CHAPTER TWO

Money and Its Ideas

Colonial Currencies, Money Illusions

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Ideas about money remain bound up with notions about financial specialization and development largely deriving from nineteenth-century conceptions of modernity and progress. While definitions may vary, greater "financialization" tends to be associated with the deepening of capitalism and hence, after a fashion, with pushing the boundaries of "progress." A term of relatively recent currency, "financialization" in rich countries with relatively diversified economies no longer indexes merely the relative size of securities markets or their depth and liquidity. Since the last two decades this bar has risen to denote a capacity for financial innovation, described usually by the presence of actors and institutions engaged in financializing transactions; decomposing, commodifying, and securitizing financial transactions; creating markets and other arbitrage solutions across time, space, asset classes, or riskiness; and laws, regulations, and regulatory environments conducive to these activities (Krippner 2005). The 2008 financial crisis and its aftermath may appear to have stemmed this tide. Doubtless such moments are significant. But there is no sign yet that powerful market incumbents and financial establishments have lost their power to veto any alternative forward-looking trajectories that might emerge, or filter and mold how they might be scaled up, nor apparently of a let up in the "dividuating" effects of "deep financialization" and their social implications (Appadurai 2016).

“Financialization” follows in a trajectory whose usual starting point is the supposed introduction of money and the unsheathing of its irresistible universalizing logic. As Maurer (2006) has noted, even when it advances new insights or challenges conventional distinctions between money in modern and non-modern societies, the social science scholarship on money can seem to conform to “comforting plotline[s] . . . about the impact of money on ‘traditional’ societies and the dehumanizing and homogenizing effects of monetary incursion on . . . life in our own society.” In consequence “social inquiry provides both an analysis and a folk theory about money in the capitalist West” (Maurer 2006: 17). From the perspective of historical method, the folk theory seems to run even deeper. It can inform philosophical thought relating money as a universal metaphor within overlapping semantic fields in the ancient past. Anthropologists, and even historians, are liable to “uncover” them in the rest of the world, in relations between the “West and the rest,” and in tracing their pasts. Consequently, a challenge in exploring nineteenth- and twentieth-century projects bearing on money is to be alert to their continuities and discontinuities without, however, prefiguring the present moment in financial capitalism. Is there a way to think about money in the past without reprising the “classical account of the invention and impact of modern money”? How could one resist the “compulsion to circle back” to the classical account, or avoid unfolding this story as if it were a feature of the money form itself (Maurer 2006: 17)?

Nearly a quarter century ago the editors of a pioneering collection of essays on the political geography of money lamented the neglect of money in social sciences besides economics. They attributed the neglect to a “continuing focus . . . upon the static and tangible,” a scholarly “thrall to . . . ‘productionism’,” and a reluctance to engage with emerging forms of power and political economies. The editors were themselves not insensitive, disavowing any suggestion that they and the contributors “subscribe[d] to the view that money . . . [was] all-important” or that it should be analyzed “independently of . . . the productive economy and its governing institutions” (Corbridge and Thrift 1994: 1–3). Since then research on

money has expanded across the disciplines though perhaps not quite in the integrated and integrating way that Corbridge and Thrift might have hoped for, yet for the most part without disturbing the classical account.

While generalizations oversimplify, some broad trends nevertheless seem worth noting. By and large, with notable exceptions especially among Africanists, historical interest in money tends to take its cues from the related economics scholarship. In political, social, and cultural history, perhaps because of assumptions about money's universalizing logic, its supposed "passivity" or "neutrality" (a term with multiple usages including interchangeably with "passivity"), or even its technical nature, money, along with banking and finance, tends rather to be taken for granted, as some kind of a backdrop. This backdrop may occasionally blow on to the stage, but changes in it also quickly recede and stay in the background. As Corbridge and Thrift note, money and politics are not mutually exogenous. As the rich Africanist scholarship dealing with money reveals, histories and pathways of money in individual societies can often be very different. They also illuminate that histories of money cannot only be about money. To assume otherwise, historically wall money off from how it is used, adapted, managed, "reformed" or, for want of a better term, manipulated, or stylize its relations with politics and society by reference to some presumed norms, would simply mean reinforcing money's axiomatic relocation to an abstract and impersonal space characterized by its own internal logics and laws. A likely danger in this for histories of money, particularly in the late-nineteenth and twentieth centuries, is of merely amplifying dominant contemporary voices, notably here influential Western bankers confronting multiplying claims on the state, including by other powerful voices of capital, or battling to stem the democratic tide, and especially after the First World War, insulating the world of money and credit from the pressures and demands of an expanding franchise (Balachandran 1994). The convention of money as a "magic instrument" which, in Engels' words, can "change at will into everything desirable and desired," opens up to two possible perspectives. In one, money crystallizes relations between all commodities in one commodity, in the other ("money fetishism"), commodities become

mere reflections of money (Goux 1990: 94). As with commodities, so, in this chapter, with currencies: in regard to them norms of universal money could portend claims to knowledge, monopoly, and power.

Conflicts even in the West over money, monetary standards, monetary policies, currency pegs, exchange rates and so on serve as a caution against the flattened political and material relationships that theoretical accounts of the spread of money generally presuppose. By an interesting but largely unremarked coincidence, universal and voluntarist conceptions of money came to the fore in social theory at almost the same time that states were claiming or asserting sovereign national moneys and competing empires were eyeing and building their own currency spheres. Despite privileging money's universal form, neither functional nor sociological approaches are entirely context-blind when it comes to specifying money or interpreting its relationships. But the contexts tend to be limited, and along with specifications and relationships, stylized to reproduce a fairly narrow telos about money. Functional definitions of money and monetary aggregates (M1 through M4) can seem elastic, even if seemingly narrow, and modular within a vertical telescopic form. Yet they are hardly separable from their short-term operational contexts or the institutional implications of objectives such as enhancing the "effectiveness" of monetary policy. In the functionalist view, the operational utility of the monetary aggregates M1 through M3 or M4 traces an arc of "progress" to which sociological interpretations are not unsusceptible though, in looking beyond functional attributes, they insightfully open out to a wider "liquidity" spectrum of instruments and assets that they may also periodically update (e.g. Bryan and Rafferty 2007; 2016). But the determinism implicit in money's supposed capacity to bridge or commensurate and impersonalize, which depends on its ability to change form, is liable to obscure the conditional and contingent nature of the spectrum, or even its "materiality." This has long been a dark spot in studies of financial markets, sometimes reflected in operational discussions of counterparty risk, accounting procedures, contingent liability provisions and capital adequacy norms for banks, and otherwise only briefly illumined by headline stories of "rogue traders"

causing their firms millions of dollars in losses through unhedged trades. Even in financial markets, let alone around its fuzzy edges and in the liminal spaces between financial and other markets, as the 2008 crisis most recently demonstrated and even popular cinema reminds us, power (including in cognate fields of knowledge and regulation) can affect returns to different players on the same asset, not to mention the distribution of net rewards between them. In short, rather than being stable or somehow fixed, the subject–agent–logic relationship is considerably more fluid, changeable, and power-dependent than our economic or sociological understanding of money and securities markets and transactions might allow (Maurer 1999). Nor, despite idealized intuitions nourished, say, by axiomatic beliefs such as the efficient markets hypothesis, can one discount the costs of information and the presence of investor classes, distinguished by their access to information and the capacity to act on it.

Speaking generally, monetary relationships are liable to be framed horizontally (e.g. between sellers and buyers) or in rather simple vertical relationships (e.g. colonial states and tax-subjects). This split is famously reflected in Hart's metaphor of money as a two-sided coin representing the state and the market (Hart 1986). But currencies possess specific markings of time, place, space, power, and political agency (Gilbert 2005). Though there could be considerable room for play in regard to these attributes which can morph and multiply in circulation, currencies may also coexist or substitute for those with other marks of place, space, power, and agency, and have the potential to upend existing patterns of circulation, distribution, and accumulation. Money is implicated furthermore in making states and markets, and may be triangulated with them into something resembling three-dimensional shapes capable of remaining in unstable balance for prolonged periods. State- and empire-making projects are rarely free from disputes between different layers and conceptions of sovereignty, and among entities with competing sovereignty claims or flourishing in their interstices. The nature, use and circulation of monetary media can reflect these dynamics, as the enduring popularity of the Maria Theresa (MT) thalers for certain trades in the Red Sea region till nearly the Second World

War illustrates (Kuroda 2007). Even in a former colony such as India—with extensive internal commerce, a network of commercial banks at least in the major cities, a long-established monetary system presided over by a central bank, and a relatively well-developed successor state commanding popular legitimacy—the orderly reform of money, treasury and remittance mechanisms, banking, and public debt inherited from the colonial patchwork of direct and indirect ruling arrangements, ranks as a significant milestone in state-making (Balachandran 1998). Here modernist conceptions of money formed part of the technology of state-building, they were equally a pedagogical project for putatively resistant subjects that bespoke a critique of the colonial capacity for it.

A possible pathway, hence, to moving beyond thin histories of universal money that embed a bias towards abstracting from its processes and effects, might well be to view money as a political project engaging a multiplicity of actors interacting with different motivations and aims, traversing different paths, and capable of producing a range of possible outcomes. Such actors might include states at different levels, merchants and commercial agents, employers, households differentiated by source of income, wealth, and social location, motivation, and so on. In thus attending to the processes and effects of a spreading universalizing money form, it may not only be possible to better address money's differential material effects. We may also thereby be able to explore the broader political and social contexts for monetary ideas and theories whose mutual relationships and interplays have not received the attention they deserve. Restoring money and ideas and theories about money to their respective time and place may thus enable us to attempt stories about money that do not prefigure its unfolding.

This chapter aims to situate dominant late-nineteenth and early-twentieth century sensibilities, claims, and practices about money in the contemporary political–economic contexts of colonialism and the worldwide expansion of accumulation. It accordingly focuses on their programmatic and pedagogical aspects. With the waning of British financial might in the interwar period, the latter began to be channeled through the

League of Nations, and through the Bretton-Woods institutions following the waning of formal colonial power from the 1950s. Central banks were established in individual colonies or states as part of this project. But with the reinforcing effects of deregulation and the intensification of financial accumulation on a global scale exposing their inadequacies, an attempt was made in the 1990s to revive colonial-era currency boards. Such attempts proved thankfully short-lived. Meanwhile there has been greater appreciation, particularly since the 1997 East Asian financial crises, that the exponential growth of cross-border financial transactions might necessitate reinforcing some barriers while lowering others. The 2008 financial crisis, which continues to ramify financially, economically as well as politically, underscored such lessons and drew attention to domestic financial concerns. It remains to be seen in these backdrops how ideologies and technologies of "financial inclusion," from micro-finance to mobile moneys, unfold. These latter developments are not covered in this chapter. Hence it is useful to preface here that the professionalization and institutionalization of monetary economics and practices in the twentieth century, which trace back to a longer history of attempting to depoliticize money, their wider circulations through society, and their appropriations into diverse political projects, have all contributed to reinforcing money's ontic appeal even while fissuring its value-scapes in new ways. What they do make clear, however, is that the study of money, including its histories, from the inside, can be usefully complemented with perspectives from its boundaries. That is one of the principal motivations of this chapter.

MONEY ILLUSIONS

Interlaced assertions about the universality of money, the "unnaturalness" of intervention, or about money being above politics mirrored or reinforced political projects to evacuate politics from money and insulate its management from the pressures of expanding representational politics in the nineteenth and twentieth centuries. However, money had always been a subject of contestation, and the argument that it was beyond politics reprises

an older argument locating it in the domain of universal natural laws and as such beyond human control. Dominant views about money in nineteenth-century Britain reflected this powerful belief in natural laws subsuming social relations. Joyce Appleby (1976) intriguingly traces this belief to the opposition of landlord and rentier interests, spearheaded by John Locke, to the "devaluationist" solution for a late seventeenth-century coinage crisis in England.

The immediate cause for this crisis was the 1690s appreciation of the silver shilling in relation to gold guineas whose price was not yet stabilized by mint intervention. Shillings disappeared from circulation because they could be more profitably exported to France as bullion, or circulated in mutilated form, their ends clipped to reflect their bullion value. At issue here was whether to reduce the silver content in the shilling as the markets were already doing, and as an expert report commissioned by the privy council recommended in 1695. Doing so would have acknowledged that the shilling's domestic purchasing power did not vest in its metallic content, and by implication that money could be an object of reasoned social intervention. But powerful court officials and "deflationist" rentier interests were against. Throwing his weight behind them, Locke argued that the "value of money was rooted in nature" (Appleby 1976: 45). Gold and silver were held in "unique esteem" and were hence "natural" money and the focus of mankind's desire for wealth. The value of goods was also measured and exchanged according to the "quantity of silver." As shillings were merely "silver in another guise," changing their metallic content would, in modern parlance, render them a "counterfeit signifier" (Goux 1990: 102).

As Appleby notes, Locke's intervention was illogical, failing among other things to account for the free circulation of mutilated shillings or to distinguish between the value of currency in domestic and external transactions. It also rested on "already old-fashioned" premises (Appleby 1976: 52) and disregarded a growing disposition in English commercial society to value money for its uses, i.e. as a transactional medium. According to Dalby Thomas, a "devaluationist," money was merely "a

scale to weigh one thing against another." It could, according to another, even be "anything that a Government or Dominion set a mark and value on." Locke's views nevertheless gave cover to the eventual political decision to preserve the silver content of the shilling and refuse mutilated shillings as legal tender. The decision led as expected to severe deflation and transferred wealth from farmers, artisans, and merchants to landlords and bondholders, including through a curious exception permitting the use of clipped shillings at face value for paying taxes and subscribing to royal loans and encouraging landlords and rentiers to mop them up at a discount.

The battle lines and outcomes of the seventeenth-century English coinage controversy would become more familiar over the next two centuries. However, the latter remains of interest because money has never fully been dislodged from the domain of natural law where the 1690s controversy located it. Already in Platonist thought the idea of "legal tender" had introduced a "social standard of value . . . as a rational contrivance," allowing a "common measure of diverse realities," thus helping to produce an opposition between nature and law and mark the "passage from mythology to philosophy" (Goux 1990: 91–92). However, according to Appleby, the English coinage controversy proved a "turning point" (and perhaps equally a feint) in this philosophical tradition for revealing a latent rationale in the "Western concept of nature and the nature of God's created universe . . . for supplanting the laws of man by the laws of impersonal market forces" (Appleby 1976: 44). In short, in being subjected to natural laws, money became an exemplary medium for asserting their primacy for social relations.

By the late nineteenth century, as silver prices dropped, gold began increasingly to be claimed as a transcendental guarantee of value. It also began to embody conceptions of universal money—as Europe colonized new territories and the United States and Japan followed in short order, the gold standard became a lever for financial accumulation on a world scale, presumptions about gold's "stable" price and the system's "automaticity" and capacity for self-correction reinforcing associations with natural law and establishing the market as a force of nature. Besides serving as a vector

for naturalizing conceptions of universal money, not unlike other liberal universalist ideas including as a tautology, gold also configured its teleological arc.

At the same time controversies over metallic values and standards had made money too important to ignore for economists such as Alfred Marshall, a founding father of orthodox neoclassical economics, who had begun paying more attention to its short-term real effects while also growing concerned at the monetary consequences of rival European powers accumulating a war chest (Walker 1896). Support for silver and bimetallism revived or intensified monetary controversies fuelled by the 1880s slump particularly in agricultural prices, and set the stage for a spate of national enquiry commissions and international conferences. In the United States they also inspired Frank Baum's memorable 1900 children's classic *The Wonderful Wizard of Oz* (Ritter 1999). Marshall was himself a supporter of bimetallism, and even gold standard Britain witnessed a vigorous campaign against gold and in favor of bimetallism that could only be defeated by administering an irreversible shock to silver prices through closing Indian mints to free silver coinage in 1893 (Green 1988; 1990). The Indian rupee had until then been on silver, and the colony was a large importer of the metal and a mainstay of the silver market. India's abandonment of silver predictably intensified the slump in silver prices and put paid to sporadic attempts since the 1870s to stabilize them through international cooperation. Within the next few years much of the industrial world and large colonies such as India had adopted the gold standard, yet almost immediately afterwards the South African war and the 1907 financial crisis revived concerns about global liquidity (De Cecco 1975; Burke 2002).

In short, by the early twentieth century, a notion of monetary standards as overtly political projects and emerging conceptions of money as a policy variable jostled with more entrenched ideas of universal money, the enchanting of gold which briefly became a stable basis of Western currencies as a universal medium, and the natural laws supposedly governing money. While there was no shortage of debate, and no lack of incoherence and inconsistency among gold advocates, by the late nineteenth

century these ideas had recombined into a potent ideological and political mix reaching into new areas to generate or restructure economic, monetary, and financial relationships for worldwide accumulation. Rival financial powers kept a wary eye on outflows and competed to expand the use of their respective gold-based national currencies, yet also colluded to spread the use of gold-backed money, with the US dollar and the Japanese yen following rapidly in the footsteps of the British pound (Conant 1909; Rosenberg 2003; Metzler 2006). Many national and colonial elites collaborated or were complicit in this spread, which however also encountered resistance, crises, retreats, and collapse.

Considerably more disjointed than what simple, naturalizing tautologies about universalizing money convey, the historical evidence affords a possibility to probe the seeming timelessness of ideas about the universality of money, and speculate as to their constitution. Even in commerce or in realms overlapping with trade and exchange, money was merely one form of giving expression to value. Distinguishing currency from money perhaps offers an interesting perspective on the latter's emergence as a universal and singular measure for expressing value. A distinction between money and currency is powerfully intuited in the literature, perhaps nowhere more so than in studies that distinguish qualitative and quantitative values particularly in the presence of multiple currencies (Weiss 2005). As discussed further below, scholars have emphasized the importance of studying "encounters" between different currency and value regimes and attending to the terms on which commensurability is achieved or represented (Guyer 1995; Gregory 1996). But the distinction between currency and money is rarely sustained because at some point the former is collapsed conceptually, albeit often inconsistently, into the latter. The resulting "erasure" of money's "institutional genesis" promotes a view of currencies as relative forms of a "general equivalent" and reinforces the standpoint of power and privilege (Goux 1990: 94–95) implicit in the erasure. Never as singular as the claims made for it, money is also open to interpretations in ways that reveal fissures even in spaces of its modern everyday use (Zelizer 1994). The switch from currency to money can

nevertheless encode a subtle translation by which modern ontologies and meanings associated with money colonize the worlds of currencies and historically reconfigure them. "Social inquiry" is complicit in this translation and reconfiguration, to which may also be traced folk theories where currencies discharging limited functions represented a stage in the evolution of money as a fully functional universal medium, and thereafter its local expression; or to paraphrase Marx, in assuming that in "quantitative" and other respects, currency gave limited expression to money's "boundless" qualitative form (Marx 1867: 150). It may therefore be instructive, and help deepen our understanding of money in the nineteenth and twentieth centuries, to attempt to apprehend currencies on their own terms and the terms of their translation into the universal form of money.

In the nineteenth century the dialectical affirmation of universalism as an abstract concept and of money as its expression in the sphere of exchange, could ironically be performed in the reverse and, to paraphrase Michael O'Malley (1994b) on freedom and identity, as a "historical movement" from an "essentialized" universal to an "idealized" universalism. In the parallel instance of money, the former meant building on the historically established use of precious metals, particularly gold, as a concrete universal medium. In many places silver found greater acceptance than gold. While both metals were valued and accepted or acquired for many reasons, not solely for their use as currency, silver had more diversified uses than gold. Whether this "naturally" made gold rather than silver the universal, late nineteenth-century money form as Kuroda (2009) appears to imply, or such a perception of "nature" reflected anxieties about accumulation and modern state-making in the West given the greater difficulty imperial states faced in controlling the more decentralized silver market, would seem moot. In the end the interruption that even gold's "non-monetary" uses represented for its role as a universal standard, or their potential for checking the expansion of trade and accumulation, would open up perspectives for envisaging "money" as an abstract and universal medium while at the same time loosening its link with precious metals. In his 1913 monograph on Indian

currency John Maynard Keynes, Marshall's student who started his professional career as a civil servant at the India Office, sought to make just such a case in his monograph defending the currency system his former colleagues had put in place for the colony since the 1890s, and upbraiding its critics (Keynes 1971). In emphasizing the desirability of loosening the tie between gold and money, Keynes made the outcome and its effects appear symmetrical between Britain and India. But the political and cultural legacies of colonial rule made them unavoidably asymmetrical, even somewhat coercive (De Cecco 1975). These asymmetries intensified and became more visible and unmistakeable during and after the First World War because of credit-fueled monetary expansion in several countries including Britain, they also grew more complicated and convoluted thanks to the differential effects of this expansion on the main protagonists in the interwar international monetary system (Brown 1929; Balachandran 1996). One upshot, nevertheless, was the severance of domestic convertibility obligations between currencies and gold during the interwar years. From the late 1960s, a relentless decade-long expansion of foreign claims on the United States similarly brought the external convertibility of the US dollar, which had anchored the post-1945 gold-exchange standard, to a gradual close.

The idea of universal money was not new, it was well enough historicized by the nineteenth century to draw from the wellsprings of Hellenic thought where, according to Goux's interpretation of the philosophical influences on Marx's reflections on money, universal money was sacralized in "solidarity with the deity," with money and God being "universal equivalents" respectively of commodities and subjects, with the "same value of unification and transcendence" (Goux 1990: 91). Consider here the parallels with the Hegelian idea of the state, the universal spirit, and divine providence (Dodd 2014: 51). Nor was any new financial innovation needed to normalize the idea, only a suitable political and economic climate. On the contrary, in addition to gold and silver, token currency, deposit certificates or other transferable claims such as bills, the monetization of public and private debt—none of these were new or

nineteenth century. Yet, at the same time, again as Africanist critiques of 1960s ideas of a "currency revolution" powerfully show, neither precious metals nor abstract conceptions of universal money swept away everything before them to clear the decks for accumulation on a world scale (Guyer 1995). Precious metals were not equally valued everywhere. As so many historical and anthropological studies show, and as partly elaborated in the next section, local value norms and money forms—multiple currencies, transaction-specific currencies, currencies differing in ritual status or use, etc.—were widespread and resisted permanent banishment until well into the twentieth century. Their imaginative potential endures strongly to this day.

Hence, despite the tautology and the technologies, the idea of abstract, universal money and its practical realization needed a lot of work. Much of it is continuous and ongoing. There is also the often-unspoken issue of whose universal claims, subjectivities, and agency abstract conceptions of money and their concrete representations embodied and affirmed. Unlike the common belief and assumptions inherent also in their critiques, of Europe or the West as the abode of the universal spirit in the nineteenth century, this could be a matter of conflict even within the West. Such conflicts were evoked not only in the conventional "battle of the standards" that raged through Europe and the United States for nearly three decades following Germany's adoption of the gold standard in 1871, and in the economic, financial, and moral debates over the virtues of gold, silver, monometallic standards, or bimetallism during this period. In Reconstruction-era United States, for example, the basis for claims and counter-claims about the rights of African-Americans to freedom and civic-political citizenship, i.e. "intrinsic" qualities *versus* legal fiat, also resonated through claims and counter-claims about the proper form of money, i.e. gold *versus* greenbacks. White Southerners rejected as "counterfeit" both greenbacks, which promised liberated slaves "market freedom," and the latter's "coining" as free citizens (O'Malley 1994a). As with freedom and rights (see also Holt 1991), so with money, projects to democratize the idea of the "universal" subject or object provoked fears and anxieties over

shifting values, unstable standards, and “counterfeit” claim(ant)s. Negotiations to stabilize standards and relative values were framed around such fears and anxieties. Even though not all protagonists based their arguments on natural law or regarded money as beyond political contestation, such negotiations nevertheless reinforced the ideas of money as an absolute and universal medium.

Technical disquisitions about money and the organized practices of government associated with them emerged in this cognitive shadow and arguably helped advance it. They helped reinforce taboos around speaking politically about money, and to reproduce them through histories of modern monetary thought and sociologies of knowledge and expertise. The disposition to view money as being beyond politics tends also to be sustained by contextually fluid meanings of what actually constitutes “politics” in relation to money. Hence the divorce between money and politics was and remains uneven, asymmetric, and never total. For instance, money never ceased to be deployed for political projects as the example most recently of the euro illustrates. The political perspectives implicit in Keynes’s 1913 monograph became operative policy in India over the next three decades (Balachandran 1996), with Keynes himself taking the lead, six years later in 1919 at the height of Britain’s financial crisis after the First World War, to elaborate the policy implications of his essay on the rupee and the political advantages of presenting them in similar discursive frames (Balachandran 1993). The French opposition to the sterling standard in the late 1920s and to the dollar’s global role in the mid-1960s present other illuminating exceptions that prove the rule, not least as few thought the French opposition was anything but political (Balachandran 2008). The use of money to political ends, however, appears to have done little to disturb the pragmatic disposition towards viewing its management, and hence money’s intrinsic nature, if not beyond politics, at least as being guided by shared norms, principles, or interests. One reason for this could be that orthodox technical and technocratic arguments about money, markets, monetary policy, the latter’s effectiveness and so on, share more than a passing kinship with the normative beliefs of practical bankers. Not

coincidentally, they also render them palatable to governments dependent on popular support but reliant on bankers to manage, market, or hold their loans, and generally preserve a stable monetary and fiscal environment. Many heterodox discourses share the main orthodox premises while differing in their prescriptions. Presumptions about the universal and universalizing features of money and its seamless spread do not require a large imaginative or intellectual leap against this backdrop.

COLONIAL CURRENCIES AND PERSPECTIVES

In treading lightly around power, theories and associated histories of money dislocate it from broader processes including broader economic processes. In doing so, they stylize our understanding of how currencies function, and gloss over their pathways and trajectories of use and circulation. In this narrow, stylized view, after money has somehow made an appearance, attention is quickly shifted to the spread of “modern” currency issued by a “modern” state. “Modern” here usually denotes currencies issued by states, especially states that have survived, as in rapid steps the telos of money and statehood are braided and mutually naturalized through the figure of the sovereign of whose power, currency—its issue, circulation, value, availability, and so on—represents a symbol, test, and measure. In this world there is one currency, issued or authorized by the state which, once established, expands to fulfil all the roles that money is supposed to play. Historically, grand projects like the nation-state have supplied the dreamscapes and legitimacy for instituting single currencies in societies characterized by a plurality of money forms, value scales, and practices. Money and language, as Nigel Dodd notes, evoke frequent comparisons (Dodd 2014: 35). This comparison is usually made in the abstract, for example of both money and language as “semiotic intermediaries . . . in their respective domains of exchange” (Shell 2005: 85). But Rousseau’s remark on the similarities between money and language as social bonds, interestingly in an idiom that also naturalized their singular forms (Dodd 2014: 31), speaks to language in its specific, or relative form. Yoked to

sovereignty, stories about currency become a story about money and the state. Yoked to the territorial nation-state currency becomes, like the nation-state or its supposed proto-form, the colony, the singular local expression of a universal form (Helleiner 2003a).

Hence, not surprisingly, since especially the late nineteenth century, the introduction of new currencies has formed part of programs of "monetary reform." In countries and colonies across Africa, Asia, Latin America and the Caribbean, and the Pacific, monetary reform was in turn part of wider projects to "reform" state and society—i.e. plans to establish "modern" states, which included blueprints for rudimentary banks and financial institutions to facilitate the business of the state, and draw them into emerging international patterns of division of labor and specialization as producers and exporters of agricultural commodities and minerals. Overseas borrowing represented a dimension of such "governance reforms" in present-day parlance, with particularly profound consequences for monetary and banking institutions. Monetary and governance reform projects drew on external expertise and assistance—foreign advisers ("money doctors"), overseas banks, metropolitan governments or other foreign states, and since the 1920s, international organizations such as the League of Nations, and after the Second World War, the Bretton-Woods institutions (Balachandran 1996, 2008; Flandreau 2003; Rosenberg 2003; Clavin and Wessels 2004). They were technical fixes guaranteed to work; if they failed, it was usually because local political elites were either "corrupt" or had failed to educate the people about their advantages.

The likeness between money and language with respect to nation or state can extend to how they relate to their respective local forms and usages. In the "summer of 1916 or 1917" D.D. Kosambi, the renowned historian of ancient India and numismatist, recalled seeing "in the till of a single village shop in Goa," Portuguese and British Indian coins, Australian half-crowns, English shillings, American cents, "in a word the small change of almost all the world." They circulated as coins "equivalent to the nearest Indian coin in appearance and weight" and relieved wartime currency shortages. The "unification" of the rupee by the East India company in 1835 remained

fraught and conditional for the better part of a century, with many indigenous rulers continuing to issue currencies affirming their own authority under the queen's overall sovereignty (Siddiqi 1981; Dreyell and Frykenberg 1982). Yet colonial officials as well as the emerging Indian intelligentsia tended to ignore them, and other indigenous currency practices, as inconsequential or residual. Not surprisingly Kosambi himself remarked, somewhat contradictorily, that the variety—which he attributed to Goan seafarers employed on Western merchant vessels—was "unusual for India," but not the "procedure," which he described as "typically Indian." Cowries, he recalled likewise, were in use as small change "in so important a centre as Poona [now Pune]" during the early years of the First World War (Kosambi 1981: 41). In 1901 their use seems, in fact, to have been widespread enough for Ugandan colonial officials to consider exporting cowries to India as a somewhat paradoxical outcome of their efforts to popularize Indian copper pice in their colony (Pallaver 2015: 484).

We know too little as yet about Indian currencies in the late nineteenth and early twentieth centuries. However, Kosambi's village shop was not untypical of the world of currencies until even half a century ago in many parts of the world (Hughes 1978; Swanepoel 2015). There is a rich body of scholarly research on local currencies and their interactions with currencies introduced by various colonial or other trading powers in the nineteenth and twentieth centuries, and the accompanying changes to trade, labor relations, and taxation (see Pallaver 2015 for an introductory survey). Much of this literature deals with colonial societies, a context relevant to this essay's focus on continuities between nineteenth- and twentieth-century colonial projects and other projects to reorder the world's money.

Currencies circulated in contexts (cultural, material, political, social, ritual) so dense and complex that no single work can unpack them. Besides, generalizations can be risky or seem banal given differences in contexts, perspectives, and methods between individual studies. A few points nevertheless seem clear. The idea of money and market exchange replacing barter is at best of conceptual expository value in undergraduate economics

textbooks; and while Jane Guyer's challenge to work with multiplicity to reconsider "questions of equivalence, difference, and commensuration" (Guyer 2004: 20–21) remains relevant, historians studying multiple currencies today are less likely than before to frame them through simple structural binaries. Most societies used multiple currencies, their relative importance varying according to their contexts of use, such as ritual (i.e. the ritual preference, though not unvarying, for one currency to others at a point in time); the nature of transactions (e.g. ceremonial or gift transactions); the types of goods bought or sold; the nature of the trade (distance, value, volume, e.g. wholesale *versus* retail, and size and social contexts for retail transactions), and who mainly participated; payment of wages, payments to government departments (e.g. taxes, customs payments); nature of the function performed (e.g. medium of exchange, store of value, or unit of account); and so on. Multiplicity could reflect practical necessities such as for subsidiary coinage. Even any seeming decline in multiplicity may be very gradual or interrupted—cowries as we saw above could make a comeback during periods of currency shortages or crises, as also they did in the interwar depression (Johnson 1970: 352). Certain temporal and spatial features such as seasonality in currency demand or trading linkages may generate a multiplicity of paired, sequential interfaces partaking of the character of "complementary currency circuits" (Kuroda 2008), or overlapping "circulatory loops" (Mwangi 2001). Multiple currencies and currency circuits may have no stable anchor, and firms and merchants may keep accounts in imaginary moneys bearing no necessary relationship with government-issued currency (Kuroda 2008).

The idea of a "currency revolution" in which "modern" state money suppressed and replaced "primitive" customary currencies commands few adherents today. Despite its many seeming "infirmities" to the modern eye, multiple currencies did not everywhere yield, or yield easily or equally, to currencies issued by the territorial sovereign. Instead the latter might simply become one currency among several, existing alongside them, and serving some uses or fulfilling parallel functions such as a unit of account (Eagleton mimeo; Eagleton 2019 forthcoming). To the extent currencies served a

"special purpose," sovereign territorial money was as likely as the other currencies, if not more, to serve as "special purpose money" (Swanepoel 2015). Currency preferences could also vary according to gender, and the acceptability of sovereign territorial money conditioned by their bearing for household or marketplace relations.

Until a generation ago, currency was a problem of administration in the colonies, with states, colonial officials, and settler interests central to its histories (Kaminsky 1980; Nelson 1987; Maxon 1989). While administrative concerns are naturally enough not absent, recent studies devote more attention to how colonial currency projects worked or failed—the colonial writ with regard to currency sometimes failed to extend even to its own employees—and to resistance, adaptations, negotiations and compromises through which they unfolded (Mwangi 2001; Pallaver 2015; Swanepoel 2015; Eagleton mimeo). Projects to introduce unique, sovereign territorial currencies in plural currency settings could hence be complex and prolonged, necessitating several intermediary stages and negotiations each step of the way with different affected groups and interests who were not merely passive or reactive, but who could also drive the process.

Despite some notable recent advances (Pallaver 2015; Eagleton mimeo) our knowledge, for want of a better term, of colonial "currency transitions" (Swanepoel 2015), remains patchy. The existing literature nevertheless highlights some interesting puzzles that seem to justify further speculation with reference to the material, discursive, and political realization of the project of universal money.

The idea of money is bound up with the idea of spreading market relations. As evinced by liberal, colonial, and neoliberal projects to reconfigure them internally and externally, markets are not alike or boundless. As the example most recently of the euro illustrates, currency is also a means to reconfigure markets. By realigning credit and affecting relative financing costs, currency "unification" could hold implications for the scale and nature of competitive businesses. The relative decline of Indian merchant houses in external trade had been underway before the East India Company's introduction of a uniform silver rupee in 1835, which,

along with the abolition in the same year of some tolls on internal trade, is regarded as an important milestone in unifying the Indian market in India (Siddiqi 1981). As noted above, rupee unification was rather more prolonged than one may conclude from quantitative indicators. Nevertheless, a unified rupee, together with the creation of something like a uniform remittance system by the middle of the nineteenth century, is argued to have facilitated the expansion of European trading houses into the interior and led to a relative decline in native bill broking and banking. This is in interesting contrast to China where a decentralized monetary system characterized by privately managed assaying and competing "money shops" is said to have helped restrict the participation of European firms in trade with the interior (Ray 1995: 486).

Though the project of unifying currency and markets often went hand in hand, and the resulting hierarchical ordering of both currencies and markets is widely acknowledged, they continue to be studied as parallel structures with some links, rather than as interlaced relationships with conceptual kinships warranting connected historical inquiry. In the nature of things neither money nor markets can be completely universal or unified. Breaks, ruptures, and discontinuities remain (or as with financial markets, explored for arbitrage), as we also know from the continuous redrawing and displacement of boundaries with respect to norms, laws, institutions, their related knowledge, epistemes, and so on, under the sign of the "global." It could be useful for histories of money to trace and explain these displacements in their specific contexts, and the boundaries and landscapes they make. Where are the new breaches and boundaries, why or how did they form, what keeps them there, how stable are they, how do they affect incumbents and new entrants, who gains, who loses, what adaptations have agents to make, how costly and what are their consequences, what becomes of the norms, laws, practices, institutions, and knowledge or skills that are displaced—such questions, though somewhat adjacent to cultural historians' and anthropologists' preoccupations with currency, might still be usefully addressed to currency and other similar projects making outsize global or universal claims. Historical answers to them could depend, among

other factors, on the level of detail of the study, the sources used—for example records of rival colonial powers and indigenous or incumbent merchant groups versus those of the colonial state and colonial settler or commercial interests records—and its temporal and spatial frame.

There are interesting echoes of such questions in recent historical studies of colonial currencies. The two main illustrations cited here share common features, including their colonial East African contexts, use of multiple currencies among them another colonial currency namely the Indian rupee, and colonial efforts to standardize currency and subsidiary coinage. They also, however, offer some complementary emphases. Pallaver's study (2015) of colonial Uganda's official adoption of the Indian rupee in 1895 focusses on users of existing and new currencies and currency interfaces between rulers and subjects. Thanks to Indian merchants, the rupee had for several decades been absorbed into fluid geographies of circulation and scales of value (Mwangi 2001). Its official status further pluralized currencies and associated regimes of value, cowries for instance retaining a role as the only legitimate currency for paying market taxes, as unit of account for bride wealth, and for use in marriage ceremonies (Pallaver 2015: 487–90): they and other "independent 'non-cash' currencies" were "islands of economic liberty" from colonial rule (Mwangi 2001: 777). Decimal cowrie accounting conventions also modified fractional rupee coinage. Originally divided into sixty-four pice, the Indian rupee in Uganda was divided despite settler opposition into a hundred cents, each cent worth ten shells, and a cowrie worth a tenth of a cent. Thus, the new system ended up "mirroring" the cowrie system, and cowries continued to circulate in the absence of suitable low-denomination substitutes (Pallaver 2015: 497–98).

Another layer of negotiations, and a further set of questions, latent in this Ugandan story is elaborated in Eagleton's pioneering account of the rupee's introduction in Zanzibar (Eagleton mimeo). Despite the rupee's circulation in pre-colonial Uganda, its adoption as official currency instead of the smaller denomination Egyptian coinage, as local officials had proposed, carried the risk of orienting Uganda's trade towards the Indian Ocean at the expense of more established ties with the north and the Sudan (Pallaver

2015: 480–81). Subsequent discussions over subsidiary coinage reveal tensions among Indian commercial interests who wanted to persist with the pice (perhaps because they profited from importing, transporting, and exchanging them for cowries), British settler interests who preferred the sovereign and direct commercial ties with the mother country, and the colonial government which, in decimalizing the rupee, effectively stabilized the cowrie–cent conversion rate even if it meant prolonging the former's use (Pallaver 2015: 494–6).

In East Africa, the Indian rupee may have intertwined and advanced the colonial project and Indian commercial interests (Mwangi 2001). But Indian merchants in the region were not everywhere, nor had they always been, in favor of the rupee's circulation. Despite Zanzibar's close historical association with Indian trade and serving as a bridgehead for its penetration of East Africa, the Indian rupee did not make an appearance there until the 1860s (Eagleton mimeo). The standard legal tender until the late-1860s was the MT thaler, which circulated alongside non-legal tender such as French five-franc pieces and Spanish dollars whose fluctuating values in relation to the MT thaler was a profitable mainstay of the "shroffing" (i.e. money-changing) business dominated by Indian merchants. The latter had consequently no interest either in fixed rates of conversion between these currencies or in promoting a new currency. It was only when the American civil war disrupted monetary remittances to Zanzibar and the associated trades that they acquiesced in stable conversion rates, and shortly afterwards to the introduction of the silver Indian rupee whose use, initially boosted by its possibly accidental overvaluation *vis-à-vis* the MT thaler and the British sovereign, expanded on the back of the post-1871 fall in silver prices. With Indian trade also expanding rapidly, by 1878 the Indian rupee had taken over as Zanzibar's main currency and begun to spread its presence along the coast (Eagleton mimeo).

One of the arguments in favor of making the rupee the official currency in East Africa was that its trade with India would act as an automatic currency stabilizer. As already noted, white settlers with direct commercial ties to Britain were unhappy with this arrangement. They got their chance

when the rupee's appreciation after the First World War *vis-à-vis* the floating sterling inflicted exchange losses on settlers and raised ominous doubts about the solidity of pre-war colonial and racial hierarchies, particularly in East Africa (Maxon 1989; Mwangi 2001). Unlike at the time of its first introduction in Zanzibar, the Indian rupee was a token currency for the larger part of its career as East Africa's official currency. On the surface, Zanzibar, Uganda, and East Africa's currency "transition" of nearly five decades, from partially convertible local commodity currencies to the token but convertible Indian rupee, and eventually to a currency linked directly to the pound sterling, may seem to trace a story of monetary "progress." But it is a story driven by contending interests attempting to protect or displace entrenched positions in the face of challenges—the American civil war, fall in silver prices, the wartime and post-war depreciation of the pound sterling—that were largely in themselves open-ended or indeterminate in nature and impact. What this history nevertheless discloses is a conflict over rents between different layers of intermediation. Such conflicts may be seen during the course of the Indian rupee's introduction in Zanzibar, between the island's moneychangers and its European trading interests (also see Eagleton 2019 forthcoming). We may suspect a similar conflict in the wake of the post-war instability of the pound sterling between British settler interests wishing to remit funds home and Bombay-based intermediaries through whom they may have been obliged to transact their remittance business.

In a conventional, neoclassical view such rents represent barriers to efficiency—wasteful transaction costs causing uncertainty, restricting markets, reducing scales, and raising prices. But eliminating intermediary layers may not arguably reduce as much as redistribute rents, channeling them upwards through reshaped geographies of intermediation that substitute vertical alignments and singular conceptions of value for more horizontal or layered arrangements open to plural normative, value, and distributive registers. Or put simply, rather than eliminating intermediary layers, one consequence of monetary "transitions" may be to interpose or substitute new layers and transfer rents from small, local intermediaries to

large Western or other "modern" banks and agency houses, which besides being more amenable to political and bureaucratic regulation, were less likely to draw colonial or successor states into complex cultural negotiations with indigenous agents and institutions. An apt albeit inexact analogy is suggested by the recent history of *hawala* trades through which for many decades East African and Asian laboring migrants in West Asia remitted their earnings home. *Hawala* trades had long survived attempts at uncoordinated interdiction by individual states in the region aspiring to control their external transactions. But with *hawala* networks forced to fold up or go underground as a consequence of the US-led, UN-coordinated campaign to regulate cross-border remittances in the aftermath of September 2001, a large part of this remittance business passed into the hands of mainly Western corporate entities. Despite the latter incorporating some aspects of *hawala* business models (such as employing nonspecialized retail agents), there were no palpable cost or efficiency gains, only presumably a renegotiation of margins and redistribution of revenues. (However, new technologies to which these changes unfolded may yet qualify this generalization while making such comparisons moot.) We may hypothesize similar processes in late nineteenth- and early twentieth-century projects for reorganizing currency and exchange arrangements, i.e. the substitution of "modern" Western intermediaries for local brokerage institutions and informal hedging mechanisms that indigenous players in multiple currency markets could, in particular, employ to their relative advantage. Hence normative pronouncements about efficiency, or even legality, as evinced for instance in debates in late nineteenth-century India over legitimate "speculation" *versus* illegal "gambling" in raw jute futures (Birla 2008) may, in fact, reflect business competition or conflicts over commissions and rents. In the case of currencies and money, such conflicts may entail competition between rival upstream or downstream businesses embedded in different geographies of commerce and profit. Conventional neoclassical accounts of monetary or banking "transitions" acknowledge their "disintermediating" effects. But the vocabulary of "disintermediation" may gloss over indigenous competitors as agile and adaptable competitors

in liberal narratives of monetary progress, while perhaps reconfiguring them as subordinate borrowers or lending agents of Western banks.

CONCLUSION (AND REPRISE OF A PROLOGUE)

Despite a large body of work challenging the underlying premise, the story of money unfolds as a story of progress itself. Money has also at various times served, and continues oftentimes to serve, as an ideological and political Trojan for the supposed primacy of "natural laws" acting independently of human agency, when not immune to it. Of course, economic policy-makers know differently; the enormous investments societies make to "manage" money could hardly otherwise be justified. Yet money retains a quite unique capacity to tap into anxieties both about "progress" and "natural laws," and to mobilize them, often in combination, to blunt transformative agendas, not least with respect to itself. The enduring power of monetary policy, and the subordination of other potential means of intervention in a modern economy including fiscal policies (with the possible exception of tax-cuts) to the former's symbiotic relationship with debt markets, speaks also to money's transformation into a dissolving myth to which historical and cultural accounts are no less susceptible.

It is not altogether surprising, therefore, that except perhaps perversely through neglect, money has for the greater part eluded decentering with respect to many of its supposed relationships. When it comes to money, agency tends to be centralized by assumption, and structures tend to be unitary: for instance, money's idealized circuits invariably originate and come to rest in the metropole, be they imperial, colonial, national, or global. This chapter has drawn on a rich body of anthropological and historical work, most of it interestingly about Africa, to attempt a more contextual and granular story of money, and of nineteenth- and twentieth-century ideas about it. Even a selective reading suggests that colonies and other conventionally marginal locations for accounts of modern moneys provide illuminating standpoints for thinking about them.

Money commands rent, though we may not think that is its whole point. The spread of money and related forms of debt was spurred by states and entrepreneurs cooperating to expand their circulation and competing among themselves to appropriate their returns, further in doing so evincing contestations over value and accumulation. Collisions between European accumulation paths and colonial value relationships can help uncover nexuses between accumulation and the spread of modern moneys, as well as the ideational and discursive shifts that occurred around ideas about money in the nineteenth and twentieth centuries. The idea of money as a form of debt is not new. But its growing nineteenth-century ubiquity demanded splitting money from other forms of debt in ways that naturalized it as a bearer of value. To this may also be traced the conjoint origins of modern theories of money and theories of finance, and the endogenous categories and conceptual and institutional structures needed to enable capital to move freely between different markets and types of debt.

Retracing ideas about money thus involves, at one level, retracing contestations over wider notions of debt, risk, categories of debtors and creditors—e.g. states disposing of varying degrees of power, banks, other agents including "vernacular" intermediaries, "retail" lenders, borrowers, savers, other users of money—and their respective rights and liabilities. Such contestations were power-laden and inseparable from conflicts over accumulation even in colonial-type settings where they might be masked by postulations of economies in static equilibrium (homeostasis).

This homeostasis was sustained by currency board-type arrangements, supplemented at times by seasonal issues of fiduciary currency, and in the accumulation of colonial balances in the metropole. This seeming dualism might gloss conflicts, actual or potential, over margins and profits from colonial commerce. Hence while the homeostasis may have been a cause for lament, indigenous commercial and entrepreneurial agency could not also be permitted to destabilize it, howsoever briefly, particularly if it posed a risk to colonial commerce. (This is an important reason why major world crises such as wars and depressions have been so crucial to colonial economic and political histories.) Control over colonial "liquidity" was key

to managing such conflicts. They were consequently intrinsic to ideas and discourses about money, its forms, lives and meanings, and projects to “reform” money without ceding colonial-style control over break-out pathways from the homeostasis.