

THE PRESENT STATE OF THE SILVER QUESTION.

S P E E C H

OF

HON. JONATHAN P. DOLLIVER,
OF IOWA.

IN THE

HOUSE OF REPRESENTATIVES,

FRIDAY, AUGUST 25, 1893.



WASHINGTON.
1893.

SPEECH
OF
HON. JONATHAN P. DOLLIVER.

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. DOLLIVER said:

Mr. SPEAKER: I am sorry that at the end of this long debate I am not able to bring to the consideration of the question the same enthusiasm that I had at the opening of the discussion. The current of the debate has at least given to those of us who are not trying to play the rôle of financial teachers or of evangelists, dealing with the emotions that is to say, the prejudices of men, an excellent leisure for reflection and an excellent reason for silence. It is to be regretted also that the debate, now nearly a fortnight old, has not gone very far in bringing us out of the chaos that originally surrounded us.

On the side of the free coinage of silver there is one central problem that includes the whole field of the controversy, and that is: Can a nation situated like ours, under circumstances such as obtain now, invite to its mints the whole silver product and the whole silver stock of the world without creating a coin that shall partake of the fluctuating and depreciated character of silver bullion? That question has not been answered.

We have had it said that the act of 1873 was a gigantic fraud and a gigantic crime; but that is not the question. We have had it said that the price of cotton and the price of wheat have gone down with the price of silver bullion; but that is not the question. We have had it said that celebrated students of this question, both here and in Europe, have given their judgment in favor of bimetallic coinage on an international field; but that is not the question.

The question is whether a single country situated like ours is able, under conditions that now prevail, to ignore at its mints the quotations of the bullion market without establishing for its commerce a basis of silver, excluding all other coinage and swamping American business under the burden of a currency both changeable and debased. That question has not been answered; and while we have enjoyed the eloquence that has been aroused by this subject, I trust we have not forgotten that this is a question that must be decided in the arena of judgment and reason, and not in the atmosphere of mere oratory. I confess that I have followed the silver voice of my friend from Nebraska [Mr. BRYAN] from the third Punic war down past the glorious

victory of Charles Martel to the joint debate between Napoleon and the extraordinary drummer boy of Marengo, without getting light enough on this question to guide me from one figure of speech to another, and while I am not without admiration for the oratorical skill that can so attractively exhume the fallacies of fifteen years ago and give such persuasive shape and color to the vagaries of the Nebraska Populist of to-day, I will not conceal the disappointment with which a plain and perplexed man, anxious to be right and seeking to know the practical effect of the theory of free coinage on our monetary system, has sought in vain for that grain of wheat in the midst of so vast and entertaining a display of chaff. [Laughter.]

If it be true that a single nation by its own laws can abolish the bullion market and make its mints the undisturbed arbiter of the silver situation throughout the world, it seems to me that there ought to be some enlightened and faithful student of this problem, in some language of the earth, to express that opinion, even if it was not thought necessary to introduce some evidence to prove it. In a matter like this no prudent man can let go the hand of experience, unless he sees something to take hold of more tangible than dogmatic theories and incoherent predictions.

But what writer, what student in any language, including even the faithful friends of silver who made the Brussels Conference of 1892 famous; what American politician, not directly influenced by his own interests or by the clamor of local politics, has given that opinion? On the contrary, having been cast off by every government in Europe, including those that have most faithfully tried to practice it, it has found a final refuge in the silver-bearing mountains of our own country, and an intermittent shelter, good only between Presidential elections, in Missouri and Arkansas. [Laughter and applause.]

Now, Mr. Speaker, I shall not be suspected of caring very much what happens to the Democratic party of Missouri, but I can not forbear to point out that the leaders of that party do not seem to be disturbed very much by the "parting of the ways," in which my friend from the Eighth district of Missouri has so often stood. [Laughter.] Because everybody knows that when the Democratic party took Mr. Cleveland a second time for their leader, they took him with the absolute knowledge of his disposition to combat the prevailing views of the State of Missouri in regard to silver; and when we find him getting more votes in the State of Missouri than these silver Congressmen themselves, we can easily imagine that this periodical epilepsy of that State on the money question is not likely to very seriously disturb the comfort of the Democratic party. [Laughter and applause.]

Mr. Speaker, I come from a constituency employed mainly in farming. It is a constituency that understands perfectly well that without a safe, a uniform, and a stable system of money there can be no prosperity either in the field, in the factory, or in the market place; a constituency that fifteen years ago, as my friend Gen. HENDERSON, who sits before me, recollects very well—for we both were in that fight—heard every argument that has been heard at this session of Congress, weighed the cheap philosophy of cheap money in the balances of a sober judgment and of an upright conscience and found it wanting in both

[laughter and applause]; a constituency whose debts stand for its enterprise and its investments, and not for its poverty and its misfortunes, and whose purpose is to pay what it owes in the legal currency of the country, without clipping a coin or depreciating a note or debasing a dollar. [Applause.]

Our people are a clear-thinking and a hard-working people, and they ask not one of their representatives, Democratic or Republican, to come here and urge legislation that shall disturb either the volume or the value of the currency of the United States. [Applause.] Both political parties are now agreed upon this, for I can not forbear to recall the fact that the Democrats of our State have suffered in the past few days an almost instantaneous conversion upon the silver question. [Laughter.] They stand now where the Republican party has always stood, and we hope that there will never be a Democratic relapse in this generation in the State of Iowa. [Laughter.] If there are those who think that we ought to show our disapproval of their conversion by ourselves backsliding, I can not agree with them.

I stand where I have always stood, for a national currency every dollar of which shall be equal in value to every other dollar issued by the Government. So that if a man works for a day he may know what he earns; if a man has a crop for sale he may know exactly what he receives for it; if a man has a little property he may know exactly what it is worth; if a man is receiving a little pension that has escaped the malice of this Administration, he may know exactly what the pittance amounts to; if a man has a little money laid up in the bank for a rainy day, he may know exactly what his balance is; if a man has insured his life he may die without having his last hours embittered by the prospect of his family being swindled by the depreciation of his little estate; and if a man, like myself, has spent nearly all his lifetime bearing the burden of debt, he may know exactly what he owes [laughter], and make up his mind before God and man to pay it if he can, as our fathers did, without inviting a relief expedition from Bedlam. [Great laughter.]

Mr. Speaker, representing such a people I would not dare to cast a vote here which might have the effect of destroying the prosperity of American business by an experiment which, for all that has been said, presents itself to my mind in the form of an unlimited manufacture of short-weight dollars. [Laughter and applause.]

The view which I now have is the product of many years of conscientious study of this subject. It may be wrong. I do not hold it as a final and unalterable statement of faith. I hold it subject to revision in the light of every new fact, every new experience of the world, every new discovery of political science. It is a disinterested opinion, for it violates not only original prejudice on the subject, but also the judgment of many whose opinions I respect, and above all it violates my sympathy and good will toward that portion of our common country whose chief occupation has been injuriously affected by the decline of silver.

I am aware also that, especially now in these times of depression and gloom, we are likely to see a resurrection of all the miserable quibbles that fifteen years ago almost carried the country

over to an organized system of depreciated currency. We are beginning to hear the old arguments, that those of us who had a hand in the fight before the resumption of specie payments remember perfectly well. I recall that last winter I was sitting over there by the side of the gentleman from Maine [Mr. DINGLEY] when some one asked my friend from Missouri [Mr. BLAND] whether the free coinage which he proposed was not likely to put a premium on gold. "A premium on gold," said Mr. BLAND, "Why, that is all right; that means a premium on wheat, a premium on cotton—a universal blessing and benefit to the country."

I represent a constituency which knows by experience that a premium on gold is the fatal exposure of every legitimate business of the American people to the speculation of the street and the jobbery of the gold table; and while I am not very old in the experience of the business world, I recollect the time when the legitimate business of the American people escaped from the last premium that we had on gold in the United States. And if I thought the judgment of the people in the midst of whom I live were not with me, I would resign my seat in this House very cheerfully before I would vote to bring American business back to the chaos out of which we escaped in 1879 [applause], because I believe that the people of the United States will in the long run respect a man who refuses to betray them even for the sake or their applause. [Applause.]

When I hear this Chamber filled with threats and long-winded declamations about what is going to happen to people who in the discharge of a high responsibility exercise their own judgment and obey their own convictions on this question, I very often recall the fiery words of old Thomas Carlyle, preserved in the memoirs of the late Lord Houghton. Carlyle wanted Edward Milne, afterward Lord Houghton, to obtain a pension for a struggling young poet, Alfred Tennyson. Mr. Milne presented the subject to Lord Palmerston, then prime minister, who told him that he had never heard of Tennyson, and advised him to let the matter drop for fear his constituents might think he was trying to load some relative onto the bounty of the government. Mr. Milne went to Carlyle and told him the situation, and Carlyle answered him thus:

Edward Milne, it may be all right for you to excuse your failure by a reference to your constituents; but I tell you that there is coming a day when the question will be asked of you: "Edward Milne, why did you not get the pension for Alfred Tennyson?" and in that day it is you who will be damned and not your constituents.

[Laughter and applause.]

I wish now by the kindness of the House to say a few words about the repeal of the Sherman act. I have heard all that has been said on this subject, and have heard it with attention. Everybody will testify that I have taken a front seat and have endeavored to profit by every day of this discussion. I say to you that I am not convinced by anything I have heard or seen that the Sherman act is the sole cause of the troubles that now afflict us.

I agree with the eloquent remarks of my friend from Michigan [Mr. BURROWS], who this morning attributed our troubles to the

dread now lodged in the minds of those engaged in the great productive industries of the United States that an industrial revolution is at hand. And I desire to say to my Democratic friends who laughed with derision when that subject was first mentioned in this debate, that there could be no change in the tariff system of the United States, even for the better, without paralyzing for a time the prosperity of all the industries involved. How much greater is likely to be the disturbance of prosperity when the changes proposed are radical and revolutionary, and have already thrice in the history of the United States resulted in the total prostration of the prosperity of the American people?

It is recognized, however, that for better or for worse, the whole business community seems to believe that the silver act of 1890 is one cause of distrust. Nor can it be questioned that the daily purchase of 6 tons of silver may have given rise to a feeling that the time was approaching when the Treasury might be stripped of its reserves and the whole fabric of the national credit be exposed to suspicion.

Notwithstanding the strong hope we have had that the act of 1890 would aid in the solution of the silver question by arresting the degradation of the metal, we do not hesitate to admit that the act has failed to meet the expectation of those who framed it. It now stands, in the judgment of millions, as a threat in the way of restoring confidence, and I will not interpose my vote against the only remedy in which the business world seems to see a solution, or at least a mitigation, of the difficulties in the midst of which every American enterprise is now struggling for its life. [Applause.]

Either the repeal of this law will help us or it will not. If it does, we shall all rejoice. If it does not, we shall all be nearer knowing what the matter is, and the Democratic party will be brought face to face with the omens of the disaster that must follow their tariff policy, with no cover to hide them and no subterfuge of explanation to keep them from an open responsibility. Therefore, as a partisan, I am in favor of clearing this issue so that every man may know that whatever follows the tariff act of this Congress comes from that act, and not from imaginary sources in another field of legislation.

Again, those of us who favor the use of both gold and silver in our coinage, but are convinced that the question is an international one, look forward, not without reasonable hope, to the future efforts of the Brussels conference to restore the monetary status of silver. No man in public life in the United States knows more about this question than Mr. ALLISON, who was a member of the conference of 1892. No one can question his qualifications to speak with authority on this matter, and fortunately no man can dispute the fidelity with which his life has been devoted to the interests of the Mississippi Valley. Therefore, when we find him agreeing with Governor MCCREARY, of Kentucky, also a member of that conference and a lifelong friend of silver, that the suspension of the purchase of silver here will greatly expedite the work of the Brussels conference, we feel sure that the road to a larger use of silver in the coinage of the world lies through the repeal of that part of the act of 1890 which now compels this Government to bear the burden of silver alone.

The very moment the United States declares its purpose to lay down the load, the commercial world will feel the pressure of necessity to unite in taking it up on equitable terms.

Mr. Balfour said, in his remarkable speech in London on the 3d of this month, speaking for international bimetalism:

We have boasted, we have claimed for ourselves, that we lead the van of commerce because we are the great upholders of the single gold standard.

If some of the gentlemen who have spoken in this debate had been present they would have felt like interrupting the speaker to say that the United States had declared their independence of England and would not submit to having a conspiracy of London bankers force the gold standard on to us. But, unfortunately for this branch of the rhetoric of the silver cause, the words I have read from the London Times's report of Mr. Balfour's speech are only half of a sentence, which concludes as follows:

And yet there is not a man, I venture to say, in the city of London this moment, not a single man who would not look with horror and with apprehension at every other nation following so good an example.

He goes on to say, "Let the United States go in for a gold standard and a tremor seizes every one of our commercial magnates," and finishes what I venture to say is the most significant speech of the year by asking the distinguished audience which crowded the Egyptian hall of the Mansion House "whether the great, the preponderating, the overwhelming influence of the city of London ought not to be thrown into the scale of those who desire to see some international settlement of this vast problem and the establishment of some system under which every great commercial community throughout the world shall contribute its share, at any rate, to maintaining the stability and the value of silver."

So that it seems to me certain that the friends of silver in the United States will enter the conference of 1893 with a more influential position if Congress authorizes them to say that the United States, having refused to longer carry the whole burden of maintaining the stability and value of silver, is ready to agree with the commercial community throughout the world to contribute its share.

It is to be remembered also that the bill proposed here, instead of destroying the present currency based on silver, preserves not only its volume unimpaired, but also secures by a pledge of the national credit the value of every dollar on a parity with all our coins and currency.

If anybody supposes that our decision here ends the controversy about silver, he is mistaken. It only transfers the question to the larger field, where it belongs. And if anybody thinks that our action in suspending the purchase of bullion is in any sense the "doom of silver," it only shows that he does not comprehend the movement of the mighty forces that are at work throughout the world. It is perhaps unfortunate that we are called to deal with this question in the midst of a financial convulsion almost without example in its waste and ruin. We have heard men try to explain this sudden misfortune. There is no use to try to explain a panic. By its very definition it is a thing without reason and beyond explanation.

I have already pointed out the underlying cause of the accom-

panying industrial depression, which in our own country has evidently emphasized the general depression visible on all sides in every country. For that the repeal of the silver act of 1890 is no remedy. There is, however, in this world a very large area for faith. A friendly correspondent, writing to me the other day on the silver question, more than once repeats the precept of the Scriptures, "We live by faith." And so we do, even in the field of business and finance. In voting to repeal the section of the act of 1890 requiring the monthly purchase of 180 tons of silver bullion I frankly confess that I am guided in part by what seems to be the prevailing belief of the business community. A friend in the city in which I live, in explaining to me his new views on religion and medicine, somewhat perplexed me by saying that a few months ago he "was caught in the elbow by a belief of rheumatism" [laughter], and, if I understood him correctly, his idea was that the way to handle it was to let the rheumatism go and pay attention entirely to the belief. [Laughter.]

I do not know how much there is in that idea, but I was not prepared to argue the matter with him; and in this situation in which we find ourselves, while we may not have the fullest confidence in the remedy suggested, I can not make up my mind that we ought to deprive the business world of such consolation as may come to it by a fair opportunity to try an application of the faith cure. [Applause.]