GREAT SILVER DEBATE.

(Continued from Ninth Page.)

crime of 1873—and I propose to show up that crime of 1873 before I get through until my friend won't want to talk about it hereafter. In the year 1878 he says a terrible crime was perpetrated; that crime was nothing less than the insertion in the Bland bill the words "Unless otherwise provided in the contract," whereby contracts payable in gold were legalized. Now, what is the truth about this? In 1878 the nation remonetized the silver dollar as far as its money function could be restored, by making it a legal tender for all debts, public and private. You can pay any amount of debt with silver dollars and you can pay import duties with them the same as with gold.

In order to protect the public credit and prevent any quibble as to the collection of debt made payable in gold by contract congress inserted the clause which my friend designates as a great crime. Mind you, in 1878 we were still on the paper money basis, except in California and the coast states, where all contracts were payable in gold.

The right of contract is as sacred as any right guaranteed by the constitution.

THE CUBE OF GOLD DECEPTION.

To convince you that this world has such a small quantity of gold in use you have been told that you could put all the gold in the world available for coinage into a twenty-two foot cube and place it in the rear end of this tent. What are the facts? I have a letter here from the director of the United States mint, to whom I applied for the information, and he says that the total space required to store all the gold coined in the world, taking it at $4,000,000,000, would be 69,475 cubic feet. It would be a stack twenty-two feet each way, but, standing within this tent, it would protrude through the roof of the tent to the height of 143 feet. Yes, indeed, that is what the director of the United States mint says, and I should rather take his word than that of my friend.

Harvey—Would you state the number of feet again?

Rosewater—Yes, sir, I will give you the original letter; I haven't it just here, but I will hand it to you.

All the coined silver in the world, as given by Mr. Preston, director of the United States mint, and mind you, they have computed the space it takes to store silver in the treasury vaults, he says would take 964,505 cubic feet, and would occupy a cube 66 feet square and 221 feet high.

That only shows how many deceptive statements are being made to the people and how easily they may be misled by them to wrong conclusions.

You have been told, for instance, that law makes the value of money. I take it that Senator John P. Jones is good enough authority for any silver man in the United States. He is the most distinguished champion of silver in public life. In a speech in the senate of the United States on April 24, 1876, Senator Jones said this: "I propose to show that the use of money and the use of the precious metals for money were both natural and voluntary acts, not due to law or edict, and that money is therefore of right and ought to be free and untrammelled by any regulations, except of a kind specified. Money possessing this and other characteristics hereafter named needs no law to make it current throughout the world. Present and future values cannot be equitably or nearly equitably measured by anything that is not capable of being voluntarily and readily interchanged with other forms of capital; in a word, by anything that of itself does not contain or represent an amount of labor or service easy to determine, and of a kind appreciable to and exchangeable with all mankind. A measure of value must therefore be a service of some sort, and the more universal such services are appreciated the better measure will it afford.

"Money is an instrument voluntarily adopted to equitably measure values present and future. Legislation cannot make or unmake money. It may temporarily depress or exalt the value of one metal as against the other, but only temporarily; it may disturb, but it cannot permanently alter or destroy. Gold and silver are money in virtue of their own superiority and they owe none of their rank to law. To insure that both precious metals shall form the ingredients of money, it is essential that no legal obstacle shall be placed in the way of the voluntary use of either."

Mark you, Senator Jones was making a powerful plea in favor of remonetizing the silver dollar. And I want to say for myself that I have been instrumental in the remonetization of the silver dollar. I was at Washington with Mr. Jones a greater part of the time while the Bland-Allison act was pending and induced Senator Paddock of Nebraska to vote that bill over President Hayes' veto. At that time the divergence between gold and silver was only about 7 or 8 cents on the dollar. Some of the most sagacious of men and ablest financiers thought that the coinage of $2,000,000 a month would restore the parity of gold and silver at 1 to 16. But we were undeceived. Why, Senator Jones himself, in a speech delivered in the senate in 1878, declared that silver never could go below what it was at that time. At that time it was not more than 7 cents below parity; now it is 47 cents. We must necessarily adjust ourselves to existing conditions.

THE TEST OF EXPERIENCE.

There are two tests to which all theories may be subjected, and that is the test of reason and test of experience. Is it reasonable to presume that under present conditions silver could be raised from 68 cents to $1.29 an ounce by any act of congress unless the whole civilized money-using nations should join hands? If it could be done, why don't they demand that it be restored at the old ratio of 15 to 1? Why don't they return to the money of the constitution? In 1792 the ratio was 15 to 1, but with all the power of the government of the United States behind it gold and silver would not keep company together. They separated within less than ten years after the first ratio was fixed. Why couldn't the fathers of this republic and their successors later on re-establish the standard of 15 to 1? There certainly is nothing sacred about 16 to 1 any more than there is about 10 to 1. They were confronted with this state of affairs: After the coinage had been established at 15 to 1 gold was slightly undervalued and a pound of gold being worth more than fifteen pounds of silver, gold flowed out of the country and soon disappeared from circulation.

By 1805 not only our gold had disappeared, but our silver dollars had also disappeared. They had disappeared because Spanish silver dollars were in circulation in this country, and, being heavier than the American dollars, the American dollars were sent abroad, where gold and silver were at a different ratio, and the Spanish dollars were sent to the United States mint to be recoined into American dollars, at government expense, for the sole benefit of the money changers. So Thomas Jefferson broke up that endless chain by issuing an order that no more silver dollars be coined by the mints of the United States. This order was given in 1805 and for thirty years not a silver dollar was coined by any mint in the United States.

When the founders of the republic started to do business as a government they endeavored to ascertain as carefully as they could the relative market value of the two money metals and they finally decided to fix the ratio at 15 to 1. When they had done that they proceeded to carry their idea of the double standard into effect. The object of the double standard was to keep both metals in circulation, but in spite of all efforts the experiment failed. The failure culminated in 1834 in an act passed, with the approval of General Jackson. Old Hickory understood money as well as any man in the United States. (Applause.)

He knew a hawk from a hand-saw. This step of establishing the gold standard was taken after due investigation by a congressional committee. It declared that no gold was in circulation in the United States and hadn't been for many years, and to insure the return of gold they changed the ratio from 15 to 1 to 16 to 1. This practically made gold the standard, and gold has been our money standard since. Bear in mind that our silver had practically gone out of circulation, because all coins, being of full weight, were of greater value than the Mexican, Spanish and English coins. So in 1853 our silver coins below the dollar were made of lighter weight, and their coinage was restricted to the wants of commerce, and free and unlimited coinage of silver was abandoned.

We might be led to believe that there was a conspiracy in '34 and '53, as well as in '73. We have been through so many conspiracies relating to money that we are at loss to know which one of the conspiracies was the worst. As for myself, I think the conspiracy of the silver mine owners is the greatest conspiracy that has ever struck this nation. (Applause.)

They knew all the time, just as well as anybody knew, that silver and gold dollars were not in circulation in 1873, that we had only a paper currency at that time. They knew the change in coinage had been thoroughly considered by treasury officials, and they secured great advantage to the mining interests, through the act of 1873, by stimulating the use of silver as far as could then be safely done. But they started the howl of conspiracy to bolster up their arrogant demands.

That very act of 1873 created a new dollar, the trade dollar, specially designed for the use of commerce with the silver-using nations of the world. And from 1873 to 1879, within six years, 34,000,000 of silver trade dollars were coined, and not only that, but $49,000,000 more of halves, quarters and dimes. It is simply preposterous to talk about the conspiracy to strike down silver. During the years from 1792 to 1873 only $146,000,000 of silver of any description whatever was coined by the mints of the United States. Only 8,031,258 silver dollars were coined from 1792 to 1873, while we coined $84,000,000 in silver after the demonetization act of 1873, during the six years before the silver was remonetized in '78. And yet we are told that the act of '73 was a conspiracy to strike down silver and destroy half of the money of the world. This is the terrible nightmare with which my friend has been afflicted all these years.

A scientific gentleman, whose name I can't remember, has recently announced that on the 13th of November, 1899, this world would come into collision with a comet, and the noxious gases from the comet will destroy all living things on the face of the earth. I don't know whether that will be the chloroforming process Mr. Harvey has referred to, but I do believe the chloroform he has administered to the people of this country during the past few years has emitted more poisonous gases than we shall get from the comet. (Laughter and applause.)

You know the adage: "A little learning is a dangerous thing." People are apt to believe everything the apostle of silver has preached, but you will find none of his statements will bear close scrutiny or investigation.

He stated to you that inventions have had very little to do with the fall in prices. How any intelligent man could make such an assertion passes comprehension.

My friend is a man of theories, but all theories that are at variance with stubborn facts must be rejected as utterly worthless. Every American school boy knows that inventions have been the most potential factor in reducing the cost of production, and the cost of production is the chief element that fixes the price of any commodity. The value of any article is what it will cost to duplicate it. Labor saving machinery has enormously reduced the cost of production and thereby correspondingly reduced prices. During the present century more than half a million patents have been granted to inventors, and nearly one-half of these are for farm machinery and implements.

Do you believe that the cheapening of building material which enables you to build a house for $500, which twenty-five years ago could not be built for less than $1,500, is not due to labor saving machinery employed in the log camp, the lumber mill and the brick yard. Does any sane man believe that invention had nothing to do with the cheapening of barb wire, wire nails, carriages, wagons and farm implements?

Mr. Harvey and other money delusionists have for years been preaching the doctrine that silver regulates the price of all commodities. Let us see whether there is any foundation for this theory.

SILVER AND PRICES.

In 1844 mess beef in New York ranged from $5 to $6.75 a barrel. In 1852 beef was selling from $8.25 to $17 per barrel, and silver was stationary. In 1871 mess beef sold in the same market at $8 to $18, and in 1872, the very next year, it went as low as $4 per barrel, although the pretended crime had not yet been committed. In 1874, the year after silver is said to have been destroyed as money, mess beef actually went up as high as $8.25 to $11 a barrel, and in 1884, with silver going down, beef sold for $11.50 to $13.50 a barrel. Thus we see that eleven years after the crime mess beef sold nearly three times as high as it did in the year before the alleged crime.

Now take mess pork. In 1836 mess pork sold in New York at from $18 to $30 per barrel. In 1842 it sold as low as $6.75; but silver, with free and unlimited coinage in all the United States mints, had not varied over a penny an ounce. In 1872, the year before the crime, mess pork sold in New York at $13.61, while silver was $1.32 an ounce. The next year, when silver went down to $1.29, mess pork had gone up to $16.36. In 1874 mess pork sold for $19.16 a barrel, and in 1875 for $21.13, although silver had declined 5 cents an ounce. In other words, while silver had been declining mess pork had advanced in price from 50 to 60 per cent. In 1882 silver was down to $1.13 an ounce. Mess pork was selling at $19.79, or over $6 a barrel more than in 1872, when silver was $1.32 an ounce.

Take the staple cotton. In 1832 cotton sold in New York at 7¼ to 12 cents a pound. In 1835 it was quoted at 15 to 20 cents, but silver had not varied a penny. In 1845 cotton sold as low as 4 cents a pound in New York, but by 1850 it had gone up to 11 cents, while silver had remained stationary. Five years later, in 1855, cotton had again dropped as low as 7 cents a pound. In 1872 cotton was quoted at 22 cents, because the war had destroyed the supply and the world was short of cotton. In 1877, when silver was $1.20 an ounce, cotton in New York sold at 11¾ cents a pound. By 1881 silver had declined to $1.13 an ounce, but cotton was selling at 12¼ cents a pound. In 1886 the price of silver was 99 cents an ounce and cotton sold at 9¼ cents. In 1889 the price of silver was 93 cents and cotton 10⅝ cents. In 1892 the price of silver was 87 cents and cotton selling at 7¾ cents. In 1895 silver was down to 65 cents an ounce and cotton quoted at 7¼ cents—only a fraction below the price of 1892. So silver and cotton do not keep company with each other any more than pork and cotton or beef and silver. (Applause.)

Now let us see about corn. In 1873 corn at Chicago sold at 48 cents. The next years, the year following the crime, it sold at 64 cents a bushel. Corn had actually gone up 16 cents a bushel, although silver was going down. In 1890 corn sold at 50 cents, or 2 cents higher than in 1872, although silver had fallen more than 30 per cent.

The same marked divergence is notable in wheat and silver. In 1873 the market price of wheat at Chicago was $1.10 a bushel. In 1877 it was $1.15, although silver had declined from $1.32 to $1.20 in the five preceding years. In 1878 wheat was sold at 80 cents a bushel at Chicago and in 1890 it sold for 82 cents, although silver had declined from $1.20 to $1.04 per ounce.

What is true of these staples applies also to the price of hogs. Ten years ago, in 1886, hogs sold at Chicago at $3.30 to $4.49 per hundred, and silver was 99 cents an ounce. In 1888 silver was 93 cents an ounce and hogs $4.60 to $6. Hogs would not keep company with silver. In 1890 silver was $1.04 an ounce, hogs $3.40 to $4. In 1893 silver was 78 cents an ounce and hogs $6.50 per hundred. In 1894 hogs were $4.90 to $5.65; silver 63 cents. The next year silver went up 2 cents and hogs went down to $3.70.

The whole theory of concurrent prices between silver and other commodities is a fiction, but the fabricators of false statistics will still persist in telling you that the price of silver governs the price of all other commodities.

With all due deference to Mr. Harvey I maintain that the decline in prices is due to disturbing influences that have affected every country on the globe. First, the industrial revolution. My friend denies it. He wants to deny a fact known to all men. He denies that the introduction of labor-saving machinery is responsible for a decline in prices. Since the introduction of labor-saving machinery production has been cheapened, distant places have been brought into close market relations, and that has increased competition and affected prices. In 1873 Dakota was a wilderness; there were no two Dakotas then; there was but one, and the frisky buffalo and festive grasshopper had the land all to themselves. Within a few years the steam engine made its advent in Dakota, and as it plowed its way westward the vast prairie farms were opened and grain was raised by the millions and millions of bushels. One of these Dakota grangers, Mr. Dalrymple, had over 16,000 acres in one farm, cultivated with steam machinery, and he made over $40,000 out of one year's crop. Other Dakota farmers cultivated from 1,000 to 5,000 acres. Their products came into competition with the products of the farms of Illinois, and the farmers of Illinois had to compete with Dakota in the world's markets, the same as Dakota had to compete with the wheat farms of Washington state. When you produce such vast quantities of grain you must naturally expect a drop in prices unless other grain-raising countries are struck by drouth and famine.

One of the theories advanced by Mr. Harvey's financial school is that if you increase the volume of money the value of all commodities will increase in proportion to the increase in the volume of money. If this theory was sound, then if all the money of this world should disappear there would be no wealth left. Suppose the $8,000,000,000 of coined gold and silver were all put in the melting pot and converted into metal—or suppose these coins were dropped into the sea—don't you think that your farms would exchange, if not for money, for some other thing of value? What is wealth? It is the unused surplus of the earnings of toil, crystallized labor stored away for use. Money is only part of the wealth of the world.

The theory that the increase in the volume of money raises the prices of all commodities has been exploded long ago. In my debate with Mr. Bryan at Kansas City I was challenged to produce any book published before 1873 which would show that prices did not correspond to the volume of money. I produced it and have it here now. Its title is "Questions of the Day, Economic and Social," by Dr. William Elder, Philadelphia, 1871. Let me read from page 79. "Money is a mystery—enough so in itself, but all the more that the mystery is muddled with sophistry that obstructs the light that might clear up some of the fundamental principles of its true theory. For instance, it is currently held that the volume of money in circulation represents the value of all property in exchange; that no matter whether the quantity be great or small, it is equally and in all cases the measure of prices. If the whole money in circulation was doubled prices would be doubled. If it was only increased one-fourth, prices would increase one-fourth." How like the clockwork this thing is calculated and with what confidence the notion is delivered. "The whole thing is an assumption without substantial basis. In the first place, the money of no country in the world is either equal or bears any constant proportion to the total wealth in that country's markets. The gold, silver and bank paper in the United States never, before the great rebellion, reached beyond $400,000,000. Nay, if the inactive specie be subtracted $300,000,000 was the extreme limit of money in use. But the annual products of industry were at least worth $4,000,000,000, which, if but three-fourths were bought and sold and another $1,000,000,000 were paid for all professional, educational and artistic services, we have $5,000,000,000 to be paid and measured by means of $300,000,000, or by $1 of money for every sixteen and two-thirds of value, only one exchanged."

"Since the epoch of modern improvements in industrial production we find that prices fall and fail immensely on the face of a vast increase in the money supply. Take, for example, the thirty years between 1817 and 1848. In this time England retained for use an average of $10,000,000 per annum of the precious metals which she imported, adding $500,000,000 to her stock of money. Did prices go up in proportion? On the contrary the prices of all the multiform products which enter into British exports fell 60 per cent—from a dollar to two-fifths of a dollar. The notion tried again at a later period and nearer home in the United States disproves the theory. Between 1855 and 1860 our money medium had increased 22 per cent. Were market prices 22 per cent higher on that account? On the contrary, thirty out of sixty principal articles in the price lists of New York had in these few years actually fallen some 14 per cent, others 12 per cent, and others more or less between these rates."

PRICES IN THE INFLATION PERIOD.

This, it seems to me, effectually disposes of the promise that a larger volume of money will increase the price of farm products. Just see how it has worked since 1861. During the war we had no primary money. The money we had was nothing but I. O. U.'s. And yet, what was the result? We carried on business in all these United States without gold and silver, except in California and some of the Pacific coast states. We managed to get along without silver and gold through that period. By 1873 we had not over $125,000,000 or perhaps $150,000,000 of coin stored in the treasury. We doubled it, but prices kept going down. At the time of specie resumption in 1879 we had already accumulated between $300,000,000 and $400,000,000 of gold and silver. And we kept on increasing the money of the country until we had ten times as much gold and silver money as we had in 1873, but prices have been going down.

My friend says gold has appreciated 100 per cent. I do not know why he differs so radically from my other friend, Senator Teller. In a speech delivered in the United States senate last January Mr. Teller said that gold had appreciated about 40 per cent, but you must remember that no silver mine owner will take less than 100 per cent premium on his silver if he can get it. (Applause.)

What does Senator Jones of Nevada say, who Mr. Harvey must concede is good authority? He says, on February 14, 1878: "Labor is the real measure of the exchangeable value of commodities." This view he sustained with the most conclusive arguments and the same view is maintained by all reputable economical writers whose works are either read or remembered. Measured by the price of labor, gold has not appreciated. Wages all over the world are as high and higher now than they were in 1869. My friend persists in making his comparisons of relative values between gold and perishable commodities, like farm products. He ignores, entirely, the fact that labor is the most important wealth producer in the world. Take our own country for example. There are 14,000,000 people in the United States that labor for a living. Suppose that only 10,000,000 were actually employed, and each one of these people earns $1 a day every working day. That makes $10,000,000 a day and would make $3,113,000,000 in a year of 313 working days.

It is simply astounding what liberties my friend takes with figures. He has told you that the debts of all the United States exceed $40,000,000,000. Senator Peffer, who made a special investigation on this subject, computes it between $15,000,000,000 and $20,000,000,000. Twenty thousand millions more or less makes no difference to Mr. Harvey. He computed the national, state, county, city and school debt of the United States at over $6,000,000,000. The total debt of the United States, every state, county, city and school district in America is less than $2,500,000,000, and I challenge any man to contradict it, for I can prove it. What is the use of saying that we owe $40,000,000,000? I do not believe myself that the present wealth of the United States, all told, is $40,000,000,000. There has been a great shrinkage in our property values, but that is owing to circumstances over which we have no control. They have been periodical. It happened in the past, in the centuries away back, and it will happen again.

I read in an old book, not long ago, that in the early settlement of Ohio, when the farming lands were not accessible to the market, wheat sold for 8 cents a bushel, and the farmers had to either consume their wheat or let it rot, the same as people in the far west, not many years ago, had to burn corn, when they could do nothing else with it. But that was not caused by the decline of silver, surely. In June, 1867, oats sold in Chicago for 12½ cents a bushel, but nobody sought to attribute it to silver; who was responsible for that? In September, 1861, if I remember correctly, corn sold at Chicago at 20 cents a bushel. Who is responsible for that? And at that time we had paper money at a discount of 40 per cent in gold.

You have patiently listened to this gentleman and some of you are thoroughly saturated with that chloroform of his. Let me now give you a few points with regard to the money standard. The standard of value and the unit of value for the United States were established originally by Alexander Hamilton under the administration of George Washington. The unit of value was made the dollar; that was the name of the coin. The standard was a different matter. They pondered long and seriously as to which should be the standard; whether gold or silver, and finally they decreed that both gold and silver should be the standard, one exchangeable for the other. That was an experiment and that experiment they tried, as I stated already. The money in use in those days was mostly foreign coin, and the foreign coin was made legal tender. The language of the first coinage act was plain. It reads as follows: "The proportional value of gold and silver in all coin which shall be termed as money in the United States shall be 15 to 1, according to quantity of weight of pure gold or silver; that is to say, every fifteen pounds weight of pure silver shall be of equal value in all payments as one pound weight of pure gold, and so in proportion as to any greater or less quantities of the respective metals."

You will note that the weight was always the important consideration. These weights were fixed as standards of value, having always relatively the same exchangeability. The metal in the gold dollar was marketable for one dollar, and the metal in the silver dollar was marketable for a dollar of equal purchasing power as the gold dollar before it was coined. You have heard my friend make an appeal that goes way down to the marrow bones; you have been adjured to go back to the fathers of the republic stood. Is that the proposition now? Would the fathers of the republic have sanctioned or countenanced any scheme of repudiation? The fathers of the republic were sagacious, prudent and patriotic statesmen. They regarded the conditions surrounding them and acted in accordance with them. They were, above all things, men of the highest integrity. They sacredly observed every obligation, and it is our duty as men and patriotic citizens to do the same in our generation.

12:30—Adjourned until 2 p. m.

NO WEALTH MADE BY LEGISLATION.

I cannot too strongly impress upon your minds the idea that money cannot be

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