

the aid of expert witnesses and special juries of merchants, he mastered the whole system of common commercial usages reduced to principles and organization, and incorporated them in his remarkable decisions, which are a possession for all time.

The moment government attempts by laws or decrees to mark these divisions of the precious metals with a value greater or less by any considerable degree than the price of an equal weight of bullion in the market, it sets aside all definiteness in exchanges, and introduces an element of uncertainty in all reciprocal transfers of those rights whose values are estimated in the terms of the coinage.

Our Treasury notes, when issued during the war, represented, really, forced loans; the passing of the "Legal-tender act" was a law intended to fix the market value of these notes. After they had passed into circulation, the Treasury notes being a forced loan in the first instance, the "Legal-tender act," by requiring them to be received at their face value in payment for all existing debts, had the additional effect of a "confiscation act" to the amount of the difference in exchangeable value between specie and the Treasury note.

The right of the general government under the Constitution to make a forced loan, or to take the property and lives, of the citizens for the common defence, may be conceded. When such extreme measures are adopted we can understand them, and the immediate loss, whatever it be, may be definitely ascertained. But when the "Legal-tender act" was passed, it gave to every citizen who was a debtor the right to confiscate an undefined portion of his debt at his own will. If such a debtor had made a mortgage of \$1,000 before the war, it gave him the right to cancel it by Treasury notes, whose market value might range anywhere between par and fifty per cent. of depreciation. It gave to the debtor the right to pay off his debt of \$1,000 with \$600, \$700 or \$750, according to the price of "greenbacks" measured in specie at the time when he saw fit to make the payment. We know nothing in the history

of Eastern despotism more tyrannical, more unjust, more contrary to every principle of public policy.

From China to the United States, and through thirty centuries of time, governments of all sorts have constantly interfered with money and credit, and almost universally for evil. The man who counterfeits a coin by debasing it, who alters a bank-note, a bill of exchange, or a check, is a felon in the eye of the law, in every civilized nation; but nations themselves, in their corporate capacity, have continually engaged in practices which are the same in character, criminality and result.

III. DEBASING THE MONEY STANDARD.

Down to 1355, Scotch and English money were of the same value. At this time the Scotch Government began the debasement of coin. In 1390, Scotch coin was current in England at only half its nominal value. In 1660, it was debased—according to Pinkerton—to one-twelfth the value of the English coin of the same denomination. In Germany, the original *florin* passed through successive steps of debasement till it reached one-sixth of its original value. In Spain, a gold *maravedi* contained, in 1220, 84 grains of gold, and by the end of the seventeenth century, it was debased to less than one-half the value of an English penny. The misery, injustice and immorality which these fluctuations in the coinage produced, is very inadequately set forth by the old historians and chroniclers, by reason of their want of economical knowledge; but enough may be gleaned from them to show that the evil in question may be classed properly with slavery, feudalism, and the pestilences and wars which were the chronic diseases of the body politic during a great part of the period of time to which we have alluded. Every petty sovereign guarded jealously the prerogative of coinage, with the distinct idea that it was one of the most effective means of robbing his subjects, paying the expenses of war, and maintaining his hordes of retainers.

The debasement of the standard of money below its normal rate quite generally involves the necessity of raising it again when the