

owners to be paid for by the issue of Treasury notes payable in coin.

THE SHERMAN ACT.

This was the provision of the now famous Sherman act, an act, although fathered by Sherman as chairman of the finance committee, was conceived and nurtured by Senators Stewart and Jones of Nevada and their free silver supporters. The act passed July, 1890, whereby the United States government agreed to buy the entire annual output of the American silver miner and coin it into standard silver dollars. The total product from the mine in the United States in 1889 amounted to fifty million fine ounces, in 1890 to fifty-four million fine ounces, in 1891 to fifty-eight million fine ounces, all of which was bought up by the Treasury as agreed and stipulated.

The United States did not wait for international agreement. But single-handed and alone, without the aid or consent of any other nation, gave a market to all the silver that was mined within her borders. Despite these efforts to sustain the price of silver bullion, silver although temporarily inflated in 1890 to the average price of \$1.04 an ounce from \$0.93 in 1889—fell back to \$0.98 an ounce in 1891 and \$0.87 an ounce in 1892.

The effort to raise the price of silver bullion by legislation on the part of the United States failed. What the world failed to do in 1865 the United States could not do in 1890. The country was filling up with a vast issue of undervalued silver money which the policy of the government was to keep equal in purchasing and debt paying power with gold.

The doubts as to the ability of the government to carry on this policy indefinitely, the danger to the stability of the currency which an over issue of silver threatened demanded of the republican party as sponsor of the Sherman Act an expression of its true policy.

THE REPUBLICAN PLATFORM OF 1892.

The Minneapolis platform of 1892 met the issue squarely. It said:

"The American people, from tradition and interest, favor bimetallism, and the republican party demands the use of both gold and silver as standard money, with such restrictions and under such provisions, to be determined by legislation, as will secure the maintenance of the parity of values of the two metals, so that the purchasing and debt-paying power of the dollar, whether of silver, gold or paper, shall be at all times equal. The interests of the producers of the country, its farmers and its workingmen, demand that every dollar, paper or coin, issued by the government shall be as good as any other. We recommend the wise and patriotic steps already taken by our government to secure an international conference to adopt such measures as will insure a parity of value between gold and silver for use as money throughout the world."

The money question, from the prominence given to the money plank in the

democratic platform of 1892, was one of the leading issues of that campaign. As the republican platform was known as the Harrison policy so the democratic plank was the Cleveland policy respecting silver. Comparing the two platforms they are almost identical. It is true, the democrats denounced the Sherman Act as fraught with the possibilities of danger in the future. But a great many republicans shared the same opinion and were "anxious for its speedy repeal." But aside from this preamble both platforms held to the use of gold and silver as standard money of the country, but both platforms agreed as to the necessity by safeguards and restrictions of legislation to insure and secure the maintenance of the parity of the two metals so that the purchasing power of every dollar at all times be equal.

Both platforms agreed as to keeping the paper currency equal with gold and silver.

Both concurred that international agreement was desirable to fix the value of gold and silver for use as money throughout the world, if that could be brought about, otherwise legislative restrictions and safeguards in the coinage of silver were necessary. For all purposes the democratic money platform of 1892, with the exception of its preamble respecting the Sherman Act, could be substituted for the republican money platform of that year without violating the traditions or the principles of that party.

THE DEMOCRATIC PLATFORM OF 1892.

The democrats in 1892 said:

"We denounce the republican legislation known as the Sherman Act of 1890 as a cowardly makeshift; fraught with possibilities of danger in the future, which should make all of its supporters as well as its author anxious for its speedy repeal. We hold to the use of both gold and silver as the standard money of the country, and to the coinage of both gold and silver without discriminating against either metal or charge for mintage, but the dollar unit of coinage of both metals must be of equal intrinsic and exchangeable value or be adjusted through international agreement, or by such safeguards of legislation as shall insure the maintenance of the parity of the two metals and the equal power of every dollar at all times in the markets and in payment of debts, and we demand that all paper currency shall be kept at par with and redeemable in such coin. We insist upon this policy as especially necessary for the protection of the farmers and laboring classes, the first and foremost defenseless victims of unstable money and a fluctuating currency."

THE 1896 PLATFORMS.

We now come to the platforms of 1896. With the events leading to their adoption at St. Louis and Chicago all are more or less familiar. Six hundred millions of silver dollars were added by the United States in fifteen years to its money without raising silver to par. The silver in the silver dollar was worth about 60 cents when congress, November 1, 1893, repealed the purchasing

clause of the Sherman Act. The gold holding of the Treasury was being drained and the ability of the government to keep its gold, silver and paper at equal exchangeable value was severely strained. Business depression became acute due to crop failures in America, and reaction from speculation first in Europe then in America. The government revenues were insufficient to meet current expenses. Between February, 1894, and February, 1896, President Cleveland was forced to borrow 262 million in gold by the sale of bonds to maintain the Treasury gold reserve intact. Momentous events abroad followed no less rapidly. Austria-Hungary, replaced the silver standard with gold in 1892. British India suspended the coinage of silver in 1893. France absorbed eight hundred millions of gold and let its silver go. Chili adopted the gold standard in 1895 and Russia the same year collected a hundred million gold reserve. Japan adopted the gold standard in 1897. These countries took up gold as the better tool for business. Silver the world over was deposed as an independent monetary metal. The free coinage of silver existed nowhere except in Mexico, Central America and China. The silver in the American dollar in June 1896 was worth 55 cents. In the light of these events we may understand the republican platform of 1896; a platform consistent with the traditions of the party and repeating the pledges made to the people in 1880, in 1884, and 1892.

"The republican party is unreservedly for sound money. It caused the enactment of the law providing for the resumption of specie payments in 1879; since then every dollar has been as good as gold. We are unalterably opposed to every measure calculated to debase our currency or impair the credit of our country. We are therefore opposed to the free coinage of silver except by international agreement with the leading commercial nations of the world, which we pledge ourselves to promote and until such an agreement can be obtained the existing gold standard must be preserved. All our silver and paper currency must be maintained at a parity with gold, and we favor all measures designed to maintain inviolably the obligations of the United States and all our money, whether coin or paper, at the present standard, the standard of the most enlightened nations of the earth."

NEW DEMOCRATIC DOCTRINES.

Turning now to the so-called democratic platform of 1896 adopted at Chicago we find the ten commandments of the democratic party on the money question ruthlessly shattered by Mr. Bryan. The life-long devotion of the party to honest money; the gospel of the strict maintenance of the public faith; the pledges to meet the obligations of the government at the call of the creditor; the creed so often proclaimed in the platforms of the use of gold and silver to be adjusted through international agreement or by the safeguards