

Free Coinage of both Gold and Silver as the Standard Money of the Country, without Discrimination against either Metal, their Maintenance upon a Parity, and Equal Protection by the Officers of the Government the Paramount Duty of Democrats.

SPEECH

OF

HON. WILLIAM H. HATCH,
OF MISSOURI,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, August 23, 1893.

The House having under consideration the bill (H. R. 1), to repeal the 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. HATCH said :

Mr. SPEAKER : No representative of the American people can approach the discussion of the pending measures with a keener sense of appreciation of the responsibilities resting upon him, or can be more profoundly impressed with the far-reaching and grave consequences to follow the determination of the momentous issue involved in this legislation than myself. In my judgment, the results to follow can not be measured by finite man, nor can they be exaggerated by the most sanguine and enthusiastic supporter of either proposition now pending.

I feel that the prosperity of my country and the welfare and happiness of all the people are involved in this proposed legislation.

As I am permitted to see the truth my convictions are deep-seated and unalterably fixed. In the light of my own judgment, aided by twenty years of thoughtful study and business experience, I would be derelict and recreant to every obligation resting upon the Representative of an intelligent and honorable constituency, if I did not declare my convictions frankly, and courageously enforce them by my vote and action.

Involved in this duty is the obligation I owe to the great political organization with which I have been identified almost a lifetime. My personal convictions and the principles of my party as declared in national convention are identical. I am loyally following the last authoritative utterance of the Democratic party, in the Chicago National Convention of 1892, on this subject.

This is a case of political history hastily repeating itself.

We had barely achieved a signal victory over the Democratic enemies of tariff reform, after twenty years of entreaty, education, and discipline, until we have on our hands another insurrection on the part of the minority against the plain and honest declaration of the platform on the subject of silver as

money. The issue is squarely made and sharply drawn. It is monometallism, which has no part or lot in the Democratic platform, on one hand, or the plain declaration for a constitutional Democratic "coinage of both gold and silver," on the other.

Upon one side or the other each gentleman on this floor must ally himself. He can not escape by legislative subterfuges or homeopathic doses to his conscience. In the light of history and of his own pledges and explanations during the last campaign he will be judged. To the minority now in insurrection against the Democratic platform, I say mark well the lesson of the history I have alluded to.

The defiant minority surely and rapidly disappeared from public life and from the councils of their party, and to-day their voices are no longer heard in the land, and all, all save one, have disappeared even from the memories of their contemporaries. Randall alone lives in Democratic minds and hearts, because of the grandeur of his character, and of his great legislative achievements when in accord with the majority of his party.

It will not be many months or years before this part of our history will be again exemplified by experience, and the places that now know the insurrectionists will know them no more forever.

If there is any one thing that I admire in the members of the Republican party it is their absolute faith and loyalty to their own flag. I never saw a better exemplification of it than we had a few moments ago by the gentleman from Pennsylvania [Mr. DALZELL] when he won his first round of applause from his Republican brethren by asserting in the most eloquent terms that whenever the nation was in peril the Republican party could always be depended on for such legislation as would insure safety and prosperity to the people.

And the Republican party stands here to-day in almost solid ranks, swollen by a minority from this side of the House, to tear down the law that the Republicans put upon the statute books a little more than two years ago, a law which was passed by a unanimous Republican vote in this House and in the Senate, and signed by a Republican President! Always to be depended on for wise legislation that will bring the nation to safety and prosperity!

And there is not a gentleman on this floor who has spoken, not one who has uttered a single sentiment in regard to the pending legislation, who has not exhausted all his eloquence and his power in denunciation of this Sherman act, a child of Republicanism, fashioned after its own methods and denounced by the great Democratic party of the United States as a makeshift and a fraud; and yet the Republican party can always be depended on to legislate for the safety and the prosperity of the country! [Laughter.]

Mr. Speaker, I shall discuss this question from the standpoint of my own earnest and honest convictions, the result of twenty years of careful study, twenty years of experience; and not only from my standpoint of individual conscience and duty, but involved in it is the duty I owe to that political organization with which my entire life and manhood have been identified.

There is a test by which all of us can determine as to that question. If I am not on the Democratic platform to-day I want to get on it, for I have never been off of it in my life. Its last decisive utterance was in the Democratic platform of 1892, which I will read:

"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 both 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 adjusted through international agreement, or by such safeguards of legislation as shall insure the maintenance of the parity of the two metals, and the equal power of every dollar at all times in the markets, and in payment of debt; 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.

There is a difference of interpretation as to what that platform means. I do not believe that it is susceptible of more than one earnest and honest construction. I never have believed that it was Janus-faced, or that it was made with the intent to deceive the people of the United States. But we can easily determine what construction the majority of the representatives of the people, elected by Democratic constituencies, place upon that platform.

Let us have a caucus of the members of this House and of the Senate who are Democrats, and let a majority of that caucus determine as to the interpretation to be placed upon that platform, and as to what our action shall be, and let every Democrat in the House pledge his life, his fortune, and his sacred honor to abide by that caucus action, and move such legislation as will carry it out. [Applause.] For one, I am willing to take that pledge here and now.

Mr. REED. Of course you are.

Mr. HATCH. I have no pride of opinion that I will not yield to a majority of my peers. If you were taught in that platform that the repeal of the purchasing clause of the Sherman act was all that was involved in our duty to our party, say so and I will join you.

No living man in this House or out of it has a more supreme contempt for the Sherman act, from the first word in it to its close, than I have. I denounced it on the floor of this House before it passed. I voted against it. I have never upheld one single one of its provisions from the time it was introduced in this House until this hour.

But here is a united Democratic party, not one single one among us who wants to retain the Sherman law upon the statute book, and the only difference between us at all is as to whether that other language of the Democratic platform shall be carried out at the same time—to give such legislation as will place gold and silver upon a perfect equality as to the coinage of bullion, and not only that, but to place the two metals upon a perfect equality as to the friendliness of the Treasury Department of the United States.

THE PRESENT FINANCIAL CONDITION OF THE WORLD AND ESPECIALLY OF THIS COUNTRY.

It is distressing and deplorable beyond expression. It is widespread and universal; it reaches every section, and embraces in its folds all classes and conditions of men. It has shattered fortunes that were estimated by millions; it has invaded the homes of millionaires and money kings, the offices of bank presidents and railway magnates, the counting-houses of great importing firms and domestic trades-people, the retail dealer, and small distributor of the necessaries of life. It has stopped manufactories and paralyzed great enterprises.

In the East it has thrown out of employment thousands of operatives, mechanics, artisans, and skilled workmen in every conceivable industry, and turned from the mines of Pennsylvania an army of men whose sole occupation is suspended, and who must wait, and wait, perhaps for work, possibly for bread. In the Middle and Western States it has entered the peaceful and contented homes of over half our people and turned the contentment of the

modest returns for labor which agriculture has produced in the past ten years to one of absolute despair and almost ruin. In the far West it has done its completest work; it has fulfilled its direst mission.

States bankrupted, whole communities idle, multitudes facing the coming winter with apprehension and dread, and men, women, and children already on short or insufficient daily rations of food. Is it any wonder that the entire country is profoundly impressed with the calamitous conditions and imploringly, prayerfully, and excitingly pleading for relief? And to meet such a condition of things, with famine both of money and food, the paralyzation of industries and destruction of credit and confidence, amid the tempest of all this comes the single admonition from the throne of political power—

“Repeal the Sherman act!”

Repeal the miserable makeshift, wipe out the legislative fraud which nobody defends, destroy the only source of an increase of our currency now being executed by the present Administration; administer one more blow to silver coinage, increase the purchasing power of gold, make money scarcer and harder to get, pull the millionaire and the bondholder out of the dilemma brought upon them by their own folly, and in thunder tones say to the multitudes of idle and hungry bread winners throughout the length and breadth of the land, “Let the people be damned.”

I can not better express my own views on the magnitude and importance of the present controversy than by quoting from a recent editorial published in the Toledo Journal:

SILVER AND GOLD.

The great fight for honest money, now being waged at Washington in favor of honest money and rights of the people, is justly attracting attention of the civilized world.

Attempting to introduce a new standard of value; to strike down at once the larger half of the coin of ultimate payment, to double every debt and immeasurably burden the debtor class in the interests of those in power; the battle is the most important waged for centuries. Blinded and deceived by the specious pleas of those who hope to reap large gains by the crime; urged on by men who wish to retain their grasp on the sole coin of general use and recognition, many are joining in worshipping the golden calf, forgetful that to make any single commodity the sole arbiter of fortune places it within the power of a few to combine in hoarding that article, and, by withdrawing it from circulation, to retain their grasp on the throat of enterprise and effort.

None wish money to keep. Its sole use is to measure values in exchange. Those enjoying fixed incomes are not molested, except their position vanishes. But all others suffer incalculable loss from the debasement of the currency. Silver and gold provide a basis for currency which will satisfy the most insistent. Gold alone offers opportunity for scheming and corners. Cut off from its long-time continuous use as a basis for currency, silver has of necessity fallen in value, as would gold were it dethroned from its position. Gold alone serves well the wealthy, but leaves the poor man at the mercy of schemers at any time. It would be impossible to corner silver; gold is at the mercy of the gambler because of its inferior volume.

This latter fact alone supports the demands of the people that bimetalism be maintained. Shorn of its power, silver, in its downfall, has pulled down many a strong institution; restored to its honorable position by the United States, the nations of the world must follow our footsteps; else every silver-using nation of the globe will turn to us for trade, and without this England would soon follow our line of action. The struggle is a mighty one, and in it the entire world is deeply interested. What the outcome shall be lies in the womb of the future. Nations move by inexorable laws, whose force and direction we little understand. If reason and judgment prevail, we shall presently be out of our troubles; if the anarchy of gold wins, we may look for darker times and greater woe and sorrow than we can now imagine.

What has produced, brought about, or contributed to this condition?

This question has been asked and answered one thousand times or more during this discussion, and always satisfactorily to the gentlemen who fur-

nished the answer. I have studied this problem in many of its phases for the past twenty years. Writers, statesmen, legislators, and financiers have written and spoken volumes upon this subject during that time. Their convictions, arguments, and conclusions are multifarious and divergent to the extremest degree.

But they can be divided into two great classes—those who believe in making money scarce and hard to get, and keeping it below such a volume that the favored few, the select, the anointed of the Lord Mammon alone can possess and control it; and the more intelligent, patriotic, and numerous class, who believe that money should be kept at such a volume that all the people, from the humblest citizen to the wealthiest nabob in the land, could receive its benefits in proportion to his ability to work for it with brain and muscle.

I belong to the latter class. I believe in both gold and silver money without discrimination against either metal, and the parity between them to be maintained by the adoption of such ratio as Congress may agree upon from time to time under the mandate of the Constitution; and as no country on earth within a hundred years has had enough of such coin to meet the requirements of its domestic trade and foreign commerce, I believe in supplementing this inadequate supply by the issue of paper money by the Government, based on such coinage, in volume sufficient to meet all the requirements and demands of our vast internal and domestic trade and ever increasing and vital foreign commerce, the volume and extent of this currency to be measured by the ability to keep it at an absolute par with our gold and silver coin throughout the Union.

As long as it can be thus maintained it can never reach the maximum. But what a spectacle confronts us to-day! With all our laws and efforts to maintain a circulating medium based on the integrity and unparalleled resources of the Government, the New York City and other bankers of the country are daily issuing an absolutely illegal fiat currency known as "clearing-house certificates," based alone on such securities as they now possess and which they have found absolutely inadequate and insufficient to maintain their own credit abroad or the confidence of their associates and co-conspirators.

Let me read from a circular letter of a New York banking house, under date of August 18, what they have to say about this wonderful exploit in banking:

The New York city bankers have \$37,380,000 certificates outstanding. Boston has \$11,100,000. Other bankers in the South and West have enough more out to make fifty millions of bank certificates. Adding these various amounts together, we find a possible increase of about one hundred millions since July 1 to replace the unknown amount of currency and gold drawn out of the banks and hoarded in vaults and other places since May last, "where it resembled the one talent more than the ten talents."

Currency commands 3 per cent. premium, and has sold as high as 5 per cent. Exchange on this city from many Western cities has recently ranged from five to fifty dollars per \$1,000. Many Western people claim the degree of credit desired by Eastern bankers is shown by their willingness to pay depositors. Eastern banks appear to have no sympathy for Western methods in not issuing bank certificates. Many individuals have sold their checks on the street for funds to meet maturing obligations or make needed purchases. Credit seems to have been strained from here to the Pacific coast, and attacked on all sides and benefiting but few.

Fifty dollars on a thousand dollars in exchange on New York! Why, sir, usually in the West, New York exchange is at a small premium or at par. I received a few days ago a letter from the cashier of a bank in which I do my business at Hannibal, Mo. He informed me that he could not take New York exchange for anything less than \$1 on the hundred dollars or \$10 on the thousand dollars.

I thought that enormous; but here it appears by this New York circular that there are other cities in the country that have not as much confidence in the New York banking system as the bankers in my own town. In some of these other cities they will not take exchange on New York at less than \$50 on \$1,000.

What have the banks of New York been doing to keep up confidence? Nobody ever lost confidence in the banks of New York until after they entered into that conspiracy in April last to produce a panic in this country—a money famine and a panic. But they lost confidence in each other.

Let me tell my New York friends right now that, in my judgment, the most Herculean task ever attempted in any legislative body on the face of God's green earth since the creation of Adam down to the present time will be to restore confidence between the New York bankers. They know each other too well. [Laughter.] And there is such a splendid minority of them that have embellished the pages of New York financial history in the last few years by moving across the line into Canada that I suppose the next step would be to establish confidence between the bankers of New York on this side and those on the other side of the Canadian border.

Mr. Speaker, I offered on yesterday evening to give my distinguished friend from New York [Mr. FELLOWS] part of my time, and I intended if he accepted it to make but one condition, because we all know him to be a splendid lawyer; but I wanted some legal ability to blaze the road along that way so as to point out in a clear manner the use of and the character of what is called "clearing-house certificates."

I ask the gentleman, or any other gentleman from New York when he gets the floor, to please tell us what a clearing-house certificate is, and how it can be used as money without violating the laws of the United States? Do you pay any tax on it? What is it? The promise to pay of a class of men who will not take even their own promises to each other? And tell me another thing. Why is it every national bank in the city of New York to-day, and for the past thirty days, has been doing business in open and notorious violation of the law, absolutely refusing to pay its checks when presented at the counter? Why is that?

The financial object lesson of the world to-day is France, with the largest circulating medium both of gold and silver and paper money in the world, larger in proportion to her population; larger in proportion to her territorial limit; larger in proportion to the amount of business they do than any other nation of the earth; who stood within the last few years at the close of the Franco-German war a shock that would have bankrupted any other nation except the French nation, when it paid that indemnity fund; it never stopped their prosperity a month. They paid it in gold and used the silver that was left, supplemented by paper money, and in a few short years gold came back to the vaults of the banks of France and they have it there to-day. Every nation that has been in trouble financially from that day to this has had to draw upon France if it wanted gold.

I have no patience with the argument that has been gone over here and thrashed and thrashed from one day to another and during every hour of our session about a "dishonest dollar." The gentleman from Pennsylvania [Mr. DALZELL] has declared to-day that the silver dollar is only worth sixty cents, and he says there is no test for money except that of fire. Fire! Well, my friend, the Republican party in its financial system has come pretty near firing this whole country. What becomes of the silver or gold certificates and the greenbacks when you talk about fire?

It will not stand the furnace. It can be burned until you cannot take the ashes to the Treasury and have it redeemed, and it is good so long as you can keep it out of the furnace; and so long as you can keep it out of the furnace a hundred dollars of it is as good as any hundred dollars in gold ever stamped on the face of the earth. The silver dollar dishonest! Is it true? If so, who made it dishonest? The Republican party dishonored it first. They dishonored it in 1873, when they demonetized it.

But the gentleman from Mississippi [Mr. CATCHINGS], whom I do not see in his seat, says "they did not demonetize it." No, they simply annihilated it. He says "to demonetize silver would be simply to take away from it its legal-tender quality." He says they did not do that. They simply crushed it, annihilated it, dropped it out of coinage. Why, he says, that is not demonetization; that is not demonetizing it. That would be merely maiming it. They have done worse than that, they have killed it.

From my standpoint I now answer the question, What has produced or largely contributed to the present condition throughout the world? In my judgment, more than any one or all causes combined, it was the tyrannical, unholy, and damnable conspiracy that demonetized silver in 1873. But certain gentlemen say there was no conspiracy in 1873, and that this declaration is "rot." My reply is equally emphatic and unchaste in expression. The gentleman who has read the history of nations for the past twenty-five years and is capable of understanding what he reads, and so characterizes the charge of the wide-spread conspiracy to demonetize silver, is either a knave or an ignoramus.

Against his prejudiced and random, inconsidered statement I place the declaration of the painstaking student, the close and logical historian, the judicial and courteous controversialist, the intrepid and candid Representative, John Griffin Carlisle, of Kentucky. Here is what he said on the floor of this House on the 21st day of February, 1878, when he represented an independent, fearless, and honorable Democratic constituency:

I know that the world's stock of precious metals is none too large, and I see no reason to apprehend that it will ever be so. Mankind will be fortunate indeed if the annual production of gold and silver coin shall keep pace with the annual increase of population, commerce, and industry. According to my views of the subject, the conspiracy which seems to have been formed here and in Europe to destroy by legislation and otherwise from three-sevenths to one-half the metallic money of the world is the most gigantic crime of this or any other age. The consummation of such a scheme would ultimately entail more misery upon the human race than all the wars, pestilences, and famines that ever occurred in the history of the world.

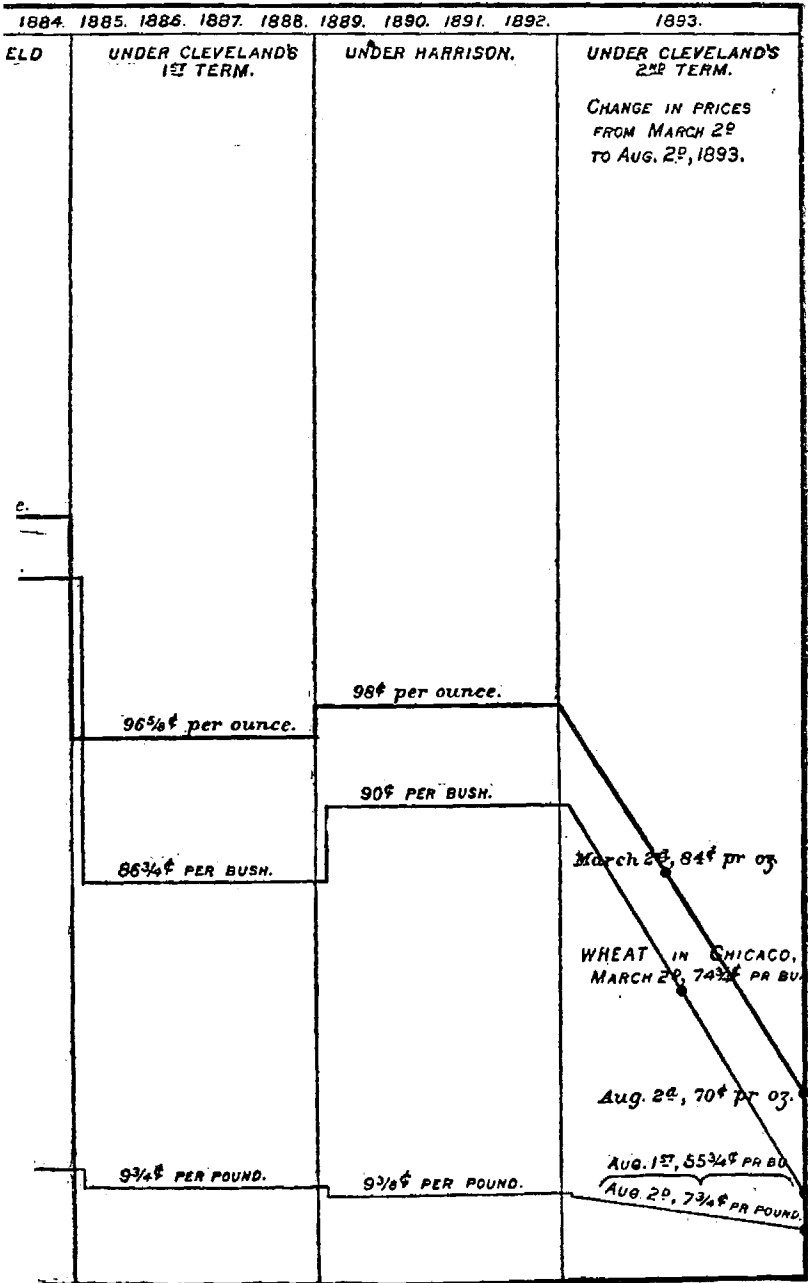
The absolute and instantaneous destruction of half the entire movable property of the world, including houses, ships, railroads, and other appliances for carrying on commerce, while it would be felt more sensibly at the moment, would not produce anything like the prolonged distress and disorganization of society that must inevitably result from the permanent annihilation of one-half the metallic money of the world.

The flippant denials made here now cannot overturn the solemn declarations of such a Representative.

It has since been proven by facts and declarations and arguments that embrace volumes of testimony to sustain Mr. Carlisle's then position. But, has the conspiracy been broken? Or have the conspirators against the use of silver as money ceased from their labors? I answer, no. The conspiracy still exists, and the conspirators have increased in numbers and influence.

And if you desire to know the present, direct, and most potential cause of the present panic and money famine, it can be traced directly to the action and declared purposes of the bankers of New York City and other large money centers of the Government. And shrewd, astute, and able as they arrogantly claim to be, their babbling and bullying declarations furnish the most damaging testimony against them.

1872.	1873. 1874. 1875. 1876.	1877. 1878. 1879. 1880.	1881. 1882.
AVERAGE EXPORT PRICES FOR WHEAT.	UNDER GRANT'S 2ND TERM.	UNDER HAYES.	UNDER GARLAND AND ARTHUR.
\$1.40 PER BUSH Average Market prices for SILVER. \$1.32 per oz.	\$1.24 PER BUSH.		
	\$1.21 per ounce.	1.19 PER BUSH.	
		\$1.12 $\frac{1}{2}$ per ounce.	\$1.10 per
			\$1.06 $\frac{1}{4}$
AVERAGE EXPORT PRICES FOR COTTON			
18¢ PER POUND.	13 $\frac{3}{8}$ ¢ PER POUND.	11¢ PER POUND.	10 $\frac{3}{4}$ ¢



I will read some extracts from a great New York paper, one which is at the very head of New York journalism—my friend from New York [Mr. CUMMINGS] will not controvert that statement—a paper that claims to have the courage of its own convictions, a paper independent in all things, consistent in but few [laughter], though claiming to be in the main Democratic. I read from the New York Sun of Friday, April 28. After reciting some of the incidents of the enjoyable conference between Secretary Carlisle and the bankers, it says :

As the Secretary outlined the policy of the Government, it was that nothing would be done that in any way would retard or check the determination of the Cleveland Administration concerning the repeal of the Sherman law. The Secretary went over the currency laws of the country, and said that they were in bad shape, and needed revision. He said the revision should start with the Sherman law. There is a determination, also, to show to the miners of silver the evil effects of the Sherman law on their fortunes.

President Cleveland's advisers have told him that the only way to induce the Western and Southwestern Senators and Congressmen to consent to the repeal of the Sherman law is to demonstrate to their constituents that they are losing money every day that this law is in operation. The missionary work in that direction has been started by a number of the banks in the solid communities of the East. They are daily refusing credits to the South, Southwest and West, fearing the effects of the Sherman law.

The Chicago bankers, it was said, are carrying out the same line of policy. Secretary Carlisle, in his talk with the bank presidents, made his stand very clear. It is to be heroic treatment all the way through on the Sherman law, and possibly by the next session of Congress the silver mine owners and the adherents of silver in the Senate and House will be ready to consent to a repeal of the law.

The bank presidents, replying to Secretary Carlisle, cordially informed him that they would be ready at all times to co-operate with him in the successful administration of the financial policy of the Government. Everybody shook hands, and there was harmony all round.

[Laughter.]

The New York Sun of Saturday, April 29, in its financial column, says :

The conference yesterday between Secretary Carlisle and a number of the bankers of this city was of great value in that it resulted in a definite understanding of the financial policy of the Administration, as indicated in this column last Tuesday. That policy is to interpose no obstacle to the natural operations and logical results of the Sherman law. In a word, the Administration proposes to allow the people to reap the rewards of their own folly.

Was my friend from New York [Mr. CUMMINGS] in the city of Washington on the 1st day of May last ?

Mr. CUMMINGS. I was.

Mr. HATCH. I thank the gentleman for giving me that information, because it furnishes a key to the whole situation. The New York Sun, in its Washington letter, published May 1, 1893, says—

Mr. CUMMINGS. Will the gentleman permit an interruption ?

Mr. HATCH. Yes, sir!

Mr. CUMMINGS. The gentleman's statement is correct, but his assumption is erroneous. [Laughter.]

Mr. HATCH. That remark is simply evoked by the gentleman's modesty.

[Laughter.] I will read this statement :

The statement of Mr. Carlisle to the New York bankers makes it clear that, while Mr. Cleveland works in Congress, the bankers will be expected to work, not in New York only, but throughout the country, doing their utmost to pinch business everywhere in the expectation of causing a money crisis that will affect Congress powerfully from every quarter. There is an explicitness in these declarations and a boldness in making them that would be astounding were not the country too familiar with Mr. Cleveland and his methods to be astonished by anything from him.

The circulation and importance of this paper warrant the assertion that Mr. Carlisle read these statements. I have watched in vain for any denial or even modification of them. On the contrary, proofs as strong as Holy Writ are accumulating to justify and prove their correctness.

Now, my friends, there is the beginning of this money crisis. It was determined by the New York banks, in aid of the policy of the Secretary of the Treasury to secure repeal of the Sherman act, to create a money panic, to make the shoe pinch down South, and out West, and all over the land; but when they had set the ball in motion they found its velocity such that they could not stop it for a moment, and they have not been able to do so up to this time.

Therefore we are to-day plunged into a money panic the most deplorable that has been seen in the past century. Fortunes that were counted by millions have been partially or wholly wiped out, business is prostrated everywhere, manufactories and great enterprises all over this land have been stopped, small tradespeople have been ruined, the prices of everything that the people have for sale have been almost destroyed because there is no circulating medium in the country with which to buy them. And these gentlemen under these conditions, to "restore confidence," have brought in the little bill proposed by the gentleman from West Virginia simply to repeal the purchasing clause of the Sherman act!

Amidst the ruin of the industries of our people, brought about by this panic, we in this Hall cannot get higher than that. We cannot reach above the plane of simply repealing the purchasing clause of a makeshift and a fraud that stands on our statute book. Not a single word is said, in connection with this proposition, about any measure for the relief of the general distress; nothing about any measure to enable the people to move the crops which are now languishing in the fields and the barns of the producers because there is no circulating medium. Restore confidence!

Why, my friends, I cut from that great daily, the Post of Washington City, of Sunday morning last, a "bill to restore confidence," drafted by a distinguished satirist of this city, and I pledge myself to-day that if this were offered as a substitute in this House for the Wilson bill I would vote for it in preference; for it would be just as feasible a way for restoring confidence as the repeal of the purchasing clause of the Sherman act. Here is the bill as published in the Post:

A bill to restore confidence and relieve the country of its financial panic.

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled:

SECTION 1. That confidence in the financial condition of all business affairs throughout the domain of the Republic is hereby declared to be fully restored—

[Laughter.]

And all persons are commanded to forthwith conduct their financial and commercial transactions in conformity with this enactment.

SEC. 2. That any person whose business is in any way injured or embarrassed by reason of the neglect or failure on the part of individuals, associations, or corporations to maintain implicit confidence in the responsibility and business integrity of such person, such offending party or parties shall be liable for all damages resulting therefrom by judgment rendered in any of the courts of the United States.

[Laughter.]

SEC. 3. This act is to go into effect immediately.

If you only want confidence restored, why not pass an enactment of that kind? Do you expect to restore confidence simply by lessening the whole volume of the currency, when there is not enough in the City of New York or in any city of the United States to keep up credit among themselves for a day or a week?

My friends, I would not care about the details of this money question just at this time if I did not believe that it is impossible to establish a money system in this country based upon gold alone without destroying the industries

of every agricultural class in the United States from the lakes to the Gulf, including the producers of all of our great staples.

I have here a chart, which I have received the permission of its author to use—one of the best and plainest I have ever seen; and, strange to say, the distinguished gentleman who is the author of this chart is a New Yorker. That fact ought to give it weight with the other side. I refer to Jones's Chart and Tables, No. 5, published by George O. Jones, of the State of New York. This chart embraces a table which I have compared carefully with the one which was laid before my committee during the last Congress by a distinguished gentleman from Louisiana—a table coming from the royal commission of Great Britain, held three or four years ago, showing the prices of silver in the world and the prices of all the great agricultural products imported into England from America, such as cotton, wheat, etc.

[For chart see pages 8 and 9.]

But I want to read a few of the figures from Mr. Jones's chart. Beginning in 1872, before silver was demonetized, the average export price of wheat was \$1.40 per bushel; the average price of silver was \$1.32 per ounce, the average export price for cotton was 18 cents per pound.

Then during President Grant's second term (for as the headlines show these exhibits are made by Presidential terms), from 1873 to 1876, the average export price of wheat was \$1.24 per bushel, while the price of silver was \$1.21 per ounce; cotton, 13 $\frac{3}{8}$ cents per pound. Under the Administration of Mr. Hayes, from 1877 to 1880, the average price of wheat was \$1.19 per bushel; the average price of silver was \$1.12 $\frac{5}{8}$ per ounce; cotton 11 cents a pound.

I will not run through the whole of these figures, for I do not want to weary the House; but under Harrison's Administration, from 1889 to 1892, the average price of wheat was 90 cents a bushel; silver, 98 cents per ounce; cotton, 9 $\frac{3}{8}$ cents per pound. On the 20th of March last the price of silver was 84 cents an ounce; wheat at Chicago on the 20th of March sold for 74 $\frac{3}{4}$ cents per bushel, on August 1st at 55 $\frac{3}{4}$ cents per bushel; on August 20th cotton sold for 7 $\frac{3}{4}$ cents a pound.

From 1872 down to the present hour the average prices of cotton, wheat, and all farm products have kept pace with the price of silver per ounce; I do not refer to the money value of silver, but the price of silver bullion. This has controlled the price of every farm product that has been sent from this country to Europe. This is as demonstrable as any mathematical proposition that ever was submitted.

Now, my friends, we can discuss this question here for a month longer; you can absolutely exhaust it day after day; and you cannot drive the average farmer from the knowledge that he has acquired in the last twenty years, that it is silver, not gold, that fixes the value of his commodities. And not only that, but in every emergency that has arisen in the United States, in every panic, you have got to depress the price of his products to induce Europe to take them in sufficient quantities to ease the money market in New York.

My friend from Kentucky here on the right suggests that I ought to tell the price of wheat now, not at New York, but the price in the West. When I left my home, on the 2d of August, I saw farmers, men whom I know, some of them personal friends, my own neighbors, driving up into the city of Hannibal, and selling their wheat to our mills at from 30 to 45 cents a bushel, 45 being the highest price paid. We not only had a very short crop, but its quality had been damaged by rust just before harvest, and the mills were grading it down to absolute rejection up to No. 3. But none sold higher

than 45 cents. Just think of it now, 35 cents a bushel for wheat to keep up public confidence and restore credit!

My distinguished friend from Pennsylvania [Mr. SIBLEY] read the names of some of the exporters of gold the other day, the men who have aided largely in producing this panic, these bankers who held this distinguished conference with the Secretary of the Treasury in New York, and amongst the whole list I can pronounce but one of the names, and do not know that I can get that correctly—Ickelheimer, I believe—and the average farmer in the United States has not money enough, after paying his taxes, to keep his children long enough at school to learn how to pronounce perfectly the names of all of them. Not an American name amongst the whole list.

But how easily this spelling of names and the pronunciation of the names of men is made when we look to the men who have brought the gold back from Europe when we needed it. They are the names of the American farmers, citizens of the United States. It was our wheat and our cotton, our tobacco and meat products that brought back gold in sufficient quantities to retain the balance of trade in our favor once more.

In my judgment the greatest conspiracy that ever existed against silver has culminated in this present crisis. The Treasury Department has done more to dishonor and degrade it than all other causes combined. It has used the power of a great and beloved Government to discredit the money of its own people.

With all these adverse conditions the wonder is not that silver is depreciated in value, but that it has any value whatever. The fact that it passes current to-day throughout the land, that the people still accept, and that its slanderers and oppressors are paying a premium for it, is the greatest tribute ever paid to any circulating medium on earth.

Let me read the last justification of these serious and terrible charges that a conspiracy has existed from the statement of Mr. Carlisle himself, in his reply to a resolution of the Senate which is found in the CONGRESSIONAL RECORD of August 19, page 246:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY.

Washington, D. C., August 17, 1893.

To the President of the Senate:

I have the honor to acknowledge the receipt of the following resolution, adopted by the Senate on the 16th instant, viz:

“Resolved, That the Secretary of the Treasury be, and he is hereby, directed to report to the Senate what amount, if any, of the Treasury notes issued under the act of July 14, 1890, commonly called the Sherman act, have been during the present month redeemed by the Government at the request of the holders thereof in silver dollars, and whether the holders of such notes were advised at the time of such redemption that they could have gold instead of silver, if they so desired.

“The Secretary of the Treasury is also directed to inform the Senate whether gold coin has been presented recently to the Treasury Department or any subtreasury and silver dollars asked in exchange therefor, and, if so, if such exchanges have been made, and whether the Department would or could exchange silver dollars for gold coin, if requested to do so by holders of gold.”

In response thereto, I have the honor to say that during the present month Treasury notes issued under the act of July 14, 1890, amounting to \$714,636, have been redeemed by the Government in silver dollars. While I do not pretend to have knowledge of the degree of information possessed by the holders of the notes so redeemed, I am of the opinion that they were fully advised at the time of such redemption that they could have gold instead of silver, if they so desired. I base this opinion upon the general publicity which has been given to the terms of the act, no less than upon the instructions of this Department to the Treasurer and assistant treasurers of the United States, which have been to the effect that such notes were redeemable in silver dollars at the option of the holders. I am also supported in my belief by the fact that in the circular of this Department, issued to the public for their guid-

ance in their dealings with the Treasury, and containing the regulations which govern the issue, redemption, and exchange of the paper currency and the gold, silver, and minor coins of the United States, there is a paragraph which reads as follows:

"4. Gold coin is issued in redemption of United States notes, in sums not less than \$50, by the assistant treasurers in New York and San Francisco, and in redemption of Treasury notes of 1890, in like sums, by the Treasurer and all the assistant treasurers."

In further response to the resolution, I have to say that recently gold coin has been presented to an office of this Department, and silver dollars asked in exchange therefor, and that the exchange was not made for the reason that all the silver dollars in the Treasury at that time were required under the provisions of the laws relating to the currency to be held in the Treasury to cover outstanding silver certificates and Treasury notes issued under the act of July 14, 1890. At present the Department would not and could not exchange silver dollars for gold coin if requested to do so by holders of gold, for the same reason; but if the condition of the funds of the Treasury were such as to afford a margin of the silver dollars in excess of silver certificates and Treasury notes outstanding, such exchanges would be made.

Respectfully, yours,

J. G. CARLISLE, *Secretary.*

Just think of it, the Government of the United States so poor that it has not got silver dollars enough to exchange for gold coin at any subtreasury in the United States, and yet this dollar is "debased and degraded," and called a "54-cent dollar." It is the most ridiculous position that any people ever occupied in the history of any country. Here are these New York bankers doing everything to beat it down and debase it for the last twenty years, and yet they have been paying a premium of from 3 to 7 per cent for these despised and debased silver dollars to keep them from going to protest week after week.

Coin the bullion in the Treasury. If the Wilson bill was changed now to a plain mandate on the Secretary of the Treasury to coin that bullion and treat silver with the same friendliness that you do gold, there would not be any question about the parity of the two metals.

But, no, my friends, not a single action will be taken by the present Secretary of the Treasury in the interest of silver. They intend to keep the ban of the Treasury Department on it until, driven almost to death, the people of the United States will rise in their wrath in such numbers as never before under political banners, until they clean out this House and the Senate of every man who is opposed to the free and unlimited coinage of silver. [Applause.]

The Secretary of the Treasury, as we have seen, comes before Congress declaring that he has not got silver dollars to exchange even for gold, and when he was offered gold dollars for silver he could not permit his subordinates to make the exchange, because, he says, we have not got the authority to exchange silver dollars for gold coin. Then, let us give him the authority and issue more silver dollars at once.

But I will tell you what will put a stop to this thing quicker than anything else. Coin your silver bullion in the Treasury at this time, and let the Secretary of the Treasury, the moment he issues that order to the Mint, receive the seigniorage of \$50,000,000 that would accrue to the Government of the United States by virtue of the coinage of the bullion. There would be \$50,000,000 at once. It was pointed out in a letter of the ex-Secretary, Mr. Tracey, from New York, which was published wide-spread throughout the country a week or ten days ago, a bold, manly, incisive statement of a man just out of the late Cabinet, who knows what he is talking of:

The Administration has ample power to relieve the currency famine in forty-eight hours by exercising authority with which it is clothed by statute. The act of July 14, 1890, known as the Sherman act, directs the purchase of 4,500,000 ounces of silver bullion monthly, and

in the third section provides that the Secretary of the Treasury shall each month coin 2,000,000 ounces of silver bullion purchased under the provisions of this act into standard silver dollars, until the 1st day of July, 1891, and after that time he shall coin of the silver bullion purchased under the provisions of this act as much as may be necessary to provide for the redemption of the Treasury notes herein provided for, and any gain of seigniorage arising from said coinage shall be accounted for and paid into the Treasury.

The amount of bullion purchased, but not coined, under the above provision, prior to July, 1891, was about 30,000,000 ounces. At that date President Harrison's Administration suspended the coinage of silver dollars. The accumulated purchase of bullion since that date amounts to 110,000,000 ounces, making a total of 140,000,000 ounces of uncoined silver in the Treasury to-day. Against this silver Treasury notes have been issued to its bullion value, but no standard silver dollars have been coined with which to redeem them. The Secretary of the Treasury is therefore at liberty to direct that all or any portion of these 140,000,000 ounces be coined into silver dollars.

The profits of seigniorage for the coinage of this bullion would make upward of \$50,000,000 if the whole amount was coined. The moment the Secretary of the Treasury decides to coin this bullion, and puts it at the Mint for that purpose, he can treat the gain of seigniorage thereon as already secured. The profit is so much additional cash in the Treasury. To coin the whole amount would, therefore, set free, not only for circulation, but for disbursements, \$50,000,000 of the silver coin now held in the Treasury for the redemption of silver certificates issued against it from time to time, and would set it free immediately, for the coin so held would be replaced by the bullion in process of coinage at the Mint.

The coin thus made available could be immediately deposited at national depositories, and being there deposited would at once enter upon the circulation of the country. The present falling off in the receipts of the Government indicate that unless the step is taken of increasing its resources by the profits to be derived from the coinage of the bullion now in the Treasury, it will be under the necessity of selling bonds if it would escape a deficiency of at least \$50,000,000 at the close of the current fiscal year.

I am not attempting to indicate what the present Administration should do, or to express an opinion as to what it may be wise for it to do; I limit myself to suggesting what it may do if it chooses to exercise the powers vested by the statutes in the Secretary of the Treasury.

If the Secretary of the Treasury really desires to break the conspiracy against silver and relieve, to a great extent, the present money famine, let him comply strictly and honestly with the law of 1890 and execute all its provisions in a spirit of fairness and patriotism. I contend that the parity between the two metals has never been broken—in fact, the disparity is only in name, not in fact. Silver dollars pass current throughout the country as readily and in a thousand-fold larger numbers than gold. They have the same purchasing power and the same legal-tender quality. It is as sound and honest a dollar as was ever issued by any country on earth, and our people demand that it shall be maintained.

As to the ratio that shall be adopted by this Congress, I shall vote for 16 to 1. If that fails I shall vote steadily for each succeeding amendment of the substitute offered by my colleague [Mr. BLAND]. I believe that the ratio of 16 to 1 is the fairest and surest of any other proposed, and can be maintained by this Government as perfectly as any departure from it. It is not an "experiment." It has been tried and never found wanting. Our people have grown accustomed to it, and demand it. I quote from a letter of recent date sent to me from Denver, and which I think most admirably and fairly states the position as to ratio, and the dangers and hardships of changing it:

If we change the present legal ratio of silver to gold, which is 16 to 1, and make that ratio more favorable to the purchasing power of British gold, how much more cotton and wheat would our cotton-growers and farmers have to give for 1 ounce of gold? Granted that we had free coinage of silver to-day at 16 to 1, 1 ounce of gold would buy 16 ounces of silver, or \$20.67 worth of wheat or cotton.

At 17 to 1, 1 ounce of gold would buy 17 ounces of silver; and as England buys her wheat and cotton in silver-using countries, notably India, with silver, she is thus enabled to buy one-sixteenth more wheat and cotton with 1 ounce of gold; or, in other words, that \$20.67 in gold buys one-sixteenth more of wheat and cotton.

At the ratio of 18 to 1, England buys two-sixteenths more wheat and cotton with 1 ounce of gold bullion or coin.

At 20 to 1 England buys four-sixteenths, or 25 per cent., more wheat and cotton in India and other silver-using countries with 1 ounce of gold bullion or coin. So that we must produce 25 per cent. more wheat and cotton to get the same amount of gold. Although that standard ounce of gold is worth \$20.67, the instant we change or lessen the purchasing power of silver that ounce of gold will buy one-sixteenth more of wheat and cotton for every one part you increase the ratio against silver in silver-using countries. At 20 to 1 England can take 1 ounce of gold and buy 20 ounces of silver. This ounce of gold, in the shape of 20 ounces of silver, taken to a silver-using country, such as India, will buy 4 more ounces of silver's worth of wheat or cotton.

Thus, you see, gold is appreciated in purchasing power 25 per cent., and so we must raise 25 per cent. more wheat and cotton to compete for that ounce of gold. Tell this to the wheat and cotton growers. What will they say about ratio? The difference in the ratio of 16 to 1 and 20 to 1 enables England to produce her manufactured goods 25 per cent. cheaper at 20 to 1, because her raw materials costs her 25 per cent. less in India and other silver-using countries, and she can feed her factory hands 25 per cent. cheaper. Yet we legislate for England's benefit against the interests of our own producers and manufacturers.

Mr. Speaker, as my time is nearly up, I have one lesson to commend to this House. I would like the undivided attention of every Democrat. I may not know exactly what is the matter with the financial system of the country, because I admit I am not the best expert on finance in the world, by any means, and while I have studied this question for years very carefully, I do not pretend to know all about it. But I think I know the House of Representatives well enough to tell the men on this side of the House what we lack.

I can count upon the fingers of my two hands in this House of 356 members the names of those gentlemen who have served with me continuously through seven consecutive terms. By reason of my age and long experience in this House I think I have the right to say a kindly word to my Democratic brethren. I never have forsaken you in my life in any political struggle or in any legislation in which this side of the House was involved, and I am going to give you a lesson that comes in my judgment from a member of one of the grandest bodies of men on the American continent.

Of all the organized bodies of men on the earth to-day I believe that the Brotherhood of Locomotive Engineers stands as high for magnificent character and courage as any men who ever lived—the coolest and the bravest of us all. It is composed of men on whose magnificent nerve and splendid courage and on whose devotion to duty rest the lives and the property of our people every hour of the day and of the night. There is no body of men to-day for whom I have a more profound admiration than I have for that body of men. Here is what one of them said, Mr. Speaker, in a great emergency:

At a recent convention of religious workers among railway men the chairman stated that the proceedings would terminate with prayer by two railway workers, a conductor and an engineer. The conductor led off in an earnest appeal for the Divine blessing, and was followed by the engineer, a man of strong convictions and great determination, and possessed of moral courage to an unusual degree. He is as earnest and active in serving the Lord as formerly he was in the service of Satan, and prayed with great fervency, after this manner: "We are here, O Lord, to ask Thy blessing on this work. The obstacles have been removed. The locomotive is on the track, the water is in the boiler, steam is up, but, O Lord, give us more sand; it is sand we want, sand in going up hill to keep us from slipping; sand in coming down hill to make us hold. What we want is more sand, O Lord!"

[Applause and laughter.]

What we want is more sand. O Lord, give it to the Democratic members of the House of Representatives. [Applause and laughter.] Give us sand enough, O Lord, to hold us on to the Democratic platform and to our pledges to the people in 1892. [Applause.]