



ALTGELD ON SILVER.

The Governor of Illinois Talks
Free Coinage.

Extracts From His Speech in The Auditorium Which Are Worth Reading.

For a number of years there has existed throughout the civilized world a severe depression with a constantly increasing train of bankruptcy, ruin and misery. Nature has yielded her harvest as bountifully as ever and the intelligent, energy and ingenuity of man are as great as ever. We must therefore conclude that this sad condition is due to some unnatural and, extraordinary cause. That cause is the volume of money in the world, incident to destroying silver as a money metal.

The financial question, in its relations to the commerce, the history, the enterprise and the prosperity of the world, is governed by certain fundamental laws or principles. When these are followed all is well. One of these fundamental laws now universally recognized is that increase in the volume of money in the world raises the selling price of things, while a reduction in the amount of money in the world lowers the selling price of things. Another of these fundamental laws now universally recognized is that with rising prices go increased activity, enterprise and prosperity. Putting more money into the world is like putting more blood into the body; it gives new life, while falling prices stop enterprise, check industry and produce stagnation and distress, because debts, taxes and fixed charges never fall with the prices of things, consequently more property has to be sold to get the same amount of money in order to pay the debts, taxes, etc., so that the debtor has no money left to spend. This soon destroys the market for commodities, so that manufactures cannot sell their products and are consequently obliged to shut down. This, in turn, destroys the purchasing power of the laborer, so that there is paralysis and distress around the entire circle of business industry.

I saw a statement in a gold standard newspaper to the effect that we are now

prosperous, had about everything we needed, and ought to thank the Lord that we are as well off as we are. Now, I have no argument to make in answer to such wild statements as that. I simply leave it for every laborer, for every manufacturer, for every business man, yea, for every railroad man and every banker to answer. We have unlimited resources, have every kind and character of industry, and the ingenuity, enterprise, push, and intelligence of our people are unsurpassed anywhere; therefore we should be prosperous and happy.

The very first thing and the last thing that labor needs is a market for its products. You may speculate to a laborer until he is blind on the beauties of a dear dollar, and it will do him no good. His wife will be in rags and his children will starve. He must have somebody to buy that which he makes. If nobody comes to buy the things he makes, then the factory in which he works must shut down. If it shuts down he is in distress and his purchasing power is gone. The difficulty that has existed in our country in late years is underconsumption, not overproduction. The people are not in a condition to buy what they need, and they will not be until there is a rise in prices. When this happens the whole debtor and producing classes will again be able to buy, and there will be a restoration of our home markets.

The immediate question which confronts us is: Are we for or against the single gold standard? There is at present absolutely nothing to divide those who favor bimetalism and demand the free coinage of both gold and silver. We must first save the principal of bimetalism, for by the use of those peculiar and corrupting influences which capital always uses to carry its ends bimetalism has not only been overthrown, but a desperate and determined effort is now being made to drive the last nail into its coffin.

The question of ratio is scarcely open for discussion. We must first decide whether we shall have gold monometallism or gold and silver bimetalism. If we are to continue the single gold standard, then there is nothing further to discuss. Every intelligent man can see at glance that the establishment of

the great principal of bimetalism does not depend on any particular ratio or nothing. If we ever reach a point where the government has considered the question of ratio the battle for bimetalism will have already been won. And an intelligent consideration of the financial history of the world and of existing conditions will readily solve the problem when the time comes. I will only say it would be manifestly wrong to adopt the present market ratio, which is the result of giving gold a monopoly of the money function in the world and of demonetizing silver by law. To this world and of demonetizing silver by law. To do this would be to permanently lower the value of silver and to reduce the volume of money which could be coined from it in the future. It would be a little like making the present low price of wheat permanent, and it is probably that the whole production of both metals will be insufficient to meet the increased demands of the world in the future. Such an unjust ratio would affect the prosperity for all time. I believe that if an international agreement is ever made it will be on a basis of 15½ to 1, as that was the ratio which formerly existed in nearly all the countries of the world, and which worked so satisfactorily for 200 years. In our country the ratio was 16 to 1—that is, sixteen parts of silver to one of gold of equal fineness.

Many are demanding a return to the old standard, leaving the subject then to be dealt with as necessity may require. They regard this as the first step towards getting out of the woods and back to the great highway. They would be satisfied with any other fair ratio, but nothing else is offered them. For none of the men who criticize this restoration of the old standard has offered anything. Not one of them. If any man who is honestly for bimetalism can offer something better let him do so, and it will be considered. But the fact is that these critics are simply helping to maintain the single standard. That is the result of their attitude. I favor the immediate restoration of the free coinage of both gold and silver according to the old standard, and I believe if this is achieved the ratio question will be solved. But I say to all men, let us defeat this gold standard and make it possible for our