

HORR AND HARVEY.

LAST DAY OF THE GREAT FINANCIAL DEBATE.

The Question of the Advisability of the United States Resuming Free Coinage Without International Consent Final Subject of Discussion.

(Copyrighted, 1895, by Axel F. Hatch.) Chicago, July 30.—The Horr-Harvey debate was brought to a close to-day. The question of the wisdom of the United States returning to free coinage was the main subject discussed. The condensed report follows:

The Question at Issue.

Mr. Horr—* * * We are discussing a great question, and now to-day we come down to the gist of this whole business. The question is, can this nation alone establish the old ratio of 16 to 1 and maintain it among the nations?

Mr. Harvey—* * * In beginning the debate to-day, I hand to the stenographer a table, from pages 184 to 186 of the mint report for 1893, of the gold and silver coined in this country from 1792 to 1873, and make it a part of the debate. I do this to remove the representation that has gone all over the country that for the first half of the century we were on a silver basis and from 1850 to 1873 we were on a gold basis. The best answer to that argument is the production of the table of coins themselves. The statement that gold did not seek the mints for the first fifty years and that silver did not seek the mints for the last thirty years prior to 1873 is not true.

Page 130 of the United States Coinage Laws, Appendix and Statistics, 1894—I now hand the book to Mr. Horr—gives the approximate stock of money in the world. The stock of gold there given is \$3,901,900,000; the stock of silver there given is \$3,931,300,000. This estimate includes gold and silver coins and gold and silver bullion available for coinage into money. I have given it to you as expressed in dollars. As expressed in space or bulk there is, if each were melted into a solid mass, the cube of 22 feet of gold and the cube of 66 feet of silver. In chapter V of "Coin's Financial School" you are told how to make this calculation. But it is sufficient in this debate that we deal with these two metals as expressed in dollars.

The quantity of these two metals available for coinage into money is what is left after the demand for them of the arts and manufactures are supplied. As civilization has grown the use in arts and manufactures of these metals has grown out of proportion to the increase in population.

Report of the Director of the Mint. From Their Organization, by Calendar Years. Silver Coinage.

Calendar Years. Half Dollars. Dollars.

1793-5 \$ 204,791 \$ 161,572

1796 73,920

1797 7,776 1,659

1798 327,536

1799 423,515

1800 220,920

1801 54,454 15,144

1802 41,650 14,945

1803 66,064 15,857

1804 19,570 78,255

1805 321 105,861

1806 419,788

1807 525,788

1808 684,300

1809 702,905

1810 633,138

1811 601,822

1812 814,029

1813 620,951

1814 519,537

1815 23,575

1816 607,783

1817 980,161

1818 1,104,000

1819 375,561

1820 652,898

1821 779,786

1822 847,100

1823 1,752,447

1824 1,471,583

1825 2,002,090

1826 2,746,700

1827 1,537,600

1828 1,856,078

1829 2,382,400

1830 2,936,830

1831 2,398,500

1832 2,603,000

1833 3,206,002

1834 2,676,003

1835 1,000

1836 3,273,100

1837 1,814,910

1838 1,773,000

1839 300

1840 61,005

1841 173,000

1842 184,618

1843 165,100

1844 20,000

1845 24,500

1846 169,600

1847 140,750

1848 15,000

1849 62,600

1850 47,500

1851 1,300

1852 1,100

1853 46,110

1854 33,140

1855 26,000

1856 63,500

1857 94,000

1858 5,98,000

1859 636,500

1860 2,074,000

1861 733,930

1862 1,032,850

1863 78,500

1864 2,078,950

1865 12,090

1866 802,175

1867 27,680

1868 709,830

1869 31,170

1870 518,785

1871 47,000

1872 593,450

1873 49,623

1874 899,812

1875 60,325

1876 810,162

1877 182,700

1878 769,100

1879 424,304

1880 725,950

1881 445,464

1882 829,758

1883 1,117,138

1884 1,741,655

1885 111,600

1886 866,772

Dimes, half-dimes and 3-cent pieces are omitted from report.

One Nation Can Not.

Mr. Horr—I had just started to show that no nation alone can establish the old ratio of 16 to 1. I state now that I do not believe Mr. Harvey thinks any one nation can do it—at least he does not propose to keep that ratio. He says in his book "they say it is not bimetallism unless the two metals stay at exactly the parity of 16 to 1. These men do not know what bimetallism is. It may be desirable to let one metal go, as it would be now with both as primary money. We may have bimetallism and bimetallic prices whether one metal has a tendency to leave us more than the other or not, and if desirable to stop this leaving a change in the ratio will do, and if necessary we can do it so as to set the other metal going so that we can feed Europe either metal we choose." So he is not a stickler for 16 to 1 at all. Now I start out with this proposition: Nations by their laws do not fix the value of things. They can do it if they try. The actual value of the two metals at the present time is wide apart. The ratio of 16 to 1 is today a thing of the past; the value of the two metals in the markets of the world has changed all this discussion that we have had. How it happened to have been done, what brought it about, does not bear upon this question today. The figures 16 to 1 do not represent the commercial value of the two today, nobody claims they do. * * * It is useless to talk about fixing a comparative ratio between any two substances by legislation. Is there a man living who thinks all the nations in the world combined could fix a ratio of value between a bushel of wheat and a bushel of oats? Try it on. You will see where you will end up every steamer. On inquiry of one of the highest statistical authorities in London the fact was confirmed that despite the demonetization of silver by all of the great nations, including India, the use of silver in the arts has grown so wonderfully that there is a ridiculously small supply in the market at any one time."

Last Year's Silver Production.

The production of silver in the United States last year was bullion value \$40,000,000, and we exported bullion value \$37,164,713. Thus there was a demand in the balance of the world for substantially all of our silver. These are the facts, and this is the situation before us as we begin the argument for independent action of the United States. Let us first sound a few principles: The more costly either of these metals become, the greater the demand for it among the rich for use as ornaments. Where the dearer is used exclusively for primary money, it is the one that is hoarded. When gold and silver were both used as money in their rights silver was hoarded by the plain people and was brought forth to serve them in time of need. Gold is principally hoarded by the rich to serve a purpose in bulling the money market. Hoarding of silver by the people was beneficial; hoarding of gold is an injury. The cause of hoarding in the two instances is different. In the first instance it is to serve a natural law providing for the future; in the second instance it is a commercial motive affecting injuriously the community.

This is one of the reasons why silver has always proven the more stable money. Gold is not regular in production. I here hand the stenographer a table showing the production of gold for the world for the years 1849 to 1892, taken from page 103, Coinage Laws and Statistics, to be here inserted:

Production of Gold for the World.

Year. Amount.

1849 1,000,000

1850 41,450,000

1851 67,600,000

1852 132,750,000

1853 155,450,000

1854 127,450,000

1855 135,075,000

1856 147,600,000

1857 132,275,000

1858 124,650,000

1859 124,850,000

1860 119,250,000

1861 113,800,000

1862 107,750,000

1863 106,950,000

1864 113,000,000

1865 120,200,000

1866 121,100,000

1867 104,025,000

1868 109,025,000

1869 106,225,000

1870 106,050,000

1871 107,000,000

1872 99,600,000

1873 96,200,000

1874 90