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Don't let him fool you, uncle! Just take a look 'round the corner.

"UNIVERSAL MONEY."

Mr. Del Mar Calls Attention to This Financial Chimera

Two different monetary schemes are now fermenting in the busy minds of those plotters and traitors who fill the Stock Exchanges of Europe and America. These are Universal money and Elastic money, anything—in short—except Just or Stable money, which can neither be universal nor elastic. I may pay attention to the Elastic vagary in a future communication; at present my business is with Universal money. This scheme originated in England many years ago; it is now being revived; and under the shelter of the "taut Anglo-American alliance" encouraged by the present administration, will probably soon make its appearance in the American press.

There are no examples in history of an attempt to create an international money previous to the surrender of the right of coinage by the governments of Holland and England. The Roman imperial system of money was, in respect of gold coins, uniform in all parts of the empire; but so was the Roman law. Beyond the empire, for example, in the Gothic and Arabian states, neither one nor the other was followed or observed. In 1343, which was more than a century after the fall of the Roman imperial system, the parliamentary council of Edward III. advised the king to issue what would now be termed a convention or international gold coin, to be current, with permission of the Flemings, both in Flanders and England; but after some efforts to follow this advice, the plan was abandoned as impracticable. ("Middle Ages Revisited," XIX. 8; "Hist. of Money in the Netherlands," p. 4.) In the 15th century the Four Electors of the Rhine entered into a coinage Union which had for its object the uniformity of the coins and their preservation from abuse; but it must be admitted that a measure so local and insignificant as this one, was a long way off from universal money. It was confined to four small neighboring states, of like circumstances, all recently subject to the imperial government and all previously employing similar coins and monetary systems. (Hist. Money Germany," p. 2.)

It was not until 1667 (the Recess of Zinna) that any measure looking toward a general unification of money in Germany was made lawful; yet even this was confined to three small neighboring states. In 1690 the same states agreed to another coinage union. In 1753 a coinage treaty was effected between Austria and Bavaria; and in 1763 an "imperial" decree sought to unitize the monetary systems of all the South German states. In 1765, 1766 and 1772 some of the smaller North German states formed coinage unions, but it was not until 1837 (Treaty of Munich) or 1838 (Treaty of Dresden) that any substantial advance was made in this scheme, which reached its culmination in the Treaty of Vienna in 1857. By this cartel nearly all the German states, including Austria and Prussia, were joined in a more or less uniform monetary system. But how long did it last? Just nine years. In 1866 war broke out between Austria and Prussia; and the convention of 1857 went to pieces. Today the monetary systems of these states are as far apart as the poles; and there is little likelihood of them coming together again. The events of 1857-66 opened the eyes of Austrian statesmen to the fact that universal money meant universal government; and as Austria did not care to sink its autonomy in Prussia, the impracticable dream of international money was abandoned and relegated to the North German Schools, (See Memorial to the king of Prussia by John F. Fichte cited in "Science of Money," p. 47r.) which employed it to bring about the United Germany of 1870. When the United States wishes to sink its autonomy in England, when its free people desires to throw away the results of the Revolution, when instead of liberty they prefer to bow their necks to a parcel of self styled "nobles" recruited from the ranks of company-promoters, pork-merchants, brewers, and mountebanks, let them adopt a monetary convention with Great Britain.

The object for which Senator Wolcott went to Paris and London in 1897 is one which, if attained, would virtually extinguish the independence of the United States. Universal money without universal government is physically impossible. To seek for universal money, to negotiate, or seek to negotiate, a treaty stipulating for a common money with any other state, should be treated as an act of treason; and it has thus been characterized by Von Stoltz and Fichte of Germany, Hartington of Great Britain, and other publicists and statesmen. No one will accuse Senator Wolcott of being a traitor; he is simply an unsophisticated man, who is not aware of the complex character and profound political relations of the legal institution called Money and who fancies it, in his innocence, to be merely a matter of so much gold or silver metal. This is precisely what entrapped Mr. Ruggles in 1867. That it is practicable to have a universal money without a universal government, is a delusion which has arisen out of the gratuitous and unlimited coinage acts of Holland in 1572, and England in 1666. By these acts the governments of those countries resigned to certain of their citizens—practically to private bankers—the State prerogative of coinage; that is to say, the right to add to the money of the realm by compelling the State to coin their bullion into money, substantially free of expense, and the right to diminish the money of the realm by melting down such coins into bullion; the coins having the legal power to pay debts and the bullion having no such power.

These acts, by potentially conferring upon bullion the legal attributes of coins, introduced great confusion into the subject of money. Were there no paper notes in use as money, or could the use of paper notes for money be successfully abrogated, an universal money might be practicable, provided all the commercial States agreed upon conferring the same relative value to the two precious metals and the same legal functions upon coins. But as the case stands, this is entirely out of the question. Since the enactment of a gratuitous coinage in Holland, England and other states, paper notes have become so important, though a variable part of the circulation, that in some States they have driven out coins entirely. Taking all the states of the commercial world together, paper notes form one-half of the aggregate circulation. In each state these paper notes possess legal functions and attributes differing very widely from the legal functions and attributes of similar notes in other states. To bring these all to the same level, for example, to level the Russian paper rouble, the Italian corso forsale, or the Argentine or Brazilian paper currency, with the Bank of England note, is simply impracticable. Until this is done universal money will be an idle dream; a dream by means of which the designing will entrap and destroy the unsophisticated. For be it observed that the intrusion of paper notes—apart from other considerations—alters the value of coins in each country by itself; so that no matter what a coin costs to produce or what proportion it bears to the whole number of coins in the world, its value, its purchasing power, in each State is different, and such difference of value is caused, and the value of the coin lowered, by the proportion of paper notes in the circulation of such State. It is quite evident that if, for example, all of our paper notes were withdrawn from circulation, the value of each gold coin in the United States would be at once enhanced. If this be admitted, it follows that the value of our gold coins depends—apart from other considerations—upon the quantity and proportion of paper notes in circulation. As such proportion differs in various countries, so does the value of gold coin of any given denomination. If universal money (coins) is not to be attended with a common level of prices, or a common value to the same weight of metal, there is no advantage in it, and governments will refuse to adopt it. Therefore to render it practicable the various states of the world will, sooner or later, be required to bring their paper currencies to a common level. To formulate such a proposal is to condemn it. No statesman out-