

world, not very unequally divided between gold and silver, it is impossible to strike silver out of existence as money without results which will prove distressing to millions and utterly disastrous to tens of thousands. Alexander Hamilton, in his able and invaluable report in 1791 on the establishment of a mint, declared that "to annul the use of either gold or silver as money is to abridge the quantity of circulating medium, and is liable to all the objections which arise from a comparison of the benefits of a full circulation with the evils of a scanty circulation." I take no risk in saying that the benefits of a full circulation and the evils of a scanty circulation are both immeasurably greater to-day than they were when Mr. Hamilton uttered these weighty words, always provided that the circulation is one of actual money, and not of depreciated promises to pay.

In the report from which I have already quoted, Mr. Hamilton argues at length in favor of a double standard, and all the subsequent experience of wellnigh ninety years has brought out no clearer statement of the whole case nor developed a more complete comprehension of this subtle and difficult subject. "On the whole," says Mr. Hamilton, "it seems most advisable not to attach the unit exclusively to either of the metals, because this cannot be done effectually without destroying the office and character of one of them as money and reducing it to the situation of mere merchandise." And then Mr. Hamilton wisely concludes that this reduction of either of the metals to mere merchandise (I again quote his exact words) "would probably be a greater evil than occasional variations in the unit from the fluctuations in the relative value of the metals, especially if care be taken to regulate the proportion between them with an eye to their average commercial value." I do

not think that this country, holding so vast a proportion of the world's supply of silver in its mountains and its mines, can afford to reduce the metal to the "situation of mere merchandise." If silver ceases to be used as money in Europe and America, the great mines of the Pacific Slope will be closed and dead. Mining enterprises of the gigantic scale existing in this country cannot be carried on to provide backs for looking-glasses and to manufacture cream-pitchers and sugar-bowls. A vast source of wealth to this entire country is destroyed the moment silver is permanently disused as money. It is for us to check that tendency and bring the continent of Europe back to the full recognition of the value of the metal as a medium of exchange.

Seventh. The question of beginning anew the coinage of silver dollars has aroused much discussion as to its effect on the public credit; and the Senator from Ohio (Mr. Matthews) placed this phase of the subject in the very forefront of the debate—insisting, prematurely and illogically, I think, on a sort of judicial construction in advance, by concurrent resolution, of a certain law in case that law should happen to be passed by Congress. My own view on this question can be stated very briefly. I believe the public creditor can afford to be paid in any silver dollar that the United States can afford to coin and circulate. We have forty thousand millions of property in this country, and a wise self-interest will not permit us to overturn its relations by seeking for an inferior dollar wherewith to settle the dues and demands of any creditor. The question might be different from a merely selfish standpoint if, on paying the dollar to the public creditor, it would disappear after performing that function. But the trouble is that

the inferior dollar you pay the public creditor remains in circulation, to the exclusion of the better dollar. That which you pay at home will stay there; that which you send abroad will come back. The interest of the public creditor is indissolubly bound up with the interest of the whole people. Whatever affects him affects us all; and the evil that we might inflict upon him by paying an inferior dollar would recoil upon us with a vengeance as manifold as the aggregate wealth of the Republic transcends the comparatively small limits of our bonded debt. And remember that our aggregate wealth is always increasing, and our bonded debt steadily growing less! If paid in a good silver dollar, the bondholder has nothing to complain of. If paid in an inferior silver dollar, he has the same grievance that will be uttered still more plaintively by the holder of the legal-tender note and of the national-bank bill, by the pensioner, by the day laborer, and by the countless host of the poor, whom we have with us always, and on whom the most distressing effect of inferior money will be ultimately precipitated.

But I must say, Mr. President, that the specific demand for the payment of our bonds in gold coin and in nothing else comes with an ill grace from certain quarters. European criticism is levelled against us and hard names are hurled at us across the ocean, for simply daring to state that the letter of our law declares the bonds to be payable in standard coin of July 14, 1870; expressly and explicitly declared so, and declared so in the interest of the public creditor, and the declaration inserted in the very body of the eight hundred million of bonds that have been issued since that date. Beyond all doubt the silver dollar was included in the standard coins of that public act. Payment

at that time would have been as acceptable and as undisputed in silver as in gold dollars, for both were equally valuable in the European as well as in the American market. Seven-eighths of all our bonds, owned out of the country, are held in Germany and in Holland, and Germany has demonetized silver and Holland has been forced thereby to suspend its coinage, since the subjects of both powers purchased our securities. The German empire, the very year after we made our specific declaration for paying our bonds in coin, passed a law destroying so far as lay in their power the value of silver as money. I do not say that it was specially aimed at this country, but it was passed regardless of its effect upon us, and was followed, according to public and undenied statement, by a large investment on the part of the German Government in our bonds, with a view, it was understood, of holding them as a coin reserve for drawing gold from us to aid in establishing their gold standard at home. Thus, by one move the German Government destroyed, so far as lay in its power, the then existing value of silver as money, enhanced consequently the value of gold, and then got into position to draw gold from us at the moment of their need, which would also be the moment of our own sorest distress. I do not say that the German Government in these successive steps did a single thing which it had not a perfect right to do, but I do say that the subjects of that empire have no right to complain of our government for the initial step which has impaired the value of one of our standard coins. And the German Government, by joining with us in the remonetization of silver, can place that standard coin in its old position and make it as easy for this government to pay and as profitable for their subjects to receive the one metal as the other. . . .

The effect of paying the labor of this country in silver coin of full value, as compared with the irredeemable paper or as compared even with silver of inferior value, will make itself felt in a single generation to the extent of tens of millions, perhaps hundreds of millions, in the aggregate savings which represent consolidated capital. It is the instinct of man from the savage to the scholar—developed in childhood and remaining with age—to value the metals which in all tongues are called precious. Excessive paper money leads to extravagance, to waste, and to want, as we painfully witness on all sides to-day. And in the midst of the proof of its demoralizing and destructive effect, we hear it proclaimed in the Halls of Congress that “the people demand cheap money.” I deny it. I declare such a phrase to be a total misapprehension, a total misinterpretation of the popular wish. The people do not demand cheap money. They demand an abundance of good money, which is an entirely different thing. They do not want a single gold standard that will exclude silver and benefit those already rich. They do not want an inferior silver standard that will drive out gold and not help those already poor. They want both metals, in full value, in equal honor, in whatever abundance the bountiful earth will yield them to the searching eye of science and to the hard hand of labor.

The two metals have existed side by side in harmonious, honorable companionship as money, ever since intelligent trade was known among men. It is wellnigh forty centuries since “Abraham weighed to Ephron the silver which he had named in the audience of the sons of Heth—four hundred shekels of silver—current money with the merchant.” Since that time nations have risen and fallen,

racess have disappeared, dialects and languages have been forgotten, arts have been lost, treasures have perished, continents have been discovered, islands have been sunk in the sea, and through all these ages, and through all these changes, silver and gold have reigned supreme, as the representatives of value, as the media of exchange. The dethronement of each has been attempted in turn, and sometimes the dethronement of both; but always in vain. And we are here to-day, deliberating anew over the problem which comes down to us from Abraham's time: *the weight of the silver* that shall be “current money with the merchant.”