Review: Sober Thinking on Money and the Law
Reviewed Work(s): Money and the Law by
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Source: *The American Journal of Economics and Sociology*, Vol. 4, No. 4 (Jul., 1945), pp. 545-547
Published by: Wiley
Stable URL: https://www.jstor.org/stable/3484161

Sober Thinking on Money and the Law

Money and the Law. Proceedings of the Institute on Money and the Law held January 15–16, 1945, under the auspices of the New York University School of Law, and the Economists' National Committee on Monetary Policy. Supplement to the *New York University Law Quarterly Review,* viii + 158 pp., $2.50.

The Institute on Money and Law held a series of five sessions on January 15–16, 1945, in New York City. These meetings were held to correlate the views and ideas of monetary economists, many of whom had had little training in or had been devoting little attention to the legal aspects of money and monetary issues, and those members of the legal profession who had become involved in monetary problems and issues, and who had given "all too little attention to monetary history and the principles of money."

At these five sessions fifteen addresses were made on closely related subjects by the outstanding American experts in their respective fields. These addresses have been published as a supplement to the *New York University Law Quarterly Review.* They comprise not only timely contributions to vital current monetary problems and thought, but strikingly interesting contributions for the layman, as well as for the economist and members of the legal profession.

The first session, on international aspects of the broad correlated subjects, consisted of three addresses by F. Cyril James, Benjamin H. Beckhart and Arthur K. Kuhn. These addresses covered a brief history of international co-operation in the field of money from "the first mention of money in the Bible to be found in the twenty-third chapter of Genesis" to the Bretton Woods program; a discussion of alternative proposals to the Bretton Woods program; and an analysis of the Bretton Woods recommendations in the light of international law.

The second session, on national aspects, consisted of two addresses by Rinehart J. Swenson and Walter E. Spahr, and one with the text prepared by Neil Carothers and Frederick A. Bradford. These addresses covered a discussion of the Supreme Court and power of Congress to regulate money; an outline of the very practical problems created over the years by the confusion in the meaning of "legal tender," "lawful money," and "money receivable"; and an analysis of legal aspects of comparatively recent silver policies of the Federal Government. Each of these three addresses contain fascinating material in the monetary history of the United States. The Thomas Amendment to the Agricultural Adjustment Act of May 12, 1933, and the Public Resolution No. 10 of July 5, 1933, has led, as Professor Spahr points out, "to a denial in one law of what is asserted in another; to the necessity of administrative officials violating the law to avoid accounting monstrosities; and to laying the American people open to various undesirable practices which may, nevertheless, be legal." No longer can an individual, for example, lawfully use gold or gold certificates to pay a debt, public or private. Thus one law nullifies another. And moreover, if a debtor should wish to annoy a creditor by paying off a large obligation in pennies, nickles, dimes, quarters, or fifty-cent pieces, he is now authorized by law to do so!

The third, fourth, and dinner sessions were developed around the combined national and international aspects with addresses by a galaxy of authorities, Herbert M. Bratter, Roy W. McDonald, William H. Steiner, Donald L. Kemmerer, Henry Hazlitt, Edwin Borchard, Edward W. Kemmerer, the dean of our monetary experts, Harvey D. Gideonse, and Edwin S. Corwin. The simple and quite obvious question is raised, if we are not going a little too far in seeking the degree of international co-operation envisioned by the existing Bretton Woods program on the financial front. Countries now in default on obligations to American investors, Herbert Bratter pointed out, "and this includes some countries which today possess the dollar exchange or the gold necessary for the servicing of those defaulted obligations," will have as much voice in the operations of the program as if they were not defaulters. Such contemplated relations between a creditor and a defaulted debtor with available free assets, is most unique and unusual.

Then, the question of politics arises. Will not the views of the trained economists be over-shadowed by political considerations of the moment? If, for example, Greece wants to borrow dollars from an international body and utilized the assistance of the United Kingdom in obtaining a dollar loan from the proposed body, will not the gratitude of Greece be directed primarily in the direction of the United Kingdom, which, "as everyone knows, is today in no position itself to advance dollar exchange?" Who knows? Isn't it almost too much to expect the operations of such an international financial body to be carried on without an unfortunate amount of political maneuvering?

Finally, as one authority after another reiterates, the restoration of monetary order in the world depends, not upon almost automatic ability to obtain credit from a central body, but first, foremost, and always, upon the willingness of countries to arrange their domestic affairs and economies, that is, return to a balanced or near-balanced budget.

Loans, at best, can only supply emergency support, and only when based upon sound internal policies. The extension of credit, of course, should not be countenanced to a nation that is recklessly expanding its currency, or that plans to use the funds to support a heavy rearmament program. "A sound monetary policy is impossible without a sound fiscal policy." Or as Professor Kemmerer thoughtfully phrases it, out of his wide experience, "Nations do not ordinarily deliberately plan a policy of inflation and subsequent debasement. They slide into currency debasement down a political toboggan, and they usually receive their initial push, as well as other pushes on the way down, by unsound domestic, social and political policies, involving the exploitation of their currency systems for fiscal purposes." With a gross national debt in excess of $300,000,000,000 one year after the end of the war in Asia, the warning is applicable to the United States as well as to smaller, less wealthy countries in all parts of the world.

Here is a series of timely, condensed, authoritative, fascinating, and correlated studies representing the wealth of knowledge of men who are the outstanding thinkers in the field of money and the law, both national and international.

ROY A. FOULKE

New York

Goals for Christian Progressives

The Church Looks Forward. By William Temple, Archbishop of Canterbury. New York: The Macmillan Company, 193 pp., $2.00.

The Christian Church, as it moves forward in a growing new world fellowship, faces a greater challenge than since the end of the dark ages, the Archbishop of Canterbury who died October 26, 1944, said at a convocation of Canterbury, May 25, 1943. This address became Chapter II in this book of his sermons and addresses, published the year he died. Its opening chapter is his sermon at his enthronement on St. George's Day, 1942, in which he proclaimed the ecumenical movement among Anglo-Catholics as "the great new fact of our era." The values of the Christian faith, he said in the Canterbury address, were in danger of being undermined by a secular humanism.

It was time, he declared, for all communions to unite in proclaiming the Christian aim to lead to a sense of common fellowship. How can the Christian Church persuade "an incredulous world" that it alone has the "secret of unity" while its sects compete with one another? he asked.