold question. Improvements in labor-saving machinery, where a handful of men now often accomplish as much as hundreds formerly did; enlarged transportation facilities, whereby exchanges of products are made easy and inexpensive, and many other causes which naturally occur to one, account for very much certainly of the general fall in prices.

Mr. ALLEN. If the price of cotton has probably been reduced on account of the increased supply in proportion to the demand——

Mr. CATCHINGS. I say that it has certainly been largely reduced by that. I am going to give another cause presently which would tend to reduce it.

Mr. ALLEN. Well, if that has reduced the price of cotton, is it not probable that the increased demand for gold arising from our making it the sole standard of value will increase the price of gold?

Mr. CATCHINGS. I wish to say that I have not challenged the statement that there has been an appreciation of gold, though conceding it as a general proposition, for the sake of argument, I do not think it has affected the price of cotton. I am simply showing that, inasmuch as there are so many other causes that have certainly reduced prices which must be taken into account, no living man can do more than speculate as to the effect that that appreciation of gold has had upon prices. The strongest evidence of this is that the ablest men of the world differ widely upon the proposition.

Some claim that appreciation of gold has lowered prices greatly; others deny this absolutely. All admit that the means of estimating the appreciation of gold, conceding it to exist, are meager and unsatisfactory, and that it is necessarily largely a matter of opinion. This is bound to be so, since the fall in gold prices has not been uniform, nor even approximately so, as to the various commodities of the world. The prices of some have fallen more largely than others, in the very nature of things.

So we are left without any standard by which to measure the rise in gold, and are driven to adopt arbitrarily a supposed general average, which is obviously unsatisfactory, It is not only unsatisfactory, but practically useless to the inquirer into the effect that appreciation of gold has had upon a given commodity, as for instance cotton. It is my opinion, and before I get through I think I will demonstrate that whatever may have been the fall in prices generally resulting from the appreciation of gold, the price of cotton can not be shown to have been noticeably lowered from that cause.

I will now invite the attention of the House to an excerpt that I shall read from the report made to this House in February, 1889, by the distinguished gentleman from Texas [Mr MILLS], now a Senator of the United States, but who at that time headed the Ways and Means Committee of this House. And I will say in advance to Democrats, that unless we have been preaching false doctrines always, and winning battles on false issues, this report points out the cause of very much of the fall in agricultural prices generally, and for that in the price of cotton in particular.

My distinguished friend [Mr. MILLS] was elaborating a proposition which Democrats all accept as incontrovertible; that is to say, that any policy which tends to reduce imports tends to restrict commerce with the world, and by diminishing the market for our surplus products, breaks down their prices.

Mr. MILLS said—and these are words of wisdom which can not be too often repeated:

As high duties are high walls, that keep out imports and keep in exports, just in proportion as they are reduced the volume of trade increases both going and coming. A reduction of duties reduce the prices of the imported article and of the competing article produced at home, and that distributes more money among the millions of consumers. A reduction of duties likewise increases the prices of the articles we export, and that again distributes more money among the wealth-producing masses of the country. This fund thus saved is the capital that employs labor to produce the things that the wants of the millions require, Without this pecuniary ability these wants must be suppressed, the demand for employment must be withdrawn, wages must shrink, and distress and suffering must usurp the places where comfort and contentment should reside.

The policy of the party represented by the Finance Committee is a policy of restriction not only against importation of products, but restriction against the distribution of wealth among the masses by permitting them to buy where they can buy cheapest and sell where they can sell highest. It is a restriction against demand for employment and better wages. It is contended by them that if we exclude foreign imports our own manufacturers and their workmen will supply them, and that will give employment to our own people.

The Finance Committee criticised by Mr. MILLS was the Senate committee, controlled by Republicans, that had reported and passed through the Senate a substitute for the bill passed by a Democratic House in the Fiftieth Congress, commonly known as the "Mills bill."

His report continued:

The period mentioned by the committee is an unfortunate one for the committee's argument. From 1869 to 1873 prices were rising and importation was increasing year by year. In 1869 our net imports amounted to $394,000,000; in 1870, $426,000,000; in 1871, $500,000,000; in 1872, $560,000,000, and in 1873, $663,000,000.

This was a period of great prosperity in all departments of our national industry. Did the increasing importations during that period deprive any home laborer of a home market for the employment of his mind or muscle? On the contrary, it increased the demand for work all over the country in every line of employment. But a change long to be remembered occurred in 1873. From that year, till 1879, prices were falling, and importations were decreasing.

In 1874 importations had fallen from $663,000,000 in 1873 to $567,000,000; to $526,000,000 in 1875: to $464,000,000 in 1876; to $439,000,000 in 1877; to $438,000,000 in 1878.

If restricted importations keeps the home market for the home producer and gives employment to home labor, this ought to have been a period of great industrial prosperity. But it is recalled with a shudder and remembered as the very darkest in our history. Consumption of the products of labor was decreasing, production was decreasing, wages were falling, factories were closed, machinery was idle, and industrial paralysis was seen in every department of labor.

Gentlemen will be good enough to note that in describing the depression from 1873 to 1879, which included the six years following the closure of our mints to the free coinage of silver, the Committee on Ways and Means, speaking through Mr. MILLS, attributed the great fall of prices that marked that period entirely to the restrictive influences of the protective tariff, whereby importations were checked, and consequently the demand for our export products was lessened. Nothing whatever was said about appreciation of gold or the stoppage of silver coinage.

He continued the argument as follows:

In the fall of 1879 prices again rose all over the world and continued upward for two years, and during the period from 1879 to 1881 our imports of merchandise increased $196,886,853 and our exports $191,937,905. Was anyone injured by this large increase of imports? Was the home market for the employment of home labor impaired? On the contrary, every idle hand found work, every department of industry and every occupation of labor found constant and remunerative employment. Our farmers were greatly benefited, because it created a demand for a vast amount of agricultural products to be exported to pay for the increased importation, and an active demand for these products largely increased their prices. Our exports of agricultural products increased from $546,476,703 in 1879 to $730,394,943 in 1881.

The price of corn rose from 37 cents in 1879 to 63 cents per bushel in 1881; wheat, from $1.10 in 1879 to $1.19 in 1881; rye, from 65 cents in 1879 to 93 cents in 1881; oats, from 33 cents in 1879 to 46 cents in 1881; barley, from 58 cents in 1879 to 82 cents in 1881; buckwheat, from 59 cents in 1879 to 86 cents in 1881; potatoes, from 43 cents in 1879 to 90 cents in 1881; hay, from $9 per ton in 1879 to $11 per ton in 1881; middling cotton, from 10 cents in 1879 to 12 cents in 1881.

This increase in the value of farm products was caused by the increased demand for exportation, which was the product of increased importation.

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In 1882 our imports touched the highest point ever reached either before or since that time, $724,639,574. From this time importation began to recede and with it the prosperity of the country. The home market began to shrink in its proportions. Its demand for manufactured products began to contract, and with it went the demand for employment. Importation continued to fall off from 1882 to 1885, when it had gone from $724,639,574, in 1882, to $577,527,329, in 1885. Now, if restricted importation is conducive to the prosperity of our country, the year 1885 ought to have been a prosperous year to all classes. The farmer ought to have realized higher prices for the products of his labor. There ought to have been a more active demand for the employment of manufacturing labor. There ought to have been an increase in the number of immigrants attracted to our shores by the active demand for employment at higher wages.

But we look in vain for these evidences of prosperity during that period of our history. The exports of the products of agriculture fell from $730,394,943 in 1881, to $530,172,966 in 1885, and $484,954,595 in 1886. Corn fell in price from 63 cents in 1881 to 33 cents per bushel in 1885; wheat from $1.19 in 1881 to 77 cents per bushel in 1885; rye from 93 cents in 1881 to 58 cents in 1885; oats from 46 cents in 1881 to 29 cents per bushel in 1885; barley from 82 cents in 1881 to 56 cents in 1885; buckwheat from 86 cents in 1881 to 56 cents in 1885; potatoes from 90 cents in 1881 to 44 cents in 1885; cotton from 12 cents in 1881 to 10 cents per pound in 1885.

The committee here absolutely demonstrate that the rise in cotton and other products from 1879 to 1881, and the fall from 1882 to 1885, were the result directly of the state of our commerce with foreign countries. It never occurred to them that silver was the slightest factor. But I will not leave this matter alone to the decision of Mr. Mills and the very able committee over which he presided.

I will put upon the witness stand the very distinguished and aggressive chairman of the Committee on Agriculture, Mr. HATCH, of Missouri. That committee was directed by the House of Representatives in 1892 to report to it what had been the effect of the tariff on agriculture, and it summed up the matter in these words:

Thus it will be seen that while other interests have profited by and prospered under the protective system, agriculture has suffered a steady decline. Prices for farm lands have been greatly reduced, farms in some of the older States having been abandoned because the owners could no longer afford to till them, prices for stock, grain, and other farm products have seriously declined, and the statement of increased mortgaged indebtedness upon homes and farms, so far as made known by the Census Bureau, conclusively establishes the fact that the occupation of farming has, under the present system of so-called protection, been dealt an injury almost if not quite beyond repair.

Your committee would, therefore, in view of the facts which have come to their notice during the investigation of this subject, beg to report that the present law for the collection of revenues by means of duties upon imports is most unjust, and if persisted in will prove ruinous to that greatest of all interests, that foundation of all wealth, agriculture.

Here we have the solemn and deliberate judgment of another able committee that by reason of the protective tariff, "prices for stock, grain, and other farm products have seriously declined."

Mr. HOPKINS of Illinois. If the gentleman is going into a discussion of the tariff question I would like to have him read from the report of the minority of that committee.

Mr. CATCHINGS. Oh, I have not time to do that.

Mr. TUCKER. That question was passed on last fall.

Mr. CATCHINGS. Mr. Speaker, I had the pleasure of listening in the last Congress to a very remarkable and eloquent speech, delivered by the distinguished gentleman from Nebraska [Mr. BRYAN]. He was then undertaking, as he undertook a day or two since, to portray the depression which had come upon the people of this country, and more especially upon those who live in the agricultural districts.

Then, as now, he was seeking to point out to this enlightened assembly the causes of the depression which he portrayed in such emphatic language. Now, let us see what he said at that time as to the cause of this depression. Here is his speech, a long one, and there is not one word in it about silver—not one word about the appreciation of gold. He subdivided his speech into different topics, and one of the catch-lines is "A cannibal tree." Under that heading he said:

A CANNIBAL TREE.

Out in the West the people have been taught to worship this protection. It has been a God to many of them. But I believe, Mr. Chairman, that the time for worship has passed. It is said that there is in Australia what is known as the cannibal tree. It grows not very high and spreads out its leaves like great arms until they touch the ground. In the top is a little cup, and in that cup a mysterious kind of honey. Some of the natives worship the tree, and on their festive days they gather around it, singing and dancing, and then, as a part of their ceremony, they select one from their number, and, at the point of spears, drive him up over the leaves on to the tree; he drinks of the honey, he becomes intoxicated as it were, and then those arms, as if instinct with life, rise up, they encircle him in their folds, and, as they crush him to death, his companions stand around shouting and singing for joy.

Protection has been our cannibal tree, and as one after another of our farmers has been driven by the force of circumstances upon that tree, and has been crushed within its folds, his companions have stood around and shouted, "Great is protection!"

But the dream has passed, the night is gone, and in the east we see more than the light of coming day. A marvelous change has taken place, and, rising from the political mourners' benches throughout the Northwest, their faces radiant with a new-found joy, multitudes are ready to declare their allegiance to the cause of tariff reform. [Applause on the Democratic side.]

At that time, in the judgment of the eloquent gentleman, it was the cannibal tree of protection, and not the gold bug that was preying upon the vitals of the farmers and consuming their substance. The people of the Northwest agreed with him as to the cause of their depressed condition, and awaited relief through tariff reform with "faces radiant with a new-found joy."

What has happened since 1892 to take the shine out of their faces and cover them with gloom? What has occurred that tariff reform should be shelved, and the free coinage of silver substituted for it as the salve with which to heal their wounds? Nor will it do in searching for the cause of agricultural depression to overlook the following declaration in the Democratic platform of 1892:

> We call the attention of thoughtful Americans to the fact that after thirty years of restrictive taxes against the importation of foreign wealth in exchange for our agricultural surplus, the homes and farms of the country have become burdened with a real estate mortgage debt of $2,500,000,000, exclusive of all other forms of indebtedness; that in one of the chief agricultural States of the West there appears a real estate mortgage debt averaging $165 per capita of the total population; and that similar conditions and tendencies are shown to exist in other agricultural exporting States. We denounce a policy which fosters no industry so much as it does that of the sheriff.
>
> Trade interchange on the basis of reciprocal advantages to the countries participating is a time-honored doctrine of the Democratic faith, but we denounce the sham reciprocity which juggles with the people's desire for enlarged foreign markets and freer exchanges by pretending to establish closer trade relations for a country whose articles of export are almost exclusively agricultural products with other countries that are also agricultural, while erecting a customs-house barrier of prohibitive tariff taxes against the richest countries of the world, that stand ready to take our entire surplus of products and to exchange therefor commodities which are necessaries and comforts of life among our own people.

Mr. Speaker, unless we have been teaching falsehood, and deceiving the people systematically for many years, it must be admitted that much of the fall in prices of agricultural products is directly chargeable to the restraints and fetters that have been put upon our commercial relations with other countries by the prohibitive tariff, fastened upon us by our Republican friends. If we could return to the revenue tariff that prevailed in 1861, I have no doubt that under its stimulating influences an increased demand would spring up for all of our agricultural products, and while taxes upon all necessaries would be lessened, that prices would rise.

Again, we find a very great number of people who believe that dealing in futures is largely the cause of the fall in the prices of agricultural products, and notably of cotton and wheat. Farmers' societies all over the country have adopted that opinion and have flooded us with resolutions demanding that Congress at once enact laws to prohibit it. Who has not noted the earnestness with which my distinguished friend from Missouri [Mr. HATCH] has championed this theory and cried out aloud for its adoption? Who has not read the bitter denunciations of future dealing by the eminent senior Senator from Mississippi, who has held it up as the definite cause of at least a very large part of the depression in the prices in agricultural products?

While this distinguished Senator, because of his opinion, in which I fully concur, that the Hatch bill, which sought to suppress future dealings, was grossly and intolerably violative of the Constitution, was compelled to refuse to vote for it, yet he left no room for doubt that after his elaborate investigation he had reached the conclusion that future dealing directly and materially lowered prices. If this theory is correct we might from this cause easily account for the decline in cotton from the prices that prevailed under the world's free silver régime.

But conceding all that can be or has been asserted as to the appreciation of gold, I do not see how the evil is to be removed, unless we can, by international agreement, secure such an extended use of silver by the great commercial nations as will immensely broaden the metallic base of the world's money. My learned friend from Missouri [Mr. BLAND], and those who train under his banner, contend that if we should admit the free coinage of silver only the products of American mines would come to our mints.

We mined last year 58,000,000 ounces of silver, and according to him this is the greatest amount that would be coined. And yet he declares that free coinage by us alone would bring down the value of gold. Here is the way he stated his proposition in a speech delivered in this House in March, 1892. He said:

It will probably reduce the value of gold—

"Probably," now remember: not that it will certainly do it, but a mere conjecture that it will—

It will probably reduce the value of gold 10 or 15 per cent and increase the value of silver that much, and they will meet each other half way.

We have about $8,000,000,000 of metallic money in the world, about one-half being gold and the other half silver. According to Mr. BLAND'S argument, the annual coinage by us of 58,000,000 ounces of American silver would reduce the value of the gold half of this gigantic and stupendous stock of money about 15 per cent and raise the value of the silver half about 15 per cent.

Having reached this middle ground, he expects them to shake hands, make friends, and dwell together without differences forever thereafter.

It is impossible to combat such a theory by argument. It is purely fanciful and visionary, and I only invite attention to it to show the ingenuity and desperation of my distinguished and learned friend. However, it is well to remember in this connection that since July, 1890, we have annually bought under the Sherman law 54,000,000 ounces of silver and that India with open mints has annually absorbed 34,200,000 ounces without even checking its decline.

If the use by us of 54,000,000 ounces and by India of 34,200,000 ounces annually, in all 88,200,000 ounces of silver, has not even checked the decline, I must be pardoned for not adopting the theory that the coinage of 58,000,000 ounces would reduce the value of $4,000,000,000 of gold 15 per cent and raise the value of $4,000,000,000 of silver 15 per cent. I again say that the theory is wholly fanciful and visionary.

In my anxiety to advance the interests of my constituents I am willing to assume that gold has appreciated to the utmost extent claimed by anybody, though to my judgment the claim must, for the reasons heretofore given, be very greatly exaggerated; and I am willing to do anything that will destroy that appreciation, but I can not suffer myself to be led off by such an *ignis fatuus* as this.

I wish to refer briefly to another scheme by which it is suggested that the gold and silver dollars may be made equal. A gentleman for whom I have not only the profoundest respect, but the deepest love, has suggested that we might bring down the price of gold, or rather close the gap that marks the difference in value between gold and silver, by subtracting enough gold from the gold dollar to make it equivalent in value to the silver dollar. When he suggested that, I said, "My friend, you are unquestionably the greatest gold bug I have ever met in all my experience. The necessary effect of your proposition would be to nearly double the value of the six hundred millions of gold in this country, since silver is only worth about 56 cents on the dollar."

Now if you take from every gold dollar 44 cents, as would have to be done to make it equal in value to silver, and recoin all of our gold upon that basis, you will have substantially doubled the stock of gold owned in this country. Our annual gold production is about $33,000,000, and such a scheme would nearly double the value of that also. I said to him that the wildest gold monometallist, the wildest Wall street Shylock had never conceived an idea so beneficial to the gold owners of this country as that, if it would work. But of course, Mr. Speaker, it would not work.

Mr. DAVIS. May I ask the gentleman a question?

Mr. CATCHINGS. Yes.

Mr. DAVIS. By what means do you judge that the value of the silver dollar is 56 cents?

Mr. CATCHINGS. I judge silver just exactly as I would judge cotton, as I would judge a Kentucky horse. That is, by the price I would have to pay for one if I wanted to purchase it in the market. I do not know of any other standard of value by which I can judge of the value of silver than that.

Mr. DAVIS. By comparing it with gold it is just as you say; but by comparing it with the other products of the country it is as high as ever.

Mr. CATCHINGS. Mr. Speaker, that suggests another extraordinary proposition, a most extraordinary one. With one breath these gentlemen say that silver has not fallen in value at all, and that the whole difference between it and gold springs from a rise in the value of gold. They seek to prove this by telling you that silver coin will buy just as much of our products as ever before.

But they do not stop to think that they prove too much by their assertion. They do not stop to think that if it be true, if it be the fact that in the markets with silver we can buy the same amount of products, and that silver has not fallen, we are driven to the conclusion that there has been no fall in prices. By their contention they prove too much, and their argument turns against them.

Mr. DAVIS. But you must compare the price of silver with some other standard, Two clocks that differ in time can not be regulated by comparing them with each other. There must be some standard of comparison, the sun or the stars. The conditions of commerce are the same.

Mr. CATCHINGS. I am no astronomer, and can not undertake to discuss with the gentleman the influence of the sun, the moon, or stars. [Laughter.] I think if my friend would gaze less upward, and would see facts which lie at his feet, he would get along a little better.

Mr. DAVIS. Do not you think a man ought to look up in this world and aspire?

Mr. CATCHINGS. With a view to his habitation in the next, yes; but he ought to look at the ground enough to see the path in which he is traveling in this world. [Laughter.]

Mr. TUCKER. Was not the gold dollar clipped in 1837?

Mr. CATCHINGS. An alteration was made at that time for the purpose of making both silver and gold nine-tenths fine, the other part being alloy.

I had just remarked, Mr. Speaker, when I was interrupted, that the plan of reducing the gold in the gold dollar, so as to make it no more valuable than the silver dollar, would not work. A man might get more dollars nominally for his commodities, but he would get no more gold. Cotton, for example, sells by the pound, and the vender of a bale of cotton would get the same number of cents of gold, no more and no less. As I have stated, he would get more nominal gold dollars, but no more gold. Nor would the stock of gold in the country be increased. There would be no more gold than now to furnish reserves for our banks, and no more to settle balances of trade. There would be no more gold as basis for credits; and, inasmuch as gold coin does not circulate to any great extent, I can not see that any larger use would be made of gold in our everyday transactions. Another serious objection to it is that clipping our gold dollars would not give any greater stability to silver. The latter would remain just as liable to fluctuation, and we would have no ground to hope that the equivalence between the clipped gold dollar and the silver dollar would remain. That suggestion may be dismissed, I think, as impracticable.

Again, it is said, that if we should undertake free coinage, and should fail in the experiment of maintaining an equivalence of value between the metals, as, in my judgment, we should certainly do at any of the ratios that have been suggested, whereby our gold would be expelled from our shores, leaving us only a depreciated silver currency, we would, nevertheless, derive a great benefit from the fact that our debtors would be enabled to discharge their debts in cheap money.

It is said that the farmers of the country are largely in debt, by reason of short crops and low prices, and that if our money should be degraded and depreciated the benefit resulting to them would compensate for the general disturbance and unsettling of value that would result.

In my opinion this suggestion can find no acceptance among the constituents whom I represent, nor among people of the South generally. We have no rich people in the South. Even my brother BLAND can find no gold bugs or conspirators there. We are not speculators or millionaires. The stock in our banks, and in all our corporations, is owned by our own people. Our merchants are men of limited means.

We traffic almost entirely among ourselves. The debts that we owe we owe to each other, and between creditors and debtors the most friendly relations exist, because they are all of one type. If, therefore, the debts that one class of our people owe should be paid in depreciated money, except in a very limited number of cases, another class of our people would be the sufferers.

I am sure that I voice the sentiments of those whom I represent when I say that they would look upon such a suggestion with disfavor. But at best that sort of relief would be extremely limited and merely temporary. It would give relief only to that class of debts now existing. All new contracts would provide for payment in gold, or would be made upon terms that would guarantee the creditor against loss by the liability of the depreciated money to fall still lower in value, and higher prices would of course be asked. Those who had availed themselves of the opportunity to settle their debts in depreciated currency would find themselves without credit.

Moreover, creditors would become alarmed, and apprehending further depreciation of our money would make haste to call in their loans. No extensions or renewals would be granted, mortgages would be foreclosed, securities sacrificed, and general distress and confusion would ensue. We can not afford to shape our monetary system, which ought to be permanent and lasting, if practicable, to give relief, and that of the most doubtful and temporary nature to a single class of our citizens.

Moreover, if we should have free coinage and there should result, as our overzealous friends predict would be the case, a rise in the prices of commodities bought and sold in this country, but at the expense of the loss of all our gold, the effect would be harmful and not beneficial to the cotton-planters of the South.

It must be remembered that two-thirds of our cotton is sold in Europe, and that its price is there fixed in gold. No legislation here can alter or qualify this fact. The daily quotation in Liverpool fixes the daily price offered in our home markets. It is a simple matter for any planter to see for himself the daily prices stated there in pence and then to translate them into cents.

If we were on a silver basis, as I think we would be, of course he would be paid in silver, receiving so much thereof, and no more, as would be the equivalent of the gold price quoted in Liverpool. But as silver would doubtless, judging from the past, fluctuate as much as if not more than, cotton, the planter would also have to keep advised as to the daily quotations of silver, so that he might know how much in silver his cotton was worth. We may be sure that in this matter the average planter, who is not expert in such matters, would be outfigured by the buyers and suffer considerable loss.

And as silver, unless its past history should be absolutely reversed, would fluctuate and have its ups and downs, just as cotton, wheat, meat, and our other products do, from day to day and week to week, the cotton-buyer would be sure in fixing the price that he would pay to allow himself a sufficient margin to insure him against loss in case silver should take an unfavorable turn before he could get the cotton off his hands. And this margin would be a dead loss to the planter. It would be extorted from him as a guaranty that the buyer should suffer no loss.

If silver remained steady or went up this margin would be a profit to the buyer. If it went down it would save him from loss; but in any event it would represent a dead loss to the planter. But this would be but a part of his loss.

If the price of his cotton in silver rose, so would the price of everything that he is compelled to buy rise at the same time. But the price of his cotton is fixed in Liverpool, and he would receive in silver only so much silver as the gold price in Liverpool would buy, so that in fact there would be no rise in the price of his cotton at all. Everything that he has to buy having also risen in price, he would certainly gain nothing by the apparent rise in cotton prices. And as few or any of those things that he must buy have their values fixed by European markets, the rise in them would be certain to be greater than that in cotton.

The cotton-planter would get for his cotton the silver value of its gold price, for as the purchaser would send it to Europe, where he would only get the gold price for it, he would pay no more in silver than would be equivalent to its price in gold, and, to insure himself against loss by fluctuation in silver, he would be sure not to pay quite that much. But the things that he would have to buy are not controlled in price by the gold prices of Europe, and they would rise in price higher proportionately than cotton.

Only those commodities that are raised here in such quantities that they can not all be consumed in this country, so that the surplus is sold in Europe, have their prices kept down by European prices. We raise more cotton and wheat, for instance, in America than we consume, and the surplus is shipped abroad. All economists admit that the price of our whole cotton crop is fixed and controlled by the price that the surplus brings in Europe.

So that, as I have stated, if we had a depreciated silver currency and prices should, because of it rise, we would only get silver prices which, when reduced to gold, would be equivalent to the gold price in Europe. But the price of wagons, plows, meat, and such other commodities as the planter must have, are not at all fixed or controlled by prices in Europe. The consequence is they would be certain to rise in price with a depreciated silver currency much higher than cotton would, and the planter would therefore be able to buy fewer of such commodities with his cotton than he now does. Truly his last condition would be worse than his first.

To my mind it is a perfectly clear proposition that, no matter what kind of currency we may have, the planter can never get more for his cotton than its gold price in Liverpool, and that it is to his interest that everybody else should also be kept down to gold prices. Otherwise he will be compelled to dispose of what he has to sell in the cheapest market, and to buy those commodities which he is bound to have in the dearest market. Under such circumstances it is not to his interest to advocate a monetary system that will cause an inflation in prices which would benefit everybody else at his expense.

Again, it is said that England is now, and for some years has been, exerting its utmost power to induce us to adopt gold monometallism, and that as we more than one hundred years ago proclaimed and enforced our independence of that country as a people, so we should now proclaim and enforce our independence of it by wholly disregarding its monetary conditions.

There is considerable sound and fury about this style of speech making, but I fear the thinking listener will perceive little else.

I am not a financier, nor do I profess to be quite so familiar as some gentlemen are with political economy, but I try to look at things from a practical standpoint, and I have endeavored to test the assertion in this respect by assuming for the moment that I myself stood in the place of England, and I said to myself, "Now, upon that assumption would you wish the United States to abandon silver and adopt gold monometallism?" I concluded that I would not, for the reason that if this country should discard silver entirely there would leap full-armed into the arena, scrambling for gold, the most powerful and dangerous competitor which England could have on the face of this earth.

With our vast opportunities for investment (for while we are a great nation, we are yet substantially undeveloped, and opportunities are presented here for investment not to be equaled on the face of the globe) in a race for gold, there can be no question that we would far more than hold our own; and I believe that the abandonment of silver by us would be the most serious blow that could be inflicted upon the Government of Great Britain. The greatest solicitude was manifested by the British delegates to the recent monetary conference at Brussels that something should be done to dissuade the United States from taking any action looking to the cessation or diminution of its use of silver.

No one can read the proceedings of that conference without reaching the conclusion that the British delegates believed that it was to the interest of England that we should continue to make as large a use of silver as possible, and that the abandonment of silver by us would inflict great injury upon England.

My own judgment is that whenever the nations of Europe see that we will no longer consent to be a silver stalking-horse for them, but that we are determined that if the world is to make use of silver for money purposes they shall take their share of the burden, they will very soon be willing enough to enter into an international agreement which will enable all countries to make free use of silver with safety.

It is my opinion that we can never have free coinage of silver with safety to ourselves so long as European nations close their mints to silver, and that we can never have an international agreement until, like them, we have suspended coinage of silver.

Now, Mr. Speaker, pursuing the discussion, I desire to remark that history teaches that it is utterly impossible for any nation to have a double standard unless at the same time the two metals which constitute that double standard are of equivalent value. The very moment there comes a difference of value between the two metals composing the double standard, the question arises, by which will we measure values?

If we have gold and silver for a standard, and have them separated in value, as, in my opinion, they would be by free coinage at any ratio suggested, and I should sell a bale of cotton, by which one of these metals would I measure the value of my cotton? If gold and silver had different values, I could not, of course, measure its value by both of them.

If we could keep the two kinds of money in circulation side by side at all, we would measure values necessarily by the dearer money, and in fact, the cheaper money would itself come to be measured by the dearer money, just as though it were a commodity. This is bound to be so in the very essence of things, and and in spite of statutory declarations and definitions. So long as the two metals constituting the double standard maintain an equivalent value, everything will be smooth and easy, as was the case in France and the States of the Latin Union for most of the time, until disruption began by the action of Germany in 1873.

But how are we to be sure of having a double standard? We may appear to have, as we did from 1834 to 1878, whereas the truth was we were on a gold standard all those years. Professing to have a double standard, as a matter of fact we had but one standard, and that was the standard of gold. And notwithstanding the assertion so constantly made to the contrary, the double standard was only approximately maintained in France from 1803 to 1873. The conditions prevailing in that country during those years is clearly stated in the following extract from a recent editorial in the New York Evening Post:

> Mr. Robert Giffen, the statistician of the British Board of Trade, * * * showed * * * that France did not have the two metals in concurrent circulation during the period under consideration, but had had them alternately, first one and then the other. He produced and published the market reports of Paris for each month, from 1820 to 1847, during all of which time there had been a premium on gold ranging from ½ per cent to 2 per cent. Nobody would pay a debt in gold when ½ per cent could be saved by paying it in silver. On every debt of 1,000 francs from five to twenty francs could be saved, according to the premium of the day. by paying in silver. The literature of the period is full of proofs that gold was not in circulation at this time, although it was coined more or less, at the French mint, for money changers and hoarders.
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> After 1847 a change took place, due to the gold discoveries in California and Australia. Silver went to a premium in France and was exported and melted to such an extent that the country was left with an insufficient supply of small change, and was obliged to adopt a token coinage by debasing the fineness of all coins smaller than 5 francs to 835 thousandths, instead of 900. After 1867 there was another change. Gold went to a small but increasing premium, which became so excessive in 1873 that the coinage of franc pieces was limited by law, and stopped altogether in 1876, in order to prevent the exportation of gold. In short, the facts show that France did not have the double standard in practice during the period in question any more than we in America had it.
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> Mr. Giffen showed conclusively, too, that the French law of 1803 had no tendency to hold the two metals together. It should be remarked that as no reason has been assigned by the bimetallists for the spell coming to an end in 1873, there is as little reason for putting its beginning in 1803. The ratio of 15½ to 1 was adopted by France in 1785, and was continuous from that time, and was merely reënacted in 1803.

The experience of France, therefore, as well as that in this country, abundantly demonstrates that the double standard can not be maintained unless there is an equivalence between the value of the two metals.

It is also said that if the whole world should adopt the gold standard, there will not be gold enough to transact its business. If the general adpotion of the gold standard would limit the world to the use of gold, the averment would be correct.

But the idea of a gold standard must not be confounded with the use of gold money. It is not necessary at all that the money of a country having a gold standard shall be gold. There may be an utter absence of gold in a country, and still it may have the gold standard, as is the case with Canada. There we have the case of a government which has the gold standard, which has no mint and no gold coin, and yet in which values are measured by gold, just as they are in England. So, as in this country, there may be a gold standard with gold constituting but a part of its circulating medium. We have silver, silver certificates, gold, gold certificates, national-bank notes, and greenbacks. Each of these, Mr. Speaker, constitutes a part of our circulating medium, and they are all equally valuable in effecting the exchange of commodities. There is not a country in Europe that transacts its business with gold alone. The purpose in having a standard is to provide a definite means by which to measure values. This is the most important function money has to perform, but it is by no means the only one, for money has other uses than the measurement of values.

When we speak of a gold standard we simply mean that the prices of commodities shall be fixed and expressed in terms of gold. It does not mean that all payments shall be made in gold. France has a gold standard, and all values there are measured by gold, and yet she has $700,000,000 of silver constituting a part of her circulating medium; and there is no country of Europe whose circulating medium does not contain gold, silver, and paper.

All these constitute the circulating medium by means of which commodities are exchanged and debts satisfied, and yet only one of these things, gold, constitutes the measure by which values are determined.

Take the case of India, whose only money practically is silver. If it shall adopt gold as a standard, as it certainly will in a short time, it by no means follows that it will have gold money. They will have millions and millions of silver money in active circulation, and still values will be determined by a gold standard.

Mr. ALLEN. I would like to ask the gentleman a question for information. How does my friend come to the conclusion that France has a gold standard, when France says that silver is a legal tender just the same as gold? How does that make France a gold-standard country?

Mr. CATCHINGS. Mr. Speaker, I spoke of France as being a gold-standard nation because it is so defined by all writers. I know of no better method by which to convey the idea that I have in my mind; but I will be more explicit.

I will call the attention of my friend to this fact, that the mints of France are open to the free coinage of gold, but not to the free coinage of silver, either for Government or private account; so that by closing its mints to free coinage of silver, while silver is maintained at a parity with gold, the latter metal is the standard by which everything is measured. France is now avowedly a gold-standard country, notwithstanding its large use of silver.

Many times during the seventy years prior to 1873, as I have already shown, there was a slight difference in value between the metals, which put gold at a small premium: so that it is not true that France ever, strictly speaking, maintained a double standard. I understand a nation to be bimetallic which has its mints open to the free coinage of both gold and silver, making no discrimination at all between the two metals. No country in Europe opens its mints to both gold and silver, and according to this definition there is no bimetallic country, so far as I am advised, in the world to-day.

Now, Mr. Speaker, there is one class of people in this country who have no cause to complain, even if it be true that there has been a great appreciation in the value of gold. I allude to the wage-earners. No matter what may be the cause of it, whether it results from the system of protection as my good Republican friends believe, or from natural causes peculiar to this country, it can not be denied that wages are higher in this country now than they were in 1860 and 1861, when free-silver coinage prevailed.

The wage-earner certainly has not been hurt by the fall in prices. Because of the rise in wages and the fall in those commodities that he must have, the wage-earner to-day can, with the wages he receives, purchase more of the useful things of life than he ever could before. That is unquestionably true. And yet, strange to say, some associations of laboring men, stimulated no doubt by the eloquence of those who are paid to represent the silver miners of this country (and I do not make that remark with any disrespect, for they have a perfect right to employ counsel to present their case to the people of the United States), are advocating free coinage of silver as a measure of relief to themselves.

Mr. Speaker, gentlemen are never so happy as when they point to France, beautiful, sunny France, with its seven hundred millions of legal-tender silver money and its per capita of $40. They regard the system of France as the perfection of financiering, and point with scorn to our $600,000,000 silver and our per capita of $24.

I have waited in vain for some of the gentlemen who have showered their plaudits upon the French system to state to this House that their $40 per capita and their seven hundred millions of silver money have made the products of that country one penny more valuable than ours, or that they have prevented in the slightest degree the fall in prices which has gone on all over the world.

If the volume of money per capita regulates prices, why has there not been a rise in prices in France? Yet, sir, prices in France are not as high as they are in this country. Labor does not earn such a wage and agricultural products do not bring such prices. The fact is that while we have not so large a volume of money per capita as France, we have infinitely larger facilities for transacting business.

With our multitude of banks; with our systems of exchanges, checks, and drafts; with our railways and highways for transportation; with our telegraphs for lightning communication between business centers, we have agencies for the exchange of commodities that the $40 per capita of France fail to approach. So it is not true, Mr. Speaker, that the volume of money necessarily regulates prices. If gentlemen would state that prices are regulated by the facilities of exchange they would come nearer the truth.

In pointing out that because of the fall in prices more products are now required than formerly to acquire the same amount of gold, gentlemen overlook the fact that the fall in prices has not been confined to the products of the farm, but that the prices of other things have fallen in proportion. While, generally speaking, we get less gold for farm products than formerly, nevertheless if we exclude gold from consideration we find that we can barter one product for another as advantageously as ever.

I have here a statement, which I will file with my remarks, which was laid before the Committee on Coinage, Weights, and Measures by my distinguished and industrious friend from Massachusetts [Mr. WALKER]. I have not time to read the whole of the table to the House, but I will call attention to some articles included in it.

Prices agreed upon by Messrs. Kingsland & Douglas, successors of Kingsland, Ferguson & Co., Simmons Hardware Company, and Mansur & Tibbetts Implement Company, all of St. Louis, Mo.

Implements.	Money in—		1889, in bushels of—			1873, in bushels of—		
	1889.	1873.	Wheat.	Corn.	Oats.	Wheat.	Corn.	Oats.
One-horse steel plow (wood beam)	$2.75	$6.50	3.8	8.5	11.5	6.4	19.1	27.0
Two-horse steel plow (wood beam)	12.00	20.00	16.4	37.5	50.0	19.6	58.8	83.3
One-horse iron plow (wood beam)	2.00	5.00	2.7	6.2	8.3	4.9	14.7	20.8
Two-horse iron plow (wood beam)	8.00	13.00	10.9	25.0	33.3	12.7	38.2	54.1
Two-horse side hill or reversible plow	10.00	18.00	13.7	31.2	41.7	17.6	52.9	75.0
One potato-digger	7.50	20.00	10.2	23.4	31.2	19.6	58.8	83.3
Old-fashioned tooth harrow	6.50	15.00	8.9	20.3	27.0	14.7	44.1	62.5
One-horse cultivator	3.50	7.00	4.7	10.9	14.5	6.8	20.5	29.1
Two-horse corn cultivator	15.00	28.00	20.5	46.8	62.5	27.4	82.4	116.6
One-horse mowing machine	45.00	85.00	61.6	140.6	187.5	83.3	250.0	354.1
Two-horse mowing machine	50.00	90.00	68.5	156.2	208.3	88.2	264.7	375.0
Horse rake (sulky)	20.00	30.00	27.4	62.5	83.3	29.4	88.2	125.0
Common Hunt rake (horse)	3.50	6.50	4.8	19.9	14.5	6.3	19.1	27.0
Common iron garden rake (10-tooth steel) ....dozen	3.75	12.00	5.1	11.7	15.6	11.7	35.2	50.0
One-horse horse-power	25.00	45.00	34.2	78.1	104.1	44.1	132.3	187.5
Two-horse horse-power	35.00	65.00	(*)	(*)	(*)	(*)	(*)	(*)
Reaper	75.00	95.00	(*)	------	(*)	(*)	(*)	(*)
Binder	135.00	--- --	184.9	421.8	562.5	277.7*	769.2*	857.1*
Cornsheller (one hole)	6.00	11.50	8.2	18.7	25.0	11.2	33.8	47.9
Fanning mill	15.00	25.00	20.5	46.8	62.5	24.5	73.5	104.1
Common hoes (cast-steel socket), per dozen	3.50	6.50	4.7	10.9	14.5	6.3	19.1	27.0
Common rakes (wood), per dozen	2.00	3.00	2.4	6.2	8.3	2.9	8.8	12.5
Scythes (Ames' grass), per dozen	7.50	16.00	10.2	23.4	31.2	15.7	47.0	66.6
Do	9.50	21.00	(*)	(*)	(*)	(*)	(*)	(*)
Scythe snaths (patent), per dozen	4.50	11.00	6.1	14.0	18.7	10.8	32.3	45.8
Shovel (Ames), per dozen	9.50	18.00	13.0	29.6	39.5	17.6	52.9	75.0
Spades (Ames), per dozen	10.00	18.50	13.7	31.2	41.6	18.1	54.4	27.0
Crowbars (steel)	.06	------	(*)	(*)	(*)	(*)	(*)	(*)
Crowbars (iron)	.05	.10	.06	.15	.2	.09	.29	.46

* For 1880.

In 1873 the price of a one-horse steel plow was $6.50, and it would have taken 6.4 bushels of wheat to pay for it. I am treating this as if the exchange were made directly of one article for another without the intervention of gold.

In 1873 the price of a one-horse steel plow was $6.50, and it would have taken 6.4 bushels of wheat to buy it. In 1889 the price of the plow had fallen, according to this table, to $2.75, and it would take but 3.8 bushels of wheat to buy it. So that the man who wanted to buy plows with wheat was in 1889 as well off as he was in 1873. It is true he could not buy as much gold with his wheat; but if he wanted to swap wheat for plows he could get just as many plows in 1889 as in 1873.

Now, take the case of a one-horse plow. In 1873 the price of such a plow was $5; and a man would have had to give for such a plow 4.9 bushels of wheat. In 1889 the price of such a plow had fallen to $2; and it could be bought for 2.7 bushels of wheat. So that while wheat had gone down in its gold-buying quality, the plow also had gone down in its gold-buying quality; and the man who wanted to exchange wheat for plows was just as well off, or, in fact, better off.

Now, take the case of a potato-digger. In 1873 it cost $20; and it could be purchased for 19.6 bushels of wheat. In 1889 it could be bought for $7.50, or 10.2 bushels of wheat.

Thus it will be seen from this table of prices, for which I will vouch, it having been prepared with great care under the superintendence of my friend, Mr. WALKER, and certified to by leading merchants, that while a dollar of gold will buy more wheat to-day than it would in 1873, the dollar of gold will also buy more plows, more potato-diggers, and other things than in 1873; and if a man sells his wheat for gold, he can take that gold and buy just as many plows as he could if he had done the same thing in 1873. The net result is exactly the same.

Mr. ALLEN. Does not that show just what my friend was arguing against awhile ago—that while everything else has kept along tolerably even, gold has gone up?

Mr. CATCHINGS. Even if that be conceded to be true, I am speaking of what has been the practical effect. I am simply trying to show that even if it be conceded that gold has appreciated, the world, generally speaking, has not been affected harmfully. The only people on the face of the globe who could be injuriously affected by this appreciation of gold which is claimed to have taken place are those who owe long-time obligations.

No others can be affected by it. If I make a debt to be settled in six or twelve months (and those are the sort of transactions our farmers nearly always make), it is utterly impossible that there can be any rise in the value of gold in that short time which can have any appreciable effect upon the amount of the debt. It is only in the case of such matters as Government bonds or bonds of corporations, not maturing for a long period of years, that the debt becomes more burdensome and difficult to pay by reason of appreciation of gold.

Let us now substitute cotton for wheat and see if the exchangeable value of the former for other commodities is not quite as great as it was in 1873, when the fall in prices is supposed to have set in. In 1873 a one-horse steel plow cost $6.50, and it required, at 19 cents a pound, $34\frac{4}{19}$ pounds of cotton to buy it. In 1889 the plow cost $2.75, and in 1891 it would have taken 25 pounds of cotton to buy it.

In 1873 a two-horse steel plow cost $20, and it would have taken $105\frac{5}{19}$ pounds of cotton to buy it.

In 1889 that plow cost $12, and it would have taken $109\frac{1}{11}$ pounds to buy it. In 1873 a one-horse iron plow cost $5, and it would have taken $26\frac{6}{11}$ pounds of cotton to buy it. In 1889 the same plow cost $2, and it would have taken $18\frac{2}{11}$ pounds of cotton to buy it. In 1873 a two-horse iron plow cost $13, and it would have taken $68\frac{8}{19}$ pounds of cotton to buy it. In 1889 that plow cost $8, and it would have taken $72\frac{8}{11}$ pounds of cotton to buy it. In 1873 an old-fashioned tooth harrow cost $15, and it would have taken $78\frac{18}{19}$ pounds of cotton to buy it. In 1889 that harrow cost $6.50, and it would have taken $59\frac{1}{11}$ pounds of cotton to buy it.

In 1873 common hoes (steel socket) cost per dozen $6.50, and it would have taken $34\frac{4}{19}$ pounds of cotton to buy them. In 1889 they cost $3.50, and it would have cost $31\frac{9}{11}$ pounds to buy them. In 1873 spades (Ames) per dozen cost $18.50, and it would have taken $97\frac{7}{19}$ pounds of cotton to buy them. In 1889 they cost $10, and it would have taken $90\frac{10}{11}$ pounds to buy them.

The same result will be found as to all the other commodities whose prices are stated in the table that I have presented. It is thus demonstrated that in 1891 it would have taken no more pounds of cotton to buy those commodities than would have been required in 1873.

The result would be the same whether the cotton planter should actually swap his cotton for those commodities or sell his cotton for money, and with it buy those commodities. In seeking to ascertain what effect the appreciation of gold has had upon the gold prices of cotton, the only just comparison that can be made is with its gold prices prior to 1861.

If we compare the price of cotton in 1891 with that in 1860, when free coinage of silver prevailed substantially throughout Europe and the East, and when we also professed to have it, we find that the price in both years, taken at its highest, was 11 cents per pound. If we compare 1890 with 1859, we find that in the former year the price was 12 cents per pound and in the latter $12\frac{3}{4}$. Comparing 1889 with 1858 we have $11\frac{1}{2}$ cents per pound in the former and 13 in the latter year.

Comparing 1888 with 1857 we have $11\frac{3}{8}$ in the former year to 15 in the latter. Comparing 1887 with 1856 we have $11\frac{7}{16}$ in the former to 12 in the latter year. Comparing 1886 with 1856 we have $10\frac{1}{4}$ in the former year to 11 in the latter. Comparing 1885 with 1855, we have $11\frac{1}{2}$ in the former to 10 in the latter year. Comparing 1884 with 1854, we have $11\frac{15}{16}$ in the former to 11 in the latter year,

This comparison of recent prices with those of the ante-bellum free silver régimé, shows conclusively that they are about the same, and that gold prices of cotton have not fallen, no matter what may be the case as to other products. It would have taken no more pounds of cotton in 1891 to pay a debt, we will say, of $1,000 in gold than would have been required to pay the same debt in 1860, thirty years prior thereto.

It can hardly be claimed that the appreciation of gold is the cause of the low prices of 1892 and the present year.

The fall in prices that writers and speakers complain of as attributable to a rise in gold is alleged to have been going on for many years, and it would be singular indeed if cotton, while not at all affected by the alleged rise in gold until 1892, as I have demonstrated, should suddenly collapse from that cause. It is unnecessary that I should say much as to the different ratios which have been suggested by the gentleman from Missouri [Mr. BLAND] and those acting with him.

All that I have said as to the ratio of 16 to 1 will apply with equal force to the ratios suggested of 17, 18, 19, and 20 to 1. If we should coin a dollar at the ratio of 20 to 1, which is the highest ratio suggested, the silver in that dollar would be worth only 81 cents.

Inasmuch as the very slight difference of 4 or 5 cents between the value of gold and silver as declared by the ratio of 16 to 1, adopted by Congress in 1834, practically excluded silver from the mints, it is to my mind absolutely certain that with a difference of 19 cents between gold and silver, as we should have at the ratio of 20 to 1, not another dollar of gold would come to our mints for coinage, and our $600,000,000 of gold would be driven from circulation, and the greater part of it to foreign countries.

The Gold Exchange, which was established in New York prior to the resumption of specie payments in 1879, wherein gold was bought and sold as a commodity, would again be set up. In my judgment, instead of free coinage of silver at any of the ratios suggested resulting in increasing our volume of money, we would have an enormous contraction. If our gold should be driven out, as I believe it would be, one-third of our volume of money would be at once destroyed.

In addition to that, if this should happen, our silver money would fall to its actual bullion value, whereby its purchasing power would be reduced at least one-third. By this means we would have a further practical contraction of about two hundred millions in the volume of our money. The question is, can we afford to risk the experiment of free coinage, which, to say the least, might result in a catastrophe so awful as this contraction would surely beget?

If my judgment commended such a course I confess I should not have the courage to pursue it. I could not bring myself in a matter of such gravity, wherein a mistake would be fraught with such perilous consequences, to take the chances. If such a step is to be taken, I prefer that others should bear the responsibility, and shall cheerfully join in showering plaudits upon them if the result should show that they are right and I am wrong.

Another serious objection to adopting a higher ratio than 16 to 1, under which all of our silver dollars have been coined, is that it would involve the recoinage of all of our outstanding dollars at an enormous cost, and with the uncertainty still remaining as to whether we would then be able to retain our gold in circulation.

Moreover, recoinage at a higher ratio would make it more difficult than it now is to obtain an international agreement with the civilized nations of Europe by which all of them should use silver freely.

This would be so, because under any international agreement all the nations subscribing to it must use silver upon a common ratio, and if we should recoin at a higher ratio the nations of Europe would be obliged to do the same thing as to their silver money, and they would hesitate long before undertaking recoinage of their money under such circumstances, attended as it would be by great difficulty and enormous expense.

If we are to have free coinage of silver at all, it is far better to have it at the present ratio than at any of the other ratios suggested by the gentleman from Missouri and those coöperating with him.

It has been said that if we repeal the purchasing clause of the

Sherman law without making some provision for the further use of silver that we would at once strike down and demonetize one-half of the world's money. This statement is utterly untrue. Not one doller of the world's silver, amounting to nearly $4,000,000,000, would be in the least affected by it. Our silver money, and that of all other countries in the world, would continue to be money, and would be used just as it is to-day.

It is also said that if we should repeal the purchasing clause of the Sherman law without providing for further coinage of silver at the same time, we would give a death blow to silver and that it would never be used again. On the contrary, in my judgment, as I have already stated, such repeal would be the first substantial step that we have ever taken looking to the free and unlimited coinage of silver.

If it be true, as has been stated, that the world can not transact its business without the use of silver, nothing is more certain than that the world will have it. And if we should find, after maturer reflection, that we can embark safely upon the free coinage of silver, even without the coöperation of other nations, it is also certain that we will do it.

Both parties favor the use of silver, and the only question is as to the best method to be pursued by which we may obtain its free coinage at our mints.

Mr. Speaker, there are some other things I had expected to say, but I have already spoken very much longer than I had intended, and my throat is quite sore from the unusual exercise.

Gentlemen who have served with me here know that nobody takes the floor more seldom than myself. I have been impelled to give a careful investigation to this question because I have felt that it was due to those people whom I represent, and for whom I entertain not only the most profound respect but great affection, born of long and intimate acquaintance.

I know that they will credit me with honesty and sincerity of purpose; and I know that they would have the same scorn and contempt for me which I would entertain for myself if, after careful consideration, I had reached a conclusion which I had not the courage and manliness to avow distinctly and frankly.

I believe, Mr. Speaker, we could do nothing more fatal to the interests of the South than to undertake the free coinage of silver at this time. I think we should be flying in the face of all history if we should conclude that we can do what the states of the Latin Union, after solemn deliberation, concluded they could not do.

I am unable to accept the opinion of certainly not more than one-half of the American people as against the judgment of the other half, supplemented by that of all the civilized nations on the face of this earth.

I believe that we can have an extension of our volume of money. I believe there are many means by which we can increase our currency without incurring any of the dangers that all must admit we may encounter, should we, acting alone, attempt the free coinage of silver. And I stand ready to urge and to vote for any proper measure looking to the expansion of our volume of money.

But, sir, I believe that the President is right in urging as the best means of restoring confidence, the prompt and unconditional repeal of the purchasing clause of the Sherman law. Other measures of relief can well stand aside until then. I can not describe that law in terms so fitting as those used by the distinguished Senator from Missouri, Mr. VEST, who used this language a few days ago in the Senate:

> I was never the friend of the so-called Sherman act. I voted against it, spoke against it, denounced it as a makeshift, and declared it to be the worst measure for silver and for bimetallism that could be invented and placed upon the statute book. I am in no sense responsible for its enactment. To-day its malign and distorted features look out upon a land staggering and reeling upon the verge of bankruptcy. Its putative fathers have bastardized it, and are falling over each other now in a vigorous attempt to prove that they never favored it, and are not responsible for its existence.

These words I fully adopt as my own. So far as my vote can remove a law so pernicious and harmful as this is conceded by all to be, it shall be given promptly and willingly.

Mr. Speaker, let us rid ourselves of that law and get together like Democrats—I should have said like American citizens—without passion or partisanship, and promptly enter upon the consideration of some measure by which we can relieve the country of the disasters from which it is to-day suffering. [Applause.]

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