

Thrashing the *Constitution*:  
The Role of Monetary Powers & Disabilities  
A Review of Edwin Vieira's *Pieces of Eight*

By  
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What is a dollar? This question seems simple, but it isn't. The answer is complicated because there are in fact several types of 'dollars'.

These different dollars include the Federal Reserve 'dollar', the gold 'dollar', and most importantly, a Constitutional dollar. As the Founding Fathers understood the term and used it in the Constitution for "We the People" to "secure the Blessings of Liberty to ourselves and our Posterity", the dollar is a silver coin weighing 371.25 grains fine, a.k.a. Spanish 'pieces of eight'.

Most people today have never used a Constitutional dollar, or C\$ for short, let alone have some notion of what a C\$ may be. So the natural question is, what happened? How did the C\$ get forced out of circulation, and by implication, why does America today use an unconstitutional money?

The answers are in *Pieces of Eight*, a truly monumental undertaking by someone who I am honored to say is a friend, Edwin Vieira. He is this country's leading scholar on legal and constitutional issues relating to money, and my adulatory description of his stature will be clear to everyone who reads *Pieces of Eight*, which is beyond doubt an extraordinarily remarkable achievement.

Encompassing over 1600 pages and 6000 footnotes (the index alone is 50 pages), *Pieces of Eight* is certainly the most outstanding product of scholarship that I have ever had the pleasure of reading. And don't be intimidated by its length. One must read only the first three chapters – 175 pages – to understand the original intent of the Founders, and to thereby answer the question, what is a dollar?

This book's achievement is unparalleled. It will without any doubt stand throughout time as the definitive account of the descent in the United States from the sound money imparted by the Constitution to the unsound debt-contract that is the inferior, unconstitutional unit of account that today passes as the 'dollar'.

The breadth of scholarship throughout this book is overwhelming. Law, politics, economics – you name it – each subject is addressed with the deep understanding often only understood and capably demonstrated by those with specialized knowledge.

For example, in my area of specialty, monetary economics, I often see the word intrinsic misused, and specifically that gold is money because of its alleged 'intrinsic value'. However, Edwin deftly distinguishes between legal intrinsic value, which is simply the quantity of precious metal relative to the coin's standard, in contrast to economic intrinsic value, noting that silver and gold do not have inherent exchange value for the simple reason that a coin's purchasing power is a result of the subjective valuation of each individual. [see page 69]

Edwin's intelligent scholarship is also continually intermixed with a lot of common sense. For example, perhaps one of the most frequently misunderstood monetary clauses of the Constitution is: "The Congress shall have Power...To coin Money, regulate the Value thereof..."

Not only is the Founders' original intent of this clause – and particularly the word regulate – made clear from an historical, legal and linguistic perspective, but Edwin also applies some basic common sense as well to elucidate how misinterpretations of this clause have enabled it to be misused and abused. Commenting on the widely accepted but horribly erroneous notion that this

clause empowers Congress to make the dollar whatever it decides the 'dollar' to be, Edwin notes "the noun Year appears repetitively in [the Constitution]. Self-evidently the Framers used this term with the presumption that everyone would implicitly understand it to mean the time the earth actually requires for one complete revolution around the sun – rather than a mere empty shorthand for an unfixed unit of time within the discretion of Congress to adopt or change." This simple logic of course applies to other words in the Constitution, like the "dollar", which has a "fixed, historically ascertainable meaning". [135, emphasis in original]

While the folly of bimetallism gets its fair share of criticism, Edwin leaves his harshest words for fractional-reserve banking and "...private fractional-reserve banks [which] are the inveterate enemies of constitutional money." [219, emphasis in original] Commenting on the collapse of the Great Depression, he notes: "Once again fractional-reserve banking – even though cartelized on a national scale – had cracked up; and the bankers could offer no solution other than their hackneyed device of importuning the government to license them to suspend specie payments, rather than honestly admitting the unworkability of fractional reserves and going out of business to the relief of all future generations." [881]

One of the objectives of the Founders, as stated in the Constitution, was to "form a more perfect Union". They therefore "do ordain and establish this Constitution for the united (sic) States." This union of independent powers is what we in today's terms would call a common market, with the added provision that the union went further by arranging for a "common defence".

We have strayed far from the Founders' vision, and the centralized national power they so feared and abhorred has been made possible by the relentless slide to unconstitutional money. Sound money was an important 'check & balance' on the aspirations of spendthrift politicians who all too quickly found some excuse for spending other people's money, as is clear from the extensive coverage in this book of the debates on Capitol Hill, often with verbatim quotes from the Congressional record.

Some – but unfortunately too few – legislators did express the timeless wisdom understood by the Founders. For example, in the debates prior to the formation of the Federal Reserve, Representative Lindbergh (father of the famed aviator) observed: "The political cowardice existing in this Capitol will prevent adequate [monetary] reform until the people themselves realize more fully the burden that is placed on them by the interest, dividends, rents, and profits allowed by law, and collected by banks and others who control centralized wealth." [798]

This book is essential reading for every American to understand how "the monetary system of the United States is [today] the very antithesis of what the Founders contemplated and the Constitution embodies". [457] It is also essential reading so that every American will know and understand what needs to be done to put the United States back onto a sound Constitutional footing. It explains what "We the People" must know about money, as well as why money – the C\$ – is different from and superior to the money substitute we know as the Federal Reserve dollar – the F\$ – which is but the shadow of money itself.

When rightly understood and correctly put into practice, the Constitution is a powerful beacon, but this light cannot shine if the original intent of the Founders is ignored. And foremost among the many strengths of this book is its meticulous research of the words of the Founders, what those words meant to them, and how those words were twisted, turned and purposely misused by demagogues, charlatans and other unscrupulous office holders after the Constitution's adoption. After all, "Fractional-reserve banking, monetization of public debt, and the other card tricks and sleight of hand of modern monetary manipulation are profitable, economically and politically" [23] to those dishonest politicians who would use those monetary manipulations and the invisible theft of property they make possible to thwart the intent as well as to discredit the wisdom of the Founders. But it's not just reprobate politicians who deserve scorn; so too do many dishonest Supreme Court justices.

This book reveals how the Supreme Court is no more bound by the Constitution than the other federal branches. Edwin presents a thoroughly detailed historical account of the perfidy of many of its justices, who – assuming that they were not acting from inexplicable stupidity – are time and again recklessly driven by perceived political expediency at best, and narrow self-serving interests at worst, in complete disregard of the Constitution.

It is self-evident that Constitutional money exists not for the benefit of the federal government, the Federal Reserve and the rest of the banking cartel, or their toadies, but rather, for the benefit of We the People. And by allowing an unconstitutional money to be imposed upon us, We the People have lost those "Blessings" the Founders sought so hard to secure.

In conclusion, Pieces of Eight capably and convincingly demonstrates the inadequacy of a national currency. Even when restricted by a Constitution and in face of the historical evidence of the bad consequences that arise from tampering with the monetary unit, the US experience shows how a national currency is inevitably impaired and irreparably damaged by the whims of politicians and justices, lapdogs all for the moneyed interests.

I'll let Edwin have the last word: "[American monetary] history shows how one bad idea (fractional-reserve banking) led to a worse idea (that the government should extend special privileges to a monopolistic private bank to help the bank float its fractional-reserve paper currency in the market), which led to a yet the worst idea (that the government should centralize the creation of a private fractional-reserve currency in a nationwide system propped up with public debt), which finally led to the present situation in which the government purports to make itself liable to accept for payment of taxes or to redeem with "lawful money" all the paper currency of the national cartel of fractional-reserve banks organized under the Federal Reserve System – a situation that could (and when it collapses doubtlessly will) be styled the great house of monetary cards that political Jacks built." [389]

This beautifully hardbound 'research edition' of Pieces of Eight will be given a special place in my library, and I'm sure you will want it in yours as well. You can purchase it for \$56.45 including shipping (\$58.70 for Virginia residents). Mail your check or money order – payable to Edwin Vieira, Jr. – to Pieces of Eight, 13877 Napa Drive, Manassas, Virginia 20112-3821. More details, including shipping rates outside the USA, are available at <http://www.piecesofeight.us/PofE.html>.

This is a great book. It offers a treasure trove of knowledge. It is a pleasure to read. Buy it, and enjoy it.

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