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Pointers.

The consolation of the ignorant is their ignorance of that ignorance.

Quite a number of dudes are wearing the Jenness-Miller skirtlet or divided skirt, or something very much like it on the streets of both this city and Oakland.

In the "Twentieth Century" of July 24, Mr. Pentecost asks to be joined in demanding the cessation of all restrictions against the issue of money. The effort made in that direction in this number" of EGOISM should be gratifying to him as well as suggest a go and do likewise.

It is the, fashion on this coast for women to wear dresses with the sleeve of the neck rolled far down. This does not indicate, however, that the same parties will likely roll up the sleeves of their arms for the purpose of doing their equal share of production. There is a wide difference in the function that follows the rolling of the different sleeves.

If you don't "fall" in love with anybody but yourself, and love wisely enough to do it well you have the advantage of the situation, for the object of your affection will never die or forsake you while you live, and when you die you will not miss it. There is a volume of philosophy in the idea, besides it dispenses with oppressive obligation, sacred duty, faithfulness, and a lot of such inconvenience unnecessary to social commerce.

Being under the impression that Auberon Herbert was an Anarchist, we predicted in the July number of this paper that his new journal, the "Free Life," would be a strong standard bearer for Anarchism in England. This was a little early. It turns out that "Free Life" is not an Anarchist paper, but only a kind of Spencerian half-breed. "Liberty" has taken it and that class in hand, and will bring them around if there is any such thing possible.

Comrade Parse, of San Diego, secured over a hundred signatures for the release of Moses Harman, among which were two men who were once Anthony Comstock's neighbors. Although one of them was a professing Christian, and loved Liberalism very little, he promptly signed the petition as a rebuke to Comstock, whom he characterized as "a contemptible puppy," without, as Comrade Parse remarks, intending to slander the puppy. Being acquainted with him, neither of the men have any use for Comstock.

A majority that rules without voting.—The silent majority of the graveyard. The dead past rules us with an iron hand. Its creeds, laws, monopolies, customs, tastes, conceptions, ideals, and prejudices are the tyrants of our time, and they get there. It makes crime out of the most spontaneous and harmless acts; it has deeded the earth to individuals and their heirs forever, while the great mass of mankind are born without where to lay head or set foot; it bound us to contracts which enslave us as effectually and cruelly as a master's lash; it dictates the conditions on which the pleasures of love may be enjoyed, and what we may print, read, talk, and do; it makes us amenable to all these exactions in which we had no more voice than the dogs in the streets have in the cruel ordinance that blows out their brains for not wearing a tag which it is not in their power to procure or know of. We are the slaves of the ghost of dry bones and dust.

EGOISM's tardiness this month is due to running an edition of a pamphlet from the type of the article on money by Alfred B. Westrup, which occupies so much of the space of this number.

It is, however, well worth the space, and it is earnestly hoped every reader will carefully read, and study; its contents till thoroughly acquainted with the idea, for in a general appreciation of that principle lies the only possibility of industrial freedom, and its propagation depends on being understood and talked of. We can only reach our readers, they must enlist their acquaintances' interest, and these that of others till all are reached before it can be a power for relief. It is a matter that can be presented to all, regardless; of religious or political bias, as it is written in a manner that appeals directly to the reason. For the purpose of spreading the light we will furnish the pamphlet to our; subscribers at 60 cents per dozen. The retail price is 10 cents. It contains 21 pages printed on good paper from leaded Long Primer type, and will be ready to mail by the time orders from this notice reach us.

The most tyrannical monarchical government of the age, and the most democratic are at one in sex superstition; the former entirely suppressed Tolstoi's "Kreutzer Sonata," and the latter has excluded it from its mails, being as far as its present provisions will reach. But its fanatical chief executive has recommended such legislation as is necessary to compete with Russia; This should be an excellent object lesson for the believers in the "free institutions" of majority rule, on the nature of authority. There are yet two steps to be taken before a consistent level of majority prejudice is reached; one is to suppress all but popular religious publications and the republican and democratic newspapers, and the other is to prohibit the tell-tale inscriptions on tombstones. With this protection women could suffer and die to their hearts' content under the heel of forced maternity and monogamic depletion, and there would be no one to rebuke the holy murders of sacred institutions, nor record to show their extent. Benj. R. Tucker prophesied with mathematical accuracy when he said an unsuccessful effort to extend liberty of discussion would precipitate an onslaught along the entire line. Verily, the Dark Age of sexual superstition is upon us.

Frank M. Coburn, who in a letter to "Freethought" last week declared himself in fact a Nationalist, proposes some measures which I do not indorse. For instance, he says he would have all the churches converted into lecture halls, but he does not explain how that can be done. The churches belong to the people who built them, and however desirable it might be to have them converted, there is no way of effecting that end. I would propose as a substitute the conversion of the members, which can be done by inducing them to read "Freethought." Mr. Coburn would stop all immigration of laboring people. I would not. Foreigners do many kinds of work that I would not like to do. Some of them likewise surpass Americans in skill, and we can learn much of them. Besides, they might desire to live in America, and we should give to other human beings all the rights that we claim for ourselves. "I would have protection for those industries where there is competition of cheap labor in Europe," says Mr. Coburn. By which he means, I presume, that at every port he would station a number of licensed pirates, called custom house officials, with authority to forcibly seize and levy upon the property of passengers. Thus Mr. Coburn would exclude the poor entirely, and not admit those possessing goods until he had reduced them as nearly as practicable to the estate of those excluded. This seems to me to be a violation of the requirements of common courtesy. It is our duty to conduct ourselves like gentlemen toward those who have never injured or offended us. Argues Mr. Coburn: "It must be either right or wrong to sell liquor. If right, the license should be no more than any other business. If it is wrong, it should be stopped," presumably by law. I have come to the conclusion that we should be cautious about resisting by force anything that is not imposed by force. Under Mr. Coburn's rule somebody might remark that if the business of the Freethought Publishing Company is right it should

be licensed; if not right, it should be suppressed. Only those having a physical majority on their side can afford to take Mr. Coburn's positions—George Macdonald in "Freethought."

The Orthodoxy and Tyranny of Moralism.

The spirit of Moralism is that of vicarious atonement. It demands that one shall suffer or be inconvenienced for another; that the duty of service to another is the debt of an Occasion to render it, and the position of receiving it is in itself a receipt in full. It denies total depravity in affirming the possibility of moral conduct through conforming to prescribed rules, yet straightway affirms the depravity of mankind in its spontaneous, impenitent conduct, by requiring an abandoning of such conduct to follow the rules describing a "perfection" which the doctrine of total depravity contrasts with this conduct.

Like all other phases of orthodoxy it has an indefinable God; in this case it is the metaphysical personality of "society," in the name of which it enunciates its dogmas, and by the authority of which it appeals to the ostracism of popular ignorance as a hell with which all insubordination is threatened, and into the merciless fires of which rebellious subjects are cast. Like the agent of the universal God, if its agent is asked for a reason why, he appeals to the never-failing selfish instinct (which it is his duty to condemn), by pointing to the "necessity of serving others if you would yourself be served in turn." If this proposition as a general principle for universal application be analyzed, and it is shown that faithfully carried out there is no gain in such service, since there would only be servers enough to go once around, to say nothing of the disadvantage of one not knowing what another needs or wants as well as each knows his or her own wants, and from the standpoint of the alleged utility there is nothing in it, he can only reassert the duty of "duty" to others. When it is shown that like all conduct, "duty to others" is based entirely on self-regarding motives, and that his idea arises from taking the visible results of a giver's sympathy as an index to his motives, while the invisible, but real cause of his conduct is a subjective one, an attempt to escape the mental torture caused by the knowledge of suffering, which torture is in its turn caused by memory of personal suffering, when thus shown that his generally accepted theory is based on a misconception, he can, like his theological parents, only appeal to the "time-honored" prejudices of majorities and cry, "behold the blasphemer!" And when pressed for an intelligible idea of this social monster, he can of course no more define it or defend its claims on the grounds of equal freedom than can the agent of the theological God on a scientific basis. Yet they both flourish, and the most of the avowed enemies of the latter fondly embrace its moral offspring, while all parties are agreed upon its being just the sweetest thing out, though like other religious denominations they cannot in all respects agree as to what it is.

The absurdity of this theological ghost's tenets, however, would in itself be harmless, and call for no more than the notice of curiosity, but for the tyranny that it exercises over its victims and they over a progressive minority which, though rejecting the claims is dominated by their brute force. Teaching as it does, "duty to society," it is the justification of majority rule and all the tyranny that such rule exercises when it not only crushes the minority to the practice of the very tastes of an ignorant majority, but enables crafty manipulators in the name, and in that way through the support of the collective brute force, to enhance private interests by all the national and municipal robbery that now exists. Custom-house tax, licenses, public improvements, forced

street paving, sidewalk making, and park improving, etc. are all a legal robbery of labor and the home maker for the benefit of contractors, land holders, money lenders, and official functionaries, which is the direct fruit of this moral fetich.

It is not only the basis of all this plundering machinery, but uses the force club to carry on its tyranny in social life. In sexual relations it meddlingly demands, in harmony with its doctrine of individual subordination to "society," a public announcement of the intention of lovers to exercise that function, and permits it only by the agreement of such lovers to accept monogamic association, with all its physiological depletion and mental stagnation. An open violation of this decree means confiscation of so much property and prison walls for one or both parties. Once in the solitary castle, the female is at the mercy of a master's long repressed passion and an enforced ignorance of its probable results. She must bear children until age or death relieves her. If the means of avoiding its necessity be imparted to her even, the cruel dogmas of Moralism, if not its influence on her master, forbid it; and lest in her anguish she be tempted to violate its infallible decrees, "society's" force club is invested with authority to fine and imprison any whose sympathies might tempt them to suggest a remedy. If she tires of the dragging misery and would escape, it is at the sacrifice of property, and possibly food and shelter at the start, with the uninviting prospect of poverty and this moral ostracism later, at which she usually despairs and under the iron rule of the "social good" sinks into a premature grave along with the myriads of ignorance's victims, and "decency" and "respectability" are preserved.

Not content with dominating political and social conduct, it must have a censorship over the intellectual function, lest some stronger and more analytic minds having detected its shams and absurdities, expose them and destroy its agents' mediocre prestige as Grundy priest, as well as their privilege lords' monopoly of industry's production, which this ignorance of the fundamental spring of conscious conduct keeps intact. Its more intense superstition consists in tabooing all the most important information regarding the most vital and delicate function bearing on the development of the human species. Its formal mock modesty prevents mothers generally, from instructing their children even in part, regarding the sexual function and its bearing on health, mental vigor, and the general happiness of each. And practically in no case is a full, free and exhaustive discussion of the subject permitted, but all are left to grow up under the abnormal conditions of repression and its destructive practices, with no sexual ideals save those emanating from prostitution to be wreaked on waxen figured victims in the iron cage of moral monogamy.

Thus boys grow to be men and for want of a knowledge of the delicate requirements of woman's constitution, which a free mother could impart accurately and impressively, reap ignorance's harvest of regret. Likewise girls grow into womanhood and under the powerful influence of its new impulse plunge into undreamed of responsibilities and exactions which the unreserved counsel of such a mother's experience could do much to avert and direct along the line of the longest pleasure and greatest happiness. But under the influence of prudish Moralism both gather little from sexual life save disappointed ideals, the loss of mental variety, and a false experience which usually serves only to intensify the error of a narrow creed.

The crushing grasp that it has on the minds of even theological Liberals holds starvation over the heads of their more radical publishers, while its sway over the public mind places the gaping door of the prison and the bloody club of the State in the hands of brutal prudes to silence those whose zeal causes them to face both poverty and ostracism to expose some of its more obtruding effects. It does not even wait for voluntary violation, but hires spies to decoy the sympathetic and unsuspecting into its savage clutches.

H.

Hits at Heads and Hearts and Things.

Many persons are quite shocked when we say the basis of ethics is not the voice of God in the soul, not an innate moral sense, not anything of that sort, but just plain selfishness; or when we say that we have no duties to God or man, and should do nothing but seek our own happiness. But, nevertheless, any one who will carefully study the motives of his conduct will find that he does nothing that is not followed by regret except because the doing of it makes him happier than the not doing of it. People talk of their devotion to God or to their fellow-men, but there is no such thing. If men serve God or their fellow-men it is because it makes them happier to do so than not to do so.—Hugh O. Pentecost.

In the above, Mr. Pentecost shows evidence of having “caught on” again, and made close analysis of the basis of conduct, apparently loosing his grip entirely on the “innate moral sense” idea, and decides there is no such thing. But this morality fetich lurks in almost all phases of thought and is hard to shake off. In the very next number of his paper he exhibits signs of a relapse, and in the following note shows he has not given it up yet in every sense:

Under present industrial conditions it is very unwise—it is even immoral—for poor persons to have children. The children of the poor are simply products for the slave market. For poor people to have children is to bring into the world, without their consent, persons who must be slaves.

Now just how he makes it out “immoral” for poor people to have children, after he has declared there is no “moral sense or anything of the sort,” I fail to see. I wonder if Mr. Pentecost considers it “immoral” for the poor overworked horse species to bring into the world colts, who must become slaves? If it is not as applicable to one animal as another it must in some way be connected with “duty” to man or God for poor people not to have children.

Of the family Mr. Pentecost says:

The husband and father should not be the head of the family. He should be simply one of the family. He and his wife should be equals in all particulars except as to their natural differences, in intellect, disposition, etc. He and his children should be friends. As for scoldings, or physical punishments, they should be unheard of in any family. And as for obedience—it should never be demanded nor practiced.

Mr. Pentecost speaks of the “family” with the same assurance that most persons use in referring to government; as though it was as indispensable as government is usually considered. He is concerned about its improvement just as governmentalsists are about their institution. A real *husband*, according to Webster and common usage is a male head of a household; a manager of domestic concerns, while a wife is a *lawful* consort of a man. Mr. Pentecost as an Anarchist,

cannot believe in law, but does believe, it seems, in *wives* and *husbands*, the creatures of law. And the family as such, is an authoritarian institution, a little monarchy, which Mr. Pentecost is willing to turn into a kind of voluntary association, providing it has a “husband and father” and a wife, and the father and his children are friends. But suppose the father was a friend of both mother and children but not a husband, or the mother owned the house and children and was not a wife, but an independent woman without a question about equals or fathers, would it not do just as well—better? This is a heresy, however, that Mr. Pentecost will do well not to assume publicly, if he “catches on.”

Benj. R. Tucker, of “Liberty,” has discovered that logic has gender, as witness his just criticism of Mrs. Stanton:

Elizabeth Cady Stanton, in an address at the annual meeting of the Personal Rights Association, held in London June 25, said: “I do not believe in compulsory education, but I do believe in free schools.” That is to say, Mrs. Stanton does not believe in compelling people to educate their own children, but she does believe in compelling them to educate other people’s children. This logic (pardon me, Mrs. Stanton) is truly feminine.

Eugene Macdonald holds and has published exactly the same idea regarding the school question; of what gender, then, is the logic in his case? certainly not masculine, for that would reflect unfavorably on the sex, as well as characterize Mr. Tucker’s characterization.

When a person enjoys a bath; takes a drink of water; eats a palatable meal; sits in the sunshine; breathes fresh, invigorating air; inhales rich perfumes; or is relieved from a skull-splitting headache by the magnetic hand of a parent or other familiar relative, or in numerous other ways gratifies a desire or enjoys such pleasurable sensations of the nerves, it is taken in a matter-of-fact way, and no more thought of it than breathing, but when the same nervous system produces a similar pleasurable sensation through the magnetism of a less familiar person, of the opposite sex, it is “love!” with a two-line initial “l”—an indefinable, mysterious, “high,” “holy,” “sacred,” “serious” something, just like God. Yet, all are simple sensation, the result of a vibration.

G.

The Philosophy of Egoism.

IV

Beside individuals we encounter groups variously cemented together by controlling ideas; such groups are families, tribes, states, and churches. The more nearly a group approaches the condition of being held together by the interest of its members without constraint of one exercised over other members, the more nearly does the group approximate to the character of an Ego, in itself. Observation and reflection show that the group, or collectivity, never yet composed wholly of enlightened individuals joining and adhering in the group through individual accord, has always fallen short of the approximation which is conceivable for the group to the independent Egoistic character. The family, tribe, state, and church are all dominated physically or mentally by some individuals therein. These groups, such as they have been known in all history, never could have existed with the disproportionate powers and influence of their members but for prevailing beliefs reducible to ignorance, awe, and submission in the mass of the members.

With this explanation and corresponding allowance, the group may be spoken of as approximately Egoistic in its character. Even when least swayed by individual members, the family, the nation, and the church are thoroughly selfy. These composite individualities, as it is the fancy of some writers to consider them, are appealed to in vain to furnish an exception to the Egoistic principle. When Jack imposes upon the ignorance of Jill or upon habits acquired during mutual aid, and Jill is too trusting to trace the transaction back to fundamental elements and calculations of mutual benefit, the matter is readily laid to Jack's selfishness, which of course lauds its victim's welcome compliance; but when the family demands a heavy sacrifice of each member, attention is mostly drawn by Moralists to the advantage of the family and the need of such sacrifices, never to the phenomenon of a ruthless form of Egoism in the family, imposing upon its members who have felt some of the advantages and then yielded to pretensions which will not bear analysis, or tracing back in an actual account of loss and gain. Thus it is said to the man that he needs a wife, to the woman that she needs a husband, and to the children that they needed parents and will need obedience from their own children by and by. On the strength of these views various sacrifices of the happiness of man, woman, and youth may be effected while they do not inquire precisely what they do need individually, and how they can get it at the least cost of unhappiness.

The family, attempting to become an Ego, treats its members as an Ego naturally treats available organic or inorganic matter. The supine become raw material. The person has the power to resign self-care and allow himself to be seized upon and worked up as material by any of the other real or would-be Egos that are in quest of nutriment and of leases of operations. The greater would-be Ego, the "social organism," reinforces the family demand with persuasion that hesitates at no fallacy, but first plies the individual with some general logic as to our need of each other, then with flattery, how it will repay him for inconvenience by praise. external and internal, all the while exerting a moral terrorism over every mind weak enough to allow it, and all to subjugate the real Ego to the complex would-be but impossible Ego. For not the good of the

family, but of itself, is the object of the state and of the “social organism.” The state prates of the sacredness of the family, but treats it with scant courtesy when its own interest conflicts with the family interest. The “social organism” reinforces the family against the individual and the state against the family, this already threatening the family, and obviously it will next threaten the state so far as this can be distinguished from the community; that is, the “social organism” will have no permanent use for separate nations.

But in speaking thus we should not forget that the group, or collectivity, reflects the will of some master minds, or at the widest the will of a large number under the influence of certain beliefs. Either one or two or three horses may draw a plow, and its motions will be different. The complexity of motion from three horses is certainly a phenomenon to be studied, but the way is not to disregard the elementary motive forces which form the result by their combination; and so it is with any society. Its phenomena will be according to conditions of information and to circumstances which determine the direction of personal desires. The certainty of desire and aversion as motives, founded in self-preservation, is found in the nature of organic as distinguished from inorganic existence. All desires and dislikes, acting and counteracting, make the so-called social will,—a more convenient than accurate abstraction. To make of it an entity is a metaphysical fancy. Unity of will is the sign of individuality. The semblance of a social self, apart from individuals, obviously arises from the general concurrence of wills. They could not do otherwise than run along parallel lines of least resistance, but the intellectual prism separates the blended social rays.

The church is an important group, under the theological belief. The primitive character of its dominant idea finds its complementary expression in the simple and transparent Egoism of its immediate motives. A personal ruler, judge and rewarder existing in belief, commands and threatens. The person sacrifices part of his pleasure to propitiate this master because he fears his power. Habits supervene and the investigating spirit is terrorized both by personal belief and the fear of other fear-struck believers, watchful and intolerant. The hope of heaven and fear of punishment are of the simplest Egoism. Morality on the same plane includes the fear of man and hope of benefit from man complicated with belief in reciprocal enforcement of ecclesiastical duties, and this as a duty. Becoming metaphysical it is doubtless more difficult of analysis, but this secondary or transition, of mind is already disposed of as a whole by philosophy, so that the evolutionist predicts the passage of its phenomena and their replacement by positive ideas of processes. The metaphysical stage will pass away though its formulas be entirely neglected by the advancing opposition. In fact, spell-bound and mystified man is freed by courage to break off from the claim of phantasies which has succeeded to the chain of theological fear. In this progress example counts suggestively, and even demonstratively, and new habits of positive, specific inquiry give the intellect mastery of itself and of the emotions which had enslaved it.

To sum up this part of the subject, let those who preach anti-Egoistic doctrines in the name of deity, society, or collective humanity, tell us of a deity who is not an Egoistic autocrat, or who has worshipers ‘who do not bow down to him because they think it wisest to submit; of a family which sacrifices itself to the individuals and not the individuals’ hopes and wishes to itself; of a community or political or social state which departs from the rule of self-defense and self-aggrandizement; of any aggregation, pretending to permanence, that is not for itself and against every individuality that would subtract from its power and influence; of a collective humanity that is not for itself, the collectivity, though it were necessary to discourage and suppress any individual freedom which the collectivity did not think to be well disposed toward the collectivity

or at. least certain to operate to its ultimate benefit. Self is the thought and aim in all. Selfiness is their common characteristic. Without it they would be elemental matter, unresisting food for other growths.

TAK KAK.

CITIZENS' MONEY.

[The following lecture was delivered by Alfred B. Westrup, in Chicago, and published in "Liberty," of Boston, in 1888, under the title, "The National Banking System," from which we change it to that of CITIZENS' MONEY, as better answering our purpose for propaganda work—PUBS. EGOISM.]

Mr. George Easterly of Whitewater, Wisconsin, has recently (1887) issued a pamphlet entitled, "Review of the National Bank System, as to how and why it should be continued.

In his preface he says: "This question of finance has received comparatively little consideration. Within the last few years the press and a few members of congress have attempted to discuss it to some extent, not always, however, with much skill. The business world, as a rule, have not given it much attention." It is strange that the experience that results in such an admission should not have prompted a more profound research than we find in his essay.

Mr. Easterly falls into the error common with most political reformers, in supposing that natural laws have nothing to do with the question; that human rights are created by and subject to constitutional provisions and legislative enactments, instead of constitutional provisions and statutes being subject to human rights.

The present or national bank system is founded upon this idea,—that congress is authorized by the constitution to regulate the issue of paper money, and hence had the right to establish it, and that the individual must shape himself to the system thus provided.

I shall not discuss the question as to whether the constitution does or does not confer such power upon congress, for, if it can be shown that the operations of supply and demand will furnish a safer and a better money than the arbitrary system established by the State, it is but additional evidence that progress and institutions are ever at war, and that to attain the one we must sacrifice the other.

It would seem as though a "free people" would hardly have allowed such a mixture of "royal prerogative" and "infallibility" to be dressed up in a republican garb and imposed on them as "majority rule." How can a majority of the people be said to be intelligently in favor of the existing system, when as a matter of fact they are utterly ignorant of this, as well as all other systems, and do not even know the laws by which it is kept in force, much less the effect that it produces.

What right, I ask, has the State to regulate the supply of the medium of exchange we call money any more than it has to regulate the manufacture and supply of bricks, bread, cloth, or any other commodity, or how much a man may buy on credit? It was one of the "functions of royalty" when the people of this country threw off the yoke of British rule, and as the question of finance had received even less attention then than now, it was easy for the error to insinuate itself, and become a part of the constitution, that the State should supervise and regulate the coining of money; but does it necessarily follow that, because the constitution says so, therefore it is right? Suppose that after twenty years more of continued and increasing monopolies on the one hand, and poverty on the other, the people should come to realize that, after all, the State is powerless to effect a remedy, or that its interference is the direct cause of these evils. How shall we undo

the wrong that has been done? How shall we make amends to the unfortunate victims? How shall we justify the stupidity that failed to question the dogma? What will be the anathemas of the next generation with whom forbearance will cease to be a virtue? Let me remind my hearers that neither constitutions nor supreme benches, but **justice**, as voiced by the human conscience, is the court of final appeal.

The idea of the coining of money and the issue of currency by the State being borrowed from the despotism from which the people were emancipating themselves when they drove out the British tyrant; and since it is irreconcilable with the Declaration of Independence, which proclaims the right to freedom of exchange (liberty and the pursuit of happiness), how dare congress deny that right by restrictive and arbitrary legislation? If we are not to take the chances of this idea being wrong and of perpetuating the present evils in case they are caused by State interference, then we must fully investigate this question. If the business world, as a rule, has given this subject no attention now, it had given it less when the constitution was framed; hence, no one was prepared to question the wisdom of the clause in that document that relates to money; and, "as the business world as a rule has given it no attention," and "bankers are no exception to the rule," how do they know that the State should exercise this power? Mr. Easterly says; "I have talked on this subject with governors, judges, lawyers, members of congress, bankers, and business men, and almost universally, after a little conversation, hear them say, 'This is a subject to which I have not given much attention.'" How can men who have not given a subject much attention "legislate wisely" upon that subject? How does Mr. Easterly know that it is proper or that it is best for the State to control the currency?

On page 14 of his "Review" he says: "It is entirely safe to say that we have now the best currency in the world." This does not constitute an argument in favor of its continuance in view of the ignorance which he confesses is almost universal. To be the best that exists, and to be the best that can be devised, are two very different things. It can be the best that exists, and yet be very defective. Is this all the evidence he can produce to justify State control of money? How does he know that the operations of supply and demand, if allowed full scope, would not be an improvement on paternalism? The present system gives the banks control of the volume of money, "which," he says, "I admit should be obviated," but for which he gives no remedy. Before the present system came into operation, the cormorant corporation was unknown. On what, then, doth it feed that, it hath grown so great, if not on the effects produced by the control of the volume of money?

In what does the best system of money consist? In the fact that its currency does not suffer discount in different parts of the country, and that it does not become worthless by the failure of the bank that issued it? What other advantage has the present system? On the other hand, is not the question of the rate of interest as well as of the volume of currency vital in the consideration of a money system, and does not the present system give the rate of interest as well as the volume of currency to the control of the monopoly? Has it prevented banks from failing? May not monopoly and failure be associated in the relation of cause and effect? Of what consequence is it whether you lose a hundred or a thousand dollars by a depreciation in the purchasing power of the paper money you hold, or whether you deposit that, much in the bottomless pit of a broken bank? If the State is a potent remedy, why do banks fail in spite of its supervision? The fact is that, whenever the State stops one leak, it causes two. If security to the holder of paper money and uniformity in its purchasing power are attained at the expense of low rates of interest and a sufficient quantity of the circulating medium, can we be said to have solved the problem of money

and established the best system? Is there no other way of securing uniformity in the purchasing power of money than by State regulation? Can the question of security and moral obligation be settled by law? Does the State know how much money is needed? If so, how did it find it out? If it does not know, how does it presume to limit it? All these questions must be definitely settled before we can boast of having solved the problem and established the best system.

And is the intelligence that can erect these grand structures in our cities; that can annihilate time and distance by the telegraph and the telephone; penetrate yonder space and determine the size and composition of celestial bodies, their distance and their movements; that can photograph organisms that cannot be felt, or seen by the naked eye; aye, that can construct engines of war so destructive that they are afraid to use them,—is an intelligence, I say, so subtle, and a genius so profound, not capable of solving this problem, be it ever so complex? Let us boldly assume the task of contributing our best thought and earnest cooperation in so important a reform.

Mr. George Easterly believes we have now the best system of currency in the world. Mr. Britton A. Hill asserts that we must have an irredeemable money,—“absolute money,”—a money that shall depend for its acceptability upon the fiat of the State. Neither of these gentlemen seem to favor impartial investigation. On the contrary, they assert dogmatically, and then, like the attorney who has a bad case, construct an argument to justify their position. If paper money is amply secured, it needs no fiat; it will circulate on its merits. To force people to take currency that is not secured is as much a despotism as a forced loan, and is unjustifiable on any grounds whatever. In scientific analysis nothing is taken for granted. If we are to form an opinion as to any institution, we certainly must first know what is the method and object of such institution. Have we observed this course in choosing our money system?

It may be stated in general terms that the object of a money system is to furnish money; but here we are confronted with the question, “what is money? how is it defined?” We must also know what kind of money it proposes to furnish; of what material it is to be made; how it is to be issued; how it secures those who take it in exchange for commodities, and what is to be the cost to those who borrow it. First, then, as to the definition of money. The Encyclopædia Britannica gives Francis A. Walker’s definition of money as follows: “that which passes freely from hand to hand throughout the community in final discharge of debt, and full payment for commodities, being accepted without reference to the character or credit of the person who offers it, and without the intention of the person who receives it to consume it or enjoy it or apply it to any other use than in turn to render it to others in discharge of debt or payment for commodities.” This definition is applicable to coin as well as currency, and is acceptable so far as it goes, but it refers only to the office of money,—its function in facilitating the exchange of the products of labor or commodities.

In order to do this, money must have some qualities that are recognizable. For instance, coin may pass freely from hand to hand and purchase as much for a beggar as for an aristocrat, and so may currency, but the nature of coin is different from that of currency. It has market value at least to the extent of the quantity of metal it contains, while currency contains no market value whatever; hence its acceptability in exchange for commodities must be on other grounds than those on which coin is accepted.

Coin money is made of metal, which is a product of labor, and therefore has a market value. It is true, the natural limit to the metal and the fact that it is made a legal tender gives it an increased value artificially, but it is nevertheless market value. This is one quality. The fact that the stamp on it enables one to show how much of this market value it contains is another quality.

The recognizable qualities of coin money then are, that it contains market or exchangeable value and that we are able to realize how much of this market value it contains by means of the stamp impressed upon it.

Paper money has no market value, or, to state it more correctly, the market value of the material contained in paper money is too inappreciable to be considered; but it is, or should be, a representative of market value, as is the ease when it is issued in place of an equal amount of coin pledged to redeem it. I therefore define the nature of coin money to be wealth, and that of paper money to be a representative of wealth when wealth is pledged to secure those who take it. State paper money which rests solely on the promise to redeem in taxes may, I think, properly be defined as State scrip, but when, in addition to this promise, it is made a legal tender for private debts, fiat money would be a more proper definition.

Having arrived at a conclusion as to the correct definition of money, in regard to its nature as well as its office, I will now proceed with the main question,—in what does the best system of money consist?

The best system of money is the one that will furnish money made of the most suitable material; that will provide a sufficient quantity; that will afford the greatest security to those who take it; that will maintain the most unvarying uniformity in its purchasing power; that will furnish it at a just rate of interest and with the least partiality. It does not seem necessary to discuss those points, for there will hardly be any one who will dispute them. A money system that will come up to all these requirements would certainly be a most perfect one; but as to the questions, what is the most suitable material, how much is a sufficient quantity, what constitutes security, purchasing power, a just rate of interest, and impartiality in a money system, we must fully determine before we can judge of the merits of the present system or suggest a better, which is the special object of this essay.

First, then, as to the question of material. There are very few materials that are suitable for money, and, if we confine it to such products as are limited by nature, we thereby fix the limit to the amount of such product, and this, as we shall see when we come to the question of volume, is an objection. Paper, as already stated, is the material which, of all others, contains the smallest quantity of market value. It is the most convenient to carry. Its quantity is without limit. It offers greater protection against counterfeiting than any other material. It costs less than any other material to put it in the shape of money, and the wear and tear to paper money is far less in cost than that which results to coin. We have, then, in paper the best material for money that we know of. Of the items that remain to be considered, it will be found upon reflection that volume, security, and purchasing power, are so intimately related that they must necessarily be considered collectively. To determine volume we must consider security, which is also the basis of its purchasing power. This, I think, can be readily demonstrated. What is it that makes a man's promissory note acceptable to those who sell on credit or have money to loan? Is it not the quantity of security he can furnish? Does the number of promissory notes that have already been issued in the same or other localities in itself have anything to do with the individual responsibility of each? Would not all the goods that are for sale on credit and all the money to loan be immediately disposed of if the price or rate of interest were agreed upon, without any halt in the proceedings on account of the large number of notes, and would not the only question be the same in each case,—namely, *ample security*? Now, if ample security makes the individual's promissory note good, why will not ample security make paper money good? If a certain amount of collateral, differing in quantity as it differs in kind, is good security for one

paper dollar for a longer or shorter period, why would not a thousand or a million times that security be a good basis for the issue of a thousand or a million dollars in currency? Indeed, if this relative proportion of security to paper money be observed, why should there be any limit to the issue of currency? If some citizens can get money issued on collateral, why may not all citizens have the same advantage? If paper manufacturers and printers can furnish money for a certain class of security-holders, why can they not furnish money for all security-holders? If they can, why is it prohibited? If they cannot, why can they not? Does the fact that some citizens borrow gold and silver certificates of other citizens on good security in any way diminish the risk of the holder of this kind of State money? Would the issue, direct to the borrower of additional similar currency, on the same security that these citizens are willing to loan their gold certificates on, in any way increase the risk to the holders of these certificates? Can this security be good collateral to loan on, and yet be poor collateral to issue on? Does the security furnished the national bank by its patrons have anything to do with securing the holders of its notes?

Let us summarize: we are considering the volume of paper money in relation to its purchasing power, and the question is: would its purchasing power be affected by the volume issued regardless of the *security that is pledged to redeem it*, or would ample security maintain its purchasing power regardless of the *volume issued*?

Let me consider for a moment what is meant by redemption, in order that the question of volume, security, and purchasing power may be fully understood. The term redemption, as it is generally applied, means the exchange of currency for coin. Specie basis means that provision is made for the exchange of currency for coin on *demand*. This is what it is said to be, but what is it in reality? In reality not more than one in five can obtain such a result; partly because there never is as much coin as there is currency, and partly because of the obstacles intentionally put in the way of accomplishing it. Nevertheless it is solemnly asserted that, unless we have specie basis, the purchasing power of paper money will not remain uniform. No wonder people do not understand the money question. It certainly takes a peculiar kind of intellect to comprehend that the stability of a currency depends upon false pretence!

But redemption of paper money, correctly speaking, means to retire it from circulation by rendering an equivalent for it; and can this not be done with any other product just as well as with gold and silver, if the money system is adapted to that end? The question to determine at this particular point of the discussion is whether redemption on demand is essential. We have seen that in practice it is a delusion, and I repeat that it is impossible; but it is well to go a step farther and inquire if it is at all necessary! Suppose that, instead of redeeming on demand, we redeem periodically. Here the question of security again comes to the surface. If, as I have already suggested, that collateral which is safe to loan money on for a certain period of time is safe to issue money on for the same length of time, and we devise a system that shall issue money direct to all borrowers who can pledge such collateral, we shall have periodical redemption instead of, possibly, no redemption at all; but which goes by the name of "redemption on demand." Gold certificates are receipts for so much gold that has been delivered to the State for "safe keeping." Would not currency issued on other products of labor which have been delivered for safe keeping, or pledged by mortgage to be redeemed at a specified time not to exceed one year, be practically receipts for other products, just as the gold certificate is a receipt for gold? And if the amount of paper money issued on any particular product did not exceed the amount that money-lenders would be willing to loan on such product in gold certificates, would not such currency be as good a circulating medium as are the gold certificates? The answer that a large number of people

are likely to make to this reasoning is that gold does not fluctuate in market value as much as other products do. But such an answer shows a disposition, on the part of the individual who makes it, to avoid the trouble of thinking. Laziness is one of the contending forces of nature, and it seeks the line of least resistance. It is easier to raise an objection without thinking than it is to reflect long enough to know whether the objection is well taken; and if we wish to guard against being in the wrong, we should beware of its tendency. It is supposed that gold does not fluctuate in market value as much as other products; but even if this were true, it would only be an additional argument why currency should be issued on other products as well as gold. If the artificial advantage established by the legal tender act is withdrawn from gold, and all other products (always excepting those that are too perishable) may be made use of as well as gold as a basis for the issue of currency, there can be no fluctuation in market values, except such as is caused by the *uncontrolled* supply and the *natural* demand of each product; and with sufficient margin over the amount of paper money issued to allow for possible shrinkage in value, the fluctuations of any one product can have no effect whatever on either the purchasing power of such currency or the market value of other products, because the manipulation of market values by speculators will be impossible.

We have now considered the question of the volume of currency in relation to its purchasing power and security to those who take it. Its purchasing power is determined by the means of redemption: the borrower is compelled to get the amount he borrowed from the institution that issued it, from those who now hold it. He can do so only by selling something he has that they want, or by accepting it in payment of debt. He cannot depreciate this paper money and get it back on better terms, for that would be the same thing as selling his commodity for more than its market value, and this he is not able to do, if free trade prevails, because of competition; others will undersell him. Moreover, there is no more anxiety about this currency in the minds of those who hold it than there is with money-lenders about the mortgages they hold on good real estate on which they have loaned money only to the extent of one-third of its market value; hence, there will be no effort to get rid of this currency, except in the ordinary course of trade. We are, therefore, justified in concluding,—that in the issue of currency, on ample security actually pledged to redeem it at a definite period, a provision is made whereby it can be redeemed by *compelling the borrower* to return an equivalent for it at the expiration of that period. Therefore, by such a system, the purchasing power of currency *can be maintained regardless of the volume issued*.

We now come to the question of interest. What is a just rate of interest? In order to answer this question intelligently, we must know something of the cost of issuing currency. We must also have a clear and a correct idea of the nature of the transaction that takes place when currency is issued directly to the borrower who pledges collateral. We will therefore first make some inquiries in this direction. There is the paper and the printing on the paper that is to be used as money; compensation for services to the clerks, officers, and directors of the institution; the rent, fuel, stationery, etc.; and the expense attendant upon taking care of the security. Col. Greene, in his pamphlet called “Mutual Banking,” gives it as his opinion that one-half of one per cent. per annum would cover all these items in the system that he proposed. Of course it would depend on the amount issued. An institution that issued one hundred millions of dollars could cover its expenses with one-half of one per cent. better than an institution that issued only one million. In the former it would amount to five hundred thousand, in the latter it would be only five thousand dollars. According to information received from the comptroller’s department at Washington, it has cost

about one-fifth of one per cent, to make the paper money furnished the national banks for the last ten years.

This fact gives some idea of how far a half million of dollars would go towards paying the expenses of a bank of issue. From the information I have gathered and the calculations I have made, I am willing to risk the statement that a bank that issued fifty millions of dollars could pay all its expenses with less than one-half of one per cent, per annum; and when such institutions as Col. Greene proposed become the source of currency instead of the State, they certainly will issue as much as that in all large cities, and in some many times that much. But the question under consideration not only involves the item of the cost of issuing this currency, but also as to whether the borrower should be called upon to pay more than cost.

Let us analyze the transaction, to see what it is that actually takes place when an individual borrows paper money on good security of which he is the owner. Paper money we have defined to be a representative of wealth. Whose wealth does it represent? It represents the *wealth which has been pledged* to secure those who may take it until it is wanted again by the owner of the wealth in order that he may get his property (wealth) released from pledge by returning it to the institution that issued it. We may define the transaction, then, by saying that the borrower *makes use of his credit*; for he assumes an obligation and pledges his property as a guarantee that he will fulfill that obligation. He obtains printed pieces of paper (which might, not inappropriately, also be called certificates of credit) which are given him in exchange for his promise to pay back the same amount at a definite period, which promise he guarantees he will fulfill by pledging collateral in the form of some product, deposited if movable, or mortgaged if immovable. Now, if the borrower pays the cost of the transaction, he in no way makes use of that which belongs to another; and as no one is entitled to compensation for that which he does not furnish, may we not conclude that a just rate of interest would be the actual cost of issuing paper money?

Finally, we come to the question of impartiality. What do I mean by the issue of paper money with the least partiality? A money system that proposed to issue currency on any product except gold and silver would certainly be regarded as very partial by the bullionists; but why is not the system equally partial which issues currency only on gold and silver? Obviously, impartiality in the issue of paper money means that any product of labor may be a basis for the issue of currency, which would not, from the nature of the product itself, involve a risk to the holder of the currency issued on such product.

Let us now review the various conclusions we have arrived at.

We have concluded that the definition of paper money is, a representative of wealth as regards its nature. That the best system of money is the one that will furnish money made of the most suitable material, that material being paper; that will provide a sufficient quantity, a sufficient quantity being such an amount as will afford a representative of wealth to all those who can pledge wealth as collateral; that will afford the greatest security, such security being only attainable by pledging actual wealth in sufficient quantity, deposited if movable, mortgaged if immovable; that will maintain the most unvarying uniformity in its purchasing power, the paper money that is best secured varying the least in its purchasing power; that will furnish it at a just rate of interest, a just rate of interest being cost; that will issue it with the least partiality, so that, to obtain it, one must pledge collateral in the form of wealth, not through favoritism or influence.

Now compare these conclusions with the present system. The present system, like all its predecessors, fails to provide the means whereby property owners may use their property for purposes of credit without submitting to the tax called interest, imposed by the monied class. A single il-

lustration will demonstrate the truth of this assertion. An individual who has property, but no money, wishes to buy some commodities. If he buys them on credit, he has to pay more than if he buys for cash. If he borrows money giving a mortgage on his property, in order to buy for cash, he is confronted with interest. It is either interest on the merchandise or it is interest on the money; and this interest is enforced by prohibiting the issue of the currency directly on the property mortgaged to secure the money-lender instead of the money-holder.

And now let me point out to you the blunder at the door of which can be laid all the error that has confused the mind of every thinker, puzzled the brain of every financier, and defeated the efforts of every economist to solve the financial problem. It is the failure to recognize the difference between coin and currency. I have shown you that coin is wealth, and currency is but the representative of wealth. When the borrower borrows coin, some one is deprived for the time of that much wealth, and he is entitled to whatever compensation free competition will allow him when he consents to part with his property; but when the borrower obtains currency issued directly on his wealth, he is depriving no one of the use of his property. Therefore, no one is entitled to compensation. The human conscience was right, after all, in its repugnance to interest, for now we see its abolition realizable, not through philanthropy, but through the effect of a principle; and this simple method of making use of one's credit, or obtaining money without depriving any one of his wealth, changes the whole philosophy of political economy through the universal application of that element so obnoxious to our State Socialistic friends,—namely, *competition!*

Before summing up what has been accomplished, at least in theory, by a research deeper than most writers have made into this question; and lest I should be assailed for not providing, or for having overlooked, the supposed necessity for a “measure of value” or “standard of value,” I will in a few words give it a passing notice.

If we never had used money and had no conception of what was a common denominator or unit of value, but which is improperly called “measure of value” and “standard of value,” such as the dollar in this country, the pound sterling in England, or the franc in France, etc.; if, I say, we had no generally accepted term by which we could convey the idea of a definite quantity of any commodity, it might be some time before we could all agree and understand how much of any commodity was meant by a dollar's worth, if we should adopt that term, or how much was meant when we should mention whatever term was proposed or agreed upon. We might possibly, under such circumstances, even be compelled to coin pieces of gold and silver, although I am so rash as to think that perhaps some other way might be devised that would involve less labor. But such is not the case. The price of every commodity in this country that can be obtained with money is expressed in, and every individual who has anything to exchange for money uses, the term dollar and its subdivisions, and there is no misunderstanding or complaint as to what is meant. Yet, notwithstanding this, and the fact that for a period of about seventeen years in this country, and at other times for longer or shorter periods, and in England for a period of twenty-five years, and in the same and many other countries for periods of many years at a time, in no place could coin be obtained on demand in exchange for currency at its face value, yet, I say, notwithstanding these facts, it is solemnly asserted by the bullionists, as I previously stated, and also by many of the learned professors, that a stable currency cannot be had unless it is based on gold, or at least on gold and silver. What more need I say than what has been said as to the real object in limiting the circulating medium?

In summing up my criticism of the National Bank System, I ask your earnest consideration to the following points.

I commenced this essay by calling your attention to the extent of the ignorance that prevails in reference to the nature of money by quoting Mr. Easterly's statement of his experience, which corroborates my own for the last fifteen years, during which time I have given this subject constant, earnest, and careful study. The general idea is entertained that, since the ablest men in the world have been occupied with this subject, the present system must be the best that could be devised, and, therefore, to devote one's self to its study is a waste of time. This position is further strengthened by the very absurdity of prevailing notions; being so enshrouded in mystery, impossible of rational explanation, and irreconcilable with common sense, failure to comprehend is attributed to the profoundness of the subject rather than to its errors and inconsistencies. Thus we have ever been deprived of an intelligent popular verdict on this interesting and important subject. The very fact that there has never been any popular discussion of the idea of free trade in money,—which means the entire abolition of all State control,—or of the application of the mutual feature to the issue of paper money, is proof of how far we may yet be from a solution in the adoption of paternalism.

The inconsistency of our political constitution with the philosophy of liberty entertained by the founders of this republic is apparent in contrasting that document with the Declaration of Independence. The one declares the inalienable right to liberty and the pursuit of happiness; the other ignores that right by establishing a monied class that controls industry and commerce and denies the right of private property. How can such inconsistency be explained except on the ground of the ignorance that prevailed in reference to the necessity for State interference? It is a monarchical institution, and has no part or lot with a free people. The motive that prompts the thesis of State dictation is clearly *special interests*. The motive that prompts the antithesis is the interests of all. Whichever proves to be the best system of money, the people will voluntarily accept. The best and safest money is always competent to drive out inferior money, if there is enough of it.

I have shown you a glimpse of a system far superior to the present one; yet, lest it should be defective, I want *liberty*, that others may establish a better. This system would have been tried thirty years ago; but the monied power, ever alert to its own interests, ever able to command the best talent and the weightiest influence in its behalf, knew well how to secure for itself, through legislation, that which free, open, and fair competition will deprive it of, and succeeded in extending for itself a few more decades of supremacy. We profess to despise imperialism, yet we retain its essence,—the very diet on which it fattens and without which it must die a natural death.

When the State ceases to protect the banks in the control of the medium of exchange by prohibiting its issue except on certain commodities and by certain parties, and by "fixing" the value of those commodities by making them a legal tender for a definite amount, then the paper medium of exchange can be issued, as I have shown, directly to borrowers at the cost of the transaction through the mutual bank, just as you get fire and life insurance at cost from the mutual insurance company; then money lending as a speculation will cease, and with it will also cease the objectionable features of boards of trade and stock exchanges. Without you limit currency by an arbitrary money system, speculation is impossible! The right to use one's property for purposes of credit is as unquestionable as the right to sell it. The present system denies that right by compelling you to obtain the consent of a certain class of citizens who are provided by

the State with certain pieces of paper which you are prohibited from obtaining directly through association at an average of one-tenth the cost.

With the greater part of the wealth in the country convertible into available capital for productive enterprise by the issue of paper money thereon, all monopolies would have to reduce profits and increase wages, because of the enormous amount of capital that would enter into competition with them, until at last the capitalist would be compelled to cooperate with labor for mutual good,—the natural result that must follow a surplus of capital instead of a surplus of labor, as now.

The prosperity that would result from the employment of all the people now idle, in addition to those already employed, at constantly increasing wages, would terminate in each getting the exact proportion of what each produced. Poverty would thus be gradually eliminated and crime would cease, panics become unknown, and prisons and poorhouses no longer disgrace our civilization.

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