

was drafted. And the democrats subscribed to the same article of faith in that year and found no reason to complain when the convention which nominated Hancock spoke for "honest money, the strict maintenance of the public faith, consisting of *gold*, and *silver* and *paper* convertible into *coin on demand*. Another proof to the same fact is the greenback platform of 1876. The followers of Peter Cooper understood coin to mean gold or they would not have "protested against the sale of government bonds for the purpose of purchasing silver—to enrich owners of silver mines."

THE BLAND-ALLISON ACT.

It will be remembered that in 1878 the Bland-Allison act was passed, a measure which had for its purpose the encouragement of the silver mining interests of the West by affording an enlarged market for the sale of bullion silver. The government stepped into the open market as a competitor to buy silver. Its object was two-fold; firstly, to afford American silver something in the nature of the benefits of protection which it threw about the American manufacturer and the American miner of coal and iron; secondly, as a buyer of two million dollars' worth of silver every month at its current price, to raise the price of silver bullion by creating a steady demand for the increased output. The bullion price of silver, it was noticed, had gradually sagged in the markets of the world. It is true the world's product had increased enormously, having doubled in quantity in the twenty years and was estimated at seventy-five million ounces in 1878 of which the United States contributed about half with a commercial value of forty million dollars.

It was urged in and out of congress and by the press, and it was believed by the people who wanted to give the largest encouragement to the silver industry, that if the government bought the surplus of the American stock annually at the current price of silver, the steady demand of the government would so enhance the remainder as to bring the market price back to about \$1.30. The average price had been \$1.36 an ounce in 1859, but kept sagging in price a little every year until in 1873 it was \$1.298 an ounce. And the American silver mine-owner in 1876 when silver had reached an output of thirty million ounces and was worth in the market \$1.156 and still falling, said he would be satisfied if silver was restored to the price of \$1.298, and this could be done if the government would only aid him a little in taking his surplus off his hands.

As a compromise therefore between the various parties in congress it was finally agreed in 1878 by congress to adopt Mr. Bland's act which provided that the government buy two million dollars' worth of American silver every

month, coin it into standard silver dollars and circulate them as legal-tender at their face value for all debts except where otherwise stipulated in the contract. So the government bought eighty-eight cents' worth of silver, put its dollar stamp on it and circulated it as money worth one hundred cents.

THE DEMOCRATIC PLATFORM OF 1884.

The drift of the times to encourage silver is reflected in the political platforms of the two parties. The democratic platform of 1884 under which Grover Cleveland was elected over James G. Blaine declared in general terms that—

"We believe in honest money, the gold and silver coinage of the constitution, and a circulation medium convertible into such money without loss."

The republicans going a step farther said—

"We have always recommended the best money known to the civilized world and we urge that efforts should be made to unite all commercial nations in the establishment of an international standard which shall fix for all the relative value of gold and silver coinage."

This was the first mention in a party platform recommending the establishment by international agreement of an international standard. Already in 1878 an international monetary conference was held at Paris at the invitation of France in which the United States and leading nations of Europe took part. Again in 1881 a second monetary conference was called together at Paris to discuss the causes of the decline of silver and to find a remedy. The cause of the fall in the commercial value of silver was not hard to find. It was due to the increased output of the world's supply in late years brought about by the discovery of new fields and the opening of heretofore inaccessible mines by railroads coupled with a cheapening of the cost of producing silver as improved methods and labor-saving devices were invented. As the price of bullion fell, it had its effects upon the European silver-using countries. At first they tried like France to adjust the mint ratio to the commercial value. But this method proved unstable as the commercial value kept falling, faster than the mint ratio could keep pace with the decline. Attempts were made by national agreement, such as the monetary treaty between Austria and the German states in 1857; later by France, Belgium, Switzerland, Italy, Greece, Roumania, Spain and others from 1865 known as the Latin Union to buoy up sinking silver. But England had gone to a gold basis as early as 1816. The abundance of gold after 1850, when gold was discovered in California and Australia, made it possible for Europe to adopt gold, and as nations grew commercially stronger and silver commercially weaker they one by one discarded silver as the monetary basis very much as the modern railroad train has taken the place of the slow

stage coach for transportation. The United States practically followed the example of England in going to a gold basis in 1834. Germany replaced the silver standard by that of gold in 1871. In 1873 the United States, Holland, Denmark, Sweden, and Norway suspended silver coinage. The same year Belgium and France, and two years afterwards Italy, limited the coinage of silver on individual account. It was a period of transition from a silver to a gold basis for all the commercial powers of the world, a process still going on. The transition is analogous to the change early in the century from hand work to machinery in England, America and the Continent, accompanied by violent protest from the working classes before the adjustment was brought about. By the time the international monetary conferences met all the leading countries for commercial purposes were on a gold basis with silver circulating on a parity on the pledge of the respective governments to redeem the face value of their silver in gold. An international agreement therefore appeared to the friends of silver as the only way to prevent silver from going out of use as money except for small change or subsidiary coinage. The international conferences of 1878 and 1881 could accomplish nothing more definite than to call attention to the subsidiary place silver occupied in the world's currency and to recommend to the governments the necessity of some kind of an international understanding.

THE REPUBLICAN PLATFORM OF 1888.

The presidential campaign of 1888 turned upon other issues than the money question, the tariff coming to the foreground. For that reason the republican platform upon which Benjamin Harrison secured his election over Grover Cleveland had little to say on money:

"The republican party is in favor of the use of both gold and silver as money and condemns the policy of the democratic administration in its efforts to demonetize silver."

The condemnation of the democratic administration for its "efforts to demonetize silver" arose from the recommendation as far back as 1885 of President Cleveland to congress to suspend the further coinage of silver dollars under the Bland act, and to his known opposition to any further extension of the coinage of silver under the terms of the Sherman act then under discussion in congress.

For the second time, as in 1872, the democratic platform for 1888 was silent on the money question. The election of Benjamin Harrison could not have been otherwise than most gratifying to the friends of silver. A republican congress promised to buy 4,500,000 ounces of silver each month, fifty-four million ounces annually from the silver mine