

FREE COINAGE OF THE STANDARD SILVER DOLLAR.

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S P E E C H

OF

HON. RICHARD P. BLAND,  
OF MISSOURI,

IN THE

HOUSE OF REPRESENTATIVES,

MONDAY, JULY 30, 1894.

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WASHINGTON.

1894.



SPEECH  
OF  
HON. RICHARD P. BLAND.

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On the bill (H. R. 4446) for the free coinage of the standard silver dollar.

Mr. BLAND said:

Mr. SPEAKER: For the information of the House and the country I desire to submit a few suggestions and remarks upon the silver question and especially upon the bill which I introduced and is now pending in Committee on Coinage, Weights, and Measures. The bill is as follows:

A bill for the free coinage of the standard silver dollar.

*Be it enacted, etc.*, That so much of the act of February 12, 1873, entitled "An act revising and amending the laws relative to the mints, assay offices, and coinage of the United States," as prohibits the coinage of the standard silver dollar be, and the same is hereby, repealed.

SEC. 2. That so much of the act entitled "An act supplementary to the act entitled 'An act establishing a mint and regulating the coins of the United States,'" approved January 18, 1837, as relates to and provides for the coinage and legal-tender power of the standard silver dollar of  $412\frac{1}{2}$  grains standard silver, be, and the same is hereby, revived and reenacted into full force and effect.

I have endeavored for the past two months to get this bill before the House for its consideration, but find it impossible to do so because of a lack of a quorum of the committee.

It is well known that our committee is composed of seventeen members, nine of whom, just a bare majority, are in favor of free coinage. Owing to sickness of members and sickness in the families of members of the committee, it has been impossible to secure a full attendance of those who are in favor of the bill.

I shall press it until it is reported to the House and there finally passed or defeated. I hope this may be done before we adjourn. If not, I shall continue to fight so long as I am given the opportunity of doing so.

This is a fight in which I have been engaged for near twenty years. I do not propose to surrender or compromise it.

This bill provides for restoring silver just where it was under our laws before it was demonetized in 1873 by reenacting the law of January 18, 1837.

This statute of 1837 provides, in sections 9 and 10, as follows:

SEC. 9. *And be it further enacted.* That of the silver coins, the dollar shall be of the weight of  $412\frac{1}{2}$  grains; the half dollar of the weight of  $206\frac{1}{4}$  grains; the quarter dollar of the weight of  $103\frac{1}{8}$  grains; the dime, or tenth part of a dollar, of the weight of  $41\frac{1}{4}$  grains; and half dime, or one-twentieth part of a dollar, shall be of the weight of 20 grains and five-eighths of a grain. And that dollars, half dollars, and quarter dollars, dimes, and half dimes shall be

legal tenders of payment, according to their nominal value, for any sum ~~whatever.~~

SEC. 10. *And be it further enacted,* That of the gold coins the weight of the eagle shall be 258 grains; that of the half eagle, 129 grains; that of the quarter eagle 64½ grains. And that for all sums whatever the eagle shall be a legal tender of payment for \$10, the half eagle for \$5, and the quarter eagle for \$2.50.

This law provides for the dollar of 412½ grains to be a legal tender, and of halves and quarters to be of the same debt-paying power.

This is the present standard dollar, of which we have coined since 1873 over 400,000,000 under what is commonly called the Bland act. It is the ratio of 16 to 1. The free coinage of this dollar I have always insisted on, and shall continue to do so.

The fourteenth section of this act provides for the free coinage of gold and silver, as follows:

SEC. 14. *And be it further enacted,* That gold and silver bullion brought to the mint for coinage shall be received and coined by the proper officers for the benefit of the depositor: *Provided,* That it shall be lawful to refuse at the mint any deposit of less value than \$100, and any bullion so base as to be unsuitable for the operations of the mint; *And provided also,* That when gold and silver are combined, if either of these metals be in such small proportion that it can not be separated advantageously, no allowance shall be made to the depositor for the value of such metals.

This section provides for the unlimited coinage of gold and silver bullion deposited at the mint. This is the law that was repealed, so far as the coinage of the present standard silver dollar is concerned, by the act of 1873, that demonetized the standard silver dollar.

It will be remembered that the first mint act, that of April 2, 1792, provided for the free coinage of the silver dollar, to consist of 371½ grains of pure silver. That dollar was the unit of account or value. It continued to be the unit of account or value until 1873.

By the act of 1873 the coinage of the silver dollar was prohibited, thus demonetizing it. This act of 1873 also made the gold dollar of 25.8 grains of gold the unit of value, and thus displaced the old silver unit. We wish to restore this old silver dollar as the unit instead of gold and to give the old silver unit the benefit it always had of free and unlimited coinage.

The silver dollar of to-day is the same in pure silver that the dollar of 1792 was and the same as the dollar of the act of 1837 proposed to be restored, that is, 371½ grains of pure silver. The alloy has been changed, but never the amount of pure silver in the dollar. Adding the alloy makes the dollar 412½ grains standard.

In this connection, Mr. Speaker, I wish to comment on the silver plank of the Democratic party of my State as being in entire harmony with this bill and with the acts of 1792 and 1837.

The platform is as follows:

Whereas the Constitution of the United States provides that Congress shall have power to coin money, regulate the value thereof, and of foreign coins; and also provides that no State shall coin money or make anything but gold and silver coin a tender in payment of debts, hence we declare it to be a duty enjoined upon Congress to coin both gold and silver money for the use of the people of the States; that Congress has no rightful power to refuse the coinage of either metal.

We therefore demand the free bimetallic coinage of both gold and silver and the restoration of the bimetallic standard as it existed under our laws for

over eighty years prior to the demonetization of the standard silver dollar in 1873, and should it become necessary, in order to maintain the two metals in circulation, to readjust the ratio, it should be determined whether gold has risen or silver has fallen, or whether there should be a change of the gold dollar or of the silver dollar, or of both, to the end that whatever ratio is adopted the rights of both creditor and debtor shall be preserved alike, having in view the demands of the people for an adequate circulating medium. We declare that we are not in favor of gold monometallism or silver monometallism, but that both should be coined at such ratio as will maintain the two metals in circulation.

We insist upon the democratic doctrine of Jackson and Benton that all money issued by the authority of Congress shall be issued and its value maintained by the Government. That we are opposed to farming out to national banks the right to issue circulating notes. That we are opposed to any further increase of the interest-bearing debt of the Government.

This platform demands, first, the restoration of the bimetallic standard as it existed under our laws for over eighty years prior to the demonetization of the standard silver dollar in 1873.

This is the first thing to be done by Congress, to restore silver. We want first of all to put silver back where it was, as the unit of account or value, thus making it the standard instead of gold.

Merely to coin silver at the ratio of 16 to 1 would still leave gold as the unit or measure of value. We want to go further than that, and restore the old silver unit of value. This platform demands the standard as it existed for eighty years, for the silver dollar of 371 $\frac{1}{4}$  grains of pure silver was during all that time and up to 1873 the standard. So the platform goes beyond the mere declaration for free coinage at 16 to 1. It not only requires the coinage of the old dollar of 16 to 1, but makes the old dollar the unit of account or value. Now, as to the subsequent part of the platform, it recognizes the principles of bimetallicism as taught to us by Jefferson and Hamilton, which is to keep both gold and silver in circulation by an adjustment of the ratio.

We believe that the legal-tender power of the law will keep both dollars in circulation at 16 to 1, because both will have just the same debt-paying and purchasing power under the law. It is the power of legal tender that gives value to both metals and when both can be coined without limit their money volume will be greater, because all the bullion can be coined that is offered at the mint.

The two coins, gold and silver, will be at all times in circulation and of equal value or at par, because of the power of the law that makes both legal-tender.

But our opponents say no: the legal-tender power can not bring the silver up to gold. We answer that the legal-tender power has kept the \$400,000,000 that we have already coined at par and will do so as to all that can be coined under unlimited or free coinage. We answer further that if such should not prove to be the case we do not intend to drive gold out. Should it become necessary, should gold go to a premium, as you say it will, we will consider whether it is not the fault of gold and not silver. If it is because gold has risen we can change the amount of gold in the dollar so as to bring it to the same value as the silver dollar, thus keeping the two coins in the circulation.

If gold has risen, and we contend that all statistics show that fact, then we will do just as has always been done, change the amount of gold in a dollar. The amount of the silver in the sil-

ver dollar never has been changed, but the amount of gold in the dollar has been twice changed to make it conform to the silver unit dollar.

If gold has risen and silver fallen then we can as the platform provides change the amount of pure metal in both dollars. But in doing so, in justice to both debtor and creditor and to the people who must have the greatest volume of currency possible, we will arrange so that the amount we increase the silver dollar shall be compensated by reducing the amount of gold in the gold dollar, so that what is lost by increasing the silver in the dollar shall be gained or made up by decreasing the gold in the dollar.

We do not believe that any change will be necessary: hence, we demand, first, restoration, and all talk of change must come afterwards, should it in the language of the platform become necessary.

To sum up the principles enunciated, we must first of all restore silver as it existed under our laws before demonetization. This done, justice will have been done.

It is wholly wrong and unfair to silver to demonetize it and thus destroy its value and seize upon this depreciation as the proper ratio for coinage. Restore it first. Give it the advantage of being legal tender. This will restore it as the equal of gold.

This is the theory upon which we demand the restoration of the old order of things.

The time-honored ratio is 15.9898 to 1, commonly known as 16 to 1. The ratio is not now, nor ever has been, precisely 16 to 1.

To say 16 to 1 is not strictly accurate or scientific. The ratio is in reality 15.9898 to 1.

Yet it is so near 16 to 1 that we all understand what is meant by 16 to 1. We mean the old and present legal ratio.

When once restored, silver will be in a position of equality with gold, and can and will hold its own in all efforts to change the ratio.

Restore first and talk of change of ratio afterwards, if it becomes necessary. We hold that there would be no necessity for a change, but should there be let gold be changed, since it has risen over 50 per cent since the demonetization of silver. The silver has not fallen. It is worth as much when compared with commodities as it ever was. Gold will buy twice as much of commodities as it would in 1873. Hence gold has risen. The gold dollar is the dollar at fault. We must change it if it becomes necessary to do it, to keep it in circulation.

Mr. Speaker, the restoration of silver as money in this country is the overshadowing issue. The money question is the coming question.

The full measure of prosperity so longed for by our people can never return, in my opinion, until we have a readjustment of our standard and money volume.

#### SILVER MUST BE RESTORED.

On this point I wish to quote from an eminent writer and scholar, an Eastern man, Prof. Andrews, of Brown University.

At the summer meeting, held in Philadelphia on the 14th instant, Mr. Andrews said:

When the present business depression began nearly all referred it to the Sherman law. This law has now been repealed some months, but the situation is not improved. Besides, in England, where there was no Sherman law, times are as bad as here. More recently the depression is charged to the plan of change in our tariff laws. This fear would naturally have some effect, but it cannot be the fundamental cause of our woes. Great Britain fears no tariff change, yet suffers no less than we. The election of Mr. Cleveland and the present Congress can not have occasioned our trouble, for it began more than a year after that event; nor the actual beginning of tariff legislation, for this was several months later than the beginning of the panic.

The true cause of our financial distress is the progressive scarcity of full money, leading to a continuous and discouraging fall in general prices, which first made production less and less profitable, and is now making it less and less possible. Our present malady is only an accentuation of that through which the gold-using world has been passing ever since 1873, when Germany and the United States demonetized silver, an act which, with the similar acts of other nations, caused a shrinkage of nearly one-half in the supply of fundamental money in Europe and North America. The inevitable result of this has been a rise in the value of each monetary unit, each grain of gold: or, what is the same from the other side, a fall in general prices. Since 90 per cent of all producers are weighted with fixed charges, like mortgages, which have to be paid dollar for dollar, no matter how incomes fall off, the general fall in prices has led to a constant lessening of income as compared with outgo. Small businesses have been ruined: the most prosperous firms have had to cut wages; none make money unless enjoying some special advantage, natural or artificial. The cause named perfectly explains all these phenomena, and explains why they prevail, in the gold world and nowhere else.

Since the demonetization of silver in 1873 silver has declined in value as compared to gold: so have all farm products, especially wheat and cotton. Silver is now at the lowest price reached since 1873; so is wheat and cotton. But it is the rise in gold: for while we say that silver has fallen, we only mean to say that as compared to gold it has fallen, and not as compared to other things; for gold will buy nearly double the amount of wheat and cotton that it would buy in 1873. Hence it is gold that has risen.

