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POLITICAL ROOTS OF THE MONETARY SYSTEM IN THE EUROPEAN UNION AND IN THE UNITED STATES OF AMERICA: THE EUROPEAN EURO VS THE U.S. DOLLAR

RAICES POLÍTICAS DEL SISTEMA MONETARIO EUROPEO Y DE ESTADOS UNIDOS DE AMERICA: EL EURO EUROPEO VS EL DÓLAR ESTADOUNIDENSE

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Abstract:
The year 1776 will be remembered for the birth of the United States of America and for the publication of "The Wealth of Nations" by Adam Smith. The United States had a British and French heritage, but a Spanish heritage as well. Until 1857 the United States used the monetary system of the Spanish empire, the "Real de a ocho" known as the "Spanish dollar". In Europe, 180 years later, another form of political, economic and monetary integration emerged. The European Communities were born out of old countries and the European integration emerged peacefully for the first time in its history. The European Union adopted the common currency, the Euro, which replaced the national currencies of the countries that belong to the Eurozone. The Euro was attacked by Euroskeptics and Americans that turned the dollar into the currency of the new world order. This article examines the political foundations of the American and the European Union monetary system. The euro evolved and defies the dollar. Facts mentioned in the article show the failure of some predictions against the Euro.

Keywords: Mexican-Spanish dollar, Coinage Acts, Federal Reserve System, Euro, European Monetary Union

Resumen:
El año 1776 será recordado por el nacimiento de Estados Unidos de América y por la publicación de "La riqueza de las naciones" de Adam Smith. Estados Unidos contaba con una herencia británica y francesa, pero también una herencia española. Hasta 1857 Estados Unidos utilizó el sistema monetario del imperio español, el "Real de a ocho" conocido como el "dólar español". En Europa, 180 años después, surgió otra forma de integración política, económica y monetaria. Las Comunidades Europeas nacieron de países antiguos y la integración europea surgió pacíficamente por primera vez en su historia. La Unión Europea adoptó la moneda común, el Euro, que reemplazó a las monedas nacionales de los países que pertenecen a la Eurozona. El euro fue atacado por euroescépticos y estadounidenses que convirtieron el dólar en la moneda del nuevo orden mundial. El artículo examina los fundamentos políticos del sistema monetario estadounidense y de la Unión Europea. El euro evolucionó y desafía al dólar. Los hechos mencionados en el artículo muestran el fracaso de algunas predicciones contra el Euro.

Palabras claves: Dólar hispano-mexicano, Proyectos de acuñación, Sistema de la Reserva Federal, Euro, Unión Monetaria Europea

Introduction

We often find academic literature that criticizes the foundation of the European Economic Community as part of the European integration since its origins, with the creation of a European Common Market in 1957, or the adoption of the Euro and the establishment of the Euro area from 1998 or, what it is more recent, both topics are criticized. There are many examples of this type of criticism from inside and outside Europe. The most notorious criticism came probably from Margaret Thatcher before, during and after she was Prime Minister of the United Kingdom.

Other worldwide well known academics focused most of their aggressive statements against the Euro mainly provided by two Nobel Prize in Economics, Milton Friedman who declared in 2003 that "I think within the next 10 to 15 years the Eurozone will split apart"1 and Joseph E. Stiglitz who wrote a book with a very expressive title pointing out that the Euro is a threat to European integration2.

The affirmations assuming the failure of the European integration and, particularly, the Euro area and the Euro as a single European currency ignore how the process of the European Union and the European Monetary System was set up. For this reason, it is convenient to compare this process with the one occurred in the United States of America during the establishment of its monetary system with the adoption of the dollar as the currency of the American Union. I believe that globalization has created a new monetary panorama in which the Euro, as the single European currency has emerged as a competitor to the US dollar that replaced the British Pound after World War II and it was adopted as a global currency and a reference for commercial transactions and to quote most prices of raw materials and commodities.

The criticisms are addressed in two directions, against the process of European integration and the system of centralization of certain European policies, on the one hand, and against the survival of the Euro, on the other. I must tackle both aspects focusing on the political origin of monetary policy. I will refer to the process of European integration and to the process of building the United States of America, from its independence from Great Britain as far as this process will inform about the monetary policy. The main topic of this work is the political roots of the origins of both currencies, the American Dollar and the Euro.

It is easy to check that the dollar was adopted in the United States as the only monetary unit of the new nation 663 years after the Mint was founded4, and only a true Central Banking System was established 1225 years after the mint of the new currency. On June 1st, 1998 the European Central Bank6 was established as the Central Bank for the Euro and

[1] Financial Times, June 6th, 2003.
[2] Joseph Stiglitz in his work "*The Euro. How a common currency Threatens the Future of Europe*" ironically dedicates his research "To the future of Europe and the European project on which it depends…"

[3] An Act Relating to Foreign Coins and to the Coinage of Cents at the Mint of the United States, February 21, 1857, Thirty-fourth Congress, Sess, III, CH. 50,55,56.
[4] United States Mint Coinage Act of 1792 of April 2, 1792, United States Congress.
[5] Federal Reserve Act, December 23, 1913.
[6] The European Central Bank (ECB) is one of the seven Institutions of the European Union listed in the Treaty of the European Union (TEU). Presently the Euro area includes 19 European Union Member States and other Member States will join as long as they met with the Convergence Criteria.

manages the monetary policy of the Euro area. On June 27th, 1998, the coins and notes of the Euro (€) came into circulation as a new European currency adopted as a common currency in most Member States of the European Union, which formed the Euro area, that is to say, 41 years after the signature of the Treaty of Rome.

To examine the monetary history of the United States and the European Union, I will mention the political thoughts and contributions of the "Founding Fathers of the United States" and the "Founding fathers of the European Union". The nationalism of Margaret Thatcher was not so different from the one of Alexander Hamilton in the United States when she accused the European Community saying that "…certain harmful feature and tendencies in the European Community started to become evident…" Thatcher focused her attacks mainly against the European Commission qualifying it as "… powerful Commission ambitious for power, an inclinations towards bureaucratic rather than market solutions to economic problems and the re-emergence of a Franco-German axis with its own cover federalist and protectionist agenda…"7 As far as the monopoly control of Franco-German interests and the super bureaucracy of the European Institutions Margaret Thatcher was right but this is not the topic under discussion here. Alexander Hamilton, one of the Founders of the United States and the Father of the Economy of the nation shared the same principles.

The Economic and Monetary Union process in Europe goes hand in hand with the European integration whose principles the founding fathers of the European Communities have transmitted to the politicians of the late twentieth century, such as Jacques Delors, François Mitterand and Helmut Kohl. During the Second Summit of the Organization for Security and Co-operation in Europe, the German Chancellor Helmut Kohl underlined that the German unification was a part of the European integration: "Today, we can note this with gratitude: without the foundation laid 15 years ago for a peaceful order encompassing the whole of Europe, it would not have been possible today to accomplish German unity and to restore the historical unity of our continent, as we are doing here in Paris."8 Kohl remarked in 1992 that "…in Germany the objective is to fulfill the second mandate in the tradition established by Konrad Adenauer and provided for in our Basic Law of 1949: the unification of Europe".

A monetary system for a new nation

We must remember that the United States, after the Declaration of Independence from Great Britain, on July 4th, 1776, had already a monetary scheme based on the Spanish monetary system, linked to the "*Real de a ocho*". The "*Real de a ocho"* was a Spanish silver coin worth eight "reales" minted in the Spanish Empire from 1598 and was on free circulation in the British colonies. In 1693 the Government of New York regulated the exchange rate of the "Spanish Piece of Eight" because it was the most widely used coin in the Colony of New York. *In 1728 was mint the new "Real de a ocho*" which soon became the most highly-prized currency in the world. In 1775, the "Spanish Dollar" was issued for the first time in the British colonies in America

[7] Thatcher, Margaret. *The Downing Street Years*, p. 727.

[8] Speech by German Chancellor Helmut Kohl to the Second Summit of CSCE Heads of State or Government Paris, 19-21 November 1990. Kohl stressed the compromise of federalism in his speech saying that "*The united Germany will combine its regained sovereignty with a modern conception of sovereignty: We are willing to transfer Germany's sovereign powers to the European Community*."

backed by the "*Spanish real de a ocho*". The currency of "8 *reales"* of the Spanish Empire was known by the Anglo-Saxons as "*Piece of Eight*".[9]

The "Spanish Dollar" or piece of "R*eal de a ocho*" of 1733 was coined in the "*Casa de Moneda*" (Mint) of Mexico and had a value of "8 *reales"* which was on free circulation in the English colonies of North America. In 1792 the first "all American Dollar" was mint with the pillars of Hercules and the legend of "Plus Ultra" on it which became then the symbol $. The "Silver Real" known as the "Spanish Piece of Eight" mint in the Spanish Empire[10] became the main currency in North America during more than 150 years and it was the model for the creation of the Dollar of the United States. In fact, the "Spanish Dollar" was the official currency of the country until 1857[11].

In the "*Thirteen Colonies of North America*" before its independence from the British Empire, there were other European currencies accepted for commercial purposes, such as the "Sterling pound", the French "*livre tournois*" or the "*Dutch gulden"*, but it was the "Spanish Dollar" that served as a reference to establish the US dollar as the official currency of the new nation[12]. On June 22nd 1775, the Congress "*Resolved, that a sum not exceeding two millions of Spanish mill'd dollars be emitted by the Congress in bills of credit for the defence of America. That the twelve confederated colonies be pledged for the redemption of the bills of credit now directed to be emitted for the defence of America*".[13] After the independence, on July 4th 1776, the conversion of the currency used in the Colonies with the "Spanish Dollar" was established on September 2nd.[14]

One of the greatest man and founding father of the United States was Alexander Hamilton. Due to his participation in the American Revolution he became a friend of George Washington and member of his first cabinet as the first Secretary of the Treasury of the United States. Hamilton was worried about the debt incurred by the States during the war and watched over the constitution of a strong centralized government with powers over all the States, with common taxes, a common currency and a National Bank with public framework but of private ownership and management. Hamilton is considered the father of the financial and monetary system of the United States, asides he founded the Bank of New York.

Alexander Hamilton had a positive vision of the economy and led most of the economic policy of Washington's government managing with intelligence the

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[9] Mexico began to coin the "*Real de a ocho"*, known as "*Pillar Dollar*" in 1773. Its minting was made in pieces of ½, 1, 2, 4 and 8 *reales*. Its value was established by its weight in silver, the 8-real coin, whose weight was one ounce. To facilitate the circulation of money this currency was cut into pieces so the currency of a Dollar was equivalent to 8 pieces for what it was called "*Piece of Eight*" and the currency of ¼ Dollar (a quarter) was equivalent to 2 pieces.

[10] In 1545 the silver mines were discovered at Potosi (Peru) and in 1546 new silver mines were found in Zacatecas (Mexico). In 1518 the silver mines of Joachimsthal were discovered in Bohemia, that it is the origin of thaler and subsequently of "dollar" due to a corrupted language.

[11] The "Spanish Dollar" was widely used in Europe, America, the Spanish Islands in the Pacific Ocean and the Far East. It was the first currency used worldwide until the end of 18th Century. Many countries created its own currencies based on the "Spanish Dollar" or the "*Real de a ocho*", such the "*Canadian Dollar"*, the "*Australian Dollar"*, the "*Yuang"* in China, the "*Yen"* in Japan, the "*Pesos*" of Latin-American countries and Philippines.

[12] The "Spanish Dollar" was the first worldwide currency and used by many countries countersigned so it was also used as their own currency.

[13] Resolution of the Continental Congress on June 22, 1775.

[14] Resolution of the Continental Congress issued in Philadelphia on February 17, 1776.

problem of the States' debts. Hamilton was familiar with the works of great philosophers and economists as Adam Smith who published his "*The Wealth of Nations*"[15] in 1776, the same year of the independence of the United States, but as Professor Douglass C. North wrote "*it would be a mistake to think of Alexander Hamilton as a disciple of Adam Smith*"[16].

His friendship with George Washington paved the way to become responsible for the establishment of the economic and monetary basis of the United States. This happened after contacting the national superintendent of finance in the Congress, Robert Morris, known as the "financier of the American Revolution" and founder of the "Bank of North America". Morris had declined the post of Secretary of the Treasury in the Cabinet of President Washington for personal interests[17]. George Washington[18] took office as the first president of the United States, in 1791, after the first elections and, according to the Constitution John Adams was appointed vice president.

In 1775, after the beginning of the war against England with the restrictions on exports due to the blockade of the British Navy, the rebels had to call for financial aid from the enemies of Great Britain and for internal loans as well. So-called "*continental*" securities were issued, which were subsequently suspended due to lack of credit, so they were later denominated in dollars expressed in their equivalence to the "*Real de a ocho*" or "Spanish Dollar", the currency of the Spanish empire worldwide used. At that time Hamilton was the assistant to Robert Morris and the Continental Congress decided to send John Jay to Spain, with a request for help to the United States. Jay presented the petition to the Spanish Secretary of State, José Moñino, Marquis of Floridablanca who promised him a sum equivalent to 40,000 Sterlings.[19]

Alexander Hamilton adopted important economic policy measures: The "*First Report Relative to a Provision for the Support of Public Credit"* was submitted to Congress on January 9th, 1790 which dealt with public finances with the promise that he would submit a plan for a national bank. The "*Second Report on the Further Provision Necessary for Establishing Public Credit" (Report on a National Bank)* of 13 December 1790 was approved by Congress in 1791, and a National Bank became a fact that Jefferson considered against the Constitution. Hamilton also submitted a "*Report on the Establishment of a Mint"* on January 28th, 1791 because he was persuaded of the need of a national currency after a discussion about several points: "*the nature of the money unit of the United States, the proportion between gold and silver; if coins of both metals are to be established, the proportion and composition of alloy in each kind, the expence of coinage shall be defrayed by the Government, or out of the material, the number, denominations, sizes, and devices of the Coins, foreign*

[15] The full title of Smith's work is "*An Inquiry into the Nature and Causes of the Wealth of Nations*".
[16] North, Douglass C. "*Growth and Welfare in the American Past*", p. 57.
[17] Robert Morris (Liverpool 1734-Philadelphia 1806), immigrated to the United States in 1747 and was a Senator from Pennsylvania. He was appointed national superintendent of finance during 1781-1784. He is one of the signers of the Constitution of the United States.
[18] George Washington (1732-1799), federalist, was the first president of the United States in 1789-1797. In 1792 he was reelected to a second term. Among the main highlights of his presidency were the "Bank Act" that established a nationwide bank system and the "Coinage Act" that gave the government power to mint coins.
[19] Some authors remark that the British currency was one of the currencies used in the colonies. Hargreaves-Mawdslay, W.N. "*Eighteenth-Century Spain 1700–1788: A Political, Diplomatic and Institutional History"*, p.135.

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Art. **150**

Coins shall be permitted to be current or not; if the former, at what rate and for what period. " As Hamilton stated in the final version of his Report, the model of the "*Spanish Real de a ocho"*, "the Spanish Dollar" had advantages over other foreign currencies:

> "*A prerequisite to determining, with propriety, what ought to be the money unit of the United States... The manner of adjusting foreign exchanges would seem to indicate the Dollar as best entitled to that Character. In these the old piastre of Spain; or Old Seville piece of eight Rials of the value of four shillings and sixpence sterling is evidently contemplated."*[20]

There were huge differences between Hamilton and Madison on the occasion of the Second Report for the founding of a federal central bank, opposition that Thomas Jefferson supported. Jefferson was Secretary of State and argued that the Constitution had not foreseen the constitution of a Central Bank In the "*Second Report on the Further Provision Necessary for Establishing Public Credit" (Report on a National Bank)* of 13 December 1790, Hamilton stated great importance of a National Bank in the United States:

> *"That a National Bank is an Institution of primary importance to the prosperous administration of the Finances, and would be of the greatest utility in the operations connected with the support of the Public Credit, his attention has been drawn to devising the plan of such an institution, upon a scale, which will intitle it to the confidence, and be likely to render it equal to the exigencies of the Public."*

The Report on a National Bank is a magnificent exhibition of knowledge about the financial and banking system. Hamilton widely demonstrates that he deserves the just title of being the father of the economy of the United States for his contributions and vision of future, although some of his projects have not survived. He explained his idea about the National Bank and the existing banking system in the United States[21]:

> "*It is a fact well understood, that public Banks have found admission and patronage among the principal and most enlightened commercial nations. They have successively obtained in Italy, Germany, Holland, England and France, as well as in the United States".*

Hamilton refers to the following advantages to set up a National Bank:

First. The augmentation of the active or productive capital of a country. Gold and Silver, when they are employed merely as the instruments of exchange and alienation, have been not improperly denominated dead Stock... Secondly. Greater facility to the Government in obtaining pecuniary aids, especially in sudden

[20] Final Version of the Report on the Establishment of a Mint, Philadelphia, January 28th, 1791, Founders Archives.

[21] The Report states the existing map of the banking system of the United States and the structure of the National Bank as it follows:

"There are at present three banks in the United States. That of North America, established in the city of Philadelphia; that of New York, established in the city of New York; that of Massachusetts, established in the city of Boston. Of these three, the first is the only one, which has at any time had a direct relation to the Government of the United States., "Final Version of the Second Report on the Further Provision Necessary for Establishing Public Credit (Report on a National Bank)", Treasury Department, December 13th, 1790.

emergencies… Thirdly. The facilitating of the payment of taxes….”

The report of Hamilton "*For the Bank*", of February of 1791, was a demolishing plea in favor of a national Bank and convinced George Washington against the arguments of his opponents, especially the Secretary of the War, Henry Knox, and the Secretary of Justice, Edmund Randolph, besides the traditional opposition of the Secretary of State, Thomas Jefferson.

President Thomas Jefferson[22] proposed to adopt the Spanish dollar standard for the currency of the United States in his “*Report to Congress”* in 1784. In the “*Notes on the establishment of a Money Unit, and of a Coinage for the United States”* the necessary conditions to adopt a currency unit for the United States and his choice are stated:

> *“In fixing the Unit of money, these circumstances are of principal importance.*
>
> *I. That it be of convenient size to be applied as a measure to the common money transactions of life.*
>
> *II. That it’s parts and multiples be in an easy proportion to each other, so as to facilitate the money arithmetic.*
>
> *III. That the Unit and it’s parts, or divisions be so nearly of the value of some of the known coins as that they may be of easy adoption for the people.*
>
> *The Spanish Dollar seems to fulfil all these conditions”.*[23]

Jefferson calls for the need to use the decimal system for the “Spanish Dollar” topic on which he agrees with Hamilton and both shared the opinion that the United States might adopt a decimal coinage and standardization of weighs and measures being the first country to adopt it in the world[24]. The “*Note on Coinage*” of Jefferson still stressed that the “Spanish Dollar” might be adopted because it is already “*a known coin, and the most familiar of all to the minds of the people*”[25]

By the “*Coinage Act*” of April 2, 1792 the Government gave power to mint coins and a Mint was established “*for the purpose of national coinage*”[26] and was

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[22] Thomas Jefferson (1743-1826), a Democratic-Republican, was the third president of the United States in 1801-1809. In 1804 he was reelected to a second term and the Louisiana Territory was purchased from France.

[23] The Note explains the choice with these arguments:
I. Taking into our view all money transactions, great and small, I question if a common measure of more convenient size than the Dollar could be proposed… II… If we adopt the Dollar for our Unit, we should strike four coins, one of gold, two of silver, and one of copper, … *III. The third condition required is that the Unit, it’s multiples, and subdivisions coincide in value with some of the known coins so nearly, that the people may, by a quick reference in the mind, estimate their value.* Founders Archives, Notes on Coinage, March–May 1784.

[24] Alexander Hamilton wrote to Jefferson a letter to celebrate the idea: *New York, June 16,1790*: *‘Mr Hamilton presents his Compliments to Mr. Jefferson. He has perused with much satisfaction the draft of his report on the subject of weights and measures…. The idea of a general standard among nations … seems full of convenience & order’.*Founders Online, https://founders.archives.gov/documents/Hamilton

[25] The exact declaration of Jefferson is” *The Unit or Dollar is a known coin, and the most familiar of all to the minds of the people. It is already adopted from South to North; has identified our currency, and therefore happily offers itself as an Unit already introduced. Our public debt, our requisitions, and their apportionments have given it actual and long possession of the place of Unit.* “*Jefferson’s Notes on Coinage, Editorial Note”.*

[26] The Act declared “*SEC 1* Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, and it is hereby enacted and declared, *That a Mint for the purpose of a national coinage be, and the same is established; to be situated and carried on at the seat of the Government of the United States, for the*

regulated the legal coins in the United States, whose denomination remembers the Spanish system of the "Real", "*to struck and coined at the said mint***,** *coins of gold, silver, and copper*."[27] The "*Coinage Act*" established the denominations, values and its contain in gold for the *Eagles, Half eagles and Quarter Eagles*, in silver for *Dollars*, *Half Dollars, Quarter Dollars, Dismes, Half Disme*, and in copper for *Cents* and *Half Cents*. For the first time in the world a country adopted the decimal system for its currencies.

From 1793 an "*Act regulating foreign Coins, and for other purposes*" was adopted to "*foreign gold and silver coins shall pass current as money within the United States, and be a legal tender for the payment of all debts and demands, at the several and respective rates following, and not otherwise, viz. : The old coins of Great Britain and Portugal, of their present standard, at the rate of …; the gold coins of France, Spain and the dominions of Spain, of their present standard, at the rate of … Spanish milled dollars, at the rate of one hundred cents for each dollar, … Crowns of France, at the rate of one hundred and ten cents for each crown,…"*[28] In the following years new Acts regulating foreign coins were adopted until the new monetary system was in force from 1857 onwards when the "United States Dollar" was the only one currency of the country as agreed.

The 14th president of the United States, Franklin Pierce,[29] appointed James Guthrie as Secretary of Treasury in 1853 to reform the Treasure where corruption was frequent and to put an end to depositing Government funds in private banks violating the law. The monetary reform introduced by the "*Coinage Act*" of 1857[30] meant the monetary union of the United States but not in the form we presently know. The Act referring to the valuation of the "Spanish Dollar" says:

"Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That the pieces commonly known as the quarter, eighth, and sixteenth of the Spanish pillar dollar, and for the Mexican dollar, shall be receivable at the Treasury of the United States,…"

Asides, the Act put an end to the use of foreign currencies as means of payments that were recoined by the Mint of the United States:

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time being". "*An Act establishing a Mint, and regulating the Coins of the United States*", Second Congress, Sess. I, CH. 14, 15, 16. April 2, 1792, p. 246.

[27] In the SEC. 9 of the Coinage Act it is established: *"*And be it further enacted, *That there shall be from time to time struck and coined at the said mint, coins of gold, silver, and copper, of the following denominations, values and descriptions, viz: Eagles, each to be of the value of ten dollars or units…; Half eagles, each to be of the value of five dollars…; Quarter Eagles, each to be of the value of two dollars and a half dollar…; Dollars or Units, each to be of the value of a Spanish milled dollar as the same is now current, and to contain three hundred and seventy-one grains and four sixteenth parts of a grain of pure, or four hundred and sixteen grains of standard silver; Half Dollars, each to be of half the value of the dollar or unit; Quarter Dollars, each to be of one fourth the value of the dollar or unit; Dismes, each to be of the value of one tenth of a dollar or unit; Half Dismes, each to be of the value of one twentieth of a dollar, Cents, each to be of the value of the one hundredth part of a dollar, and to contain eleven penny-weights of copper and Half Cents, each to be of the value of half a cent"*. Ibidem p.248.

[28] Second Congress. Sess. II. Ch. 5. 1793, "*Acts of the Second Congress of the United States"*, p. 300.

[29] Franklin Pierce (1804-1869), Democrat, was the 14th president of the United States from March, 4th, 1853 to March 4th, 1857.

[30] "*An Act relating to Foreign Coins and to the Coinage of Cents at the Mint of the United States*", February 21, 1857, Thirty- Fourth Congress. Sess., III. Ch, 56, 57, 1857. A Century of Lawmaking for the New Nation: U.S. Congressional Documents and Debates, 1774-1875, p. 163-164.

"SEC. 2 And be it further enacted, That the said coins, when so received, shall not again be paid out, or put in circulation, but shall be recoined at the mint …"

"SEC. 3 And be it further enacted, That all former acts authorizing the currency of foreign gold or silver coins, and declaring the same as legal tender in payment for debts are hereby repealed …"

The financial and banking system of the new nation suffered from the beginning a great number of economic crisis and panics. One of the first challenges for Hamilton happened when speculation in government securities and bank stock happened in August 1791. In December 1790, Alexander Hamilton had proposed the creation of the "*Bank of the United States*" and President George Washington signed the charter for the opening of the bank. The financial "Panic of 1792" occurred during March and April 1792 aggravated by the expansion of credit of the "*Bank of the United States*" and the speculative wave. Hamilton was affected by the fact that William Duer, his friend and former assistant in the Treasury, was the most important of the speculators.

In 1815, during the presidency of James Madison[31], a wide reorganization of the National Bank was introduced and Andrew Jackson[32], the 7th president of the United States, removed government funds from the Bank of the United States in 1833. The "Second Bank of the United States" was chartered in Philadelphia from 1816[33]. But in 1819 the worst financial crisis burst out in the United States which provoked a collapse of the whole economy. The inflationary practices of the "Second Bank of the United States" played an important role in the Panic of 1819. In 1836 President Andrew Jackson allowed the expiration of the charter of the Second Bank of the United States, so the nation remained without any Central Bank. During the government of Martin Van Buren[34], on May 10th, 1837 banks closed in New York and Philadelphia because of the panic due to the speculation on lands and a huge inflation rate followed by a long lasting economic depression until 1841. Congress eliminated an independent Treasury to hold federal funds. The Treasure was abolished in 1841 and restored in 1846, during the Administration of James Knox Polk[35].

The "Panic of 1857" happened during the presidency of James Buchanan[36], due to the financial crisis that was the first worldwide economic crisis that lasted until the end of the Civil War. The American Union was on *economic stand by* during the Secession War (1861-

[31] James Madison (1751-1836), Democratic-Republican, was the 4th president in 1809-1817. He was reelected in 1812 and introduced important reforms including the National Bank and infrastructures.

[32] Andrew Jackson (1767-1845), Democrat, was president in 1829-1837. In 1832 he was reelected for a second term and sent the federal troops to South Carolina whose State's government had nullified federal tariffs.

[33] The Second Bank of the United States was created according to the model of Hamilton's First Bank of the United States and was chartered by President James Madison in 1816. Andrew Jackson refused recharter the Bank and became a private corporation in 1836 which was liquidated in 1841. In its origin it was established as a private corporation with public duties according to Hamilton's philosophy.

[34] Martin Van Buren (1782-1862), Democrat, was the 8th president of the United States in 1837-1841. To preserve federal funds from private banks bankruptcy he abolished the Treasury in 1841.

[35] James Knox Polk (1795-1849), Democrat, was the 11th president of the United States in 1845-1849. During his presidency a bill was approved setting new tariffs and he restored the Federal treasury.

[36] James Buchanan (1791-1868), Democrat, was president in 1857-1861. During his presidency seven Southern States of the United States founded the Confederacy on February, 4th, 1861.

1865). Although the 1873 Panic had also an origin in the Austro-Hungarian Empire, the over heated sector of reconstruction in the United States after the Civil War developed its own panic; this crisis lasted until 1879 and the Congress of the United States passed the "*Coinage Act of 1873*" that forced the United States to swift from silver to gold standard. The new economic crisis arrived with the "Panic of 1893", while president Grover Cleveland[37] was in office and the ceisis caused stock prices to fall and more than 500 banks closed until 1897.

New economic crisis happened in the United States by the end of the 19th Century and the beginning of the 20th. The "Panic of 1896" was not as serious as other previous economic crisis whose origin was the drop of silver reserves that provoked lows in stock prices and the failure of the "*National Bank of Illinois*", in Chicago. This situation was faced in the presidential elections of 1896 by supporters of the gold standard, like the Republican William MacKinley, with supporters of the silver standard as the Democrat Williams Jennings Bryan. The 20th Century begun with MacKinley[38] as President and a new economic crisis, known as "Panic of 1901", arrived which was the first stock market crash in the New York Stock Exchange. This was due to the control of the Northern Pacific Railway and the interests of William Rockefeller, with his "Standard Oil Company" which financed his also "First National City Bank", and J. P. Morgan among other speculators. The second most important economic crisis before the Federal Reserve System was adopted, was the "Panic of 1907" with an important drop in stocks prices on the New York Stock Exchange and that caused the bankruptcy of thousands of banks and enterprises. This crisis was known as the "Bankers' Panic" and occurs when Theodore Roosevelt[39] was president after the assassination of MacKinley on September 14th, 1901.

After so many economic panics due to frequent banking and financial crisis and speculations the "*Federal Reserve System"* of the United States was established as the Central banking system on December 23rd, 1913. This government control of the monetary system in the United States was the plan that came from the "*National Monetary Commission"* which submitted its report to Congress that passed the "*Federal Reserve Act*" and President Woodrow Wilson[40] decided, on December 23, the "*Federal Reserve Bill*" became law immediately. Some of the most important bankers and financiers who were involved in recent financial episodes of the United States crisis took important responsibilities within the Federal Reserve such as Morgan's Deputy Benjamin Strong who became president of the Federal Reserve

[37] Grover Cleveland (1837-1908), Democrat, was the 22nd and 24th president of the United States in 1885-1889 and 1893-1897. The financial Panic of 1893 provoked a huge four years depression with political and social unrest due to a wide unemployment across the country. Cleveland called out the troops to fight strikes in Chicago and put some public services under military control.

[38] William McKinley (1843-1901), Republican, was the 25th president of the United States and died after being shot at the Pan-American Exposition, a World Fair held in Buffalo, New York. He declared war on Spain on April 25th, 1898 to annexed Cuba, Puerto Rico, Philippines and other Spanish territories in the Pacific Ocean and the United States became a world power.

[39] Theodore Roosevelt (1858-1919), Republican, was president of the United States in 1901-1909. During his presidency the Department of Commerce and Labor was established. In 1907 the Panic of 1907 burst that provoked a financial crisis and economic depression.

[40] Thomas Woodrow Wilson (1856-1924), Democrat, was president in 1913-1921. During his presidency the Federal Reserve Bill was approved as well as the Clayton Antitrust Bill and the Federal Trade Bill.

Bank of New York, with Charles Hamlin[41] being the first chairman of the Federal Reserve.

Political origins of the Economic and Monetary Union in Europe

Under the instigation of the French deputy for the Haute-Loire Department Philibert Besson, in 1928, the French politician and businessman Joseph Archer, a European federalist as well, minted the currency "Europa" with the motto "*États Fédérés d'Europe*". Of course this coin was minted for internal purposes of federalist supporters and it never circulated. In 1728, Abbot Charles de Saint-Pierre[42] put forward a plan for the foundation of a European League of sovereign States with no borders but with a common Treasury forming an economic union. Several other projects arose during the 19th Century from great European thinkers but all of them focused its ideas on partial aspects for a peaceful unification of Europe. The contribution of the Polish writer Theodore de Korwin Szymanowsky[43] focused his project of Europe in his masterpiece "*L'Avenir économique, politique et social en Europe"* taking into account the parliamentary, economic, and monetary framework. He planned a unified Europe with a custom union, a central statistical office, a central bank and a single currency. The same year of the publication of Korwin Szymanowsky's work, in 1888, Jean Monnet[44] was born in France who is considered the Father of the ongoing European integration.

A great number of statesmen and intellectuals put forward the dream of a united Europe, mainly Richard Nikolaus de Coudenhove-Kalergi[45] and Aristide Briand. Also Winston Churchill shared his vision of a United States of Europe in his speech at the University of Zurich in 1946. Asides the official "fathers of the European integration" many others after them played important roles as Altiero Spinelli and Alcide de Gasperi but also the first president of the European Commission Jacques Delors, who made possible the enlargement of the Union Eastwards.

Jean Monnet stated on the first page of his "*Memoirs"* that "*We are not forming coalitions between States but union among people*". It was his choice for a Europe with freedom and prosperity taking into account the aftermath of the Second World War. His plan was founded in several stages: in 1951 the Coal and Steel Community, and in 1957 the European Economic Community and the Euratom were created. In 1940, being in exile in London, Monnet drafted the Franco-British Union although it had a short life due to the warlike circumstances[46].

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[41] Charles Hamlin was the Assistant Secretary of the Treasury from 1893 to 1897 and from 1913 to 1914.

[42] Charles-Irénée Castel, Abbé de Saint Pierre (1658-1743) was one of the first dreamers who proposed a European Union founded on independent States. His ideas had a great influence on Rousseau and Kant and were important to establish the League of Nations.

[43] Theodore de Korwin Szymanowsky (1846-1901) was a nobleman, writer, political and economic thinker. His masterpiece "L'Avenir économique, politique et social en Europe" published in French in Paris in 1888 marked a milestone in the literature on European unification.

[44] Jean Omer Marie Gabriel Monnet (1888-1979) was a French politician and diplomat. Monnet was sent to the United States and became advisor of Roosevelt. After the war he drafted the "Monnet Plan" and "the May 9th, 1950 Schumann's Declaration" which gave birth to the European Coal and Steel Community with the agreement of German Chancellor Adenauer and other European Statesmen.

[45] Richard Nikolaus Eijiro, Count of Coudenhove-Kalergi (1894-1972) was an Austrian-Japanese intellectual and philosopher who encourage the idea of the peaceful European integration.

[46] On June 16th, 1940, a meeting was held with Churchill, Lord Halifax and Robert Vansittart,

When the war was over, in 1945, Monnet was commissioned by De Gaulle to organize a Plan of modernization for France, based on a concerted agreement between the authorities, businessmen and social forces. He became General Commissioner of the Plan. In 1948 the Statesman Robert Schumann[47], born in Luxembourg, became minister of Foreign Affairs of France and co-operated with Jean Monnet in solving the status of Germany and the following so called "Plan Schumann" as a permanent solution that put an end to the wars between France and Germany. This Plan, published on 9 May 1950, proposed joint control of the coal and steel production, fundamental for the war industry and joint control over these industries would prevent new wars. The ministry informed the German chancellor Konrad Adenauer[48] who predicted the Plan as an opportunity for the future of peaceful relations between both countries and the whole Europe. Adenauer commissioned Walter Hallstein[49] to the "Schumann Plan" where he met Jean Monnet.

The governments of Italy, Belgium, Luxembourg and the Netherlands also joined the Plan and the Treaty of Paris was signed on April 18, 1951 establishing a *European Coal and Steel Community* (ECSC) for a period of 50 years. The "Schumann Plan" had a political framework because its members renounced to part of their national sovereignty making reconciliation possible between Germany and other European countries. Schuman supported Jean Monnet's project of a common European defense policy which led to the European Defence Community (EDC) whose Treaty was signed on 27 May 1952 but the French National Assembly did not ratify it and was rejected on August 30th, 1954. Ludwig Erhard feared the custom union as a mean of protectionism.

Jean Monnet stressed the European integration as the only choice for European States to face the challenges of the new political and economic order set up by the two powers, the United States and the Soviet Union: "…The nations of Europe are too small …Prosperity and vital social progress will remain elusive until the nations of Europe form a federation or a 'European entity' which will forge them into a single economic unit". Monnet lay down this idea in Algiers on August 5th, 1943. With the cooperation of Paul-Henri Spaak,[50] Johan W. Beyen[51] drafted a

Under-Secretary for Foreign Affairs, from the British side and the French Ambassador Corbin, the member of *Free France* René Pleven, Jean Monnet and Charles de Gaulle from the French side. Jenkins, Roy. "*Churchill*", p. 689.

47 Jean-Baptiste Nicolas Robert Schuman (1886-1963) was born in Luxembourg. He was a Christian Democrat politician who was member of Petain's government. Schumann was a founder father of the European Communities, the Council of Europe and NATO. He held the post of President of the European Parliament between 1958 and 1960.

48 Konrad Hermann Joseph Adenauer (1876-1967) was the first Chancellor of the Federal Republic of Germany in 1949-1963 and resumed close relations with France, the United Kingdom and the United States. His solid understanding with Charles de Gaulle made possible the European Communities.

49 Walter Hallstein (1901-1982) was a German academic, diplomat and politician and founding fathers of the European Union. He played a key role in European integration but he fought the ideas of Ludwig Erhard, the German Economic minister. He became the first president of the Commission of the European Economic Community from 1958 to 1967.

50 Paul-Henri Charles Spaak (1899 – 311972) was a Belgian politician considered one of the founding fathers of the European Union. Spaak negotiated the Benelux agreement in 1944 and was the first President of the Consultative Assembly of the Council of Europe in 1949-1950 and the first President of the European Coal and Steel Community in 1952 and 1954. In 1955, he chaired the Spaak Committee and played an important role to prepare the Treaty of Rome.

51 Johan Willem Beyen (1897-1976) was one of the founders father of the European Union. He played

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project in the field of nuclear energy and set up the foundations for a European common market with free movement of people, goods and capital. The Treaty of Rome was signed on March 25th, 1957 establishing the *European Economic Community* and the *Euratom*. Monnet left the presidency of the High Authority of the ECSC and established the *Action Committee for the United States of Europe* which will also participate in the organization of the Economic and Monetary Union.

The Treaty establishing the European Economic Community, in its Title II "Economic policy", suggests the coordination of economic policies to ensure the equilibrium of the balance of payments of Member States in order to keep the confidence in its currency and to fulfil its commitments with the objectives of the EEC,. To achieve this target, article 105.2 declared that "*in order to promote coordination of the policies of Member States in the monetary field to the full extent needed for the functioning of the common market, a Monetary Committee with advisory status is hereby set up*". Even if the Treaty does not refer explicitly to an Economic and Monetary Union, it already considers a monetary cooperation in order to meet with the targets of the common market.[52] This is the origin of the Monetary Committee.

In the meantime the United Kingdom and other six European countries were working to set up a European Free Trade Association (EFTA) whose constitution was signed in January 1960. Hallstein was a solid supporter of a federal Europe but he knew that there were still important open topics to achieve a federation in the sense of the United States of Europe. This federal vision of Europe clashed with De Gaulle's policy of a "Europe of nations". European integration is a process and the Treaty of Rome itself is a "basic agreement" that needs continuous development. It is a journey with several stations, from the Customs Union to set up the Common Market, to the Economic and Monetary Union and, finally, the Political Union with a great transfer of sovereignty from Member States.

In 1980, Professor Juergen B. Donges wrote in an article that "a customs union can benefit greatly from the existence of a monetary union, as it happens with the monetary union that actually exists between the regions of a nation".[53] As Professor Donges emphasizes, the "Werner Plan" designed the guidelines to carry out this process throughout the decade of the seventies, but the monetary crises prevented its application. The European Commission established the so called "monetary snake system" whose failure led to the European Monetary System (SME), which was not a monetary union but it was very similar to the monetary system of Bretton Wood, as Donges highlighted.

Hallstein as President of the European Commission scheduled a project for an economic and monetary union that

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an important role during the Bretton Woods conference in 1944 that laid for the World Bank and the International Monetary Fund.. On April 4th, 1955 he drafted a memorandum that sent to Paul-Henri Spaak and Joseph Bech where he proposed a customs union. His idea supported by France, Germany and Italy lead to the Treaty of Rome in 1957.

52 The Treaty refers to the Monetary Committee as a consultation body to provide the right assistance needed by a Member State, as it stated under article 108, and also suggests "to take the necessary protective measures" in case of sudden crisis in the balance of payments.

53 Donges, Juergen B. "*Las Comunidades Europeas: aspectos económicos*", p. 79. I thank Professor Juergen B. Donges for his opinions on this topic during our contacts and help.

was presented to the European Parliament in October 1962. De Gaulle accused Hallstein of turning the European Economic Community in a "*technocratic super state, a stateless and unaccountable*"[54]. His vision of the European integration involved not only free movements of people, services and capital but common tax policy, common budget and a common currency. Walter Hallstein was very keen in the history of the United States after its independence in 1776 and the ratification of the Constitution in 1788 and he concluded that Europe should learn from their mistakes when each of the Thirteen States defended its own sovereignty.

The Franco-German statesmen were the most actives in the European integration and the set up of the monetary union. Chancellor Helmut Schmidt and President Valéry Giscard d'Estaing succeed to sign the agreement for a European Monetary System (EMS) and on March 13th, 1978 the European Currency Unit (ECU) was born. The perspective of Jean Monnet was continued by Jacques Delors[55] in 1985 as President of the European Commission after being elected chairman of the Economic and Monetary Commission at the European Parliament in 1979. Jacques Delors was the president of the European Commission from January 1985 to December 1994, being the biggest driver of European construction ever. After the achievement on the completion of the internal market at the Milan European Council on June 29th, 1985, Delors chaired the so called "Committee Delors" with the aim to produce a report on the Economic and Monetary Union according to the Maastricht Treaty and to reach an agreement to establish a common European currency to put into circulation shortly. The governors or presidents of Central Banks of Member States will be part of the Committee where the President of the German Bundesbank laid the condition for the creation of a European Central Bank to be independent from the political influence of the Member States.

In 1988, after Jacques Delors' address to the British Trade Union Congress, Margaret Thatcher answered him with the Speech to the College of Europe ("The Bruges Speech") making several historical statements including some contradictory arguments with British Government behaviour and a lack of future vision on Europe[56]. The "Delors Report" was presented on 12 April 1989 and its conclusions adopted the title of "Economic and Monetary Union" (EMU) that reminds the Werner Plan of 1970, including three conditions: the irreversible convertibility of national currencies, the complete liberalization of capital movements and the establishment of fixed parities between European currencies. The "Delors Report" proposes a three-step process: The

[54] Press conference delivered by De Gaulle at the Elysée Palace on September 9th, 1955.

[55] Jacques Lucien Jean Delors (1925-) is a French politician who was Member of the European Parliament in 1979-1981 becoming chairman of the Committee on Economic and Monetary Affairs. He served as Economic and Finances Minister in France in 1981-1984 in the government of François Mitterand. Delors became President of the European Commission in January 1985 where he remained until December 1994.

[56] Margaret Thatcher underlined among other ideas that "*Britain does not dream of some cosy, isolated existence on the fringes of the European Community. Our destiny is in Europe, as part of the Community*"… "*The European Community is a practical means by which Europe can ensure the future prosperity and security of its people in a world in which there are many other powerful nations and groups of nations*"… "*My first guiding principle is this: willing and active cooperation between independent sovereign states is the best way to build a successful European Community*"… "*Some of the founding fathers of the Community thought that the United States of America might be its model*" … "*But the whole history of America is quite different from Europe*". Margaret Thatcher, Speech to the College of Europe, Bruges Belfrey, September 20th, 1988.

completion of the single market, with the coordination of economic and monetary policies and the agreement of the exchange rate of currencies within the mechanism of the European Monetary System (EMS); in a second step, to set up a European System of Central Banks (ESCB); and finally to delegate a economic and monetary sovereignty to the institutions of the European Union to establish a common currency replacing the national currencies.

Without the "German engine" the European Monetary Union would not have been possible. We must thank the work of Hans-Dietrich Genscher, strong supporter of the Monetary Union, and the president of the Bundesbank, Hans Tietmeyer, at the time of the birth of the Euro. Mitterand and Kohl agreed to the birth of the Monetary Union and the Euro with the approval of the Bundesbank, which would not become the European Central Bank, on duty to fight one of Germany's greatest fears: inflation. In return, the reunification of the German Democratic Republic with the Federal Republic of Germany was the prize to be paid.

The establishment of the Economic and Monetary Union was designed by mutual agreement between the German Chancellor, Helmut Kohl, the French President, François Mitterrand and the European Commission, at that time presided by the Frenchman Jacques Delors. During the Second Summit of the Conference on Security and Cooperation in Europe held in Paris, in November 1990, the Chancellor Kohl declared that "*The European Community must evolve into a large single market, into an economic and monetary union and into a political union. It must at the same time perform its function as nucleus of a pan-European economic area that is open to the reformist countries, too.*"[57]. The Treaty on European Union, signed in Maastricht on February 7, 1992, gave the final impetus to the development of the Economic and Monetary Union and the adoption of the Euro as the common European currency. The wording of Article B of the Treaty emphasizes that the European Union will be achieved setting objectives, inter alia "*to promote economic and social progress which is balanced and sustainable, in particular through the creation of an area without internal frontiers, through the strengthening of economic and social cohesion and through the establishment of economic and monetary union, ultimately including a single currency in accordance with the provisions of this Treaty*".[58]

The Treaty in its Title II "Provisions amending the Treaty establishing the European Economic Community with a view to establishing the European Community" introduced fundamental innovations among them, it was agreed to replace the original name "*European Economic Community*" by the "*European Community*" and the reinforcement of the traditional principles existing in the original Treaties. [59] The Treaty of Maastricht amended the Treaty establishing the European Economic Community including clear references to the "*establishing a common market and an economic and monetary union and by implementing the common policies*". The Article 2 has changed its wording to underline that the Economic and Monetary Union will go along with ·"*a harmonious and balanced development of economic activities, sustainable and non-inflationary growth respecting the environment, a high degree of convergence of economic*

[57] Speech by German Chancellor Helmut Kohl to the Second Summit of CSCE Heads of State or Government Paris, 19-21 November 1990.
[58] Treaty on European Union, Title I, "Common provisions", Article B, p. 7
[59] TEU Article G-A (1)

performance…”[60]. The Treaty underlined the conditions for the establishment of the economic and monetary union and the single currency.”[61]

The establishment of a European Central Bank is provided in Article 4a as a part of the European System of Central Banks:

> *“A European System of Central Banks (hereinafter referred to as "ESCB') and a European Central Bank (hereinafter referred to as "ECB") shall be established in accordance with the procedures laid down in this Treaty; they shall act within the limits of powers conferred upon them by this Treaty and by the Statute of the ESCB and of the ECB (hereinafter referred to as "Statute of the ESCB') annexed thereto”*[62].

The Jacques Delors Institute organized a debate on "The euro as a lever for European integration", held on December 9, 2017, in Paris, where François Villeroy de Galhau, Governor of the Banque de France, recalled the positive balance of the euro, although some macroeconomic expectations based on the common currency did not materialize[63].

The Euro has still many risks ahead and has to face many criticisms as “in its current form, the EMU is not sustainable in the long run”[64] and the “euro and eurozone, as we know them, will disappear”. The 2016 Nobel prize in Economic Sciences, Oliver Simon D’Arcy Hart, professor at Harvard University declared that the European member States are not “sufficiently homogeneous” to be considered one single entity and to make the EU-28 into one was an “error”.[65]

Conclusions

The construction of a new nation, like the United States, cannot be compared to the integration of countries with a history of thousands of years, with

[60] The Article 2 has also references to “a high level of employment and of social protection.”

[61] The Article 3a, indent 2 mentioned activities that “*shall include the irrevocable fixing of exchange rates leading to the introduction of a single currency, the ecu, and the definition and conduct of a single monetary policy of exchange-rate policy the primary objective of both of which shall be to price stability.*

[62] Treaty on European Union, Title II, “Provisions amending the Treaty establishing the European Economic Community with a view to establishing the European Community”, Article 4a, p. 14.

[63] The Governor of the *Banque of France* said inter alia: « On attendait que l’euro entraîne un renforcement du marché unique ; or les exportations en valeur vers l’extérieur de la zone euro sont aujourd’hui plus importantes que les exportations intra-zone euro, selon les données présentées par le gouverneur de la Banque de France.
L’euro était également censé engendrer une plus forte convergence entre les pays de la zone euro et renforcer la croissance économique et la création d’emplois. Cette convergence n’a pas eu lieu et la performance de la zone euro en termes de croissance et d’emplois a été moins bonne que celle des États-Unis. À l’évidence, malgré l’union monétaire, les États y participant ont présenté des performances économiques. François Villeroy de Galhau a attribué à l’UEM deux autres réussites. D’une part, l’Eurosystème est probablement l’organe européen qui marche le mieux. Il y a une bonne coordination entre les acteurs en termes de décision et exécution. D’autre part, l’euro a entraîné une reconnaissance politique de l’Europe sur la scène internationale extrêmement importante.
Quand le président de la Banque centrale européenne (BCE), Mario Draghi, s’exprime au G7 ou au G20, il est écouté avec attention. Grâce à l’euro, l’UE a une capacité d’influence sur la scène économique internationale très forte ». Institut Jacques Delors.

64 «Dans sa forme actuelle, l'UEM n'est pas viable à long terme. La crise actuelle l'a poussée à ses limites, et la prochaine crise risque de la faire exploser”. Report of two think tank, l'Institut Jacques Delors and the Fondation Bertelsmann Stiftung, on September, 20th, 2016.

[65] Euractiv, December 9th, 2016

different cultures and with different political, economic and social structures, such as the European Union. The construction of a nation needs a currency and its own monetary system as an element of integration. Hamilton was a great visionary who knew how to set up the right basis to ensure the future of the United States. When Hamilton and Jefferson were at work to build their new nation they had already a monetary structure, the monetary system of the Spanish Empire that was adopted from that time onwards, as another example of the American practical-mercantilist philosophy. Europe started from a multitude of different monetary systems and managed to transform them into an Economic and Monetary Union in the 21st century.

The United States needed much longer periods to establish its own currency that was only achieved in 1857, and to organize a banking system, established in 1919, after the country suffered a cascade of economic crises and panics since the founding of the nation. The European Union had established its Economic and Monetary Union, and a common European currency, in a shorter period of time, despite the difficulties.

In the recent global crisis 2008-2017 the criticisms against the Euro were even harsher and the false "gurus" of the economy predicted not only the blow up of the Euro but the European Union as well, mainly after the deep crisis of Greece and the referendum with the result "pro Brexit" in the United Kingdom.

The European Union has faced a great number of difficulties to reach the 21st Century's shape and has still a long way ahead before reaching the complete economic and political union. In spite of all difficulties and the instability expected ahead the European Union is the only guarantee for a peaceful Europe, defenders of traditional values and freedom. Economic integration within the European Union and a common European currency is a symbol of stability for its political future.

The Thirteen Colonies of North America became a great country because of the work of Washington, Hamilton, Jefferson, ... but Europe as well was the result of the work of Monnet, Schumann, Halstein, Adenauer, Delors, great visionaries who contributed to build a European Union peacefully, as an integration model worldwide.

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