

Here is a harbor that is actually completed, but there is some little unimportant work that might be continued at an expense of \$25,000. Ten thousand dollars of it is appropriated in this bill.

Mr. BOUTWELL. I think upon the statement made, which is supported I see by the report of the engineers, we shall all concur in the report of the committee.

Mr. ALLISON. I am glad to have one amendment concurred in.

The PRESIDING OFFICER. The question is on the amendment. The amendment was agreed to.

Mr. INGALLS. I move that the Senate do now adjourn.

Mr. SHERMAN. I should like to make a conference report.

The PRESIDING OFFICER. The question is on the motion to adjourn.

The question being put, there were on a division—ayes 24, noes 20.

Mr. WITHERS. I ask for the yeas and nays.

The yeas and nays were ordered, and being taken, resulted—yeas 28, nays 20; as follows:

YEAS—Messrs. Boutwell, Bruce, Cameron of Wisconsin, Christianity, Conkling, Conover, Cooper, Cragin, Dawes, Edmunds, Ferry, Frelinghuysen, Hamilton, Harvey, Hitchcock, Ingalls, Jones of Florida, Jones of Nevada, McCreery, McMillan, Mitchell, Norwood, Patterson, Ransom, Sherman, Spencer, Stevenson, and West—28.

NAYS—Messrs. Allison, Anthony, Boggs, Caperton, Davis, Dennis, Eaton, Gordon, Hamlin, Howe, Kernan, Key, McDonald, Maxey, Merrimon, Oglesby, Padlock, Wallace, Whyte, and Withers—20.

ABSENT—Messrs. Alcorn, Barnum, Bayard, Booth, Burnside, Cameron of Pennsylvania, Clayton, Cockrell, Dorsey, Goldthwaite, Johnston, Kelly, Logan, Morrill, Morton, Randolph, Robertson, Sargent, Saulsbury, Sharon, Thurman, Wadleigh, Windom, and Wright—24.

So the motion was agreed to; and (at five o'clock p. m.) the Senate adjourned.

HOUSE OF REPRESENTATIVES.

THURSDAY, July 13, 1876.

The House met at twelve o'clock m. Prayer by Rabbi Dr. M. LILIENTHAL, of Cincinnati, Ohio.

The Journal of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. SYMPSON, one of their clerks, informed the House that the Senate was ready to proceed upon the impeachment of William W. Belknap and to receive the managers on the part of the House, and that the Senate Chamber was prepared with accommodations for the reception of the House of Representatives.

POST-OFFICE BIDS.

Mr. CLARK, of Missouri. I move, by unanimous consent, that the House take from the Speaker's table the bill (H. R. No. 2684) to amend sections 246 and 251 of the act entitled "An act to revise and consolidate and amend the statutes relating to the Post-Office Department," approved June 8, 1872, as amended by the twelfth section of the act entitled "An act making appropriations for the service of the Post-Office Department for the fiscal year ending June 30, 1875, and for other purposes," approved June 23, 1874, and for other purposes, which has been returned from the Senate with amendments, in order that they may be concurred in.

There was no objection, and the amendments of the Senate were read.

The first amendment was to strike out the following words, from line 3 to line 11: "246 and 251 of the act entitled 'An act to revise, consolidate, and amend the statutes relating to the Post-Office Department,' approved June 8, 1872, as amended by the twelfth section of the act entitled 'An act making appropriations for the service of the Post-Office Department for the fiscal year ending June 30, 1875, and for other purposes,' approved June 23, 1874," and to insert in lieu thereof "3946 and 3951 of the Revised Statutes;" so as to read:

That sections 3946 and 3951 of the Revised Statutes be amended to read as follows.

The second amendment was in line 14, to strike out after the word "section" the words "246" and insert "3946."

The third amendment was in line 33, to change "section 251" to "section 3951."

The fourth amendment was in line 39, after the word "bidder," to insert the words "or bidders, in the order of their bids;" and in line 42, after the word "bid," to insert "or bids;" and in the same line, after the word "high," to insert "and in case each of said bids shall be considered too high, then the Postmaster-General shall be authorized to enter into contract, at a price less than that named in said bids, with any person, whether a bidder or not, who will enter into contract to perform the service in accordance with the terms and provisions prescribed for the execution of other contracts for similar service; and in case no satisfactory contract can be thus obtained, he shall re-advertise such route;" and in line 51, to strike out the words "in which case he shall re-advertise such service;" so as to read:

SEC. 3951. That after any regular bidder whose bid has been accepted shall fail to enter into contract for the transportation of the mails according to his proposal, or having entered into contract, shall fail to commence the performance of the service stipulated in his or their contract as therein provided, the Postmaster-General shall proceed to contract with the next lowest bidder or bidders, in the order of their bids, for the same service, who will enter into a contract for the performance

thereof, unless the Postmaster-General shall consider such bid or bids too high, and in case each of said bids shall be considered too high, then the Postmaster-General shall be authorized to enter into contract, at a price less than that named in said bids, with any person, whether a bidder or not, who will enter into contract to perform the service in accordance with the terms and provisions prescribed for the execution of other contracts for similar service; and in case no satisfactory contract can be thus obtained, he shall re-advertise such route.

Amend the title so as to read:

An act to amend sections 3946, 3951, and 3954 of the Revised Statutes.

Mr. CLARK, of Missouri. I move the amendments of the Senate be concurred in.

The motion was agreed to.

Mr. CLARK, of Missouri, moved to reconsider the vote by which the amendments of the Senate were concurred in; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

VETO POWER IN ARIZONA TERRITORY.

Mr. PATTERSON, by unanimous consent, from the Committee on the Territories, reported back the bill (H. R. No. 1970) relating to the approval of bills in the Territory of Arizona, with amendments by the Senate, and with the recommendation that the Senate amendments be concurred in.

The amendments of the Senate were read, as follows:

In line 15, strike out the word "three" and insert the word "ten."

In line 18, strike out the word "three" and insert the word "ten."

At the end of the bill insert:

And provided further, That acts so becoming laws as aforesaid shall have the same force and effect, and no other, as other laws passed by the Legislature of said Territory.

The amendments of the Senate were concurred in.

Mr. FORT moved to reconsider the vote by which the amendments of the Senate were concurred in; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

PAY OF COMMITTEE CLERKS.

Mr. FORT, by unanimous consent, from the Committee of Accounts, reported the following resolution; which was read, considered, and agreed to:

Resolved, That the Committee on the Real-Estate Pool and Jay Cooke Indebtedness be, and they are hereby, allowed to retain the services of a clerk from the expiration of the last term of said clerk to the 15th day of July, 1876, with compensation of \$4 per day.

Mr. FORT also, by unanimous consent, from the Committee of Accounts, reported the following resolution; which was read, considered, and agreed to:

Resolved, That the Committee on Expenditures in the State Department be, and they are hereby, allowed to retain the services of a clerk for thirty days, from the 16th of June to the 16th of July, at a compensation of \$4 per day.

FINAL ADJOURNMENT.

Mr. MACKEY, of Pennsylvania. I offer the following resolution for reference to the Committee on Appropriations:

Resolved by the House of Representatives, (the Senate concurring,) That the Speaker of the House of Representatives and the President of the Senate be, and they are hereby, directed to adjourn their respective Houses sine die on the 25th July, 1876, at twelve o'clock meridian.

Mr. SPRINGER. I object.

Mr. PAGE. If in order, I move to amend by inserting "the 20th" instead of "the 25th of July."

The SPEAKER *pro tempore*. The resolution can only be referred at this time by unanimous consent.

Mr. MACDOUGALL. I would like to inquire if that is not a privileged question?

Mr. SPRINGER. I have no objection to the reference of the resolution. Let it be referred to the Committee on Appropriations.

The SPEAKER *pro tempore*. That is what the gentleman from Pennsylvania asks.

Mr. GARFIELD. The resolution ought to go to the Committee of Ways and Means. That has always been the custom with such resolutions.

Mr. SPRINGER. I understand that the usage has been that resolutions of this kind have gone to the Committee of Ways and Means. I agree to its going to that committee.

The SPEAKER *pro tempore*. Does the gentleman from Pennsylvania [Mr. MACKEY] object to the change of reference?

Mr. GARFIELD. I hope the gentleman will not object to that. If he does, I move that it be referred to the Committee of Ways and Means.

Mr. COCHRANE. I call for a division on that question.

The question being taken, there were ayes 101, noes not counted.

So Mr. GARFIELD's motion was agreed to; and the resolution was referred to the Committee of Ways and Means.

Mr. GARFIELD moved to reconsider the vote by which the resolution was referred to the Committee of Ways and Means; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

CONTESTED ELECTION—BUTTS VS. MACKEY.

Mr. THOMPSON. I rise to present a report from the Committee of Elections. I ask that the resolution may be read, and that the report and resolution be printed and lie on the table.

The SPEAKER *pro tempore*. The Clerk will report the resolution. The Clerk read as follows:

Resolved, That neither C. W. Butts nor E. W. M. Mackey was lawfully elected to the Forty-fourth Congress from the second congressional district of South Carolina, nor is either of them entitled to a seat in said Congress.

Mr. PAGE. I ask that the resolution may be again read. The resolution was again read.

The motion of Mr. THOMPSON was agreed to; and the report and accompanying resolution were ordered to be printed and to lie on the table.

ORDER OF BUSINESS.

Mr. SAMPSON. I rise to a privileged question.

Mr. PAYNE. I rise to present the report of a committee of conference.

The SPEAKER *pro tempore*. The gentleman from Ohio [Mr. PAYNE] rises to present the report of a committee of conference, which is of higher privilege than the question to which the gentleman from Iowa [Mr. SAMPSON] rises.

SILVER COIN.

Mr. PAYNE. I present the following report:

The Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments to the joint resolution (H. R. No. 109) for the issue of silver coin having met, after full and free conference have agreed to recommend, and do recommend, to their respective Houses, as follows:

That the House recede from its disagreement to the first amendment of the Senate to said joint resolution, and agree thereto amended, as follows:

In line 4 strike out the word "now" and insert "at any time."

And the Senate agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the second amendment of the Senate to said joint resolution, and agree to a substitute for said House amendment, as follows:

Add to the second amendment of the Senate the following:

SEC. 3. That in addition to the amount of subsidiary silver coin authorized by law to be issued in redemption of the fractional currency it shall be lawful to manufacture at the several mints and issue through the Treasury and its several offices such coin to an amount that, including the amount of subsidiary silver coin and of fractional currency outstanding, shall in the aggregate not exceed at any time \$50,000,000.

SEC. 4. That the silver bullion required for the purposes of this act shall be purchased, from time to time, at market rate, by the Secretary of the Treasury, with any money in the Treasury not otherwise appropriated; but no purchase of bullion shall be made under this act when the market rate for the same shall be such as will not admit of the coinage and issue, as herein provided, without loss to the Treasury; and any gain or seigniorage arising from this coinage shall be accounted for and paid into the Treasury, as provided under existing laws relative to the subsidiary coinage: *Provided*, That the amount of money at any one time invested in such silver bullion, exclusive of such resulting coin, shall not exceed \$200,000. And the House agree to the same.

H. B. PAYNE,
SAML. J. RANDALL,
Managers on the part of the House.
JOHN SHERMAN,
GEO. S. BOUTWELL,
LOUIS V. BOGY,
Managers on the part of the Senate.

Mr. PAYNE. Mr. Speaker, I presume that the House understands the questions that are involved in this report.

Mr. LANDERS, of Indiana. Mr. Speaker, I am opposed to this report, and I merely want information as to the action that will be taken in regard to it.

Mr. PAYNE. The gentleman from Indiana asks me not to move the previous question, so as to enable him to move that the House non-concur in the report. If I understand it the question will be on concurring, and a failure to concur would be a non-concurrence. A motion, therefore, to non-concur is unnecessary.

The SPEAKER *pro tempore*. The result in either case will be the same.

Mr. PAYNE. It will be remembered by the House that the first resolution upon this subject passed by the House was one simply for the distribution of the silver coin that had accumulated in the Treasury in anticipation of the ingathering of the fractional notes, for which, under law, silver coin was alone exchangeable.

That resolution went to the Senate, having in it the word "now." That appeared to confine the application of it to so much subsidiary silver coin as was at that time in the Treasury. The Senate amended that by striking out the word "now." That was the first amendment.

It will also be remembered that in the mean time, on the recommendation of the Committee on Banking and Currency, the House had passed what is known as the Randall bill, a bill which provided that an additional amount of subsidiary silver coin should be manufactured at the mints—I mean in addition to what the previous law authorized, which was limited by the amount of fractional currency outstanding—to the amount of \$20,000,000, and providing a bullion capital, so to term it, of \$1,000,000, the use of which was supposed to be necessary in order to carry out this additional coinage.

There was a third section to that bill which provided that the "trade-dollar," so called, which under the present law is a legal tender to the amount of \$5, should be deprived of its legal-tender quality. That was the third section of what is known as the Randall bill.

The Senate amended this specie-distribution resolution by adding a section to this clause in regard to the "trade-dollar" depriving it of its legal-tender quality, and then the original resolution was so returned to the House with those two amendments, the first striking

out the word "now" and the second adding to it a clause depriving the "trade-dollar" of its legal-tender qualities. To the first amendment the House non-concurred; that is, as to striking out the word "now." In the second amendment they concurred, but adding an additional amendment which embraced the two first sections of the Randall bill, namely, providing for the issue of \$20,000,000 additional subsidiary silver coin and providing a capital of \$1,000,000 to carry it out.

In addition to that there was added to it as a proviso the proposition of the gentleman from Indiana, [Mr. LANDERS.] I have the words before me and will read them:

And provided further, That the Secretary of the Treasury is directed to authorize the coinage of a standard silver dollar of the same weight and fineness as that in use January 1, 1861, and that said dollar shall be a legal tender in payment of all debts public or private.

To that amendment the Senate disagreed, and hence the committee of conference upon the disagreeing votes.

The committee have agreed with reference to the first amendment striking out the word "now," and in order to remove all ambiguity of expression they have agreed to substitute for the word "now" the words "at any time," so that the resolution will simply and distinctly provide that to the extent of \$10,000,000 the subsidiary silver coin in the Treasury at any time hereafter may be distributed throughout the country on the security of an equal amount of legal-tenders, but these legal-tender notes are to be held in the Treasury until the fractional currency coming into the Treasury shall equal the amount of the subsidiary coin issued. To that I apprehend there can be no objection on the part of the House. As to the second proposition, so much of it as embraces the two sections of what is called the Randall bill, the committee of conference have agreed to a substitute substantially confirming what the House desired in regard to that bill. The committee, however, instead of providing that this increased issue may be \$20,000,000, thought it would be better to provide that the amount of fractional currency outstanding, including both paper and subsidiary silver coin, should at no time exceed fifty millions, it being believed that is the limit to which the necessity or wants of the country will reach for the next one, two, or three years. They also reduce the amount of bullion capital, so called, from one million to two hundred thousand dollars, and that provision it is believed should be satisfactory both to the House and to the Senate. It is satisfactory to the gentleman from Pennsylvania, [Mr. RANDALL,] who introduced the bill.

That the House may understand the precise change made in the two respects to which I have alluded, by the substitution of \$50,000,000 in place of \$20,000,000 as the highest limit of this additional coinage, and the reduction from \$1,000,000 to \$200,000 of the "bullion capital," so called, I will ask the Clerk to read again the substitute for the House amendment to the second amendment of the Senate.

The Clerk read as follows:

Add to said second amendment of the Senate the following:

SEC. 3. That, in addition to the amount of subsidiary silver coin authorized by law to be issued in redemption of the fractional currency, it shall be lawful to manufacture at the several mints and issue through the Treasury and its several offices such coin to an amount that, including the amount of subsidiary silver coin and of fractional currency outstanding, shall in the aggregate not exceed \$50,000,000.

SEC. 4. That the silver bullion required for the purpose of this act shall be purchased from time to time at market rate by the Secretary of the Treasury with any money in the Treasury not otherwise appropriated; but no purchase of bullion shall be made under this act when the market rate for the same shall be such as will not admit of the coinage and issue as herein provided without loss to the Treasury; and any gain or seigniorage arising from this coinage shall be accounted for and paid into the Treasury as provided under existing laws relative to the subsidiary coinage: *Provided*, That the amount of money at any one time invested in such silver bullion, exclusive of such resulting coin, shall not exceed \$200,000.

Mr. REAGAN. As this report has not been printed, I desire to ask a question for information. As I understand it this silver is to be purchased by legal-tender notes, and those legal-tender notes are to be held as a separate fund until fractional notes to that amount are taken up.

Mr. PAYNE. If there shall be \$6,000,000 or \$10,000,000 of increased coinage of subsidiary silver, the bullion for that purpose is to be purchased by the use of this \$200,000, and the coinage of that bullion and the seigniorage to be covered into the Treasury will have no connection whatever with the fractional notes or with the legal-tender notes.

In this connection I wish to state a fact of some interest to the House. The Senate had contended in their discussions, and had virtually decided, that they would not permit any increase of this subsidiary silver coinage unless for every dollar of such increased coinage put in circulation a dollar of legal-tender notes was surrendered and canceled. But the Senate have not insisted upon that before the committee of conference, and have yielded. There is therefore no connection whatever between the subsidiary silver coinage and the legal-tender notes. If there should be six millions, or eight millions, or ten millions of dollars of increased silver coinage issued under this law, there will be no corresponding reduction of legal-tender notes in consequence of that issue. That point was yielded by the Senate, and most gladly accepted by the conferees on the part of the House.

I apprehend there will be no difficulty on the part of the House in yielding a ready assent to these amendments. In regard to the other provision, relating to the silver dollar, we were unable to agree, except that a majority of the conferees on the part of the House and all the

conferees on the part of the Senate agreed to drop from this bill all that related to the silver dollar. I will explain in a very few words so that it may be understood.

It will be remembered by the House that early in the session a bill was passed which recognized the old silver dollar of 1861, as a legal tender to the amount of fifty dollars. That bill was amended in the Senate by reducing the amount for which it should be a legal tender to \$20. It has since transpired that it is exceedingly doubtful whether a measure can be passed through the Senate that will recognize this old silver dollar as a legal tender for more than \$5. It is an ascertained fact that no bill can pass the Senate that will recognize it as a legal tender beyond \$20. We were therefore met in conference with this stubborn fact: that if any provision was to be made in regard to the remonetizing, so to speak, of the old silver dollar, the amount for which it would be received as a legal tender must be reduced at least to \$20, and probably to \$5.

Now, the proposition introduced by the distinguished gentleman from Indiana, [Mr. LANDERS,] who feels himself unable to agree to the action of the committee of conference, was in its general terms ill-advised as a measure upon so important a subject. I trust the House will bear with me for a few moments while I suggest some of the important features involved in the proposition to make the old silver dollar of 1861, containing 412.8 grains of silver, a legal tender in the payment of all debts, public and private.

Owing to the remarkable decline in the price of silver within the last few months, and its more remarkable decline within the last ten days, the silver dollar of 1861 is now worth less than eighty cents in gold. It will strike the mind of every gentleman that so extreme and sudden a change in the value of the silver dollar renders the proposition to make it a legal tender in the payment of all debts, public or private, a proposition of the most startling and revolutionary character.

I will not stop to dwell upon the want of definiteness and distinctness in the proviso as worded by the gentleman from Indiana, [Mr. LANDERS,] except to say that it is wholly impracticable. The proviso says that the Secretary of the Treasury shall be directed to authorize the issue of this silver dollar. It does not provide any of the details which are necessary in a statute to enable an officer to carry it out. In some way, by some general proclamation, the Secretary of the Treasury is instructed to authorize the re-issuing of the silver dollar of 1861.

Now, right here is one very important feature, and I am only submitting these suggestions to the consideration of the House as reasons why the committee could not agree in recommending the adoption of this proposition by the two Houses. Here is a profit of twenty cents on the dollar for every dollar's worth of bullion manufactured into coin and put into circulation. The Government by the power of the statute authorizes the bullion, which is the private property of an individual, to undergo manufacture at the Mint, to receive the stamp of the Government, and then to have an enforced circulation at 20 per cent. above the value of the silver bullion. Who is to have the profit of this 20 per cent. increased value? My friend from Indiana [Mr. LANDERS] will say that this enforced increase of value shall inure to the benefit of the owner of the bullion, and not to the benefit of the Government; while those who look to the interests of the Government will say, and with great propriety, that this artificial or enforced increase of value to the extent of 20 per cent. given to this article of merchandise in the form of silver bullion should inure to the benefit of the Government as the power that gives this increased value; that the benefit of this increase should go into the Treasury of the nation. This question is not settled by the proviso of the gentleman from Indiana, and it is a very material one.

Another question is presented here. This silver dollar is to be made a legal tender for all debts, public and private. I grant that this comes directly to the proposition that the bondholder for his principal and his interest shall be compelled to receive this silver dollar in payment at par. I am not going to discuss that question here, for there is not time and this is not the occasion. I believe myself that legally the Government has a right to coin this silver dollar and to require the bondholder to receive it in payment of his debt. Whether it is desirable, whether it is equitable, whether it is politic is a question which needs to be discussed very seriously by this House and the Senate before such a proposition is enacted into a law.

The difficulty does not stop here. It will be observed that this silver dollar at its present discount of 20 per cent. is worth nearly 10 per cent. less than greenbacks. There is to-day \$5,000,000,000 of indebtedness in this country the consideration of which was the legal-tender currency. Is this House prepared to enact by law that the creditor in those obligations shall be bound to receive his pay in a currency 10 per cent. less than that which was valid when the debt was contracted? For, although this silver dollar was a legal tender when the bonds were given, it has not been since 1873 a legal tender in payment of anything; so that every creditor who holds an obligation the consideration of which was legal-tender notes, an obligation contracted when silver was not a legal tender, would be compelled to receive in payment of this legal-tender indebtedness a currency 10 per cent. less valuable than that in which it was contracted and with which but for this legislation it must legally be discharged.

There are other questions arising in connection with this proposition. I am suggesting these considerations as showing the important

features of this provision, which contemplates a reduction of 20 per cent. in the currency with which debts may be discharged. It reduces the tariff 20 per cent. the very moment it is enacted into a law. That may or may not be desirable; but it will occur to every one that this is a question to be considered, to be deliberated upon, to be discussed.

I venture to say that no member of this House or the Senate is to-day prepared to decide in this provisional, imperfect, and inconsiderate manner that this policy, to be attended with such important, vast, and vital results throughout the whole extent of the country, shall be adopted without reflection and without discussion.

There is another consideration that ought not to be overlooked. Why has this silver dollar been out of circulation since 1834? Simply because the gold dollar was relatively cheaper than the silver dollar, and for no other reason in the world. It has not been coined, it has not been kept in circulation since 1834, simply and solely for the reason that the gold dollar, being equally a legal tender, was cheaper than the silver dollar; and the cheaper currency always displaces the dearer. Now it will follow that if you adopt as a legal currency a silver dollar worth but eighty cents, as compared with the gold dollar, you will drive gold out of circulation. Within six months after a supply of silver dollars shall have been provided by the mints there will be no gold in the country. With absolute certainty it will be excluded from circulation by the cheaper currency which this provision proposes to make a legal tender in the payment of debts.

Mr. Speaker, this is all and more than I intended to say. I did not propose at all to introduce upon this report a discussion of the merits and demerits of the silver currency. My individual opinion is that silver must be made a very important instrumentality in regulating the future currency of this country. My own opinion is that during the next twelve months or two years, no subject connected with finance will press itself upon the attention of the American people and their Government so firmly and obstinately as this very question of utilizing silver or regulating the currency of the country. All that is meant by this report is that a proposition of this sort would be attended with very important consequences and that it is premature and immature legislation, which neither this House nor the Senate nor the country without further examination and discussion is prepared to adopt.

Silver is now on the decline. Within ten days it has gone down in London from fifty-two to forty-seven and one-half pence per ounce. None of us can tell where this decline is going to stop. How much further may silver be reduced in value, and how much of a depreciated standard is this country prepared to adopt as a legal tender in the payment of debts? My individual opinion is that Congress and the country should wait. Perhaps the next session will enable us to determine whether silver has reached the bottom mark, whether it has acquired a stable position, whether a standard value of silver may be adopted by Congress, not a depreciated one, not one which may perhaps be rendered unstable, if not otherwise undesirable, in consequence of the rapid fall of silver, and whether we may not give to the silver dollar a value something like that of the gold dollar, thus securing stability and with it equity between creditors and debtors everywhere.

For these reasons, thus imperfectly and summarily given to the House, the committee were unable to agree to recommend any policy in regard to the silver dollar.

It was suggested (and I suppose I am guilty of no parliamentary impropriety in saying it) that, as a matter of compromise, perhaps we could agree, the two Houses might agree, on adopting this dollar as legal tender for debts to the amount of \$20; but, as the Senate unanimously insisted on not making it legal tender for duties on imports or interest on the public debt, my friend from Indiana was not satisfied by any sort of means. Nothing less than absolute legal tender for all public and private debts, in the face of the fact that probably not a single member of the other body—but I cannot judge of that, and it is merely conjectural—that not a single member of the other body was prepared to adopt it, and the House will readily see there was no agreement of opinion among us, for if we consented it should be a legal tender to \$5 or \$20, excepting as to duties on imports and the public debt, it accomplishes but very little. A legal tender to the amount of \$5 is only a provocation, and it amounts to very little. Evidently that is not the measure of policy this House and Congress ought to adopt. When they grapple with this great question of silver currency and the silver dollar and the making it legal tender in payments of debts, I think they should take in the whole subject, looking to the widest extent to which it may be received as legal tender for payment of debts, and consider also the question whether they will have a violation of the public faith, if not of the letter of the contract yet the spirit of the contract and the expectation of the parties to the contract.

Mr. HARRISON. Will the gentleman from Ohio let me ask him a question?

Mr. PAYNE. Be very brief; I have already exceeded my time.

Mr. HARRISON. Has there not been an abnormal appreciation of gold? I use the expression *abnormal* not in proportion to its supply, but by reason of the demonetization of silver in European countries.

Mr. PAYNE. I understand you very well.

Mr. HARRISON. Is not the debtor injured by that appreciation which has been brought about by foreign nations throwing silver out of the money of the world?

Mr. PAYNE. I understand your question. Mr. Speaker, it will be after all but an individual opinion, an approximate opinion, and if my individual opinion is worth anything to my friend from Illinois I am very glad to give it to him.

Mr. HARRISON. It is, and I am asking you for it.

Mr. PAYNE. In my opinion there has been relatively an appreciation of gold, but no one, in my opinion; there is not a living man who can approximate an estimate of that appreciation.

Mr. HARRISON. Does not that appreciation, though, injuriously affect the debtor class?

Mr. PAYNE. Do not occupy my time, as I wish to be brief.

Mr. HARRISON. Has not that hurt the debtor class as much as the other would?

Mr. PAYNE. Not as much, but to an extent. It is in that direction undoubtedly, but there is no standard by which you can measure the appreciation or depreciation of gold. No financier has yet been able to find any standard by which he can tell whether, as compared with this period, five years hence, or five years after, there has been appreciation or depreciation of gold. No discovery has been made.

Mr. WILLARD. I should like to ask the gentleman a question.

Mr. PAYNE. Be brief.

Mr. WILLARD. I wish to ask the gentleman whether he thinks silver has depreciated from the gold standard more than the products of industry of the country?

Mr. KASSON. Yes, it has.

Mr. PAYNE. That is opening a wide field, and a very interesting one, and I should be glad, when my time is not so brief as it is now, to enter into its discussion. Undoubtedly that is a consideration.

Mr. LAWRENCE. Will my colleague let me make an inquiry?

Mr. PAYNE. You must be brief.

Mr. LAWRENCE. Does my colleague mean to say that Government bonds may be properly paid in silver dollars? This question is not involved in this bill, nor can it be made by an amendment, since it has been decided that the report of a committee of conference cannot be amended, but as reference has been made to the question I ask my colleague for his opinion. I may say also that I do not believe it was wise to commence this silver resumption now, but since it has been commenced and threatens to result in a scarcity of change-money, I do not see any remedy but to continue it.

Mr. PAYNE. I mean to say, in my opinion, they can be legally paid in silver dollars. If the gentleman will refer to the famous law of 1869, about which a great deal has been said unfavorable as well as favorable, he will find there the solemn pledge of the Government given that the public debt shall be paid in gold or silver coin.

Mr. BRIGHT. It does not say coin; it says coin or its equivalent.

Mr. PAYNE. I must be excused from going into these collateral questions, because the time is limited in which this discussion is to take place.

I merely wish in closing to say that I have not brought out these features of this policy with the view of discussing their merits or demerits now. I think such a discussion would be out of place at present. In a matter of such vast interest, affecting every other interest in the country, affecting its honor, its credit, reaching and extending into the future for an indefinite time, it is not the place, in the shape of a sort of rider or proviso to a House amendment or a Senate amendment to a bare, simple resolution, providing for a little distribution of silver coin, to discuss the merits of these questions. And that was the view of the committee. They had no desire to belittle its importance or to evade its discussion, but they thought this was an unsuitable occasion for settling this policy.

Let a bill to establish the silver dollar as a legal tender come before the House at a proper time and in proper a shape. It has not been discussed in the House at all. Under the previous question, on motion of the gentleman from Indiana, [Mr. LANDERS,] it was adopted as a proviso to something with which it has no sort of connection and no sort of relation, except that the word "silver" may perhaps be mentioned in both. It is for that reason, without prejudging, without forestalling an opinion on the merits of the various propositions that have been suggested, that this committee of conference have dropped this provision from their report. At the proper time they, with others, will be prepared to discuss it.

I now yield twenty minutes of my time to the gentleman from Indiana, [Mr. LANDERS.]

Mr. PHILLIPS, of Kansas. Will the gentleman from Ohio, before he resumes his seat, allow me to ask him one question?

Mr. PAYNE. After the gentleman from Indiana has spoken.

Mr. LANDERS, of Indiana. Mr. Speaker, I do not understand the arrangement that has been made as to the disposition of time allotted to this debate. I understood the gentleman from Ohio [Mr. PAYNE] to say that he would occupy but ten minutes. He has now occupied thirty and parceled out to other gentlemen favoring the report so much of the remainder of the hour allotted as to allow me and my friends only twenty minutes. It was proposed that we were to have one-third of the time. I objected to that, and insisted we should have half.

Mr. PAYNE. If the House will extend the time I should be very glad.

The SPEAKER *pro tempore*. The gentleman from Ohio is entitled to an hour, during which he controls the floor; and out of sixty minutes he proposes to give twenty minutes to the gentleman from Indi-

ana, [Mr. LANDERS.] It is within the power of the House either to extend the time, or to sustain the demand for the previous question. It is a matter for the House and not for the Chair to decide. The gentleman from Indiana [Mr. LANDERS] is entitled to the floor.

Mr. LANDERS, of Indiana. The House can clearly see my object in introducing this amendment; it is couched in language so plain that no man can fail to understand it. My object is to restore the silver dollar to its proper position, the position it has occupied ever since 1792, until by the action of Congress it was demonetized in 1873.

My friend from Ohio [Mr. PAYNE] objects to this proposition because silver has depreciated in value, and insists that to agree to my proposition "would be a great hardship upon the creditor class." Mr. Speaker, I want to be understood here as being disposed to give every man, whether debtor or creditor, the benefit of his contract. The large portion of our debt has been created under the act of 1862. That act provided for the sale of bonds. It provided for the use of legal-tender currency and for the payment of interest on the bonds. It also provided in what way the tariff dues should be collected. It will be found by examining that act that the interest on the bonds of the Government was to be paid in coin. It also provided that the tariff dues shall be collected in coin. It provided further that the bonds should be placed on the market and sold at par for gold and silver or Treasury notes. I ask you, Mr. Speaker, whether or not the creditors of the Government have not obtained every privilege that belongs to them under that law?

Mr. MACDOUGALL. I suggest that the gentleman speak from the Clerk's desk, where he will be better heard by the whole House.

Mr. LANDERS, of Indiana. I prefer to speak from my seat. The gentleman will excuse me.

The creditors of the Government invariably took their option. They bought our bonds with Treasury notes when they were not worth over fifty cents on the dollar! I am not complaining of that, because it was the law; and when a man lives up to the letter of the law there is no ground for complaint. But the debtor class has an option in that law. They have a right to pay those bonds and the interest on the same either in gold or silver coin. Now it is clearly to be seen that the object of this law of 1873 was to deprive the debtor class of that right; and it is for that right I am now contending. I contend that the right which was taken from the debtor class by the act of 1873 should be again restored to them.

Did not that act repudiate the contract? Did it not say that the debtor should not have the rights that belonged to him under the contract? And is not that repudiation? It is of the same class of legislation as that of 1869. The act of 1869 was a repudiating act. It repudiated the contract, and said that the bonds should be paid in coin, which under the original contract should have been paid in lawful money. It said that hereafter they should be paid in coin alone. And now because one kind of coin is depreciating in value this bondholding class is not satisfied with the first repudiation, but come in with a second repudiating act, and declare that such silver coin shall not be regarded as money.

The object of this amendment is to prevent this second outrage and act of repudiation. Now, if the debtor class has a right to pay their debts in silver, will this Congress deny to them that right? If they have not that right and Congress should say that silver is a full legal tender, it is a question for the courts to determine, and as a matter of course they are always open to decide such questions. From the legislation of the past it would seem that the debtor class have had no friends here. Shall this thing continue? Are your constituents all creditors? Mine belong to both classes.

But the gentleman from Ohio dwells on the fact that silver has declined in value. Now, when a contract has been made and parties bound by it to pay a debt either in silver or gold coin at its fixed lawful rate, I ask if it is any fault of the debtor if either of these commodities decline in value before the debt falls due? I never heard that question raised before. Suppose a contract to be made to pay a debt in wheat or corn and the price fixed is the standard of a certain number of pounds to the bushel, and when the time for delivery arrives grain has declined in value, would any sensible or honest man say for that reason more pounds should be put into the bushel to pay the debt? There is just as much sense in one proposition as the other. Certainly your contract is not to pay in the precious metals at what they are worth at time of payment, but to pay in them at their value when the contract was made; and it would be as much an act of injustice to the people to change that standard as it would to the bondholder should they appreciate in value. But I would like the gentleman from Ohio or any other gentleman occupying the position on this question that he does to prove to this House that silver has declined and that gold has not advanced in value. I would like any gentleman to show how he would determine the question of value compared with each other. We know that they are separated and apart. Is there not just as much argument to prove that gold has advanced as that silver has declined? The argument that silver has declined is because in many governments, including our own, it has been demonetized. Has not that act alone created a greater demand for gold? The value of all commodities is regulated by supply and demand; if you cut off the demand for one and increase it for another, I ask if each would not be equally affected by the change.

The question now is whether or not we have a right to pay our debts in silver? The word coin used in all the acts authorizing the

issue and sale of bonds, according to Chief Justice Chase, means "That we have two kinds of dollars; we have one dollar a paper dollar, and we have a coin dollar, which is a piece of gold or silver of a certain degree of weight and fineness." Again in the act of 1869, which was an act to explain what the language of the various acts relating to the issue of bonds meant. You will find that the word "coin" means gold and silver, and it was in consequence of the use of that language that the infamous act of 1873 was passed. I want the double standard restored, because all contracts have been made under the double standard, which has existed since the foundation of the Government. The silver dollar that we now seek to restore was inaugurated by Mr. Hamilton in 1792, and has never been changed since that day so far as the amount of pure silver it contains is concerned, while the standard of gold has been changed at least twice. The law of 1792 fixed the gold eagle at 270 grains. In 1838 it was changed to 258 grains, which is the standard at this time.

The silver dollar has been changed only in the amount of alloy and not in the amount of grains of pure silver it contains. I want gentlemen to remember that there has been more changes in the legislation of the country relating to gold than there have been in silver. And I solemnly believe that if we restore the double standard the value of the two metals would soon be equalized. If, on the contrary, you have but one standard, you have nothing left to use in its stead. Under such a policy should a demand for it come from other countries, it would go there in accordance with the laws of trade, and this country would be left without a standard, and business would go to rack and ruin in consequence. If you pass this bill making silver a full legal tender you will find, in my judgment, that in a very short time it will approximate to the value of gold.

Should the majority report be adopted, what will we have left as money? Gold! Nothing but gold to measure the value of all the property of this vast country! All its commodities and its labor be regulated by it! While to-day there is not a dollar of gold in the Treasury beyond its demand obligations. What then will be the condition of the debtor class? "I pause for a reply!"

You will find under that policy the labor of the country will come down to forty cents per day. The labor of the country is its wealth and its value is measured by its money. I have passed sleepless nights fearing that this republican policy, under the dictation of certain leaders of both parties, might be carried out under the bill reported by the majority. Our condition would be far worse than it was before the war, because then we had silver with gold in use as money. If you deprive the debtor class of that now you will be doing them a great act of injustice. If you countenance this act of repudiation for the benefit of the creditor class the people will hold every one of you to a strict account for so doing.

Mr. PAYNE. I move that the time of the gentleman from Indiana [Mr. LANDERS] be extended for ten minutes.

The SPEAKER *pro tempore*. The gentleman from Ohio [Mr. PAYNE] has ten minutes of his hour remaining.

Mr. PAYNE. I desire to use that time myself.

The SPEAKER *pro tempore*. If there be no objection, the time of the gentleman from Indiana [Mr. LANDERS] will be extended for ten minutes.

There was no objection, and the extension of time was accordingly made.

Mr. LANDERS, of Indiana. It is not my object to defeat this bill. I am in favor of all its provisions, but I am also in favor of the further provision to make the standard silver dollar a full legal tender. I want to say to the gentleman from Ohio [Mr. PAYNE] that he is very much mistaken as to the temper of the Senate. When he hears from the Senate on this report, I think he will find it will be voted down. I have been assured that it will be rejected. The Senate has discussed this question thoroughly.

Mr. KASSON. I must remind the gentleman from Indiana [Mr. LANDERS] of the rule which prohibits a reference to the action of the other body.

Mr. FORT. Why did not the gentleman interpose when the honorable gentleman from Ohio [Mr. PAYNE] was threatening this House so terribly with the action of the Senate?

Mr. KASSON. Because he spoke of the conference committee, which he had a right to do.

Mr. KELLEY. He said that not a single member of the other body, referring to the Senate, were willing to adopt this measure.

Mr. LANDERS, of Indiana. The Senate has discussed this measure quite fully, and some of its members most intelligently. While it did not receive much attention there at first, it is now receiving the respectful consideration of that body, and I am satisfied what the result will be when its action is reported on this question.

Mr. Speaker, how much time have I remaining?

The SPEAKER *pro tempore*. The gentleman has nine minutes of the extension granted him by the House.

Mr. LANDERS, of Indiana. My friend from Ohio [Mr. PAYNE] started out with ten minutes and consumed thirty. However, I will yield five minutes of my time to the gentleman from Illinois, [Mr. FORT.]

Mr. FORT. Mr. Speaker, there are many things in and affected by this bill and amendments which it might be well to discuss. It occurs to me, however, that the principal question now before the House is whether silver should continue to be demonetized as a coin

of the United States. If I have read and understood the laws aright, up to 1873 silver coin in standard dollars was a legal tender to any amount for all debts, both public and private, and had so been a legal tender for all debts since about the year 1792. If that be so, why was it demonetized? Let those who did it answer. It will occur to every gentleman here that all or nearly all of the public debt of this country was contracted while silver in standard dollars was a full legal tender for all sums. And nearly all the private debts of the people of this country, at least all that are three years old, were also contracted while silver in the form of silver standard dollars was a legal tender to any amount. And as a matter of course all of such debts were legally and in equity payable in silver coin of the United States. And no creditor of the Government, whether resident or foreign, could ask or expect his debt to be paid in anything better, and no private citizen had any right to demand anything else of his debtor up to that date. That had been the law of our country for more than eighty years.

With this law upon our statute-books, venerable for its age and for its distinguished paternity, our Government negotiated all its immense loans and borrowed its billions of dollars with which to carry on war and conquer peace. And in this silver coin of the standard dollar it agreed to pay the lender. And never in any one instance did it promise to pay exclusively in any other coin.

The promise was to pay in the coin of the United States where specie was mentioned at all; and in no instance did the Government promise to pay in any dearer or more precious metal.

In 1873 the law of eighty years' standing by which silver dollars had been made a legal tender was repealed. How I know not; to inquire, I have but little time. It is enough for me to know that I was not responsible for that repeal. The history of the passage of that most mischievous law may not be fully written, and some may hope that it never may be written; but by some maneuver it was done. And whether it was discussed or understood here at the time I cannot state, but I am told by gentlemen who were here that it was not. But this I do say, Mr. Speaker, and I here emphatically declare that the people of this country were not consulted about the repeal of that important and satisfactory law. It slipped through one House and then the other, as things sometimes do, and as I fear this, to my mind, most objectionable and pernicious measure will get through this House, for want of proper discussion and consideration.

Mr. LAWRENCE. Does the gentleman refer to the act of February, 1873?

Mr. FORT. I refer to the act repealing the legal-tender quality of silver in standard dollars, passed, as most bad laws do pass, near the close of the session, in February, 1873.

Mr. KASSON. I want to remind the gentleman that it was before Congress two or three sessions.

Mr. FORT. I ask the gentleman to search the records and see if that question was ever discussed in Congress. No, Mr. Speaker, it was put through under the suspension of the rules at the bidding of the bondholders and, as the CONGRESSIONAL RECORD shows, without even being read to the House. Of course I was not here at that time, but I have examined the records, and state that so far as they show the House was not advised that this old, time-honored law was even to be modified, to say nothing of its being repealed by the then pending bill.

This little mischievous law repealing the legal-tender quality of silver dollars was stolen through Congress, as I believe, by being hidden in the body of a long bill professing only to modify the coinage laws, and was not discovered by the good men who were on guard here then.

And, Mr. Speaker, one thing is certain, that no matter what transpired here in Congress, the fact remains that the repeal of that old law was never discussed before the people. They were never asked to give their views upon the question or consent to repealing the legal-tender quality of silver, with the payment of which they might make good almost all their promises. Why was this repeal? I know not. It certainly was not in the interest of the tax-payers. I imagine, from the speech of the honorable gentleman from Ohio, [Mr. PAYNE,] that it must have been in the interest of somebody else than the tax-payers. Ay, Mr. Speaker, the story is told in a few words. It was in the interest of the bondholders and hence it was done.

The honorable gentleman says that silver has depreciated; that it is not honest now to compel the creditor to receive his pay in silver because it is not par with gold. This he says would be cheating our creditors. Dishonest, is it? Ah, was not silver a legal tender when he, the creditor, the bondholder, took his bond? Did he not then know that he might be lawfully and in honor paid in silver? Did he not in taking the bond assume and in like manner promise to take his pay in silver coin? I say that the tax-payer ought to hold the bondholder to his contract.

Mr. Speaker, the bargain was—because the law defining what our coin was and what its quality was was a part of the contract between the tax-payer and the bondholder—that the debt was to be paid in the coin of the United States, either silver or gold. We had, and in my judgment still ought to have, the option to pay in either. We were and are a silver-producing country; and shall we voluntarily to our own great damage yield to the desire of our creditors and pay them in the most costly metal, and thus virtually throw away one-half our precious metal so far as using it as money at least goes, the certain effect of which will be to increase the value of gold and thus

increase the value of our bonds, thereby enriching foreign bankers and impoverishing ourselves, and make it more and more difficult for the people to secure the desired coin, gold, with which to pay our debts. Mr. Speaker, the position gentlemen take amazes me.

Ah, but silver has depreciated, it is said. It is not honest money. I wish to ask the honorable gentleman this question: Suppose that gold should depreciate; suppose that by the discovery of some immense bonanza in our own country or some other country gold should become so abundant as to become depreciated, what then would the gentleman do? Will he come in here with a bill in the interest of the bondholder, and say that as gold has depreciated, and that it is "dishonest money," and that we must not ask the bondholder to take his pay in gold, but that we must pay him in diamonds or some other more valuable commodity?

[Here the hammer fell.]

Mr. LANDERS. I now yield the remainder of my time to the gentleman from Tennessee, [Mr. BRIGHT.]

Mr. CLARK, of Missouri. Is it in order to move that the time of the gentleman from Illinois [Mr. FORT] be extended?

The SPEAKER *pro tempore*. That can be done by unanimous consent. What extension does the gentleman propose?

Mr. FORT. I do not think that I shall require more than three minutes.

Mr. CLARK, of Missouri. I ask unanimous consent that the gentleman's time be extended for five minutes.

There was no objection.

Mr. FORT. I am very much obliged to the gentleman from Missouri [Mr. CLARK] and to the House for the courtesy.

Mr. Speaker, are we to dance to the caprice of Shylocks, and become ridiculous and run mad in trying to please our creditors, and insist on paying them more or something more valuable than we and they at the time agreed should be paid? Wherefore is it that gentlemen manifest so much interest in our creditors and so little in ourselves? They bought our bonds at greatly depreciated rates. Our bonds have appreciated, and are worth from 25 to 50 per cent. more than we got for them. We do not complain of that, but are willing to pay them in full in the same metal mentioned expressly and by implication in the contract. And now that the bonds have appreciated and that gold has also appreciated, we are asked, and by our own countrymen, too, to purchase the most costly metal and pay with it, and to abandon silver—our own most abundant product—as money, and not ask our creditors to take it as pay, although they agreed to do so.

Sir, we all profess to be desirous to return to specie payments, do we not? For one, that is my earnest desire. I may not be so very anxious about it as some of my friends farther East; but I wish to reach a specie basis as soon as possible by the road of economy and prosperity. I would do nothing to delay the coming of that day when a greenback shall be par. And we all wish to pay all our demands in coin as soon as we can consistent with national prosperity. Now I ask gentlemen to consider this question: If we discard this vast volume of precious metal which can be coined into money, and thereby reduce our means at least one-half and thereby make it impossible to resume as soon by perhaps years, are we not then traveling from resumption, and not toward it? How can we resume without precious metal and what have we to gain by discarding one-half of what we have?

Gentlemen are certainly hard to please. The greenback is not good enough for a domestic currency because they say it is below gold. Silver is not good enough for the bondholder because it is depreciated below gold and is not honest money.

But, Mr. Speaker, by demonetizing silver they are appreciating gold and making it more dear and still widening the margin between it and the greenback, and making it that much harder to resume, and putting off the desired day that much longer. Are you not, gentlemen, in fact doing all you can to retard resumption, as you certainly are doing all you can to increase our debt and making it harder to pay, and placing so much more burden upon an overloaded people? I beg gentlemen to pause and consider.

By demonetizing silver you throw away one-half your means essential to resume specie payment. Will some financier tell me how he expects to reach specie payments thereby?

Ah, Mr. Speaker, I hope for no resumption by this road, and, with all respect to the gentleman, say that, in my judgment, that result will not be promoted by this measure.

In my judgment there is a conflict now pending between the debtor and creditor classes, and the creditor class has secured the first advantage by demonetizing silver, thus making bonds and other evidences of indebtedness so much the more valuable and also depriving the debtor class of that much of their means to pay.

Property may rise and fall in value, but indebtedness remains at the same amount, measured by dollars and cents. And so it is that the creditor gains by the value of the dollar. If that class can by any means or measure increase the value of money they increase the value of their notes and bonds, and so in this case if they can de-throne silver they reduce the volume of coin, and of course render the remaining quantity, which would be gold, by so much the more valuable.

Mr. Speaker, in my humble judgment, the most gigantic scheme ever organized has been set on foot all over the world by the Rothschilds and others of the creditor class to double their own enormous

wealth and to double the debts of the debtor class. The promise to pay is so many dollars, and the value of the dollar doubled, and you have the result as stated. Mr. Speaker, why is it that our countrymen, of all other people, are to be the greatest losers by this unholy scheme? Why is it, I earnestly ask, do they join the conspirators, and help thus to bind the helpless and aggrandize the money kings of Europe?

Mr. Speaker, the silver dollar was the first legal-tender coin we ever had. About the year 1792 the Hamiltonian dollar was authorized by law, and was made of the same value as the Spanish milled dollar then in circulation here. It remained our only dollar, and it was not till long after the beginning of the present century that we had any gold coin of our own, when the coinage of the eagle and half eagle was authorized, the dollar being the unit and the standard of value all this time and up to and till the lamented repeal of its legal-tender quality. And now it is by the wise men of our day degraded and dishonored for all sums over \$5; and I would ask, why have you left it a legal tender for any sum if it is so dishonored, so dishonest? I presume the gentleman will say, O well, it will do to pay off small debts; do to pay for a day's labor; do to pay small tradesmen with.

Ah, Mr. Speaker, if it is good enough to pay the poor hired girl for a week's work or good enough to pay the laboring-man for a day's work, is it not good enough to pay the bondholder, inasmuch as he agreed to take it? Mr. Speaker, this cry of dishonest money will not do for all ears. If it is dishonest money why will gentlemen pay it out for honest labor? The poor man must take it. It is a legal tender for him; but the rich having large amounts must have better money. This doctrine of the distinguished gentleman, with all respect to him personally, I may be allowed to characterize as monstrous. The purchaser of real estate or any other valuable thing must take it subject to the chances as to whether it shall rise or fall in value. And so it should be with bonds, bills, or gold, or silver. Congress cannot stand ready to regulate the value of one to suit the other.

Mr. Speaker, I have no prejudice against the bondholders; none in the world. I have none against anybody. They got our bonds cheap; they have made a handsome profit in their advance, and ought to be content; and, so far as I am concerned, they must be. I would pay them all we owe them according to the bond and the contract, and nothing more. We have some rights reserved to ourselves, and, for one, I am not willing to yield them; not willing to pay them so many millions more than we agreed to pay. And, more than all, I am not willing to reduce our volume of money by dishonoring all the silver we have and all our mines may produce.

Now, Mr. Speaker, it seems to me that if we are disposed to resume specie payments we should hold all our resources ready to subserve that end. If we can redeem our paper currency in any kind of precious metal, is it not best to reserve the right to do so? Should we demonetize and discard that metal of which we have most and which our country produces? Let it be understood here in this House to-day that he who votes to sustain this report of this committee votes to continue demonetization of silver coin, and that he votes to deprive the Government that much of its wealth and of its ability to meet its demands, that much of its ability to redeem the legal-tender notes and pay its bonds in coin. He who votes to disagree to this report votes, in my judgment, to retain all that we have with which we can make good our promises and votes to promote the prosperity of the country.

Mr. Speaker, it seems to me that our duty is plain; that we should retain within our control every means we have to redeem the promises we have made; and, mark you, every dollar of indebtedness which this Government owes was contracted when the silver dollar of standard value of 371½ grains was a legal tender; and every bondholder who bought a bond at from fifty to seventy-five cents on the dollar took the bond with the understanding and agreement that he might be, and in all probability would be, compelled to take his pay in silver coin of the United States. Why is it that gentlemen from the East come in here and so eagerly insist that we must pay our debts in a better and more valuable coin than that in which they were contracted to be paid?

Mr. MACDOUGALL. Will the gentleman from Illinois tell us what bonds of the Government were taken at forty cents on the dollar?

Mr. FORT. The gentleman very well knows that many of our bonds were sold upon the market when gold for greenbacks was at 150, 200, and 240 in greenbacks; but we do not complain of that. The bonds have appreciated, and now the bondholder ought to take the same coin he agreed to take.

Mr. KELLEY. Two hundred and eighty.

Mr. FORT. Yes; 280, as the honorable gentleman from Pennsylvania suggests; those bonds were paid for in greenbacks. We are now asked to pay those bonds not in silver but in something more valuable; they want them paid in gold. We are told that silver is not good enough for the bondholder. Mr. Speaker, it is singular that the Government, and in fact the debtors as a class, come out second best in all these contests; and I doubt not that if gold should for any reason depreciate a few cents these same gentlemen would be here eloquently and persistently demanding that the Government must make good to them the depreciation, having their bond for the pound of flesh, that they must have it nearest the heart.

Mr. MACDOUGALL. When gold was at 240, what were greenbacks?

[Here the hammer fell.]

Mr. LANDERS, of Indiana. I yield now the balance of my time to the gentleman from Tennessee. [Mr. BRIGHT.]

The SPEAKER *pro tempore*. The gentleman from Tennessee has five minutes of the original time of the gentleman from Indiana, [Mr. LANDERS.] More than an hour has expired, and gentlemen have been speaking by consent of the House.

Mr. BRIGHT. Mr. Speaker, it will be impossible within five minutes to enter upon the discussion of this question. I can only throw out a few suggestive thoughts.

Mr. LANDERS, of Indiana. I move that the time for discussion be extended one hour, to be divided into five-minute speeches.

The SPEAKER *pro tempore*. The Chair will state that unless the previous question is called and sustained at the close of the hour of the gentleman from Ohio, discussion may be extended indefinitely. It depends entirely on the action of the House. As the hour has not yet expired it is better not to anticipate it.

Mr. BRIGHT. Mr. Speaker, I will state to the House that there are some profound questions connected with the subject of the demonetization of silver, and there is great propriety in its restoration to its ancient place. It will be remembered, sir, that there is an implied recognition in the Constitution of the United States that gold and silver should both be the standard coins of the United States. In the analysis and discussion of this subject by the old statesmen they clearly demonstrated that the States made a surrender of the question of coinage and the regulation of the value of coins to the Government of the United States with the understanding that the double standard of gold and silver should remain with them.

And now the question is presented, Mr. Speaker, why is it that the Constitution of our country has been invaded and one of the most important rights of the States and people has been stricken down by congressional legislation? Was this question ever submitted to them? Never. Were they consulted about it in any popular canvass? Never. Then why is it when they are oppressed, burdened, tax-ridden, bled almost to death by taxation, you deprive them of one of the constitutional means of discharging their obligations to the creditor? What would you think, Mr. Speaker, of the guardian who intending to discharge the obligation of his ward should pay twofold the value of that obligation when he could have discharged it for one-half? What would equity, what would the courts of the country say? They would deprive him of his fiduciary relation and substitute another who understood the relation better and would discharge the obligation fairly.

Now, it was admitted by Mr. Calhoun, by Mr. Benton, and by all the old statesmen, that gold and silver should be the currency and legal tender of the United States. I have the authority before me, and will quote a few of them on the subject:

* * * He (Mr. Benton) fully concurred with the Senator from South Carolina (Mr. Calhoun) that gold in the United States ought to be the preferred metal; not that silver should be expelled but both retained; the mistake, if any, to be in favor of gold instead of being against it. Mr. Benton believed that it was the intention and declared meaning of the Constitution that foreign coins should pass currently as money and at their full value within the United States; that it was the duty of Congress to promote the circulation of these coins by giving them their full value; that this was the design of the States in conferring upon Congress the exclusive power of regulating the value of these coins; that all the laws of Congress for preventing the circulation of foreign coins and underrating their value were so many breaches of the Constitution, and so many mischiefs inflicted upon the States; and that it was the bounden duty of Congress to repeal all such laws; and to restore foreign coins to the same free and favored circulation which they possessed when the Federal Constitution was adopted.

He denounced this exclusion of foreign coins as a fraud, and a fraud of the most injurious nature, upon the people of the States. The States had surrendered their power over the coinage to Congress; they made the surrender in language which clearly implied that their currency of foreign coins was to be continued to them; yet that currency is suppressed; a currency of intrinsic value for which they paid interest to nobody is suppressed.—*Benton's Thirty Years' View*, pages 444, 446.

Thus it appears, sir, that when the States surrendered the power to the General Government of regulating coins and coinage it was with the implication that all the avenues of commerce should be so kept open that foreign coins should be permitted to flow in and the people should be permitted to avail themselves of that privilege; and why is it now that foreign coins are demonetized in like manner, and you are narrowing the means of discharging the obligations of the people down to a single standard? Sir, it is discrimination in favor of domestic and foreign bondholders against the tax-payers of our country.

Every State under the Constitution has the right to make silver as well as gold a legal tender. They are equal in the eye of the Constitution. Yet if a State should pass a law making silver a legal tender the General Government says no, that it has the sovereign power of coinage and it will not coin silver; that it has the power of regulating the value of coins, and it will exercise the power to exclude foreign coins; and thus it sweeps away one of the most vital rights of the States and the people. In this way it cuts off one of the financial arms of the States. It is a financial mayhem of the States, leaving them with one arm instead of two to fight against the encroachments of monopolies and taxation. This demonstrates the fact that the money power is outgrowing all the restraints of the Constitution; it pushes through them like Job's behemoth through the snares. The act of February 12, 1873, demonetized the silver dollar, and the amendment of the House proposed to restore it. The Constitution, justice, equity, and honor say let the ancient coin be restored.

There is another outrage which has been perpetrated upon the peo-

ple, but I have not time to enlarge upon it. It will be remembered that on the adoption of the Federal Constitution we had no American coin. It was all foreign, and the Spanish milled silver dollar was constituted by statute the unit of value of this country. Will any gentleman or Representative here be kind enough to point out any statute where there is any other unit of value fixed by law? It is nowhere to be found. Yet, in despite of all that, you have demonetized the old coin which formed your unit of value and which enabled this Government first to inaugurate its system of commerce and discharge its debts.

Not only so, Mr. Speaker, but there is another thought which I wish to lay before this honorable body, and the device which is meditated is no shallow one. This body must understand that there is a European project now on foot, in which a certain party in the United States sympathize, that is to reach an international unification of the value and standard of coin; and it is to make the gold coin the standard of value, and to demonetize silver. Suppose that England, Germany, and the United States succeed in the scheme of inducing the nations to demonetize silver, what would be the result?

Our Director of the Mint in his report for 1874, speaking of gold and silver, said:

The world's stock of precious metals is generally estimated at from ten to twelve thousand million dollars, nearly equally divided as to the two metals.

The silver coin being destroyed, it would leave the world's stock of gold coin about five or six thousand millions. This would appreciate the value of gold twofold by making it scarce and increasing the demand for it. The Government of the United States and the States and our corporations being largely indebted to England and Germany, would find the burden of their debt doubled, because those, with other European nations, could not spare the gold to come and remain in the United States. Such a project, if successful, would make the rich richer and the poor poorer. It would deprive our people of one of the means of paying their debts—all the contracts, public and private, being payable in gold or silver. This would be a folly only equaled by its injustice.

The people will not always remain in ignorance of the frauds which have been perpetrated against them. In due time they will administer the proper retribution.

But my time will not permit me to extend my remarks further. I will close by appending to my remarks an instructive and valuable article from the Cincinnati Commercial of July 8, 1876.

THE FINANCES OF FRANCE AND GERMANY.

During the disappearance of the precious metals from circulation in this country, the old double standard was abolished by indirection. Of course this was not done accidentally, but systematically and in the interest of the holders of securities, with the purpose of increasing the weight of debts, public and private. The main money question before the people of the United States is, whether the double standard shall be restored. We want resumption of specie payments, but we demand that it shall be upon the old specie basis. Our debts were made when there were two money metals. We do not propose to impose on the people resumption in one metal.

The debts up to 1873 were payable in coin of "gold and silver." We propose that they shall be paid in "gold and silver." That's fair, isn't it? Those who are in favor of an exclusive gold standard use the example of England. We have referred to the greater prosperity of France under her double standard, and the existence of that standard in France has been disputed. We have obtained exact information on this subject, and submit it in the form in which it was received:

CINCINNATI, July 7, 1876.

The Editor of the Commercial:

Some few weeks ago you expressed a wish that I would ascertain and give you the exact status of silver in our sister-republic of France. In compliance therewith I wrote to Paris and have this day received the following reply.

Yours, respectfully,

JAMES GILMORE.

PARIS, June 23, 1876.

SIR: We can reply as follows to the several inquiries conveyed by your letter of the 2d instant.

The five-franc piece is an unlimited legal tender, and may, therefore, be employed to any extent for payments; the smaller silver coins are of inferior fineness, and acceptance of the same cannot be enforced beyond an amount of fifty francs per each payment.

The Bank of France issues no more five-franc notes and destroys those which return to the bank in course of circulation.

The bank has at present on hand 581,278,000 francs in silver coin and bullion, 1,468,340,000 francs in gold coin and bullion.

In March, 1875, the bank held 495,000,000 francs in silver and 1,325,000,000 francs in gold, which shows that the respective increases of the silver and gold paid in have taken place in proportions which do not differ so widely as might be anticipated from the great abundance of silver.

From our previous remarks on five-franc pieces, it follows that, in case the bank resumed specie payments, these could be legally effected in silver coin, using the pieces inferior to five francs to the maximum extent of fifty francs per payment.

We will add, for your guidance, that one-fourth-franc pieces have been withdrawn from circulation, and are replaced by twenty-centime pieces.

The commercial value of gold and of silver is as follows, namely: silver of 1000-1000 fineness, 218.89 francs per kilogram; gold of 1000-1000 fineness, 3434.44 francs per kilogram. The kilogram is equivalent to 32.1543 ounces.

It is on the above basis that silver and gold are quoted, with so much per cent. loss or premium.

The mint receives, however, these two metals on the following footing: Gold, 3437 francs per kilogram; silver, 220.56 francs per kilogram.

In consequence of the international treaties, the mint, being provided with silver for its coinage till December, 1873, does not, for the present, receive any more of this metal.

Subjoined you have the weekly condensed report of the Bank of France, which was published yesterday.

Yours, truly,

MARCUARD, ANDRÉ & CO.

BANK OF FRANCE.

Assets.	June 22.	June 15.
	Franks.	Franks.
Cash and bullion.....	2,048,316,159	2,034,310,983
Bills discounted and advances.....	476,747,757	489,366,554
Treasury bonds.....	476,187,500	476,187,500
<i>Liabilities.</i>		
Active note circulation.....	2,397,831,005	2,428,482,290
Public deposits.....	147,744,364	130,500,533
Private deposits.....	454,687,309	439,585,003

France has done well to adhere to her bimetallic money. The financial depression and disturbances in Germany are to be largely attributed to the action of the imperial government looking to demonetizing silver. Germany attempted to adopt the gold standard upon receiving the indemnity of France, and has thereby placed herself in great difficulties. She is attempting to rid herself of the people's money—silver—to the extent of 200,000,000 thalers. M. Henri Cernuschi, author of *Mécanisme de l'échange*, in a pamphlet on Bimetallic Money, describes the troublesome task upon which Germany has entered, as follows:

"Where can all this silver be sent to or what can be done with it? Up to the present England and the United States admit only gold as a legal tender. Consequently, these countries cannot absorb the silver furnished by the German thalers. France, Italy, Belgium, Switzerland—that is to say, the Latin union—though admitting the bimetallic régime, have coalesced to prevent the Germans coming to their mints to have their thalers turned into pieces of five francs; and to this end they have by common agreement suspended their ancient free coinage of silver. Austria and Russia are condemned to a chronic state of paper currency; they cannot think of acquiring the silver of Germany. There remain China and India. In these countries gold is not employed, as their payments are made in silver. But they have neither heavy credits on Germany nor the rest of Europe, and are therefore not in a position to send thither large sums. One can hardly imagine a cause for a great exportation of silver from Berlin to Peking short of the hypothesis of a decisive battle being lost by the Germans in fighting against the Chinese, and the latter having imposed a heavy indemnity on the former.

"Moreover, we should bear in mind that if it is hard to find an outlet for demonetized silver, the purchases of the gold to replace it is no less difficult.

"London, the chief mart of precious metals, can only furnish Australian and Californian gold according to the supplies received thence. Were the usual stock, of which the English themselves stand in absolute need, treasured upon, the result would be a terrible crisis in the British market, which would immediately react upon all the rest of Europe, bringing with it ruin and disaster.

"It is scarcely necessary to point out the gigantic losses Germany would, before causing this disastrous crisis, entail upon herself should she continue to offer heavy sums of silver and to demand heavy sums of gold. The silver so offered would be more and more depreciated, and the price of gold would rise in a converse ratio, entailing a loss of millions to the German treasury.

"The ministry of the empire have foreseen these difficulties. To meet them they inserted in the decree, ruling that from January 1, 1876, all payments shall be made neither in florins nor thalers, but exclusively in marcs, a restrictive clause, to maintain in circulation the thalers, which are to be counted as gold, and to be each held as equivalent to three marcs.

"We see from this that the imperial government wishes to secure itself time, and hopes to demonetize slowly. But a slow demonetization is not without serious drawbacks, since it determines the exportation of gold. Here are the reasons why it does so:

"Since demonetization has begun silver, which is constantly offered to foreign markets, goes on falling in price, while at home the value of the thaler, this coin being a legal tender under the restrictive clause above mentioned, and appraised at three golden marcs, is not depreciated. Bankers, therefore, when they have payments to make abroad are careful not to transmit thalers. They send gold marcs, reserving their thalers for home payments. Government buys back the gold in foreign markets, and the bankers go on exporting it. The Treasury thus undertakes to weave a Penelope's web without any Ulysses in the distance. Already 20,000,000 of marcs have been sent abroad, the sixth part of all that has been coined. To sum up, Germany has judged prudent not to demonetize rapidly, while the success of a slow demonetization appears highly doubtful."

Discussing the remedies for the disordered finances of Germany, the same writer says:

"Germany is not committed to the monometallic system to the extent of being unable, without a great effort, to abandon it. On the contrary, she has never so closely approached a bimetallic régime, which in point of fact she already legally, though provisionally, possesses. In order that bimetallicism become permanent and absolute, it would suffice for her government to ordain, firstly, that the coinage of gold and silver in the public mint shall be open to every one; secondly, that the weight of a silver marc shall be equal to one-third the weight of a thaler; thirdly, that pieces of four or five silver marcs shall be struck in order to make *rouleaux* of one hundred marcs, which cannot be done with the existing coins of three marcs—the thalers; fourthly, that no more thalers shall be struck, and the existing ones hereafter melted down and transformed into pieces of four or five marcs; fifthly, that there shall not be under the value of two marcs any more coins of low standard, and that those of five marcs, the coinage of which has begun, shall eventually be called in.

"It is obvious that the application of a law to this effect would not meet with any difficulty, and it would be attended with important advantages. The German government would be relieved of its monetary cares; it would be no longer obliged to seek issues which do not exist for its silver; it would not be obliged to demand more gold than can possibly be supplied; it would avoid the losses ensuing by the continued fall of silver, and purchase of gold, which goes on rising; it would cease to fear the exportation of golden marcs; and finally, satisfied with having in the whole empire a single denominational unity, the marc, it would leave the Germans free to make use at will of gold or silver money, as was always practiced in the states of the Latin Union up to 1874.

"The coalition formed between France, Italy, Belgium, and Switzerland to resist the monetary enterprises of Germany would be at once dissolved. The monetization of silver would be free in these countries, and there would be an end to a monetary war without precedent and without end, which is as contrary to scientific principles as to the interests of the States by whom it is waged. The English market, and with it the continental markets, would escape from the crisis which is inevitable if the German government persists in demanding more gold than can be furnished.

"Is there an economist, banker, or statesman who can deny the reality and the importance of the advantages we have just enumerated?"

The people of the United States are in the humiliating position of having had the double standard abolished in the dark by the gold ring; that is to say, the people here have been deprived of one of the precious metals, and they are expected to submit, because the metal in which they have had their rights stolen from them is cheap.

We think we can trust the intelligence of the people to resist this oppression. They can obtain valuable lessons pertinent to the case in studying the prosperity of France under the double standard and the depression in Germany resulting from the attempted demonetization of silver. The people of the United States never had the great question of abolishing silver money referred to them. They were deprived of their rights in silver by a juggling coinage regulation, and those who are urging the continuance of the exclusive gold standard must be of the impression that the people do not know their rights or dare not assert them.

Mr. COX. I do not propose to discuss this bill with reference to the proposition rejected in the conference. That proposition spreads over a large and open sea of tempestuous discussion. It might well engage our continuous attention for a week. It involves not merely the demonetization, but the remonetization of silver, and all the business relations of the whole people.

I know perfectly well what the Constitution says in relation to gold and silver both in the eighth section of the first article wherein Congress has the power to coin money and regulate the value thereof, and in the tenth section of the same article where it is declared that no State shall make anything but gold and silver coin a legal tender. These constitutional clauses are sacred, and nothing in this bill derogates from them.

I cannot now enter upon that question. It bears me away from the conference report. Silver should not be demonetized. No vote of mine shall tend that way. This bill does not thus tend.

I agree with the distinguished gentleman from Ohio [Mr. PAYNE] that legally, and I will go further, and say morally, silver is a part of the coin of this realm and should be so utilized. This report proposes to use it properly.

But, sir, the precise question before the House now is one concerning convenience; it is temporary; it is not constitutional or economical in a large sense. This report is not amendable. You have to vote ay or no upon it. If you vote for it, you facilitate the issue of subsidiary silver coin, so as to accommodate the people between now and our next session of Congress. You fill the vacuum caused by the displacement of the fractional currency. You help the people in their need and distress for "change." If you vote it down, I suppose I speak with parliamentary propriety when I say that there is no hope of such relief at this session either in this body or the other.

Now, Mr. Speaker, to come back to the proposition before the House. You all remember the first bill introduced here for the issue and fair distribution of the \$10,000,000 of silver coin in exchange for an equal amount of legal-tender notes, or really for so much fractional currency in the final result. That first bill, reported from the committee of which I am chairman, was intended to open new sluices for the fluent circulation of those \$10,000,000. That was the simple original bill, intended only to give facility to a prompt and fair distribution. The various amendments made since are in fact each and all irrelevant to that bill, which had one object and only one. To that bill the Senate made an amendment, striking out the word "now," which was well enough. Then they added the third section of another silver bill which we passed. It had reference to the trade-dollar, and was intended for good reasons to impair its value or demonetize it to a certain extent for certain purposes on the Pacific. That was the bill as the Senate sent it back to the House. Then on this bill thus amended by the Senate the House fixed the whole bill of the gentleman from Pennsylvania as to the issue of the twenty millions of silver coin minted out of bullion to be bought in the market on certain conditions and limitations.

Now, sir, I desire to say that a better bill than either that for twenty millions of the gentleman from Pennsylvania, or than the original ten-million-dollar bill to which the House attached the twenty-million bill, might be enacted with advantage. I refer to the bill introduced by the gentleman who represents the Saint Louis district in Missouri, [Mr. WELLS.]

This bill of the gentleman from Missouri authorizes—and I beg the attention of the House to it, for I believe it would be most acceptable when this matter shall properly come up—it authorizes any owner of silver bullion to deposit the same at the assay office in New York, or at any coinage mint, and to receive in payment therefor subsidiary silver coin at a rate of price per standard ounce to be fixed and announced from time to time by the Director of the Mint, with the approval of the Secretary of the Treasury. It provides that the cost of the coinage shall devolve on the seller of the bullion, and the profit or seigniorage arising therefrom shall accrue to the Government. So that if that bill were a law the Treasury would not have to go out and spend its money on hand to buy the bullion in the market; but every man in the country who owned bullion and deposited it in the assay offices or mints should there have it coined, the Government paying nothing for the bullion and receiving pay for the coinage. That seems to be the most sensible bill which has been introduced in connection with this subject. But it is not now before the House. I hope it may be considered, however, when we consider more comprehensively how best to monetize silver.

The simple question is shall we now, in pursuing the idea of making the old silver dollar a legal tender, the discussion of which has been raised by the gentleman from Indiana, [Mr. LANDERS,] lose the whole benefit of the ten-million and the twenty-million bill which have been so carefully considered by both Houses, and so sedulously guarded by proper provisions.

I might agree with all that was said by the gentleman from Indiana. I agree that even the bonds should be paid in silver as well as in gold. I will not stop to argue the proposition that silver being now 20 per cent. below gold and 10 per cent. below greenbacks, that it is a good time for one class and not for another. I will not stop to argue the relation between the debtor and the creditor class in this connection. These matters might all be pertinent, and in my judgment the points seem well taken. But the question now is, shall we forego passing this bill for silver change; the ten millions and the twenty millions; or lose the measure as matured and the consequent

benefit of it to the people, because we do not by this report reach a larger relief?

That, sir, is all that I intended to say at this time.

Mr. LANDERS, of Indiana. I desire to ask the gentleman from New York one question.

Mr. COX. Very well.

Mr. LANDERS, of Indiana. Can we not appoint another conference committee, should this report not be concurred in?

Mr. COX. I should think from the indications I have seen, without referring to the Senate or saying anything that would be irregular, that such a committee would be utterly fruitless of result. We would gain nothing by it.

Mr. LANDERS, of Indiana. That is not the question; can we not do it?

Mr. COX. I suppose you could raise another conference by some management here. I proposed to yield a portion of my time to the gentleman from Pennsylvania, [Mr. RANDALL,] but he is not in the Hall, and therefore I will yield five minutes to his colleague, [Mr. TOWNSEND.]

Mr. TOWNSEND, of Pennsylvania. I rise to support the report of the conference committee. I think it is a report that ought to be accepted by this House, and I am sure that it will commend itself to the sound judgment of all the people of the country.

I shall address myself chiefly to that portion of the report which has reference to what is called the Landers amendment, making the silver dollar of 1861 a legal tender for all debts, public and private; and I want to say that I agree with the gentleman from Indiana [Mr. LANDERS] and the gentleman from Illinois, [Mr. FORT,] in the hope and desire that the national bonds of which they have spoken shall be paid according to the original meaning and intent of the contract.

Mr. LAWRENCE. What is that?

Mr. TOWNSEND, of Pennsylvania. The gentleman from Ohio inquires what was the original meaning and intent of the contract? We have to gather it from the circumstances surrounding the offer and taking of the loan itself when first made. We have to look to what the Government did; and when we examine its acts we find them in the promises and action of the agents of the Government who had charge of the negotiation of our great loan. The negotiation of a loan of over \$1,000,000,000 was intrusted to a single house. The house of Jay Cooke & Co. were the sole parties authorized to negotiate the loan; they were authorized to go into the market and obtain it; they were the recognized and responsible agents of the Government. They went into the market; they distributed their circulars all over the country and they assured every man and every woman who could scrape together \$50 or more that these bonds which they were selling to the people were payable principal and interest in gold. There was no time during the whole negotiation of the loan when some of these circulars dated in 1863 and distributed by their subagents were not to be found in every hamlet, every village, and every city on the continent, without objection from the Treasury Department; and in these circulars thus sent forth in reply to the inquiry "Will the face of the bonds be paid in gold when due?" Jay Cooke & Co., the accredited agents of the Government, with the sanction of the Secretary of the Treasury, with the sanction of Congress, (for there was no expression of opinion or action by the Secretary or Congress to the contrary,) said: "These bonds are called five twenties because, while they are twenty-year bonds, they may be redeemed by the Government in gold at any time after five years."

Again, in answer to another inquiry, they say that "Congress has provided that these bonds shall be paid in gold when due." And again they say in the postscript: "Those who neglect these 6 per cent. bonds, the interest and principal of which they will get in gold, may have occasion to regret it." I submit as a part of my remarks the entire circular. It was an original circular emanating from their house, hundreds of thousands of which were circulated throughout the country to induce people to invest in the national loan. It reads as follows:

—, BERKS COUNTY, PENNSYLVANIA, March 20, 1863.

JAY COOKE, Esq.,

United States Loan Agent, 114 South Third Street, Philadelphia.

DEAR SIR: I see by our papers that you are selling for the Government a new loan called five-twenties. I expect to have shortly a few thousand dollars to spare, and as I have made up my mind that the Government loans are safe and good, and that it is my duty and interest at this time to put my money into them in preference over any other loans or stocks, I write to get information of you as follows:

First. Why are they called five-twenties?

Second. Do you take country money or only legal tender notes, or will a check on Philadelphia or New York answer for subscriptions?

Third. Do you sell the bonds at par?

Fourth. As I cannot come to Philadelphia, how am I to get the bonds?

Fifth. What interest do they pay, and how and where and when is it paid, and is it paid in gold or legal-tenders?

Sixth. How does Secretary Chase get enough gold to pay his interest?

Seventh. Will the face of the bonds be paid in gold when due?

Eighth. Can I have the bonds payable to bearer with coupons or registered and payable to my order?

Ninth. What sizes are the bonds?

Tenth. Will I have to pay the same tax on them as I now pay on my railroad or other bonds?

Eleventh. What is the present debt of the Government, and what amount is it likely to reach if the rebellion should last a year or two longer?

Twelfth. Will Secretary Chase get enough from custom-house duties and internal revenue, income taxes, &c., to make it certain that he can pay the interest punctually?

I have no doubt that a good many of my neighbors would like to take these bonds, and if you will answer my questions I will show the letter to them.

Very respectfully,

S. M. F.

OFFICE OF JAY COOKE, SUBSCRIPTION AGENT, AT
OFFICE OF JAY COOKE & CO., BANKERS, 114 SOUTH THIRD STREET,
Philadelphia, March 23, 1863.

DEAR SIR: Your letter of the 20th instant is received, and I will cheerfully give you the information desired by answering your questions in due order.

First. These bonds are called five-twenties because, while they are twenty-year bonds, they may be redeemed by the Government in gold at any time after five years. Many people suppose that the interest is only 5.20 per cent.; this is a mistake: they pay 6 per cent. interest.

Second. Legal-tender notes, or checks upon Philadelphia or New York that will bring legal tenders, are what the Secretary allows me to receive; no doubt your nearest bank will give you a check or legal tenders for your country funds.

Third. The bonds are sold at par, the interest to commence the day you pay the money.

Fourth. I have made arrangements with your nearest bank or banker, who will generally have the bonds on hand. If not, you can send the money to me by express, and I will send back the bonds free of cost.

Fifth. The bonds pay 6 per cent. interest in gold, 3 per cent. every six months, on the 1st day of May and November, at the Mint in Philadelphia or at any subtreasury in New York or elsewhere. If you have coupon bonds, all you have to do is to cut the proper coupon off each six months and collect it yourself or give it to your bank for collection; if you have registered bonds, you can give your bank a power of attorney to collect the interest for you.

Sixth. The duties on imports of all articles from abroad must be paid in gold, and this is the way Secretary Chase gets his gold; it is now being paid into the Treasury at the rate of \$300,000 each day, which is twice as much as he needs to pay the interest in gold.

Seventh. Congress has provided that the bonds shall be paid in gold when due.

Eighth. You can have either coupon bonds, payable to the bearer, or registered bonds, payable to your order.

Ninth. The former are in fifties, one-hundreds, five-hundreds, and one-thousands; the latter in same amounts, also five-hundreds, and ten-thousands.

Tenth. No! You will not have to pay any taxes on these bonds if your income from them does not exceed \$600, and on all above \$600 you will only have to pay one-half as much income tax as if your money was invested in mortgages or other securities. I consider the Government bonds as first of all; all other bonds are taxed 2 per cent. to pay the interest on the Government bonds, and the Supreme Court of the United States has just decided that no State, or city, or county can tax Government bonds.

Eleventh. The present bonded debt of the United States is less than three hundred millions, including the 7 3-10 Treasury notes; but the Government owes enough more in the shape of legal-tenders, deposits in the sub-treasuries, certificates of indebtedness, &c., to increase the debt to about eight or nine hundred millions. Secretary Chase has calculated that the debt may reach one thousand seven hundred millions if the rebellion lasts eighteen months longer. It is, however, believed now that it will not last six months longer; but even if it does, our national debt will be small compared with that of Great Britain or France, while our resources are vastly greater.

Twelfth. I have no doubt that the revenue will not only be ample to pay the ordinary expenses of the Government and all interest on the debt, but leave at least one hundred millions annually toward paying off the debt, and that the Government will be able to get out of debt again, as it has twice before, in a few years after the close of the war.

I hope that all who have idle money will at once purchase these five-twenty year bonds. The right to demand them for legal-tenders will end on the 1st day of July, 1863, as per the following authorized notice:

SPECIAL NOTICE.

On and after July 1, 1863, the privilege of converting the present issue of legal-tender notes into the national 6 per cent. loan (commonly called five-twenties) will cease.

All who wish to invest in the five-twenty loan must, therefore, apply before the 1st of July next.

JAY COOKE,
Subscription Agent,
114 South Third Street, Philadelphia.

Those who neglect these 6 per cent. bonds, the interest and principal of which they will get in gold, may have occasion to regret it.

I am, very truly, your friend,

JAY COOKE,
Subscription Agent, at office of Jay Cooke & Co.,
114 South Third Street, Philadelphia.

Mr. KELLEY. By whom?

Mr. TOWNSEND, of Pennsylvania. By Jay Cooke & Co., as I said before, the recognized agents of the Government, by whose acts, recognized by the Government and Congress, we are morally if not legally bound.

Now, the objection that is made by the gentleman from Indiana and the gentleman from Illinois is that these bonds were purchased at 40 per cent. on the dollar. How were they purchased? They were purchased from the Government with the money issued by the Government, with its legal-tenders, which it had let fall from the one hundred cents which it got for them to a depreciation of forty cents on the dollar, and with which, as it appears by the circular, it invited the people to invest in the bonds. The Government had no right to complain, and no one now has a right to complain that the Government issued bonds at a hundred cents on the dollar and took in payment its own notes, which it let fall to the depreciation of forty cents on the dollar, whereby the people who held the notes were the sufferers. It only put those persons in a proper position who were suffering from its own inability to keep its paper promises at par. The people had suffered that depreciation and they were entitled to have that depreciation and loss made good to them, and the best the Government could do was to give its bonds, payable at a distant day, for its depreciated legal-tenders.

Now, sir, I say that that was right and proper and according to the idea held out by the accredited agent of the Government, which was afterward followed up by the declarations, if I remember right, of

Secretaries Fessenden and Chase, that the bonds were payable in gold. That a party or a government is bound by the recognized acts of its agents is a well-known principle both of morals and of law. A doubt, however, was started whether from the wording of the bonds they were payable in gold, and on March 18, 1869, by the first act of General Grant's administration, which was entitled "An act to strengthen the public credit," and which was intended to settle that doubt and silence cavilers, it was declared that—

The faith of the United States is solemnly pledged to the payment in coin or its equivalent of all the obligations of the United States not bearing interest known as United States notes, and of all interest-bearing obligations of the United States except in cases where the law authorizing the issue of any such obligation has expressly provided that the same may be paid in lawful money or other currency than gold and silver.

This was a declaratory act, and was an express recognition of the promise that the Government agents had made, that the bonds should be paid principal and interest in gold.

But gentlemen say that the word "coin" is used in the act, and not the word "gold." To know what was intended by the word "coin" we must look at the condition of the metallic currency at that day.

The subsidiary coins were not a legal tender beyond \$5, and consequently it did not mean that depreciated currency.

The silver dollars were evidently not in the contemplation of Congress, for only \$4,709,490 in silver dollars had been coined from the foundation of the Government to the year 1869. Only \$1,000 in silver dollars had been coined between 1805 and 1839. They formed no part of the circulation; practically they had become obsolete, and not one payment in ten thousand was made in the silver dollar, and probably not \$200,000 were then in the United States. The halves and quarters of the old standard were not contemplated, for they did not form one-tenth part of the coinage of the country, there having been coined of such only \$68,679,507 up to 1853, when the new coinage was only made a tender up to \$5. The greater part of both had been exported in settlement of balances due foreign nations. The only coin then thought of was the gold coin, of which up to 1869 there had been coined at our mints the sum of \$695,891,622. Gold was the only coin in circulation for the payment of large debts up to the opening of the war. No one thought of anything else, no one paid in anything else who by law was required to pay in coin, for it was the easiest to obtain. And when the act of 1869 was passed the only recollection of Congressmen of coin was gold coin, for silver had only been used for change, and gold had been the means or medium for the payment of large obligations.

I repeat it, then, that the word coin in the act of 1869 was intended to mean gold coin alone, for it was the only or uppermost idea in the minds of all when it was uttered, especially as silver coin, except for the minor transactions, had passed out of sight and out of mind; in fact, almost all the silver coins but the overvalued subsidiary coins had left the country, and it is most likely that none of the men who passed the law had ever seen a silver American dollar.

Not to accept this report but to allow the proviso or amendment of the gentleman from Indiana [Mr. LANDERS] to prevail would be to allow the solemn obligations of the Government to be paid off in coin worth less than eighty cents in the dollar, and give such a shock to our credit as would disgrace us in the eyes of the civilized world and depress our bonded obligations 20 per cent. in value. It would, besides, drive every gold coin out of the country within an incredibly short space of time. Within a week British standard silver has sold in the market at fifty-four pence sterling per ounce, equal in our currency to 92.726 cents. This makes the value of two silver half dollars weighing 385.8 grains, 74.53 cents; the value of the old silver dollar of 412.5 grains, 79.70 cents; and the value of the trade-dollar of 420 grains, 81.134 cents.

Gold is at 112 premium, making the legal-tender paper dollar worth 89.29 cents. Thus it is proposed to pay our obligations with silver dollars 20 3-10 per cent. below par, and worth nearly ten cents less than the paper dollar. This would be partial repudiation. Nay, more, it would be an imposition on the masses of the people, requiring the laborer to take less for his wages, the farmer to take less for his wheat and corn, the mechanic to take less for his work than he had contracted to receive. It would also add to the price of every commodity that should be bought with such currency.

This depreciation in the price of silver has been effected by many causes. The demonetization of silver by European countries, the great supply of the American mines, the falling off of the demand in India have all tended to this depreciation and greatly disturbed the proportionate values of gold and silver, which had ranged at 15½ or 16 to 1.

The weight of the gold dollar is 25.8 grains and the weight of the old silver dollar is 412.5 grains. If three more grains were added to the silver dollar the proportion would be exactly as 16 to 1. At the present price of silver, however, the gold dollar is to the old silver dollar as 20.7 to 1, and the gold dollar is to the subsidiary silver (two half dollars) as 21.4 to 1. And all this difference in the proportions between the two metals has taken place within a very short space of time.

It is said, however, that gold has appreciated, and that silver has not depreciated to the extent I have named. It may be true that gold may have slightly appreciated since the demonetization of sil-

ver by Germany and the Scandinavian countries, but there is no certain evidence that such is the case. A small advance may have taken place in the controversy between France and Germany to obtain sufficient gold for their respective uses, but of this no one can affirm with certainty. For a time there was a small advance given by the Bank of England for American double eagles, but from this advance the bank has receded, and there is no commodity of certain quality and steady price that indicates any such advance; and it is beyond the power of man to say that such appreciation has taken place. No European political economist, so far as I have observed, maintains it. On the contrary, it would seem as if gold had depreciated in value, if the wages of labor afford any test, for wages are higher in the golden State of California in gold than in the Eastern States in legal tenders, as shown in Young's late work on Wages in Europe and America.

It may be safely said that as a practical measure we have never had a double standard in successful operation in this country. We have tried the experiment, but it has failed. We had to change the proportions in 1833, and then again in 1834, and again in 1853. It is just as impossible to keep up a fixed proportion between the values of gold and silver as between wheat and corn, or whisky and tobacco. The Rhode Island colonists tried it with their wampum-peage two hundred years ago, and failed. The values of all these articles will depend on demand and supply and other causes, and no legislation can prevent it. It never did prevent it and never will.

The only sound policy for any government to pursue is to have a single standard, and to use that metal for it which is most valuable in the eyes of the world. The European governments have found that out, and are abandoning the double standard, mostly using gold, but silver only for subsidiary coins; but legislators in this House are anxious to adopt the worn-out devices which European governments have cast aside. There is no wisdom in this. It is taking a step backward in financial science, and acknowledging that we cannot learn by the experience of others. It is turning back the finger upon the dial of time.

I repeat it then, in my judgment, we should have but a single standard, and that standard should be gold. Silver should be used only in subsidiary coins, in tokens under one dollar in nominal value, and so overvalued as not to be liable to exportation, and for the small contracts of every-day life. I know that such a policy would not be agreeable to the owners of great bonanza silver mines, but it would conduce to the interests of the people, and would prevent them from being taxed 10 to 20 per cent. in all their transactions that might be made in silver coin.

It is said that we must utilize our silver, and that the best way to do it is to put it into coin. By the act of 1873 we made the trade-dollar; we gave to the mine-owner the whole seigniorage on his bullion and we coined for him one hundred and twenty-five cents' worth of coin from his ounce of fine silver when standard silver was only worth at present rates about ninety-three cents to the ounce, and allowed it to be a legal tender to the amount of five dollars. Happily, we have taken away this special privilege by the bill in conference, and his only use for trade-dollars is now in foreign markets.

There is no reason why the owners of silver mines should have special privileges to the disadvantage of the people, and the legal-tender quality of the trade-dollar has been withdrawn in pursuance of a sound political economy.

I need add little or nothing concerning that part of the report which adopts what is called the Payne bill. It is a measure that relieves temporarily the scarcity of small change that has been occasioned by the hoarding of greenbacks. The ten millions of subsidiary coin that can at once be thrown into the circulation, in exchange temporarily for the legal tenders, will be sufficient to supply the pressing demand for change, and the disposition to hoard will pass away as soon as the people see that they can get as much as they want.

The Randall bill provided for an additional twenty million of subsidiary coin to supply a vacuum that my colleague thought would exist because of the destruction of the greenbacks. I thought when his bill was before the House that his estimate was too high by ten millions, and offered an amendment accordingly. The principle of that amendment has been adopted by the committee.

The committee of conference has modified his bill so that the whole amount of the fractional currency and subsidiary coin shall not exceed fifty millions, a sum amply sufficient when we remember that the whole amount of fractional currency authorized by law was fifty millions, and that not more than forty-two millions and a half thereof were ever at one time in the hands of the people.

I think the report of the committee should be adopted. It will give us an abundant supply of subsidiary coin, it will save us from a depreciated currency, and at the same time preserve our national honor as involved in the payment of our national obligations, and will show to the world that we intend to pay our debts according to the general understanding of the terms of the contract between the Government and the people, and which we have since recognized by appropriate legislation.

[Here the hammer fell.]

Mr. COX. I yield for five minutes to the gentleman from Pennsylvania, [Mr. KELLEY.]

Mr. KELLEY. Mr. Speaker, I cannot say what I desire to in five

minutes, but I can express the hope that this report may be rejected by this House as a measure involving dishonesty, discreditable to the House and the country.

The gentleman from Ohio [Mr. PAYNE] tells us that it would be dishonest to pay the foreign bondholders in silver which has so greatly depreciated, and yet this report which he sustains proposes to go on buying silver with gold-bearing bonds or money that would redeem such bonds in order to make the American people accept it when greatly debased as money. Not valuable enough to pay the rich bondholder, says the report, but more than valuable enough to pay the farmer for his wheat and the laborer for his day's work. It may be answered that this report does not propose to issue 5 per cent. gold bonds. It proposes, as I have said, to buy silver with money which would buy these bonds and it leaves them outstanding. It proposes to bring us to specie payments by enlarging our gold obligations, by adding to our gold expenditures in order to make a fractional currency of \$50,000,000 for the purchase of the mere material of which we pledge the revenues of the country to the payment of \$2,500,000 interest in gold annually. But more and worse, we incur this gold indebtedness for the purchase of a depreciating commodity. A commercial house in my district advised me but yesterday of the rate of its purchases of silver during the last six months.

I submit the brief but suggestive statement:

You may be interested to know that—

January 28 we paid	\$1 21½
February 19 we paid.....	1 18½
March 16 we paid	1 19½
April 3 we paid	1 17
May 19 we paid	1 16½
June 19 we paid.....	1 13½
June 29 we paid.....	1 11½
July 5 we paid	1 09
To-day.....	1 06

all gold, for silver bullion, 9.9+ fine, mint assay, per troy ounce. Say to-day \$1.06 gold per troy ounce against \$1.21½ gold per troy ounce in January.

Shall we go on and bind the laboring-people, the farmers, the manufacturers, the capitalists of this country, to pay \$2,500,000 annually in gold for a material out of which to make fractional currency while it is declining with the measure of rapidity indicated by these purchases? Can we increase our power to pay our debt by depriving ourselves of one of the great elements for its payment? Can we increase our resources by depriving silver of its quality of money and yet using it as a mere token coinage? What has depreciated silver? We and Germany by demonetizing it have deprived it of its use and consequently of its value. Silver is valuable as money. It is no longer used for plate. Families do not have it converted into table services; they can get white metal in forms of equal beauty and the robber will not carry them off, for he cannot melt it into ingots as he can silver. Nickel-plating is cheaper and more durable than silver-plating. So that, by demonetizing silver, we who own the most valuable silver mines of the world, depreciate its value and will soon close the least productive mines and will thus deprive another class of laborers of opportunity to earn wages. We it is who are running up the price of gold, measuring the price by all our commodities, including silver. We are running it up as rapidly as the mercury went up a few days ago in yonder thermometer, proving that our unchangeable standard is of everchanging value.

I pray you, Mr. Speaker and gentlemen, to pause. Stand by the provisions of the Constitution. Maintain the first dollar you ever had, and the only dollar you had until 1834. Then other nations rated silver at 15½; that is to say, that silver and gold bore the relation of 1 to 15½. Gold was discovered in the Southern States, and in order to make a market for it we put silver up to 16 to 1, that other nations might thenceforth take our silver and leave us our gold. When we put it up to 16 to 1 it was more profitable to take our silver, and it was exported, leaving gold to circulate. In the present condition of her affairs, Germany would be compelled to remonetize silver if we re-establish our old dollar which the joint resolution of March 18, 1869, fully recognized. We are the masters of the situation. When we pay the German bondholders in silver dollars such as they agreed to receive, Germany, which is to-day struggling to get gold enough to maintain her credit, will remonetize her thaler and other silver coins, and our joint action will restore the old relation of 15½ or 16 of silver to 1 in gold. The oft-referred-to resolution of March 18, 1869, is as follows, and proves our right to pay our debt, principal and interest, in silver coin:

The faith of the United States is solemnly pledged to the payment in coin, or its equivalent, of all the obligations of the United States not bearing interest, known as United States notes, and of all interest-bearing obligations of the United States, except in cases where the law authorizing the issue of any such obligations has expressly provided that the same may be paid in lawful money, or other currency than gold and silver.

[Here the hammer fell.]

Mr. COX. I now yield to the gentleman from Iowa, [Mr. KASSON.]

Mr. KASSON. I answer the gentleman from Pennsylvania [Mr. KELLEY] appealing for the rights of labor that we who sustain this report demand of this House so to provide that you shall not cheat the wages of labor at the rate of eighty cents for a dollar's worth of service by making silver an unlimited legal tender when more depreciated than paper money. If we owe the laborer a month's wages, let him, in God's name, have a dollar's worth of real money for a dol-

lar's worth of labor, and let him not be—as that gentleman proposes—paid off at the rate of eighty cents. The laborer is worthy of his hire, paid in good, sound gold money.

Now, sir, I leave that proposition against the proposition of the gentleman from Pennsylvania. No man deals honestly by the producing interests or the labor of this country who does not propose as soon as possible to pay them good, hard money for the product or the worth of their labor; and on that platform I have stood for years against all the clamors for inflation and all the attempts to reduce the money of the United States to the level of the money of San Domingo, where they take a market-basket full of it to market to get a dozen of eggs for breakfast. The laws of supply and demand, say gentlemen, must regulate the value of money, whether it be gold, silver, or paper. Where you require a laborer to take, as in San Domingo, \$1,000 in money to buy his breakfast, are you increasing the value of money by increasing the demand for it? I regret that there is not more time to go into this whole subject, but there is not time, and I leave it.

One word in answer to the gentleman from Tennessee, [Mr. BRIGHT.] He says that we passed in 1869 that law of public credit and national faith, one of the noblest laws ever passed by Congress as the representative of the national and popular honor, without consulting the people in their popular assemblies. Sir, at the convention at Chicago in 1838, one of the parties announced to the people of this country, and announced it in the face of those who were clamoring for repudiation, that the people of this great Republic would not repudiate, but would pay their bonds according to the letter and the spirit of the contract. We went before the people on that platform, and among others, the people of Tennessee, my honorable friend's own State, and by more than 20,000 majority the people of that State approved that platform, and the people of the whole country elected upon it a majority to this House, which, with the Senate, passed the act of 1869. It was one of the most glorious tributes ever rendered by a republic to public virtue and public honesty. It showed that the intelligent American people would repudiate demagogues, but would not repudiate public faith nor national honor, the two priceless jewels of our Republic.

Mr. BRIGHT. Mr. Speaker—

Mr. KASSON. I have but a few minutes.

Mr. BRIGHT. I only want to make a correction. I suppose the gentleman does not wish to do me an injustice.

Mr. KASSON. I certainly do not; and if it is not taken out of my time I will yield.

The SPEAKER *pro tempore*, (Mr. SPRINGER.) It must be taken out of the gentleman's time.

Mr. KASSON. Then I hope I will be allowed to go on; and if I have done the gentleman any injustice he will have an opportunity to correct it.

Now to this report, which is before the House, it is not a proposition that leads logically to all this debate upon the legislation of past years. There is no proposition in it to demonetize silver, to change its legal-tender quality, nor to increase the public debt. There is a proposition in it simply to get silver small coin into circulation throughout the borders of the United States in response to earnest demands for it. The whole purpose of the Committee on Banking and Currency and of the committee of conference, as I understand it, is to facilitate the remonetizing of small silver by providing for its more rapid coinage and distribution among the people. There is not a clause in this report, as I understand it, that proposes to increase by one dollar the debt of the United States, whether bonded or otherwise. There is a clause that authorizes the exchange of one kind of money for its full value in silver bullion to be coined and distributed among the people, in order to increase the stock of silver coin in circulation in the community. That is the whole purport of this proposition. A vote for the report is not a vote to demonetize silver, but it is a vote to remonetize it and to satisfy the demand of the whole community for a supply of silver change.

[Here the hammer fell.]

Mr. COX. I now yield to the gentleman from Illinois [Mr. BURCHARD] for five minutes.

Mr. BURCHARD, of Illinois. I shall vote to concur with the report of the committee of conference, although I supported the amendment of the gentleman from Indiana [Mr. LANDERS] authorizing the coinage of the silver dollar. This dollar, issued under the law of 1792 and the law of 1837, was the unit of value and a legal tender in payment of all debts, and is a legal tender to-day unless the provision has been repealed in the revision of the laws.

Mr. LAWRENCE. Repealed by the act of 1873.

Mr. BURCHARD, of Illinois. I said by the revision of 1873. I do not mean the coinage act, but the revised code of 1873. As this report now stands it presents a proposition to authorize the issue of \$50,000,000 of subsidiary silver coin. I am for that. If I cannot have the amendment of the gentleman from Indiana [Mr. LANDERS] and also provide for the issue of the legal silver dollar, and the committee of conference on the part of the House have only been able to secure the coinage of \$50,000,000 of subsidiary silver coin, I am willing to take what I can get. I am glad to have one conference committee report an agreement.

Mr. LANDERS, of Indiana. Allow me to correct the gentleman. I did not agree to the report.

Mr. BURCHARD, of Illinois. The majority of the committee of conference did. All legislation is the result of concession and compromise among individual members as well as between the two Houses. Because I cannot get all that I want I shall not decline to accept what is satisfactory to me as far as it goes. This much I desired to say in justification of those who voted for the amendment of the gentleman from Indiana, but will now vote to concur in this conference report.

Prior to the organization of the Government, in 1786, under the Confederation, the Spanish milled dollar was recognized as the unit of account and the standard of value. That dollar, or its equivalent, the American silver dollar of 371½ grains of pure silver, for nearly a century continued not only the unit and standard of value, but a "legal tender in payment of all sums whatsoever."

The coinage act of 1873, unaccompanied by any written report upon the subject from any committee, and unknown to the members of Congress, who without opposition allowed it to pass under the belief, if not assurance, that it made no alteration in the value of the current coins, changed the unit of value from silver to gold. It made the gold dollar the unit of value. It omitted the silver dollar from the list of silver coins, although the Mint at Philadelphia was then coining the same silver dollar and had during each of the two preceding years coined more than a half million of silver dollars.

Our monetary system had adopted and was based upon both gold and silver as its standard of value. The coins of each metal were legal tender; those of gold had been changed. The eagle of to-day contains 15½ less grains of pure gold than the eagle coined from 1792 to 1834. The silver dollar coined in 1872, under the act of 1837, contained 371½ grains of pure silver—the identical weight of pure silver in the silver dollar established in the first coinage act passed by the Government. The relative values of gold and silver were established by that act at 15 of the latter to 1 of the former. The alloy was one-twelfth for gold coin and about 104 per cent. for silver coin. All gold and silver coins issued from the Mint were made a lawful tender in all payments whatsoever.

It was further provided by the act of 1792—

That the money of account of the United States shall be expressed in dollars or units, dimes or tenths, cents or hundredths, and mills or thousandths, a dime being the tenth part of a dollar, a cent the hundredth part of a dollar, a mill the thousandth part of a dollar, and that all accounts in the public offices and all proceedings in the courts of the United States shall be kept and had in conformity to this regulation.

The eagles were each "to be of the value of \$10 or units, and to contain 247½ of a grain of pure or 270 grains of standard gold."

The dollars or units were each "to be of the value of a Spanish milled dollar as the same is now current, and to contain 371½ parts of a grain of pure or 416 grains of standard silver; half dollars each to be of half the value of the dollar or unit."

The acts of 1834 and 1837 changed the standard of purity for both gold and silver coins, so that gold coins were made to contain nine-tenths instead of eleven-twelfths of pure gold, and the silver coins by the act of 1837 were made to contain nine-tenths of silver and one-tenth alloy. The increased purity of the standard was compensated by a diminution of the weight of the silver coins, so that the dollar silver coin and the fractional parts of the dollar contained the same amount of pure silver as required prior to the passage of the act for the same denominations. The dollar was established at the weight of 412½ grains, the half dollar of the weight of 206¼ grains, and lesser coins at the proportional number of grains that their proportional value bore to the silver dollar. It was also provided—

That dollars, half dollars, and quarter dollars, dimes and half dimes shall be legal tenders of payment according to their nominal value for any sums whatever.

The gold coins were to consist of eagles, weighing 258 grains, and the half and quarter eagles, containing respectively one-half and one-fourth as many grains of standard gold. While silver coins issued prior to the passage of the act continued a legal tender for their nominal value only, gold coins issued after July 31, 1834, remained a legal tender.

In 1853, without changing the standard of purity of coins in any respect and without changing the weight of the silver dollar or its relative exchangeable value or unlimited legal-tender power in payments, Congress provided for coining silver coins subsidiary to the silver dollar and reduced their weight. It provided for a silver half dollar of 192 grains of standard silver, a quarter of a dollar of 86 grains, as well as a dime and half-dime correspondingly reduced in value.

The silver dollar was not named and not disturbed. The coins mentioned and provided for in the act were made a legal tender for sums of \$5 and less.

Thus stood our coinage and standard before and during the contraction of our present large indebtedness and at the time our outstanding United States notes and bonds were authorized and issued.

The laws authorizing national loans from 1861 to 1875 provide for payment in lawful money or in coin. They promise to pay dollars. The dollar or unit was, and continued until 1873 to be, the silver dollar of 412½ grains of standard silver as well as the gold dollar of 25.8 grains of standard gold. The public credit act of 1869 was a pledge to pay the bonds in coin or its equivalent. Our dollar or unit of value, the standard for over eighty years, the silver dollar weighing 412½ grains, still "a legal tender in payment for any sums whatever," was being coined and issued by the Mint.

Did we guarantee the value? Did we promise that if gold appreciated and silver declined we would cease to mint or use the silver dollar and pay in the more valuable metal? Unless our legislation has depreciated or debased the coin, we are under no legal or moral obligation to pay our public debt in any coin better than the silver dollar, then legal tender and unit of value. If our legislation has caused the depreciation, we have the right and it is our duty to undo the evil.

The funding act of 1870, which authorized the refunding of \$1,500,000,000 of the national debt at lower rates of interest, and under which \$500,000,000 of 6 per cent. bonds have been refunded into 5 per cent. bonds, expressly provided that the bonds thus issued should be payable in coin of the then existing standard of weight and purity. The act itself excludes the idea that this coin must be gold, for a subsequent section of the act authorized the deposit of gold in the Treasury for which gold certificates by the terms of the act were to be issued payable in gold. The bonds were to be paid in coin of the weight and purity established by law; the gold certificates must be paid in gold.

The coinage act of 1873 provided for the issue of a trade-dollar of 420 grains of standard silver. It failed to provide, in fact impliedly forbade, the coinage of the silver dollar. That silver dollar still remained a legal tender for payment at its nominal value of any sums whatever.

The revisers of the code completed the work of degrading the silver dollar and overthrowing the standard of value established by our fathers. The code provides that silver coins shall be legal tender only for sums not exceeding \$5.

The recognition of silver dollars as, jointly with gold coins, a standard of value and their coinage at the Mint will stay the rapid appreciation of gold now so manifest in the depressed and falling price, measured in gold, of commodities throughout the world. To restore the silver dollar is just to the public creditor, the private citizen, and above all to the people whose earnings must procure the coin to redeem the promise of the Government to pay its debt in coined dollars of the standard established by law when the debt was contracted.

But I do not insist upon tying this great question, this important subject of legislation, to a proposition which I also heartily favor and desire to pass, to supply a much-needed circulation of subsidiary silver coins.

The demonetization of silver in 1873 was done ignorantly, hastily, and inadvertently. Its restoration should be undertaken carefully and considerably and accomplished after full discussion and due deliberation. When we have secured the \$50,000,000 subsidiary silver coin, we will see what can and ought to be done about the silver dollar.

Mr. CANNON, of Illinois. Mr. Speaker, I simply desire to say that, though I favor the continued coinage of the silver dollar and making it a legal tender as it was prior to 1873, yet, for the reasons advanced by my colleague [Mr. BURCHARD] and others, I shall vote to concur in the conference report.

Mr. COX. I now yield to the gentleman from Ohio [Mr. GARFIELD] for ten minutes.

Mr. GARFIELD. I can hardly conceive a situation in which the House could be brought more directly face to face with what seems to present on the one hand public honor and on the other the deepest public disgrace than the alternative propositions now presented to this House in this report. Everything in the way of controversy hinges upon the proposed amendment of the gentleman from Indiana, [Mr. LANDERS.] It is claimed that, by the terms of the act of 1869, it would be lawful for us to pay the public debt in silver dollars such as might have been coined under the law as it stood in 1861.

Now I desire to recall to the mind of the House the letter and the spirit of that law. After all the doubt and the turbulent excitement about what the actual obligation of the nation was in regard to the public debt, the first act of the Congress approved by President Grant made a solemn declaration designed to put all those doubts to rest. It was declared by Congress that—

The faith of the United States is solemnly pledged to the payment—

In what? Not in silver, not in gold, not in coin, but—

in coin or its equivalent of all the obligations of the United States not bearing interest, known as United States notes, and of all the interest-bearing obligations of the United States, except in cases where the law authorizing the issue of any such obligations has expressly provided that the same may be paid in lawful money or other currency than gold and silver.

Mr. LANDERS, of Indiana, rose.

Mr. GARFIELD. I decline to be interrupted. The declaration there was that the payment of all these national obligations not specifically currency obligations was to be in "coin or its equivalent." Now, what did Congress mean? What were our laws before 1861? Why, Mr. Speaker, since 1834 we have had one standard, a dollar; and we have by law embodied it in two metals, gold and silver. But all the time, in order to have one standard, not two, we have sought to make the coins of the two metals conform to the one standard; keeping the amount of metal in one so adjusted to the amount of metal in the other that a dollar of gold should be equivalent to a dollar of silver. Every hour that we had a double standard it was double only on the ground of equivalency; and when by reason of the shifting value of the two metals in reference to each other, the silver dollar and the gold dollar have varied from each other in

value, Congress has undertaken to equalize them by increasing the amount of metal in one or decreasing the amount of metal in the other. We always sought to avoid the evil of having two kinds of dollar, one worth more than the other. And when Congress promised to pay in coin it was a promise to pay gold coin or silver coin of equal value to the same nominal sum in gold. I cannot believe that this statement will be denied.

Congress saw a few years ago that it was going to be difficult to keep up the equality or equivalency of the dollar in the two metals; so it dropped one of the metals, except as a subsidiary coin, and left the national standard of value embodied in the other, namely, in gold. Now, the fact that in 1873 we adopted a device to preserve the constancy of the value of the dollar does not by any means signify that we meant to change the old obligation so that men to whom the Government owes money can lawfully be paid in money of a different value.

By monetary changes abroad and by mining developments at home it has happened that to-day, by reason of the fluctuations in the relative values of the two metals, silver has so depreciated that if it were now a legal standard of payment of all amounts the employees and other creditors of the Government could be compelled to accept seventy-nine cents as full payment for every dollar due them, and thus they would be swindled to the extent of twenty-one cents on the dollar by being compelled to receive silver rather than gold, or to the extent of ten cents on the dollar by paying them silver rather than Treasury notes. And the most amazing feature of the case is that some good men, holding these places of high responsibility, do not see that this would be as dishonest as it would be ruinous in its results to the credit of the nation.

Let it be remembered that we are solemnly bound by the act of 1869 to pay in coin or its equivalent. Dare any man say that we can pay in this so greatly depreciated silver and really obey the law of equivalency which was the basis and spirit of the statute of 1869? He denies the principle of equivalency who proposes to pay in this silver coin. He violates the law who violates the essential object of it—equivalency.

If you insist on paying in silver, then I insist that your silver dollar must be equivalent to your gold dollar. Do gentlemen consent to maintain equivalency in the two standards and then pay in silver? Manifestly not. Their incentive is gone the moment they are asked to pay one hundred cents on the dollar. Some one has said that there is an innate desire in the human mind to get a chance to cheat somebody. A great minister once said that there were two things in human nature which when united always made iniquity complete—one was the desire to do a dishonorable thing, and the other was the opportunity to do it. It has happened in the fluctuations of these metals that there is now a notable opportunity to cheat several millions of men by adopting the baser metal as the standard of payment, and thus accomplishing a swindle on so grand a scale as to make the achievement illustrious. By the proposed measure one-fifth of the enormous aggregate of public and private debts can be wiped out as with a sponge. This nation owes \$2,100,000,000, and private citizens of the United States probably owe \$2,500,000,000, possibly more. At the present moment the relation of debtor and creditor in the United States involves nearly \$5,000,000,000. It is proposed by the amendment of the gentleman from Indiana [Mr. LANDERS] that at one fell stroke one-fifth of all this enormous sum shall be wiped off, repudiated, and that this process shall be called honest legislation! Since I have been in public life I have never known any proposition that contained so many of the essential elements of vast rascality, of colossal swindling, as this. I do not charge that such is the purpose of the gentleman; but such, in my judgment, is the effect of the amendment proposed. But, aside from the political ethics involved in this scheme, we should consider its effects upon the business of the country.

Gentlemen may remember the financial shock of 1837, the later shock of 1857, and that still later in 1873. Conceive them all united in one vast crash, and the financial ruin, the overthrow of business would be light in comparison with the shock which would follow if the principle here proposed were adopted. By a principle improperly called "Gresham's law," for it was known as far back as the days of Aristophanes, where two legal standards of value are put in circulation in the same country, the less valuable always drives out the more valuable. Put in operation the provision now suggested, and all our gold coin will leave the country as fast as it can be carried abroad. Do this, and a revolution in our monetary affairs utterly unparalleled in the history of our nation will follow. The gentleman from Pennsylvania, [Mr. KELLEY,] in his remarks, gave the key to the philosophy of this proposed legislation. "Why," said he, "what does a man want to do with silver when he can have something made of white metal that the thief will not care to steal?" What is the meaning of that? It is that he wants money so cheap and so valueless that nobody will care to steal it.

Mr. KELLEY. I was speaking not of money but of household utensils.

Mr. GARFIELD. It amounts simply to the grim summary of Thomas Carlyle, the theory of "cheap and nasty," quantity at the expense of quality, glittering sham at the expense of reality.

The SPEAKER *pro tempore*. The gentleman's time has expired.

Mr. KELLEY. Does the gentleman from Ohio mean to say I speak of white-metal for money? If he does he will compel me to denounce his statement as false.

The SPEAKER *pro tempore*. The time of the gentleman from Ohio has expired.

Mr. COX. I now yield five minutes to the gentleman from Kansas, [Mr. PHILLIPS.]

Mr. PHILLIPS, of Kansas. Mr. Speaker, there are several features in the bill reported from the committee which it behooves this House carefully to consider. What I wish first to state to the gentleman from Ohio in order to correct what he has said is, that while he read from the statute, he did not read it all. First it states that the obligations of the United States shall be paid in coin or its equivalent, and next that they may be paid in other currency than gold and silver in case the obligation does not require them to be paid in gold or its equivalent.

I wish to say a word further to the gentleman from Ohio. He endeavored to create an impression upon the House that the design was by the word "equivalent" that Congress should be compelled when silver declined to add to that silver enough to make it equal to gold, and when gold declined to add to it enough to make it equal to silver. Read the law, and gentlemen will see that such was not its purpose. Such is not the language, Mr. Speaker, and such was not the intention of the law. The real design was that if the payments were made in paper or other evidences of credit or money, that it should be at their gold market-value.

What I wish to impress upon the House as a practical question involved in the bill as reported is this: that the demonetization of silver in Europe by the four great powers has caused a decline in silver more than our production. The production of silver in the Nevada mines by application of improved machinery alarmed oriental and other nations which absorbed it. It also alarmed the leading nations in Europe and they demonetized it. What was the result? They stand to-day on the edge of the most terrible financial crisis that ever threatened any set of nations. And to-day where do we stand? We have a resumption act by which it is proposed in little more than two years to put the whole of our credit upon a gold basis; and we propose in this bill, I say, in spite of what the gentleman from Iowa [Mr. KASSON] has said, to take a step to demonetize our silver coin and to take away one of the elements of the coin of the Republic—our constitutional money, legal coin when all our debt was contracted. It is proposed to place the whole public and private indebtedness, the whole floating debt of the country, not upon gold and silver coin, but upon a narrow basis of gold coin alone. We have a pyramid of public and private credit on a basis of gold and silver, and now we propose to take one-seventh part of the base away. If that be done, I say the credit of the Government, the credit of the individual, with this basis diminished from gold and silver to gold alone, will crumble in the most awful crash that ever visited a nation and shattered its credit and commerce to pieces.

The purpose of the law as here proposed, the alarming fact with reference to it, as it comes from the Senate, is that it demonetizes the old silver coin. The gentleman from Iowa, [Mr. KASSON,] who says he wishes to pay labor not in one hundred and sixty cents for two dollars, but in two hundred cents—to that gentleman I wish to state that he really does not propose to do anything of the kind. On the contrary, he proposes to go to a gold basis with \$5 as the lowest amount of gold coin, and this reduced, and fast reducing in value coin of subsidiary silver, halves and quarters, as a legal tender for \$5 or \$20, and thereby proposes to pay to the bondholder in five-dollar gold pieces, and the laboring-man not in gold coin but in silver coin at, as he says, one hundred and sixty cents on two dollars, which is the only thing in which he can be paid for his labor and the only thing in which he will be paid. I am amazed at a gentleman of his intelligence urging such a measure with such an argument.

Mr. Speaker, there are some things in the report to recommend it. The alarming feature, however, is that it incorporates those things steadily and persistently brought into the House in the interest of money to increase its value and always give them the highest-priced article. You can see by the statute just read that it was not until 1869 the attempt was made by legislation to fix any coin payment in the statutes—several years after the war closed, and after the obligations were incurred. You can see from that day, step by step, attempts in legislation to increase the value of these securities. You can see, step by step, the destruction and demonetization of silver to destroy that constitutional coin and elevate the value of these securities by paying them in an article much higher, an article 20 per cent. higher than the old constitutional coin in which we can legally pay them. We have it in our power now to force the remonetization of silver as coin, and thus increase its value. It seems as if all these changes of legal standards were in the interest of the bondholder, home and foreign, and the only interest which does not seem to stir the sympathies of this House is the interest of the long-suffering taxpayer.

[Here the hammer fell.]

[Mr. HOLMAN addressed the House. His speech will appear in the Appendix.]

[Mr. CANNON, of Illinois, by unanimous consent, obtained leave to have printed in the RECORD remarks on the pending bill. See Appendix.]

Mr. COX. I yield five minutes to the gentleman from Pennsylvania, [Mr. RANDALL.]

Mr. RANDALL. It would be well to inquire what it really is that

this bill embraces. The first feature as to which there seems to be no difficulty in either House relates to taking away from the trade-dollar legal-tender qualities. I need not consume any time upon that question. Both Houses have voted with great unanimity upon the subject. The next feature relates to subsidiary coin. And the effect accomplished by this report is to give to the Government the opportunity of issuing fifty millions of subsidiary coin in substitution of the amount of fractional currency now out; and in addition thereto up to fifty millions which is about six millions more. And we accomplish that result without issuing any bonds or any permanent indebtedness of the Government such as was provided for in one of the sections of the act known as the resumption act.

Mr. HEWITT, of New York. May I ask the gentleman, how does he pay for the excess?

Mr. RANDALL. I pay for the excess by buying it with \$200,000, until I gradually get out or purchase \$200,000 of bullion with the greenback money in the sinking fund, and I issue that out as the resulting coin at the subsidiary value; the Government thereby gaining the seigniorage.

I would be willing and desire to go a little further and aggregate sixty millions of subsidiary coin; but it was thought that in view of the fact that not more than fifty millions could be minted until we came here again, it was better to yield that point.

I believe that \$60,000,000 of subsidiary coin, in view of the increased population of the country, can be well floated in this country for change money.

There was a difficulty between the Senate and House as to the two sections which I originally suggested. The House was unwilling to make it an agency for retiring any greenbacks whatever. The Senate were willing to agree to the \$20,000,000, provided we would retire an equal amount of greenbacks, mixing two questions which clearly ought to be separate—the question of greenbacks and the question of subsidiary coin. However, after a conference the Senate yielded that point, and we succeeded in incorporating into the report the bill as it originally passed the House, and which keeps the two questions separate and does not provide for the withdrawal of greenbacks. I say, therefore, that there are two plain features in the report: First, we get rid of increasing any of the indebtedness of the Government, permanent or otherwise, by the issuance of subsidiary coin, and we secure an amount of subsidiary coin for the use of the people of the country of \$50,000,000, which is a great thing to accomplish. If you do not adopt this report, you may encounter the danger between now and December next of having a dearth of change money by which the retail business of the country can be conducted.

[Here the hammer fell.]

Mr. COX. I yield now five minutes to the gentleman from Michigan, [Mr. WILLARD.]

Mr. WILLARD. The bill which we are now considering as it left this House and went to the conference committee embraced two measures, one to give an enlargement of the amount of subsidiary coin for the use of the country, and the other to make the old American silver dollar a full legal tender for the payment of all debts, public and private.

Now as the bill is brought to us from the committee of conference it retains only one of those measures, and we are asked by the chairman of the committee to forego the consideration of the remaining measure on the ground that it will embarrass the passage of the other.

Now, Mr. Speaker, it of course becomes a question in regard to the importance of this particular measure which we are desired to postpone; and upon this permit me to say that in view of the great currency contest that is going on, not only in this country but throughout the world, between the creditor class on the one hand and the debtor class on the other, it seems to me that if we take into consideration the condition of our national finances and the condition of our people, it is the most momentous question that can be presented to us, and that this Congress ought not to adjourn until it meets it and disposes of it on the ground and in accordance with the principles of exact and equal justice.

The gentleman from Ohio [Mr. GARFIELD] has proclaimed that the amendment which was offered by the gentleman from Indiana, [Mr. LANDERS,] and which is now shorn from the bill, was a swindling measure; but let me say that the swindling in regard to this subject has already taken place in the moneyed centers of the world; for England, which holds in large measure the credit of the world, and Germany, which has become also a great credit-holding nation, have been determined to exclude from the uses of commerce a part of the coin of the world in order to appreciate that other portion of the coin which they choose to retain. There has been a studied and persistent effort on the part of the great capitalists of our times to appreciate the value of their credits and to take from the debtor classes that which honestly belonged to them.

We have recently, Mr. Speaker, become a debtor nation. Late events, the events of the last fifteen years, have made us a debtor nation to a greater extent than we ever dreamed of, and there is now a greater national debt estimated *per capita* resting upon the population of this country than upon that of any other nation, I believe, in the civilized world, unless we make an exception perhaps of England. And where are our dues to be paid? They are to be paid in those great commercial centers to which I have alluded; and just as a planet in the skies may appear to the ordinary observer a fixed star and its

movements may not be observed, just so there has been within the last few years a gradual appreciation in the value of gold, and we as a nation, the greatest silver-producing nation on the planet, are asked to throw our influence on the side of the creditor class and against our own interest and the interest of every American citizen. I trust, sir, that we shall consider that this is not simply a question for our own people, but a question which attracts the attention of the whole world.

We ought in this struggle in regard to the currency standard to array ourselves with the Latin nations of Europe, with France, with Spain, and Italy, as well as with the vast populations of Asia, and demand that silver shall not be excluded from being a part of the world's coin. Our own home interests demand such action on our part, as also do the growth and extension of our commerce with all those nations which require the boundless products of our silver mines in exchange for the results of their manifold industries. Let us not take the side of greedy England and grasping Germany in this coinage contest, but let us courageously champion those industrial classes who are striving to prevent gold from having an undue appreciation in comparison with all the productions of honest labor. We fight on the side of equal justice to all and against the unjust exactions of foreign monopoly when we fight for the restoration of the old-fashioned silver American dollar to its rightful place in our American currency.

[Here the hammer fell.]

Mr. COX. I yield one minute to the gentleman from Ohio, [Mr. SAVAGE.]

Mr. SAVAGE. I only wish to read the balance of the sentence read by my colleague [Mr. GARFIELD] to show the wrong construction he put upon the word "coin."

The faith of the United States is solemnly pledged to the payment in coin, or its equivalent, of all the obligations of the United States not bearing interest, known as United States notes, and of all the interest-bearing obligations of the United States—

There the gentleman stopped. I read the remainder of the clause: except in case where the law authorizing the issue of any such obligation has expressly provided that the same may be paid in lawful money or other currency than gold or silver.

It will be seen that the words "gold and silver" are used as equivalent to the word "coin," as used in the first part of the clause, and showing the construction which this body at that time put upon the word "coin."

Mr. KELLEY. That was the act of 1869?

Mr. SAVAGE. Yes, sir.

Mr. COX. I now yield two minutes to my colleague, [Mr. HEWITT.]

Mr. HEWITT, of New York. In the two minutes allowed me the most I could do would be to ask a question, and I will refrain even from that. But I wish to remind the House that when the proposition was originally made to substitute silver for the paper fractional currency of the United States I opposed it with all the ability at my command. And to day if I could go back and withdraw the silver from circulation and substitute the fractional paper currency I would vote for it and advocate it as a measure of sound public policy. But that time has gone by. The law of Gresham, which has been quoted here to-day, that the inferior currency, meaning by that inferior in market value, will drive out the superior currency, that law has been in operation until the paper fractional currency is disappearing and the silver currency is taking its place. The consequence is that there is a dearth of currency which cannot now be supplied except by the substitution of silver coin.

Now, while I am embarrassed to the last degree in view of my convictions on this subject by voting in favor of the report of the committee of conference, I am driven to it by this consideration: that whatever loss may be involved in it, the loss to the community by the interruption of its business, by the stoppage of all retail trade, by the inability to pay the wages of labor, by the inability of the laboring man to get his daily supplies, will be so great that unless we furnish currency of some kind it will be recorded against this House that we were a parcel of blunderers, who took away from the people their only currency they had and gave them nothing instead. Hence I shall vote for this report of the conference committee, not as a measure of choice, but as one of absolute necessity against which I can and ought to make no resistance.

[Here the hammer fell.]

Mr. COX. I have but three minutes left, and I will close the debate in that time and then call the previous question.

Mr. LAWRENCE. Will the gentleman allow me to ask him a question? [Cries of "Regular order!"]

Mr. COX. In the three minutes which I have remaining I desire first to answer what seems to be an erroneous impression on the part of many gentlemen on both sides of the House. There is nothing in this bill reported from the committee of conference that proposes either to issue bonds or more greenbacks for the purchase of silver bullion. Nor does it retire the legal-tenders. The House will remember that the bill originally did propose to retire greenbacks; but, on the motion of the gentleman from Texas, [Mr. REAGAN,] one section of the original bill contained the clause "or in exchange for legal-tender notes." That clause, however, was stricken out by a decided vote of this House.

Any matter connected with the volume of our currency, therefore, does not come up now. We propose to make no more debt; we issue

no more bonds, we create no more interest by the passage of this report, and we are not embarrassed, as the Senate was, by inflation, contraction, and greenback questions.

The House has already approved every proposition in this conference report except one. That one is in the proviso of the twenty-million section. That proviso is to this effect:

That the amount of money at any one time invested in such silver bullion, exclusive of such resulting coin, shall not exceed \$200,000.

When this bill went from the House to the Senate the proviso had for its limit the sum of \$1,000,000. For some cautious purpose, of which we should not complain, the Senate reduced the sum to \$200,000, exclusive of the resulting coin. Therefore, if gentlemen will look closely at this bill they will find that the conference report really makes our bills thus coalesced safer and better in that respect. It guards against reckless, speculative, and excessive expenditure for bullion "at any one time." In every other regard this House has already approved this bill.

If gentlemen vote for this conference report, it does not follow that they do not approve of the proposition of the honorable gentleman from Indiana, [Mr. LANDERS.] That is an open question. It ought so to remain, when gentlemen like the distinguished gentleman from Pennsylvania [Mr. KELLEY] arise here and say that silver was wrongfully demonetized by the act of 1873. But I ask him why, as the then chairman of the Committee on Coinage, Weights, and Measures, he did not at that time, May 27, 1872, oppose that measure? It passed this House by yeas 110, nays 13, and was reported by Mr. Hooper, of Massachusetts. The gentleman from Pennsylvania [Mr. KELLEY] was the chairman of that committee, and did not say a word against it.

Moreover, I would like to ask my honorable friend from Pennsylvania—although I cannot allow him to reply, [laughter,] I will ask him in the RECORD—why it is that he is so anxious to make silver legal tender for all public dues? Will it not make the tariff 20 per cent. less according to his theory? I would like myself to see the tariff cut down 20 per cent. and let the depreciated silver be paid for public as well as private debts, as proposed by the gentlemen from Indiana and Pennsylvania. But will the gentleman favor that? I imagine not. But the tariff has no business in connection with this conference report. Its discussion is as irrelevant as the discussion on this bill as to making the silver dollar a legal tender.

I hope the House will vote on the measure pure and simple. It is a measure for the accommodation of the people between now and December next; that is, to pursue the policy begun of silver coin in the place of fractional paper currency, for the business of the public, whether north or south, east or west.

I now call the previous question, and hope the House will sustain the call and agree to the report of the committee of conference.

The previous question was seconded, there being on a division yeas 111, noes not counted.

The main question was then ordered, which was upon agreeing to the report of the committee of conference.

Mr. LANDERS of Indiana, Mr. HOLMAN, and others, called for the yeas and nays on the adoption of the report.

The yeas and nays were ordered.

The question was taken; and there were—yeas 129, nays 76, not voting 82; as follows:

YEAS—Messrs. Adams, Bagby, George A. Bagley, John H. Bagley, jr., Ballou, Banks, Banning, Beebe, Bell, Blair, Bliss, Bradley, William R. Brown, Buckner, Horatio C. Burchard, Samuel D. Burchard, Burleigh, Candler, Cannon, Caswell, Caulfield, Cochran, Collins, Conger, Cook, Cox, Crapo, Crouse, Cutler, Danford, Darrall, Davy, Durand, Eames, Ellis, Ely, Freeman, Frye, Garfield, Gause, Gibson, Hancock, Hardenbergh, Benjamin W. Harris, Harrison, Hartridge, Haymond, Hays, Henkle, Abram S. Hewitt, Hill, Hoar, Hoskins, Hubbell, Hurd, Hurlbut, Jenks, Frank Jones, Kasson, Kehr, Kimball, Lamar, George M. Landers, Lapham, Lawrence, Leavenworth, Le Moynes, Lynde, Magoon, Maish, MacDougall, McDill, Meade, Milliken, Mills, Monroe, Mutchler, Nash, Norton, Oliver, O'Neill, Packer, Page, Payne, Phelps, Pierce, Piper, Plaisted, Potter, Powell, Pratt, Rainey, Randall, John Reilly, John Robbins, Miles Ross, Rusk, Sampson, Schleicher, Singleton, Simmickson, Smalls, A. Herr Smith, Strait, Tarbox, Teese, Thomas, Thompson, Thornburgh, Martin I. Townsend, Washington Townsend, Tucker, Tufts, Turney, Waddell, Wait, Waldron, Charles C. B. Walker, Alexander S. Wallace, John W. Wallace, Erastus Wells, Whitehouse, Whiting, Wike, Andrew Williams, Alpheus S. Williams, James Williams, Jeremiah N. Williams, and Willis—129.

NAYS—Messrs. Ainsworth, Anderson, Ashe, Atkins, John H. Baker, Blackburn, Bland, Boone, Bradford, Bright, John Young Brown, Cabell, John H. Caldwell, William P. Caldwell, Campbell, Cason, Cate, John B. Clark, jr., of Missouri, Clymer, Cowan, Culberson, Davis, De Bolt, Dibrell, Dobbins, Douglas, Dunnell, Eden, Egbert, Evans, Finley, Forney, Fort, Glover, Goodin, Gunter, John T. Harris, Hartzell, Hatcher, Henderson, Holman, Hopkins, House, Hunter, Kelley, Franklin Landers, Lane, Edmund W. M. Mackey, L. A. Mackey, McFarland, Morgan, New, William A. Phillips, Poppleton, Rea, Reagan, James B. Reilly, Riddle, Robinson, Savage, Slemmons, Sparks, Spencer, Springer, Stevenson, Stone, Terry, Throckmorton, Van Vorhes, John L. Vance, Robert B. Vance, Gilbert C. Walker, Willard, James D. Williams, Benjamin Wilson, and Woodburn—76.

NOT VOTING—Messrs. William H. Baker, Bass, Blount, Chapin, Chittenden, John B. Clarke of Kentucky, Denison, Durham, Faulkner, Felton, Foster, Franklin, Frost, Fuller, Goode, Hale, Andrew H. Hamilton, Robert Hamilton, Haralson, Henry R. Harris, Hathorn, Hendee, Hereford, Goldsmith W. Hewitt, Hoge, Hooker, Hutton, Hyman, Thomas L. Jones, Joyce, Ketcham, King, Knott, Levy, Lewis, Lord, Luttrell, Lynch, McCrary, McMahon, Metcalfe, Miller, Money, Morrison, Neal, O'Brien, Odell, John F. Phillips, Platt, Purman, Rice, William M. Robbins, Roberts, Sobieski Ross, Saylor, Scales, Schumaker, Seelye, Sheakley, William E. Smith, Southard, Stenger, Stowell, Swann, Walling, Walsh, Ward, Warren, G. Wiley Wells, Wheeler, White, Whitthorne, Wigginton, Charles G. Williams, William B. Williams, Wilshire, James Wilson, Alan Wood, jr., Fernando Wood, Woodworth, Yeates, and Young—82.

So the report of the committee of conference was agreed to.

During the roll-call the following announcements were made:

Mr. COCHRANE. My colleague, Mr. STENGER, is absent by leave of the House.

Mr. WADDELL. My colleague, Mr. ROBBINS, is detained from the House by sickness; and my colleague, Mr. YEATES, is absent by leave of the House.

Mr. CABELL. My colleague, Mr. HUNTON, is absent on account of sickness.

Mr. CLARK, of Missouri. My colleague, Mr. PHILIPS, is unavoidably absent, and has now on the Speaker's table an application for leave of absence.

Mr. BRIGHT. My colleague, Mr. WHITTHORNE, is absent on business by leave of the House.

Mr. FOSTER. On this question I am paired with my colleague, Mr. SOUTHARD. If he were present he would vote in the negative, and I should vote in the affirmative.

Mr. G. A. BAGLEY. My colleague, Mr. ODELL, is confined to his house by sickness.

Mr. BRADLEY. My colleague, W. B. WILLIAMS, is absent by leave of the House.

Mr. LANE. The two gentlemen from California, Mr. WIGGINTON and Mr. LUTTRELL, are detained from the House on account of sickness.

Mr. COOK. My colleague, Mr. SMITH, is detained at home by sickness.

Mr. SCALES. I am paired with the gentleman from Massachusetts, Mr. SEELYE. If present he would vote "ay," and I should vote "no."

Mr. FRYE. My colleague, Mr. HALE, is absent on a conference committee. If here he would vote "ay."

The result of the vote was announced as above stated.

Mr. PAYNE moved to reconsider the vote just taken; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

LEAVES TO PRINT.

Mr. CASON, Mr. GOODIN, Mr. OLIVER, and Mr. CAMPBELL, by unanimous consent, obtained leave to have printed as part of the debates remarks on the report just adopted. [See Appendix.]

MESSAGES FROM THE PRESIDENT.

Messages in writing from the President of the United States were presented by U. S. GRANT, jr., one of his secretaries.

INDIAN APPROPRIATION BILL.

Mr. SPARKS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. No. 3478) making appropriations for the current and contingent expenses of the Indian Department, and for fulfilling treaty stipulations with various Indian tribes for the year ending June 30, 1877, and for other purposes, having met, after full and free conference have been unable to agree.

SAMUEL J. RANDALL,
WILLIAM A. J. SPARKS,
L. A. HURLBUT,
Managers on the part of the House.
J. A. LOGAN,
A. T. CAPERTON,
WILLIAM WINDOM,
Managers on the part of the Senate.

Mr. SPARKS. Mr. Speaker, I move that the House further insist on its disagreement and ask another conference. The Senate, I understand, has re-appointed the same conferees; and I suggest that this course be adopted in the House.

The motion of Mr. SPARKS that the House further insist and ask another conference was agreed to.

The SPEAKER *pro tempore* announced the appointment of Mr. RANDALL, Mr. SPARKS, and Mr. HURLBUT as the committee of conference on the part of the House.

FIRST NATIONAL BANK OF AMESBURY.

Mr. HAYMOND. I rise to make a privileged report. The Committee on Banking and Currency have directed me to report back, with a favorable recommendation, the bill (H. R. No. 3693) changing the name of the First National Bank of Amesbury to the First National Bank of Merrimac.

The SPEAKER *pro tempore*. The gentleman from Indiana asks unanimous consent to make a report from the Committee on Banking and Currency. Is there objection?

Objection was made.

ORDER OF BUSINESS.

The SPEAKER *pro tempore*. The regular order is the motion of the gentleman from Texas, [Mr. SCHLEICHER,] that the House go into Committee of the Whole upon the unfinished business of yesterday's session. That motion failing, the regular order will be the morning hour for the call of committees. Meanwhile, however, the gentleman from Iowa [Mr. SAMPSON] rises to a question of reconsideration, a matter of higher privilege. Before that gentleman proceeds the Chair will lay before the House several messages from the President.

ELIZA JANE BLUMER.

The SPEAKER *pro tempore* laid before the House the following message and accompanying documents:

To the House of Representatives:

For the reasons stated in the accompanying report by the Commissioner of Pensions to the Secretary of the Interior, I have the honor to return without my approval House bill No. 11, entitled "An act granting a pension to Eliza Jane Blumer."

U. S. GRANT.

EXECUTIVE MANSION, July 13, 1876.

DEPARTMENT OF THE INTERIOR,
Washington, July 8, 1876.

SIR: I have the honor to return herewith a bill (H. R. No. 11) entitled "An act granting a pension to Eliza Jane Blumer," and to invite your attention to the inclosed copy of a communication addressed to me on the 7th instant by the Commissioner of Pensions relating to said bill.

In the opinion of this Department the misdescription of the soldier in the bill is of such a character as would render it difficult if not impossible to carry the provisions of the bill into effect should it become a law.

I have the honor to be, with great respect, your obedient servant.

CHAS. T. GORHAM,
Acting Secretary.

The PRESIDENT.

DEPARTMENT OF THE INTERIOR,
Washington, D. C., July 7, 1876.

SIR: I have the honor to return herewith engrossed House bill No. 11, giving to Eliza Jane Blumer a pension as the widow of Henry A. Blumer, private of Company A, Forty-seventh Pennsylvania Volunteers, with the suggestion that, if the bill is intended to pension Eliza Blumer, whose application No. 46382 on file in this Office has been rejected, it should designate the soldier as of Company B of said regiment, it failing to appear from the records of the War Department that he served in any other company than that last named.

I am, sir, very respectfully, your obedient servant.

J. A. BENTLEY, Commissioner.

The Hon. SECRETARY OF THE INTERIOR.

Mr. RUSK. I move that the message of the President, with the accompanying papers, be referred to the Committee on Invalid Pensions, and ordered to be printed.

The motion was agreed to.

NEW ZEALAND.

The SPEAKER *pro tempore* also, by unanimous consent, laid before the House the following message from the President, and accompanying report from the Secretary of State.

The Clerk read as follows:

To the House of Representatives:

I transmit herewith, in answer to a resolution of the House of Representatives of the 1st ultimo, a report from the Secretary of State upon the subject.

U. S. GRANT.

WASHINGTON, July 13, 1876.

To the President:

The Secretary of State has the honor to report that upon the 21 day of June he received a copy of a resolution of the House of Representatives in the following words:

"Resolved, That the Secretary of State be directed, if not inconsistent with the public service, to furnish to the House copies of the correspondence between the State Department and the government of Great Britain in relation to the sequestration of the lands and property in New Zealand claimed by William Webster, an American citizen, by purchase of the native chiefs of that country by Webster before its cession to and occupation by the British government."

No correspondence has taken place between the Department of State and the government of Great Britain in relation to the sequestration of the lands and property in New Zealand claimed by William Webster, an American citizen. In the years 1841 to 1844 certain correspondence was had between the legation in London and the foreign office of Great Britain in reference to the general question of land titles held in New Zealand by American citizens, but no correspondence has taken place in regard to the particular claim of Mr. Webster.

Respectfully submitted.

HAMILTON FISH.

DEPARTMENT OF STATE,
Washington, July 13, 1876.

The message and accompanying papers were referred to the Committee on Foreign Affairs, and ordered to be printed.

VINDICATION OF THE CLERK OF THE HOUSE.

Mr. WAIT, by unanimous consent, submitted the following report:

The special committee, to whom was referred the resolutions submitted by Mr. WHITE, and adopted by the House on the 26th of April last, directing an inquiry into certain alleged improper attempts of the Clerk of the House and his subordinates to influence legislation, beg leave to report:

That on investigating the facts they find no foundation whatever for the charges contained in the newspaper article recited in the preamble of the resolution; and executing the specific instructions of the House they find from the testimony taken by the committee—

First. That neither the Clerk nor his subordinates have "violated any law or done any act inconsistent with their position as employees of the House;" and

Secondly. That "further legislation" is not necessary to protect the House from undue influence on the part of its officers and employees.

The committee recommend that the resolution be laid on the table and the committee discharged.

The report was adopted.

Mr. WAIT moved to reconsider the vote by which the report was adopted; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

BANKRUPTCY.

Mr. SAMPSON obtained the floor, but yielded to Mr. LYNDE.

Mr. SCHLEICHER. I rise to a question of consideration.

The SPEAKER *pro tempore*. The gentleman from Wisconsin desires to ask for a committee of conference.

Mr. LYNDE. I ask, by unanimous consent, to take from the Speaker's table the bill (S. No. 332) to amend an act entitled "An act to amend and supplement an act entitled 'An act to establish a uniform system of bankruptcy throughout the United States,' approved March 2, 1867, and for other purposes," approved June 22, 1874, returned from the Senate with non-concurrence in the amendments of the House, and to insist upon the amendments of the House disagreed to by the Senate, and to agree to the conference asked by the Senate.

There was no objection, and it was ordered accordingly.

The SPEAKER *pro tempore* appointed as managers of said conference on the part of the House Mr. LYNDE, Mr. LORD, and Mr. FRYE.

ORDER OF BUSINESS.

The SPEAKER *pro tempore*. The gentleman from Iowa [Mr. SAMPSON] rises to call up the motion to reconsider the vote by which the bill (H. R. No. 3370) to amend the statutes in relation to damages for infringements of patents, and for other purposes, was ordered to be engrossed. Does the gentleman from Texas [Mr. SCHLEICHER] raise the question of consideration?

Mr. SCHLEICHER. I do. I raise the question of consideration.

Mr. HUBBELL. And pending that I move that the House adjourn.

Mr. SAMPSON. I have this only to say in relation to the question of consideration—

The SPEAKER *pro tempore*. The question of consideration is not debatable.

ENROLLED BILLS SIGNED.

Mr. BAKER, of New York, from the Committee on Enrolled Bills, reported that the committee had examined and found truly enrolled bills of the following titles; when the Speaker *pro tempore* signed the same:

An act (H. R. No. 1970) relating to the approval of bills in the Territory of Arizona;

An act (S. No. 391) to authorize the Secretary of War to purchase a parcel of land on the island of Key West, Florida;

An act (S. No. 627) making an appropriation to pay the claim of Butler, Miller & Co.; and

An act (S. No. 843) establishing the rank of the Paymaster-General.

FORTS AND MILITARY POSTS IN TEXAS.

The SPEAKER *pro tempore*, by unanimous consent, laid before the House a letter from the Secretary of War, transmitting a report on the act to purchase sites in Texas for forts and military posts; which was referred to the Committee on Military Affairs.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. FAULKNER for two weeks; and

To Mr. PHILIPS, of Missouri, an extension for twelve days.

MRS. ELLEN J. BROSNAN.

On motion of Mr. CONGER, by unanimous consent, leave was given to withdraw from the files of the House papers in the case of Mrs. Ellen J. Brosnan, there being no adverse report thereon.

ORDER OF BUSINESS.

Mr. MACDOUGALL. Will the gentleman from Michigan [Mr. HUBBELL] yield to me for a moment?

Several members called for the regular order.

The SPEAKER *pro tempore*. The regular order is the motion of the gentleman from Michigan [Mr. HUBBELL] that the House adjourn.

The question being taken, there were—ayes 80, noes 67.

Mr. SPRINGER. I call for tellers.

Tellers were not ordered.

So the motion was agreed to; and accordingly (at four o'clock p. m.) the House adjourned.

PETITIONS, ETC.

The following memorials, petitions, and other papers were presented at the Clerk's desk under the rule, and referred as stated:

By Mr. CULBERSON: Memorial of the Cherokee Nation of Indians, by their delegates at Washington, District of Columbia, protesting against the allowance of the claim of the North Carolina band of Cherokee Indians to any part of the funds or annuities belonging to the Cherokee Nation, to the Committee on Indian Affairs.

By Mr. HOPKINS: Memorial of the Chamber of Commerce of Pittsburgh, Pennsylvania, showing the retirement from that city of Hall's Safe Company because of the discriminations against that city in freight charges by railroad companies, to the Committee on Commerce.

By Mr. LANE: Remonstrance of the people of Flint District, Cherokee Indian Nation, against the establishment of a United States territorial government over the Indian Territory, to the Committee on Indian Affairs.

By Mr. WELLS, of Missouri: Memorial of William Elhart, Henry Fox, Louis Muir, and several hundred cigar manufacturers of Saint Louis, Missouri, that the six-dollar tax per thousand on cigars be repealed and a tax of \$5 per thousand be substituted, thereby restoring the tax on cigars to the amount it was prior to the passage of the act approved March 5, 1875, to the Committee of Ways and Means.