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The double-sidedness of money

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"The love for money is the root of all evil."(Timothy, Ch. 6, v.10)
"Money answereth all things." (Ecclesiastics, Ch 7, v.12)

Money talk tends to be confusing. When people talk money, they usually think "wealth", "costs", "profit", "income", "gold", "greed", "time" (as in "time is money"), or something like that. In everyday discourse money symbolises capitalism, for better or worse: money as the life or evil force of the economy. As Liza Minelli sings to us in the classical musical Cabaret: "Money makes the world go round… ". The tune resonates when people exclaim "money" in response to the question what they are after in life, or when they say that everything people do ultimately revolves around money. All this talk is clear enough. The confusion enters when we observe the very same people who are so enthused about money, stubbornly suppress any reference to money when it comes to goods like the love for their partner, parents and children, friendship, science (truth!) and art (beauty!). In some spheres money proves to be a taboo, even for those who celebrate the value of money.

Accordingly, where money talk is welcomed in some settings, it is a taboo in others. Money talk usually does not go over well at a dinner party, especially not when people like psychologists, social workers, scientists or art critics are present. Even though it is said that money makes the world go around, such people prefer not to know, or at least, not to talk about that. We economists have a problematic imago in such a company as we are considered to be the "money-people". A common prejudice has it that all we talk about is "money". There are good reasons to look down upon economists (arrogance, narrow perspective, singular interests, dry) but this can not be one of them. For economists talk very little about money per se, just listen to the conversations of economists as portrayed in Klamer and Colander (1990) and Van Dalen en Klamer (1996). Sure, they talk about income, prices, wealth and costs but, we economists are quickly to point out, money is another matter, an instrument for exchange, that's it.

Let us establish that money means many different things to different persons but also to the same persons. Here we want to sort out the different, and often conflicting meanings of money. In order to do so we have to venture out in other fields besides our own, which is economics. And this is our theme: Money is double sided. In a literal sense and in a manner of speaking. And that is the entire story. Let us explain.

THE DOUBLE SIDEDNESS OF MONEY

Money is literally double-sided in the sense that the coin and piece of paper that we call money has two sides. One side is printed a number. That is the quantity that people refer to

when they say “10”, “20” or “100”. The number refers to the value of the coin. A coin with 100 printed on it is worth ten times a coin of 10. This is the side that figures in economic discourse. It is what economists think of when they speak of prices, income, and the money supply. The other side of the coin invariably shows a symbol that says something about the community in which this coin is to circulate. (For paper money this contrast between the two sides is usually less strict, but it, too, has symbols printed all over its two faces.) In economic and daily money talk the symbolic side of money hardly figures. Yet, it points at important institutions that endorse and stand for the value of money, like the political entity that has to stand for that value (the state or the central bank) and the identity of the people in whose territory the money circulates.

Let us give an example how the two sides of money do their work. In discussions about the euro proponents of the euro usually refer to the numerical side when they point to the advantages of having one currency in an integrated European market. It saves transaction costs in the trade among the euro-countries. Because prices throughout Europe will be in euros, they are easier to compare. In euros a “one” will be a “one” everywhere in the euro-countries. How far this argument takes us to the euro we will see later. For now it suffices to note that the proponents usually overlook the other side of the coin. As if the bridges that will adorn the paper euros will be able to represent a European identity. As if there is no question whether the political entity that is responsible for the euro (the European Central Bank for the monetary policy and the European Council for the political context) is cut out for this task. The euro may fail because it may not realize its symbolic side.

Money is also double sided in another manner of speaking. On one side “money” is what life is all about. At least so people speak. Money is what we work and live for. Money stands for richness and success. Time is money, we say in the West. “So don’t waste my time since I have better things to do, like earning “money”. On this side money glitters and attracts. On the other side money shows it ugly face. It is to this side people refer when they say that money is the source of evil. Here money figures in a negative sense, in that it stimulates greed, (presumably) destroys friendships, and operates as the great equalizer (Simmel, 1900).

This double sidedness of money shows up in a series of sixteenth century Flemish and Dutch paintings. They all show a banker who is fixated at the weighing and counting of money and his wife who is looking up from a prayer book or the bible. The painting of Quentin Metsys (illustration 1) is a nice exemplar of this genre. The banker and his wife represent two worlds.

Here illustration 1

The little mirror in front makes us, the viewers, voyeurs of the scene and we can not help but noticing the contrast between the lightness of the woman and the blackness of the banker. The painter is affirming the judgement that people must have been accustomed hearing from the pulpit.

(here illustration 2)

How different then is the message of a later version in this series. The painting by Martinus van Reymerswaele (illustration 2) changes the motif dramatically as his woman does not look up from the bible but from an accounting book. She has become an accomplice of the banker on her right. Harmony prevails and that must have soothed the conscience of the bankers and the merchants of the time. Money ceased to be the dark force and becomes a sign of commerce, opportunity and wealth.

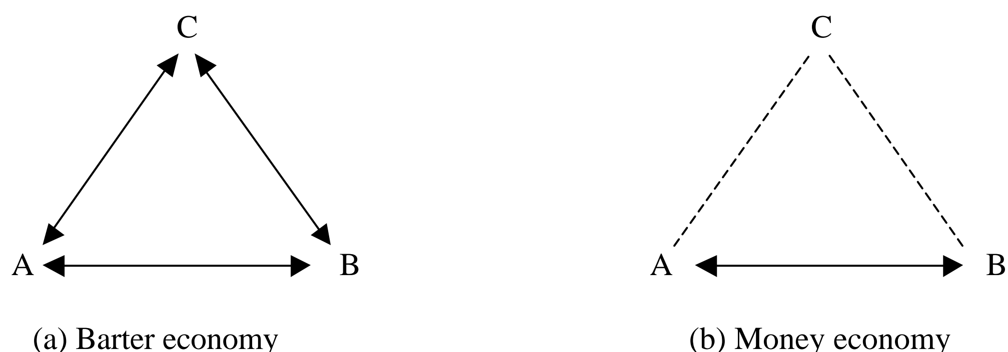
The double sidedness of money is cause for strife, conflict, miscommunication and miscomprehension. While economists tend to focus on one side, the one with the numbers written on it, other social scientists may stress its symbolic and moral sides. They talk about the same thing, yet you would not say so listening to them. In the following we explore the two sides of money to show its many different roles in human societies. Herewith we want to persuade economists to look beyond the numbers and others to take into account the economist's perspective.

ECONOMISTS AND MONEY

As noted, economists focus on the numerical side of money. To the economist money is above all a medium of exchange and a medium of account: it greases the wheels of trade and it helps to compare goods or anything that can be commodified. Money is the stuff that makes up one side of each trade, the other consisting of goods that vary from elephants to professional advice. Anything can serve as such stuff, at least if it satisfies certain conditions. Cows have been used, but also stones, salt and gold, of course. At present most money is not made of any concrete stuff as it is nothing more than entries in (bank) accounts. Economists call money of the present day 'fiat money' or fiduciary money as it is not backed by any valuable material such as gold or silver. You simply have to trust bankers and governments to honour the obligation to guarantee money as valuable means of exchange. In that respect money completely depends on trust and convention.

Aristotle already saw that money is a matter of convention. Whether it is rice, cigarettes, or gold, a people has to agree on what serves as money in their mutual trade. In the end it is irrelevant what takes on the role of money as long as everybody in the community accepts something as a medium of exchange. A common agreement can be a great stimulus for trade. It prevents what the nineteenth century economist Jevons (1875) called the 'double coincidence of wants': in a barter economy you can only trade with others if the wants of traders match each other exactly. Imagine that you go to the store to buy a newspaper and you are not allowed to pay with money. You want to pay with eggs but the storekeeper is not interested in eggs but in meat, so in order to buy a newspaper you will have to find someone who wants to exchange meat for eggs, and this goes on and on. This can all be done in a very roundabout way but is extremely complex and time consuming as it involves a lot of trading relations. Money which functions as the standard of exchange can solve all these problems and does this very efficiently. For instance, if you have three commodities (as depicted by the letters A, B and C in figure 1a) you will have to establish three trading relationships (AB, BC and AC) between the seller and the buyer of the goods within a barter economy and therefore there are also three prices.

Figure 1: A Barter Versus a Money Economy



(a) Barter economy (b) Money economy

Things become much simpler in a money economy, as depicted in Figure 1b, where one of the goods (in this case good C) takes on the role of money so the number of trading relationships (therefore also the number of prices) will drop to just one relationship: the connection between A and B. The dotted lines illustrate that traders in goods A and B are still connected with the money good C but this is no longer a genuine trading relationship as the price between the goods A and B and the standard commodity C is fixed. No one has to haggle about the value of C whereas this certainly will be the case with valuing the goods A and B. Money has become the so-called 'numéraire' in which the prices of the other goods can be expressed.

This begs of course the question, which good will be chosen in the community to take on the role of money. The trick with choosing the money good is that everyone within a community, a nation or a town has to accept the medium of exchange and has to be able to judge its value. The more people who accept it the easier trade becomes. Gold was the early favourite in the Western world because it was scarce and its value was widely recognised, so were of course silver and copper but silver and copper were more abundant than gold which explains why gold obtains a higher price. Cows, rice and salt did not travel well and their value was local. Besides, it would take traders a lot of time to judge whether the cow they accepted as money was as valuable as the seller claims. They, therefore, did not satisfy the wish list for a common coinage. In the end the choice of money is a product of scarcity, assessment costs and conventions.

The second function of money is that of accounting medium. As Alfred Marshall once claimed:

> "Money [. . .] is the centre around which economic science clusters; this is so, not because money or material wealth is regarded as the main effort, not even as affording the main subject-matter for the study of the economist, but because in this world of ours it is the one convenient means of measuring human motive on a large scale." (1920, p. 22)

For us, men and women of a modern and commercialised society it is almost a trivial statement to say that money functions best when it is both a medium of exchange and a medium of account. But in the distant past this statement was far from common knowledge. Measuring the value of goods was a difficult act and economic history is littered with examples of societies in which the medium of account differed from the medium of exchange. Nowadays everything in shops is priced, business magazines compare business firms by stating their stock exchange value or their sales, corporate executive officers are compared by ranking their salaries and stock options. Everything seems to have its price and it helps us to compare goods or everything that can be turned into goods. The Dutch guilder as a medium of account is so common that we hardly realise it. We think in guilders. When we say something is worth two guilders we picture it, we derive images from it, we compare it to other goods.

The standardisation of the medium of account in economic life can with hindsight be seen to coincide with the urge to objectify the measurement of distances, weights and time. In peasant societies the human measures like ell (i.e. yard), foot and thumb were used to calculate and compare. In later times the meter replaced all these primitive measures as trade and science demanded more precision. But even such an apparently exact measure as the 'meter' has grown in precision with time. At first, the 'true meter' was decreed in a French statute of June 22, 1799 to be 1/40,000,000th of the earth's meridian as measured by the astronomical observatory in Paris. This definition of the meter remained unaltered as a unit of measure by resolution of the International Conference of 1870-1872 even though later measurements changed the true dimension of the meridian. By the end of the nineteenth

century this definition was replaced by a designated bar of metal, kept in a Parisian assay office. But even this particular meter did not satisfy Western societal standards as from October 11, 1960 the official definition was "a length equal to 1,650,763.37 times the wave length of the orange light which corresponds to the transmission of 2p10 – 5d5 of the Krypton 86-atom." For everyday life this seems like a very roundabout way of defining something which a simple ruler could do just as well, but we cannot do without these highly refined definitions as, for instance, space engineers are working with a precision standard of 1/10,000,000th of a millimeter, anything short of this standard will bring about accidents. The evolution of the meter makes clear that standardisation is a natural and human process which evolves from the needs of a human society.

The question with respect to money is why can't we expect to standardise money to the same degree as we have done with distance and time. The question has baffled many practical men as well as men of theory. Listen for example to Irving Fisher:

> "We have standardised every other unit in commerce except the most important and universal unit of all, the unit of purchasing power. What business man would consent for a moment to make a contract in terms of yards of cloth or tons of coal, and leave the size of the yard or the ton to chance?… We have standardized even our new units of electricity, the ohm, the kilowatt, the ampere, and the volt. But the dollar is still left to the chances of gold mining." (Fisher, 1913).

Fisher was talking about the times when the dollar was still tied to the value of gold but the essence of his wonderings haven't changed. It would be so much easier if we, for instance, defined a dollar or a euro to be worth two apples for ever and ever. Then why can't we reduce the uncertainty surrounding the measuring rod of commercial trade whereas we can reduce the uncertainty surrounding distance? The reason is that money serves two masters: as medium of account and as medium of exchange. With each and every trade the price which is agreed upon is in the end the product of the interplay of supply and demand. In short, what people value determines the price and as long as people cannot be standardised the value of money cannot be fixed.

The thinking of economists concerning the role of money has evolved over the last two centuries or so, but not a great deal. Being a mere instrument of exchange and measurement, money should not have an effect on the real economy, that is, the economy of work and production. Why would it? The only threat to its neutrality would be the change in its volume. More gold can be found and more bank money can easily be created when banks issue credit (credit increases the amounts in checking accounts and those amounts count as money). When there is more money around and when people will spend that money, more money chases the same amount of goods (an expression that economists like to use); the result is higher prices all around. Economists have called this phenomenon inflation and for some, the so-called monetarists with its eminent leader Milton Friedman (1958, 1968), it is enemy number one. Their solution: restrain the growth of the money stock. And that is the policy that, for instance, the European Central Bank pursues. Other economists, who usually belong to some variation of the Keynesian school, are wary of this emphasis on controlling inflation because of possible negative effects on employment and economic growth. They worry more about the level of interest rates because the effects those have on real investment and saving. The Keynesian-monetarist controversy has enlivened economic discourse (for more intimate details see Klamer 1983). All we can say in this context, that dominant monetarist claim of monetary neutrality has fixed the gaze of economists only more so on the numerical side of money.

GAMES WITHOUT FRONTIERS

Money represents not only purchasing power domestically but also abroad. Its purchasing power at home is called its internal value. It equals the amount of goods a single euro commands within the borders of euro-land. The external value of the euro becomes relevant when we cross the borders of the EMU countries and want to pay for goods in for instance the United States. In short, the external value of money is the value of the coin abroad, also better known as the exchange rate. Most of us do not realize this distinction every day because we do not have to change one money for another on a regular basis. But we do notice it when we discover that in a country like Indonesia one euro is good for 10 cups of coffee whereas in the US it will hardly get one half a cup.

When we think of the two main functions of money, that is, as a means of exchange and a medium of account, having different moneys does not seem to make a great deal of sense. After all, it would be so much easier if people use the same money wherever we go. When people in one country use the lire, in another the dollar and in again another, the dinar, we keep on changing one money into another. What is the use? In the light of this question, the dissolving of 11 different European currencies into one euro seems sensible; it might be seen as the first big step towards the creation of one single world currency.

But is a single currency so desirable as politicians and their advisors claim it to be? Having one single currency saves on transaction costs (think of the commission paid to bankers and the costs of covering the risks of changes in the exchange rate). That is one side of the coin. There is, however, another side to the coin which is somewhat more difficult to explain. When an economy has its own currency, that currency can function as a price for that country. When its value goes down vis-a-vis other currencies, everything in that economy becomes cheaper for outsiders. You might say that the price of that national economy has gone down. Likewise, when the value of its currency increases, it becomes more expensive for outsiders. Having such a price can come very handy when an economy is doing badly for whatever reason—a failing crop, a political crisis, labour unrest, inflation. In that case a fall of its price (that is, a lowering of the exchange rate of its currency) will encourage foreigners to buy its now cheaper products: production will pick up, unemployment will go down and the economy will improve, and that only because of a change in one price. Likewise, when an economy threatens to get overheated, a rise of its price can cause the so needed slowing down of (foreign) demand. Surely, in practice these processes are more complicated. Changes in the exchange rate will not always have the desired effect, for instance, when other exchange rates will move in the same direction or when internal producers are unable to respond to the increased foreign demand, but the point will be hopefully clear: economies benefit from having their own price.

All these pros and cons of a single currency focus on the numerical side of money. The outcome then has to depend on the weighing of the costs (giving up one's own price) and the benefits (saving on transaction costs). The rule is the more integrated economies are, that is, the greater the flows of merchandise, services and capital back and forth, the more beneficial a single currency is. Unless we take the other side of the coin in consideration.

TRUST AND IDENTITY

On the other side of the coin we find a symbol. It refers to the community in which the coin circulates, and its function is to allude to social, political and cultural values like credibility, political unity and "national" identity.

Credibility is critical for any money. When the exchange value of a currency is dropping quickly, the newspapers will report that the financial markets are loosing trust in that currency. A run on the bank happens when people do not trust that the bank can pay out in "real" cash. Hyperinflation (that is, a situation with dramatic price increases) implies that

people lost their trust in a money: they will spend it as soon as they get it lest they loose because of the rising prices. Trust has become so critical for any currency because nowadays nothing of real value (like gold) is backing up the value of the money supply (see for example Giddens 1985, 1990 and Helleiner, 1998). Money has become fiat money, which means that people have to trust the face value of the money that they accept: they have to be confident that the paper, coins or entries in their checking account will have the same purchasing power when they want to exchange it for something real.

Accordingly, money has to have credibility. It derives its credibility from the issuing authority. The "Deutsche Bank" had credibility because the financial community was convinced that it would do anything to guard the value of the Deutsche Mark. The reputation of the Federal Reserve Bank of the US is maybe a little less solid but solid enough to give credibility to the dollar. (Then again, there are no solid measures of credibility; it is all in the minds of politicians, speculators, bankers and opinion makers.) These are central banks. The reason that they are now primarily associated with the credibility of a currency is historical. Before merchants, goldsmiths, (local) banks, generals, princes and kings could issue money. A general of a French army that was fighting in Canada, ordered that pieces of playing cards would function as a means of exchange, and so it happened. George Washington issued green backs to enable his men to pay the locals for food and other stuff. The locals accepted those pieces of paper as if they were "real" money, of course. The credibility of those moneys depended, therefore, on the authority of the generals or whomever stood for them, the more so the less the intrinsic value of the money was (playing cards and printed pieces of paper have no value themselves). With the formation of nations the state had to stand for that trust. Authorities were inclined to delegate the responsibility for the national money to a separate institution and so central banks emerged.

Now the European Central Bank (ECB) has to stand for the euro. As recent history has already shown, it has to earn its credibility. A major obstacle is the unstable political context in which it is expected to operate. Unlike the Deutsche Bank the ECB is not backed by a strong federal state. Central Bankers need to be persuasive as their instruments for monetary control are less than efficacious. They may perhaps portray monetary policy as something 'technical', in the end it is a highly political act (see Solomon, 1995). They need to persuade politicians to limit public deficits and the social partners to hold back on wage demands. They may have to pressure political leaders to take into account the sentiments of the international financial markets in conducting their foreign policy. They will be impotent when the political union of the euro countries proves to be too fragile to respond to their words of persuasion. They will also be powerlessness when a competition among unions in various nations drives up wages and prices. Trust in a currency, therefore, requires more than a strong central bank; it needs a strong political entity. And that is what the symbol on the coin stands for.

The symbol may also stand for an emotion that ties the people that use the currency. Money is like a language that people share. Americans talk and calculate in dollars, Brits in pounds, Japanese in yen, and the Europeans are about to think in euros. Proponents of the euro evoke this side when they argue that the use of the euro will bring the Europeans closer together. It has been an argument used in the past during the formation of new nations (Helleiner, 1998). When the Soviet Union dissolved, the first act of the new nations was the introduction of their own money. The new nations in the Balkan did the very same. Surely, the motivation is partly economical: to be in command of one's own monetary policy. Even so, many of these countries entrust the actual management to outside agencies either by referring to the authority of a so-called currency-board or by pegging the value of its currency to the dollar or another foreign currency. They are apparently are willing to deal with the transaction costs just to gain a sense of national identity by means of circulating one's own money.

As Helleiner (1998) points out, having one's own money can also contribute to instability and a loss of national identity. When the money looses credibility because of hyperinflation or a sharp drop in its exchange rates, faith in the political leaders and institutions will weaken and national consciousness and pride may be at risk. This is the danger that the euro countries run. At the moment the EMU is a maverick union with a maverick currency: it is a community without true solidarity, a government without a leader, and a nation without an identity. For such a community the newly created currency is 'game' for the gatekeepers of the international money markets, the speculators. Money symbolises sovereignty and community and right now the euro seems to be lacking both. Accordingly, introduced to bolster European union, the euro may also be the downfall of the European integration process when it proves to be a weak currency.

THE MORAL MEANINGS OF MONEY

The inscription of national identity points at meanings that are already outside the purview of economists even though they should take this side seriously, as we have argued. Anyhow, when we consider the other, the moral, double-sidedness of money we will loose contact with traditional economic discourse altogether.

The Great Philosopher, Aristotle, saw the moral meanings of money loud and clear. Then again, he saw every phenomenon from a moral perspective. Moral in this case meant to him whether some good functioned in accordance to its nature, or essence. The essence of money was to him a convention that awards a good the role of a means of exchange. As he writes in the *Nicomachean Ethics* (1133/1980), whatever functions as money has to serve that purpose, and no other, like a means to earn interest. This moral point of view, which would later dominate the teachings of the Catholic church and the Islam, led to the condemnation of usury, the charging of interest on money borrowed. Money can not beget money.

In *Politics* he pursues economic issues further. His point of departure is the household (*oikos*) which is the natural location for acquiring wealth. Exchange with other households (*chrematistike*) is unnatural in his view, and only to be engaged in when the own household falls short in procuring the means to satisfy essential needs. Later Thomas Aquinas would elaborate the insights of the Great Philosopher and apply his moral thinking to the practice of buying and selling. Only in the eighteenth century justifications of the use of money and of the engagement in monetary exchange became more commonplace. In his *Wealth of Nations* (1776) Adam Smith argued that in civilised society,

> "[m]an sometimes uses the same arts with his brethren, and when he has no other means of engaging them to act according to his inclinations, endeavours by every servile and fawning attention to obtain their good will. He has not time, however, to do this upon every occasion. In civilised society he stands at all times in need of the cooperation and assistance of great multitudes, while his whole life is scarce sufficient to gain the friendship of a few persons" (book I, chapter 2).

Like Aristotle, Smith saw money as a great convenience for the exchange with strangers. He went further by leaving out the moral connotations that Aristotle had attached to money. You could say that the "demoralization" of the economy began with Adam Smith. The moral dimensions of the economy faded in the minds of economists and everyone who followed their lead. Economy equalled efficiency and instrumental thinking.

Karl Polanyi (1944) has charted the fading away of the moral dimensions of economic life through the times. He argues that until the sixteenth century trading in money, land and labour was a taboo. It was done, but it was morally condemned. People could be owned by masters as serfs but they could not sell their labour to someone for a wage. Land was a

political right and not an economic one. Money was to be used for exchange and not to make money. Money exchangers were suspect and so were merchants in general. Times have changed yet, contrary what is commonly believed, the moral dimensions have not disappeared altogether from economic life. On the contrary, money continues to evoke moral indignation in practice and in theory.

The indignation comes through in Marx's treatment of commodity fetishism. In Das Kapital (1868) he argues that:

> "[a] commodity is a [..] a mysterious thing, simply because in it the social character of men's labour appears to them as an objective character stamped upon the product of that labour; because the relation of producers to the sum total of their own labour is presented to them as a social relation, existing not between themselves, but between the products of their labour (ibid , volume one, chapter 1, section 4)."

We relate to each other by means of commodities the value of which is expressed in money terms and so loose sense the social relations that are at the basis of all human production and products. In *Das Kapital* Marx was mainly interested in the dialectics of this construction, the playing out of the inherent contradictions; in his earlier writings he would stress the alienating character of the commodification of social values.

To Georg Simmel we owe *Philosophie des Geldes* which appeared in 1900. From his analysis money emerges as the great equalizer. Foregrounding the function as a medium of account, Simmel points out that because of the measurement of value in terms of money, the qualities of all things appear to be comparable. Nails, elephants, human lives: their values can all can be compared when expressed in monetary terms. It may follow that a human life is worth 100 times that of an elephant, or that an average human in the rich world is worth 500 times a person in Bangladesh. So although measurements in terms of money facilitates exchange, it also colours social relationships in exchange as well as the value of the things being exchanged. The use of money as a medium of account and exchange can devalue the things accounted for or exchanged.

For the latter reason money as a means of exchange and a medium of account meets moral resistance in most interpersonal transactions. We do not use money to "price" our friendships. We do not make deals like "50 dollars in exchange for one hour listening to my marriage troubles" or "$200 dollars for love making last night" unless the other party is a professional therapist or prostitute. We compliment a colleague, someone tips us for an interesting option in the market, we share information, collaborate, care for others, pay attention, make art, write science without money changing hands. Apparently, we keep money at bay in the sphere of informal interactions in families, among friends, in clubs, among colleagues and so on. And we do so because we believe the measurement in terms of money to be in violation with values of friendship, love, collegiality, care, responsibility and the like.

The use of money as medium of account draws us into the sphere of the market (Klamer and Zuidhof, 1998). There all things become equal (cf. Simmel) and commodified (cf Marx), and more importantly, relations become objectified. So wherever people engage in market activities, we observe that they keep certain relationships, or aspects thereof, away from the logic of the market. But shielding relationships from the force of money varies through time and across culture. For instance, some 150 years ago children could be commodified, sold, traded, or valued for their economic worth (as in their labour force and their value as provider of income in case of old age). They still are in many parts of the world. In the rich world, however, the talking in economic terms about children has become a taboo (Zelizer, 1985, 1994). In the West we do not measure the worth of our children in monetary terms and anyone who would think of trading a child for money would be considered crazy, if

not criminal. A child can not be a commodity; it can be subjected to the values that rule the market. At least that is a value we share in the rich world.

The taboo on money also shows in the worlds of the arts (Klamer, 1996). Some artists, but not all, declare that when art is at stake, money has no role. They do not want to talk money and even get angry when others do. They do not want to think of their art as something tradeable; it makes them think of commercialism, instrumentalism, profit, self-interest, quid pro quo and other values that conflict with values as ambiguity, dedication, sacrifice, the truth, love, the sublime, exploration that they may associate with the arts. For similar reasons a serious art gallery will not show a cash register. Art needs to be appreciated in its own sphere and the cash nexus does not belong there. This does not mean that the gallery does not want to make a deal. Of course not. Even artists who want to forego artistic values and engage in market deals. How could they survive if they did not? The point is that both the artists and galleries carefully separate the dealing from the sphere in which they make and appreciate art. The transition from one to the other sphere usually causes discomfort, frustration, tension, and confusion. The fact that some artists, like Andy Warhol, so explicitly use money in their art, only highlights the tension: they play with, and explore, the impact of money on art (Kattenberg, 1996)

CONCLUSION

The use of money appeals to values which can be both positive and negative. It's all already in the bible: according to eclesiastics "Money answereth all things" (Ch 7, v 12) whereas according to Timothy "The love for money is the root of all evil."(Ch. 6, v.10). History and experience teach that the use of money facilitates certain human interactions and devalues others. In some cultures, past and present, money may measure the value of children, in others, like the present western culture, such a measurement is a taboo. Fundamentalist islamic countries still follow Aristotle's interpretation of the essence of money and continue to condemn the charging of interest which has become perfectly in modern capitalist societies. Money, therefore, is a cultural phenomenon.

Mainstream economists will reduce money to its role as an instrument for exchange and measurement; so do bankers and politicians when they discuss the merits of the euro. Cultural economists like ourselves point at the other side of the coin where the social and moral meanings of money show. Money stands, for example, for identity. The euro may fail as it does not appear to stand for a shared and vital European identity. Money also stand for values like "measurable", "equivalent", "wealth", and "power" which tend to be inappropriate in the realms of love, beauty, truth and morality. Money, therefore, is double sided.

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