SILVER AND GOLD

Gov. Altgeld's Great Speech

Delivered at the Auditorium in Chicago, Saturday Evening, May 16.

An Able and Convincing Address on the Money Question.

The Wageworker, the Farmer and the Producer Injured by the Single Gold Standard.

Business Depression Follows the Contraction of the Money of Redemption--Ratio, International Agreement, Over-Production, Price, Value, Etc., Ably Discussed--The Future Prosperity of Our Country and the Perpetuity of Our Republican Institutions Involved in the Issue.

Chicago, Ill., May 16.—The following is the address on the money question delivered by Gov. John P. Altgeld at the Auditorium to-night before a large and enthusiastic audience:

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 intelligence, 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 great reduction in the volume of money in the world, incident to destroying silver as a money metal.

The financial question, in its relation to the commerce, the industry, 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, industry, 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 price 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 manufacturers 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 and industry.

When carefully examined it is found that all of the panics we have had in this country were the result of a contraction of the currency brought about by one cause or another. Inasmuch as the panic of 1873 is sometimes mixed up in the discussion of the silver question I desire to say a few words in regard to it, simply to point out at the betion with it. That panic was local to the United States and was due to causes which were local to this country. The panic which struck this country in 1893 was not local but extended over the civilized world and had been felt in other countries for a number of years before it reached us.

During our civil war the government issued paper money in large amounts and there was neither gold nor silver ginning it had no direct connecin circulation in this country. After the war tne government began to contract the amount of paper which was outstanding by issuing bonds with which to take it up. In recent years attempts have been made to revise the treasury reports in order to make it appear that the contraction had not been great. But John J. Knox, who was for a time comptroller of the treasury, and is regarded as an accurate authority, published an article in Laylor's Cyclopedia based on the treasury reports issued during and after the war in which he gives a table showing the amount of paper money the treasury had outstanding on July 1st of each year for a number of years and the character of each kind of notes. According to this table the largest amount of paper money we had in circulation at any time during and immediately after the war was in 1866, when we had $1,261,415,475 in government paper and $281,479,908 in national bank notes, making a total of $1,542,895,383. By 1870 the government paper was reduced to $396,894,212, while there were $299,766,984 of national bank notes, making a total of $696,661,196. In other words there was a reduction in the total amount of paper money in circulation in this country from 1866 to 1870, of $846,234,177. Inasmuch as the enterprise, industry and ingenuity of our people had loaded every dollar of this paper money which had been in circulation with as much business as it could possibly carry it was inevitable that a fall in prices corresponding to the reduction in the volume of money must follow. Senator John Sherman recognized this fact and in a discussion of the currency question in the United States senate in 1869, he said:

"The contraction of the currency is a far more distressing operation than the senators suppose. Our own and other nations have gone through that operation before. It is not possible to take that voyage without the sorest distress. To every person except a capitalist out of debt or a salaried officer or annuitant, it is a period of loss, danger, lassitude of trade, fall of wages, suspension of enterprises, bankruptcy and disaster. It means ruin of all dealers whose debts are twice their business capital though one-third less than their total property. It means the fall of all agricultural production without any great reduction of taxes. What prudent man would dare to build a house, a railroad, a factory or a barn with this certain fact before him?"

Notwithstanding this warning of danger the government went on with its policy of contraction and Sherman's predictions were more than verified. Universal bankruptcy, ruin and distress with their attendant increase in suicides, crime and insanity constituted the price which the American people paid to get on what was then called a "specie basis." I will not stop here to ask the question whether the American nation ever received any equivalent for the awful price which it here paid or not; I am only commenting upon an historical fact.

Toward 1880 the balance of trade was largely in our favor for a number of years, which fact tended to increase the volume of money in our country. The productions of our mines were very large for several years so that including treasury and national bank notes there were according to the treasury tables in the year 1880, between $1,100,000,000 and $1,300,000,000 of money in this country, being an increase of from 60 to 80 per cent over the sum which we had when the government had ceased contracting the currency and there followed a corresponding increase in the price of property. This was accompanied by general activity and prosperity which was, however, local to our country and lasted only a few years until we began to be affected by that general depression which followed the demonetization of silver.

Demonetization of Silver.

While the subject of demonetizing silver had been agitated in Europe for many years, it had not been in the United States, but inasmuch as neither gold nor silver was circulating here the manipulators got our government to take the initiative in striking down silver. Accordingly the American congress, in February, 1873, by law demonetized silver, so that it was no longer a part of our standard coinage and was no longer a legal tender as money for large sums, thus depriving it of its function as money. The effect of this was not at once noticed here. In the fall of the same year the German empire not only demonetized silver by law, but gradually threw nearly $400,000,000 of silver quietly onto the market as a commodity. Norway, Sweden, Denmark and some smaller states more or less dependent upon Germany demonetized silver by law immediately thereafter; Holland struck down silver by law in 1875; Russia in 1876; France and the countries of the Latin union by law stopped the coinage of silver in 1878; Austria established a gold standard in 1879.

In 1878 congress attempted to remonetize silver but the opposition was able to partially frustrate the movement. The Bland-Allison bill was passed, but it limited the amount to be coined to from two to four millions per month and it did not make this full legal tender and the coinage was not free as it formerly was and as that of gold is. In 1890 this law was repealed and the Sherman law was passed under which the government purchased forty-eight millions of dollars worth of silver every year and issued certificates against it. This added forty-eight million dollars to our currency every year and helped slightly to keep up prices. But President Cleveland convened congress in special session to repeal this law in 1893 and a further disturbance of prices ensued. The Indian mint continued coinage of silver until June, 1893, and inside of six days from the day it closed there was a fall in prices of nearly twenty-five per cent.

Beginning of the Movement.

Although the subject had been mooted before, there was no agitation in favor of adopting a single standard until about the beginning of this century, when a number of writers discussed it. In 1802 Citizen Berenger, who had been deputized by the French government to make a report on this question, reported in favor of a single silver standard. Not gold, but silver. Berenger was one of the ablest men that have written upon this question, and it is noticeable that he advanced in 1802 practically all of the arguments in favor of a silver standard that have since been advanced in favor of a gold standard. Like the single standard men of to-day, he took the ridiculous position of fiercely contending that the government could not increase or decrease the purchasing power of a metal—that the whole matter was regulated by commerce—and yet, instead of leaving it to commerce, he labored for years, in season and out of season, to get the government to adopt one metal and strike down the other by law.

In 1816 Lord Liverpool succeeded in getting the English government to adopt the gold standard by law, and his principal argument in favor of it was that the other nations of the world were using silver almost exclusively, and if England adopted gold and coined it in denominations that were not in use in other countries her money would be less liable to be drawn from the island, and that when it was drawn from the island it would have a constant tendency to return. The idea of getting an advantage over other countries by the use of gold was not then thought of. This advantage arose later, out of the fact that England, having become the great commercial and ship owning nation of the world and London the great financial center, her people got the benefit of the exchanges and in time got the benefit of all those advantages which are reaped by men who handle large sums of money and are in a situation to compel others to come and deal with them.

There were a number of minor steps taken by some of the governments, which need not be noticed in this brief survey, but the advocates of a single standard increased in number and were finally divided into three classes: One class that wanted uniformity of coinage in order to escape the confusion which resulted from a great variety of coins issued by different small principalities. This class did not believe that there was enough of either metal in the world to do the world's business, and favored the theory of having some countries adopt gold and other countries adopt silver. Another class was made up chiefly of professors, who advanced various theories which they wanted to have put into practice. The third and more powerful branch consisted of the great creditor classes, who wanted to make money dear, and of nearly all the official classes who hold office for life and draw salaries from the government. The charter of the Bank of England being about to expire was renewed by parliament in 1844, and in the act renewing the charter, parliament provided that the bank must buy up all gold of lawful standard that should thereafter be offered at £3 17s 9d per ounce of standard gold. In other words, it fixed the minimum price for gold by law and furnished the world a purchaser for it. Had it provided by law that the bank must buy every pound of wool thereafter offered at 30 cents per pound, it is evident that 30 cents per pound would have formed a minimum price for wool after that date, especially if it were limited in quantity, and this would have been due not to business or commerce, but to the arbitrary act of government.

About the time of the great discoveries of gold in California and Australia, the creditor and office holding class, fearing higher prices, started an agitation in favor of the demonetization of gold; and Holland, as well as some of the smaller German states, actually demonetized gold for a time. Soon after 1850, when it became evident that the new gold fields were not going to deluge the world, the agitation in favor of demonetizing gold ceased, and then became active in favor of demonetizing silver. International monetary conferences were held at different times, at which the idea of establishing a single gold standard was strongly pressed, although the folly and danger of it were pointed out by some of the ablest statesmen and financiers of the world; but the influence of the office-holding and money-lending classes was sufficiently potent to quietly carry it out, and finally they induced the American congress to take the initiative.

Ratio Between Gold and Silver.

As each little country had its own system of finance the greatest confusion prevailed until about two hundred years ago, when some of the governments of Europe provided by law that silver and gold should be coined at the ratio of 15½ parts of silver to one of gold of equal fineness; in some it was 15 to 1; while in our country it was 15 to 1 until 1834 and then 16 to 1. This constituted the legal ratio or mint price and it is remarkable that for two hundred years after the establishment of this legal ratio or mint price the market ratio or price remained substantially the same as the legal ratio, the difference being chiefly the cost of exchange, and the market ratio or price was uninfluenced by the increase or decrease in the production of either metal from time to time. The statistical tables giving what is called the market price of gold and silver for two hundred years prior to 1873 show that there was practically no variance of the market ratio of fifteen and a half to one during all that time. Sometimes one metal would be a little more plentiful than the other in a particular country, but this did not matter; the ratio or price of each remained the same and the sum of the two metals taken together and treated practically as one constituted the measure of value of things throughout the world. During all that time commerce never lifted its finger in favor of the demonetization of either metal and the contention that the business of the world discriminated against silver is not true.

Commerce Obeys Statutory Law.

The history of these two hundred years show that instead of commerce dicating, it always adapts itself to the established laws; in fact, the theory of tariffs and of protection rests entirely upon the idea that the business of the world adjusts itself to positive statutory enactments. At present gold is protected; it is given a monopoly through the act of government.

What American and European Statesmen Have Said on the Subject of a Single Standard.

Attempts have been made to bolster this dishonest single standard movement up with the names of distinguished statesmen and to make it appear that they favored that which in reality they denounced. In 1792 Alexander Hamilton wrote upon this subject:

"Upon the whole it seems to be most advisable as has already been observed, not to attach the unit exclusively to either of the metals, because this can not be done effectually without destroying the office and character of one of them as money and reducing it to the situation of mere merchandise. To annul the use of either of the metals 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 with the evils of a scanty circulation."

Jefferson wrote to Mr. Hamilton in February, 1792, these words: "I concur with you that the unit must stand on both metals."

In 1822 William H. Crawford, secretary of the treasury, reported to congress as follows: "All intelligent writers on the currency agree that when it is decreasing in amount poverty and misery must prevail." In 1852 Mr. R. M. T. Hunter, in a report to the United States senate, said:

"Of all the great effects produced upon human society by the discovery of America there were probably none so marked as those brought about by the great influx of the precious metals from the new world into the old. European industry had been declining upon the decreasing stock of the precious metals and an appreciating standard of values. Human ingenuity grew dull under the paralyzing influences of declining profits, and capital absorbed nearly all that should have been divided between it and labor. * * * * The mischief would be great indeed if all the world were to adopt but one of the precious metals as the standard of value. To adopt gold would diminish the specie currency more than one-half and should silver be taken as the only standard, the reduction would be large enough to prove highly disastrous to the human race."

In February, 1878, Mr. James G. Blaine said: "On the much vexed and long mooted question as to a bimetallic or monometallic standard my views are sufficiently indicated in the remarks I have made. I believe the struggle now going on in this country and in other countries for a single gold standard would if successful, produce widespread disaster in and throughout the commercial world. The destruction of silver and establishing gold as a sole unit of value must have a ruinous effect upon all forms of property except those improvements which yield a fixed return in money. It is impossible to strike silver out of existence as money without results which will prove distressing to millions and disastrous to tens of thousands. I believe gold and silver coin to be the money of the constitution; indeed, the money of the American people anterior to the constitution, which the great organic law recognized as quite independent of its own existence. No power was conferred on congress to declare either metal should not be money. Congress has in my judgment no power to demonetize silver any more than to demonetize gold."

United States Senator Roger Q. Mills, in discussing this question, said: "But the crime that is now sought to be perpetrated on more than fifty millions of people, comes neither from the camp of the conqueror, the hand of the foreigner nor the altar of an idolator. * * * * it comes from the sold phlegmatic, marble heart of avarice that seeks to paralyze labor, increase the burden of debt and fill the land with destitution and suffering to gratify the lust for gold. * * * * It demands of congress an act that will paralyze all the forces of production, shut out labor from all employment, increase the burden of debts and taxation, and send desolation and suffering to all the homes of the poor."

In 1878 John G. Carlisle, while discussing this subject in the American congress, said: "I know that the world's stock of precious metals is none too large and I see no reason to apprehend that it will ever become so. Mankind will be fortunate indeed if the annual production of gold and silver coin shall keep pace with the annual increase of population, commerce and industry. According to my view of the subject, the conspiracy which seems to have been formed here and in Europe to destroy by legislation and otherwise, from three-sevenths to one-half the metallic money of the world, is the most gigantic crime of this or any other age. The consummation of such a scheme would ultimately entail more misery upon the human race than all the wars, pestilence and famine that ever occurred in the history of the world. The absolute and instantaneous destruction of half the moveable property of the world, including horses, ships, railroads and all other appliances for carrying on commerce, while it would be felt more sensibly at the moment, would not produce anything like the prolonged distress and disorganization of society that must inevitably result from the permanent annihilation of one-half of the metallic money of the world." Contrast these words of Carlisle with the sophistry he is now uttering.

While secretary of the treasury, Mr. John Sherman wrote to W. S. Groesbeck, of Cincinnati, Ohio, saying, among other things: "During the monetary conference in Paris I was strongly in favor of the single standard of gold, and wrote a letter which you will find in the proceedings of that conference stating my views. At that time the wisest of us did not anticipate the sudden fall of silver, or rather the rise of gold, that has occurred. Other arguments showing the dangerous effect upon industry by dropping one of the precious metals from the standard of value outweigh in my mind all the theoretical objections to the bimetallic system."

I have time to notice only a few of the utterances of the great men of Europe who were familiar with this subject. I will first notice the results of the researches and observations of the Historian Hume, expressed as follows:

"It is certain that since the discovery of the mines in America industry has increased in all the nations of Europe. We find that in every kingdom in which money begins to flow in greater abundance than formerly everything takes a new faith. Labor and industry gain life, the merchant becomes more enterprising, the manufacturer more diligent and skillful."

Mr. Ernest Seyd, a high European authority, wrote years ago:

"Upon this point all authorities upon the subject are in accord, to-wit: That the large increase in the supply of gold has given a universal impetus to trade, commerce and industry, and to general social development and progress."

In 1843 Leon Fauchet, in his work entitled "Researches Upon Gold and Silver," says: "If all the nations of Europe adopted the system of Great Britain, that is, single gold standard, the price of gold would be raised beyond measure, and we should see produced in Europe a result lamentable enough."

In 1869, while the agitation in favor of demonetizing silver was in progress, the French government appointed a commission to inquire into the subject. A number of distinguished financiers appeared before this commission and gave their views. M. Wolowski said: "The sum total of the precious metal is reckoned at fifty milliards, one-half gold and one-half silver. If, by a stroke of the pen, they suppress one of these metals in the monetary service they double the demand for the other metal to the ruin of all debtors."

M. Rouland, the governor of the Bank of France, said: "We have not to do with idle theories. The two moneys have actually co-existed since the origin of human society; they co-exist because the two are necessary, by their quantity, to meet the needs of circulation."

The American people have heard much about the Rothschilds. I will quote from one. Baron Rothschild, one of the greatest financiers of the age, said to this commission: "The simultaneous employment of the two precious metals is satisfactory and gives rise to no complaint; whether gold or silver dominates for the time being, it is always true that the two metals concur together in forming the monetary circulation of the world, and it is the general mass of the two metals combined which serves as the measure of the value of things. The suppression of silver would be a veritable destruction of values without any compensation."

Let me state here that in the many books that have been written on this subject I know of no instance in which the essence of the whole matter is given in such few words as is done here by the Baron Rothschild:

1st. The use of the two metals is satisfactory and gives rise to no complaint. 2d. Whether one or the other dominates for the time, it is always true that the two together concur in forming the monetary circulation of the world. 3d. It is the mass of the two metals combined which serves as the measure of the value of things. 4th The suppression of silver would be a veritable destruction of values without compensation.

Over a year ago the secretary of the United States treasury went to New York and in an address to the Association of Bankers at a wine dinner in speaking of bimetallism or a combined standard said that he could not understand how there could be a combined or bimetallic standard of values any more than there could be two standard yard sticks of different lengths. Whether Mr. Rothschild would have seen two yard sticks after a wine dinner I do not know, but there are men who have seen worse things than yard sticks under such circumstances.

In 1873 the great Prof. Laveleye appeared before the Belgian monetary commission and among other things said: "The debtors, and among them the state, have the right to pay in gold or silver and this right cannot be taken away without disturbing the relation of debtors and creditors, to the prejudice of the debtors to the extent perhaps of one-half, certainly of one-third. To increase all debts at a blow is a measure so violent, so revolutionary, that I cannot believe that the government will propose it or the chambers will vote it."

In 1876, when some countries had already stricken down silver and others were urged to do so, the Westminster Review, a standard publication, in an able article on the subject said: "One of the things involved is the probable appreciation of gold. In other words an increase in its purchasing power that consequently * * * prices have seen their highest for many a long day and that debts contracted in gold will by reason of this movement tend to press more heavily on the borrowers and that it will be well if this pressure does not become so intolerable as to suggest a way of solution something like universal repudiation."

In the article on Money in the Encyclopedia Britannica, written prior to 1883, by C. F. Bastable, a distinguished English writer on finance, from an English point of view, the writer estimates that from 1849 to 1869 there was an increase of 20 per cent in the volume of money in the world and that this caused a general increase of wages and greatly improved the condition of the classes living by manual labor. On the question of a standard he says: "The immediate introduction of a universal gold currency, is by the admission of all parties, eminently undesirable and this is the only settled point in the controversy." Speaking of the fall of silver he insists that careful investigation shows that any increase in production had little to do with it, but that "the great depreciation of silver resulted mainly from its having ceased to be money over a large part of the civilized world," and that this is due to governmental action. He holds with Delmar that what is called "the cost of production theory," is not sound. But on the subject of restoring silver by international agreement he claims that as England is a creditor nation it will not be to her interest to give up any advantage which the debtor nations have given her through their own legislation.

At the international monetary conference held in Paris in 1878, Mr. Goschen, who represented England, and who by reason of his experience as a banker and as cabinet minister, may be regarded as one of the greatest financiers and statesmen in this line in the world, in a discussion of this question said:

"If, however, other states were to carry on a propaganda in favor of a gold standard and the demonetization of silver, the scramble to get rid of silver might provoke one of the greatest crises ever undergone by commerce. * * * * There would be a fear on the one hand of a depression of silver, and on the other of a rise in the value of gold and a corresponding fall in the prices of all commodities. The American proposal for a universal double standard seemed impossible of realization, but the theory of a universal gold standard was Utopian and indeed involved a false Utopia. It was better for the world at large that the two metals should continue in circulation than that one should be universally substituted for the other."

In 1883, when the demonetization of silver had been practically effected by most of the European nations, Mr. Goschen deliveredanaddressbefore the Institute of Bankers in London, having for his audience the most experienced and conservative financiers in the world.

After referring to the argument that less money was necessary than formerly because of certain economies effected in the way of drafts, checks, etc. he said: "I certainly do share the opinion that the economies effected do not counterbalance the strain put upon gold, either by the increased demands of the population for pocket money, or for the liquidating of the enormously increased balance of transactions both of this country and of others. Happy then it is for those who have the sovereigns. On the other hand, unhappy it is for those who have commodities left on hand and produce which they have not sold.

"It is true," he says, "that no state action on the part of England can be cited, but it would not be true of Europe generally, because if the fall of prices has been brought about by the absorption in Germany, Italy and the United States of nearly £200,000,000 of gold coinage, it is by the laws passed by those governments, and not by any change in production, that the serious results indicated have been caused; therefore, I wish to put aside the doctrine that it is utterly out of the question for states to act. I must reply that to my mind the connection between the additional demand for gold and the position of prices seems as sound in principle as I believe it to be sustained by facts."

My fellow citizens, you notice that Mr. Goschen not only holds that governments can legislate in such manner as to raise the price of some things and depress the prices of others, but he believes that in this case the rise in the purchasing power of gold and the consequent fall of prices was due to govermental actions.

In June, 1885, Mr. Robert Giffen, the official statistician of the British Board of Trade, published a remarkably able article in the Contemporary Review on the subject of the fall in the prices of commodities throughout the world. He says: "We have the facts as to the extraordinary demands for gold since 1872. In round figures there have been new demands for about £200,000,000 sterling of gold, an amount very nearly equal to the whole annual production of the period, although a larger amount than that annual production had been necessary in previous years to maintain the state of prices which then existed."

He then points out that twelve million pounds sterling, or sixty million dollars, are annually required to replace the wear tnd tear of coin and meet the increase in the demand for money caused by increase of population; and then adds: * * * * * Looking at all the facts, therefore, it appears impossible to avoid the conclusion that the recent course of prices is the result in part of the diminished production and the increased extraordinary demands upon the supply of goid. It is suggested, indeed, that the increase of banking facilities and other economies in the use of gold may have compensated the scarcity, but the answer clearly is that in the period between 1850 and 1873 the increase of banking facilities and similar economies was as great relatively to the arrangements existing just before as anything that has taken place since. The same reply may also be made to the suggestion that the multiplication of commodities accounts for the entire change that has occurred. There is no reason to suppose that the multiplication of commodities has proceeded at a greater rate since 1873 than in the twenty years before that. Yet before 1873 prices were rising notwithstanding the multiplication of commodities and since that date the tendency has been to decline. The one thing which has changed, therefore, appears to be the supply of gold and the demands upon it, and to that cause largely we must accordingly ascribe the change in the course of prices which has occurred."

Stringencies in Money Market.

In commenting on the extraordinary demands upon gold, Mr. Giffen says: "Now the course of the market since 1871 has been full of stringencies. In almost every year except '78 and '80 there has been a stringency of greater or less severity directly ascribable to or aggravated by the extraordinary demands for gold and the difficulty of supplying them."

There is one more American authority which I shall quote and that is the Chicago Tribune. It is perhaps not generally known that the Chicago Tribune gave to the world some of the ablest arguments yet made in favor of the remonetization of silver and against a single gold standard.

For example, on Jan. 14, 1878, the Tribune said: "Silver dollars of 371¼ grains pure were established as the standard of value or unit of account by the act of April 2, 1792, and this continued in full force until 1873-4." On Feb. 23, 1878, it said: "In 1873-4 as it was two years later discovered the coinage of this silver dollar was forbidden and silver dollars were demonetized by law. This act was done secretly and stealthily to the profound ignorance of those who voted for it and of the president who approved it. * * * * under cover of darkness it abolished the constitutional dollar and has arbitrarily and to the immense injury of the people added heavily to every form of indebtedness public and private." On Jan. 10, 1878, the Tribune said: "The silver dollar fills the bill exactly. So long as it was a legal tender it was an honest dollar, worth one hundred cents and had the ring of the true metal. Remonetize it and it will again be what it was for eighty years, worth one hundred cents." And again: "The big dollar (that is at a ratio of say 20 to 1) is just what the country must stop if it hopes to escape universal bankruptcy. We want the old historical dollar of 371¼ grains pure silver, the equivalent of the old Spanish milled dollar, and nothing else. The present purchasing power of the gold dollar has been fearfully enhanced."

On Jan. 5, 1878, it said: "The folly of advocating the single gold standard of money must be obvious to every one not blind as a bat in the day-light." On Feb. 6, 1878, it said: "It is mere naked, unsupported, irrational, impudent assertion that remonetization of silver will not reduce the difference in value between it and gold. Silver, even as bullion has not depreciated since it was demonetized as compared with property or labor." And on Jan. 8, 1878, it said: "The theory that a remonetization of the silver dollar demands that the weight of that dollar be increased to correspond to the present London value of silver as measured by cornered gold is simply absurd." On Jan. 5, 1878, in answer to the question as to whether the world could safely dispense with silver, it said: "Let the falling prices and the rising multitudes of unemployed men answer this question." And on Jan. 16, it had this editorial: "To undertake to do the business of the world on a single gold basis of measurement and equivalents means loss, bankruptcy, poverty, suffering and despair. Debts will grow larger and taxes become more onerous. The farmer will receive small prices for his crops, labor will be forced down, down, down, and there will be a long series of strikes, lock-outs and suspension of production. Those who own property but owe for it in part will see their mortgage increasing in proportion as gold acquires new purchasing power, while the property itself will be shrinking in value. There will be no relief, it must be kept in mind, for gold will be the only recognized equivalent of values, the stock of gold will be power constantly growing and the circle of wealth will be uniformly contracting." Nothing more prophetic was ever written.

A volume could be filled with editorials expressing similar sentiments written by the great editor of the Tribune. Now, by way of contrast, I will give you some of the arguments which the Chicago Tribune is making at present against the cause of silver, and the people who advocate it. "Lunacy," "Monstrous absurdity," "Dishonesty," "Cranky notion," "Silver craze," "Dishonest dollar," "Scoundrelly scheme," "Liars," "Hypocrites," etc. To use its own language, the Tribune seems to be "as blind as a bat in daylight."

Is Less Money Needed.

It is claimed by single standard men that but little money is needed; that scarcely three per cent of the business of the world is done with actual money. That the business affairs of the world, great and little, are carried on by means of checks, drafts, bills of exchange and bank notes; and this is unquestionably true; but it being admitted that some money is necessary as a base for it all, the single standard advocates make a mistake in imagining that the world can get along with less money than formerly. Immediately prior to 1873, the world was as well banked as it is now, and all the agencies and systems of credit, in the use of bank notes, checks, etc., were as fully developed then as they are now, and if it at that time required all the silver and all the gold that there was in the world to form a basis for the business that was done, it will require the same to-day; in fact, it will require more money to-day than formerly to restore the business of the world to what it formerly was because the population has greatly increased, and the area over which business has to be done has greatly increased. Business can be carried on in a city with less money than it can in new and extended countries. The principle thing which is overlooked by the single standard people is the fact that the industry, energy and enterprise of the world are always carried to the utmost extent that the total amount of money in the world will admit of. Every dollar of money is at once loaded with as much credit as it can possibly carry. I have here a picture of an inverted pyramid, the point turned down. This pyramid represents the business of the world as it formerly stood. At the bottom, marked in black is the actual money, both gold and silver, which supported this pyramid. You will see it constituted only about three per cent of the whole although the exact proportion is immaterial to illustrate the principle involved.

Now, if every dollar was already loaded to its full capacity to carry, I ask you what will happen if you arbitrarily, by law, pull out from under this pyramid one-half of the money that is supporting it? I imagine I hear some one say, it will have to collapse. That is correct and that is exactly what happened in this case; the business of the world collapsed.

Either Half Price or Half as Much Work.

If the world now has only half the money that it formerly had, then it must follow that either the world's work must be done for half the former price or else only half as much work can be done. In either case the men who do the work will be ruined, for in one case they must work for half pay, and in the other there will be two men for each job. And as the debts, interest, taxes, and other fixed charges have not been lowered, and will absorb nearly all the earnings, I will ask is there any hope for our agricultural classes, for our manufacturers, for our great producing classes of various kinds? Does not the single standard mean the impoverishment of these classes and a permanent lowering of their status?

Amount of Money in this Country.

The comptroller of the currency of Washington, has for a number of years invited all the banks of the United