

THE DEMOCRATIC PARTY PLATFORM ECONOMIC AND FINANCIAL
POLICY RESPONSIBLE FOR THE PRESENT APPALLING
SITUATION OF THE COUNTRY.

SPEECH

OF

HON. ELIJAH A. MORSE,
OF MASSACHUSETTS,

IN THE

HOUSE OF REPRESENTATIVES,

SATURDAY, AUGUST 12, 1893.

WASHINGTON.

1893.

SPEECH
OF
HON. ELIJAH A. MORSE.

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. MORSE said:

Mr. SPEAKER: There comes down to us from mythological times a story that Hercules on his journey once came to a point where there were two roads. He did not know which to take. From one there emerged a maiden in gaudy attire, beckoning him her way. Hercules said to her, "What is thy name?" She replied, "My name is Pleasure, but my enemies call me Vice." And from the other road there emerged another maiden in modest attire, beckoning him her way; and Hercules asked of her, "What is thy name?" She replied, "My name is Virtue. The road to which I invite you is difficult, but the end is joy and peace." Mr. Speaker, we have come to two roads. Sound finance beckons us on to prosperity and national honor; "free silver" and a debased currency beckon us on to financial ruin, dishonor, and disgrace.

Mr. Speaker, I begin my remarks by saying that I am most heartily in favor of the repeal of the purchasing clause of the so-called Sherman silver bill, but the remainder of that act which declares that the Government shall maintain the metals at a parity is wise statesmanship and should stand.

So much of the President's message as relates to gold, silver, and the currency has my most hearty and unqualified approval. So much of his message is good sound Republican doctrine, and I believe is wise and far-reaching statesmanship, and meets the unqualified approval of a large majority of the people of this country, without regard to party affiliations.

One of the misfortunes of the present situation is that the so-called silver States have a representation in the other end of this building entirely disproportionate to their wealth, population, or commercial importance.

The great States of New York, Pennsylvania, Massachusetts, Illinois, Ohio, and Indiana have an aggregate population of nearly twenty millions; and these great empire States have not as much voice in the Senate of the United States as the little silver States, with an aggregate population of about two millions, and who have sixteen votes in the Senate, and whose Representatives appear to see everything from the mouth of the silver mine.

Mr. SIMPSON. Will the gentleman permit me to ask a question?

Mr. MORSE. I must decline to be interrupted.

The SPEAKER. The gentleman from Massachusetts declines to yield.

Mr. SIMPSON. I would like to ask—

Mr. MORSE. I have but twenty minutes, and with my time so limited I am sorry to be unable to yield for the question of the gentleman from Kansas.

Why the State of Nevada, with a population less than one-quarter of the population of my district, has two Senators and one Representative to vote to Mexicanize our currency and put us on a silver basis.

So far as I have been able to gather from the speeches that have been made here, all the propositions before us upon which we are to vote, all the speakers, are monometallists and lead to a single standard, with the difference that the gentleman from Missouri, Mr. BLAND, and his followers, advocate a policy that would most assuredly place the country upon a silver basis, make gold merchandise, and drive the six or seven hundred millions of gold now in the country out of circulation as a basis of currency or as money.

I regard the proposition made upon this floor that this country unaided and alone can fix the value of silver and its ratio to gold, and compel other nations to adopt that ratio, as the veriest folly.

If this proposition is correct and that by an act of the United States Congress we can fix the ratio of the world, why load down the people with a silver dollar so large as 16 to 1? Why not make it one-half or one-quarter that size?

This proposition is so absurd that it answers itself. Some of the speeches that I have listened to on this floor on this subject make me think of the boy whose father was a clergyman, who was asked by another boy if his father ever preached any of his old sermons? "Oh, yes," he said, "but he does not holler in the same place."

The arguments during this debate are the same old arguments which have often been refuted by abler tongues than mine. The only difference is that the Speaker does not "holler" in the same place.

Suppose that these gentlemen can succeed in passing a free-coinage measure, and suppose that the result which I have predicted should come to pass, *i. e.*, that the country should be put on a silver basis; why, what then? Talk about the tariff increasing the price of foreign goods; why, the tariff would be nowhere; tea, sugar, coffee, silk, and ten thousand things, necessities as well as luxuries, which we do not and can not produce in this country, would have to be paid for in gold or its equivalent in our depreciated currency, and would immediately increase in American money 30 or 40 per cent.

The rich would not be the only or principal sufferers. No class of our people will suffer so much from the depreciated currency as the poor and working people, the purchasing power of whose money would be immediately largely reduced.

And not only that, but the workingman's little savings, the trust funds of widows and orphans invested in a railroad security,

a bond, or a mortgage, or deposited in a savings bank, would be reduced by one fell swoop the difference between a 57-cent dollar of silver, if the ratio is fixed at 16 to 1 at present value of silver, and a 100-cent gold dollar.

Whenever the great nations of the world, England, France, Germany, Austria, and Russia, agree upon a ratio for gold and silver, then free coinage of silver will be wise and safe, and our currency, either gold or silver, will be the money of the great civilized nations of the world.

It was believed by the advocates of the purchasing clause of the Sherman act that it would have the effect to greatly enhance the price of silver, and place it perhaps on a parity with gold.

How signally and mournfully this prediction has failed is patent to the humblest citizen. The act had the effect to stimulate silver mining, new appliances have been invented like the steam drill, new and more powerful explosives have been used, and the direct effect has been to greatly cheapen instead of enhancing the price of silver, and it is now proposed to jump out of the frying pan into the fire, and pass a free silver bill, by which we give notice to the world to bring all their old silver junk, pots, kettles, and spoons, as well as bullion, to the United States mints and put 57 cents' worth into a patent slot machine and have it come out stamped a dollar of 100 cents.

The wisest man that ever lived forbid this operation, when he said, under divine inspiration, "A false balance is an abomination to the Lord, but a just weight is his delight."

I look upon this proposition to debase and degrade the currency as an effort very largely on the part of the debtor class to repudiate a portion of the debt under the cover and sanction of the Government of the United States.

Existing loans and indebtedness were created in the currency of the world, which the President describes in his message as gold worth 100 cents on the dollar.

And to pay them in a depreciated currency, worth 50 or 60 cents on the dollar, was forbidden on Mount Sinai, when the Almighty said, amidst thundering and lightnings, and commanded Moses to write on the table of stone, "Thou shalt not steal."

There is another important factor in the matter of this silver problem that must not be lost sight of, and that is, the cost of aluminum is being greatly cheapened, it is manufactured from clay, and it is believed by those qualified to judge that it may before long be produced for 10 cents per pound. The peak of the Washington Monument, whose lofty summit pierces the sky, is capped with this beautiful metal.

It is a beautiful white metal, susceptible of a very high polish, and I believe is destined to take the place of silver in the arts, in tableware, and in the thousand uses to which silver is now employed, and if this is so it can not fail to further greatly depreciate the price of silver in the near future, and exaggerate the evils of silver currency.

Mr. Speaker, while I most heartily agree with the financial utterances of the President in his recent message to this House, I can not agree with him that the present appalling business

situation is entirely due to the purchasing clause of the Sherman act. It is believed that the personal property in this country has shrunk one and one-half billion dollars since his election last November.

It is idle and preposterous to attribute this shrinkage, solely and entirely, to the purchase of four and one-half million ounces of silver per month.

The Sherman act was passed July 14, 1890, and had been in operation when the result of the election was known last November two and one-half years without apparent injury to business, and the Government purchases of silver amounting in round numbers to about one hundred and ten million dollars' worth since the act took effect.

And had the Government lost the entire amount, instead of the depreciation, it could in no way explain the terrible shrinkage in values to which I have referred, or the slow panic that is now upon the country.

This has been produced by an entirely different cause. The country has discounted the threats of the Democratic platform, which declares all protection as unconstitutional, and proposes to place the country on a free-trade basis, or a tariff for revenue only. And the country has been getting ready for lower prices promised by Democratic speakers in the last campaign. There is no evidence of overproduction, the merchant has bought from hand to mouth, the manufacturer declines to make goods in the face of a falling market, and the uncertainty hanging over values and the tariff has had the effect that every wise business man foresaw when the result of the election was known last November, *i. e.*, to paralyze business and to throw thousands of workmen out of work, to destroy our home market and principal market for agricultural products, by driving thousands of men, who were formerly consumers, into the business of last resort—agriculture.

Mr. Speaker, it does not take a statesman to see that if the promises of the Democratic platform are to be performed, and if we are going to buy our goods in England or in other European markets, and if all protection is to be wiped out, then we can not at the same time manufacture goods in this country and give employment to American workmen.

Under similar conditions in 1847, when we had a tariff for revenue and bought all our goods in England, and had no business in this country but agriculture, in the face of an abundant harvest one inhabitant in thirteen and one-half in New York State was a pauper, and soup houses were opened in every ward in New York City to feed the starving poor; and, unless all signs fail, that thing will be repeated in all large cities in the Union next winter.

God only knows how far the hand on the dial of progress was turned backward at the election last November. The country was at that time prosperous and enjoying unbounded prosperity under the wise and far-reaching statesmanship of the McKinley tariff act.

Never in the history of the world would an average day's pay of a workingman buy as much of the necessities and luxuries. Money was abundant for all purposes. All this is now

changed. Instead of expansion we have contraction and hoarding of money; instead of confidence we have distrust; instead of progress in business we have stagnation; our factories are closing, and thousands of workmen are being turned into the streets.

The home market for agricultural products is destroyed by the very threat of a tariff for revenue only, and I call the attention of the gentleman from Kansas [Mr. SIMPSON] to this fact.

Confident I am, if the election were to be held to-morrow, in the light of our present experience the Republican party would sweep every Northern State.

There is no school like the school of experience, and if the people of this generation will learn in no other, they must learn what past generations have learned, that a tariff for revenue or free trade means paralysis and death to every material interest of the country.

Mr. Speaker, in 1847, the period I have mentioned, Horace Greeley wrote in the New York Tribune as follows: "Why is it that the skilled laboring men, willing to work, are going to the soup houses to get enough to sustain themselves and family, when we are paying ninety millions in gold to buy the goods that we could produce with our own labor?"

And, Mr Speaker, when the free trade promises of the Democratic platform are performed, that will mean three hundred millions of gold sent to Europe to buy goods we could and should make ourselves.

Mr. Speaker, a great Virginia statesman, Patrick Henry, in his immortal argument in favor of independence, in the Virginia House of the Assembly, in 1775, exclaimed, "Why stand we here idle? The clash of resounding arms is already heard on the plains of Boston." The Virginia patriot was moved with pity for his distressed and oppressed countrymen in the then far distant Massachusetts colony. A national calamity is upon us, the cry of distress goes up from an afflicted country. Why this delay by this Democratic Congress? "Why stand we here idle?"

The situation of the country is appalling; the eyes of the country and the world are upon us as never before.

The President has wisely pointed out a financial danger which threatens us, and the majority of this House should proceed at once to define and declare its economic and financial and tariff policy, especially its tariff policy, that the uncertainty be removed, and that the great business interests of the country may know the worse, and the conditions which will confront them as regards finances and the tariff.

In the words of Patrick Henry "Why stand we here idle?"

Now, one word in regard to the relations of the two parties to this financial question. The preposterous claim is made in Massachusetts by the Boston Herald and other Democratic papers and speakers that the Democratic party is in favor of the gold standard and the Republican party is the party of free coinage of silver. And, say they, "Did not we send a stripling from Massachusetts to the Fifty-second Congress to fight this Goliath?" Any man who would make such a claim on this floor would be laughed to scorn.

One of the Democratic speakers on yesterday called attention

to the fact that the Democratic conventions in every State in the Union, save Massachusetts, who had made any expression had declared for free coinage of silver. And I shall be happily disappointed if, when the votes are counted, it is found that the President can command the vote of 20 per cent of his party to repeal the purchasing clause of the Sherman act.

But, did not the Republicans pass the Sherman act? Yes. And did not the Democrats vote against it? Yes; but for an entirely different reason than the Democrats in my section would have the country believe.

The Sherman act was a compromise to prevent the passage of a free-coinage measure by the nearly solid vote of the Democratic party aided by a few Republicans from the silver States. I say the Sherman act was denounced on this floor and in my hearing, in the Fifty-first Congress, by the gentleman from Missouri [Mr. BLAND] and others, as a gold-bug measure, hostile to silver.

Could the Republican conferees have gotten into the bill the provision making the purchasing clause inoperative after two or three years, which we were prevented from doing by the solid opposition of the Democratic party, all would have been well.

Why, Mr. Speaker, the moment you say "honest money," "board of trade," "chamber of commerce," "national bank" on this floor that moment the Democratic party on this floor cries out "shylock," "gold-bug," "Wall street"—as though the great business of this country could be done without these institutions.

All honor to the President, who has simply taken Republican ground on the subject of finance, and all honor to those Democratic members on this floor, like the gentleman from Maryland [Mr. RAYNER], who break from their party and vote with the Republicans to sustain the President in his defense of our national financial honor.

The last Democratic campaign in Massachusetts was run on the poor man's dinner pail. In the next campaign the Democratic speakers will please tell him how to get something to put in his dinner pail under the policy of free trade.

The Democratic rallying cry last November was "Retrenchment and reform." In the light of present experience I submit that these words will be a stench in the nostrils of the American people before this Administration closes. Its imbecility is seen not only in the management of the Treasury Department, but in the State Department as well—witness its imbecility with reference to the Sandwich Islands matter, endangering and threatening foreign complications. Witness the same with reference to the Chinese-exclusion act—a hoodlum Democratic measure sprung on the last House of Representatives on suspension day.

The Supreme Court has declared the act constitutional. Why does not the Administration enforce the act? No, the American people are learning in the dear school of experience that the Democratic party is incompetent to run this Government. Until the country shall show, by town, city, State, and Congressional elections, that the country repudiates that party, there can be little relief from the awful Democratic nightmare that now sits upon the vitals of this fair country of ours.

Does the House or the country want proof of the effect of the

principles and policy of the Democratic party upon the welfare and prosperity of the country? Read "A deadly parallel," one an extract from President Harrison's message near the close of his administration, and the other an extract from President Cleveland's message six months after his administration began:

A DEADLY PARALLEL.

Opening of President Harrison's message to Congress, December, 1892:

"In submitting my annual message to Congress I have great satisfaction in being able to say that the general conditions affecting the commercial and industrial interests of the United States are in the highest degree favorable. A comparison of the existing conditions with those of the most favored period in the history of the country will, I believe, show that so high a degree of prosperity and so general a diffusion of the comforts of life were never before enjoyed by our people."

Opening of President Cleveland's message to Congress, eight months later, August, 1893:

"The existence of an alarming and extraordinary business situation, involving the welfare and prosperity of all our people, has constrained me to call together in extra session the people's representatives in Congress, to the end that through a wise and patriotic exercise of the legislative duty with which they solely are charged present evils may be mitigated and dangers threatening the future may be averted."

Aaron said to Moses, "Their rock is not as our rock, our enemies themselves being judges." The laboring people are coming to see that they were lied to and deceived in the last campaign and that the prosperity of the manufacturer is their prosperity, his misfortune their loss and misfortune.

Mr. Speaker, I have two minutes of my time remaining. In that time I desire to send to the Clerk's desk the following resolutions of the Boston Chamber of Commerce; I assure you a body of very great respectability and entirely a nonpartisan body.

The Clerk read as follows:

The following preamble and resolutions were unanimously adopted at a meeting of the Chamber of Commerce held on July 12, 1893:

Whereas since the passage on July 14, 1890, of the so-called Sherman act, this country has fairly tried the policy of purchasing silver bullion, and as a result finds its Treasury depleted by the withdrawal of gold, and filled with silver which it can neither circulate nor sell, and which is rapidly depreciating in value, the confidence of the nation and of all who deal with it greatly shaken, and business everywhere checked; and

Whereas while this policy continues no man feels safe in making contracts, investing capital, or undertaking new enterprises, and unless confidence can be restored the gravest disasters, depriving capitalists of their property and laborers of their livelihood, are likely to ensue; and

Whereas it is the merest folly for this country with its enormous natural resources, its unexampled credit, its annual income of thousands of millions, its magnificent crops which other nations must buy to live, its great and thoroughly organized industries, and everything that can make it rich and prosperous, to allow its whole business life to be paralyzed by suicidal laws:-
Therefore

Resolved, That the Boston Chamber of Commerce in public meeting assembled hereby calls earnestly upon Congress, which is soon to convene, for the immediate and unconditional repeal of the silver-purchasing clauses of said act.

Resolved, That a committee of three members, of which the president shall be one, be appointed by the chair to cooperate with other commercial bodies representing similar interests, at Washington, with power to use all legitimate means for the prompt repeal of the purchasing clauses of the Sherman silver act.

A true copy.

EDWARD KEMBLE, *President*.

Attest:

ELWYN G. PRESTON, *Secretary*.

BOSTON, July 20, 1893.