

The Constitution

On Legal Tender & Lawful Money

"When plunder becomes a way of life for a group of men living together in society, they create for themselves in the course of time a legal system that authorizes it and a moral code that glorifies it." [1]

Legal Tender

Legal tender laws result from the difference between the legal and the economic definitions of money. The two definitions need not be different, although they usually are. They can be the same. It depends on the type of monetary system in use, and the policies it follows and conforms to.

In a system of honest money, there is no difference between the two definitions. Money is the same, however it is used. An ounce of silver is an ounce of silver. No further names need be attached; to do so only confuses and complicates the issue.

When the legal and economic definitions of money are different, legal tender laws are used by the state to enforce what it determines to be the lawful means in payment of debts; or what is more properly called the discharge of debt. The payment of debt and the discharge of debt are not the same, as will be shown further along.

Money, as a medium of exchange, facilitates the buying and selling of goods and services. According to conventional monetary theory, the payment of debt is different from money's use as a medium of exchange.

This difference gives rise to an economic definition of money as one thing – a medium of exchange; and a legal definition of money as another: the payment of debt.

It is not imperative that legal tender laws exist for a monetary system to be effective. A system of gold and silver coin actually works better without legal

tender laws. Honest money does not resort to legal tender laws to force people into using what the state designates as legal tender in payment of debt.

Sovereign people should be free to decide for themselves what they determine is the best form of money to use, both as a medium of exchange and in the payment of debt. Honest money is able to perform both functions easily and without force. Buyers and sellers must be allowed to cast their votes in the ballot box known as the free market. Legal tender laws prohibit such freedom of choice.

Economic vs. Juristic

The economic definition of money is the common medium of exchange used to buy and sell all other goods and services in the market place with. In this regard we read in Plato that money is "a token for purposes of exchange." [2]

All transactions between private individuals, including the payment of debt, are done according to the economic definition of money. The legal definition of money is that which the government accepts in lawful payment of debt. All transactions between the government and private individuals are limited to legal tender. Aristotle alluded to this when he said:

"All goods must therefore be measured by some one thing... now this unit is in truth demand, which holds all things together ... But money has become by convention a sort of representative of demand; and this is why it has the name 'nomisma' - because it exists not by nature, but by law (nomos) and it is in our power to change it and make it useless." [3]

Before continuing on I want to make a very important distinction. I am quoting from Aristotle because his quote is the quintessential reasoning behind State authority regarding legal tender; however, ultimately, I do not believe that such is the honest or pure explanation and definition of money. Aristotle was an elite collectivist. His writings have been used throughout history to support statist's false views. But that is another story for another time.

Not only is this true for the payments of debt, but taxes are also included. Taxes are not regarded by some scholars as debt, in the strict sense of the word, although this is open to debate. Be that as it may, the government only accepts legal tender for the payment of taxes, at least what the state declares to be legal tender. The Constitution has a different opinion, as we shall see.

Conventional monetary theory acknowledges that legal tender laws are mandatory only between the individual and the state. Private parties are allowed to use whatever form of payment they agree upon in payment of debts to each other.

From this acknowledgement, it can be seen that legal tender is invalid as a monetary principle capable of standing on its own. It only stands if the state approves of it with its legal system, and enforces it through its police powers that stand behind the legal system, as the true arm of enforcement.

Furthermore, the Constitution established that the States cannot accept anything but gold and silver coin as legal tender, and that only Congress has the authority to mint gold and silver coins. The power to emit bills of credit was denied to both Congress and the States.

- Article I, Section 8, Clause 5: "The Congress shall have Power...To coin Money, regulate the Value thereof, and of foreign Coin, and fix the Standard of Weights and Measures." [4]
- Article I, Section 10, Clause 1: "No State shall...coin Money; emit Bills of Credit; make any Thing but gold and silver Coin a Tender in Payment of Debt." [5]

According to the above clauses, money is gold and silver coin. Nothing but gold and silver coin can be used as tender in payment of debt. Bills of credit are expressly prohibited.

If the monetary system of gold and silver coin mandated by the Constitution was presently followed, there would be no question as to what the common medium of exchange is, or what legal tender is – they both would be gold and silver coin.

Debt Payment

To make a payment of debt requires two parties: a *creditor* who has extended credit and is owed the debt, and a *debtor* who accepted the credit and owes the debt. Credit when accepted becomes debt.

The fact that a debt exists means that credit has been extended by one party – the creditor, to the second party – the borrower. Upon acceptance of the offer of credit, the borrower owes a debt that they are obligated to pay the creditor.

Payment of debt can occur between private individuals, between the government and private individuals, and between local, State, and Federal government.

The payment of debt between private parties can be done using whatever medium the creditor and debtor agree upon. This is known as the terms of payment of a contract.

Private individuals are not obligated to use legal tender in dealings with one another. However, private individuals generally use the common medium of exchange, which in most cases is also legal tender, in the payment of debt.

This is not the case when the government is involved. The government only accepts legal tender as payment of debt between individuals and the State. There is no other choice when dealing with the State under legal tender laws. The same is true when one of the States has to deal with the Federal government – legal tender must be used.

Black's Law Dictionary gives the definition of legal tender as: "money approved in a country for the payment of debts, the purchase of goods, and other exchanges for value." [6]

The word "approved" leaves the door wide open for endless interpretations, as does "exchanges for value". Approved by whom? – The state of course. Approved according to what measures? – Ones the state declares.

Notice the first part of the definition, “money approved in a country for the payment of debt”, and how similar this is with the wording in the Constitution, “Make any thing but gold and silver coin a tender in payment of debt.” This is the legal definition of money.

Black’s definition then continues, “... the purchase of goods, and other exchanges for value.” This is almost exactly the same as the economic definition of money: a common medium of exchange used to facilitate the buying and selling of goods.

Black’s definition of legal tender incorporates both the legal definition of money AND the economic definition of money rolled into one. The elite powers have done their job well – even the experts are confused; or so they appear to be. Appearances, can, however, be deceiving.

Further to the above, who determines what “value” is? What measure is used when determining value? One is only limited by their imagination as to the possible answers such an undefined and vague system offers.

Perhaps this is why honest money sets an unalterable standard, the anchor that holds the system in place: the standard is 371.25 ounces of pure silver, per the Coinage Act of 1792. Does today’s paper money have a standard that is fixed, keeping it soundly in place? No, it does not.

Constitution on Legal Tender

Most governments declare legal tender to be whatever the public has already chosen as the common medium of exchange, although this is open to debate. Be that as it may, a truly free system would not force legal tender laws upon the people, regardless if it was the same thing the public had chosen to be the common medium of exchange.

Free markets exist only when there is no outside intervention or interference. The economy must be allowed to run according to free market principles and self-governing dynamics.

The Constitution states that only gold and silver coin shall be accepted as “tender in payment of debts”. Although this is the Constitution speaking,

which is one of the defining documents of our nation, and occupies the foremost position as the Supreme Law of the Land, it is still stating what the government mandates to be legal tender.

We The People come before the Constitution, as the people ordained and created the Constitution to serve them in the pursuit of happiness, and to insure the general welfare.

As such, We The People, through our elected representatives, should revisit and validate that legal tender laws serve our best interest, by promoting the general welfare, as opposed to the welfare of special interest groups that lobby Congress for their own self-interested gain.

Article I, Section 10, Clause 1 of the Constitution reads: "No State shall ... coin Money; emit Bills of Credit; make any Thing but gold and silver Coin a Tender in Payment of Debt." [7]

As we have seen, the dollar was the unit of account that was the most commonly accepted medium of exchange at the time the Constitution was written. The dollar of the Constitution is the Spanish silver dollar known as Pieces of Eight.

The Framers of the Constitution did not want any thing but gold and silver coin to be a tender in payment of debt. The Supreme Court has ruled that:

"The prohibition in the constitution to make anything but gold or silver coin a tender in payment of debts is express and universal. The framers of the constitution regarded it as an evil to be repelled without modification; they have, therefore, left nothing to be inferred or deduced from construction on this subject." [8]

With the advent of the Coinage Act of 1792, the dollar was defined as 371.25 grains of pure silver: the U.S. silver dollar.

In both instances, a weight of silver was the standard unit of money, varying by approximately 10 grains between the heaviest Pieces of Eight, and the exact weight of the U.S. silver dollar: 371.25 grains.

Any alteration or deviation from the dollar of the Constitution, being anything other than a one ounce silver coin, requires a constitutional amendment. One has never been passed. The original still stands.

The Constitution and the Coinage Act of 1792 clearly define legal tender as silver and gold coin and nothing else. This does not, however, preclude that legal tender is a good idea, even when it is gold and silver coin.

As we shall see, legal tender laws allow for Gresham's law to take hold and weaken an otherwise sound monetary system, allowing bad money to drive out the good, leaving bad money alone, as the circulating currency.

Coinage Act of 1792

The Coinage Act of 1792 was the original legislative document whose purpose was to implement the gold and silver coinage system the Constitution had constructed. Section 11 of the Coinage Act reads:

"And be it further enacted, that the proportional value of gold and silver in all coins which shall *by law* be current as money within the United States ..."
[9]

Black's Law Dictionary, Eight Edition states the definition of legal as: "of or relating to law; falling within the province of law. Established, required, or permitted by law." [10]

From this we see that "by law", as stated in the Coinage Act of 1792, is equivalent to the definition of "legal", as quoted from Black's Law Dictionary.

The issue of legal tender and the differences between the economic and juristic definitions of money clearly illustrate an inherent weakness in one aspect of the hard money system enacted by the Coinage Act of 1792; or perhaps it would be more correct to say: according to the system devised by Alexander Hamilton.

The Coinage Act of 1792 states that silver and gold are to exchange at a ratio of 15 to 1. *The fixing of this ratio is when the difference between the economic and legal definition of money reared its ugly head.*

“SEC. 11: And be it further enacted, That the proportional value of gold to silver in all coins which shall by law be current as money within the United States, shall be as fifteen to one, according to quantity in weight, of pure gold or pure silver; that is to say, every fifteen pounds weight of pure silver shall be of equal value in all payments, with one pound weight of pure gold, and so in proportion as to any greater or less quantities of the respective metals.” ^[11]

The use of gold and silver coin has no inherent weakness. It is the concept of legal tender that is flawed and unjust. By fixing the rate of exchange between gold and silver, and declaring what constituted legal tender, the powers that be seriously intervened within what was supposed to be a free market. Any chance to function as a free market was gravely impaired. The system was doomed to fail from the start, as the seed of its own destruction lay within – waiting to blossom. Alexander Hamilton was the architect of its design; and he did not knowingly make mistakes. He was very capable and as accomplished as they come.

It is one thing to fix or set the standard of a monetary system. This the Coinage Act of 1792 did when it set the standard as a weight of silver: 371.25 grains of pure silver. This is sound monetary policy.

To fix the exchange rate between gold and silver at 15 to 1 is an entirely different matter. This would have been better left undone. Let the free market decide upon the exchange rate between gold and silver, not a statute or legal tender law, which is nothing more than forced obedience – the King’s prerogative. This was all Hamilton’s doing.

Gresham’s Law

It is an impossible task to fix the exchange rate of gold and silver by statute, while at the same time gold and silver exchange in the market place at a different rate. To do so is an attempt to make two different commodities have the same purchasing power according to a predetermined rate. This is the antithesis of a free market and is not just. It is accepting the unacceptable.

It is this "fixing" that is incorrect and a defect that honest money cannot accept. This is not how a free market works. It is how a fixed or contrived market works. It is better to allow the two metals to fluctuate and exchange according to prevailing market rates.

The only purpose legal tender laws serve is to force acceptance of the unacceptable. To fix the exchange rate between gold and silver is unacceptable. By allowing the market rate of exchange to be different from the legal rate of exchange, one metal is made dearer, while the other is shunned.

Our monetary history bears this out, as there were times when silver was dear and gold was not; and other times when gold was dear and silver was not. This occurred on several different occasions and for various lengths of time. This is Gresham's Law at work, which provides moneychangers with an unfair advantage over the common man.

Constitutional Amendment

If honest money is to return to its rightful place in our monetary system, the legal tender issue will have to be dealt with by a constitutional amendment that changes the fixed exchange rate between the two metals, if so desired and approved of by the people.

Only the people have the power to set such a precedent, as We the People are sovereign. No individual or group of men has the right the populace holds to determine the country's future, their future, and the future of our progeny to come.

Recommendations can be made by individuals or groups of learned men, but in the end, it is the people who must decide, as it is they and they alone, who possess the authority to decide such matters of grave importance.

Gold and silver should be allowed to float according to free market principles. There is no need for coercive legal tender laws. Such is nothing more than the King's Prerogative, sentencing his subjects to a life of bondage and debt servitude.

The monopoly of the money power by a select group of elite bankers does not promote the general welfare – it promotes their welfare at the expense of others. The money power should reside with the people. We The People have the exclusive and sovereign right to possess the money power – not some group of bankers.

Legal tender is one of the enemies of honest money, as is fractional reserve banking and any type of market intervention. All three are directly opposed to the workings of a free market.

The U.S. Code on Legal Tender

The U.S. Code has the following to say on legal tender:

TITLE 31 > SUBTITLE IV > CHAPTER 51 > SUBCHAPTER I > § 5103 Legal Tender

“United States coins and currency (including Federal Reserve notes and circulating notes of Federal Reserve banks and national banks) are legal tender for all debts, public charges, taxes, and dues. Foreign gold or silver coins are not legal tender for debts.” ^[12]

Notice the U.S. Code states that Federal Reserve Notes are legal tender. However, Article I, Section 10, Clause 1 of the Constitution states:

“No State shall ... coin Money; emit Bills of Credit; make any Thing but gold and silver Coin a Tender in Payment of Debt.” ^[13]

A constitutional amendment has never been made to change Article I, Section 10, Clause 1, consequently, it still stands. Federal Reserve Notes are bills of credit that the Constitution prohibits; and clearly they are not gold and silver coin.

Recall that the Supreme Court has also ruled that all laws not in pursuance of the Constitution are null and void, as if they never occurred, and carry no legal binding authority.

This strongly suggests that section 5103 of the U.S. Code should be reviewed by Congress for possible conflicts diametrically opposed to the monetary system mandated by the Constitution.

Supreme Court on Legal Tender

Here is a ruling (1827) from the highest court in the land on the issue of legal tender, as mentioned in the U.S. Constitution (in part):

"It declares that 'no state shall coin money, emit bills of credit, make anything but gold and silver coin a tender in payment of debts.' These prohibitions, associated with the powers granted to Congress 'to coin money, and to regulate the value thereof, and of foreign coin' most obviously constitute members of the same family, being upon the same subject and governed by the same policy.

The prohibition in the constitution to make anything but gold or silver coin a tender in payment of debts is express and universal. The framers of the constitution regarded it as an evil to be repelled without modification; they have, therefore, left nothing to be inferred or deduced from construction on this subject...

The next in order is, or 'make anything but gold and silver a tender in payment of debts;' this is founded upon the same principles of public and national policy as the prohibition to coin money and emit bills of credit, and is so considered in the commentary on this clause in the number of the Federalist I have referred to. It is there said, the power to make anything but gold and silver a tender in payment of debts, is withdrawn from the states, on the same principles with that of issuing a paper currency. All these prohibitions, therefore, relate to powers of a public nature, and are general and universal in their application and inseparably connected with national policy...

The prohibition is not, that no state shall pass any law, but that even if a law does exist, the 'state shall not make anything but gold and silver coin a legal tender.' The language plainly imports that the prohibited tender shall not be made a legal tender, whether a law of the state exists or not. The whole subject of tender, except in gold and silver, is withdrawn from the states...

The second class of prohibited laws comprehends those whose operation consists in their action on individuals. These are laws which make anything but gold and silver coin a tender in payment of debts...

In all these cases, whether the thing prohibited be the exercise of mere political power, or legislative action on individuals, the prohibition is complete and total. There is no exception from it. Legislation of every description is comprehended within it." [14]

U.S. Code Revisited

The U.S. Code provides a list of all coins the Secretary of the Treasury can mint and issue:

TITLE 31 > SUBTITLE IV > CHAPTER 51 > SUBCHAPTER II > § 5112
Denominations, Specifications, and Design of Coins

(a) The Secretary of the Treasury may mint and issue only the following coins:

- (1)** A dollar coin that is 1.043 inches in diameter.
- (2)** A half dollar coin that is 1.205 inches in diameter and weighs 11.34 grams.
- (3)** A quarter dollar coin that is 0.955 inch in diameter and weighs 5.67 grams.
- (4)** A dime coin that is 0.705 inch in diameter and weighs 2.268 grams.
- (5)** A 5-cent coin that is 0.835 inch in diameter and weighs 5 grams.
- (6)** except as provided under subsection (c) of this section, a one-cent coin that is 0.75 inch in diameter and weighs 3.11 grams.
- (7)** A fifty dollar gold coin that is 32.7 millimeters in diameter, weighs 33.931 grams, and contains one troy ounce of fine gold.
- (8)** A twenty-five dollar gold coin that is 27.0 millimeters in diameter, weighs 16.966 grams, and contains one-half troy ounce of fine gold.
- (9)** A ten dollar gold coin that is 22.0 millimeters in diameter, weighs 8.483 grams, and contains one-fourth troy ounce of fine gold.
- (10)** A five dollar gold coin that is 16.5 millimeters in diameter, weighs 3.393 grams, and contains one-tenth troy ounce of fine gold.

(11) A \$50 gold coin that is of an appropriate size and thickness, as determined by the Secretary, weighs 1 ounce, and contains 99.99 percent pure gold.”^[15]

There are several inconsistencies in the above list of coins that the Secretary of the Treasury can mint and issue, versus the powers delegated in the Constitution and the Coinage Act of 1792. Three will be discussed.

1. According to the Constitution and the Coinage Act of 1792, the dollar was the unit of account of the United States. It was defined as silver coin that contained 371.25 grains of pure silver. The list above does not contain such a silver coin.
2. The dollar coin listed above is not a constitutional dollar, nor is it equal to the weight or value of a constitutional dollar, nor is it a U.S. silver dollar per the Coinage Act of 1792, nor is it equal to such by weight or value.
3. Notice the \$50 dollar gold coin that weighs one ounce, and contains 99.99 percent pure gold. This denomination goes directly to the difference between the economic and legal definitions of money.

Look closely at a newly minted United States Gold Eagle Coin. On the backside of the coin, at the bottom, is stamped: 1 OZ FINE GOLD – 50 DOLLARS.

The gold coin is accepted by the government in payment of taxes at the same value as fifty one dollar bills of credit or Federal Reserve Notes. This is according to the legal definition of money per the U.S. Code.

At the present time the same one ounce gold coin is selling in the market for approximately \$1050.00 dollar bills or Federal Reserve Notes. This is twenty times the *purported* legal tender value of the coin. This is according to the economic definition of money, and what is called fair market value.

Why is there such a huge difference between the legal tender value of a one ounce gold eagle (\$50) and the economic or market value of the same gold coin (\$1050) – the difference being 2000%?

Is such a discrepancy possible if an honest monetary system of gold and silver coin existed, without bills of credit? No, it is not. This is the evil the Framers speak of – the evil of paper money.

Paper money is a thief that comes in the night, under the cover of darkness, robbing the common man from his hard earned wages. It is the confiscation of wealth, more sinister than any overt tax, as it remains hidden from our sight.

Supreme Court Revisited

Thirteen years later in 1850, the Court heard another case reflecting on the use of gold and silver coin as legal tender according to the Constitution of the United States:

"They appertain rather to the execution of an important trust invested by the Constitution, and to the obligation to fulfill that trust on the part of the government, namely, the trust and the duty of creating and maintaining a uniform and pure metallic standard of value throughout the Union. The power of coining money and of regulating its value was delegated to Congress by the Constitution for the very purpose, as assigned by the framers of that instrument, of creating and preserving the uniformity and purity of such standard of value...

If the medium which the government was authorized to create and establish could immediately be expelled, and substituted by one it had neither created, estimated, nor authorized, one possessing no intrinsic value, then the power conferred by the Constitution would be useless, wholly fruitless of every end it was designed to accomplish. Whatever functions Congress are, by the Constitution, authorized to perform, they are, when the public good requires it, bound to perform; and on this principle, having emitted a circulating medium, a standard of value indispensable for the purposes of the community, and for the action of the government itself, they are accordingly authorized and bound in duty to prevent its debasement and expulsion, and the destruction of the general confidence and convenience, by the influx and substitution of a spurious coin in lieu of the constitutional currency.

Thus, from diverse pronouncements and opinions of the United States Supreme Court, a steady allegiance to the original and true intent of our founding fathers in reference to the monetary provisions of the U.S. Constitution can be discerned. In none of these various decisions is there any reference or allusion to any power of the States to enforce a tender in anything but gold and silver coin; further, there was no mention of any power in the federal government to permit, sanction or even compel the States to violate the constraint of Article 1, § 10, cl. 1 as such was an absolute and mandatory provision. Further, it was considered heresy to intimate any power in the federal government to issue any paper money. The adherence of the Supreme Court to the intent of the framers must surely have had a beneficial effect upon our nation.

Not only was the Supreme Court a guardian of the true intent of the framers during this period of time, the high courts of the various States of our Union were also as well. During the time prior to the Civil War, these state courts rendered opinions in many cases regarding the monetary provisions of the U.S. Constitution and all these decisions had one common theme: nothing but gold and silver coin could be a tender in payment of debts. Notwithstanding the imaginative schemes of men and governments calculated to find a way to circumvent Article 1, § 10, these state courts held fast and maintained their allegiance to the Constitution..." [16]

Nothing New

Legal tender was not a new idea in the 1700's. Throughout history it has been used by governments to control the money power. Many of the first states of the Union had legal tender laws prior to the Revolution.

The following quote exemplifies the use of tobacco, as the most commonly accepted means of legal tender, dating back to 1638.

"Between November and January there arrives in this Province Shipping to the number of twenty sail and upwards, all Merchant-men loaden with Commodities to Trafique and dispose of, trucking with the Planter for Silks, Hollands, Serges, and Broad-clothes, with other necessary Goods, priz'd at such and such rates as shall be judg'd on is fair and **legal**, for **Tobacco** at so much the pound, and advantage on both sides considered; the Planter for

his work, and the Merchant for adventuring himself and his Commodity into so far a Country: Thus is the Trade on both sides drove on with a fair and honest Decorum.”^[17]

Legal tender was all too familiar a subject with the Founding Fathers. The saying “not worth a continental” was still fresh in the public’s mind. Paper money was considered to be the kiss of death. James Madison had more than a few words to say on the issue:

“The extension of the prohibition to bills of credit must give pleasure to every citizen in proportion to his love of justice and his knowledge of the true springs of public prosperity. The loss which America has sustained since the peace, from the pestilent effects of paper money on the necessary confidence between man and man, on the industry and morals of the people, and on the character of republican government, constitutes an enormous debt against the States chargeable with this unadvised measure which must long remain unsatisfied, or rather an accumulation of guilt which can be expiated no otherwise than by a voluntary sacrifice on the altar of justice of the power which has been the instrument of it. In addition to these persuasive considerations, it may be observed that the same reasons which show the necessity of denying to the States the power of regulating coin prove with equal force that they ought not to be at liberty to substitute a paper medium in the place of coin. Had every State a right to regulate the value of its coin, there must be as many different currencies as States, and thus the intercourse among them would be impeded; retrospective alterations in its value might be made, and thus citizens of other States be injured, and animosities be kindled among the States themselves. The subjects of foreign powers might suffer from the same cause, and hence the Union be discredited and embroiled by the indiscretion of a single member. No one of these mischiefs is less incident to a power in the States to emit paper money than to coin gold or silver. The power to make anything but gold and silver a tender in payment of debts is withdrawn from the States on the same principle with that of issuing a paper currency.”^[18]

And in 1764 Britain presented the following document to the Virginia General Assembly, known as the Currency Act of 1764:

“WHEREAS great quantities of *paper bills of credit* have been created and issued in his Majesty's colonies or plantations in America, by virtue of acts, orders, resolutions, or votes of assembly, making and declaring such bills of credit to be legal tender in payment of money: and whereas such bills of credit have greatly depreciated in their value, by means whereof debts have been discharged with a much less value than was contracted for, to the great discouragement and prejudice of the trade and commerce of his Majesty's subjects, by occasioning confusion in dealings, and lessening credit in the said colonies or plantations: for remedy whereof, may it please your most excellent Majesty, that it may be enacted; and be it enacted by the King's most excellent majesty, by and with the advice and consent of the lords spiritual and temporal, and commons, in this present parliament assembled, and by the authority of the same, That from and after the first day of September, one thousand seven hundred and sixty four, no act, order, resolution, or vote of assembly, in any of his Majesty's colonies or plantations in America, shall be made, for creating or issuing any paper bills, or bills of credit of any kind or denomination whatsoever, declaring such paper bills, or bills of credit, to be *legal tender* in payment of any bargains, contracts, debts, dues, or demands whatsoever; and every clause or provision which shall hereafter be inserted in any act, order, resolution, or vote of assembly, contrary to this act, shall be null and void.” ^[19]

By Any Means

In 1793, France declared the punishment for failure to accept French paper money to be death via the guillotine. This is about as extreme as injustice can get: tyranny by legal tender laws forced upon an unwary host, legal plunder no different than war, the result no different than war – death.

Honest money does not accept legal tender laws – it has no need. Neither does it recognize any inherent difference between the legal definition of money and the economic definition. So ends chapter six. Next we will examine the public debt. Further along the payment of debt versus the discharge of debt will be considered.

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Notes:

- [1] Chapter Heading - Frederic Bastiat, The Law:
- [2] The Dialogues of Plato - Principles of Republic
- [3] Aristotle - Nicomachean Ethics, 1133A
- [4] U.S. Constitution
- [5] U.S. Constitution
- [6] Black's Law Dictionary
- [7] Constitution
- [8] U.S. Supreme Court - Wheaton at 288
- [9] Coinage Act of 1792
- [10] Black's Law Dictionary
- [11] Coinage Act of 1792
- [12] U.S. Constitution
- [13] U.S. Constitution
- [14] U.S. Supreme Court Ogden v. Saunders, 25 U.S. (12 Wheat.) 213 (1827)
- [15] U.S. Code
- [16] U.S. versus Marigold (1850), 50 U.S. (9 How.) 560, 567-68 (in part):
- [17] Character of the Province of Maryland by George Alsop (1638)
- [18] James Madison
- [19] Currency Act of 1764



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