THE UNITED STATES AND INTERNATIONAL CONFERENCES
1878-1881

by

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Approved by:

James C. Malvin

18 August 1929
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CHAPTER I
THE MONETARY CONFERENCE OF 1878

The Monetary Conference of 1878 was the first of a series of Conferences initiated by the United States between 1876 and 1881. It was the outgrowth of a complex combination of events during the latter part of the nineteenth century which operated to depreciate the value of silver, one of the basic money metals(1). The depreciation seriously disturbed the ratio between gold and silver after 1870. The situation began to attract general attention and became quite serious in 1876. The domestic trade and finance of several nations were acutely disturbed by the situation which became a matter of International concern(2); The following charts illustrate some of the leading facts concerning production of the money metals and the fluctuating ratio between them(3).
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(from the Annual report of the Director of the Mint)

1924
The United States had been nominally a bi-metallic country from 1792 to 1893. In practice gold had driven silver out of circulation because the legal ratio under-valued silver(4). In 1873, therefore, silver was demonetized. This policy was carried further during the year by providing that silver might be used as legal tender only for sums of five dollars or less(5). The production of the silver mines of the Rocky Mountain region, beginning in 1871 and more particularly in 1874, increased at an extraordinary rate(6). As volume increased the mine owners were found with a problem of markets. The mints however were now closed and the only outlet was for commercial purposes. They, therefore, inaugurated a campaign for the restoration of silver as a money metal(7). A free coinage bill was introduced in the House in 1876 and failed to pass. Another bill, introduced later in the year, passed. The Senate took no action(8).

In 1877 a free coinage bill was passed again by the House but was amended by the Senate. The latter body was opposed to free coinage of silver but as a compromise agreed to a restricted coinage. The amended bill was vetoed by Hayes but passed over his veto(9). Its provisions were:
1. The Secretary of the Treasury was directed to purchase monthly from two to four millions of dollars worth of silver and to have the silver purchased coined into standard silver dollars.

2. Silver certificates could be drawn in amounts of not less than ten dollars on the deposit of silver dollars at the Treasury.

3. The President was authorized to call an International Monetary Conference.

In a five year period beginning in 1870, European powers adopted a policy of restricting the monetary use of silver(10). The first of the nations to turn from the use of silver was the German Empire. Legislation in 1871-1873 demonetized it in this country(11). This released quantities of the metal that Germany could offer for sale on the market. The policy of marketing silver not needed for subsidiary coinage in her new monetary system was begun in 1873 and continued until 1879(12). Fear that an influx of German silver would find its way into the countries of the Latin Union caused these nations of this body to follow Germany in restrictions(13). The limitations of this region increased from 1874 to 1877 until by the latter date the mints of the Latin Union were practically closed to this metal(14). Other nations restricted the monetary use of silver in the same period.
Holland and the Scandinavian countries adopted the gold standard as the basis of Currency(15) while England had maintained the gold standard since 1816(16).

From these facts of National and International Monetary history of the early seventies the following general conclusions suggest themselves:

First; Most countries were leaning toward the gold standard until the emergence of the silver issue of the late seventies.

Secondly; The depreciation of silver became a serious International issue because of the disadvantages of an unstable ratio to International trade.

Third; The reasons for the depreciation were increases in silver production in the United States, and limitations placed upon the use of silver as illustrated in the restrictions of Germany, the United States, and the Latin Union.

During the same period that the traditional monetary policy of nations was being changed, fundamental changes were taking place in the economic relations of nations. The increased volume of trade between nations had brought their attention to difficulties in International exchange that could be obviated by common units of coinage in National Currency systems. A series of International Conferences had given consideration to this problem(17).
The first Conference held in 1865, led to the formation of the Latin Union(18). An International Monetary Conference held in 1861 led to no practical results(19). The Scandinavian Union came into being as a result of a Conference held in 1872(20). These attempts had revealed two possible approaches to International Monetary action; one a cooperation of nations limited to a geographical region, the other a general cooperation of all commercial states.

The cooperation of nations in the matter of common currency policy had grown from the time of the establishment of the first of the Unions (the Latin Union). Political ambitions and National rivalries for International leadership in forming this policy had at times served as a deterrent to International Cooperation; but, in the fundamental interest of nations in International trade lay the basis for action. The first International Monetary Conference of Paris, 1867 is illustrative of the growth of general interest in Monetary cooperation in a short period of time. France, at the time of the formation of the bi-metallic Latin Union had attempted to enlarge its scope. She found little interest in 1866 among the nations(21). Two years later the first International Monetary Conference held sufficient interest to attract all the leading commercial countries; England,
the United States, the German states, Belgium, Holland and the Scandinavian countries were all in attendance (2). These nations though not interested in French sponsorship of a movement to augment the influence of the double standard manifested a real interest in the discussion of the means by which a uniform coinage could be established (23).

There is an abundance of evidence too that the World depreciation of silver and the accompanying depression in International trade felt in 1876 created unusual interest in the Monetary policy of nations. In fact the first manifestations of a decline in the silver market had aroused some interest. The continuance of the situation started governmental activity with a view to locating the causes and suggesting remedies for the conditions created by the depreciation in Great Britain, France, Holland, and Belgium (24). The Silver Commission appointed in the summer of 1876 which reported in March of the following year was an effort in the United States of the same type (25). Commercial interests in France, Switzerland, Belgium and England attempted to influence their governments to act in giving relief to the stress under which business was suffering (26). The voluminous writing of theorists in Europe and the United States filled the columns of such periodicals as the Economist (London) the Financial and Commercial Chronicle (New York) the Revue Deux Monde (Paris)
with their speculations as to the causes of the depreciation and the proper line of national and International policy that would give relief in the situation. Of all the wide-spread interest of Europeans and Americans the United States was the only country to officially propose International action.

A summary of the growth of International cooperation in Monetary affairs before 1870 and the intense interest created by the situation of 1876 suggest first, that nations were willing to cooperate in common Currency matters if such could be divorced from selfish National interest, secondly, the situation of 1876 had created an interest in solving an International problem pregnant with possibilities for a cooperative effort of the nations.

Various proposals of International action in the Monetary problem had developed in the United States with the bitter struggle for the return to traditional bi-metallism. The advancement of plans of an International attack on problems relating to the Currency kept pace with the domestic issue. They culminated in a statement of a line of International policy in the same Act that had compromised the domestic issue in the United States(27).
The first mention of an International Monetary Conference in Congress had arisen with the first Senate speech on the Silver bill (28). In the course of a long plea for restoration of the silver dollar April 24, 1876, Senator Jones of Nevada had digressed from the general theme of his speech to touch on the matter of an International Standards Convention (29). In the course of his digressions he expressed the opinions, 1-That an International Standard was desirable; 2-That the United States should take the initiative in calling a Standards Convention; 3-That the scope of the Convention should be limited to a discussion of the standard and ratio. At this time he stated, "I regard the project as likely to lead to results of the highest importance (30)." A moment earlier he had voiced the opinion that the nations would choose the double standard (31). This marks the end of the Nevada Senator's views that International action "would be desirable", for by 1877 when the report of the Silver Commission was rendered he proposed a different policy (32). In February a year later he voted against a Conference of the same scope (33).

The next suggestion of an International Monetary Conference came on June 17, 1876. On this date Sherman, then chairman of the Senate Finance Committee introduced a joint resolution. It read: That should the government of one or more countries invite a Conference or Convention to consider the relative values of gold and silver and the
adoption of an International measure for the removal of embarrassments arising therefrom, the President of the United States is authorized to appoint three properly qualified persons as commissioners to attend such Conference or Convention (34).

The resolution passed without debate on the day of its introduction and was immediately referred to the House Committee on Coinage (35).

The House took no action for nearly six months. Meanwhile this body was directing its attention to passing a free coinage bill. (July 25 a measure of this kind barely failed to pass the House (36)). In December the object had been attained (37). The House now turned to a consideration of the joint resolution. This it did January 9, 1877 when O'Brien, chairman of the House Committee on Coinage brought the Sherman measure to the House for consideration (38). The measure had been amended by the Committee so that the President could not only appoint Commissioners to take part in a conference of European initiation but could initiate such a Convention (39).

The next day the body manifested its interest in an International Monetary Conference by a decision for non-concurrence (40). In a brief debate on reconsideration the reasons that had prompted this action were given. The Western and Southern Congressmen, pressed by a dis-
contented agrarian class showed that the common basis of opposition to the Senate measure was the fear of its purpose(41). It was viewed by them as political strategem that had originated to check the speedy re-monetization of the white metal as the domestic monetary policy(42). The Senate had shown by its failure to act on the December House bill that it did not favor the immediate restoration of the silver dollar. The body was now making use of the International Conference as a means of marking time on the issue in the United States(43). Bland clearly stated this point of view when he stated...."If the Senate thus desires to postpone action on the silver bill (of December 1876) let it not be said that the House concurred with them in passing a measure for that purpose(44)."

Other arguments of the violent group of silver enthusiasts against American leadership in International Monetary action was the suspicion of Reagan, a Texas representative who feared that the difference of interests of European nations and the United States in silver would result in an adverse decision to the bi-metallic desires of the United States. She would be a debtor nation in a group of her creditors. They could but decide against silver(45). Landers of Indiana vehemently in-
jected the class argument when he charged that Capital-
istic classes in the United States were conspiring with
foreign interests of the same kind in seeking a decision
against silver(46). The view that the projected Intern-
ational policy was so impractical that to follow it
would be futile was also voiced by the opposition(47).
The greatest ground of the opposition however lie in
the fear of jeopardizing the designs of the silver party
to restore the dollar of the fathers to coinage.

A small group of Eastern representatives aided by
Garfield of Ohio and Kasson of Iowa attempted to get
the House to view the Conference proposal from a broad-
er point of view than that of domestic politics(48).
The common basis of the favorable argument was that the
International considerations in the adoption of a Nation-
al policy in the United States were so important that
cooperation must accompany such action(49). Chittendon
of New York expressed this point of view when he stated:
"This question of a new Currency standard cannot here be
decided without grave considerations. The Conference pro-
posed is eminently fitted to the exigency(50)." O'brien
readily defended his support of the proposed Conference
through it the silver men would be convinced of the error
and impropriety of remonetization(51). Seelye of New
York made remarks to the effect that the interest of the
United States as the largest producer of silver in the wo-
world should influence the House to favor the Internation-
al approach to the silver question(52). The fact that
Linderman, Director of the Mint, thought practical bime-
tallism in the United States an impossibility without co-
operation as to the ratio and the fact that M. Cernuschi,
eminent French bi-metallist, then in the interest of bi-
métallism attempted to influence members of the House to
support the measure providing for an International Mon-
etary Conference failed to shake the views of the radical
coin(53). Quotations from an American Diplomat to the
effect that there was general International interest in
the problem at the time was equally unavailing(54). The
House stood unalterably opposed to International action.

The same day that the House was debating the Sher-
man resolution the attention of the Senate was again found
on an International Monetary Conference. This time it
was a memorial from the Boston Board of Trade, presented
by Boutwell(55). The petition prayed Congress to; 1, ini-
tiate an International Conference, 2, to appoint a Com-
mission of practical financiers and business men to meet
with European Commissioners "to consider the expediency
of remonetizing silver coin at a fixed relation of value
to gold coin(56)." Because of the later request of the
pass no legislation giving silver a greater legal tender power than ten dollars until "the leading Commercial nations of Europe shall join in an International agreement for the remonetization of silver coin and for fixing the value thereof in relation to gold coin(56)." Because of the later request of the Boston Memorialist, the making domestic action as to the double standard dependent on International decision, Bogey of Missouri offered objection to the petition(57). There could be no misunderstanding to the reason that this body was desirous of an International Conference.

The effort to have the United States call an International Monetary Conference could not fail to have an echo in any discussion of silver in the United States.

When the report of the Silver Commission was made in Congress March 2, 1877 the matter of an International Conference was again brought forth. This was done by direct and indirect consideration of the matter of such a Conference by the different interest in the Commission.

Boutwell boldly advocated the initiation of a Monetary Conference by the United States because the governments of Europe were ready to approach the common Monetary problems internationally(58). Bowen who was by no means favorable to silver thought that Europe was so set in the movement
toward the gold standard that little interest would be manifested by the governments on this continent in International action (59).

Those who were interested in the speedy and unrestricted use of silver by the United States again opposed a Monetary Conference. Groesbeck in almost the identical language used by Bland in January of the same year gave the same reason for his opposition to a Conference of powers (60). Jones, Bogy and Willard suggested that all the ends to be gained by an International Conference could be accomplished by domestic action (61). Congress could adopt the ratio of the Latin Union in a Silver bill. This would show that she had considered the policy of other nations. An International Conference, if this policy were followed, would be unnecessary (62). Wetton, secretary of the Commission took a violent stab at Boutwell for his opinion. He charged that the man who had been influential in establishing the policy of 1873 and the interest favoring international action advocated such because "no road lead so straight away from silver (54)." The arguments of the International bimetallist Cernuschi were but a screen to cover hidden motives (63). A quarter century later Boutwell denied politics as his motive. He based his action on an intense nationalism. He did not wish to see the United States give up the gold stan-
standard if other nations would not agree to use silver (64). With silver restored to the Currency such could not be accomplished with the United States adding to the Monetary drains on gold such could be forced (65). At this time he charged that the Silver men, by their desires for speedy re-monetization had defeated the only opportunity that the country had for the establishment of a bi-metallic system which should include the Commercial nations of Europe (66).

The movement for an International Monetary Conference was too hearty to succumb to charges that had been launched against it by the radical silver party. If the "gold party" were using an International Conference to screen motives their success was remarkable, for the next advancement of legislation for a Conference was from a politician whose interest and sincerity could not be questioned. Allison of Iowa, in the important position of Chairman of the Senate Finance Committee announced December 13, 1878 that he proposed to amend the November House bill now being debated in the Senate (67). Three days before this announcement the Iowan had been in conference with Sherman, who it may be recalled, had been first to introduce a measure into Congress suggesting International Monetary action (60). Sherman, in the Conference of December 10, had appealed to the Chairman of the Senate Finance Committee to secure conser-
The chief features of the amendment that was submitted by Allison December 15, two days after his announcement were:

1. The United States was to initiate a Monetary Conference.
2. The Conference was to be held in any place in Europe or the United States not later than six months after passage of the act.
3. Three Commissioners were to be appointed and receive $2,500.00 each for services plus a reasonable amount for expenses.
4. The objective of the Conference was to adopt a common ratio as between gold and silver and to establish internationally the use of bi-metalllic money.

In the Senate debate on the amendment February 15, 1878 little that was new was added to the views held in America concerning International action. Bailey of Tennessee and Salisbury of Delaware were opposed to the measure because it linked national policy with a measure that they considered should have treated the domestic question exclusively. The nationalistic argument that silver was a domestic issue and that neither the American people or
Congress needed advice in the matter from a Conference of foreign nations was strongly advanced (71). Merriman of North Carolina carried this argument a step further for he made the Conference proposal the basis of his injection of the traditional argument always advanced against the cooperation of the United States with European powers when he states the proposal looked to "a league with foreign nations." He was opposed to "all foreign alliances and entanglements."

The conservative silver men and those who had favored the policy of 1873 as the best National Monetary policy pleaded for the passage of the amendment. Bayard of Delaware struck the voice of a true cooperative spirit when he states..."I hope, therefore, the Senate will permit the comparison of views on this highly important subject to be made in the only way that can give us the benefit of the experience and advice of others (73). Allison in a short speech and the running debate on the measure revealed that his action was prompted by a desire to assure the United States practical bi-metallism by the establishment of the double standard internationally. The measure passed by the comfortable majority of 40-30 (75).

The House in its debate on the much amended Silver bill paid little attention to the Conference feature of
the Bland-Allison act. Springer of Illinois, himself an enthusiast advocate of free and unlimited coinage made the appropriation clause of the Conference amendment the basis of a technical attack on the measure(76). House leaders desirous of accepting the Senate compromise angrily resented such an attack. They were unwilling to jeopardize this bill, the first that had passed the Senate. Springer had chosen a poor time to raise the question of the House permissive. The point of order was lost(77).

The period that marked the departure in the United States from the Monetary policy inaugurated in 1873 had also tended to shape the attitude with which nations would view any approach to International Monetary action in 1878. A brief statement of the nature of the domestic policy established, and the International policy advocated followed by a presentation of the leading facts of the policy of other nations or groups will serve to indicate the interest of nations in the Monetary problem presented to the world by the act of February 1878( or the Bland-Allison Act).

The political and class elements that had entered into the struggle in the United States had resulted in the restoration of silver into the coinage of the United States
in restricted amounts, hence the country had neither adopted a double or rejected fully the single gold standard. The International policy advocated was the free use of silver internationally. This fact presents an apparent contradiction between the domestic policy adopted and the International policy advocated. In reality the act meant that many more silver dollars would be coined yearly under the Bland-Allison act than had been coined during the period from 1792 to 1873, when the nominal policy of the United States was the bi-metallic.

The leading facts of that would affect national interest in the problem presented for world action in 1878 may best be presented: first, from the point of nations that had a monetary interest in silver because of the quantities of that metal in their monetary systems. All of the nations of the Latin Union had large quantities of silver in their mints or in the circulation and had this interest; secondly from the point of nations having other interests.

Besides the general interest of the countries of the Latin Union it will be necessary to examine separately the forces in the individual states of that body that would have a bearing on any policy that they would take toward silver in 1878.

Two of the countries of the Union had always indica-
ted a distaste for the white metal as a basic Monetary metal. Belgium and Switzerland had consistently opposed the use of silver long before the restrictions of 1874(80). The former country in the period immediately before the Conference had manifested no inclinations to change from that policy. Even while negotiations were being carried on looking to Belgian participation in the Conference of 1878, a strong pro gold ministry had been elected(81). As late as 1876 Switzerland had threatened to leave the Union if a stronger policy were not adopted by that body against silver(82).

Italy in the Conferences of the Latin Union had been the states that advocated the greatest use of silver(83). She had been on a fiat money basis since 1866 and was forced to stand for the use of the white metal if she was to have a metallic circulation(84). She was looking forward to the resumption of specie payments. This gave her an interest in any move of the nations that would give certainty to the future of silver. International action would also relieve tension in the money market and make the metal needed for resumption more easily obtained.

Greece, the other small country of the Union, was in such a bad financial condition that her attitude at an International Monetary Conference would be of little importance(85).
France in 1878 was standing in a critical position as to both her domestic Monetary policy and that she must take to maintain her control in the affairs of the Latin Union(86). The Franco-Prussian war had brought Germany to the foreground as her Monetary rival(87). The fact that Germany had the gold standard and France the bi-metallic furnished Switzerland and Belgium a strong nation following their wishes in regard to the standard(88). The fact that a Monetary Conference of the Union must soon meet to consider the renewal of the treaty of 1866(treaty expired 1880) meant that France had a great interest in the action to be taken at the World Conference called for 1878. Economic conditions in France for four years prior to the Conference of 1878 had strengthened the position of the country in relation to gold(89). For four years beginning in 1874 French trade had shown a favorable balance; her gold reserve was high. Just two years before the Conference she was in such good economic condition that she was termed the Creditor of Europe. These favorable conditions had reflected themselves in her Monetary policy from 1876 to 1878 which was markedly in favor of gold(91).

Six European countries had other interests in silver. Germany had an interest because she had considerable quantities of the metal to sell, released by her demone-
tization acts(92). She also had a smaller quantity of silver exacted from France as a part of the war indemnity(93). Great Britain derived her interest because of the effects of silver on her foreign trade, particularly that with British India. The Economist(London) had predicted the manner in which the trade situation was viewed in England in editorials given to a discussion of this phase of the silver question appearing in the columns of that publication throughout the year of the greatest depreciation(1876). In an issue of May 6, 1876 it was stated..."That some British trade would suffer and other trade would profit of the condition but that......nevertheless the situation was not an evil of the first magnitude, nor at all likely to produce the disastrous effects on English commerce, especially which we see expected from it(94)."

Commercial interests in England and India, alarmed over the situation because of the state of the Indian trade voiced discontent over British policy(95). This discontent was not sufficient however in 1878 to make official Britain view with great favor the projected International bi-metallism of that year(96). Holland had a traditional interest in silver. From 1847 to 1875 she was a silver mono-metallic country. Holland also had large sums of silver in the circulation of the country(97). The policy of the country in changing from the white to the yellow
metal had been largely caused by Germany when she followed policy of England (98). Austria-Hungary had an interest in silver because she like Italy was on a fiat money basis (99). Russia had an interest similar to that of the dual nation (100).

The interest of the United States in silver was that she was the leading producer of silver, that she would soon have large quantities of silver in the coinage, and that she would within six months of the Conference resume specie payment.

With the outstanding facts of the few years that were determining national interest in a Conference to "fix internationally the relative value between the two metals" it may be well to turn to the view of American leadership in Europe when the fact became apparent that such action would be taken.

The matter of American Monetary leadership and the bi-metallic trend that it would take brought forth comment even before it had become a law. The Economist (London) in February had commented on the Conference to the effect that in as much as any practical results might come from such a Conference it might as wisely be summoned to "fix the relations between supply and demand (101). Needless to say this view did not change in subsequent months (102).
Quotations from the _Precursor_ (Antwerp) showed a strong sentiment in Belgium against the Conference (103). The _Moniteur_ (Paris) predicted that the insistence of the United States and France on their national ratio would prevent the cooperation of the two strongest bi-metallic states (104). Further comment from this country found M. D. Parieu, influential in French official and financial circles stating that there was a strong inference that the United States might be seeking to "dupe" his country in her search for markets for her large quantities of the white metal. He saw in the Conference a possibility for a gain for "economic truth" by the "International conversations on bi-metallism (105)." The _Revue Deux Monde_ (Paris) with the Conference in progress (August 15, 1878) found time to censure M. Cernuschi whose theories were embodied in the problem the United States had presented for International consideration for having inflicted his "heresies" on the Americans (106).

Newspaper comment in the United States from the _Financial and Commercial Chronicle_ (New York) and the _New York Tribune_ was not enthusiastic over the success of the Conference (107). The _Nation_ (New York) engaged itself in finding reasons why American Monetary leadership would result in failure (108).
The official invitation to the Conference revealed other difficulties. In the region of the Latin Union the situation was complicated by the desires of the member countries to act in concert and the fact that a regional Monetary Conference had been planned for the fall of 1878. Belgium desired a preliminary Conference of the Union so that all countries of the body might act in concert at the International gathering(109). Italy desired the postponement of the General Conference until after the fall conference of the Union(110). The suggestion was impractical that Belgium made, and that made by Italy was impossible because of the limited time in which the Conference must meet according to the terms of the Bland-Allison Act. French good offices were able to untangle the difficulty in the Union by June 14 and the United States was assured full participation of these states(111).

The difficulties in the gold standard countries of Great Britain, Sweden, Norway and Holland showed these countries had an interest in the older question of Currency uniformity but not in the problem of International bi-metallism(112). Suggestions from American Diplomatic officers in Austria and Switzerland were to the effect that in these regions not of the gold standard there was interest in a universal and uniform coin(113). The United States acceded to an enlargement of the scope of the
Conference to include the consideration of uniformity and was assured the attendance of the Gold Standard countries(114). Germany declined to accept an invitation on two occasions, to attend such a gathering(115). Of the other two countries invited, Austria-Hungary and Russia, acceptance was without event(116).

August 10, the delegates of nine European powers and the United States assembled in Paris for a nineteen day Monetary Conference. In the European delegations were some of the foremost financiers on the Continent. Great Britain had sent Goschen, a publicist who had served on the Royal Silver Commission of 1876(117). Gibbs, an ex-governor and at the time a Director in the Bank of England and Sir Thomas Seccombe, of the Council for India lent strength to the British delegation(118). In the French delegation was M. Leon Say, her able Minister of Finance. Say was chosen as President of the Conference at its opening session(119). Freer Herzog of Switzerland and Pirmez of Belgium had been influential in shaping the Monetary policy of their governments and in Conferences of the Latin Union(120). Vrolik, ex-Minister of Finance, and Mees, Director of the Bank of the Netherlands, were Holland's representatives(121). Dr. Broch representing Sweden and Norway was an able economist, who rendered valuable service to the Conference(122).
Greece, Italy and Russia were represented by men whose attainments in financial affairs were not of the class as those of the men whose achievements have been cited. The American delegation contained no representatives of wide experience as financiers. Francis Walker, an economist was the most competent of the delegation (123). Fenton had gained some experience as a banker in the state of New York (124). Groesbeck, a lawyer by profession, had shown enough versatility to serve as an expert on the Silver Commission of 1876 (125). Dana Horton, an enthusiastic young bi-metallist, was chosen as Secretary of the delegation. Later he was given the same status in the Conference as the other American delegates. The first three named delegates were nominated by President Hayes June 14. Five days later Groesbeck and Walker were confirmed by the Senate (127). Fenton was given appointment. Due to the persistence of Conklin the New York man too was finally confirmed after President Hayes had submitted then withdrawn the name of Charles B. Lawrence of Illinois (123). American periodicals indicated the basis of the opposition to Fenton. The Nation caustically characterized him as a "weather beaten politician" whose proper place was in the Caucus. He undoubtedy would find himself out of place with such men as the European governments would
send to the Conference. The same paper thought Walker alone competent. Groesbeck was little better than Fenton (129). The Financial and Commercial Chronicle's characterization of Fenton as in "no sense a representative student in finance" was really more generous than that of the more radical publication. Walker was again classed as the most able of the American delegates. Groesbeck was referred to as "exclusively positive to bi-metallism (130)." The New York Tribune thought well of the qualifications of all the Americans (131). Another newspaper ascribed the appointment of Fenton to political motives. The New York man was seeking appointment at the time as Collector of Port. Cocklin, his bitter political enemy, had chosen an easy means of disposing of him for that position (132).

From the day (August 16,) of the opening speech of Groesbeck at the second session of the Conference until the Assembly adjourned August 29, there was little to indicate that it would be fruitful of any results.

In the course of his speech the American delegate presented the Conference two resolutions as to the Monetary use of silver upon which the Americans desires a commitment by the powers. The resolutions were (133):

1. "It is the opinion of this Assembly that it is not to be desired that silver should be excluded from free coinage in Europe and the United States
of America. On the contrary the Assembly believes that it is desirable that the unrestricted coinage of silver and its use as money of unlimited legal tender should be retained, where they exist, and as far as practicable restored where they have ceased to exist."

2. The use of both gold and silver as unlimited legal tender money may be safely adopted, first by equalizing them at a relation fixed by International agreement, and secondly, by granting to each metal fixed equal terms of coinage.

A third proposition, predicated on the assumption by the Americans that the Conference would reach a stage in its deliberations where an International ratio could be considered, was not submitted(134). The Conference never reached a stage when it could have been considered to any advantage(135).

The remainder of Groesbeck's speech may well be analyzed before the summarization of the action taken at the Conference is related. His speech is typical in many respects of the speeches of Horton, Walker and Fenton that followed(135).

The manner in which the speech is typical is that as Groesbeck found it necessary to attempt to justify his
government's move in the International problem of 1876 as based upon an unselfish policy; so the other Americans attempted to convince the Europeans at the Conference of the unselfishness of the United States(136). It was not the fact that the United States as a large producer of silver had called the Conference, for America was also a large producer of gold, but the fact that his country was leading a move to rehabilitate the white metal and remove the embarrassments in trade that had been caused by its depreciation. Since the acts of the states in demonetizing silver had caused its extraordinary fall the same could be corrected by its restoration as money of full legal tender value(137). In explaining the inconsistency of the restrictions of the Bland-Allison Act and the International policy advocated Groesbeck held it was not due to a domestic compromise but because other states had restricted silver(138). He assured the Conference that the United States was traditionally "bi-metallic" and would take greater steps to restore silver with aid from Europe(139). Horton's and Walker's speeches differed from Groesbeck's in that they attempted to present the cause of bi-metallism from its advantages to trade rather than to make defense of the national policy the principal theme of their address(140). Fenton's speech contained little more than
a general appeal for Monetary cooperation (141).

The response of the European delegates to the remarks of the opening speech of the Conference by the entertaining government was indicative of its ending. European delegates could hardly believe that American policy of 1873 toward silver had been so aimless as to have been determined by "inadvertence" as the American had stated (142). The Nation when it learned the news that Groesbeck had carried this time-worn explanation of the change from the traditional policy to Europe it was very severe in its criticism of him (143). Freer Herzog and M. Leon Say were very skeptical of any influence that the Latin Union had exerted on the restrictive policy of the United States (144). The former recalled that the United States had thrown silver from its coinage in the spring of 1873 when silver began to fall. The Latin Union had waited until later in the year to restrict silver (145). The latter delegate could hardly believe that the Latin Union had featured very prominently in the American Silver Bill for instance in the matter of the ratio (146). In short, few of the delegates were prepared to listen seriously to the American's exposition of motives.

In the declaration of the governments there was little hope that the Conference would commit itself favorable
to the United States plan of action. There was little doubt before the Conference convened as to the action the countries of the Gold Standard would take. Great Britain and Norway declared that they would stand firm by the gold standard(147). Holland declared that she could not move from gold as long as Germany on one side of her and England on the other maintained that standard(148). The sentiment had gained ground in the United States that the countries of the Latin Union would support the United States in an effort to make the use of bi-metallic money International. It was with the aid of this Union that the United States hoped to get a favorable commitment to silver(149). They failed at the Conference to recognize any common interest with the United States in the remonetization of silver(150).

Two of the countries, Belgium and Switzerland declared outright their preference for the yellow instead of the white metal(151). Pirmez of the former country and Herzog of the latter country vied with each other in denouncing the use of silver and advocating the use of gold as the basis of the standard(152). In stating the position of his country as favoring gold Herzog characterized silver as a metal "of inferior order" only for the use of "backward nations" as full legal tender money(153).
Pirmez, in discussing the American propositions, characterized International bi-metalism as a "platonic desire" the immediate effect of which if adopted by the nations would lead through the operations of Gresham's law to a withdrawal of gold from the circulation. An "unprecedented crisis" would follow in the wake of the International policy advocated by the United States (154).

M. Leon Say presented the attitude of his country toward silver as an "expectant" one (155). He carefully called the attention of the Conference to the lack of any perceptible influence of the Monetary policy of the Latin Union on the United States (156). Perhaps M. Leon did not know that Reagan of Texas had proposed to amend the (November, 1877) Silver Bill in that respect and that Messrs Bogy, Willard and Jones had recommended the ratio of the Union as that to be adopted by the United States (157). He declared that France was bi-metallic at heart and could but have an interest in silver because of the huge quantities of the metal in the French currency. He intimated however that his country was not desirous of augmenting this supply of the white metal (158). The American proposition he characterized as "premature." He had given little encouragement that his government was ready to consider the rehabilitation of silver. Italy alone of the countries of the Union stood with the United States at
at the Conference and it was an Italian delegate who took the same action in holding views different from those adopted by the Conference (159). The attitude of Greece was declared to be the same as that of France (160).

Of the other countries in attendance at the Conference Austria-Hungary declared herself as supporting the double-standard in principle (161). Russia declared herself in no position to take a stand on the question of silver until she should be on a specie basis but intimated strongly that this country was opposed to the double standard (162).

When the time came for the Conference to take a united stand on the propositions that the United States had presented its action was easy to conjecture. Only the weaker countries had stood with the United States throughout the two weeks deliberation. The Latin Union countries had failed to lend their support. Great Britain confined herself to stating that she had an interest in silver because of the situation in India and that the double standard should have a place in currency (163). It might be interesting to note that one British delegate, Gibbs, made remarks so favorable to the gold standard that the Economist three years later with another Conference in view cautioned the government to be more careful in selecting
its representatives from the Bank of England since the traditional monetary policy of Great Britain was receiving quite a jarring when men of high financial standing manifested bi-metallic leanings at International Monetary Conferences (164).

The Conference took three resolutions as expressions of the European attitude toward the Conference of American initiation (165). The three resolutions taken might well have been written by those of the national bi-metallist who were loud in their utterances that the money question was a domestic issue. The resolutions read:

1. That it is necessary to maintain in the world the monetary functions of silver as well as those of gold, but that the selection for use of one or the other of the two metals, or of both simultaneously, should be governed by the special position of each state or group of states.

2. That the question of the restriction of the coinage of silver should equally be left to the discretion of each state or group of states, according to the particular circumstances in which they may find themselves placed; and the more so, in that the disturbance produced in recent years in the silver market has seriously affected the monetary situation of the several countries.

3. That the differences in opinion which have appeared, and the fact that even some of the states that have the
double standard find it impossible to enter into any mutu-
tual engagement with regard to the free coinage of silver, 
exclude the discussion of the adoption of a common ratio.

From these resolutions when contrasted with those of 
the Americans it can readily be seen that the United 
States first attempt at Monetary cooperation in 1878 had 
failed. Five reasons for the failure of that policy stand 
out as expressions of national attitudes toward the pro-
posed policy of the United States involved at the Confer- 
ence. In fact some of the weaknesses of the policy and 
obstacles to its success had been forthcoming when the 
International policy was in the process of developing. 
Bayard pointed out the weaknesses on the floors of the 
Senate, of America's committing herself to a domestic po-
licy before adopting a policy for International action(166). 
Boutwell says he saw the weakness(167). Merchant groups 
in the United States had pointed out this fact(168). 
This serves to bring us to one of the four principal rea-
sons for the failure of the United States at the Inter-
national Monetary Conference.

First, the United States had compromised herself as 
the country to take International leadership in the sil-
ver question at the same time she had compromised her dom-
estic silver question. The commitment to a policy of
national bi-metallism of a restricted nature acted against her in two ways at the Conference. Foreign delegates argued that the United States was afraid to put into practice the theory she advocated as the basis of International action. She was therefore inconsistent if not insincere in advocating International bi-metallism(169). The fact that the United States must place from twenty-four to forty-eight millions of dollars worth of silver in her currency during the tenure of the Bland-Allison Act could be interpreted as adding to her other interest in desiring International action favorable to silver(170).

Secondly, the United States leadership for International bi-metallism came at a time when she was leading in the production of silver. The nations were afraid to change their policy regarding that metal for gear of being inundated with the white metal(171). The assurance that American mines, particularly the rich Comstock lode in Nevada would soon reach a stage of exhaustion could not lull Europeans into the belief that there was no danger in the adaption of International bi-metallism(172). The experts sent by European states were also very skeptical of the intimations of the American representatives that the United States might absorb some of the surplus German silver. Fear of American silver must be set forth as a very impor-
tant cause of the failure of the Conference.

Third. Closely related to the preceding cause of the failure of the Conference is the fact that Germany chose to absent herself from the Assembly. The American silver mines were widely held as the basic factor in causing the unstable condition of the market. Nations also realised that German sales had aggravated the situation. With no indications of the future policy of this country, nations had another reason for refusing to follow the stress of American leadership(173).

Fourth. There was a strong feeling that the theory underlying the United States plan was impractical. Greshams' law could not be defeated by the action of states. The suggested International approach could not solve the problem. Historically the double standard had failed to keep the metals in circulation concurrently when tried regionally, when tried by individual states. International bi-metallism could do no more if American leadership in this direction were followed(174).

Fifth. The lack of interest in the stress of a co-operative enterprise that was attempting to augment the influence of the double standard(175).
CHAPTER II

The Monetary Conference of 1878 had demonstrated that European nations were little interested in American leadership for the restoration of silver. An American commercial magazine had aptly characterized the manner in which foreign governments had viewed the attempt when it stated there had been an "International exchange" but no "change" of opinion in Europe toward silver(1). The official report of the American Commissioners confirmed the earlier view of the periodical(2). Nevertheless, there was a deep seated desire in the United States for International Monetary action. When the circumstances seemed to justify the action the country was willing to again place herself in the position as an ardent champion of the international use of silver.

Before tracing the developments that led to the Monetary Conference of 1881 an examination is necessary of the status of the silver question in the several countries concerned. In general the condition of the silver market was not greatly modified, except that the suspension of German silver sales in 1879 and the beginning of silver
purchases in the United States under the Bland-Allison Act had resulted in a temporary rise of price.

The countries of the Latin Union showed definitely at the beginning of the interim period that they intended to continue to restrict the use of the white metal. In a Conference held in October, 1878, the stand for this regional policy was almost unanimous(3). Italy and Greece alone desired a policy favorable to silver. In a Conference of 1879 the countries of the union affirmed their intentions to deny the desires of Italy for more silver(4). It is interesting to note that at this time France stood with Belgium, and Switzerland in the policy away from bimetallism. This was a definite shift in the older policy that France had advocated in Latin Union affairs(5).

Italy responded to the decision of the other powers by herself turning toward gold. In 1879 she started a movement toward the resumption of specie payments. A plan was leading definitely toward resumption of gold by the spring of 1881(6). The Italian plan called for a large loan of 444 million francs in gold and 200 million francs in silver. The large amount of gold needed indicated that Italy was planning to base her Monetary system on the more stable metal(7). The fact that the plan had not been put into operation made her retain much of the
same interest in silver that she had at the time of the earlier Conference(8).

The countries of the gold standard retained much the same interest in silver. Germany was having difficulty in maintaining her gold standard. She had depended on the sales of silver to obtain part of the gold with which to make her reforms. She still had considerable quantities of silver to sell(10). Her difficulties and the quantities of the white metal still on her hands had intensified her interest in the situation. German policy had however indicated that it would not change from the gold standard.

England during the period of the interim was a country in which bi-metallism had been slightly strengthened. Shortly after the Conference of 1878 Gibbs had gone over to the bi-metallist. In a letter to M. Cernuschq he stated; "I am gone over to the enemy, I am going to attack with you solid ramparts of mono-metallism!(11). The Liverpool Chamber of Commerce continued to be the seat of agitation for a change in the British Monetary policy. February 24, 1879, a special committee was appointed by this body to report the effects of the depreciated metal on British trade(12). The resolutions adopted by this body in a meeting of March 1881 suggested a policy that
Great Britain could adopt to relieve business depression in that country. She could join leading commercial nations in the establishment of an International bi-metallic currency. Thirteen resolutions were later presented to the Ministry(13). Birmingham commercial interests also petitioned the government(14). The discussions of the Banker's Institute at London indicate that the question of bi-metallicism had attracted the serious attention of men of more than ordinary importance in British financial circles(15). By February, 1882 the movement for the double standard as a basis of currency led to the formation of the International Standards Association headed by Gibbs, formerly a governor of the Bank of England(16). The first public meeting of the Association found H. K. Grenfell then governor of the Bank, taking a strong stand for the Monetary use of both metals(17). The movement was not strong enough however to alter traditional British Monetary policy. The smaller countries with the gold standard, Holland and the Scandinavian countries, remained much the same(18). Both Austria-Hungary and Russia were on a paper currency basis(19).

In the United States there were some significant events that influenced America's interest in silver. First. The United States continued to lead in the pro-
duction of silver. The Bland-Allison Act had stimulated this production(20). Second. The agitation for the free and unlimited coinage of silver continued. The House in this period as in the period before 1876 led in the struggle. An act passed this body May 24, 1879. The Senate took no action on the measure(21). Third. There was uneasiness as to the effect that silver purchases specified in the Bland-Allison Act would have on the resumption policy of the United States. The United States had resumed specie payments in gold January 1, 1879. The Secretary of the Treasury feared that a shift in the movement of gold would defeat the resumption policy. He therefore desired to maintain a large gold reserve(22). The Bland-Allison Act could embarrass this plan. The action of the New York Clearing House of November 12, 1878 caused uneasiness in this respect because it was through this body that the Treasury could put the silver dollars into the circulation. The Clearing House refused to receive silver in large amounts if the depreciated dollars could find no outlet they would remain in the government vaults(23). The Secretary of the Treasury feared that silver would become the sole reserve of the government. The fear lasted throughout the period. Fourth. The United States was in a favorable position in respect to gold. By 1879 the dearer metal flowed to this country in large
quantities because of a favorable balance of trade(24).

The interest of the United States silver had become slightly more complex than during the period before the Conference of 1878.

The movement for International Monetary action in the United States continued without stimulation from a European nation. There are few indications that a second Monetary Conference could have been called by the United States as early as the spring of 1881.

The President in his annual message December 2, 1878, called the attention of Congress to the Paris Conference held during the current year(25). February 6, he submitted the report of the Secretary of State to Congress(26). He made no recommendations at either time as to an International Monetary policy to be followed. Here the matter rested for a few months when Senator Allison (June 20, 1879) called for the proceedings and accompanying papers of the Conference(27). Congress manifested its determination to proceed with the policy of seeking International cooperation to remonetize silver. Before the papers were delivered to the Senate June 23, an appropriation of $20,000 had been made to finance the State Department of Negotiations(28). The object of the negotiations was to be the International remonetization of the white metal(29).
The linking of International policy with domestic policy is again suggested in the move of Allison. The Warner Silver Bill, a free coinage measure, had passed the House barely a month before the call for the papers and was then in the Senate Finance Committee of which Bayard was Chairman(30). June 17, three days before the move of the Iowan, a resolution had passed the Senate favoring free and unlimited coinage(31).

November 11, 1879, Sherman, in the report of the Secretary of the Treasury, made mention of the Conference that had lately been held in Paris. He concluded that European governments had manifested an unwillingness to use the white metal freely. The United States should adopt a conservative policy toward the depreciated metal(32). The Treasury Department was in possession of a mass of statistical information concerning the use of the metal since it had been conducting for some time a world wide survey of this phase of the problem(33). Sherman was also uneasy because of the silver that was assimilating in the government mints. Three weeks later the President in his third annual message made similar suggestions(34).

While the matter of an International Conference was being brought to the attention of Congress by Presidential messages and reports of the Treasury a situation was de-
veloping in France that was to give her interest in immediate International Monetary action.

In the midst of a policy that leaned toward the gold standard in 1878 France was soon to see the reverse of the conditions that made such a policy find favor in the French Republic. The equivocations of her Minister of Finance had hardly fallen before the country began to experience movements that were taking the yellow metal from her. The gold reserve of the country started diminishing in 1878 due to a less favorable trade balance(34). The balance became markedly unfavorable in the two succeeding years(35). The discount rate of the Bank of France was raised in 1880 but the relief was temporary(36). To the unfavorable balance was added the fact that France held stocks of foreign countries that must be paid in gold(37). This would add to the drain on this metal. Fear of a scarcity of the yellow metal and the replacement of what had been an abundant gold reserve with the white metal served as a stimulant to the bi-metallist in this country. Their prospects for reversing domestic policy toward silver were not promising. They turned toward International action(39).

In 1880 a measure was introduced into the French Senate inquiring into the expediency of calling an International Conference for the consideration of plans for the
rehabilitation of silver. The movement started at this time became linked with the activity of the United States having the same object. The result was the concerted action of the nations in convening the Conference of 1881. After negotiations had fallen through in the winter of 1881 looking to the establishment of a bi-metallic Union between France and the United States(41).

The proposal for an American French Monetary agreement had been submitted January 7, 1881(42). Seventeen days later the House indicated that Congressional interest in this type of cooperation was still alive. January 24, Stephens of Georgia had introduced a resolution in that body(43). The measure of the Georgian had for its purpose to ascertain the progress of the State Department had in the negotiations financed by the act of June 20, 1879(44). The Secretary of State, Evart, reported that negotiations had been carried on confidentially in an attempt to secure favorable International Monetary action but that sentiment had not developed until "recently" that would indicate that action of the kind desired in the United States could be secured. He reported that the United States and France were planning concerted action and asked an appropriation for carrying forward the project(45). Congress appropriated $15,000 for each of three Commissioners to represent the United States, $3,000 for the
Secretary and expenses for the men. The sum of $7,500 was also appropriated as the United States' share of the joint expenses (46).

The failure of the proposed French treaty had most probably suggested the concerted approach to the problem. Fear was manifested in both countries at the individual line of procedure. The provisions of this treaty were:

1. The United States and France were to constitute a bi-metallic Union.
2. The French national ratio of $15 1/2 was to be adopted.
3. The states were to guarantee the free and unlimited coinage of silver of full legal tender power.
4. Subsidiary coinage was to be under government monopoly.
5. Both gold and silver were to move between the countries free of duty (47). Cernuschi the prominent French bi-metallist was the author of the treaty. The policy of an American and French bi-metallic Union represents a shift in this point of view that took place in a few months. After the Monetary Conference of 1878, he had advocated that the United States and France should turn toward the gold standard as the best means of indu-
cing England to change her policy toward silver. A strong sentiment existed against such a policy in both the United States and France. The sentiment common to these nations was fear that such a policy would be beneficial to the countries with the gold standard at the expense of the two nations. The Economist did not see how such a policy could prove practicable but stated that the attitude of England would be that of a "benevolent neutrality". There was a feeling in many quarters in the United States that British and not French policy should be followed by the United States.

The assurance that an International Monetary Conference with a stress on an International bi-metallic money was to be held in 1881 was greeted with as little enthusiasm as the previous Conference. The Financial Commercial Chronicle was of the opinion that the best policy for the United States to follow would be to hold "adamant" from the Conference. Its editorials stressed the changed position of the United States with respect to gold as the grounds for America to act cautiously in International Monetary affairs. Early in March this journal set forth that a strong national policy restricting the use of silver would add to the drain on gold. After having contributed to the "squeeze", Europe should be left
"to work out its own salvation." Injured national pride at the response of European governments to the American leadership in 1878 was the sentiment back of the latter suggestion. The Nation, speaking of the Conference advocated a national policy away from the white metal until "England and Germany and other powers" agreed to take silver off the hands of the United States. The fact that the powers with bi-metallic systems were also the powers seeking International cooperation was to this periodical an indication of the weaknesses of that system.

The effort of the two states for an International bi-metallic money found little favor in England and was bitterly opposed in France. The Economist urged that the British oppose such an attempt. The paper expressed the view that since France was making preparations to present very strongly the bi-metallic point of view, the British government should make equal preparation to defend the gold standard. In France the oppositionist forces to bi-metallism through M. Parisu, forced an interpellation through the French Senate. The effect of the interpellation was that the policy of the past five years in France toward the yellow metal was not to be reversed. The fact that this activity of Parieu reached its climax a few
weeks before the Conference placed France in an embarrass-
ing position (58). By April 16, however the French govern-
ment was able to announce that the bi-metallic point of
view, France, the United States, Italy, Holland and Spain
was complete (59).

The International Monetary Conference convened in
Paris April 19, 1881. From this date it held eight ses-
sions that lasted for exactly a month. On May 19, the
Conference took a six weeks recess in order to give the
delegations the opportunity to submit various plans that
had arisen with the object of International cooperation
in the silver problem. The last day of June the Confer-
ence reconvened to hold five sessions and on July 8, it
adjourned its labors (60). It was planned to reassemble
the Conference the following year but this was not done (61).
Another International Monetary Conference was not held
for a period of nine years (62).

The Conference of 1881 was a more representative
body than the Conference of 1878. Four states, Denmark,
Germany, Portugal and Spain, not in attendance at the
earlier Conference were represented at the latter.
Canada and British India were also permitted to send de-
legates to the Conference. All states that had sent re-
presentatives to the earlier Conference returned delega-
tions to this one. Chief significance in the increased number of states at the Conference lies in German participation in International Monetary affairs. The absence of Germany at the earlier Conference had lessened its possibilities for success(63). Germany, through her sales of silver had been held responsible in part for the situation of the market. The action of four powers would determine any successful cooperation at the time. Germany, France, England and the United States.

The European delegations as at the previous Conference were comprised of many practical financiers(64). France in her attempt to augment the influence of bi-metallism had chosen a strong delegation for that purpose(65). The French Minister of Finance, Magnin, the governor of the Bank of France, Denormandie, the President of the Board of Monetary Circulation, Dumas, and M. Cernuschi, a very active bi-metallist, were her outstanding delegates(66). The United States again sent able lawyers and politicians to the Conference. Evarts, late Secretary of State, Thurman an ex-Senator from Ohio, and Howe ex-Senator from Michigan were the delegates appointed by President Garfield. Horton, secretary of the American Commission at the earlier Conference was again chosen to serve in that capacity(67). The Financial and Commercial
Chronicle shortly before the appointment of Commissioners had suggested that practical financiers, not "theorists" should constitute the representatives of the United States.

The Conference organized itself at its first session April 19. M. Magnin was elected President of the body. In his remarks welcoming the Conference on behalf of the French government and in remarks as President of the gathering the French Minister of Finance called attention to the serious International problem confronting the nations and the need for Monetary cooperation. It was decided at this time that a committee of delegates draft a "questionnaire" or programme that the body might start working toward a solution of the difficult problem that confronted it. May 5, the committee reported its questionnaire to the Conference.

The committee in a meeting April 23, had decided not to attempt to frame a cooperative programme. The differences in points of view of the delegates would unnecessarily delay the body in opening its discussions.

M. Cernuschi of France, and the American Horton, were assigned the task of attempting to frame a questionnaire. The seventeen questions prepared by the former were rejected by the committee as well as the twenty-nine sub-
Mitted by the latter and five questions prepared by the Dutch delegation were those submitted and adopted by the Conference (74). The fact that those of the Dutch were more comprehensive as well as more practical than those of the two theorists was given as the reason for their selection. The "questionnaire" presented the following matters before the group of sixteen states as a possible line of International action to be considered (75).

1. Was there an International Monetary problem the result of the fluctuating ratio? Was it desirable that the ratio be kept stable?

2. What was the cause of the depreciation of silver? Was it the restrictions of states or the increased production of the white metal that brought its fall in value?

3. Would International bi-metallism offer a probable means of obtaining relative if not absolute stability in the ratio?

4. If International bi-metallism offered a possibility for a stable ratio what measures could be taken to reduce to the minimum the oscillations in the ratio? Could this be done by obligating the privileged banks to receive any of either metal brought to them by the public? How could
countries without privileged banks reduce to a minimum the oscillations? Would equality in regulations governing the coinage of the two metals aid? Would the free trade of the metals serve to reduce to minimum oscillations?

5. What ratio would be best suited for the International bi-metallic standard?

The declaration of states of the views of their governments was to indicate still other possibilities of International Monetary cooperation. The suggestions that arose in the course of deliberations on the floors of the Assembly and questions supplementary to the general "questionnaire" indicated still others.

The states took stands much as had been predicted. Nine countries, Germany, Belgium, Denmark, Great Britain, Greece, Norway, Portugal Sweden and Switzerland declared their preference for the gold standard(76). Five countries, France, Holland, Italy, the United States and Spain supported the double standard(77). Two states, Austria-Hungary and Russia, because of the Monetary condition in those countries made no committment as to a standard preference. Of the British possessions represented British India declared that the presence of her delegates was not to be taken as an admission that the "principis of the double standard had been adopted by that country."
Canada declared that most "serious considerations" would be given the conclusions of the Conference (78).

From three sources, the "questionnaire" of May 5, the declarations of governments, and the suggestions of delegates in the discussions of the queries set forth in the "questionnaire", three general possibilities for International Monetary policy were presented. It may be well to state at this time that the attitude of the four most powerful states at the Conference, Great Britain, the United States, France and Germany would determine the fate of any proposition that presented a possible policy that might be adopted.

The three general possibilities that were presented were:

1. The leading nations could adopt the International bi-metallic standard.
2. The leading nations could adopt the gold standard.
3. The leading nations could make concessions as to the white metal such that each state could maintain its present standard.

The first general policy that could have been adopted by the nations was no more than a possibility. It was the view urged by the initiating governments and supported
by the smaller countries, Holland, Italy and Spain(79). The declarations of the two powerful countries, Great Britain and Germany, had eliminated it from the beginning(80). It led only to prophecies on the part of the delegates as to the number of states that would be necessary to insure the successful workings of an International bi-metallic standard. Only the radical Gerroschi thought in the face of the views held by the two great nations that the system would operate successfully without either of them(81). Even with the Frenchman the extreme had grown as the sessions passed. At the second session of the meeting May 5, he had stated that without either England or Germany International bi-metallism was impracticable(82). A week later he was ready to shout; "It (bi-metallism) is practicable with four states, with three, even two. Yes, the bi-metallic Union would be supreme in the world if composed of only the United States and France(83). The only other delegate of the greater bi-metallic powers at the Union to speak directly on this phase of the problem was Thurman. He flatly stated that no such arrangement would be satisfactory with only the United States and France adopting the system(84).

Despite the fact that nothing could be accomplished by this type of procedure much of the time of the Confer-
ence was spent in this manner. The bi-metallist presenting his speculations concerning money and the causes of the problem that confronted nations in 1881(85). The mono-metallist for the most part from the smaller countries met their arguments at every turn with opposing theories, and different interpretations of the facts(86). Occasionally an American delegate would break from this bi-metallic theorizing long enough to state the origin of American motives in the International problem was not in American silver mines but in the desires of an agricultural nation desirous of opening a prosperous commercial world(87).

Lord Reay of the British Indian delegation in a speech of May 19, pointed out the futility, summarized the results, and indicated the need of a more practical approach to the problem when he states; "The excellent speeches which we have heard will be valuable contributions to the progress of economic science. On our next reassembling, however, it will be necessary to follow up the vain efforts which we have made to convert each other by a more successful attempt to establish an agreement which shall take into account the different systems adopted by the different governments(88)."

The second type of International approach was likewise impossible because of the position of the United
States and France. None of the proposals of this type of International action were given any consideration by the Conference.

The third general policy that had been suggested at the Conference had possibilities for cooperation by the powers in the problem that neither of the others possessed. This line involved mutual concessions on the part of the bi-metallic and the mono-metallic points of view. The propositions of this type were such that they directly concerned the four powers in whose hands lay the decision of the future International action toward silver.

The German declaration of May 5, had opened the way for cooperation in as much as the policy of that state was a matter of International concern(89). In the course of the presentation of the German view of the silver problem Baron von Thielman had presented for consideration the policy that Germany would adopt in the future and the conditions under which such a policy would be adopted. This conditions under which such a policy would be adopted was that a certain number of the most populous states represented would enter into a bi-metallic agreement. Germany would then agree to adopt the following policy as to the white metal(90).

First. As to future sales of silver she would agree
not to sell silver for a period of fixed duration. During another period she would pledge to sell limited amounts of silver, the quantity fixed by treaty.

Second. As to the Monetary use of silver, Germany might retain gold five mark pieces to the value of 27 3/4 millions of marks and Imperial Treasury Notes of the same denomination (92), to the value of 40 million marks. She might also give silver an extended use in her currency system by recoining some of her discarded silver to a total of 172 million marks (93). If the latter concession were made the silver would be recoined at the ratio of 15 1/2 in the new pieces instead of her old ratio of 14 (94). The proposition however met with little favor. Cernuschi the Frenchman immediately countered it with the suggestion that Germany's losses in her sales before they were suspended in 1879 (approximately 96,000,000 marks) be computed. His plan was that the nations compensate Germany for her losses (96). The price for this compensation would be the adoption by Germany of the bi-metallic system (97). The American, Horton, attempted to find if the German proposition were limited because of England's distaste for a bi-metallic currency (98). He was cleverly evaded by the German delegate, von Thielman (99). The delegates of two less important countries attached the highest significance to
the propositions of the Germans may be. Prendergast of Spain attempted to have the Conference immediately adjourn for the purpose of submitting the German propositions to the governments(100). De Thoerner of Russia thought they offered strong possibilities for practical results coming from the Conference(101). The Conference continued its arguments concerning the theory of money.

Suggestions also arose as to steps that Great Britain might take short of adoption of bi-metallism that would tend to the rise of silver. The proposition was first intimated, in the speech of Sir Louis Mallet, chief delegate of British India, when he stated that Great Britain would maintain the status quo of free and unlimited coinage of silver in British India. The condition under which this would be guaranteed was that a "certain number of the principal states of the world" would maintain the double standard at the ratio of 15 1/2(102).

A second manner in which Great Britain could open the way for International Monetary cooperation was indicated just before the recess May 17. On this date Prendergast of Spain inquired of Freemantle, the British representative, if there were not some way that the Bank of England could make greater use of silver by an option allowed in the Charter Act of 1844(103). The option provided that as
much as one-fourth of the metallic stock of the bank could be silver. Notes could be issued on silver. The use of silver in the immense reserve of the bank would serve to give relief to the market. The British delegate assured the Conference that the matter would be given serious consideration (104).

Meanwhile the Conference adjourned and reassembled before this suggestion became a formal proposal by the British. During the recess, James Russel Lowell, American Minister to London expressed the opinion in a conversation with Lord Granville, that if the option were exercised by the Bank, an agreement between the other powers was possible (105). When it became known that the opinion of Mr. Lowell was personal rather than official the decision of the Bank was withheld from the Conference (106). Official inquiry by the Italian government brought the decision of the powerful institution before the Conference (108). That decision was that the bank would agree to exercise the option on the condition that... "the Mints of other countries would return to such rules as would insure the certainty of the conversion of gold into silver, and silver into gold (108)."

When the Conference was reassembled June 30, then it had the propositions of Germany and Great Britain to
consider. The Bank's decision however, was delayed until July 6, two days before final adjournment (109).

Of the period of the recess from May 19 to June 30 little need be said. No developments save the one just discussed that could in any way have affected the possibilities for International Monetary cooperation materialized. The attempts to bring to the Conference the scientific opinion of bankers on the Monetary problem was only partially successful. The Bank of England would not commit itself officially (110). The Directors of the Bank of the Netherlands reported favorably for bi-metallism (111). This cryptic statement of the National Bank of Belgium voices the sentiments sent by that institution to the Conference. "We think the simultaneous use of two different and variable units, in order to measure all values, is an attack upon logic and upon good sense (112).

The views of the powerful countries still remained unwavering. Italy and Holland showed a disposition to have made the offers of Great Britain and England the basis of a bi-metallic Union, with slight modifications (113). The United States and France in resolutions clearly stated that the only conditions under which they would enter the scope of a bi-metallic Union would be that it was composed of England, France, Germany and the United States (114).
The Conference of 1881 had added to the series of gatherings that had failed to secure International Monetary cooperation.

The United States and France had failed in their concerted effort to secure International cooperation stressing the stabilization of the currency just as the former country had failed in the Conference of 1878, and the latter in 1867, in attempts to secure broad International currency cooperation.

There are several outstanding reasons why the two nations failed in the effort to secure the formulation of a concerted policy in the problem of the fluctuating ratio. First was the jealousy of nations over their individual standards. The four great powers, England and Germany depending the gold standard, arrayed against France and the United States, the strongest supporters of the bimetallic standard, were not disposed to make any radical departure from nationalistic policy. The gold standard countries were insistent that the slightest departure from that standard should enable them to determine the policy of the other two nations. That policy must be the unrestricted use of the white metal (115). With this attitude no satisfactory basis could be found for practical approaches to the problem. France and the United States
while stating bi-metallism as the policy they desired, wavered at the adoption of this approach to the problem of the fluctuating ratio if it would leave their rivals in possession of the gold standard. With these nations International action must follow two lines of action. First, a bi-metallic money was the solution. Second, all nations must follow this policy. Great Britain could not give up a standard that was serving the needs of the world's greatest commercial nation. Germany, despite difficulties in the establishment of the gold standard was not to be changed from her determination to establish her currency on this basis.

The United States was the leading producer of silver. A bi-metallic money would benefit her greatly. France also would benefit by the International bi-metallism because she had more of the white metal in her Monetary system than any other nation. Pirmez of Belgium had boldly declared that national selfishness and not interest in International problems the motivating factor in the concerted action of these states when he remarked, "The United States, which produces considerable quantities of silver, and which rejects from circulation the silver coined in her own mints, would not receive European silver, but would export more and more silver to Europe. This is their secret hope, and must have been the
paramount motive of their adhesion to the principle of bimetallism. The French and American governments are agreed indeed, on that principle, (bi-metallism) but we may attribute to both of them an innermost idea which they, doubtless do not communicate to each other. Each of them, probably thinks, "I shall send my silver to my ally." Which of the two is mistaken? It is not likely to be America, for streams issue from their sources, and do not re-ascent to them(117)."

Third. Even among the nations desirous of establishing an International bi-metallic money there was the feeling that the lack of a highly organized and centrally controlled banking system in the United States would be a serious obstacle to that nation's assuring the practical fulfillment of a bi-metallic agreement(118).

The United States and France continued in their efforts for an International cooperation in the stabilization of the currency after the adjournment of the Conference of 1881(119). Holland and Italy signified that they too retained an interest in the problem. The chief interest of these nations was to make possible an International agreement at the meeting of the Conference for April 12, 1882(120).

Holland suggested to both the United States and France
a plan of action aimed at developing International Monetary action. The plan of this country was that the two larger nations enter into a provisional Convention before the time the adjourned Conference was to meet. The country signified that she was willing to join the United States in the initiation of a movement favoring bi-metallism even if France withheld her consent. Definite action by the powers favoring bi-metallism she thought would favorably influence other states(121). A Conference of Birney, American Minister to Holland with Hoehussen, Dutch Minister of Foreign Affairs and correspondence of December, 1881, and January, the following year did not lead to the matura-
tion of the desires of the low country(122). Italy sug-
gested a basis for International Monetary action in the spring of 1882, calling for mutual concessions on the part of Great Britain, Germany, the Latin Union and the United States, but nations were not moved in the matter(123).

With little hope for the success of the Conference set for 1882 the two countries decided not to reassemble the gath-
ering. In the United States Congress still manifested its interest in the matter. Buckner of Missouri, April 24, 1882, introduced a resolution in the House of Representa-
tives requesting correspondence relating to the matter of an International Monetary Conference. The resolution
showed that the Missourian was impatient in that he inquired as to why no delegates had been appointed by the United States(124). July 3, the papers were sent to the House. Freylinghusen inferred at this time that there was some hope that the Conference might still be reassembled(125). The next month Congress appropriated $25,000 for the purpose of financing negotiations and meeting the expenses of Commissioners to the Conference. Two thousand dollars was appropriated to meet America's share of the joint expenses of the Conference(126). In 1884 an appropriation of $10,000 was made in an attempt made looking to the use internationally, of the white metal. In 1892, the United states made the final effort among the nations for currency stabilization(127). In this year she succeeded in initiating the Brussels Conference(128). Fourteen years had not served to change the stress of American Monetary cooperation, for her view at this time quite definitely placed the basis of currency stability on the greater use of the white metal(129).
CHAPTER III

The same year that the Monetary Conference of 1881 was convened was also a year in which American interest was centered on securing cooperation in another matter of International concern. The matter was that of International action with the object of protecting the public health of the nationals of the several states from epidemic diseases. From January 5, to March 1, 1881, an International Sanitary Conference at the American capitol engaged itself in attempting to formulate an International policy, aimed at diminishing the possibilities of spreading cholera and yellow fever between nations(1).

The Washington Conference was not an initial attempt of nations to cooperate in the protection of the public health. Unified action with this objective had presented possibilities from the period at which nations beganconcerting in the solution of economic, scientific and humanitarian problems(2). European nations had suffered ravages of cholera brought from the Orient long before conferences of the early nineteenth century had brought attempts at concerted policy as an approach to common problems. Improved methods of transportation, part of the development of the century and better conveniences for travel
had served to make more necessary cooperation designed to protect the health of nationals(3). Both had increased contacts between the Oriental and Occidental world. Increased contacts meant that scourges of cholera would be introduced more frequently if some effective means were not devised for protection(4).

France had been the first nation to urge International defensive action against epidemics. In 1851, and again in 1859, she had called Conferences for the purpose of controlling disease(5). A serious epidemic of cholera led to the Convention of Constantinople in 1866. Although invitations to this Conference were sent to the nations from the Porte, France was in reality the nation behind the movement(6). Austria-Hungary had also called a Sanitary Conference at Vienna before the one of American initiation(7).

The United States had manifested its interest in cooperation of this kind before the Conference of 1861. She did not however, send Commissioners to either of the Conferences convened before the one of her initiation later(8). The attention of the United States had been called to the proposed Conference in Constantinople by France in November, 1865(9). December 20, the Turkish government had officially invited the United States to send Com-
missioners. The matter, however, never got further than an exchange of opinion between the State Department and the Surgeon General of the United States army. Major-General Barnes, the Surgeon General, expressed the view that the United States was deeply interested in such a problem and suggested that officers of his staff be included on any American Commission(10).

The United States indicated definitely that she intended to participate in the Vienna Conference of 1874. On March 30, the United States had been asked her opinion concerning Austria's plan to convene a Sanitary Conference(11). A month later the American State Department had informed Baron Lederer, Austria-Hungarian envoy stationed at Washington, that the United States was disposed to take part in the Conference(12). The United States, however did not get to carry out her disposition in the matter. The reason doubtless lay in the fact that the official invitation received by the United States June 24, did not inform the American Secretary of State correctly as to the date of the Conference(13). It stated the meeting would assemble January 1, 1875. The United States began making plans to be represented at a Conference on that date. On July 3, the State Department conveyed the Austri invitation to the War Department(14). Fifteen days later
Dr. C. C. Woodward, Assistant Surgeon General of the army was recommended as an American delegate(15). The communications between the two departments had all taken place after the Conference at Vienna had begun. In this way the United States had deprived of the opportunity to attend the Vienna Conference.

The next International Sanitary Conference was to find the United States in a more favorable position to be represented. She was the initiating government.

The reason for the American initiation of a Conference in 1881 was the same that had caused other nations to call Conferences. Each epidemic of cholera or yellow fever and the fear of its recurrence had served to stimulate nations to attempt to cooperate in controlling the diseases. Southern cities and ports of the United States had suffered serious epidemics of cholera in 1873, and yellow fever in 1878. These epidemics had demonstrated the need of a more effective means of excluding them from the United States. They had attracted national interest that focused the attention of Congress on the possibilities of federal action in the health policy of the United States as well as the control of such a vital matter by the several states. The result of the activity was the Federal Health Acts of 1878 and 1879. The latter act led
indirectly to the calling of the Washington Conference of 1881(16).

The reason that the act of 1879 led to the Conference of 1881 is that the United States adopted a policy toward the exclusion of epidemics from the United States that when put into practice led to conflict with other nations. The fact that nations were not willing to permit other states to follow national health policy in the interest of Humanity that would conflict with commercial interests is perhaps the explanation of the difficulties the United States encountered(18). The features of the act of 1879 that presented the possibility for conflict were: first, any merchant ship or vessel departing from any foreign port suspected of being the seat of a contagious or infectious disease and bound for an American port was required to satisfy an American Consular officer, stationed in the port of departure, that the vessel had complied with American local and national law as to its sanitary condition. Secondly, the Consular officer was to give the ship a certificate on its departure which with a certificate gained from quarantine stations near American ports when presented to Customs officers entitled the ship to enter the port inasmuch as matters of sanitation were concerned. A fine of five hundred dollars was the penalty imposed on a ship
for sailing to the United States without the Consular certification. A fine not to exceed $1,000 was the fine for entering a port in violation of national or local sanitary regulation. The regulations of the National Board of Health, the agency in control of the framing of the rules, if not posted officially and publicly in foreign ports at least ten days before the ship left foreign waters for the United States, were not binding on such a vessel(19). In the adoption of her national policy giving Consuls the function of certification, and inspection of the sanitary conditions of nations, the United States had followed the lead of several European states(20). The Portuguese law of 1874 was almost identical with the American (21). The United States then in extending the function of her Consuls had raised a problem of concern to nations. The question was; To what extent nations could adopt a policy to permit other states to get possession of complete and trustworthy information concerning sanitary conditions in countries with which they had commercial relations. The use of such information was to be the protection of the health of nationals.

At the same time that the United States was adopting her national policy there was a realisation that there was an International approach to the problem. The urging
of the situation in the United States and the slowness that nations had manifested to adopt a concerted policy in sanitary matters made the adoption of a strong national policy the only logical one (23).

Within a year after the passage of the act of 1879 Congress had made possible the International approach. On May 14, 1880, Congress passed a resolution authorizing the President to call an International Sanitary Conference aimed at securing concerted action in the matter of sanitation to be held at Washington (24). The specific manner in which the United States was to make her contribution in the series of International Conferences for the purpose of securing concerted action in this matter (sanitation) was that the purpose of the Conference was to secure "an International system of notifications as to the actual sanitary condition of ports and places likely to be infected with yellow fever or cholera (25). The stress then, of the American Conference was on the concessions that nations could make permitting other nations to assure themselves of protection. The reason the United States had restricted the scope of its Conference was that this country did not wish to open discussions of a general code of International quarantine law. Then too she was influenced by the fact that varying local conditions in nations
made the matter of general health regulations one that could best be controlled by individual state action (26). A dependable system of notification however, would be an aid to all nations. First, they would be certain to be warned of dangers from epidemic diseases. Secondly, there would be no need for unnecessary quarantines to the detriment of other nations' interest (27). Difficulties of American Consular officers in fulfilling duties prescribed by national law made the International approach imperative (28).

The State Department issued circulars inviting the powers to the Conference soon after the passage of the Act. A memorandum of July 29, 1880, stated the difficulties that Consular officers of the United States had met in carrying out their duties under the act of June 20, 1879. The memorandum of July 29 also stated two specific propositions that the United States wished to submit for International consideration (29). They were, first, the establishment of a reliable and satisfactory system of bills of health, the statements in which shall be trustworthy as to the sanitary condition of the port of departure, and as to the condition of the vessel at the time of sailing. Secondly, the establishment of a uniform and satisfactory system of bills of health, the statements in which shall
be trustworthy as to the sanitary condition of the port of departure, and as to the condition of the vessel at the time of sailing.

The specific propositions necessitated the consideration of six questions (30). The questions were: Who should be the certifying officer or authority as to the sanitary condition of ports and places and of vessels? How can the certifying officer obtain trustworthy information as to the actual sanitary condition of ports and places, and as to the presence of contagious and infectious diseases? When yellow fever or cholera exist at or in the vicinity of a port or place, what examination should be made of a vessel sailing therefrom to secure a trustworthy knowledge of her sanitary condition? To what extent, and under what conditions should a clean bill of health be considered as affording satisfactory evidence that the vessel is free from danger of carrying infectious disease? In what way can trustworthy information be obtained from ports, or places, in countries which have imperfect or unsafe quarantine and sanitary regulation, and which may be unwilling or unable to adhere to the proposed International systems? Whether a schedule of graduated penalties could be fixed, to be executed from vessels for various offenses arising under the pro-
posed International system?

The Conference was cosmopolitan from the point of geographical areas represented (31). This is of importance because of the fact that the two diseases, yellow fever, and cholera, most responsible for the Convention of 1881 had their origin in widely separated regions. The twenty-four states that attended the Conference came from different continents in the following numbers. Twelve of the more important European nations, six South American states, four Eastern powers, Japan, China, Turkey and the Hawaiian Isles, one African state, Liberia, and two states from North America.

Besides these states Cuba and Porto Rico and the Dominion of Canada were represented (32). Few of the sessions of the Conference found a full membership in attendance. The delegates to the Conference were of two types. First, the diplomatic or Consular agents of nations stationed at eastern cities within a close radius of the Capitol. Secondly, special delegates capable of discussing the scientific features of the problem (33). Many of the latter class of delegates had had experience in solving public health problems. The American representatives were John Hay, assistant Secretary of State, two physicians, Dr. James Cabell, President and Dr. Thomas Turner, secre-
tary of the National Board of Health, and two lawyers, Mr. James Lowneless and J. H. Ashton(34).

The American point of view as set forth by the law of 1879 was strongly advocated by the American delegates at the Conference as the proper International system for nations to adopt in attempting to control epidemic diseases(35). Their activities in committees and at the plenary sessions of the Conference demonstrated that their instructions had been to keep the Conference within this narrow scope(36). Briefly stated the American policy was to secure cooperation in the granting of concessions by the several nations that would place the Consul in a very strong position to ascertain sanitary conditions of foreign ports and vessels. It almost asked that the Consular official be made independent in his investigations for this purpose. The object of such a policy was that the certificate of vessels leaving foreign waters for the United States would be made on the basis of information that had actually been made by the Consul or his agents(37).

This view that the Consul of the country of destination should have great power in ascertaining the health condition of ports and potential carriers of disease was strongly set forth by the American delegates as the objective of the Conference(38).
The view came forth typically in the discussions of a proposition submitted by an Italian delegate. The Italian view was that the local authorities make the investigation of conditions and state them in the bill of health. The Consul would then vise such statements (39). The American view was that the Consul ascertain the facts for himself. Dr. Turner in remarks to the Conference summarized the reasons for the point of view supported by the United States delegation as: First, the delegates of the United States have no confidence in the method of notification proposed as to the health of a port or place founded upon local statement. Secondly, the delegates of the United States declare that if no sanitary examination of a vessel, her cargo, passengers and crew can be made by the accredited agent of the port or country of destination it follows that no truthful notification of such sanitary condition could therefore be made (40).

The strongest basis for a view such as set forth by the United States as the proper International policy to be followed lay in two facts. First, such an agent would be responsible to the nation most vitally interested in the accuracy of such information (41). Secondly, local authorities when intrusted with the responsibility of giving such information, might conceal dangerous conditions
for fear of bringing an a quarantine with the effect of ruining its commerce(42). Under such a condition the humanitarian interest would be sacrificed to selfish commercial interest. The United States was not alone in the view that she presented of placing the foreign agent in position to get reliable information as opposed to relying on local authority for such. Spain, Belgium, China, France, Russia, Norway and Sweden supported the United States in her advocacy of a policy giving the Consul great power to examine sanitary conditions of an area in which he was located, and then to certificate vessels according to knowledge of such conditions gained by his investigations(43).

The objection to the granting of such powers to Consuls as would make nations independent in their investigations of the sanitary conditions in the ports of other nations were, first; nations were unwilling to grant the exercise of such powers to foreign agents to be exercised on a sovereign territory(44). Secondly, if ships could gain clearance only by the satisfaction of an agent neither in control of the port from which the ship sailed nor having a national interest in the ship such a power granted on humanitarian grounds could be made the means of interference with commerce(45). All nations were a-
greed that information of an accurate character should be given to nations interested in having reliable information as to foreign ports. The disagreement was on the best means of protecting all interests, in making such information accessible (46).

Besides the point of view presented by the Americans seeking national action based upon International concessions the International system to be adopted other suggestions as to an International policy were advanced. The propositions advanced as to a common policy of nations placed stress on the participation of nations through an International agency in coming into possession of reliable information concerning health conditions of regions. One of these propositions is of sufficient importance to be considered. An examination of it will serve to show the narrow scope of the Conference of the United States as well as to demonstrate the fact that other nations were interested in the problem to the point that they were willing to create an International organization for the purpose of keeping themselves informed.

The plea for the inauguration of this policy by Count Betklen an Austrian delegate, was presented to the Conference (47). The Count proposed the establishment of two informational agencies. These agencies were to be lo-
cated geographically near the point of origin of the two dangerous diseases as well as centrally to the states that they were to serve. His original plan designated Vienna as the European and Washington as the American city in which agencies would be located. He also suggested that a third agency might be established in a city in Asia. The plan immediately met opposition from the Americans. Dr. Cabell, in a committee appointed to consider the plan continued to voice objection to it. His objection was that in the minds of the American delegates the proposition did not meet the ends for which the Conference had been assembled. The fact that he thought the plan impractical was also an element in the physician's objection to it. At the time that the plan was before the Conference for discussion Cabell stated that he could not recommend it "positively" to his government but that for "other reasons" he would like to see the plan in operation. The only effect of the objection of the American delegate on the plan was that Havana was substituted for Washington as the seat of a proposed informational agency to serve the American continent.

The function of the boards located in the cities was to be to inform nations as to the conditions of the public health in areas in which they were located. The American
Bureau would have as its special duty to watch for the appearance and disappearance of yellow fever (53). The European Bureau would perform the same duty as to cholera. The Bureaus were to mutually exchange information (54). Individual states were to furnish the information (55). Doubts as to the accuracy of information given by a state could be investigated by the Board. The expenses of nations toward the maintenance of such organs was to be apportioned according to population and commerce of states that would join such. Despite the objections of the American the committee reported the plan to the Conference (56).

Baron Betklen ably states his intentions in proposing such a system of notification and the service it could render when he advocated it before the convention. At this time he said... "By my system I purpose to keep all governments interested informed of the sanitary condition of all countries; to offer them, as it were, a map of the public health in all parts of the globe, in imitation of the meteorological chart (57). German and Russian delegates too emphasized the importance to the world of a system such as that advanced by the Baron (58). When put to a vote only three countries opposed the plan (59). The United States, France and Japan were the opposing countries. Mexico and Sweden and Norway abstained from voting. Thir-
teen countries' representatives supported the project. The Austrian strongly stated to meet the objection of the United States that the consideration of such plans was not the object of the Conference, that he was not attempting to substitute his plan as a counter to the policy set forth in the United States, but to make more complete the system of notification. By his system of control of the information transmitted from one nation to another would be International(60).

The final act of conference demonstrated that the United States had secured recognition of nations as to the need of cooperation in making information as to health conditions accessible. It also had resulted in recognition of the principle that the agents of foreign states should be given possession of such information and that they should be satisfied as to the truth of statements of the condition of vessels sailing for their ports. Local authorities however, were to issue the statement(certificate) of health conditions to the vessels(61).

The Conference too had emphasized common policy that should be followed by nations in that it had recognized and emphasized the need of organized National Health Service, and publicity of national statistics on health conditions(62). The Conference adopted a uniform bill of
health to be used by ships essentially the same as the American bill (63). The Conference also decided that a temporary scientific Commission should be created with the object of studying yellow fever (64).

The special delegates also outlined a comprehensive plan for the scientific approach to the problem. They presented a plan whereby the nations would establish and equip twenty-two scientific posts on the American continent for the purpose of studying this disease (65).
NOTES BY CHAPTERS
CHAPTER I


8. Congressional Record, vol. 1, Forty-fourth Congress, 2nd sess., Index volume to parts 1-6, pp. 156, 453.

9. Ibid.


12. Ibid. p. 141.


15. Ibid.


18. Willis, *The Latin Union*.

   found in Senate Executive Document 58, 45th Congress, 3rd session, p. 805 et. seq.


21. Willis, *The Latin Union* pp. 74-75


23. Ibid. 811 et. seq.


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