Mongrel Currencies

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In her memoirs titled *A Woman's Impressions of the Philippines*, Mary H. Fee recalled the feelings of frustration that swept over her every time she received her wages. A white American schoolteacher during the Philippine American War, Fee made the journey across the Pacific on the USS *Thomas* during the initial years of U.S. colonial occupation. Fee described her 1901 travels across the Pacific like a sightseeing trip, witnessing exotic lands she had only imagined through various works of literature. Once within the cycle of work, however, the romantic scales fell from her eyes, as she had to confront the realities of earning a living. It is from this mundane experience of receiving her paycheck that "one of the most irritating . . . features of life" in the Philippines germinated.[1] When Fee arrived in the Philippines, all the local banks and financial institutions throughout the islands operated within a de facto silver currency system in place since the twilight of Spanish governance. In considering a currency system that was dominated by the Mexican dollar and some other coins of unknowable foreign origins, Fee

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lamented that only the “experts of the Government could tell where it all came from.”[2]

From the end of the nineteenth century onward, many of the North Atlantic capitalist empires had adopted the gold standard for their respective monetary systems. This monetary status quo would cause the value of silver currencies—the monetary basis of supposedly less developed peoples across the planet—to regularly undergo violent fluctuations. Based on a de facto silver system, the Philippine economic world appeared like a nightmare to those employed by the U.S. colonial government. During such quotidian activities of cashing a check, depositing funds in a bank, or sending remittances back to the United States, colonial workers and managers had to first convert their wages paid in gold into the local silver value. Fee explained that for over two years she, along with the rest of the Americans living in the Philippine colony, would remain victim to the “evils of a fluctuating currency.”[3] There was “tremendous protest,” she claimed, concerning the currency, but also the “extortion which grew out of it.”[4]

This chapter examines how and why establishing a new U.S. colonial monetary system in the Philippines was considered fundamentally necessary by colonial authorities, not only to securitize colonial occupation but to simultaneously ward off the possibility of decolonization. Myriad U.S. colonial authorities identified currency insecurity as a central obstacle to winning the ongoing Philippine American War. For authorities, currency represented several imminent insecurities. The frictions between the capitalist market and imperial state decision-makers, the quotidian frustrations of dealing with local moneychangers and retailers, and the unruliness of racialized workers are all contingencies that sowed insecurities in the effectiveness of American colonial occupation. U.S. imperial officials would turn to Charles Conant, an economic expert who claimed to possess the necessary market knowledge to fix these insecurities. This chapter explores the justifications and consequences of a colonial monetary system designed by American economic experts such as Conant. It pays special attention to, on one hand, the desires of economic experts to prove the racial capacity of white Americans to be a leading capitalist imperial force within a racial capitalist system, and on the other hand, to prove that market knowledge could be deployed to racially uplift Filipino Natives out of savagery and insecurity.

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Market Knowledge, Gold Supremacy, and the Justifications for Imperial Expansion

During the last three decades of the nineteenth century, U.S. racial capitalism was deeply shaped by the tension between the logic of the capitalist market and the sovereignty of the imperial state. This is most evident in the violent money debates of the post-Reconstruction era, an era in which economic experts would try to arrange the world into particular logics that served both U.S. capital and the imperial state. Yet this dual allegiance would often create contradictions that would in turn create more need for expert fixing. A self-serving cycle would be formed and expanded, as the increasing authority of the hardening discipline of economics would gain more power within both capitalist and banking classes and state and government realms.

U.S. imperial experts sent to fix the Philippines were especially shaped by debates over currency, banking, and capital during the 1890s. Framed mainly by the banking panics and the subsequent Long Depression from the previous decades, the public debates of the "money question" coalesced into two opposing sides. On one side, so-called populist currency reformers argued for a bimetallic system of gold and silver currency and on the other side were procapitalist gold-standard supporters. Reformers argued that having more silver-based currency would decrease the U.S. market's dependence on international forces and increase the economic power of U.S. agricultural producers. Populists specifically blamed Northeastern bankers' and capitalists' ties to the London-dominated international financial system. The "free silver" movement, as it would eventually be known, envisioned a monetary system that would focus less on international exchange and instead cultivate domestic production through increased agricultural credit and loans. Racial anxieties over Black populists would trump class solidarity as the presidential election of 1896 loomed ever closer.[5] The major white populist organizations would eventually assimilate into the counter-Reconstruction Democratic Party led by William Jennings Bryan.[6] His stump speech played to the money question especially, warning against America's crucifixion on a "Cross of Gold." The struggle over monetary reform symbolically culminated in the presidential election of 1896, which saw the defeat of Bryan to the corporate, finance, and the rhetorically pro-empire favorite, Republican William McKinley.[7]

The steady series of gold-backer political victories was both a product and producer of an ideological ensemble that positioned money and the

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market as a natural phenomenon dictated by its own internal laws. Although far from reaching a consensus and always brimming with tensions and contradictions, these historic struggles constructed a normative notion of money and the capitalist market in the public. The money debates helped congeal public acceptance that the capitalist market, despite being produced and sustained by people, was not wholly of the people. This is what I refer to as the *logic of market knowledge*. Through this logic, the capitalist market was conceptualized as separate from both state and society and, though artificial, operated with its actions dictated by laws natural to itself.[8]

One of the primary agents in popularizing the concept of market knowledge was the economic expert. Within both academic and public realms, the expert would produce knowledge about an object called the capitalist market and through this production would naturalize the market as an object autonomous from state and society. At the turn of the twentieth century, the U.S. imperial state would increase its recognition of expert authority over market knowledge, especially regarding colonial policymaking. The symbiotic and complex bond between the economic expert and the state was expressed in the Yale University president's 1899 presidential address, which stated that the experts' ultimate future "lies not in theories but in practice, not with students but with statesmen, not in the education of individual citizens . . . but in the leadership of an organized body politic."[9] It is in and through this ideologically shaped desire for collaboration in colonial policymaking that economic experts would be driven to formulate new theories about money, the market, and the racial destiny of the United States in a world grounded in an interimperial system.

One such expert was Charles Conant, a self-taught intellectual who made his name in the banking community through a decade of writing editorials and articles in various journals, mainly covering and commenting on issues of commerce and finance. Conant would eventually become one of the most visible and well-traveled members of the U.S. Commission of International Exchange (CIE), a diplomatic apparatus tasked in creating an American-led global financial system based on the gold standard.[10] Although never quite achieving the promised foreign relations outcomes, the CIE would rehearse how U.S. economic imperialism would unfold in the first half of the twentieth century. Rather than rely on diplomats employed by the U.S. government, the imperial state would encourage the deployment of individuals from the private sector on behalf of U.S. global interests. Many of these experts and bankers would attempt to outmaneuver other rival capitalist empires by locking colonial or semicolonial governments

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into loans based on the U.S. dollar or convince developing nations to institute monetary reforms in which the new currency would be based on U.S. dollars as reserves.[11]

A staunch gold-standard supporter, Conant made a splash at the Indianapolis Monetary Convention of 1898, eventually gaining the attention of several prominent figures intimate with the McKinley administration. He would be known especially for railing against the "limping standard" of bimetallism and for the bright future of a global capitalist system based on gold.[12] In addition, however, many of his published works were dedicated to understanding why, despite the efficient and satiated productivity of American industry, financial markets would periodically collapse and go into crisis. Perhaps more importantly, these texts reflected Conant's inquiry into how American business and the U.S. government could effectively resolve the devastating effects of economic crisis.[13]

For instance, published just a month into the Spanish American War, Conant's article "The Economic Basis of 'Imperialism'" situated U.S. transpacific expansion as a consequence of the "natural law" that guided both "economic and race development."[14] Assuming that the growth of capitalism was synonymous with the progress of Western civilization, Conant positioned capitalist crisis as a natural consequence of industrialism and the advancement of the white Anglo-American race.[15] Specifically, capitalist markets of the United States and Europe had become heavily stagnated by an overproduction of supply and the lack of capital investment. The last three decades, which were marked by recurrent crises, were the results of this stagnation. For Conant, therefore, rather than stifle economic and racial growth by retreating within the already domesticated borders of the United States, imperial expansion enabled capital and the white Anglo-American race to flourish.[16] Transpacific colonization would fix racial capitalist stagnation in two ways. First, since savage and darker peoples had failed to properly develop their lands, U.S. colonization would turn these territories into more productive sites for capital investment. Second, colonization would racially uplift Natives to white and Western civilizational standards, creating new modern consumers of American commodities and finance. As Conant stated: "I am a strong believer in 'Imperialism' in the sense that the advanced powers should open the undeveloped countries to civilization and introduce among them the machinery of modern production, commerce, and finance."[17]

Conant believed economic experts were necessary to manage capitalist crisis through the creation of sound imperial financial and monetary

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policies. The strategy of economic imperialism, according to Conant, entailed going beyond both the old "decaying countries" of Europe and the American continental territory, to pursue the "equipment of new countries of production and exchange."[18] To go beyond the U.S. settler colonial space of North America, U.S. capitalists had to turn their gaze toward the countries of Asia and Africa, which had "not felt the pulse of modern progress." U.S. capital would be invested in not only the extraction of natural resources or labor through the construction of buildings and machinery, but also in public infrastructure, such as roads, dams, irrigation, and sewage systems.[19] Following the pattern of other North Atlantic capitalist empires, U.S. capital accumulation in its nonsettler colonies, such as the Philippines, would occur through the development of colonial infrastructure.

For Conant, U.S. Empire, and in particular its military apparatus, was necessary to clear the way for the unchecked spatial flow of capital to where it could profit. He differentiated this Anglo-American style of empire from, in his view, less rational types of empires. Those of the Slavic or Latin races, for instance, were wedded to colonization for "sentimental reasons" and kept their colonial markets closed. The old-world imperial policy of closing off markets exacerbated the existing problems of overaccumulation, consequently destroying "the purchasing power of one's purchasers" by putting up a protected wall and intensifying "contest against each other before the same body of consumers." These kinds of colonial economic policies went against the "natural laws of trade" and were outmoded by the Anglo-American sort of economic imperialism that touted the opening up of undeveloped economies to the "free market" for the benefit of the global capitalist system in general.[20]

Conant's writings make clear his belief that white Anglo-Americans were the proper inheritors of capitalist and Western civilization. As such, they were burdened with an enormous world-shaping obligation to advance and spread capital and civilization to the world's so-called darker peoples. Yet, Conant also believed in the immense racial capacity of white Anglo-Americans to innovate and find new ways to break out of stagnation. Transpacific expansion would allow white Anglo-Americans to overcome spatial limitations and colonizing the Philippines would prove their racial capacity to potentially lead a world of capitalist empires.[21] This meant that U.S. Empire had to create secure conditions in these new areas for the stable investment of capital. In other words, colonial territories or "half savage lands" as Conant put it, had to be disciplined into orderly and secure spaces, not only in the present but also for the long-term future.[22] The problem, however,

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was that the Philippine colony remained plagued by economic and military insecurities. A primary source of these insecurities was money.

Money at War and the Desire for Monetary Authority

In 1898, the most pressing logistical concerns of U.S. military occupation consisted of purchasing supplies, paying wages for colonial labor, and disbursing paychecks to soldiers: all these arrangements necessitated a stable supply of cash.[23] In less than two years, military ranks would swell to an estimated seventy thousand troops, who all required cash to be clothed, fed, and remunerated. Moreover, because the U.S. military was now an occupying population filled with soldiers involved in a protracted war against Native *insurectos*, the stabilization of day-to-day banking services and commercial and retail transactions became even more important to maintain a sense of normalcy and morale.[24] It is within this situation that the security of money became a pressing concern of imperial decision-makers, economic experts, and military leaders. And it is within the mundane activity of managing logistics that concerns over monetary insecurities revealed multiple frictions between different colonial agents.

For example, the disbursement of wages provided one of the largest headaches for the military colonial state. Every department seemed to have their own system of distributing paychecks and often, local paymasters, when frustrated, would shift to different systems from month to month.[25] As one paymaster complained, it was "practically impossible to transfer" necessary funds.[26] These feelings were especially due to the discrepancy between the form of payment and the local currency conditions in which soldiers found themselves. At first, soldiers were paid in a combination of U.S. silver and gold coins. As the money supply dwindled for the ever-growing military population, paymasters switched to issuing U.S. Treasury notes. Many paymasters were convinced that local banks and exchange shops would accept the notes at the same value as gold-based U.S. dollars.[27]

For many American soldiers who were being paid in gold-based notes, however, the silver-based commercial world of the Philippine colony would appear predatory and criminal. One newspaper article warned that "American Money [was] Discredited," causing "perversities, complexities, difficulties, and impossibilities." Soldiers, without adequate leadership, thus encountered an unsettling and threatening colonial world in which "all the natural cursedness of the climate and all the artificial eccentricities

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of the place and people [we]re concentrated in the currency."[28] Printed in a pro-American newspaper, this article appeared to panic over the disrespect given to U.S. currency. Eventually this article, and other similar critiques, would make the rounds across the desks of the War Department, prompting action from decision-makers.

Frictions would occur between high-ranking authorities, frustrated by the contradictory ad hoc methods being applied on-the-ground in the archipelago.[29] "The rates of exchange should be established," one colonial official complained, "in orders similar to those issued to exchange in Cuba and Porto [*sic*] Rico."[30] In comparison to ongoing U.S. colonialisms elsewhere, the economic occupation of the Philippine Islands seemed to go awry. Empire forced many American colonial occupiers to confront a social life completely foreign to one they had ever experienced. Occupation entailed the consumption of Native commodities and services, things from which soldiers felt alienated. For example, since most retail transactions involved silver-based currency and most soldiers were paid in gold-based currency, soldiers had to first convert their paycheck from gold to silver. The military government, however, did not have the capacity or resources to provide silver currency. To convert gold into silver, therefore, soldiers had to go to an agent external to the military government, primarily foreign-owned banks or local moneychangers who would regularly charge an inflated service fee or commission. Moreover, based off the ebbs and flows of international market valuations, local banks and moneychangers would change local exchange rates daily.

There was also prevailing suspicion within the military ranks of illicit collaboration between banks and moneychangers. As one paymaster in 1899 asserted, "the two English banks of Manila seem to be in collusion, and charge exorbitantly for all business transacted over their counters." The paymaster went on to detail how exchange rates would even detrimentally affect the value of money in a soldier's savings account. "When an officer or enlisted man goes to deposit his gold with them it is credited to his account in silver, at the current rate—for this is a silver country—and if he want gold for any purpose they charge him never less than 5 per cent for it." In addition to the predatory withdrawal fee, the paymaster suspected that banks manipulated the exchange rates, especially when "pay day approaches" to "make a greater profit from these soldiers."[31] Bankers defended their banking practices, blaming the "frequent misunderstandings and misrepresentations" of currency values on the general lack of knowledge of Americans soldiers.[32]

In addition to friction with bankers, soldiers frequently came into conflict with Native retailers and moneychangers. This made sense. Natives,

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after all, were especially suspicious of U.S. currency. According to a special report made just after the Spanish American War by Edward W. Harden to the Treasury Department in November 30, 1898, Natives illogically demanded the less valuable Mexican coin over U.S. money. "The native will take the Mexican dollar, worth less than 50 cents gold, in preference to the United States dollar, worth 100 cents. Any change in the coinage will require time for the natives to become accustomed to it before it will be accepted readily." The Native's suspicion of U.S. currency, however, according to Harden, was not malicious. Rather, suspicion of U.S. currency came from the Native's lack of knowledge, a sort of illiteracy of currency. To Harden, the problem was that "a very small proportion of the inhabitants understand English." Illiteracy in English made it especially hard for Natives to "decipher the inscription on a coin" unless it was written in Spanish. He would go on to reason that if the Philippine Islands were to be converted to a gold-standard system, Natives would have to be slowly and patiently "educated to the value of the new currency."[33]

Although Harden correctly anticipated the long-term U.S. colonization of the Philippines, he seemed to neglect that illiteracy went both ways. After converting their wages into local currency, many U.S. soldiers most likely felt as if they were at a clear disadvantage due to their lack of knowledge of the extremely complex Philippine monetary system and their unfamiliarity with non-English languages. In one account, Charter Bank representative G. Bruce Webster cataloged the myriad types of coins circulating as currency in Manila: "(a) Spanish Filipino silver peso, (b) Mexican dollar, (c) Filipino silver half dollar (debased), (d) Filipino silver peseta of 20/100 dollar (debased), (e) Filipino silver half peseta of 10/100 dollar (debased), (f) Filipino copper cuartos and centavos."[34] Of most concern for the typical soldier, particularly for smaller-scale daily commercial and retail transactions, was what Webster categorized as Filipino copper cuartos and centavos. Despite the Spanish colonial state's attempt to overhaul the Philippine currency supply during the last three decades of the nineteenth century, small denomination coins continued to be scarce, disproportionately affecting the working and poorer classes.[35] For most of the colonial population, interaction with, and access to, any type of money was limited to small denomination coins. Therefore, for most of the population, to conceive of money was to envision not gold or silver but copper.

The local small denomination currency, however, was especially troubling to Webster, who described the copper coins as "dilapidated pieces of metal, on many of which it is difficult to discern any image or superscription." The

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inability to "discern any image or superscription" placed the American customer in a precarious position, for in a retail transaction, the customer had to defer to "the ruling of the Chinese or Filipino small dealers." Thus, due to the American's illiteracy or lack of knowledge of local currency, he or she necessarily depended on the knowledge of Chinese or Native retailers. This scenario troubled Webster, not only because the colonized held authority over the prices of commodities, but also because American customers had to "accept the ruling" of Chinese and Native retailers concerning the value and authenticity of coins.[36]

Seen in this light, decisions over the value and authenticity of coins were seemingly formed autonomously of any state authority. Deferment to the authority of Chinese and Native retailers was ultimately the result of the American consumer's illiteracy in the language of local money. Because Chinese and Native retailers could read what Americans found "difficult to discern" they had access to knowledge Americans did not. As a result, Chinese and Natives held authority over money and over American consumers through their ability to discern or, put another way, to mediate, knowledge of the local, day-to-day, retail market. Equally troubling was the concern that authority over money arrived autonomously of the colonial state. Webster's account, after all, presented a world where colonizing consumers had to "accept the ruling" of colonized retailers. In this world, then, the Chinese and Natives' seeming arbitrary decisions over valuation and authenticity had the upsetting public appearance of being sovereign of any state authority. The seeming autonomy of money and the market was not, however, limited to smaller-scale retail transactions. Uncertainty over the unruliness and illegibility of money and the market could be located in larger-scale instances.

In July 1900, fluctuating rates between gold and silver were severely affecting the military government's large-scale purchases of war supplies. This global fluctuation was due in large part to the vast quantities of money invested in troops and war supplies by collaborating imperial forces attempting to suppress the Boxer Rebellion in China.[37] In a cablegram dated August 3, 1900, General Arthur MacArthur accused banks in the Philippines of exploiting the U.S. military government during this moment of wild fluctuations. MacArthur, like many of the troops serving below him, believed the Boxer Rebellion, or what he referred to as the "Chinese War" was simply "made pretext by local banks for profitable speculation in United States currency." Illustrating the precarious situation of American imperial sovereignty in the Philippines, MacArthur cast suspicion on the local

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"foreign banks" that controlled the money supply and set rates of exchange "in opposition to the interests of the United States." As a temporary solution to these predatory practices, MacArthur suggested artificially setting the rate of exchange between silver and gold at "two for one."[38]

From MacArthur's perspective, the powerful banks in Manila had been taking advantage of wartime economic insecurities to artificially set exchange rates. One newspaper article corroborated this notion of collusion between the banks that had "arbitrarily reduced the rate of exchange on American gold" and encouraged MacArthur to "take measures to guard against the action of the banks."[39] In another correspondence, MacArthur recalled the previous promise made in 1898 by the three major banks in the Philippines—the British-owned Hongkong and Shanghai Banking Corporation; the Chartered Bank of India, Australia, and China; and the Spanish-Filipino-owned Banco Español Filipino. According to MacArthur, all three banks assured that if allowed to reestablish the duty-free import of Mexican silver dollars they would maintain a parity of exchange "at not less than two Mexican dollars for one gold dollar."[40]

The importation of Mexican silver coins had been banned by the Spanish colonial state in 1877 in the Philippine colony partly due to rampant accusations of predatory bank practices.[41] Despite being suspected of immoral practices, over the next two years, the banks did indeed keep their part of the bargain, maintaining an exchange rate at, or below, a two-to-one ratio. However, after the outbreak of the Chinese Boxer Rebellion and the subsequent rapid escalation of silver prices in global markets beginning August 1900, representatives of the banks claimed that they could no longer maintain this rate of exchange without risking great losses. As a result, local moneychangers and banks began varying the rates at 1.75-, 1.70-, 1.60-, or 1.50-to-1 U.S. dollar. These drastic changes in ratio consequently transferred the supposed losses of banks to those whose wages were paid in U.S. dollars, specifically laborers and troops employed by the U.S. military.[42] By suggesting to artificially reinstate the originally agreed upon ratio, MacArthur asserted the legitimacy of the state to determine what he believed to be a more reasonable exchange rate between gold and silver. In addition, he essentially argued that the state had the legitimate power to bypass any claims that the capitalist market was the ultimate judge of value.

MacArthur's suggestion of the state as the legitimate decider of value sparked off a series of criticisms from the probanking community.[43] One of the most hostile responses came from U.S. Secretary of Treasury Lyman J. Gage. As a powerful proponent of laissez-faire policies in the McKinley

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administration and banking community, Gage was willing to publicly attack any sort of perceived government intervention in the economy. The treasury secretary defended the action of the banks and scoffed at MacArthur's notion that exchange rates could be fixed by the military government. "In considering the subject-matter in the light thrown upon it by General MacArthur's letter," Gage stated, "I am first struck with the thought that the quartermaster's rate of exchange is itself arbitrary and unnatural—one that there would always be difficulty in maintaining, at least upon the present principle."[44] For the treasurer, a government fixed rate would not only be an expression of arbitrary government rule, but would also go against the very nature of capitalist valuation. Gage thus invoked the logic that only the capitalist market's "law of demand and supply" could determine the true and natural value of currency. As he pointed out, unintentionally echoing Marx's insight of the always-existing dual value of a commodity, the "value of the bullion" of the coin should be considered separate from the "commercial value" of currency.[45]

The heated exchange between MacArthur and Gage revealed the strange paradox within the capitalist logic of valuation. MacArthur seemed to believe that the bullion content of a coin contained a natural value. Yet, he also believed that this natural relation between silver and gold currency values could be set at about two to one, or the conventional exchange rate agreed upon since the 1898 American occupation. Responding to this, Gage argued that this notion of metal having an essential value was in actuality "arbitrary and unnatural." For Gage, there appeared to be an even higher register of nature or truth than the "natural" metal bullion. This more truthful value was intangible and instead determined only in and through local and global markets. From Gage's perspective, and what was the dominant perspective of many economic experts at the time, the "law of demand and supply" was the only true determinant of value.

As a result of this notion of how value was determined and produced, Gage defended the actions of the banks by asserting that every individual, commercial entity, and even every government, ultimately existed under the same rules of the capitalist market. Ignoring the open collusion between major banks to artificially set prices, the treasurer argued that even those who seemed to disproportionately benefit from the market, for instance, banks, could eventually become "necessary victims" to "movements they can not control." To Gage, banks were "obliged to adjust themselves and their actions," and MacArthur was ultimately "subject to the same rule of commercial necessity."[46] Questioning MacArthur's inability to comprehend

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that he too was "subject to the same rule" as everyone else, Gage simultaneously naturalized and authorized the logic of the market. The market, therefore, no matter what MacArthur or the bankers believed, ruled over not only the production and exchange of values, but it also ruled over any social being or activities connected to the production or exchange of values.

Two seemingly incompatible perspectives of the relation between the capitalist market and the military colonial state in the Philippine colony emerge from this exchange between MacArthur and Gage. From MacArthur's perspective, in order to end the exploitation caused by the capitalist market toward both the military treasury and the wages of the troops, the military government had to reassert its rule by setting parity at two to one. From the perspective of Gage, however, government action without understanding the natural movements of the market would be reckless and ultimately an expression of "arbitrary" and "unnatural" authority. At the same time, despite their seeming incompatible perspectives of the currency problems, Gage and MacArthur in actuality shared a common understanding: the capitalist market operated as if autonomous of both the military government and colonial society.

Apprehending the Racial Capacities of the Colonized

The year 1901 marked the formation of the second Philippine Commission, headed by William Howard Taft. The goal of the commission was to begin the transition from an occupying military government to a civil colonial government in the Philippines.[47] From the perspective of Taft, key to this transition would be establishing a U.S. colonial monetary system. Taft had long been anxious about how the monetary crisis continued to hamper local and global conceptions of U.S. sovereignty in the Philippines. At one point, Taft even considered allowing "English dollars" to circulate as official U.S. legal tender in the islands, preferring it over coins with the "stamp of the Mexican Government."[48] Many of Taft's superiors in the settler metropole would oppose this suggestion and would turn instead to the solutions proposed by economic experts such as Charles Conant.

On July 23, 1901, Conant was appointed as an economic advisor to the commission. Tasked with assessing monetary conditions and subsequently drafting a policy for currency reforms, he would report to the Secretary of Finance and Justice Henry Ide. Notably, Conant was hired upon the recommendation of his friends and colleagues in the McKinley administration,

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Secretary of War Elihu Root and Secretary of the Treasury L. J. Gage. Root, who often served as a corporate lawyer, the banker Gage, and Conant traveled within the same prominent banking and business circles and all three were eventually involved in the passing of the U.S. Gold Standard Act of 1900. After his trip to the Philippines, Conant was immediately hired as treasurer of the Morton Trust Company of New York, which subsequently became the bank in charge of the reserve funds of Philippine currency.[49]

Before his appointment to the Philippine Commission, Conant had already formed a schema in his mind for the Philippine currency system.[50] He looked specifically to other colonial monetary policymakers, such as those in the colonies of British India and the Dutch East Indies. Both British and Dutch colonizers implemented a gold-standard monetary system in their colonies, while maintaining a silver currency in local circulation. For both the British and the Dutch, colonial seigniorage was highly profitable for both private and state capital accumulation. However, while British India would run into frequent problems in maintaining its supply of gold within the colony, Dutch Java would instead sell foreign exchange drafts to maintain parity between silver and gold supplies. It would be the Dutch Javanese model that Conant would suggest for the Philippines.[51]

Conant's plans, however, would be drastically changed after encountering the specific racialized relations of power in the Philippine colony. Along with the reports of the U.S. military colonial government, Conant and other experts received most of their information through various non-Native sources, such as Spanish monetary policies and debates from the last two decades.[52] Another valued source for Conant was the highly vocal class of white American and European bankers and capitalists, who had been heavily invested in the Philippines for years.

Interviews of Manila locals conducted by the first Philippine Commission reveal that there were many who opposed the gold standard. Racial ideologies and civilizational discourses grounded anti-gold arguments. For example, one British trader and former bank manager, Charles Ilderton Barnes, defined the Philippines as a "producing country" in which the "wealth of the country, the wealth it produces, is entirely from the soil."[53] The Philippines' only value was to produce raw resources for the industrialized world. A more rudimentary currency, such as silver, would thus suffice. Since Natives were racially conceived of as producers, they were in turn not thought of as consumers. Many reasoned that unlike individual lifestyles in industrialized societies, the Native's naturally impoverished way of life would be incompatible with gold-based currency.

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American entrepreneur John T. Mcleod argued that the Native would never be able to afford any of the higher prices that usually accompanied gold-based currency. Unlike individuals in modern industrial societies who understood how to properly save and invest money, the Native would simply "gamble it away."[54] Yet, even if the Native did in fact manage to not waste money through gambling, the Native's way of life did not necessitate consuming higher priced modern commodities that a gold-based market would bring. Asked by the commission whether Natives, once on gold, would consume higher priced commodities produced in the United States such as manufactured clothes, Barnes dismissively answered: "the native does not use a great deal of clothing."[55] For both Mcleod and Barnes, therefore, the savage Native—one who wasted money and had primitive consumption needs—was incapable of the more modern desires that naturally accompanied gold currency.

Perhaps the most prudent rationale for anti-gold arguments, however, especially for American and European capitalists and entrepreneurs, had to do with the effect of gold currency on wages.[56] If the prices for the necessities of life were to increase, wages would have to correspondingly be raised. Increased wages would cause a problem for American capitalists eager to profit from the colonial occupation of the Philippines. Another concern was that Natives could demand more value for their work and thus challenge the authority of their white employers and by extension the authority of the colonizer. This Native challenge to authority, however, would come not from market knowledge, but instead ignorance. Many authorities doubted the Native's racial capacity to comprehend modern value. As the Director of the Banco Español Filipino, Bernacio Balbas, asserted, the Native "can't understand when you give him a small piece of gold that it is worth more than silver. Moreover, they don't care for it, it is too small for them."[57] According to the Criollo banker, Natives' primitive mental capacity would not allow them to comprehend that the smaller gold coin was worth more than the larger Mexican silver coins.[58] Because of this race-based cognitive disability, the Native would not be able to grasp that value was determined not by the aesthetics or the concrete dimensions of the coin but rather by the capitalist market.

Due to Natives' ignorance of the true value of coins, they would in turn demand that they get paid the same numerical amount of coins as before. Put differently, Natives would cast suspicion on the new gold currency and would doubt that the smaller-sized coins and lesser number of coins would be equal in value to their previous wages. This sentiment was echoed when

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the commission questioned American financial broker William A. Daland on the matter of wages.

Q. You think that if you made a contract with the native to pay him so many dollars you would have to pay him as many gold dollars as you now pay him silver dollars?
A. That would be the native's idea; yes.
Q. In the matter of wages and the price for labor?
A. They would expect the same wages as they get to-day.
Q. The effect would be that we were paying them double?
A. Yes.[59]

The problem was not limited to the individual Native laborer, however. Instead, the problem also involved the local market conditions of the Philippines in which Native retailers would, because of their racial incapacity, refuse to believe that the smaller gold coin was worth more than the more familiar silver Mexican coin. As H. D. C. Jones, the head of British-owned Hongkong and Shanghai Bank complained: "He [the Native] can get more for the silver dollar than he could for the gold, and when he has got the Mexican silver dollars he naturally feels he has more money in hand to spend."[60] The Native, therefore, measured value seemingly outside of either state decree or economic knowledge, rejecting both the state's and the market's determined valuation of money and instead decided the coin's worth by how it "naturally feels." In this imagined scenario, the Native's incapacity to submit to state or market valuation of money, and the simultaneous capacity to make autonomous decisions on the value of the coin, enabled the Native to appear dangerously sovereign from both empire and capital.

In addition to interviews of white bankers and capitalists, Conant also drew from the interviews of a small number of mainly Filipino Mestizo defectors and collaborators. Through their initial collaborations during the war, some of the defectors, namely Pardo de Tavera, Jose de Luzuriaga, and Benito Legarda, would each eventually earn positions as colonial administrators within the founding phase of the civil colonial state. It would be Legarda, however, the self-described capitalist, who would gain the most attention from Philippine Commission interviewers concerning monetary questions.[61] Despite being recognized as an authority due to his racialized identity, Legarda introduced racial and economic notions that simultaneously contradicted and corroborated non-Filipino interviewees.

On one hand, contradicting the American and European interviewees, Legarda argued that the majority of the population of the Philippines not

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only had the capacity to understand the modern value of money but additionally would welcome the establishment of the gold standard. To prove the cognitive ability of Natives to work, buy, and sell under gold, Legarda reasoned that gold coins were "circulating today" and simultaneously being accepted "at double the price of silver."[62] Legarda additionally asserted that Natives would recognize the authority of the United States in stabilizing the exchange ratio at two to one. On the other hand, despite recognizing the cognitive capacity of the Native to understand value, Legarda nevertheless agreed with Americans and Europeans regarding the racialized habit of Native labor. Establishing that Natives did not need to consume much to reproduce their ways of life and were thus "very lazy by nature," Legarda reasoned that the gold standard would help increase Native productivity by raising wages and creating new wants. Thus, by "creating the necessities that civilization brings with it," the United States and the gold standard would not just racially evolve the Native, but the Native would ultimately desire all the new commodities that they could access through U.S. colonialism.[63] By this logic of racial uplift, the gold standard in the Philippines would mutually benefit the Native, global capital, and American authority.

At the same time, however, Legarda differentiated the Native from various multiracial people in the archipelago, such as the Mestizo and the Español-Filipino.[64] Expectedly, Legarda considered the Español-Filipino (a person of Spanish and Native parentage) to be on equal footing to any American or European. However, his description of the Mestizo (a person of Chinese and Native parentage) as "a very good citizen and a very hard worker" is surprising considering his view of those he considered purely Chinese. Throughout the rest of his interview, Legarda reinforced a broader colonial norm of anti-Chinese racism by arguing that Natives were "terribly against the Chinaman," particularly for the Chinese's ability to "discredit" and "adulterate" the value of commodities and labor.[65]

Legarda's interview gestures to how the Native was not the only racialized subject that attracted attention from those debating currency reforms. The Philippine Commission was obsessed with linking money's unruliness to the figure of the Chinese. Some of those interviewed demanded adopting, in the Philippines, the explicitly anti-Chinese immigration policies of the U.S. settler metropole. In effect for several decades, this federal anti-Asian policy would limit Chinese migration to manual laborers and place a time limit on the residence of Chinese migrants in the colony.[66] The permanent exclusion of Chinese settlement in the Philippine colony would allegedly protect the development of Native capital. At the same time, because of the

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mass refusal of Natives to work for the U.S. colonial state, some authorities advocated for the recruitment of low-wage Chinese (and "East Indian") "coolie" labor to build much needed infrastructure in the colony.[67]

Many of those interviewed by the Philippine Commission, however, racialized the Chinese migrant as a parasite to local economies. Often these accounts called on the popular narrative of the Chinese as predatory entrepreneurs, fearing that the Chinese would outdo Americans as settler colonists in the Philippines. This narrative was perfectly encapsulated in Edwin H. Warner's statement that "the Chinaman comes here as a coolie; he saves a little money and at once goes into the country and starts a small store." After the establishment of his business, however, the Chinese merchant revealed his true nature of having "no system of morality at all" by "systematically adulterat[ing] everything" and cheating "the Native in bargaining."[68]

Because of this anti-Chinese obsession, some argued that policing the economic role of the Chinese would benefit both the Native and the colonial state. On one hand, as Jones asserted, the Native would benefit because "the Native has a great antipathy to the Chinaman."[69] On the other hand, the colonial state would benefit from anti-Chinese policies because, according to Legarda, the Chinese were "the most demoralizing people" and "use their means in every way to evade the law, to get around the law, to get the better of it."[70] Moreover, to the detriment of Philippine society, the local market, and the colonial state, the Chinese simply "make money and take it away with them."[71] If anti-Chinese policies were pursued, however, the economic role of merchant, retailer, or moneylender would theoretically be left vacant. Consequently, it would not be the racialized Native who was "too lazy to keep store" that would fill the role.[72] Instead, as Daland speculated, once the Chinese were expelled from the retail and middleman position, "the English, the Americans, and civilized nations" would "come here to keep store."[73]

Notably, Conant refused to engage with any direct accounts from Native, Chinese Mestizo, or Chinese interview subjects. This was most likely due to the fact that while interviews were being conducted in Manila, the Philippine American War was far from settled. Officially, there were two governments laying claim to sovereignty in the Philippines after the Spanish American War: on one side were the United States, and on the other, the nascent Native government, the Malolos Republic. On one hand, most elite Natives who would have experience with, and knowledge of, monetary and financial manners held leadership positions in the Republic and were subsequently considered the enemy. On the other hand, Natives who were not officially part of the Republic were, at the same time, not necessarily friendly

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with the occupying U.S. government. Some, like the Manila shopkeepers and merchants who refused to pay taxes and recognize U.S. control of tariffs in January 1899, were outright antagonistic. Others, like labor union leaders and proindustrialists (those of a particular property-owning class) Isabelo de los Reyes and Dominador Gomez, were deeply nationalistic. Consequently, their ambivalence toward the United States and increasing militant organizing was looked upon with intensifying suspicion by the colonial state.[74]

The combined information of past Spanish monetary debates and policies, local hierarchies, assumed racial capacities and civilizational discourses, and the divergent desires and complicated allegiances of the business and banking community in the Philippines would go on to shape Conant's initial schema for currency reform. Instead of an orthodox gold currency, Conant drafted and submitted his plan for a new coinage, materially consisting of silver bullion but with a value equivalent to a theoretical gold peso.[75] To maintain existing racial orders and stabilize colonial divisions of labor, Conant altered his belief in a world smoothed out by one unified gold standard and instead introduced a plan for a hierarchical gold exchange standard in the Philippines.[76]

Reinforcing Orders through Colonial Currency

In 1901, Conant drafted a currency reform policy, laying out a multistep plan involving such details as restructuring the value of small coins and changing the names of different denominations.[77] After the Philippine Commission interviews on currency reforms, Conant was forced to rethink the applicability of his universal theories to the concrete conditions in the archipelago. Conant had to address many of the arguments of those in favor of maintaining a silver-based currency and as well as those who advocated extending the U.S. dollar into the colony. In response, he argued that maintaining a currency based on silver or bimetallism would be disastrous for the future foreign trade of the country, due to "the fact that the value of silver as expressed in gold" was "subject to constant fluctuations." If silver currency was chosen, therefore, it would have to be maintained by a state fiction that went against "the free play of the laws governing the value of money."[78] Silver, most significantly would be detrimental, according to Conant, to the needs of Natives and the local conditions of Native life.

Unlike his previous works, which saw the colonization of silver countries as a solution for gold-based industrial nations to overcome economic

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crises caused by overproduction, Conant relied on racialized assumptions of the benefits of gold exchange to transform, in a series of measured stages, the economic life of Natives. Certain to make clear that his conclusions about the benefits of a gold exchange standard to a less developed race was informed by positivist knowledge, he argued that those who desired to simply extend the American system to the colony had not "studied from a scientific point of view the monetary necessities of the Filipino people." If they had, they would have known that utilizing American currency for a race that, on the whole, did not have the capacity to understand the true market value of currencies would lead to "a great confusion in retail prices and in rates of wages."[79]

For Conant, the Native was both suspicious of new objects and far too mentally underdeveloped to comprehend values that they could not determine through bodily sensations—such as by touch or sight. The most consistent example of both this reactionary suspicion and market value illiteracy was the Native's perception that the smaller and unfamiliar U.S. gold dollar was worth less than the larger, more familiar, Mexican silver coin. Informed by this normative perception of the racial incapacities and desires of the Native, Conant created what he believed could stabilize value, make trade and capital investment easier with industrialized countries, and bind the Philippine currency to the American monetary and financial system. The realization of these goals, however, depended on the Native's recognition and acceptance of the new currency.

The new silver coin would be called the Philippine peso, to symbolically distance it from the dollars (American and Mexican) currently in circulation.[80] This would ease the "inconvenience in retail trade" and would protect against any future confusion over "interpretation of contracts." Despite this nominal distinction, believing the Native suspicious and illiterate of modern market value, Conant asserted that there should be no "radical change" in the weight or fineness of the coin.[81] Fighting the urge to drastically reduce the silver content of the token silver peso, Conant argued for a coin that would not disturb the haptic conditions of exchange to which Natives had "long been accustomed."[82] Still, the creation of a token coinage system invited the twinned possible threats of counterfeiting and smuggling. If the silver bullion content contained in the coin was valued higher than the state fiat value, it could initiate desires to extract the silver content from the coins and "drive them to the melting pot." If the silver bullion content was too little, however, it could, according to Conant, "invite distrust and expose the new coin to the same danger of counterfeiting as American

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silver money."[83] To caution against both smuggling and counterfeiting, the new silver peso would contain just enough silver and be similar enough in size to the previous Mexican silver coin that the Native would recognize it as authentic. At the same time, however, to combat driving the new coins to the "melting pot" of smugglers, the silver bullion content of the coin would be reduced below the set value of the theoretical gold peso.

Conant's plan essentially called for the creation of two new currencies: the token silver peso and the theoretical gold peso. The proposed currency system thus secretly held its true value somewhere else, a ghostly monetary system that physically existed neither in the Philippines nor in the United States. This was a potential contradiction, in which the naturalness claimed by the gold standard came into tension with the artificiality required by creating a theoretical gold dollar. The new token silver coins, moreover, had to be recoded as familiar and authentic to the Native while at the same time secretly reorient its source of valuation toward the foreign monetary and financial system of the United States. Through this technique of secrecy and familiarity, Conant intended to stabilize and render consistent the coin's value. Stabilization and consistency, in this case, was not only intended to help foster commerce but was also necessary to keep colonial labor wages and costs of living low.[84]

Despite these radical changes, the new currency's design and form would be recognizable enough to Natives so as to not raise suspicion. Suspicion of the American colonial state currency, after all, could easily be extended to suspicion of the American colonial state in general. Suspicion, wrought from misrecognition, was a common source of fear for Americans during wartime, particularly for a colonial economy that still could not reliably differentiate between *amigos* (friends) and *insurectos* (insurrectionists). As a result, Conant made certain to argue that the correct plan for currency reforms not only fulfilled economic aims, but were also politically affective enough to ensure the "progress of pacification."[85]

As Conant's plan circulated within government and expert circles, it would contend with preconceived notions of the Native's capacity to comprehend gold currency. These notions were often shaped by racial paternalism. One British banker, A. M. Townsend, compared the Philippines to the currency reforms implemented in other colonies populated by so-called darker races, such as British India. The currency reform success of nonwhite peoples, such as the Japanese, were more of an exception to Townsend. Instead, Townsend paternalistically warned that Natives would bear the brunt of any economic disturbances, stating that "all currency matters" in the Phil-

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ippines required a "delicate handling."[86] Others like Webster took paternalist thinking on a different route but arrived at a similar anti-gold conclusion. Philippine trade would benefit from the change to gold, but this would simultaneously create mass hardship to the "provincial and wage earning classes."[87] Finally, the U.S. Army paymaster general would argue that Natives would not only suffer from "great confusion" if gold was to be introduced, but consequently bankers would continue to manipulate exchange rates to prey upon their confusion.[88] He instead supported the notion of a gold standard that was not directly attached to the U.S. gold dollar. The paymaster general believed that Americans, simply by keeping the Philippines colonized and flooding the Philippines with U.S. dollars, could first educate Native capitalists. After influencing the wealthier classes, he reasoned, eventually the "knowledge would spread to the more common people."[89]

In the first months of 1902, after failing to push currency reforms through Congress the previous year, the Bureau of Insular Affairs (BIA) made a concerted effort to sway public opinion before currency reform again went before Congress. The BIA reached out to Conant, once again, to be the public face of Philippine currency reform. Conant drew upon his public intellectual persona and launched an elaborate private and public lobbying campaign for a Congress-approved Philippine currency reform.

On one hand, private lobbying consisted of tapping into intellectual networks of academic and financial journals for favorable articles, intimidating banking community members through the power of the secretary of war, and even wooing various notable American silver-backers.[90] Public lobbying, on the other hand, circulated a more simplified message of currency reforms in the Philippines. For instance, one press release from the War Department attempted to resonate with the broader populace through a nostalgic narrative of white supremacist expansion into North America. "The idea of a special coin for colonial dependencies distinct from those of the realm is by no means new. In fact, it is as old as the colonial system of Great Britain and the now United States of America and apparently originated for use right here on our own soil within about five years of the first prominent foot hold of the white man on the North American Continent."[91] The press release would thus connect the creation of the Philippine colonial currency in America's "Asiatic Archipelago" to the United States' inheritance as a settler colony and its subsequent obligation to spreading white civilization to supposedly savage peoples.

On January 9, 1903, a currency reform bill was reintroduced through the Committee on Insular Affairs. Conant's public campaign looked to have been

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effective, since a month later, the Conant plan found its way through the Senate.[92] After being sent back through the House, with very little changed, the bill was adopted by a close vote a week after the Senate approval. On March 2, 1903, President Theodore Roosevelt signed the Philippine Coinage Act, granting the civil colonial government the sovereign power to institute lasting currency laws. One of the key sections of the new law was that the power of seigniorage was granted to the Philippine colonial state. The process of seigniorage, which entailed mintage, maintaining parity between the silver peso and gold dollar, the purchasing of bullion, and the transportation of minerals, was also potentially a highly profitable state practice. Although there were limits on what the colonial state could do with the profits from seigniorage, it nevertheless provided the possibility of capital accumulation to be used for ongoing and future counter-decolonization projects.[93] Upon receipt from Congress, the Philippine Commission approved Act 938, otherwise known as the Gold Standard Act. The act established a gold reserve fund in order to maintain parity between the circulating silver peso and the theoretical gold peso. The gold reserve fund would house the profits of seigniorage. Later in July 1903, a silver certificate fund was approved for the purpose of maintaining parity between the Philippine silver peso and the Philippine gold peso. The gold-standard fund, which would be held in New York reserves, would be especially beneficial for both the colonial state and Wall Street banks. Thus, although the Philippines may never have been as commercially profitable for American capital as initially anticipated, the maintenance of the monetary system provided a consistent form of profit for the purpose of at least sustaining the colonial state.

A few years after the passage of the monetary law, the new currency designed by Conant had established, like every successful state-issued currency, a seeming monopoly of the urban Philippine markets. Philippine currency reforms were thus publicly proclaimed as a success by U.S. colonial officials. The truth, however, was that there were still ongoing currency shortages for most in the rural provinces. In addition, anticolonial insurgencies endured long after the war was declared officially over by the U.S. government in 1902, impeding the rollout of currencies in many war zones. Insurgencies unsettled American authority, and the legitimacy of the new colonial currency was analogously uncertain.

Indeed, even the initial introduction of the new "Conants," as they were soon to be popularly called, ran into trouble almost immediately. There were two interrelated causes for this trouble. First, colonial authorities needed to drive out and "dispose" of older currencies. Disposal entailed

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the removal of silver coins, melting down of metal, and repurposing the silver bullion for the minting of new coins. The problem was that most of the commercial banks in Manila held their reserves in older currencies and, out of fear of incurring great losses, refused to release their money to the colonial government.[94] The second problem was the price of silver in world markets suddenly ballooned. Silver bullion would be scarce at the very moment when Conant currencies needed to be minted in San Francisco. Moreover, much of the minting of the new currency would depend on the silver bullion collected from disposed coins. Yet, because silver had suddenly become more valuable, it was even more difficult to extract the older silver currencies from Philippine circulation. The higher price of silver would rapidly lead to a scarcity of Conants.[95]

In July 1903, Conant reforms would suffer further setbacks. Signs of the "money market tightening" sent Manila bankers and capitalists into panic, with many businesses abandoning the newer currency in favor of the more abundant Mexican currency.[96] The price of silver, in Manila especially, was wildly fluctuating, rendering exchange rates just as unpredictable as during the beginning of the Spanish American War. Moreover, colonial authorities feared that the hoarding of currencies and the smuggling of bullion out of the colony would paralyze economic activities in the islands.[97] In addition to market disturbances, tensions between the War Department and the colonial state were triggered by minor irritants such as the use of the word *Conant* as the nickname for the new currency[98] or the refusal of military officials to accept the new currency for payment of debts.[99] Despite all these frictions and irritations, the monetary system was able to survive this tremulous rollout, but at the cost of public weariness of American economic expertise and state decision-making.

For example, about half a year after the introduction of the new colonial currency, English language newspapers in Manila severely criticized the Conants. Many wrote that the U.S. colonial state had failed to properly educate and prepare the Natives in the new colonial currency. One editorial argued that despite suffering "from the vagaries of the mongrel currency," Natives continued to refuse the new Conant coins. These refusals disrupted the quotidian life of the American colonizer who was fundamentally dependent on Native labor. "A very large part of the expense of the living in the Philippines goes to native help and others who know nothing about the change of monetary standards," the writer complained.[100] Another article featured an interview with an American banker who recounted a story of a Native newspaper delivery boy who refused to accept the new coin. "If

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the very street gamins want the old coins," the banker grumbled, "do you suppose that the savages in the tobacco plantations of the north and the sugar groves of the south will take the Conant pesos?"[101] From these perspectives the lack of market knowledge by the Native strangely endowed them with the capacity to refuse, decide, desire, and even make demands without consideration or care of American authority. The final thoughts of the editorial remained pessimistic about the success of monetary reform, at least when it came to convincing Natives. "The demand for old money will continue, regardless of explanations and theories," declared the writer.[102]

Other observers were especially skeptical of the ability of American economic experts to change Native capacities and domesticate the unstable effects of the capitalist market. One particularly scathing editorial titled, "Bastard Coins Must Go," argued that "financial experts in the U.S. have little success in adapting their theories to the vastly different conditions in the Orient." The editorial would go on to criticize the "financial kings and experts" who were reduced to "wailing infants" when confronted with the alien and concrete conditions of the "Far East." From this perspective, Natives were not the only ones who lacked market knowledge. Ironically, lacking in knowledge were the infant-like American economic experts. Rather than theories that "looked beautiful upon paper," the editorial touted the knowledge accumulated from experience in the colony. Moreover, the writer warned, expert knowledge pressed on an ignorant people would not lead to the rule of law but the predatory law of the market. As long as naive American experts attempted to force universal theories onto local conditions, it would exacerbate disorders, a situation where "money changers" would be given "full sway to fleece the people."[103]

The ignorance of Natives and the naivety of American experts created a situation in which, according to some newspapers, American colonial authority would be vulnerable to foreign threats. One recurrent foreign threat was the supposedly predatory Chinese moneychanger. The threat from Chinese moneychangers was especially dangerous for those in the provinces, where American authority remained shaky.[104] Another foreign threat was counterfeiters who would "shove" large amounts of "queer" coins into circulation. While previous counterfeiters would concentrate on small denomination coins, the final months of 1904 witnessed the mass appearance of "spurious . . . Conant money." The authority of the colonial state was destabilized by counterfeit coins, and the public would adopt various means to differentiate between genuine and fake money. Individuals would have to "listen to the coin," as the "only means of discovery was to

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ring them." American colonial authority was put into question as the coins sounded like "lead but have every appearance of the real thing."[105]

What kind of effect would it have on American sovereignty when one listened to the coin rather than to colonial authorities? Perhaps, the uncertain genealogy of coins remained the biggest threat as foreign currencies remained in circulation, exchanging hands at dizzying speeds and at unaccountable volumes. Different public references for the circulating coins did not necessarily underscore their false origins but rather their impure and unknowable origins. "Bastard coins" and "mongrel money" would be frequently used to refer to these non-U.S. coins.[106] Despite circulating for decades before U.S. colonial occupation, these coins were designated as foreign to, and thus estranged from, America's genealogy. The expressions *bastard* and *mongrel* perhaps refer to the failure of a pure genealogy and hence the threat to future inheritance. As war continued, the future of American colonial authority was far from certain in the Philippines and experts faced several pressing concerns. Would the colonial monetary system be inherited by future American authorities in the archipelago? Or would so-called mongrel currencies continue to proliferate and corrupt any sort of American colonial inheritance?

Colonial currency reforms in the Philippines set a precedence for how American monetary authority would operate in other colonial spaces populated by other dark races. Conant's policy and the data collected from the Philippines, for instance, constituted a portfolio to be circulated throughout manifold places such as China, Mexico, Cuba, and Panama.[107] Through this process, experts such as Conant hoped to illustrate the racial capacity of white Americans to lead a racial capitalist and interimperial state world system. Emboldened by Conant's policies in the Philippine colony, the CIE and other economic experts would in turn sell their market knowledge to developing governments. Oftentimes U.S. firms and banks pressured these so-called developing governments—such as Haiti and Poland—into employing American economic experts, especially if these countries wished to appear as safe and secure economies for capital investment and accumulation. In turn, U.S. banks jockeyed for the opportunity to act as reserves for these new gold-based monetary systems, again following the colonial model in the Philippines.

The desire to transform "developing" silver markets into "gold countries" led to uneven results.[108] Much of the publicized success of currency

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reform had less to do with the soundness of economic knowledge and more to do with how the new monetary system benefitted from colonial contingencies. For instance, the Gold Reserve Fund remained at a surplus due to the continuous flows of U.S. military money to the islands.[109] Continuous militarized counter-decolonization campaigns thus kept the colonial state in the black. Despite the supposed modularity of Philippine currency reforms, what continued to remain occluded from U.S. imperial propaganda was the necessity of heavy policing within colonial borders and the suspicion of ongoing clandestine economic activities. Nervousness over economic activities on the ground also illustrate the ongoing antagonisms and unintended frontiers of escape that continued to plague the American colonial state long after the 1902 official declaration of the war's end. For at least the first decade and a half of colonial rule, militarized counter-decolonization would occupy the minds of U.S. officials.

Despite all this, some Americans in the Philippine colony believed state reports over what they witnessed on the ground. Looking back at this moment of transformation, Mary Fee described how they were "all relieved" by the news that Congress had adopted "Conant's system of currency."[110] As Fee remembers, there was some initial resistance to the reforms, but she contended that "on the whole the change went off quickly and without much friction." She noted in wonderment "how easily and quickly one circulating medium disappeared and another took its place." Yet, within Fee's narrative of almost instantaneous imperial transformation remained the cluster of memories that recalled "trouble about getting the poor people to recognize" the new currency form and the value it embodied. With a tone of disappointment, Fee recounted how "the Treasurer had a long line of delinquents before him each morning admonishing them that they could not play tricks with Uncle Sam's legal tender."[111] The observation, of "trouble about getting the poor people to recognize" the new coins, illustrates that there remained the haunting possibilities of unforeseen and unanticipated misrecognition of U.S. colonial currency in particular and American authority in general.[112]

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