JOHN A. GRIER,
1532 MONADNOCK BUILDING,
JACKSON AND DEARBORN STS.

The Gale
Englewood, Ill.

CHICAGO, Dec. 5, 189 4

Hon. Albion W. Tourgee,
Dear Sir;

As the enclosed letter to the Inter Ocean was rejected on a back stroke — you may not have seen it.

You stand before me as one of the great advocates for justice towards the black race in the South — and I am in sympathy with you in your ideas. In the correspondence you have issued on civil personality — you are a victim of the prevalent idea — that gold mono-metallism as established in 1873 — & maintained to a large extent in 1878 - 1890 — & 1893 has not been one of the most sinister acts of injustice ever done to the producers of the South — but to the entire human race!

In your last Saturday's letter to the Inter Ocean you seem to catch a fleeting idea that there is something wrong about our finance as well as in our protective laws!

CHAUTAUQUA COUNTY NY HISTORICAL SOCIETY 2013

I would conceive it to be a great honor if I could stimulate a man like yourself — a leader of men — to further investigate this — the crime of the XIX century — the demonetization of silver.

Your wards — the negroes of America — as producers have suffered terribly by the falling prices brought about to a large extent by the appreciation of gold.

I am not for Free Coinage — but want to see our nation lead in the restoration of silver. My plan is simple. Give our dollar a full legal tender quality — & coin up the silver we have on hand & wait. I beg of you — take up the subject and think as you alone can think.

With my highest regards and best respect —

I remain
Yours truly
John A. Grier.

CHAUTAUQUA COUNTY NY HISTORICAL SOCIETY 2013

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THE WESTERN RURAL,
CHICAGO, ILL.

The Farmer's Side

Science and Silver

THE following letter by John A. Grier, late engineer of the U. S. mint at Philadelphia and also of the United States Navy, is from the Chicago Post. We republish it by request and also on account of its highly interesting character. We cannot give such information as this letter contains to wide a circulation. It should be read and re-read and loaned to your neighbors to read. —EDS.

CHICAGO, Nov. 14.—Editor of the Evening Post: There have been several notable articles published in engineering magazines and trade journals during the last years advocating the exclusive use of gold as the only metal fit to use as the agent of valuation. This discussion will remain open for some time to come.

As an engineer addressing engineers, I desire to call attention to the use of the two metals, gold and silver, as joint agents of valuation. It is a scientific question in which the voice of the engineers of this country should count. We are accustomed to think closely on units of measurement. "Science is measurement." Without accuracy and precision in our units of measurement the communication of engineering facts and business intercourse would be sadly hampered. With such a bias from education and practice, how natural it is for an engineer to demand that the commercial world should select one metal as the sole unit of value. At first glance the use of two monetary units at the same time seems to be the height of absurdity. Why not have two yard sticks, we are often asked. No question of coinage ratio seems allowable. Precision and stability is our imperative demand. If gold will give this to us, then by all means let us abandon the apparently absurd bimetallic system that has been in use for more than twenty centuries! This is a progressive age, and engineers are scarcely ever found in the rear of the procession. Great Britain, the United States, Germany, as well as some other leading nations, have legally adopted a definite number of grains of pure gold as their sole units of value. Great Britain did this in 1816. The United States followed Feb. 12, 1873. Germany followed our bad example July 1, 1873, and since then several other nations have adopted gold as their sole unit of value. Our action was almost four months earlier than the legal action of Germany. The almost co-incident decision of these two great nations has produced a slow-acting but one of the most far-reaching and world-wide monetary revolutions the commercial world has ever experienced. I may be overpatriotic, but I am of the opinion that the eyes of the world are fixed upon this young and gigantic nation more sharply than on any other, and whatever prominent thing we do as a nation produces a profound effect on the rest of mankind. Little or no harm was done in 1816, when Great Britain demonetized silver at home but retained bimetallism in India. Her treatment of silver was easily neutralized by the neighboring nations. But our action in 1873, followed so promptly by Germany, was the commencement of an era of a pernicious, world-wide fall in prices, for which you may search in vain for any other logical cause, if you omit taking this into consideration.

LIMITATIONS OF STATUTE LAW.

The commanding fallacy in the discussion of this question is in thinking that a unit of valuation is an unchangeable measure, strictly analogous to a unit of weight or a unit of length. The yard of Great Britain and of the United States is a metallic bar of a fixed length, at a certain temperature, established by statute law. Nature keeps its length unchangeable at this temperature. But let us examine the condition of our gold dollar, our sole legal monetary unit, as established by the law of 1873. Statute law establishes the weight, fineness and stamp of our gold dollar and makes it a full legal tender under our flag. In these respects, as a legal tender, like a unit of length, it can be maintained by statute law as an unchangeable standard for debt-paying. Here statute laws stops, as it must necessarily in any free government. It dare not tamper with the purchasing value of our money, or attempt to regulate prices. We, the people, independent of statute law, regulate the purchasing power or the exchangeable value of the dollar by the price we place on the services or commodities we wish to sell. This clean-cut distinction between the debt-paying value of money which can be regulated by statute law and the purchasing value of money which cannot be thus regulated is of vital importance in party platforms and discussions, but this distinction is constantly neglected. While the debt-paying value of the gold dollar has remained unchangeable since 1873, its purchasing value has increased about one-half; in other words, the price of commodities used in common life have decreased, on an average, at least one-third since the demonetization of silver in 1873. We bimetallists do not claim that this has been caused exclusively by the demonetization of silver. The rigid economic law of supply and demand regulates the purchasing value or exchangeable value of gold exactly as it does for all other commodities.

The world's output of gold and silver has varied enormously from decade to decade. It is important to study reliable official statistics to realize this fact. These tables can easily be procured, as they are published by the government for gratuitous distribution and deserve special attention. The entire question of the comparative stability of the two metals in their purchasing value mainly depends on the automatic action that the temporary more abundant one has on the temporary scarcer one, providing the legal demand for the coinage of either into money is offered by open mints. Close them, as they are now, to silver and this comparative self-regulation is destroyed. Let it be distinctly understood that no bimetallist claims precision as to the uniformity of the purchasing value of the dollar when the two metals are fairly used. All we do claim is far greater stability in this respect than can possibly be obtained by the use of either metal alone. As a scientific discussion we rest our claims for the soundness of our position without hesitation on the following statement: We can obtain greater stability and a more just standard when we use gold and silver as joint agents of valuation than we possibly can by using either one alone. Just as we obtain precision in the measure of length between the supporting points and the other end of a graduated pendulum rod by the use of two metals, so we aim to get the greatest possible precision by the conjoint use of the two metals in coinage. In the pendulum rod we get precision. In the use of the two metals for coinage all we claim to get is a closer approximation to precision in purchasing value than by the use of either metal alone.

BURDEN OF DEBT INCREASED.

As an engineer I am well aware of the prodigious advance in scientific achievements during the last twenty-one years. This advance caused a fall in prices, advantageous to mankind as large. However, all that portion of the fall of prices brought about by the exclusive use of gold as the sole agent of valuation we bimetallists claim is pernicious to the general welfare of mankind. It tends to unfairly lower the price of all the products of labor excepting gold. We claim that this causes a fall in the price of all property, and has vastly increased the burden of debts made previous to 1873 or at any time during this period of twenty-one years. The amount of each metal in use as money, of ultimate payment, was about equal in 1873, and to throw the stress or duty of measuring values on one which has been borne by both for more than twenty centuries is in reality like an engineering question of equally distributing a load.

I will not burden you with statistics of the world's production of these two metals, but can say without fear of contradiction, as gold monometallic statisticians tell us, that the production of silver exceeded that of gold about seventy-eight per cent during the first half of this century. Gold monometallists will admit that there was no special trouble during that time about the joint use of the two metals as agents of valuation, on account of the abundance of silver. They will also admit that the production of silver has exceeded that of gold less than eight per cent during the twenty-one year period, 1873-1893. During this period of twenty-one years we have had all our complaints against the fall in the purchasing value of the silver bullion in our dollar, compared with the gold dollar. The gold monometallist assures you this is all caused by the overproduction of silver. The advocates for gold measurements seem to look at gold as unchangeable in purchasing value, claiming that this modern and almost universal legislation in favor of gold and against silver has done nothing to advance the importance of gold. Can a question like this be referred to a jury of engineers, capable of setting a steam valve or scientifically distributing a load equitably on two bearings rather than on one, without receiving a decision against abandoning the use of two metals for one only? The question of bimetallism rests on this decision.

The question of a proper coinage ratio might be determined by the relative proportion of gold and silver produced in modern times. Although the ratio would give a reduction in the quantity of silver used in the proportion of about ten of silver to one of gold, yet for other reasons our present coinage ratio of sixteen to one seems to be about as near correct as human wisdom can decide. The custom of the world has approximately confirmed this coinage ratio. The present abnormal commercial ratio in the value of the two metals will, in all probability, disappear as soon as the commercial world accepts bimetallism as scientifically correct in theory and practice. To get back to this position depends on America leading the world by her example. And we need not wait until our great creditor nations, Great Britain and Germany, give their permission to our nation to again declare our silver dollar a full legal tender under the stars and stripes. This is not free coinage, but may ultimately lead to it. It would be one very important step in advance toward the restoration of silver to its old position, which existed from the organization of our mints in 1792 until 1873.