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**Title:** "The Free Coinage of Silver," by James M. Brennan

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The Free Coinage of Silver.  
James M. Brennan.

In its platform of 1896 the Democratic party declared for the free coinage of silver. By this term was meant the free and unlimited coinage of silver at a ratio of 16 to 1. It did not mean that there should be but one metal as a standard, but that gold and silver should be kept at par, and, that together they should be the standard. The party was defeated. Hence the free coinage of silver was not put to a practical test. The great principle, however, still lives. Men may die, parties rise and fall; yet the principles which the men uphold, and which the parties made their slogan of battle, last forever. And so the principle of

free silver is yet alive, and the arguments in its favor are as impressive today as when they were used with telling effects in the campaign of '96.

The fall in prices that has taken place in the last few years is very noticeable. The question then, what is its cause? is pertinent. It is a law of Political Economy that when money is scarce prices fall. Hence is the answer to the question; on account of limited circulation and a disproportionate increase in the business of the country, there has come a dearth of money. Men could not get enough of the circulating medium to transact their business conveniently, hence prices fell. This result has proved a great evil to

too many of the debtor class, especially, the farmer. Suppose for illustration, that ten years ago a farmer on account of the stress of circumstances, was compelled to mortgage his farm. Since then he has been paying interest, and as from time to time, he has a successful season, he tries to pay part of the principal. Now prices fall and he must sell his produce at three-fourths or one half the former price. The amount he must pay on his mortgage does not decrease, however, for now he must sell twice as much produce as before to pay off the mortgage. What is the result? He fails to meet the mortgage, it is foreclosed and the

farmer loses his home. This is not an exceptional case. Statistics will show that thousands of the farmers in the west are in this sad plight.

The statements of the cause of falling prices and the due results, give us the remedy also. If the poor man's lot is hard because of a deficient circulation why not increase that circulation? Nothing seems more plausible. The country is practically on a gold basis. By the act of '73 silver was demonetized; that is, the poor man's money was debased, it was made a token money. A man must pay his debts reckoned upon a gold basis. The debtor, of course is always at a disadvantage. He is help-

less, and the creditor demands the dearest metal, and the law has given him the right to do so. There is but one metal to which the mints are open, the commercial value of the other has been lowered by discrimination against it. Silver is not allowed to take the place of gold. The creditor by the Bland-Allison act of 1878, has a right to demand and does demand his notes, bonds and mortgages payable in gold. The debtor is helpless. The gold is in the hands of the few, and the creditor will not take silver. If gold were cornered neither the United States treasury nor the debtor could put silver in competition with it.

The poor man must go to the men who have the gold and submit to their terms. What is needed then, is an abundant medium of two metals which cannot be cornered. A corner in beef cannot seriously threaten the health of the people of this nation so long as mutton and pork are in competition with beef. A corner in gold could not, as it does now seriously threaten the credit of the nation if silver were in competition with gold as a primary money.

The chief objection made by the opponents of free silver is, that the ratio of 16 to 1 is so much above the commercial ratio that it would result in all the other countries dump-

ing their silver upon us, and gold would go out of the country. This may be answered by saying that with the mints of this great nation open to the free and unlimited coinage of silver a demand will be created sufficient to absorb all the surplus silver in the world, if it wishes to unload upon us. This statement seems extravagant, but before we pass judgment let us see just what would happen; if the world attempted to bring us all the silver. Expressed in dollars there are \$4,000,000,000 of silver available for money purposes and this is distributed among all nations of the globe. There are about \$400,000,000

of gold in the United States. Now suppose they exchange with us \$400,000,000 of silver for an equal amount of gold, there would still be \$3,600,000,000 of silver yet to come. Since this would be the best market in the world for silver they would bring us the balance and what would they take in return? With every dollar which they brought they would buy a dollars worth of our productions, the output of our mills, factories and farms. We can then go to work and produce the same amount the next year, and we can say to them: "Come on we have more to sell". There would be such a market opened for our productions as the United States has never experienced. There would be no idle mills or factories,

but all over this broad land the merry music of industry would be heard and it would find answer in the melody which involuntarily would arise from the lips of the laborer, because he has found work.

We have made the above statements with suppositions that we would be alone in the free coinage of silver. Such, however, would not be the case. France has been enforcing the bi-metallic system, and refusing to pay except half and half, saying to us we are waiting for you, open your mints and we will follow. So we stand with the whole western hemisphere, and with China, Japan, and

France at our back. Could not the parity then be maintained? England demonetized silver in 1816; yet there was a commercial parity maintained at a ratio fixed at that time until 1873. The United States, France, and the Latin Union had their mints open to silver and England stopping the free coinage of silver had no effect upon it. The United States is big enough to take the initiative without asking England to dictate our policy to us. The Revolution freed us politically from the fetters, which England had forged, shall we now at this late day admit England's rights or power to so rule us commercially as to allow her to say that only gold should be coined in

our mints and that we cannot admit silver unless she consents?

Finally, if an undue influence by schemers and tricksters abnormally, enhances the value of gold so that a commercial parity of 16 to 1 is out of the question, then do as our forefathers did, change the ratio and make the change in the weight and seize of the gold coin. Monroe and Jackson did it, they were not called dishonest for so doing. They were legislating in the interest of the people, and not the favored few. Let the change be made in the rich man's money and not in the poor man's. Let us have more dollars rather than less dollars.

When that day comes, when the mints of the United States are open to free and unlimited coinage, and when the business of the country has a bountiful supply of money with which its transactions may be carried on, then, borne on the flood tide of industry, with the breezes of prosperity filling our sails, we shall distance all competitors, and easily win the international race for commercial and industrial greatness.

Commencement Oration of James M. Brennan, Class of 1900  
Transcribed by Meg MacAvoy, September 2008  
Edited by Krista Gray, September 2008

### The Free Coinage of Silver

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