

as sooner or later they are sure to be, as the standard money of a country, require, in order to facilitate their use, some guarantee of their fineness, and also some mark by which the weight or value of any particular piece may expeditiously be known. So easily can fraud be practiced by alloying either gold or silver that, unless some such guarantee were adopted, it would be necessary to test both the weight and fineness of every piece of money before accepting it. The duty of securing the purity and standard of the currency is usually undertaken by the Government of a country, which accommodates its subjects by issuing small pieces of stamped metal called *coins*. These coins possess a certain weight, and, in order to be current, must have a definite and invariable fineness. They are thus rapidly and easily estimated, and, consequently, well adapted for use as current money.

The conversion of gold or silver into coined money in no way changed its intrinsic value. The gold sovereign is worth no more than the same weight of gold of the same fineness in any other shape, its purchasing power being enhanced only to the slight extent represented by the cost of coining, and the advantage of having the weight and fineness of the metal instantly ascertainable.

When a government has once fixed the purity and standard of a currency, it should jealously guard against any adulteration of the coinage, and yet in several instances a State has defrauded its creditors by altering its money unit. The Roman *as*, at first, contained 12 ounces of copper, but in the First Punic War in order to meet the expenses of the State, its weight was reduced to two ounces, and thus the Republic paid off its debts, gaining five parts in six. In the Second Punic War asses of one ounce were made, the Republic thus gaining one-half. The weight was finally reduced to half an ounce. The Roman *aureus* diminished in weight from 40 to the pound when first coined to 72 to the pound in the time of Con-

stantine. In the time of Charlemagne the French money unit contained a pound of silver. Philip I. violated this standard, his successors followed his example, and in the time of the Revolution it weighed about 70 grains. The German florin was at first a gold coin weighing about 60 grains, when abolished it was 40 cents worth of silver. Edward I. first tampered with the English coinage by increasing the number of shillings made from a pound of silver. Henry VIII. so debased the coinage that the pound sterling only contained four ounces of silver, but in the three following reigns the degradation was stopped, and the fineness of the coin was gradually restored.

When money below the standard of fineness is issued, its circulation tends directly to destroy confidence and trade. The credit of a country suffers, prices rise, and all the appearance of a general money panic follows. The wretchedness, misery and distrust which existed in England about the year 1695, in consequence of a debased currency, are graphically described by Macaulay in his History of England:—"Nothing could be purchased without a dispute. Over every counter there was wrangling from morning till night. The workman and his employer had a quarrel as regularly as Saturday came round." The debasement in this case was, however, mostly caused by the clipping of the coins. This is impossible with the coins of the present time, but at that time the pieces were not uniform either in weight or size, few of them were exactly round and moreover they had smooth edges. To clip them, therefore, was a very easy matter, and a lucrative business was made of it. To such an extent had it been carried, that what had been originally shillings were so clipped and hammered as not to be worth more than a quarter of a shilling. New money had, it is true, been coined and issued, but it had disappeared like magic, and in a very short time none of it could be found in circulation. In