

SILVER.

SPEECH

OF

HON. J. W. MADDOX,
OF GEORGIA,

IN THE

HOUSE OF REPRESENTATIVES,

THURSDAY, AUGUST 24, 1893.

WASHINGTON.
1893.

SPEECH
OF
HON. JOHN W. MADDOX.

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. MADDOX said:

Mr. SPEAKER: The intense and vital interest of the pending questions before the House is the apology I have to offer for attempting to suggest a thought on the great and momentous issues to be decided by our votes, as the Representatives of the United States, on next Monday.

The gentleman from West Virginia [Mr. WILSON] introduced a bill which has for its purpose the unconditional repeal of the purchasing clause of the Sherman act of 1890:

Be it enacted, etc., That so much of the act approved July 14, 1890, entitled, "An act directing the purchase of silver bullion and issue of Treasury notes thereon, and for other purposes," as directs the Secretary of the Treasury to purchase from time to time silver bullion to the aggregate amount of 4,500,000 ounces, or so much thereof as may be offered in each month at the market price thereof, not exceeding \$1 for 371.25 grains of pure silver, and to issue in payment for such purchases Treasury notes of the United States, be, and the same is hereby, repealed; but this repeal shall not impair, or in any manner affect, the legal tender quality of the standard silver dollars heretofore coined; and the faith and credit of the United States are hereby pledged to maintain the parity of the standard gold and silver coins of the United States at the present legal ratio or such other ratio as may be established by law.

The gentleman from Missouri [Mr. BLAND] offers as a substitute the following measure, which I will ask to have incorporated in my remarks:

Be it enacted, etc., That from and after the passage of this act all holders of silver bullion to the amount of \$100 or more, of standard weight and fineness, shall be entitled to have the same coined at the Mint of the United States into silver dollars of the weight and fineness provided for in the second section of this act.

SEC. 2. That the silver dollar provided for in this act shall consist of 412½ grains of standard silver, said dollars to be a legal tender for all debts, dues, and demands, both public and private.

SEC. 3. That the holder of the silver dollars herein provided for shall be entitled to deposit the same and to receive silver certificates in the manner now provided by law for the standard silver dollars.

SEC. 4. That so much of the act of July 14, 1890, entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes," as requires the monthly purchase of 4,500,000 ounces of silver bullion be, and the same is hereby, repealed.

I also incorporate the rules adopted by this House for the discussion and decision of the pending questions:

Ordered by the House, That H. R. No. 1 shall be taken up for immediate consideration and considered for fourteen days. During such consideration night sessions may be held, for debate only, at the request of either side. The daily sessions to commence at 11 a. m. and continue until 5 p. m. Eleven days of the debate on the bill to be given to general debate under the rules of the last House regulating general debate, the time to be equally divided between the two sides, as the Speaker may determine. The last three days of debate may be devoted to the consideration of the bill and the amendments herein provided for, under the usual five-minute rule of the House, as in Committee of the Whole House. General leave to print is hereby granted.

Order of amendments: The vote shall be taken first on an amendment providing for the free coinage of silver at the present ratio. If that fails, then a separate vote to be had on a similar amendment proposing a ratio of 17 to 1; if that fails, on one proposing a ratio of 18 to 1; if that fails, on one proposing a ratio of 19 to 1; if that fails, on one proposing a ratio of 20 to 1. If the above amendments fail, it shall be in order to offer an amendment, reviving the act of the 23th of February, 1878, restoring the standard silver dollar, commonly known as the Bland-Allison act; the vote then to be taken on the engrossment and third reading of the bill as amended, or on the bill itself if all amendments shall have been voted down, and on the final passage of the bill without other intervening motions.

It will be seen from the Wilson bill that, if adopted, the purchasing clause of the Sherman act will be unconditionally repealed.

If any one of the substitutes is adopted, as offered by the gentleman from Missouri, the Sherman act will be repealed necessarily.

THE ORDER OF PASSING ON THE QUESTION.

These questions are to be passed under the rules adopted as follows: First, the substitute demanding the free coinage of silver at the ratio of 16 to 1. Should this fail, then the different ratios are to be submitted until they reach the ratio of 20 to 1; and if this should fail, then what is known as the Bland-Allison act comes next. Should this be defeated, then the Wilson bill, which has for

its purpose the unconditional repeal of the purchasing clause of the Sherman act, will be reached. These are the propositions to be determined by this body.

CONSTRUCTION OF FINANCIAL PLANK.

Now, Mr. Speaker, as part of my remarks I include that part of the Democratic platform which refers to the coinage of silver and gold. I find it in these words:

Platform.

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, including 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 discrimination 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 debts: and we demand that all paper currency shall be kept at par with and redeemable in coin. We insist upon this policy as especially necessary for the protection of the farmers and laboring people, the first and most defenseless victims of unstable money and a fluctuating currency.

This makes up the official record, unless the President's message be considered one of the original papers in the case.

Mr. Speaker, the advocates of the Wilson bill claim that they are only asking that the platform as adopted at Chicago be carried out. The friends of the substitutes claim that they stand upon the platform. Right here the question arises, what has the Chicago platform got to do with the issues submitted and to be determined by this body? If anything, it ought to be given the closest scrutiny. If, on the other hand, the President's message is to control, then it is folly to talk about platforms.

THE VOICE OF DEMOCRACY.

But, Mr. Speaker, my understanding is that the great Democratic convention which met at Chicago created the platform just read; and that it created its standard-bearer by nominating Grover Cleveland, now President of the United States, at the same time. The principles enunciated in that platform are the voice of the Democracy of this country. That platform speaks the sentiments and views of the party, and they nominated as their standard-bearer Mr. Cleveland.

He accepted their nomination and must of necessity have accepted their platform.

If I have construed the platform in accordance with the rules of common sense and common honesty, then we must decide which one—the President or the party—has the right to demand fealty. Or, in other words, we are called upon to decide whether the created is greater than the creator.

Now, Mr. Speaker, let us analyze this Democratic platform. We find this great convention of Democrats denouncing the Sherman law as a makeshift. Mr. Speaker, the question naturally arises, For what is the Sherman law a makeshift? It must be a makeshift for something. Now, what is that something? Is it the Bland-Allison act? It can not be that, for we find in the next sentence this language:

We hold to the use of both gold and silver as the standard money of the country, and 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.

In other words, we, the Democracy of the country, say that we favor both silver and gold as the standard money of the country; that we are in favor of both metals being admitted to the mints without charge. The only condition we put upon them is, that they must be both of equal intrinsic and exchangeable value. This is the substance demanded by the Democracy assembled at Chicago, and the Sherman law is the shadow or makeshift for the free coinage of both gold and silver on a parity with each other.

But they say, further, that if this can not be done they favor an international agreement, using this language, "or be adjusted by 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 the payment of debts."

Now, it will be observed that the first command of the party is to adjust the ratio between the metals, so as to make them both intrinsically equal in value. The next idea (if this fails) is by international agreement. Everybody knows this to be an impossibility. We have tried it time and again, only to meet with

certain defeat; and since the adoption of this platform this matter has been presented to the other nations, who have repelled the idea with scorn.

But the next instruction given by our party (if these fail) is that we are to sustain bimetallism and the coinage of both silver and gold by such legislation as will insure the maintenance of the parity of both metals and the equality of the debt-paying power of the dollars at all times in the market and in the payment of debts.

PAPER CURRENCY PARITY.

And they go farther and say, that—

We demand that all paper currency shall be kept at par with and redeemable in such coin.

What coin?

Conclusively, both gold and silver. The intention of the party can not and ought not to be misconstrued. It is plain that the Sherman law is condemned because it is a "makeshift" for some one of the methods already mentioned. I do not believe this proposition will be denied.

Now, the plain question before the Democrats in this House is whether they will attempt by the legislation spoken of in our platform to establish the substance there demanded or give up both the substance and the shadow (or "makeshift," if you please).

THE ISSUES ARE CLEAR.

Now, the issues are sharply presented. If either one of the substitutes offered by Mr. BLAND is successful, we will have attained the substance demanded by the Chicago platform and at the same time will have repealed the cowardly "makeshift" there denounced. But if these fail, then we are called on to vote on the Wilson bill, which, if successful, will repeal the Sherman law (or "makeshift," as the case may be), and leave us without shadow or substance. In other words, without even a "makeshift."

WAS THIS THE INTENTION?

Now, Mr. Speaker, does any reasonable man believe that any such thing was demanded, or even thought of, by the convention assembled at Chicago? I can not think so. But gentlemen on

this floor, and who claim to be Democrats, attempt to justify themselves when they advocate the unconditional repeal of the Sherman law by claiming that the platform justifies them in their positions.

DOES THE PLATFORM MEAN MONOMETALLISM?

Can any man read that platform, digest it, and come to the conclusion that it means monometallism? Is it not a fact that the Sherman law was condemned because it was adopted in lieu of free coinage? Is it not a fact that the convention expressed and committed itself to bimetallism? And have they not suggested three different ways by which this may be attained? And do not they declare that all paper currency shall be kept at par with and redeemable in such coin? Can any man deny that it was the purpose to restore silver to its former position as one of the standards of value?

I think not.

Then, if I am correct, in what position are we left if the Wilson bill is passed? We are brought to the single gold standard, going back upon every pledge and even the fundamental principles of the party. Then, if I am correct, the question put heretofore arises, is the command of the created to be blindly followed, or shall we obey the commands of the creator—the demands of the Democratic party? Which will you choose?

For my part, I am yet to learn that the created is greater than the creator. I have pledged myself to follow the instructions of my constituency, and I intend to do so.

GEORGIA PLATFORM.

We demand the free and unlimited coinage of both silver and gold on a parity with each other, to the end that the money of the people shall be such in quantity and quality as was originally contemplated by the Constitution.

Mr. Speaker, I send to the Clerk's desk the platform adopted by the Georgia convention in May last, the same convention that selected delegates to the Chicago convention, and one of the largest ever attended in the State. I desire to say that in the convention which nominated me the very same plank was adopted as the sentiment of that convention. There can be no doubt as to their position on this subject.

THE COMMAND AT CHICAGO.

Now, Mr. Speaker, I believe that the first command of the party at Chicago was to repeal the Sherman law by adopting a free-coinage measure, having due regard for the equality of the two metals, both in intrinsic and exchangeable value. There can be no doubt as to the meaning of the requirements of the Georgia platform—that they demand the free coinage of both gold and silver on a parity with each other. The same principle was reaffirmed in the convention which nominated me.

Then, so far as I am concerned, and, as I believe, every other Democrat who wishes to follow out and respect the demands and wishes of his party, the only question for us to determine is as to the proper ratio. And I further believe that this course will redound to the interest of the Republic.

We are told by some gentlemen that it is impossible to reach a proper ratio under any one of the substitutes offered by the gentleman from Missouri. They talk glibly of a 58-cent dollar, and assert that the ratio of 20 to 1, if adopted, would only make a dollar whose intrinsic value would be 80 cents. Gentlemen do not meet the question fairly. All things should be considered when the parity of the two metals is discussed.

Mr. Speaker, there are three things to be considered in arriving at a proper ratio for the two metals.

First. The appreciation of gold.

Second. The depreciation of silver.

Third. The appreciation of silver when restored to its former position as one of the standards of value.

The gentlemen who discuss this subject on the other side make their calculations upon a basis that gold, as a measure of value and as a medium of exchange, was, and is now, the unvarying standard. I deny that proposition. The very argument as used by these gentlemen to decry silver, if applied to gold, will show that it has appreciated. They tell us that supply and demand regulate the price of silver, and that the overwhelming supply of that metal has caused it to depreciate.

Then, if this be true, I insist that the large and overwhelming demand for gold—and by reason of the decreasing and very lim-

ited supply of that metal—should from the same reasons, cause gold to appreciate. We are told that foreign nations have demonetized silver, and that in order to increase their gold reserves they are drawing largely upon the supply of this country. We are told that large amounts of it are needed to pay the interest on our bonds, and it is candidly admitted by the gentleman from Ohio that there is not enough gold in the world to do the business.

From the best information I can gather, the appreciation of gold, the world over, in the last twenty years has not been less than 10 per cent, and in this country, as a measure of value, from 30 to 40 per cent. Now, if this be true, this is a very important factor that should be considered in arriving at a proper ratio of the two metals.

In the second place, it is but fair that we consider the depreciation of silver. In the present condition of things, or the laws relating to the purchase of silver, it is treated as a commodity, and the excess bullion not purchased by the Treasury fixes the market price thereof. In addition to this fact, the Government has been using its utmost efforts to bear the market. These are facts to be weighed in, along with the fact that if the white metal is restored to its former position, and we admit it to the mints upon the same terms as gold, then all the silver will be measured by its value as money, and not as a commodity; and I think it but fair to say that when silver is restored to its former position (if it ever should be) no one will deny that its bullion value will appreciate very much.

So, when we get right down to a common-sense view of this matter, and weigh it in all of its phases—that is, consider the appreciation of gold from its true basis, and the appreciation of silver when admitted to the mints as one of the standards of value, then I do not think any gentleman can hesitate to vote because a true ratio can not be found in the substitute offered by the gentleman from Missouri.

Then, gentlemen, if these conclusions are right, ought we not as Democrats, loyal to our party, and true to our constituents to endeavor to reach a proper ratio and open the mints of this country to the free and unlimited coinage of both silver and gold?

Now, Mr. Speaker, I have discussed this question from the standpoint that our platform demanded this much, and that it was our duty to conform to it. But, Mr. Speaker, we are told by the gentleman from Maryland that this demand in our platform is a mere catchword, and that it is impossible to carry it out. If this be a mere catchword, what part of the platform is not subject to the same criticism? What right has he or any one else to say that the convention of Democrats at Chicago were dealing in catchwords?

THE RESULT OF REPEAL.

But we are told by some gentlemen that all the ills that are now besetting the country are due to the purchasing clause of what is known as the Sherman law, and that if we repeal this then relief will follow at once. That it will give temporary relief I have no doubt. The bankers and capitalists of the country are demanding its repeal, and the panic which they have so successfully brought upon the country will terminate when they have accomplished two things: The permanent establishment of the single gold standard, and have compelled the Government to issue large amounts of bonds, by which the national banks of this country may be perpetuated. When these things are done they will open their coffers and some of that large amount of money that you have heard of as circulating in this country will begin to circulate again, until they want something else; and, if a panic is necessary to accomplish it, they will resort to the same methods again. Shall we sell our birthright for a mess of pottage?

What the people of this country must have, and will have in the near future, is a system of finances that will render it impossible for a few individuals to wreck the country at their will. We must wrench this power from Wall street or the existence of this Republic will be short lived.

The repeal of the Sherman law, without any of the conditions proposed, takes from the circulation of the country millions of dollars. Our people all over the country are demanding more money, and yet we are told that the way to relieve the country is to contract the currency, and these gentlemen justify themselves on the plea that it is forcing the gold out of the country.

No Democrat in this country who is a producer of wealth asks for the unconditional repeal of the Sherman law. It is only the creditors and the absorbers of wealth who want this bill repealed without substitute. And why? It will enhance the value of their outstanding debts and it will add, at the least calculation, a burden of 40 per cent upon the labor of the debtors of the country, compelling them to pay in an appreciated currency.

The farmers and laborers of all classes have met time and again and asked for relief. They have sent their petitions here asking for legislation which would bring relief to them and their families. They were denounced as "calamity howlers." But when our boards of trade get together and ask for the repeal of a law in order that they may more effectually enslave the wealth producers of this country, then partisanship is to be ignored, platforms are to be disregarded, the most solemn pledges of Representatives to their constituencies are to be violated, and everybody must rush to the Capitol and do their bidding.

There is no substantial relief in this measure for the toilers of the country. It is not what they expected. It is not what they demanded. It is not what they were promised by the Democratic party. But, on the contrary, as I have already said, it will reduce the circulating medium of the country at least forty millions per annum. It will bring us to the gold standard, and the ultimate result will be the issuing of large amounts of bonds, through which the life of the national banks may be prolonged and perpetuated.

Those gentlemen who advocate the unconditional repeal of this act do not hesitate to tell us that the next move on the board is to issue large amounts of bonds to protect the national credit. If they succeed, this means monometallism and national banks—both directly in conflict with the fundamental principles of Democracy. Yet, in the name of Democracy, by the help of the Republican party, it is to be accomplished.

As a Democrat, and in the name of Democracy, I protest against it. While I have no language to express my contempt for the Sherman law, yet it is clearly demonstrated to my mind, from the positions taken by gentlemen on this floor who are claiming to be with the Democratic party, that there is no chance to ever

accomplish any financial legislation, beneficial to the people I represent if we allow them to repeal this law unconditionally, and I would be derelict in the duty I owe to the constituency I represent if I should not hold the Sherman law as a hostage to compel them, if possible, to comply with the pledges and promises of the party made to the people.

But some gentlemen tell us that if we repeal this law without condition, that the President will recommend financial legislation which will meet the wants and necessities of the country. If he intends to pursue this course he ought to have taken his party into his confidence and pointed out the proposed legislation in his message, and we would in all probability have been saved the mortification of a division in our party and he would not have been compelled to rely on the Republicans to aid him in carrying out his policy.

Any close observer of passing events knows that from the very advent of this Administration the bondholders, the capitalists, and the bankers, through the metropolitan press of the country, began to foretell of the great panic and the disasters which would happen to the country unless the purchasing clause of the Sherman act was repealed; and they set to work to bring about this result when there was no real cause for it, and in my judgment entirely artificial, and they have precipitated a panic upon the country which stands without a parallel; and now, with all the effrontery of the very devil himself, they take advantage of the distress and ruin which they have wrought, and threaten even worse evils which will befall us unless the representatives of the people will surrender their convictions and accede to their avaricious demands.

As for myself, I will make no concessions nor surrender a single conviction that is not justified by my judgment as being to the best interests of those I have the honor to represent. I shall adhere to the platform adopted by my constituency, and to the pledges I made to my people, if I stand alone.

The gentleman from Massachusetts [Mr. EVERETT] is welcome to extend the comparison made by the gentleman from Nebraska, from glorious Marengo to disastrous Waterloo, and his extension appropriately illustrates the positions of parties on this

question, but with a sense and imagery of which he had never thought.

Wellington, unable to withstand the shock of the French without the help of the Prussians, was praying for night or Blucher, and the Emperor had already sent dispatches to every court in Europe announcing the rout of Wellington and the destruction of his army, when the arrival of Blucher on the field, made possible by the defection of two of the Emperor's ablest marshals, compelled Napoleon, with his wearied legions to face a new army of Hessian hirelings, engaged as allies by the money of the robber of nations and pirate of the sea.

Unable, with bravery unequalled on earth, to overcome the combined armies, and with sorrow unequalled since the crucifixion, the greatest commander known to earth retired and allowed the wheels of time to roll back a thousand years; allowed England for centuries to manipulate the finances of the world over which she had extended her control by her arms and by the diplomacy of debauchees made eloquent by her glittering gold. Shattered and shaken and invited to surrender, the remnant of the immortal guards exclaimed, "We know how to die, but never to surrender!"

And I call the attention of our Eastern Democratic friends, who have steadfastly stood by us on so many occasions, to the fact that in the overthrow of Napoleon, that which racked his heart with greatest grief was that his final overthrow was due to the failure of his long-trusted marshals to do their duty in his supreme crisis; and we appeal to them, that in this our supreme moment, they make no further concessions to the money kings.

If the Sherman bill be repealed without restoring the coinage of silver, I warn you, you are helping our enemies rout us from our last trenches. Our ruined country will denounce an unholy combination between Tammany, Mugwumps, and Republicans, and will rise up and curse you for aiding to perpetuate their financial slavery, when you had promised them relief, and they had trusted to your honor. [Applause.]