

Silver.

SPEECH
OF
HON. BENJAMIN F. GRADY,
OF NORTH CAROLINA,
IN THE HOUSE OF REPRESENTATIVES,

Thursday, August 24, 1893.

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

Mr. GRADY said:

Mr. SPEAKER: It was not my intention at the beginning of this session of Congress, called together, as I understood the command from our Chief Executive, to repeal the purchasing clause of the Sherman act—it was not my purpose, I say, to engage in this discussion, or add anything to its length. I hoped that I might sit quietly and drink in wisdom from the great men of this House who have had experience for a number of years, and have studied this question, and are supposed to know all about it.

But I soon found myself in the condition that a pious old deacon up in Connecticut once found himself in. He was a very devout old gentleman, and was distinguished for always accepting with sublime resignation whatever ills the Lord saw fit to inflict upon him. He never murmured. One day a tornado came along and tore down his fruit trees, uprooted his yard trees, and blew down everything in its path. He took it all with quiet submission and fortitude. After awhile he ran out to his barn and tried to save its contents from the fury of the winds, but as he reached the door a shutter swung violently around, struck him, and knocked him down. Picking himself up he remarked: "I think it is time for me to express my sentiments." [Laughter and applause.]

The first speech, Mr. Speaker, delivered in this House [by Mr. RAYNER] on the opening of the discussion on this measure knocked me down. I will read the statement that gave me the blow:

If this desperate system of finance, with nothing to justify it, with almost the whole intelligence of the country against it, etc.

"Almost the whole intelligence of the country against it." That, Mr. Speaker, was the blow that struck me. [Laughter.] I can not admit the truth of this assertion. I do not think that all of the

intelligence of this country is in favor of the unconditional repeal of the purchasing clause of the Sherman act, and even if it were in favor of it, I would have some hesitation in accepting this view of the situation.

You will find no more devout worshiper at the shrine of intelligence than myself. I repeat, no more devout worshiper than myself will ever be found at the shrine of that intellect which has brought the arts and the sciences to the degree of perfection which is the wonder and the glory of these declining years of the nineteenth century; but when we survey the past or the present and rest our eyes on the deeds of the human intellect when greed, pride, vanity, spite, and ambition have been among its controlling motives, horror takes the place of admiration, and we hang our heads in shame. The intelligence of Athens compelled Socrates to drink hemlock. The intelligence of Judea crucified Christ. The intelligence of Europe imprisoned Galileo for twelve years, and built slow fires under John Huss and Jerome of Prague. And almost every page of history is stained with the blood of the victims of laws and institutions established by the intelligence of the world.

And coming to our own shores, Mr. Speaker, we find that the intelligence of this country has in twenty years wrought out a condition which, with a few names of persons and places changed, we might mistake for the condition of Rome in its most corrupt period, as described by Froude.

No, Mr. Speaker, I can not surrender my convictions because the intelligence of the country is against me; and when it comes asking me to join it in enacting, repealing, or amending laws, let it come with facts—not with analogies which are not analogous, not with parallels which are not parallel, nor with guesses founded on insufficient or irrelevant testimony.

Let us see and consider one of the facts that is presented to the House. It was first asserted in the House in the early part of this discussion—rather tentatively—that silver was demonetized practically in 1834. The next speaker finding that assertion was not denied, repeated it with a little more confidence, and it has gone on until I believe the day before yesterday it was repeated [by Mr. BYNUM], without any qualification whatever. Let us see about that. In 1834 the act of Congress providing for the coinage of gold coins says:

Every such eagle shall be of the value of \$10.

Now, what was ten dollars? What did the word "dollar" mean? What did it mean from the foundation of the Government? There never had been coined a gold dollar up to that time. The only dollar known to the people at that time, or since, except the few gold dollars in circulation for a little while, were silver dollars; the Spanish milled dollar that was fixed as standard coin by the First Congress—the Spanish milled dollar that was declared to be the unit of value by the Congress under the Confederation—the Spanish milled dollar that has been the unit all along until it was demonetized in 1873.

This debate, Mr. Speaker, has brought to me humiliating reflections. I see strong men—men of giant intellects and of unsullied honor—contending for opposing and conflicting measures of relief, with the same facts and conditions before their eyes. What should we think of two schoolboys who should go through Euclid's Geome-

try, arriving at different results from the same axioms? One demonstrating, for instance, that the square on the hypotenuse of a right angled triangle is equal to the sum of the squares on the other two sides, while the other proved that there is no such equality? We should say that one of them was demented. Why not say this of one side or the other in this debate? Because the conditions are not the same.

The student of geometry has neither pride, ambition, nor spite, nor any selfish motive to warp his judgment, nor is he influenced by his education or his environment; nor is there any room for guesses. In this discussion every participant gives voice to the promptings of his own environment—using that word in its broadest sense. Every man is more or less—and more, perhaps, than less—the creature of circumstances. He is the creature of his own environment. Why, if I had been born and reared in Mecca, I would have been a Mohammedan. A man who has been born and reared in New York, if he is a pet among the gold bugs, will be a gold bug. If he is born on a cotton plantation in the South, and works for 65 cents a day, whether he is white or black, he will be in favor of more money—in favor of free silver. It is altogether a question of where a man has been raised. So these gentlemen have voiced their own environments.

For this reason I can not find it in my heart to complain of them. I can not find it in my heart to think evil of them. They are as sincere as I would dare claim to be, and their motives are as pure as mine. But, Mr. Speaker, all this could be said of Peter the Hermit, whose mistaken zeal plunged Europe into two hundred years of destructive war. He was just as sincere as these gentlemen are, and from his surroundings and the influences that controlled his thoughts, not only as sincere but as wise, perhaps, for his day and generation.

It could be said, too, of the God-fearing people of New England who cropped the ears of Quakers and bored holes in their tongues with hot irons, until the Catholic King of England ordered John Endicott to have it stopped. I trust, therefore, I may be pardoned if I warn these gentlemen to study well the ground on which they stand, and seek with all possible caution the path of duty. We are to decide a question of supreme importance, and on our decision hangs the weal or woe not only of the present generation, but of those who are to come after us; and I think we ought to weigh well the conditions confronting us before we cast a vote on the measure before the House.

It would be an unreasonable reflection on the intelligence of this country if it could not justify its claim to respect and to its right to guard the "honor of the nation" and the "credit of the Government." The honor of the nation and the credit of the Government—they are the things this intelligence is to guard. It is not the honor of the people and their welfare. They may go to the dogs. They may stay in the poorhouses. They may stay in rags and in ignorance, but the "honor of the nation" and the "credit of the Government" must be preserved.

When the Pharisee heard the accusation that he devoured widows' houses and laid on the shoulders of the people burdens grievous to be borne, his answer was just such as we might have expected. His accuser was a disturber of the public peace, an enemy of good government, a destroyer of vested rights, an infidel, and a nobody who consorted with publicans and sinners. And just here I can't help

expressing my mortification at seeing some Democrats consorting with Republicans and sinners and applauding their speeches on the silver question. [Laughter.]

The Pharisee's answer, Mr. Speaker, can be found paralleled in all ages and in all countries wherever the right of the ruling classes to live on the labors of others has been disputed. It was disputed in Judea. It was disputed in Greece. It was disputed in Rome. It was disputed in every country on the face of the earth so far as history gives us any light. And the excuse has always been about the same.

In this boasted land of liberty every man who demands justice for himself and his children is denounced by the intelligence of the country as an enemy of the laboring man, an enemy of those who are patriotically striving to build up a great and powerful nation, as a hireling of British manufacturers, as an agrarian advocate of a dishonest dollar, as an ignoramus who deserves to be laughed at by soft-handed intelligence which "sits at the receipt of custom." [Laughter.]

If a law of Congress had been passed twenty years ago requiring the destruction of all the mules in the United States, and forbidding the rearing or importation of any more mules, the friend of the mule would soon have found the "intelligence" of the country against it. The price of horses would have gone up, no doubt, but as a horse was not a measure of value the same arguments could not have been used; but other arguments could have been found. The friends of the mule would have been laughed to scorn as advocates of "a cheap and nasty" substitute for the noble animal which has been the companion of man in all intelligent countries. [Laughter.]

Electrotype plates would have been furnished free to all the country newspapers, caricaturing the mule, warning the people of the danger in his hind legs, and poking fun at his obstinacy and his voice; and the "nigger" with his 40 acres and a mule would have cut a conspicuous figure. [Laughter.] All the poetry on the mule would have been collected into an attractive volume and furnished for "ten names," and soon every boy in the country would have had one, and nobody would have been ignorant of the mishap to the owner of "Nebuchadnezzar." [Laughter.]

After twenty years of such education as this, Mr. Speaker, an effort in this House to "remonetize" the mule would have been resisted with as much eloquence, as much earnestness, and as much sound reasoning as we have witnessed against the "dollar of our daddies." [Laughter.] I shall not quote any authorities, Mr. Speaker, on the Sherman law, nor on the question of remonetization. My reason is that if I quoted one, somebody might quote him on the other side. The distinguished Senator whose name is joined to the act which it is now sought to repeal, can be quoted on both sides, and most of the distinguished Republicans on this floor who cheer Democratic advocates of repeal, voted for the act. Which side would you quote them on? At least one of their platforms denounces the Democrats for omitting a free-silver plank from their platform. What, then, Mr. Speaker, is authority worth? Why, sir, there are Democrats here who voted for free coinage last year, and are now declaring that free coinage would be disastrous. No; we do not want any authorities. We want common sense, and a just regard for the welfare of the people.

Nor do I intend, Mr. Speaker, a dissection of the arguments of

the monometallists; most of them have been *post hoc, propter hoc*, and merely a rehash of what have already been lavishly supplied to us in "marked" copies. [Laughter.] But I can not let the opportunity pass to remind the doctors who have been feeling the pulse of the patient and looking at his tongue that the disease is deeper down than they have looked.

Here is an extract from a memorial, which is published as Senate Miscellaneous Document No. 24, Fifty-first Congress, second session—that famous Congress:

MEMORIAL CALLING ATTENTION TO THE PRESENT DEPRESSED FINANCIAL CONDITION OF THE COUNTRY.

To the United States Senate:

Your memorialist, the National Convention of the Representatives of the Commercial Bodies of the United States, respectfully calls the attention of your honorable body to facts as follows:

The financial affairs of the country are in a perilous condition. Business men in all of the States of the Union are apprehensive that there will be a panic. Citizens in general are alarmed at the outlook. Values of property are decreasing. Persons, firms, and corporations are daily failing whose assets are largely in excess of their liabilities. There is but a single cause for all of the above conditions, and that is a want of confidence. As a result of that single cause, money is being withdrawn from circulation and the evils which are following, and are likely to continue to follow are innumerable. There is but a single certain remedy for such single cause. The putting into circulation of more money may or may not avert the danger as there is no limit to the amount of money that can and will be hoarded so long as the single cause, want of confidence continues.

Signed by the national convention of the representatives of the commercial bodies of the United States, by its executive committee, as follows:

Wm. E. Schweppe, chairman, St. Louis; Isaac Atwater, Minneapolis; Herbert P. Bissell, Buffalo; Mortimer N. Burchard, Chicago; Richard D. Coughanour, Dallas; J. Frank Fort, Newark, N. J.; Joseph Fahys, New York City; Henry A. Fry, Philadelphia; Frank Gatemie, St. Louis; Justus Goebel, Cincinnati; David Hirsch, New York City; John J. Horner, Helena, Ark.; Rosel Weissinger, Louisville; Anthony Ittner, St. Louis; John A. Lee, St. Louis; Henry M. Mendel, Milwaukee; Beverly K. Moore, Boston; Fred. P. Myles, New Orleans; James M. Nave, Kansas City; Peter Nicholson, St. Louis; Ferdinand W. Risque, St. Louis; Channing Seabury, St. Paul; Daniel M. Thomas, Columbia, Pa.; Francis B. Thurber, New York City.

In 1890 it was sent here to induce Congress to pass the Torrey bankruptcy bill. I read that part of it which stated that the condition was such that everything was going to wreck and ruin then and that a panic was on the country, before the Sherman act was in force.

I have an account of another memorial clipped from to-day's New York Press, which will be published to-morrow in the Dry Goods Economist, warning the people, by this same sort of intelligent gentlemen. What do they say now is the matter with the country? They say it is the Sherman law. Now, if the same set of doctors in diagnosing a case come to such contradictory conclusions, what are we laymen to do? Here it is:

"STRIKE NOW; STRIKE HARD."—A REMARKABLE APPEAL TO CONGRESS BY FOREMOST MERCHANTS.

The Dry Goods Economist, to be issued to-morrow, will contain a petition to Congress asking prompt repeal of the silver purchase act, signed by about 100 of the foremost dry goods wholesale houses in the United States. The editorial accompanying the petition says:

Everyone knows pretty well now what this country is suffering from. It is lack of confidence; in other words, lack of credit. There is nothing the matter with national strength nor with natural national wealth. There is no serious lack of currency; we have got a good many millions more now in the hands of the people and banks than we had a few months ago, when there was no complaint of its scarcity. We have, in fact, \$24.34 of currency for every man, woman, and child in the United States, while Great Britain has only an amount equal to \$13.42 per

head of population; and yet England, with only about half as much currency per capita as this country, has quantities of money to loan, while we can scarcely get hold of enough to pay off help.

The reason for this topsy turvy condition becomes plain enough when it is known that 95 per cent of business is carried on by means of credit, leaving only about 5 per cent to be transacted with actual cash. It would be from fifteen to twenty times easier for us to get along if every bit of our currency were destroyed and our credit system left intact, than it would be with our currency intact and our credits gone.

To get business back into good shape it is absolutely indispensable, therefore, to revive confidence. Within three weeks over \$24,000,000 in hard gold coin have been brought into this country, and something like half that amount of equally good national-bank notes have been added to the circulation; but it has all disappeared like a drop of water on a red-hot stove, leaving the stove as hot as ever.

Confidence is wanted, not more currency. Congress has been two weeks in session, but has done nothing.

No more talk. Repeal the silver-purchase law!

Let us search, Mr. Speaker, into the history of this country for the causes of the present distress. Twenty-eight years of Republican rule have resulted in general nervous exhaustion, with loss of blood and loss of hope, and no amount of faith cure can restore the patient to a healthy condition, nor can the repeal of any one law or the enactment of any one law undo this mischief. The people have been taught that this Government is omnipotent; that it can enrich or impoverish as it pleases, and hence all classes are asking it to legislate money into their pockets.

The laboring man everywhere, except on the farm, has learned that he is the beloved pet of this Government, and that it has his rate of wages in its fatherly care and keeping. Hence, when distress comes upon him he looks to Congress for employment and demands extravagant appropriations of other people's money that he may find work to do. The foundations of self-reliance, Mr. Speaker, have been sapped in every class of people except those who have been the victims of misrule; and the long train of evils resulting in the present distress can not be remedied by this Congress immediately. As it has taken time for bad legislation to bring on present conditions, it will take time to undo the wrongs.

But, Mr. Speaker, I have wandered from the purpose I had in view; it was to give in a few words the reasons why I shall oppose the measures of the monometallists.

Much of the rubbish piled up about this discussion and obstructing the view will be removed when we rid ourselves of the notion that our coinage of money concerns anybody besides ourselves. The foreigner takes our gold and silver coins just as he does our wheat and cotton, by weight. Even our own Treasury does this. If any gentleman will carry gold to the Sergeant-at-Arms and ask him to give him paper for it he will find out whether it does or not.

The naked question for us, then, Mr. Speaker, is whether the 67,000,000 of our people ought to be compelled to conduct their business on a gold basis. I do not think they ought. As a measure of values gold gradually adds to the burden of the taxpayer and debtor and to the wealth of the deferred creditor and the recipient of a fixed income. Why, the \$5,000 paid to a member of Congress in 1873 is worth \$7,000 or \$8,000 now, measured in commodities. In a less degree, Mr. Speaker, this is true, also of our silver coins, and I hope gentlemen on this floor will not forget it. Neither metal, therefore, is a fixed measure of values.

If we were obliged, then, to demonetize either metal, it should be gold.

In order to arrive at the truth on this question I have prepared a

table from data furnished by the Statistical Abstract, showing the fall in prices, from 1873 to 1891, of twenty-four commodities, including silver. The average fall of twenty-three of these items was from 100 cents to 57 cents, while the fall in silver was from 100 to 76. The silver, therefore, which would pay for one hundred parts of these commodities in 1873, would pay for one hundred and thirty-three parts in 1891, while gold had gone up in purchasing power from 100 to 175. And since preparing this table, Mr. Speaker, I have found one constructed by Mr. Sauerbeck which teaches the same truth. The average price of forty-five commodities in the London market fell from 100 in 1874 to 66 in 1892, while silver fell from 100 to 68. These facts, Mr. Speaker, are worth more than all the eloquence and arguments of the monometallists on this floor, and they deserve the most careful study before we enter upon legislation which may bless or curse our children.

Shall the white man and the black man work in the fields and forests of this country for the enrichment of money lenders? Shall they be robbed of the means of comfortable living that others may enjoy the magnificence of royal extravagance? Shall these people be deprived of the means of educating their children that they may be enabled to understand and justly denounce the legislation which impoverishes them? Are they to be kept in ignorance, to be sneered at by the intelligence of the country? And is the Democratic party—the party of the *demos*, the party of the people—to go down in history as *particeps criminis*—the responsible author of this continued degradation of the people?

Mr. Speaker, the proposition to repeal the Sherman act unconditionally is, to me, monstrous. It would have disgraced the legislation of the feudal ages, and I can never vote for it. I believe the purchasing clause of the Sherman law ought to be repealed, but I can take no risks. [Applause.] Gentlemen tell us that we shall pass a coinage bill after this is repealed. If this promise comes in good faith let us have the free-coinage act first, and then there will be no trouble about the Sherman law. [Applause.]

APPENDIX.

The following table gives in parallel columns for the years 1874–1892 (1) the index numbers for the forty-five commodities and (2) the index numbers of silver for the same year:

Mr. Sauerbeck's index numbers.

Year.	Index numbers of forty-five principal commodities.	Index number of silver.	Year.	Index numbers of forty-five principal commodities.	Index number of silver.
1874.....	102	95.8	1884.....	76	83.3
1875.....	96	93.3	1885.....	72	79.9
1876.....	95	86.7	1886.....	69	74.6
1877.....	94	90.2	1887.....	68	73.3
1878.....	87	86.4	1888.....	70	70.4
1879.....	83	84.2	1889.....	72	70.2
1880.....	89	85.9	1890.....	72	78.4
1881.....	85	85.0	1891.....	72	74.1
1882.....	84	84.9	1892.....	68	65.4
1883.....	82	83.1			

Table showing how prices fell in the United States from 1873 to 1891, and comparing these prices with the depreciation of silver.

Starting at 100 cents in 1873 the price of each article in the table fell gradually to the number of cents in 1891, shown below:

Freights on New York Central Railroad.....	48
Freights on Pennsylvania Railroad.....	42
Freights on Illinois Central Railroad.....	43
Freights on lake and canal from Chicago to New York.....	30
Freights on canal from Buffalo to New York.....	30
Price middling cotton.....	42
Price wool, average.....	49
Price mess pork.....	70
Price pig iron.....	41
Price cut nails.....	38
Price corn, export.....	81
Price wheat, export.....	71
Price flour, export.....	64
Price cotton, export.....	53
Price leather, export.....	65
Price illuminating oils, export.....	30
Price bacon and hams, export.....	86
Price lard, export.....	75
Price salted pork, export.....	76
Price beef, export.....	73
Price butter, export.....	70
Price cheese, export.....	69
Price tobacco, export.....	80
Price silver.....	76
The average of these twenty-three items, excluding silver, is.....	57

NOTE—The export price is more than is paid the farmer.

