

## GERMAN AND UNITED STATES VIEWS.

This is the position of the question with respect to an international system of coins, so far as stated by the Canadian Senate Committee. But it has to be further stated that German and United States writers very strongly object to any attempt to found an international system on the French franc. Five European States have made an agreement (which is called the "Latin League") for fifteen years to use a multiple of the franc for a common coin, in as far as they are concerned; but German and United States writers threaten, if necessary, to set up a "Saxon League" against the "Latin," so strongly do they object to the French franc system. The appearance of anything like a party spirit on such a question is to be much regretted. But we think it better to present the facts in issue.

We have to thank the Treasury Department of the United States for a number of papers on this question. Among these is an official report of a speech of the Hon. Mr. Kelley (Chairman of the Standing Committee on Coins, Weights and Measures) in the U. S. House of Representatives at Washington, delivered in April, 1870. Mr. Kelley sets out by stating that the coinage of the United States can be brought into exact conformity with metrical weights by a change in value of less than one-third of one per cent. in the case of gold coins. The following is the enacting section of the bill he proposed:—

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the gold hereafter coined by the United States shall contain for each dollar of denominational value one and one-half grams of pure gold, and shall weigh for each dollar one and two-thirds grams, the proportion of alloy being thus kept as one in ten. Such coins shall have stamped upon them, in addition to other devices, their weight in grams and the inscription, *nine-tenths fine.*"

He quoted, in support of his position, the following extract from an elaborate German essay of Baron Nothomb:—

"The question of international coinage has occupied a good deal of attention of late, especially in Germany, where it was the subject of discussion in the Assembly, June 13, 1868, and in the Duties Parliament, June 21, 1869; and there seems to be some danger of the adoption of a convention on the part of Germany, concluded December 23, 1865, between France, Italy, Belgium and Switzerland for a term of fifteen years, which has been joined by Greece, and most likely will be by Spain also."

And again, with reference to the gold franc as a multiple, on which it is proposed to make an international coinage, the Baron states:—

"It deserves first the reproach of being too small for coinage, and exists only in pieces of five. Its weight is 0.2303225806, plus an infinitesimal decimal fraction of fine gold (900 grams gold = 3.100 francs, but such weight is found neither in the metric nor in any other system of the world; the five, ten and twenty franc pieces are not at all weighable. \* \* \* It would be illogical to recommend its adoption to other nations."

Baron Nothomb quoted the following statements from M. Stas, one of the Belgian Commissioners, referring to the debates of the Paris Convention of 1867:—

"Belgium would prefer that the Conference adopt an entirely new system of coinage—should establish principles and not practical expedients. Nothing durable could be created by the latter, and only fresh difficulties for the future. A common system of coinage can be reached only on a primary, unalterable basis; if resting on a unit of five or ten grams it would possess the immeasurable advantage that all nations could adopt it without exciting national sensibilities."

And again Baron Nothomb says, quoting a distinguished French writer:—

"M. Chevalier expresses himself in a similar manner. His authority in matters of coinage is so great in France and elsewhere, that his opinion deserves a place. In a letter to the *Journal des Debats* of June 26, 1867, he gives an elaborate history of the gold franc, and concludes thus: 'We have a right to ask whether the 20 franc piece possesses those qualities which render it worthy of adoption by other nations. The metrical system is at present in general favor, and will finally displace all others; but the very misfortune in our gold is to be without the pale of metric weight. The 20 franc piece weighs 6.4516 grams, plus a decimal fraction, and is as *baroque* as the sovereign, the dollar, or any other coin. The English have just as much right to propose the sovereign as an international coin, or the Spaniards their doubloon. In honor of the metric system we should bring a sacrifice to other nations by giving up our present coinage. That would be preaching by example, and no predication could be more effective.' M. E. de Parieu, Vice-President of the State Council, shares this opinion.—See *Journal des Economistes*, June, 1867."

Baron Nothomb further states, that by reducing the value of the U. S. 20 dollar gold piece 3-10ths of one per cent., it would have the precise value of three German union crowns, and of five Russian half-imperials; but that to adopt the French system, three great nations must reduce their gold coins 3.52-100 per cent., the reduction being a departure from and not an approximation to the metric system. He says, referring to Mr. Kelley's bill:—

"A perfect identity of coinage among all nations is impossible, and the only end that can be reached is that all should bring their coinage into simple relations with this unit of weight. If England and France would alter their coin but very little, these simple relations would obtain: \$20=100 francs=£4 sterling=3 German Union crowns=5 Russian half imperials=30 grams fine gold. At present—

"\$20=30.0332 grams of fine gold.

"100 francs=29.032258 grams of fine gold.

"£4 sterling=20.29 grams of fine gold.

"5 half-imperials=30 grams of fine gold.

"3 Union crowns=30 grams of fine gold.

"Under these set all coins of gold and silver should be 9-10ths fine. The silver dollar=22.5 grams fine, to be legal tender in payments not above \$10, and would be exactly equal to the French 5 franc silver piece, the only actual legal coin of France.

"England would have to increase the fine gold of the sovereign from 7.3225 to 7.50 grams."