

DOUBTS ABOUT THE GOLD STANDARD.

We rejoice at the firmness and fervor with which our esteemed neighbor The Sun defends its assertion that the gold standard was established in the United States by the act of 1873. When the multitude is harassed by doubt and strains its eyes now this way, now that, to catch a gleam of the broad sunlight of truth, bold affirmations such as we here quote from our neighbor's editorial columns help to set men right and restore public confidence:

This question was asked yesterday by The New York Times:

"If the gold standard already exists in this country would there be any harm in saying so in a couple of lines in the statute book?"

Of course there would be no harm in saying so, and accordingly it was said in the act of congress of Feb. 12, 1873, in these plain and decisive words:

"That the gold coins of the United States shall be a dollar piece, which, at the standard weight of twenty-five and one-eighth grains, shall be the unit of value," the act then proceeding to enumerate the other gold coins. The same statute shuts out the free coinage of silver.

It was this act, the "crime of 1873," which made the issue in 1896, when the democratic platform at Chicago contained this declaration:

"We declare that the act of 1873, demonetizing silver without the knowledge or approval of the American people, has resulted in the appreciation of gold," etc.

The New York Times proceeds to say:

"Establish the single gold standard by statute and the silver issue would be killed dead. The republican managers do not want it killed dead. They want to keep it alive because it is surely good for one more victory."

Why was there a silver issue in 1896 and why is it alive now? Is it not because of the act of 1873, and that statute alone?

That law still remains on the statute book unrepealed and unamended, and it is it which makes the silver issue. So long as it is on the statute book the issue remains, for the act of 1873 may be expunged from the statute book by the will of the people. That only is what keeps the silver issue alive; it is alive because, in the words of the Chicago platform, the act of 1873 demonetized silver.

How, then, could any reenactment of the gold standard "kill dead" the silver issue, as The Times says? * * *

Whether "the republican managers" want or do not want the silver issue "killed dead," they are powerless in the premises; they can neither kill it nor keep it alive by anything they can do in congress. The "silver issue" is here, and it has been here actively since 1896. It cannot be "killed dead" except by the

abandonment of it by the democratic party, and the positive acceptance of the existing gold standard, or by the defeat of that party in 1900. If there is anything in law, reason, or politics more obvious than this, we have not discovered it, yet, it seems, there are some minds incapable of seeing or unwilling to see a fact which stares them in the face.

In another brief discourse upon this subject The Sun says:

The Times then asks: "If the thing is a fact, why is there any doubt about it in the public mind?" We answer, it is because fool editors and fool politicians insist on asserting, in the face of demonstration, that it is not a fact, and thus delude their readers and their hearers.

This vehemence in defence might be construed as indicative of a belief that there is something to defend. That is just the point. The fact, if it be a fact, that the single gold standard exists by law in the United States is to many minds so doubtful and obscure that the assertion of its existence must be continually supported by argument, exposition, reassertion, and allusions to fool editors. We contend that this ought not so to be. The standard of our money is a thing of such vast importance that nobody ought to be in doubt about it. The fact is that the whole country and the government itself are in doubt about it.

The United States government, in an official publication, the report of the director of the mint, continues year after year to declare the "monetary system" of this country to be "gold and silver," while the "monetary system" of Great Britain is declared to be "gold." Throughout this official list the double standard countries are set down as "gold and silver," while the single gold standard countries are set down as "gold." So it appears that the government has not found out that we have had the gold standard since 1873. This official declaration that we still have the double standard misleads students of finance here and abroad and misleads all persons who refer to the report. This is one of the reasons why doubt exists as to the fact about which our neighbor The Sun is so well informed and so positive.

Other reasons are that it requires an argument to show that the words "unit of value" in the act of 1873 means standard of value. The unit of a country's system of linear measurement may be a foot, but its standard of measurement may be a piece of metal carefully guarded by its government. We have heard that argument used to controvert the position now taken by The Sun as to the meaning of the language of the act of 1873. Again, the act of 1878 was entitled an act "to authorize the coinage of the standard silver dollar and

to restore its legal-tender character." The act of 1890, known as the Sherman act, authorized the purchase of a monthly amount of silver bullion out of which the secretary of the treasury was directed to coin two million ounces each month into "standard silver dollars." The act of Nov. 1, 1893, repealing the purchase clauses of the Sherman act, contains this declaration:

"And it is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured by international agreement," etc.

It is not surprising that this Babel of declarations about standard silver dollars, gold and silver as standard money, and the enactment of two laws for the coinage of standard, legal-tender silver dollars should have involved not only the people but economists and financiers in a pitiful confusion of mind about the exact position of the United States. In opening the first session of the International Monetary Conference of 1878 at Paris M. Leon Say said "the United States of America, having adopted the policy of returning to the system of the double standard," etc. If we returned to the system of the double standard we must have repealed the act of 1873 when we passed the Bland-Allison act, if it be true that that act established the single gold standard. Then we must have repealed it again in 1890 and reestablished it in force and effect in 1893.

A monetary standard that bobs up and down in that undignified manner is not satisfactory for a great commercial country. We want a standard that will stay put and one that will not require an argument to prove that it exists. It is a fact that the authorities, including The Sun, that assert that the single gold standard was established by the act of 1873 almost invariably feel it necessary to demonstrate the fact by an argument. It requires no argument to prove that England has the gold standard. It requires no argument to prove that silver is the standard in Mexico. These metals are declared to be the standard in good set terms. Are we afraid or ashamed to declare in unmistakable English that gold is our standard, and has been for twenty-six years? Nothing but the policy of the republican party in keeping alive the silver issue in order to win victories by it over the deluded Bryanized democrats prevents a plain declaration that would remove all doubt and bury the silver question.

We cannot close this comment upon our neighbor's position without paying a tribute to its consistency. The views it now holds as to the effect of the act of 1873 it held fourteen years ago, as