

Volume III

After the Gold Standard, 1931-1999

1934 August 9

Presidential Proclamation (no. 2092) of Franklin D. Roosevelt to facilitate the coinage of silver.

WHEREAS, by paragraph (2) of Section 43, Title III, of the Act of Congress, approved May 12, 1933 (Public No. 10), as amended by the Gold Reserve Act of 1934, the President is authorized "by proclamation to fix the weight of the gold dollar in grains nine-tenths fine and also to fix the weight of the silver dollar in grains nine-tenths fine at a definite fixed ratio in relation to the gold dollar at such amount as he finds necessary from his investigation to stabilize domestic prices or to protect the foreign commerce against the effect of depreciated foreign currencies, and to provide for the unlimited coinage of such gold and silver at the ratio so fixed ..." and "The President, in addition to the authority to provide for the unlimited coinage at the ratio so fixed, under such terms and conditions as he may prescribe, is further authorized to cause to be issued and delivered to the tenderer of silver coinage, silver certificates in lieu of the standard silver dollars to which the tendered would be entitled and in an amount in dollars equal to the number of coined standard silver dollars that the tenderer of such silver coinage would receive in standard silver dollars"; and "The President is further authorized to issue silver certificates in such denominations as he may prescribe against any silver bullion, silver, or standard silver dollars in the Treasury not then held for redemption of any outstanding silver certificates, and to coin standard silver dollars or subsidiary currency for the redemption of such silver certificates"; and

WHEREAS the Silver Purchase Act of 1934, approved June 19, 1934, provides in part, as follows:

"Whenever in the judgement of the President such action is necessary to effectuate the policy of this act, he may by Executive order require the delivery to the United States mints of any or all silver by whomever owned or possessed. The silver so delivered shall be coined into standard silver dollars or otherwise added to the monetary stocks of the United States as the President may determine; and there shall be returned therefor in standard silver dollars, or any other coin or currency of the United States, the monetary value of the silver so delivered less such deductions due seigniorage, brassage, coinage, and other mint charges as the Secretary of the Treasury with the approval of the President shall have determined: *Provided*, That in no case shall the value of the amount returned therefor be less than the fair value at the time of such order of the silver required to be delivered as such value is determined by the market price over a reasonable period terminating at the time of such order."

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NOW, THEREFORE, finding it necessary, in my judgement, to effectuate the policy of the Silver Purchase Act of 1934, to assist in increasing and stabilizing domestic prices, to protect our foreign commerce against the adverse effect of depreciated foreign currencies, and to promote the objectives of the proclamation of the 21st day of December, 1933, relating to the coinage of silver; by virtue of the power in me vested by the acts of Congress above cited, and other legislation designated for national recovery, and by virtue of all other authority in me vested;

I, Franklin D. Roosevelt, President of the United States of America, do proclaim and direct that each United States mint shall receive for coinage or for addition to the monetary stocks of the United States, as hereinafter determined, any silver which such mint, subject to the regulations prescribed hereunder by the Secretary of the Treasury, is satisfied was situated on the effective date hereof in the continental United States, including the Territory of Alaska.

The silver so delivered shall be added to the monetary stocks of the United States and shall be coined from time to time into standard silver dollars in such amounts as are required to carry out the provisions of this proclamation and to provide for the redemption of silver certificates; and there shall be returned therefor in standard silver dollars, silver certificates, or any other coin or currency of the United States, the monetary value of the silver so delivered (that is, \$1.2929+ a fine troy ounce), less a deduction of $61\frac{8}{25}$ percent thereof for seigniorage, brassage, coinage, and other mint charges, such deduction having been determined by the Secretary of the Treasury with my approval.

The provisions hereof are supplemental to the provisions of the proclamation of the 21st day of December 1933, and the United States coinage mints shall continue to receive for coinage in accordance with the provisions of such proclamation silver which such mint, subject to regulations prescribed thereunder by the Secretary of the Treasury, is satisfied has been mined subsequently to the date of such proclamation, from natural deposits in the United States or any place subject to the jurisdiction thereof: *Provided, however,* That the Director of the Mint shall, at the option of the tenderer of such silver, deliver silver certificates in lieu of the standard silver dollars to which the tenderer of such silver for coinage would receive in standard silver dollars.

The Secretary of the Treasury is authorized to prescribe regulations to carry out the purposes of this proclamation.

Notice is hereby given that I reserve the right by virtue of the authority vested in me to revoke or modify this proclamation as the interest of the United States may seem to require.

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Source: Roosevelt, 1938b, no. 145, pp. 375-378.