

SILVER.

SPEECH

OF

HON. WILLIAM P. HEPBURN,

OF IOWA,

IN THE

HOUSE OF REPRESENTATIVES,

Tuesday, August 22, 1893.



WASHINGTON.

1893.

SPEECH
OF
HON. WILLIAM P. HEPBURN.

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. HEPBURN said:

Mr. SPEAKER: This debate presents some novel features. It presents some gentlemen in new characters and playing new rôles. There are some gentlemen of this House, more noted perhaps for their intenseness of party love, of party zeal, than anything else, who are now assuming a condition of absolute nonpartisanship and urging all other men, especially Republicans, to get into that same happy frame of mind, notably a gentleman who has recently taken his seat [Mr. BYNUM], who tells us that "the time has now come when cant and subterfuge should be driven from this Hall, and patriotism be permitted to take its place."

Are we to understand that in the esteem of that gentleman, in his experiences, cant has been the rule, and that now he is turning over a new leaf? Or does he, as a measure persuasive, to induce his opponents to adopt the new régime of nonpartisanship, suggest to them that heretofore they have been indulging in cant and in the hypocrisy of partisanship? A lecture of that kind seems strange to those who have memories and who remember a scene in which a distinguished member of this House marched down the aisle, shaking with violence his fist in the face of the organ of this House, its Speaker, and denouncing him in all of the bitterest terms of vituperative declamation; a man conducting himself so that the censure of the House was placed upon him because of the extreme, indecent partisanship that he then was manifesting.

It is noticeable, Mr. Speaker, that those who most exhort Republicans to rise above party and aid the monometallists of the Administration to repeal the Sherman law, are those who on all occasions are most intense and indecent in their assaults upon everything that Republicans hold to be most sacred in their creed; those who are least fair to their opponents and who most strenuously labor for party advantage. They are partisans always, save now, when they want Republican votes. The President exhorts us to sink party, and then, setting us an example—showing us how the thing ought to be done—proceeds to shift responsibility justly belonging to his own party and throw it upon the shoulders of Republicans, where it does not belong. Intensely partisan in his nonpartisanship, he seeks to utilize a condition of public distress and by its use persuade Republicans in aiding his party to take the first step toward the permanent disuse of silver as one of the money metals of this country. Note, if you please,

Mr. Speaker, the unfair and partisan methods adopted by the majority in the presentation of this question.

It is known that there is vital difference of opinion between the wings of the Democratic party, but for the purposes of a vote agreement is reached by them. The free-silver wing is placated by permitting a vote on six propositions. Five propositions as to ratio, and the Bland-Allison bill, are to be voted on to appease that wing and to suppress filibustering. Then follows the vote on the repeal bill. This is all agreed to among themselves by these patriots who sink all partisanship in their godly efforts to secure the nation's good. But what do they offer to the Republicans who are abjured to be patriotic and come up to the help of the Democracy? Why, sir, they bind them hand and foot by the tyranny of the previous question, and refuse them the poor privilege of making one single amendment—not one amendment can any man on this side of the House secure a vote upon. We are invited to take your propositions of relief and that only. You want "the patriotism" of our votes, and not "the patriotism" of our suggestion. Do you think, gentlemen, that we can be patriotic in our votes, and that we can not be in the plans we might offer to relieve the distress? Many of my colleagues on this side of the chamber have plans to offer—amendments to offer—but by the tyranny of your previous question you debar us from this and tell us that while you want us to be patriotic, yet we must exemplify that virtue on your lines, and in manner that you prescribe.

In this great emergency why did you not treat us as copatriots? Why did you not invite us upon terms of equality to aid in relief measures, giving us the opportunity to suggest method and remedy? But, no; this did not serve your purpose. You thought by this cant and twaddle about our being nonpartisan and patriotic you could cajole certain Republicans to vote with you, thus making good the loss of votes the silver Democrats would not furnish, and in this way start the Cleveland party on its march toward a single gold standard and aid it in its effort to destroy silver as one of the precious metals.

I am sick and tired, for my part, of all this nauseating talk about nonpartisanship. I am a Republican because I believe Republicanism to be right to-day as in other days. I am a Republican because I believe in the doctrines announced in its platform as the best of all theories and principles to carry this Government and the people to the highest mark of civilization and their greatest good; and I am not to be driven from these ideas and from the doctrines of my party because it suits some man's purposes now to urge aid from the Republican party. I believe I am most patriotic when I adhere closest to the doctrines of my party. I know of no sufficient reason why this extraordinary action, the repeal of the act of 1890, should be taken.

I remember that the Democratic convention when it last assembled had no words in its platform pledging the party to the repeal of this measure that it is now said must be repealed in order to avert the direst of all disasters. In its last national convention the Democratic party contented itself with this deliverance upon the subject: "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." This is all. No pledge for its repeal; no declaration that it has done harm—simply

the rhetorical flourish, that it is "fraught with possibilities of danger." And yet when this declaration was made the Sherman law had been in operation nearly two years, and nearly one hundred millions of Treasury notes had been issued under its provisions. Four national conventions met last summer, and no one of them thought to pledge itself to the repeal of this law.

We know that the Republican party, with that measure in force for two years, bringing as I believe benediction and beneficence to this land, had no word of rebuke; but, on the contrary, impliedly indorsed it. It and every measure of the then administration received the approval of that convention of more than 800 Republicans, representing all parts of the party and every section of this land. It was approved; and the measure that is now suggested as a precursor of another—the establishment of a single money standard of gold—was condemned by every Republican there assembled. [Applause.]

If there was any one utterance plainer than all others made by that convention it was the declaration that the Republican party of this country was in "favor of gold and silver as standard money." Those were the words used—"standard money." [Applause.] That money "proclaimed by authority as the measure of value," and when anyone asks me to follow his leadership, be he Democrat or be he Republican, and vote for the repeal of this act, a vote here proclaimed on every hand to be the first step toward the discarding of silver as a standard money, I want to ask him where does he get his authority to reform the Republican platform and the party. [Applause.]

In view of the extraordinary absence of partisanship certain Democrats are talking so much about, I want to call attention to the remarks made by my friend from Louisiana [Mr. BLANCHARD] the other day. I regret that he is not at this moment in his seat. He was assuming to give the history of the passage of the act of 1873, that is said to have demonetized silver—that act of "great iniquity" as we sometimes hear it called. The gentleman gave its history. He traced it down into the hands of the conference committee, and then he tells us that "by the surreptitious," and I understood him to say "fraudulent," but I find in looking at his revised remarks I was in error, and that he did not say it was fraudulent; but "by the surreptitious action of six men the important words, eleven in number, were injected into that law, which gave it all of its harmful and pernicious characteristics," and made it demonetize silver. These words are:

And no deposit of silver for other coinage shall be received.

The gentleman tell us that in the 21st section of the act the interlineation of these words, with the knowledge of no other men in this land save six, this great crime against the nation and the age was perpetrated; and he tells us this in the face of the fact that the 15th section of the act was unchanged, and that section provided that "the silver coins of the United States shall be a trade dollar, a half dollar, a quarter dollar, a dime."

And then he tells us this in the face of the further fact that the seventeenth section was not changed by the committee of conference, which reads:

That no coins, either of gold or silver or minor coinage, shall hereafter be issued from the Mint other than those of the denominations, standards, and weights herein set forth.

He makes this declaration of surreptitious crime in the face of

that other fact that section 15, unchanged by the committee, provided "that silver hereafter shall be legal tender only in sums of \$5."

What becomes of the force and value of that charge in the presence of these other broad declarations with regard to the office that silver is hereafter to accomplish in the financial economy of the United States?

This is only important because it ought to stop forever this rot and trash about the surreptitious character and the fraudulent character of that legislation, and because when charges of that kind are made by gentlemen against a great political party they are not in the best possible position to urge nonpartisanship. They say they want to allay strife, contention, zeal for party, and then charge their adversaries with the gravest of crimes.

Mr. Speaker, nine months ago the condition of this country, while perhaps not what every man would have desired, was certainly in a most prosperous condition. The labor field was well filled, and there were places everywhere where the toiling men of this land could receive a fair wage. There were no idle mills; there were no fireless forges; there were no silent looms; there were no untilled fields. Everywhere the business of the country was satisfactory in the main to those who were engaged in its conduct.

About nine months ago there was an announcement made. It was announced that for the first time in very many years the Democratic party would have an opportunity of making good its promises and establish as the law of the land the theories of its platform. It was the belief of men everywhere that when the Democratic party announced that there was to be a radical change in the industrial system of the country that there were to be very radical changes in the revenue laws of the country, that the tariff of 1890, the McKinley tariff, was to be repealed, that those men who made the declarations, with authority, were honest of purpose and meant what they said.

Immediately, over all this land, there came paralysis. The mills stopped; the fire of the forges died out; everywhere there was a swarming multitude of idlers clamoring for labor but finding no places in the great labor field. Its changed condition was the legitimate result of that menace to the interests of this country that the Democratic party, with purposes such as it had announced, will always present when it is found to be in power. [Applause on the Republican side.] Gentlemen, there is no escape from this. You had declared there was no warrant in the Constitution for any element of protection to the industries of this country. If you were honest men you meant what you said when you declared that the McKinley bill, the sum of all infamies, should be repealed if the people trusted you with power.

They have done that. They have placed you in the situation where you said you would exert yourselves as legislators on these lines. It is true that we in the North did not have much belief in the sincerity of the Northern wing of the Democratic party, but we did believe in the integrity, no matter how we might have doubted the wisdom, of the Southern wing. We believed that you gentlemen of the South had Constitutional convictions. You had given earnest of it in the past. In support of views that you announced as your Constitutional convictions you had risked all that honorable men could risk.

We knew that, and when you said that, in your judgment, there was an inhibition upon every man who had sworn to support the

Constitution of the United States from engaging in legislation that would stimulate and protect the industries of this land we believed you meant it, and so did the manufacturers. Hence, after you came into power—controlling the Executive and Congress—as soon as contracts then existing on the part of the manufacturers were filled, as soon as existing obligations expired, came the difficulties of inaction, because men of business could not be apprised of what lay in the future. Wool, in the country where I live, fell in price from 22 cents a little while before to 10 cents, and there was a general business paralysis all over the country.

This condition must be disastrous for the Democratic party. But the President of the United States, with an adroitness that was wonderful, a political skill and sagacity that mark him as the great Democratic politician of his age, determined to shift the responsibility from the Democratic party to the one that had just ceased to be in power, and he discovered that the evils under which the country groaned from the dangers of Democratic legislation were not, in fact, attributable to that cause, but existed because the Republican party, three years ago, had passed the Sherman bill. [Laughter.]

And, Mr. Speaker, strange to say, there are within the sound of my voice Republicans who have extolled upon the stump every provision of that law, who have called it beneficent in all its operations, who have pointed to it with pride as the only method known to legislation whereby there could be that increase of the circulating medium which was necessary to keep pace with the growth of population and business—there are, I say, such Republicans here who propose to aid the President in this shifting process of ledger-deman designed to place the responsibility upon Republican shoulders, who propose to aid that attempt by voting "aye," a confession that the Sherman act contains in itself all the iniquities that the Democrats in their enthusiasm have charged that it does.

They tell us that we should vote for the repeal of this law because the whole country clamors for it, because the business interests of the country demand it. Gentlemen, where are the petitions that have been sent to your desks from the people of this country demanding the repeal of the Sherman law? I am not disposed to take aught from the importance of the place that boards of trade and banking associations and chambers of commerce hold in our business economies. I recognize them as essential to the successful conduct of business upon our methods. I have no assault to make upon the gentlemen who compose them. They are necessary factors in the general business of the country and have their legitimate place. But they are not of first importance. They are not "the people," and they may have interests opposed to the true interests of the great mass of the people. They are as selfish as other men, and often intent upon securing legislative measures that confer special benefits upon themselves that are not shared in by all of the people.

And I want to remind you, gentlemen, that boards of trade and chambers of commerce and bankers' associations do not do the real business of this land. Their business begins where the great business of production ends. [Applause.] They simply levy toll upon that which the real business men of this country create, [Applause.] They are necessary, but they are not all. The banks, for purposes of their own, desire the repeal of this act. I have known but few bankers who were not monometallists. They are nearly

all such. They see that the President of the United States is one. They remember his letter to Mr. Warner eight years ago, in which he took grounds against silver coinage. They remember his first message to the Congress, and his letter of last summer, and his recent message. In all, he is the enemy of silver, and they can now recall the closing sentence of this last message, in which he urges the repeal of the Sherman law and hopes "other legislative action may put beyond all doubt or mistake the intention and ability of the Government to fulfill its pecuniary obligations in money universally recognized by all civilized countries." They know that this money is gold. They know that all of the earnest friends of the Administration who have spoken in this debate tell us that the repeal of the Sherman act is the first step to the demonetization of silver, and they know that the act for the repeal and their declarations and arguments in favor of a single gold standard should be construed together.

They believe that now is the favored time when this great "step in advance," as they call it, can most successfully be undertaken. The men who compose the boards of trade and chambers of commerce are creatures of the banks. They are the borrowers. When they find that accommodations no longer come, and when they are gravely told by the bankers, who are supposed to be financiers, that the reason why they can not have discounts is the presence of this obnoxious law upon the statute book, and that the only way of securing relief and new accommodation lies in the direction of carrying this repeal, they pass at once the resolutions that are prepared for them, and which, later, find their way to our desks. Then, too, the great metropolitan press, representing home interests, the interests of the men who support them, assume to speak for the country, and to say that the people make a demand for the repeal of this law.

There are 2,000,000 of people in the State of Iowa, but I know of only one of my colleagues who has received a letter or petition requiring or asking him to vote for this measure. In the district in which I live there are more than 180,000 people; agriculturists, all of them. There is not an important manufacturing industry in the whole district. And yet, Mr. Speaker, not one word has been said to me in all of the days while at home I was inquiring, nor has anything come to me here in the shape of a petition, asking me to vote for this repeal. I believe, sir, there is no such public opinion as is asserted demanding this action.

But they tell us that it is "absolutely necessary to repeal this law in order to restore the confidence of the people." The confidence of the people in what? Not in the money that you propose to strike down. What is there in all the varieties of money that we have that equals in all the elements of value this same derided Treasury note of 1890? Behind that Treasury note lies the pledge of a nation, never dishonored, that its notes shall be redeemed in coin, and, as the Secretary of the Treasury has interpreted his duty, it is redeemed in gold. In addition to that, and behind it, it has, as a collateral, its bullion value in silver. What other money have you got that is as good? Not the greenback. It has but \$100,000,000 in gold to redeem \$346,000,000. Not the silver certificate. It is just the promise to return a silver-dollar. But the Treasury note of 1890 has the same pledge for its redemption that the greenback has, and in addition, its full value in bullion silver. It is the best form of money that we have.

There is no distrust of that money on the part of the people.

Time and again your attention has been called here to the fact that a day or two ago it was selling at a premium in the markets of New York for gold. No matter what the cause may be, there is something in the way of evidence in that fact. It shows that the people who are pledged to its redemption have not lost faith in their pledges or in their power. There is no trouble with the money.

The distinguished gentleman from Ohio [Mr. HARTER] a few days ago gave the true key to the whole difficulty. In extolling the beneficent action of the banks he told us that we had \$24 per capita of money furnished by the Government, but the banks by their processes and their methods had enlarged that volume until there was \$72 per capita in circulation among the people. Twenty-four dollars of it was the cash capital on which business was done—it was supplied by the Government; \$48 of \$72 per capita was the credit capital supplied by the banks—the debts of the banks, and on which they were doing business. The want of confidence is not in the money of the Government, it is in this substitute for money furnished by the banks. [Applause.] There is where the trouble is, gentlemen—not with the Treasury notes.

Gentlemen tell us that the presence of this Treasury note of 1890 is a menace to the money interests of the country; that it drives the gold out of circulation. How is that? Every dollar of our Treasury notes, treated as they are to-day by the Secretary of the Treasury—redeemed at the pleasure of the holder in gold—is in effect a gold dollar added to the circulation. Does the presence of a newly issued gold dollar drive out the present gold dollar? Will the dollar that we have become alarmed because its brother is brought up as a reinforcement to stand side by side with it in the battle of commerce? To my mind there is an absurdity about this that only needs to be stated in order to show its folly.

I believe, Mr. Speaker, that this law has been beneficial in its operation at all times and that it is not harmful to-day. A million and a half is added to the population of the United States every twelve months. The business of this country increases rapidly every twelve months. Ever since 1861 there has been a demand for the addition of about \$63,000,000 annually to the circulation. To the four hundred and forty odd million dollars that we had in 1861 we have made such additions that now we have in the Treasury and in circulation more than twenty-three hundred million dollars. There has been since 1861 an average increase of about \$63,000,000 each year. This increase is necessary for the future. If you repeal the Sherman act how do you propose to get it?

There is not a law upon the statute books, save the Sherman act, that enables you to get more. You can not have more silver certificates. You can not have more gold certificates, because the tendency is to decrease them. You can not have more greenbacks, because of the pledge of the nation. You can not have more national bank notes under present legislation, because the period for ultimate redemption of the bonds grows so near. The only hope of meeting this demand for an increase of currency, as the statutes are framed to-day, is in the maintenance intact of this much-abused act of 1890. It gives us more of circulation. It gives us a most desirable circulation. It gives us the best form of money that we have. It is our only hope for expansion.

A gentleman who recently spoke on this floor announced as one of the reasons why this act should be repealed that under its operation there was a constant exodus of gold from this country. Does

he assume that this act has aught to do with that? I remember that from 1819 to 1860 more than \$600,000,000 of gold fled from our shores to other lands. Why? Because the balances of trade were against us; because we were a debtor nation and because we paid in gold, not because gold was then the only standard, but because commerce so elected. No Sherman act was in existence then, gentlemen; but there was a free-trade tariff; and it gave the balances against us and made it necessary for us to ship something that other nations would accept in payment, and that was gold. These balances are against us now.

A gentleman quoted a little while ago from the Treasury a statement to show that the balance was in our favor. Seemingly this is so; but that is the custom-house balance from which he read, that is made up from the aggregate of the invoices of incoming merchandise on the one hand and the aggregate of manifests of outgoing vessels on the other hand. It simply shows the custom-house transactions of this country. To that aggregate of invoices it is necessary you should add the undervaluations of the port of New York, estimated at from twenty-five million to forty million dollars each year. In addition you must add the sum that represents the cost of foreign travel of this country. The year before last 99,000 cabin passengers landed at the port of New York. Ninety thousand of them were American citizens. It is estimated that each one of these in journeying abroad expends a thousand dollars, making an aggregate of \$90,000,000 more which you must add to that balance against us.

You must remember that the foreign commerce of this country is carried on in foreign bottoms—all but 12 per cent. Its cost is estimated at from \$130,000,000 to \$200,000,000. Eighty-eight per cent of either sum (whichever may be correct) must be added in order that you may find what the true balances are. Then to these sums you must add interest and dividends every year paid to foreigners. I undertake to say that in no year during the last fifty has the true balance, taking into account all transactions between ourselves and foreign nations, ever been in favor of the United States.

This simple fact does away with the value of all illustrations drawn from England, from France, from Germany, for our guidance. They are creditor nations; they can have whatever money they choose. All that is needed in such a country to give efficiency to money is to give it the legal-tender quality. They have no balances to settle beyond the jurisdiction of their own laws where the preferences of other persons must be heard. They are the dictators; and so they can make whatever money they please. This is important here for the purpose of suggesting that this vast fund of illustration given to us for Godly example perhaps is not so valuable as in the minds of some gentlemen it may seem.

The true way for us to solve this financial question, gentlemen, is to compel, by wise, judicious legislation, the balances of trade to be in our favor. [Applause.] That will do it. I hear gentlemen who seem to think that this financial question is important above all others inveighing against the only means within our power to effectuate that which they assert they want. Let us buy less abroad; let us patronize less the labor fields of other lands, and more our own.

Let us by judicious measures increase the merchant marine of this country and conduct our own foreign commerce and thus save more than \$100,000,000 each year. Let us encourage by proper

methods, by subsidies or bounties, the production of all the sugar that we need and save \$130,000,000 to our own people. [Applause.] Let us pursue such courses and secure the industrial independence of America, and then all the other things that you gentlemen have been extolling as most desirable, and praying to God that you may have, will be given to you. It will not be absolutely necessary that you should then resort to prayer, because you could help yourselves; and the Allwise One encourages and commends this self-help. [Laughter.]

Mr. Speaker, I have heard with very great regret gentlemen on this side of the House, whose opinions I have regarded as valuable, and whose example I wanted to follow, indulging in a line of discussion which seems to me, for them at least, is unwise. There is no party that has ever lived that contains multitudes of men but which, in order to secure unity of action and maintain the purpose of the organization, does not need the coercive or cohesive influences of party declarations. [Applause.] I want to suggest to gentlemen who have much at stake, because of party lines and party declarations, as well as party aspirations—I want to suggest to these gentlemen the impolicy of weakening the cords of cohesion found in the platforms that bind us together. [Applause.] I want it to be remembered that while it may be of interest to you just now to lose sight of party declarations on the money question, that there are coming up other questions; and you ought not, and you can not afford later on, to let other men exercise the same discretion and set at naught the declarations of the party that you are exercising in the present case. [Applause.]

The declarations of the Republican party in favor of the protective system are no stronger, they are no less subject to hypercriticism, and to the possibilities of interpretation, than are the declarations with regard to the double standard. We believe in them as a party in their entirety. We mean to stand by them in all their parts, and it appears to some of us most unwise and unseemly, where there may be such advantage to all, when all are observed, that men should take upon themselves to set aside a part that is just as dear to the Western heart as any in the entire declaration to be found, from first to last, in the platform. [Applause.]

We are here, Mr. Speaker, asked by the President of the United States by voting for the repeal of the act of 1890, to cast a vote of want of confidence in Republican statesmanship and Republican methods. I will not do it. [Applause.] We are asked to admit by a vote in this House, when all we have said in the way of prophecy is now fulfilled; when all that we said would come upon this country, when the Democratic party armed with the full power of the Government and the authority of the people has happened, and we are asked to say that these prophecies are not true, but are requested to declare by our action here that all of the evils that the country now labors under come solely from the Sherman law—from Republican legislation. I repeat, I will not do it. I do not believe it to be true.

I may as well state now that the Democratic party has either to go back upon its pledges with reference to the tariff made a year ago or else it is going to bid farewell to the prosperity of this land. And I want to hold you gentlemen to that issue. You took it upon yourselves and I don't propose, so far as my humble voice is concerned, to allow you by any kind of legerdemain or political trick-

ery to get away from the issue as you presented it and the conditions as they are. [Applause.]

The Republican party has taken its position on the question of the free coinage of silver. It has said that it was in favor of the use of the two metals as money and that it would pledge itself to maintain them at a parity that now exists. But it proposes to do so in a statesmanlike way; and I for one desire that there shall be no variation from that purpose. It proposes that through an international convention an agreement is to be secured from the nations of the earth controlling in this matter that will fix the question without possibility of disturbance. How is it possible, gentlemen, you who have said that two standards can not exist—how is it possible for your pet theory to be true when all the nations of the earth use them in commercial transactions within their borders and jurisdiction? What becomes of your theory? Many gentlemen have referred to the situation prior to 1834 and subsequent to 1834, and the experiences of those periods—that gold and silver could not be kept in uniform value.

They forget that at first we adopted a ratio of 15 to 1 while the European ratio was 15½ to 1, and that when we made a change it was to 16 to 1. First we valued gold too highly, and then went as far in the other direction. We had not then attempted to secure this object through international agreement. That was the reason that there was this fluctuation once in favor of gold and once in favor of silver. Had other nations agreed there would have been no trouble. And now, in the midst of the pendency of these negotiations, while we are asking others to come to our position we are invited to change radically that position and assume another. Let us wait until after we have made every honest effort to secure bimetallism by means of international agreement. I want both gold and silver. I want them at the parity of 16 to 1. But I do not want to complicate the present situation. I want the Brussels conference to have time to act. Mr. Speaker, in my judgment this Administration has shown its hostility at all times to the use of silver.

When the Administration came into power there was in the vaults of the Treasury two hundred and seventeen millions of gold—one hundred and three millions of redemption fund and one hundred and fourteen millions on which gold certificates had been issued. Ah, says one, but that gold must remain there. Why? Simply because of the statutory direction to the Secretary of the Treasury to retain it; not because of the existence of a contract between the depositor and the Government of the United States that it shall remain. And, gentlemen, a resolution passed in the last hour of the last Congress repealing that clause of the law would have placed in the hands of the Secretary of the Treasury two hundred and seventeen millions of gold for immediate use in redemptions; more than one-third of all the gold in the United States and more than one-fifteenth part of all the gold in the world.

That same resolution might have placed in his hands more than \$300,000,000 of silver. Here was the astonishing spectacle of this administration coming into power with more than \$500,000,000 of coin in its vaults, each the equivalent of the other—more coin than any government in this world has ever owned at one time—and yet pleading the baby act, and crying about its inability to meet the obligations of the Government, when there was no obligation of this

Government outstanding, save the gold certificates, that might not have been met with either form of that money.

Ah, but, says the objector, if the Secretary had paid out silver we would at once have been placed upon a silver basis and gold would have gone to a premium. Who would have paid a premium for gold, when the Secretary of the Treasury had \$217,000,000 of gold with which to flood the market at any moment? Men buy gold and pay a premium to make money. They do not pay a premium for it when they know that to-morrow it may be given without price to their neighbor in the ordinary current payments of the Treasury.

But the President saw fit to say that he would maintain the parity by the use of gold alone and by degradation of the other metal, by declaring in advance that silver was unfit for use and by the sole use of the gold. This was like the athlete who would start out to give strength alike to the muscles of both of his arms by tying one of them securely to his person.

Mr. OUTHWAITE. Will the gentleman yield for a question?

Mr. HEPBURN. If I was right sure that I knew what that question was, and that I could answer it with great credit to myself and with perilous discomfiture to my friend, I would; but as I am not advised as to the nature of the question I will decline to yield.

The SPEAKER. The gentleman declines to yield.

Mr. HEPBURN. I want to be courteous to my friend, and I will listen to the question.

Mr. OUTHWAITE. I want to ask you whether it would not be repudiation for this House to pass a resolution permitting the Secretary of the Treasury to use for any other purpose whatever the gold which is in the Treasury for the redemption of Treasury gold certificates?

Mr. HEPBURN. Undoubtedly it would not, and the question put by the gentleman shows me that he has never read that act. [Laughter and applause on the Republican side.] There is no sentence in it that has the semblance of a contract. All that the creditor can demand is dollars of gold when he presents his certificates. His gold is not kept as a special deposit, and it is not a special deposit. Every dollar of gold goes into the general gold fund of the Treasury Department—that is, that general account. One man's gold is not specially held for his payment, or for return to him. He is entitled to gold dollars, but not to any particular or specific dollars.

Mr. OUTHWAITE. Why did not Secretary Foster apply that gold in such a way instead of proposing to sell bonds?

Mr. HEPBURN. I don't know. Secretary Foster is an Ohio man, and perhaps you know more about him than I do. [Applause and laughter on the Republican side.]

Mr. OUTHWAITE. He is an Ohio man, but he belongs in your class of people, your party.

Mr. HEPBURN. I heard it suggested the other day by a friend of mine in whom I have great confidence generally, that while he did not believe the repeal of this act would result in any benefit, in any certain benefit, yet he proposed to vote for it; that, operating as a possible opiate, it might do some good. I think that is not wise. It is too much like putting the plaster on the well leg, it seemed to me, a kind of remedial effort that I did not want to follow him in. [Laughter.]

I believe that this repeal ought not to be had. I believe that neither one of the amendments providing for the free coinage of silver

ought to be adopted. But I do not care to argue that question now. I want the situation of silver to remain unchanged until we know the result of the international conference. Certainly, at this time, while we are striving to secure an agreement between the nations upon propositions that have been made by us and have not yet been acted upon, I am not willing to change the status in any way until we know of failure; and then I am willing to do those things that are within the limits of judicious conduct, that will give to us the two metals on the best terms possible for all to perform the same kindly office for the commerce of this country that for more than a hundred years they have been able to perform. [Applause.]
[Hère the hammer fell.]