

Free Coinage of Silver and Repeal of the Sherman Act.

SPEECH
OF
WILLIAM M. SPRINGER,
OF ILLINOIS,
IN THE HOUSE OF REPRESENTATIVES,

Friday, August 25, 1893.

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

Mr. SPRINGER said:

Mr. SPEAKER: Congress has been called together in extraordinary session by the President of the United States for the purpose of considering the present financial condition of the country. This session has been called in midsummer, at a time when legislative bodies are rarely convened, and when ordinary avocations are suspended, and those whose circumstances will permit it take a vacation for rest and recuperation. The time fixed for our convening suggests an extraordinary occasion, an emergency imperatively demanding remedial legislation.

Now that we are assembled as representatives of the people in this body and as representatives of the States in the other Chamber, it is our duty to consider calmly and dispassionately the present condition of the country, to take into consideration the cause of the present financial depression, and to apply, if possible, a remedy. It is our duty, as the chosen representatives of the people, to afford such relief as may be in our power to grant. It remains to be seen whether we will rise to the importance of the occasion, meet fully the expectations of our constituents, and afford the fullest measure of relief that legislation can bring to bear.

We have already devoted in this House, when our day's deliberations have concluded, fourteen days continuously to general debate upon the financial condition of the country. The present depression, amounting at times to a panic, and at present to a complete paralysis of business, demands and should receive a most patient, careful, and patriotic consideration. Mere partisan considerations should be laid aside; all selfish ambitions should be discarded, and the people's representatives should arise to the high plane of statesmanship which such an emergency demands.

Since I have been in public life no such condition of things as now exists has been experienced. Whatever may be the causes of the present depression—and I shall refer to them later on—the evil hour is upon us; the disaster is widespread, the ruin almost universal. It is not a financial crisis affecting the capital-

ists of the country alone; it is not a Wall street panic; it is not the throes of Lombard street when the house of Baring Brothers tottered to ruin.

The business interests in every part of the country are prostrated, and even paralyzed; thousands upon thousands of men are out of employment; factories are closed; riots are threatened, and the red flag of the anarchists is flaunted in the presence of public assemblies. Workingmen are demanding employment in all parts of the country. Those still retaining positions are subjected to great reductions in compensation. In the city of Chicago the newspapers inform us that one hundred and fifty thousand men are out of work; and the suffering is great. Mass meetings are being held to take measures for relief. At Milwaukee a mob of two hundred men marched through the street to the court-house and called for the mayor, but a few days ago, and demanded work, amid cries of "Bread."

In New York City the number of the unemployed is increasing daily, and are now estimated at over 200,000. The papers inform us that bloody riots are threatened. Fully 3,000 longshoremen, are idle, striking against reductions of pay. Hundreds of banks have failed, the liabilities aggregating many millions, and the assets insufficient to satisfy the demands of the depositors. Since July 14, 1892, more than 150 national banks have failed. Others are trembling upon the brink of ruin. In fact, so far as banking is concerned in the great cities of the country, there is an actual suspension of currency payments.

Only a few days ago a member of this House having over \$13,000 on deposit in a New York bank was refused at the counter of the bank \$200 in currency on his own check. Whether these conditions be fancied or real; whether they are due in part to the fault of those who would coerce legislation by threatened financial disaster; whether they be the result of conditions brought about by legislation heretofore, or merely imaginary, still, they do exist, whatever the causes may be, whatever the objects may be, and we are called upon as representatives of the people to afford such legislative remedies as may be in our power to do.

Much has been said during this debate as to the causes of the present financial depression. It has been attributed to nearly every fact which has occurred in the history of the country during the past thirty years. I attribute the actual condition which now exists in the country to three controlling and fundamental causes. Others have contributed collaterally, but these three are enough of themselves to have produced the result: First, the tariff legislation since the war, the protective tariff laws which are imposing enormous burdens upon the people of the country to protect favorite interests.

These enormous burdens have aggregated hundreds of millions of dollars every year, which have been extorted from the toil, from the sweat, from the labor of the producers and turned over to the favored few, the capitalists and the money power of the country. This drain upon the people's resources, this making of the rich richer and the poor poorer has been going on, year after year, for more than a quarter of a century, and it would be strange, indeed, if it could go on continually without impoverishing its victims. I estimate the burden upon the people dur-

ing the last thirty years, caused by the protective-tariff system of this country, at more than \$500,000,000 a year.

This legislative bounty to the favored classes has unnaturally stimulated production in many directions, and caused enormous enterprises to be entered upon, only in the end to disappoint the expectations of their promoters. There has been overproduction by this unnatural stimulant; there has been overborrowing, over trading, overdrafting, and thus inevitable disaster. It is therefore the duty of this Congress, and among the first and the greatest of its duties, to apply the remedy which can come by the repeal of all the laws which have contributed to these conditions and to establish, as the Democratic party has pledged to bring about, a policy of tariff for revenue only. That the Democratic party will keep that pledge I have not the slightest doubt; and the sooner the country is advised of the details of that great measure, the better it will be for all concerned.

The second cause, in my judgment, for the present financial condition is found in the demonetization of silver in 1873; and the third cause, the authority given by the Sherman act to purchase 4,500,000 ounces of silver each month, and issue Treasury notes thereon, which Treasury notes, under the ruling of the Treasury Department, were redeemable in gold. The collateral thus held for the redemption of these notes, namely, silver bullion, was discredited even as a collateral, and the sole basis for the new issues of Treasury notes was the faith of the United States for their redemption in coin; and when presented for redemption, they become a charge upon the \$100,000,000 of gold reserve funds for the redemption of greenbacks.

The operation of this law caused an apprehension in the minds of investors, both in this country and in Europe, that if it were continued as a part of the policy of the United States, it would inevitably result in precipitating silver payments and bring our country to a silver-bullion basis. This apprehension, whether well founded or not, has contributed largely to precipitate the present financial crisis, the conditions for which were made possible by the other causes to which I have referred. There are, of course, other causes which might be referred to, but these three, it seems to me, are those most responsible. The effect of the act of 1873, which demonetized one-half of the money of the people, was not realized until 1878 when the United States resumed specie payments.

From early in the war until 1878 the Government of the United States was neither on a gold basis nor a silver basis nor a bimetallic basis. Our sole currency was paper, depending for its ultimate redemption upon the faith of the United States. After the resumption of specie payments in 1878, it became apparent that one-half of the money of the people had become obliterated by acts which took place at a time when the people scarcely knew that such a thing was contemplated. In fact, it is charged that the act of demonetization passed both Houses of Congress without the knowledge of more than half a dozen of its members; without the knowledge of the Speaker of this House or the then President of the United States who approved the measure.

Gentlemen, since this debate began, have often stated that we must not demonetize silver; that to demonetize silver would

produce this and that direful consequence. This statement is misleading. Silver has been demonetized for twenty years, and the acts that have been passed since that time have had but little or no effect as measures of remonetization. The first act passed authorized the Secretary of the Treasury to buy, at its market value, not less than \$2,000,000 worth or not more than \$4,000,000 worth of silver bullion, and to coin the same each month into silver dollars; and provided for the issue of silver certificates upon the deposit of such dollars in the Treasury.

Each Secretary of the Treasury since that time has exercised his discretion by causing the lowest amount of silver which the law provided to be purchased and coined. This act remained in force until it was repealed by what is known as the Sherman law of July 14, 1890. The number of standard silver dollars heretofore coined under the acts of February 28, 1878, and of July 14, 1890, up to August 16, 1893, amounted to \$419,332,450. On the same day there were in the Treasury, purchased under the act of July 14, 1890, 133,161,375 ounces of fine silver, which cost the Government \$121,217,677. On the 1st of August, 1893, the Secretary of the Treasury reports that there were in the Treasury 363,108,461 silver dollars and \$2,843,114 in silver certificates. He also estimated that upon that day there were 56,000,000 standard silver dollars and \$64,000,000 in subsidiary silver coins and \$330,000,000 in silver certificates in circulation.

These statements will serve to show the important results which have been brought about by the passage of the Bland-Allison act of 1878. Let us contemplate for one moment what would be the present condition of the country financially if these silver certificates now in circulation, amounting to \$330,000,000, and the standard silver dollars, amounting to \$56,000,000, were withdrawn from the money of the country. In the midst of the present currency famine, who can estimate the extent to which it would be aggravated and the enormous depression which would result if nearly \$400,000,000 of money, now in circulation, were withdrawn from the channels of trade and destroyed?

It must be remembered, however, that this enormous addition to the circulating medium of the country has had no effect upon, and has in no way concurred to, the remonetization of silver as a part of the money of the country. The price of silver bullion has continually fallen in the market until it reached its lowest depth on the 24th of July last, when it sold at 69 cents an ounce. This enormous depreciation can only be realized when we remember that silver at a parity with gold on a ratio of 16 to 1 is worth \$1.27 an ounce. The currency which has been furnished to the people by the Bland-Allison and Sherman acts could have been issued as currency, as the greenbacks have been, without the intervention of silver, and based upon the faith and credit of the United States.

The fact that silver is held as a collateral for their redemption has added nothing to the face value of the silver certificate, it passing at par with the paper obligations of the Government and depending for its money power and purchasing capacity on the pledge of the United States that its parity should be maintained with gold, and that it should be received for all dues to the Government and be a legal tender in the payment of debts. These acts, therefore, were not the acts of remonetization. They have not given us a bimetallic standard. We are still, and have been

since the resumption of specie payments, upon a gold basis, and all the silver which has been purchased and coined was purchased at its value in gold in the markets of the world; and all of our values in this country, since the resumption of specie payments, have been gold values and based upon a gold monometallic standard.

If, instead of the Bland-Allison act of 1873, we had remonetized silver, instead of \$330,000,000 in silver certificates and \$50,000,000 in coin in circulation, the coinage of the silver dollar and the maintenance of its parity at the existing ratio of 16 to 1 would have enormously increased the money of the country, and would, in my judgment, if passed at that time, have maintained silver at par with gold at the then existing ratio. The demonetization of silver by this country and the other countries of the world has deprived the people of one-half of the money which would otherwise have been obtainable in the payment of debts. Hence, I reiterate that the three great causes of our present depression were, first, the protective tariff laws, which have exacted millions of dollars of tribute from the people; second, depriving the people of one-half of the money which they otherwise would have had for bearing these burdens and paying these exactions; and, third, the Sherman act of July 14, 1890.

I have voted for every measure which has passed this House in the direction of free and unlimited coinage of silver. I voted for the original free-coinage bill, which passed this House in 1878. I voted for the Bland-Allison amendment, which became a law during that year; I voted for its passage over the veto of the then President of the United States. Since that time, whenever an occasion has presented itself, I have stood with those upon this floor who have demanded the largest possible use of both silver and gold as a part of the money of the people. I voted also against the Sherman law, as did every other Democrat upon this floor. No law ever passed by Congress has degraded silver more than has that act.

The demonetization of silver in 1873 did not destroy silver as money as much as has the Sherman act. The average price of silver bullion for the fiscal year 1890 was \$0.968 per ounce, and the value of the bullion in our silver dollar was nearly \$0.75. Since the passage of the Sherman act, July 14, 1890, silver has steadily declined, until in July of this year it sold for \$0.72 an ounce, and the value of the bullion in the silver dollar was only \$0.58. This shows that the depreciation of silver in the three years since the passage of the Sherman act has been greater than it was during the sixteen years which cover the period from the time of demonetization until the passage of the Sherman law.

The depreciation during the first period of sixteen years was 24.4 per cent, and for the second period of three years it was 25 per cent. The Sherman law is in no respect an aid to remonetization of silver. Its continuance upon the statute book is not only a menace to the business of the country, but an insurmountable obstacle in the path of perfect remonetization.

Mr. Speaker, I stand unequivocally upon the seventh section of the Democratic platform, adopted at Chicago in June, 1892. That section is as follows:

SEC. 7. 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 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 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 market and in the payment of debts; 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.

This platform has been so often quoted during this debate and so variously commented upon that its terms have become perfectly familiar to the members of this House and to the whole country. I will be pardoned, however, for calling attention to the fact that the first obligation which it imposes upon the Democratic party, the first pledge which it gave and which it must keep, is to repeal the Sherman act of 1890, which is denounced 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 have promised, Mr. Speaker, in this platform "a speedy repeal." That does not imply that we are to postpone repeal until we can devise a comprehensive financial system for this country which will meet the requirements of business for all time to come. It does not imply that we are to incorporate in this repeal bill any other provisions than that of naked repeal itself. It does not require that we should, in the same act, remonetize silver, or incorporate provisions revising the tariff, or repealing the 10 per cent tax upon State bank circulation, or repeal the national election laws, or carry out any of the other pledges of the Democratic party in the same act of legislation. It is not the custom of Congress to incorporate in one bill all the measures of legislation which it is incumbent upon Congress to enact.

We have been called together by the President in extraordinary session for the sole purpose of effecting the repeal of the purchasing clause of the Sherman act. The whole business interests of the country are demanding its immediate repeal. All parties in this country, all parties represented upon this floor, are agreed that the purchasing clause of the Sherman act should be repealed. All propositions pending before this House include its repeal, and it is the consensus of opinion throughout the whole country that repeal is demanded. Shall we answer this universal demand for repeal, a demand which meets with no negative response throughout the length and breadth of the land, with the statement that we will not repeal the purchasing clause of the Sherman act until Congress agrees to do something else on some other matter.

The matters especially pressing upon our attention to be incorporated in the same bill, are the various propositions which are to be submitted by the honorable gentleman from Missouri [Mr. BLAND]. Those proposed amendments provide for the remonetization of silver and its free and unlimited coinage at various ratios, from 16 up to 20 to 1. These measures, however meritorious they may be of themselves and in separate bills, were not, in a parliamentary sense, even germane to the repeal bill, and it was only by agreement of all parties upon the floor that they were to be moved at this time. We are under no more obliga-

tion to do this than to insist upon the incorporation of a general revision of the tariff into this measure, and insist upon that before repeal shall be granted.

Why not incorporate the tariff into the repeal bill? Because all will agree that it is a subject of infinite detail and should be considered by itself and on its own merits. Is not the great question of the revision of the tariff as important to the people at this time as the remonetization of silver itself? And shall we leave one of these great measures out and insist upon putting the other in? Or shall we leave them both to stand upon their individual merits, and receive that due and deliberate consideration to which the magnitude of the subjects involved entitles them? What is the pledge of the Democratic party in reference to these two measures, the tariff and silver? I have already read the platform in reference to silver. In reference to the tariff our platform, passed in June, 1892, says:

We denounce Republican protection as a fraud; a robbery of the great majority of the American people for the benefit of the few. We declare it to be a fundamental principle of the Democratic party that the Federal Government has no constitutional power to impose and collect tariff duties except for the purpose of revenue only, and we demand that the collection of such taxes shall be limited to the necessities of the Government when honestly and economically administered.

We denounce the McKinley tariff law enacted by the Fifty-first Congress as the culminating atrocity of class legislation; we indorse the efforts made by the Democrats of the present [the last] Congress to modify its most oppressive features in the direction of free raw materials and cheaper manufactured goods that enter into home consumption, and we propose its repeal as one of the beneficent results that will follow the action of the people in intrusting power to the Democratic party.

Our pledges to carry out these two propositions are equally sacred, and must be kept in both cases to the very letter. It is just as parliamentary, just as reasonable, to insist that the tariff bill shall be included in the bill for the repeal of the Sherman act as to insist that the measure for the remonetization of silver shall also be incorporated in that act.

In reference to silver, our platform declares that "we hold to the use of both gold and silver as the standard money of the country, without discrimination against either metal or charge for mintage?" So far there is no difference of opinion anywhere as to the meaning of the Democratic platform.

It is so clear and free from ambiguity that no one can misunderstand its meaning. But there is something else promised. What is it? "The dollar unit of coinage of both metals must be of equal intrinsic and exchangeable value." How can this be secured? Two ways are pointed out. One provides that it may be adjusted "by international agreement;" the other, "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 market and in the payment of debts." I have already referred to the great disparity which exists at this time between the bullion and coinage value of the silver dollar.

The depreciation of silver has, in my judgment, resulted from two causes: first, its demonetization by the United States and other great powers of the world; and secondly, by the enormous increased production of silver bullion since demonetization took place. I will incorporate in my remarks a statement, which I have received from the Director of the Mint, of the production of gold and silver in the world during the past one hundred years. Between 1792 and 1848, the estimates are given by periods of

years; after that time, the production of each year is stated separately.

This statement shows, so far as silver is concerned, the number of fine ounces produced and its coining value in separate columns. The coining value referred to is that which existed in the country where the production was coined. It will be seen that, during the past one hundred years, \$5,600,000,000 worth of gold was produced, and over \$5,100,000,000 worth of silver, estimated at its coinage value, or \$500,000,000 more of gold than of silver. The coinage value of the silver produced since 1873 would be as much less, as is stated in this table, as was the difference at the time between the coinage and the bullion value of the silver. It may be worth stating in this connection, by way of digression, that if we were to draw from the world's supply of precious metals during the past hundred years, and were required to choose between a gold basis and a silver basis for our money, the supply of silver would be much less than that of gold.

But it is possible that more of the gold has been used in the arts than silver. The Director of the Mint has furnished me a statement, showing the stock of gold in the principal countries of the world, and I have requested that the countries should be classified so as to show the countries having the double standard and those having the single standard. I will incorporate that statement in my remarks. It will be seen that the aggregate gold coinage of the world is over \$3,600,000,000, while the aggregate silver coinage is about \$4,000,000,000.

If we should remonetize silver in this country upon the ratio of 16 to 1, one of two conditions would inevitably follow: Either the United States would at once or within a brief period of time pass from the present gold standard of values to the silver standard, or the price of silver bullion would appreciate in value to the coinage value of the silver dollar. The coinage value of the dollar would depend upon the ratio which would be established. If the ratio should be 16 to 1, the coinage value of an ounce of silver would be \$1.27. If our Government should pass from the present standard to the silver basis, there would result at the same time a financial crisis in this country with which the present financial depression would be an evening zephyr to a western cyclone.

The hundreds of millions of dollars of foreign capital invested in this country would be immediately withdrawn, or withdrawn as rapidly as possible, from all the channels of our trade and industry. Our credit would be destroyed and we would be remitted to the condition of Mexico, of India, and China, and those other countries now upon a silver basis. We would be thrown out of harmony with the great commercial powers of the world, those nations that buy nearly \$800,000,000 of our products every year and from which we receive almost as great an amount of their produce in return. All kinds of business would be prostrated; all classes of industry would be crippled, and in a time like that the greatest sufferers and the most defenseless victims would be the farmer and the laboring man, who depend upon their own sweat and toil for their existence.

Surely, no gentlemen upon this floor desires to take that leap into the dark; desires to plunge our country into an abyss, the horrors of which will tax the wildest fancies of the imagination. The advocates of silver do not desire or expect such a result to

follow. They believe that the remonetization of silver will result in its appreciation to its coinage value, if a proper ratio is adopted. What that ratio should be presents a subject of vast importance, and one which requires the most careful and exhaustive investigation. There is no doubt but that the present depreciation of silver bullion is attributable to two causes, as I have heretofore stated, to its demonetization, and to its enlarged production.

In 1860 the value of the gold production of the world was \$119,000,000. The coinage value of the silver produced was \$40,000,000, and the number of ounces of fine silver 31,556,000. In 1873, when demonetization took place, the world's production of gold amounted to \$96,000,000 and the coinage value of the silver produced was \$81,000,000, and the number of ounces of fine silver 63,267,000. In 1892 the value of the world's product of gold was \$130,000,000, the coinage value of the silver product of the world \$196,000,000, and the number of fine ounces aggregated 152,000,000. In this large relative increase of silver production as compared with gold is to be found one of the causes of the depreciation of the bullion value of silver. I doubt whether, in view of the present depression of silver bullion, the United States Government of itself could maintain its parity with gold, with free and unlimited coinage at a ratio of 16 to 1.

There seems to be a general consensus of opinion in the country at this time that we can not maintain the free and unlimited coinage of silver on that ratio. The advocates of free coinage generally concede this fact, and in this House opportunity will be given, when we take a vote upon the amendment submitted by the gentleman from Missouri, to vote on separate measures from 16 up to 20 to 1. The minority report in the Senate, submitted by the distinguished Senator from Missouri, on the repeal bill pending in that body contains a provision for free coinage on the ratio of 20 to 1. At this moment I am not prepared to say whether that ratio is the correct one or so nearly approximates a just ratio, in view of all the conditions, that it could be maintained by this country alone without the aid of other governments.

The subject is one calling for careful and exhaustive consideration. We can not do it in the brief time in which a measure repealing the purchasing clause of the Sherman act ought to be passed. Let the friends of free coinage, therefore, and all others who desire to bring about by law the largest possible use of both gold and silver as a part of the money of the country, unite in securing the speedy repeal of the purchasing clause of the Sherman act; and when that is accomplished, let us devote our best efforts and energies and abilities to the passage of a measure through Congress which will crystallize into law the other pledges of the Democratic party, the tariff pledge and the silver pledge alike.

But we are told that if we allow this repeal bill to go through without incorporating into it a provision for the free and unlimited coinage of silver that some of our Democratic friends upon this floor and in the Senate, and even the President of the United States, will desert us and call a halt upon silver legislation. I do not believe it. Who is prepared to say that the Democratic party, as represented upon this floor and in the other branch of Congress and as represented in the Chief Executive of

the United States, will be recreant to the solemn pledge made to the people of this country, the pledge upon which we secured at the polls in November last an unprecedented majority of the popular votes of the country.

There is just as much ground for stating that we will not carry out our pledges in reference to the tariff or to the election laws as there is for stating that we will not carry out all our pledges in regard to silver. As soon as this repeal measure is adopted I trust that the lawmaking power of the Government will enter upon the consideration of this subject, and the members of this House will put forth every effort in their power to investigate thoroughly, and afterwards to formulate properly, such a measure as will meet fully the expectations of the American people upon this subject. He who falters in that work will receive the just condemnation of his constituents.

If the faltering be upon this floor; if there be members who shall be recreant to this trust, they will find very soon that the places that now know them will know them no more forever. Some have charged that President Cleveland will not cooperate with the representatives of the people upon this subject; that he will not sign his name to a measure giving relief to the people and carrying out our pledge to make the largest possible use of gold and silver as a part of the money of the country. If it be that he will prove false to his trust, it were better for him that a millstone were tied about his neck and that he were cast into the sea.

No, Mr. Speaker, I do not believe that any gentleman upon this floor contemplates such treason. I do not believe for a moment that Grover Cleveland would, in the slightest respect, prove false to the pledges he has made. At no time in the past has he shown a disposition to shrink from the responsibilities of his station or to go back on his solemn pledges to the people. I believe, Mr. Speaker, that the representatives of the people upon this floor, the Democratic party as represented in the Senate, and the President of the United States will unite in making good the promises that we made to the people, and upon which we secured the election of a large majority of this House, a majority in the Senate, and an unprecedented majority of the electoral college in behalf of the candidates of the Democratic party.

I shall, therefore, vote for the pending bill, and in doing so I want to say to this House and to the country, and especially to the constituents that I have the honor to represent, and who have so many years confided their interests to my charge, that so far as I am concerned there will be no faltering step; there will be no hesitation; there will be no step backward in the cause of the people. They have demanded at the polls, and are entitled to receive back the money of the people, the silver dollar. They are entitled to its largest possible use. I expect to labor to the best of my abilities as a member of this House until that end is accomplished.

Mr. PICKLER. If it would not interrupt the gentleman, I would like him to state, before he sits down, in view of his high party standing, what silver legislation he thinks the President will sign?

Mr. SPRINGER. I would be very glad to enlighten my distinguished friend from South Dakota, but that is a subject that

will occupy the time of the House for several weeks or months, and I decline to enter upon its discussion at this time.

Mr. PICKLER. If we are to rely on that, we ought to know what it is now.

Mr. REED. Of course it will be satisfactory.

Mr. SPRINGER. I hope my distinguished friend from South Dakota will learn something upon the subject before the discussion is ended.

I have seen a letter signed by the Secretary of the Treasury, Mr. Carlisle, addressed to the Senate Committee on Finance, under date of August 19, in which he states that, without allowance for abrasion and loss incident to melting, the value of the silver dollars heretofore coined at a ratio of 1 to 20 would be \$333,000,000 (I state the figures in round numbers for convenience), or \$84,000,000 less than their present face value. He also states:

To recoin these dollars at a ratio of 1 to 20 would require the addition of 81,000,000 ounces of new bullion, which, at the average price paid for silver under the act of July 14, 1890, (\$9.9325) would cost \$75,883,000.

He then estimates the loss by abrasion at about \$3,000,000, and the cost of coinage at \$3,500,000, including transportation, or an aggregate loss for recoinng the silver dollars of \$89,000,000. He also includes an estimated cost for recoinng subsidiary silver coins amounting to \$23,000,000, making a total loss, if you include the subsidiary coins, of \$112,000,000. This statement is true as far as it goes, but it is somewhat misleading. I have received this day from the Director of the Mint the following letter:

TREASURY DEPARTMENT, BUREAU OF THE MINT,
Washington, D. C., August 24, 1893.

SIR: I have to reply to your letter of the 22d instant as follows:

1. The number of ounces of pure silver which the Government has purchased since the passage of the acts of February 28, 1878, and July 14, 1890, available for the coinage of silver dollars, is as follows:

	Fine ounces.	Average cost per ounce.	Cost.
Act February 28, 1878	291,272,019	\$1.058	\$308,199,262
Act July 14, 1890	161,621,000	.9328	150,669,459
Act March 3, 1891 (trade dollars bullion) ..	3,629,068	1.2777	5,030,363
Total	456,722,087	463,899,083

2. The difference between the cost of the silver purchased and coined, under acts of February 28, 1878, and July 14, 1890, to date, has been \$76,944,599.

3. If the silver bullion on hand August 16, 1893—133,161,376 ounces, costing \$121,217,677—were converted into silver dollars at the present ratio the gain would be \$50,950,568, and if coined at a ratio of 1 to 20 the gain would be \$18,430,953.

4. If the silver dollars heretofore coined were recoinng at a ratio of 1 to 20, without any allowance for abrasion, they would produce \$333,222,182. Adding to this the coining value of the bullion held by the Treasury (at same ratio), \$137,638,630, would make a total of \$470,860,792. The seigniorage on the gross amount purchased would amount to \$6,991,709.

I believe that at least \$3,000,000 or \$3,500,000 of this would be consumed by abrasion, and loss in melting the silver dollars heretofore coined.

Very respectfully,

R. E. PRESTON,
Acting Director of the Mint.

HON. WILLIAM SPRINGER,
House of Representatives.

It will be seen, Mr. Speaker, from the statement that has been read that the Secretary did not take into consideration the actual

cost to the Government of the bullion now in the Treasury and the bullion in the silver dollars which have been coined. It also seems that he estimates the price per ounce of the silver which it would be necessary to purchase to supply the difference in passing from the ratio of 15 to 1 to 20 to 1 at the average price paid for bullion since the passage of the Bland-Allison act, namely, \$0.9325 per ounce. If the cost of the bullion which it would be necessary to purchase had been put down at the average paid during the month of July last, namely, \$0.724 per ounce, the estimated loss would have been much less.

The new bullion necessary for recoinage would, at the latter price, have cost only \$58,916,000, or \$16,966,000 less than Mr. Carlisle's estimate. The Director of the Mint, in the letter which has just been read, states that the seigniorage of the gross amount of bullion purchased under the Bland-Allison and Sherman acts, if recoined on the ratio of 20 to 1, would amount to \$6,991,000. Thus it will be seen that if we should recoin all our silver bullion in the Treasury and all the standard silver dollars heretofore coined, at a ratio of 20 to 1, the Government would gain nearly \$7,000,000 as between the coinage value on that ratio and the actual amount paid for the bullion in the new coins. This does not include the \$5,500,000 which Mr. Carlisle estimates for the loss by abrasion, cost of coinage, and transportation; but if this amount were deducted from the \$6,991,000 the Government would gain by seigniorage, it would still leave a balance of \$1,490,000 as a net gain to the Government by the transaction.

It is possible that Congress may, before this session adjourns, reach the conclusion that the United States Government, of itself, can maintain free coinage upon a ratio of 20 to 1. I make this statement, therefore, to correct the impression which has gone abroad that the Government would be largely the loser by adopting that ratio.

Mr. BOATNER. Will it interrupt the gentleman from Illinois to ask him a question at this point?

Mr. SPRINGER. Probably not.

Mr. BOATNER. I would like to know of the gentleman from Illinois how he can expect that such legislation as he has described would receive his support could be had in this House when nearly every gentleman who has spoken on that side of the question is advocating and supporting this bill, and is opposed to the substitute on the ground that bimetallism and free coinage in this country at this time is impossible?

Mr. SPRINGER. Well, Mr. Speaker, I can not enter into a discussion of this at length. I will only state that I hope the eloquent gentleman from Louisiana and my other friends upon this floor will be able to convince them that when the Committee on Coinage, Weights, and Measures of this House and the Democratic party as represented in the Senate, shall have agreed upon a measure, that it is their duty as Democrats to act with the party and not desert it in its hour of trial.

Mr. BOATNER. If you will excuse me, just one more question.

Mr. SPRINGER. Excuse me. I will trust my colleagues on that subject as I have trusted them on every subject. I may be an optimist myself, but I never distrust a gentleman until he has shown himself unworthy of my confidence.

Mr. BOATNER. But they have declared they will not do it.

Mr. SPRINGER. I believe in the principle of bimetallism. I favor the free and unlimited coinage of both gold and silver upon such a ratio that every dollar coined will be of "equal, intrinsic, and exchangeable value," as we have pledged the country should be done in the Chicago platform. There is not enough gold in the world with which to do the business of the world. The honorable gentlemen from Maryland [Mr. RAYNER], who first addressed the House upon the pending bill, declared that there was not a "sufficient amount of gold in existence to supply the demands of commerce and the necessities of the world's circulation." No truer statement or one of more significance has been uttered during this debate. Let this fact be conceded and the duty of this Congress is plain and unmistakable.

Mr. CANNON of Illinois. I would like to ask my friend a very important question at that point.

Mr. SPRINGER. I have no doubt several gentlemen would like to ask me important questions, but I hope my colleague will excuse me.

Mr. PICKLER. Since you are an authority on finances you ought to give us your views.

Mr. SPRINGER. We must restore silver as a part of the money of the country. I regret that some members upon this floor have reached the conclusion that bimetallism is impossible except through an international agreement. If we are to wait until the great creditor nations of Europe agree to bimetallism, the world's commerce and business must be transacted for many years to come with insufficient money. The Chicago platform does not concede that we must depend upon an international agreement for bimetallism, but, on the contrary, clearly points the way to remonetization through "such safeguards of legislation" as Congress may enact.

If a proper ratio is fixed the United States Government, of itself, can maintain the parity of the two metals upon that ratio; and although other nations may refuse for a time to accept it, our silver dollar, having behind it the faith and the credit of the United States, which are pledged in the pending bill to maintain its parity with gold, will be universally accepted at its face value. Let me remind gentlemen of the unparalleled wealth and resources of the United States of America. Her faith and credit having been pledged, there is no financial system which can be devised, based upon the nation's faith and credit, which will not prove successful.

Every promise made by our country will be kept in letter and in spirit. Those trembling capitalists of this country and in the Old World who may now be panic-stricken for fear that this Government will dishonor its obligations may at once banish their fears. There need be no apprehension of this kind at this time, or at any time in the future. This Government, the richest in the world, will keep all its promises and maintain its faith and credit at all times and under all circumstances. [Loud applause.]

I will have printed as an appendix to my remarks some tables containing statistics of interest in consideration to the pending question. [For tables see next page.]

Production of gold and silver in the world, 1792-1892.

Calendar years.	Gold.	Silver.		Total.
		Fine ounces.	Coining value.	
1792-1800	\$106,407,000	254,352,656	\$322,860,000	\$435,267,000
1801-1810	118,152,000	287,468,929	371,677,000	489,829,000
1811-1820	76,063,000	173,857,922	224,786,000	309,840,000
1821-1830	94,479,000	148,069,968	191,444,000	285,923,000
1831-1840	131,841,000	212,641,171	274,930,000	409,771,000
1841-1848	291,144,000	200,722,500	259,520,000	550,664,000
1849	27,100,000	30,164,062	39,000,000	66,100,000
1850	44,450,000	30,164,062	39,000,000	83,450,000
1851	67,600,000	30,937,500	40,000,000	107,600,000
1852	132,750,000	31,401,563	40,600,000	173,350,000
1853	155,450,000	31,401,563	40,600,000	196,050,000
1854	127,450,000	31,401,563	40,600,000	168,050,000
1855	135,075,000	31,401,563	40,600,000	175,675,000
1856	147,600,000	31,440,234	40,650,000	188,250,000
1857	133,275,000	31,440,234	40,650,000	173,925,000
1858	124,650,000	31,440,234	40,650,000	165,300,000
1859	124,850,000	31,517,578	40,750,000	165,600,000
1860	119,250,000	31,550,250	40,800,000	160,050,000
1861	113,800,000	34,572,658	44,700,000	158,500,000
1862	107,750,000	34,950,375	45,200,000	152,950,000
1863	106,850,000	38,053,125	49,200,000	156,050,000
1864	113,000,000	39,986,718	51,700,000	164,700,000
1865	120,200,000	40,180,078	51,950,000	172,150,000
1866	121,100,000	39,251,953	50,750,000	171,850,000
1867	104,025,000	41,939,648	54,225,000	158,250,000
1868	109,725,000	38,845,898	50,225,000	159,950,000
1869	106,225,000	36,738,281	47,500,000	153,725,000
1870	106,850,000	39,890,038	51,375,000	158,225,000
1871	107,000,000	47,218,359	61,050,000	168,050,000
1872	99,600,000	50,466,796	65,250,000	164,850,000
1873	96,200,000	63,267,187	81,800,000	178,000,000
1874	90,750,000	65,300,781	71,500,000	162,250,000
1875	97,500,000	62,261,719	80,500,000	178,000,000
1876	103,700,000	67,753,124	87,600,000	191,300,000
1877	114,000,000	62,648,437	81,000,000	195,000,000
1878	119,000,000	73,476,562	95,000,000	214,000,000
1879	109,000,000	74,250,000	96,000,000	205,000,000
1880	106,500,000	74,791,406	98,700,000	205,200,000
1881	103,000,000	78,890,625	102,000,000	205,000,000
1882	102,000,000	86,470,312	111,800,000	213,800,000
1883	95,400,000	89,177,343	115,300,000	210,700,000
1884	101,700,000	81,597,656	105,500,000	207,200,000
1885	108,400,000	61,652,345	118,500,000	226,900,000
1886	106,000,000	63,276,532	120,600,000	226,600,005
1887	105,775,000	96,123,566	124,281,000	230,056,000
1888	110,197,000	108,827,297	140,708,000	250,903,000
1889	123,489,000	125,419,851	162,159,000	285,648,000
1890	113,150,000	133,213,008	172,235,000	285,385,000
1891	120,519,000	144,429,304	186,733,000	307,252,000
1892	130,817,000	152,061,679	196,605,000	327,422,000
Total	5,633,908,000	3,943,363,201	5,104,961,000	10,738,869,000

Stock of gold and silver in the principal countries of the world having the double standard.

Countries.	Monetary system.	Gold.	Silver.
United States.....	Gold and silver..	\$654,000,000	\$575,000,000
France.....	do.....	800,000,000	700,000,000
Belgium.....	do.....	65,000,000	55,000,000
Italy.....	do.....	93,000,000	50,000,000
Switzerland.....	do.....	15,000,000	15,000,000
Greece.....	do.....	2,000,000	4,000,000
Spain.....	do.....	40,000,000	158,000,000
Netherlands.....	do.....	25,000,000	65,000,000
Turkey.....	do.....	50,000,000	45,000,000
Japan.....	do.....	90,000,000	50,000,000
Total.....		1,834,000,000	1,717,000,000

Stock of gold and silver in the principal countries of the world having the single gold standard.

Countries.	Monetary system.	Gold.	Silver.
United Kingdom.....	Gold.....	\$550,000,000	\$100,000,000
Germany.....	do.....	600,000,000	211,000,000
Portugal.....	do.....	40,000,000	10,000,000
Austria-Hungary.....	do.....	40,000,000	90,000,000
Scandinavian Union.....	do.....	32,000,000	10,000,000
Australia.....	do.....	100,000,000	7,000,000
Egypt.....	do.....	100,000,000	15,000,000
Canada.....	do.....	18,000,000	5,000,000
Cuba, Haiti, etc.....	do.....	20,000,000	2,000,000
Total.....		1,498,000,000	450,000,000

Stock of gold and silver in the principal countries of the world having the single silver standard.

Countries.	Monetary system.	Gold.	Silver.
Russia.....	Silver.....	\$250,000,000	\$80,000,000
Mexico.....	do.....	5,000,000	60,000,000
Central America.....	do.....		500,000
South America.....	do.....	45,000,000	25,000,000
India.....	do.....		900,000,000
China.....	do.....		700,000,000
The Straits.....	do.....		100,000,000
Total.....		300,000,000	1,835,500,000

Total in the world, \$3,632,600,000 gold; \$4,002,500,000 silver.

BUREAU OF THE MINT, August 16, 1893.

Highest, lowest, and average price of silver bullion, and value of a fine ounce, bullion value of a United States silver dollar, and commercial ratio of silver to gold by fiscal years, 1874 to 1893.

Fiscal years.	High-est.	Low-est.	Average London price per ounce standard .925.	Equiva-lent value of a fine ounce with exchange at par. \$4.8665.	Equiva-lent value of a fine ounce based on average price of exchange.	Bullion value of a United States silver dollar, at average price of silver, ex-change at par.	Com-mer-cial ratio of silver to gold.
	<i>Pence.</i>	<i>Pence.</i>	<i>Pence.</i>	\$1.	\$1.	\$0.	
1873-'74 ...	59 $\frac{1}{2}$	57 $\frac{1}{2}$	58.312	\$1.27826	\$1.28247	\$0.98865	16.17
1874-'75 ...	58 $\frac{1}{2}$	55 $\frac{1}{2}$	56.875	1.25127	1.25023	.96777	16.52
1875-'76 ...	57 $\frac{1}{2}$	50	52.750	1.15184	1.15954	.89087	17.94
1876-'77 ...	58 $\frac{1}{2}$	50 $\frac{1}{2}$	51.812	1.20154	1.20191	.92931	17.30
1877-'78 ...	55 $\frac{1}{2}$	52 $\frac{1}{2}$	52.592	1.15232	1.15237	.89116	17.94
1878-'79 ...	52 $\frac{1}{2}$	48 $\frac{1}{2}$	50.812	1.11396	1.11616	.86152	18.55
1879-'80 ...	53 $\frac{1}{2}$	51 $\frac{1}{2}$	52.218	1.14336	1.14337	.88509	18.06
1880-'81 ...	52 $\frac{1}{2}$	51	51.937	1.13832	1.13508	.88037	18.15
1881-'82 ...	52 $\frac{1}{2}$	50 $\frac{1}{2}$	51.812	1.13623	1.13817	.87830	18.19
1882-'83 ...	52 $\frac{1}{2}$	50	51.023	1.11826	1.11912	.86490	18.48
1883-'84 ...	51 $\frac{1}{2}$	50 $\frac{1}{2}$	50.791	1.11339	1.115.9	.86115	18.56
1884-'85 ...	50 $\frac{1}{2}$	48 $\frac{1}{2}$	49.843	1.09262	1.09226	.84507	18.92
1885-'86 ...	49 $\frac{1}{2}$	42	47.038	1.03112	1.03295	.79750	20.04
1886-'87 ...	47 $\frac{1}{2}$	42	44.813	.98301	.98148	.76029	21.02
1887-'88 ...	45 $\frac{1}{2}$	41 $\frac{1}{2}$	43.675	.95741	.95617	.74008	21.59
1888-'89 ...	44 $\frac{1}{2}$	41 $\frac{1}{2}$	42.499	.93163	.93510	.72055	22.18
1889-'90 ...	49	42	44.196	.96883	.96839	.74932	21.33
1890-'91 ...	54 $\frac{1}{2}$	43 $\frac{1}{2}$	47.714	1.04195	1.04780	.80588	19.83
1891-'92 ...	46 $\frac{1}{2}$	39	42.737	.93548	.93723	.72430	22.07
1892-'93 ...	40 $\frac{1}{2}$	30 $\frac{1}{2}$	38.375	.84123	.84203	.65033	24.57
July	34 $\frac{1}{2}$	32 $\frac{1}{2}$	33.060	.72471	.72037	.56052	28.52

TREASURY DEPARTMENT,
Bureau of the Mint, August 1, 1893.