WILEY

Review

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Source: *The Economic Journal*, Vol. 24, No. 94 (Jun., 1914), pp. 257-260

Published by: Wiley on behalf of the Royal Economic Society

Stable URL: <http://www.jstor.org/stable/2222427>

Accessed: 27-06-2016 04:14 UTC

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occupied by discussion of minor points of difference; but this must not be taken to imply any want of appreciation of the work as a whole. It may be doubted whether real familiarity with the working of the exchanges can ever be acquired from books of any sort; and Mr. Withers expressly tells us that it was not his aim to compete with the business manuals of arbitrage. But he has certainly given us an admirable exposition of all the main influences that affect the foreign exchanges; and the student who masters it will not find that he will learn much more on these vital points from the other books to which Mr. Withers refers him. The work is vivid with actuality, always perfectly lucid, often fascinating. There have been many able and a few clear works on exchange; this is perhaps the first which could be called positively attractive. What is the secret of the charm? Why does Mr. Withers attract, even when dealing with subjects which usually repel? One recalls a quaint passage, written nearly 150 years ago, by that great monetary authority of his day, Sir James Steuart:—"Q. Why does the doctrine of money appear so intricate? A. Because it is perplexed with jargon." Mr. Withers is the sworn foe of all jargon. He has a special gift for stripping it off, and getting as directly as may be at the realities which the jargon had obscured. For this his works will live, and deserve to live.

H. S. FOXWELL

Le Thaler de Marie-Thérèse: Étude de Sociologie et d'Histoire Économique. By Marcel-Maurice Fischel. (Paris: Giard et Brière. 1912. Pp. xxxi. + 208. Price 5 francs.)

FROM the middle of the eighteenth century down to the present time there have been certain parts of Africa and Asia in which the thaler of Marie-Thérèse has been *par excellence* the coin of acceptability—not any Austrian thaler, but one bearing with unalterable fidelity the effigy of the mature Empress; and to meet an insistent demand the Austrian Mint, rejecting the innovation of milled edges and all other changes, has never ceased to pour out these coins, constant to the least detail and still dated 1780. In 1912 4,082,200 of such coins were newly issued. In the Abyssinian campaigns of 1865 and 1889 our own armies discovered that Theresan dollars were amongst the most necessary munitions of war, and that their purchasing power, as compared with that of other coins, was quite out of proportion to their intrinsic value. It is said that in Central Africa one can obtain two five-franc pieces for a thaler, the par value of which in European money markets is about two francs fifty centimes. For the Italian cam-

No. 94.—VOL. XXIV.

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paign in Tripoli the Viennese mints had need to work overtime.

The currency problem set us by these historical facts is exceedingly curious. Austria has never possessed silver mines of the first importance, such as explain in a most natural way the supremacy of the pieces of eight of Spain and, subsequently, of the Mexican dollar. She has never enjoyed wide trading connections or colonial and imperial possessions such as are now establishing, in combination with the control of the Australian and South African gold mines, the supremacy of the British sovereign. Of all European countries, the Austria of the latter half of the eighteenth century seems to have had the least natural advantages for establishing a coin of cosmopolitan importance. To the solution of this problem M. Fischel has set himself, with the aid of much out-of-the-way learning in more than one field, imbued with the artistic, rather than the pedantic, possibilities of his subject, combining, as only a Frenchman can, a highly romantic view of the curiosity of his quest with a keen desire to rationalise it, and taking a great delight in the amazing juxtapositions, which can be wrought, when left quite to themselves, by the fortuitous workings of chance with design.

He discovers the first link of the chain in the extremely backward condition of eighteenth-century Austria and her freedom from the commercial ideas of the age. All the rest of Europe were mercantilist, and put what difficulties they could in the way of the exportation of coin. To the statesmen of Austria, who did not concern themselves with the commercial development of their country, ideas so subtle were altogether foreign. While France, England, and Prussia were prohibiting the traffic of coin, the Austrian authorities noticed only that their mints were making some slight profit, and, when in 1773 the business in thalers showed some signs of falling off, even instituted an inquiry amongst Greek and Turkish merchants as to the causes of this waning popularity. Having struck at last on a commercial product which hit off as nearly as possible the taste of their customers, they were content with it. And the old-established House of Habsburg have turned out for a century and a half, as though it were Rowland's Macassar Oil or a Bath Oliver biscuit, a thoroughly sound and reliable article, none genuine without the signature of the now long-sainted Mrs. M. Thérèse. After all, the business has not changed hands, though the branch at Venice had to be closed down, and is still under the personal management of her great-great-grandson.

Thus, in the innocence of her heart, the Empress anticipated Adam Smith and discovered the truth, which was hid from Colbert and Frederic of Prussia, that a country's money is, after all, no more than a commodity, well able, under the guidance of supply and demand, to take care of itself. But how, in the first instance, did the fact that there was a demand for such a commodity come to notice? The balance of trade between Europe and the Levant in the eighteenth century was, as is now the case between Europe and India, habitually adverse to Europe. Egypt and the Levant demanded on a large scale the silver, for the American supply of which Europe was the intermediary; while what Europe required was mainly goods. It is said that in the last quarter of the eighteenth century two-thirds of Austria's commercial purchases in the East had to be paid for in actual coin, while even France, who had in her hands a large part of the trading connection with the Levant, had to meet a trade balance habitually adverse. In Europe, where the American supplies were available, silver was relatively abundant, while in the Near East it was scarce; this scarcity had stood in the way of the development of the use of money for exchange or for hoards, especially in remote districts, so that, as the scarcity came to an end, the demand to be satisfied was large; and, besides, Turkey, then as now, even when bullion was available, never set her mints seriously to cope with the demand for silver money. The Near East had, therefore, a large and recurrent demand for foreign silver coin, and had also the means to afford it. Formerly, the Spanish and Mexican dollars had played their part. But for no small part of the eighteenth century the Spanish market was closed to France, and this, together with the want of uniformity in the piastres of Seville, cut off the opportunities of the older coin. The Rixdales of Holland were of poor alloy. In the way of France, the natural purveyor at that time of American silver to the East, stood her policy of mercantilism. Austria alone of Turkey's neighbours was prepared to put on the market as a commercial product a handsome uniform coin of a high degree of fineness.

It is not unnatural, therefore, that the Austrian thaler should have served a purpose in 1780. But how has it come to maintain its extraordinary vogue ever since? When first the thaler left the ports of Marseilles or Leghorn, it passed into the hands of Greek and Jewish merchants. But the coffee of Moka and other products of Africa and Asia Minor only reached such hands in Levantine ports, whereas the land trade through Egypt, Mesopotamia, Arabia, the Sahara, and the Soudan was, and for many

centuries had been, entirely in the hands of the Arabs. It was the taste of the Bedouin, therefore, that ultimately determined which of rival coins was to hold its own. It is in the trail of the Bedouin, in Syria, Mesopotamia, Arabia, Nubia, the Upper Nile, Abyssinia, Erythrea, Tripoli, Somaliland, and to the boundaries of Nigeria, and in these countries only, that we find to this day the currency of Theresan thalers. The map of Arab influence is the map also of the territory of Theresan circulation.

Thus it is in the ethnological and social history of the Arabs that we must seek, according to M. Fischel, for an explanation of the extraordinary fascination of this particular coin, a coin taken by them, not in its character of bullion certificate, but as an object of æsthetic importance, of personal distinction and adornment. Into these researches we must not follow him in detail. A coin, he says, is a symbol of sovereignty, and the Arabs preferred the coin of a power which had no pretensions whatever to sovereignty in the desert. The thaler is of silver; and in the East "*l'argent a toujours été l'objet d'un culte fort exclusif,*" and "*ce culte est même si répandu en Extrême-Orient que l'on a pu, à propos des Chinois, opposer le goût de race jaune pour le métal blanc au goût de la race blanche pour le métal jaune.*" But above all the explanation is to be found in the position of women in Arab society and in their exclusive predilection for the image of the Austrian Empress. In her *coiffure*, her jewelled pin, her massive bust and ample luxurious features, the Arab temperament finds its fullest satisfaction. And it is for these reasons primarily that the great lady has found her way to parts of Africa where no other white woman has even yet been seen, and has remained married for many generations to the Arabian imagination. What we learn as the motto of her race in our school history books—*Bella gerant alii, tu felix Austria nube*—has won another justification.

It cannot be maintained that all M. Fischel's researches, whether into Austrian politics in the eighteenth century or into the social customs of pre-Mahommedan Arabia, are strictly germane to his ostensible subject. But the thaler of Marie-Thérèse gives him a very good plot. No one ought to grudge a little such licence to so entertaining an economic historian.

J. M. KEYNES