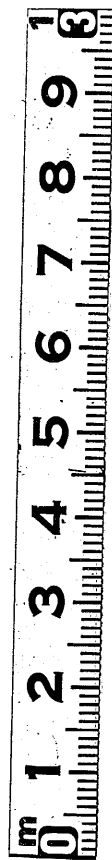


0564

100-10



LETTER  
TO  
A NOBLE LORD  
IN ADMINISTRATION,  
ON THE  
PRESENT DISTRESSED STATE  
OF  
THE COUNTRY.

---

BY A CALM OBSERVER.

---

LONDON:  
PRINTED FOR SHERWOOD, GILBERT, AND PIPER,  
PATERNOSTER-ROW.  
1826.

## LETTER,

&amp;c. &amp;c.

---

THE observations on the state of the country, which I presume to lay before your Lordship through the medium of the press, have not their origin in self-sufficiency, or the want of becoming deference to the noble person to whom I address myself; but in an impulse that I cannot resist, arising from the cries of distress, that may be heard every where, from one end of the kingdom to the other.

It may not, my Lord, be in my power to produce any new arguments of weight on a subject so frequently examined; but surely an evil of so portentous a character, as the calamity which at present oppresses us, cannot be too generally investigated: propositions long unheeded often strike the mind merely by changing the terms in which they are expressed; and should there be a truth of this kind included in mine, it may happen to be seen, and have its effect.

To avoid taking up unnecessarily a moment of your valuable time, it is my intention to proceed

at once, and, if possible, in a concise and intelligible manner, to consider some of the causes of the present wretched condition of the country; to notice the progress of the evil to its present alarming crisis; and to suggest such measures as I conceive calculated to afford relief.

On merely opening our eyes we may perceive, that the fluctuating or shifting state of our money, a quality inherent in the very nature of our banking system, or paper currency, is the principal cause of the calamity that has befallen us.

From this fatal source have flowed most of the bitter waters which are overwhelming us. The laws respecting corn, and the insolvent laws, may also be considered as causes nearly co-efficient with this, in swelling the tide, and extending farther and more widely the work of desolation.

In looking to the operation of the first or principal cause which I have mentioned, it is not necessary to my design to trace it farther back than the period when the bank stopped payment in gold; the necessity even for which may perhaps be still better understood by analogically reasoning from the events which have occurred since. From that period, to the time of the resumption of cash payments, the value of all the property of the country depended on the will of the directors of the Bank. It would be wasting time to attempt to prove, what will be readily granted, that the price of all

articles must depend on the proportion, which the money in circulation bears to the quantity of articles that is to be interchanged by means of it, and that too, whether the money be paper or gold. Had the inclination of the Directors, when gold was withdrawn from circulation, induced them to restrict their issues of paper money, there would have been no limit but their own will to the depression of produce. The necessities of the times, however, and a more liberal policy, led to the contrary result; that is, they very much increased the circulation of paper. Labour, and all productions of industry, consequently appeared to become dearer. Gold, too, which formerly had set some bounds to this arbitrary state of things, lost its power, and was obliged, like other things, to rank itself only as an article of commerce; and it was, therefore, soon in appearance, in like manner, dearer: two guineas were found to have become equal to three one pound notes, and no resolution of the legislature could, in that full state of the circulation, make a pound note and a shilling equivalent to a guinea. The new money, therefore, no longer possessed the power of the old; and, when compared with the gold standard, a depreciation was indicated of more than 40 per cent. In saying this, it is not my intention to give an exact ratio, but merely to lay down a principle.

I beg, however, to observe, that were it neces-

sary to show, with any degree of accuracy, the difference between the old and the new pound, labour, in the situation in which the country then was, would perhaps be the best standard for comparing them, and this will be found to have been nearly doubled through the kingdom. The low rate of gold, when compared with labour, during this period, may perhaps be accounted for on some of the following considerations. Before the suspension act, it was obliged to be circulated with paper, and had therefore partaken of its depression; and when freed from this necessity, it had many degrees to rise, in order to attain its natural level. On account, too, of gold's being a foreign production, the nominal and real price of labour required to produce it continuing the same, some time must have been necessary to adjust in our new money the proper sum to be given for it, deceived as the venders of it might have been by the different proportion of the product of industry, which it represented under the same denomination; but the lessened demand for it, when it became not necessary as money, must have had a powerful influence in preventing its rise from keeping pace with labour. With this depreciated money, equal only to half the produce of our industry, were all our contracts made, and all our imposts paid; and the Chancellor of the Exchequer told the country,

even then, that taxation had reached its utmost bounds.

In this situation of our money affairs, the legislature determined, that the Bank should resume its cash payments at the old standard: the reason assigned for which was, to bring back our currency to a healthy state; and it was also strenuously insisted on, as a measure required by justice.

But when it is considered, that the contractors for the greater part of the loans, which have been heaped together to form the national debt, were enabled, solely by the great depreciation of the pound, to lend to such an immense amount, that the interest on the whole had all been paid in this depreciated money, and contentedly accepted by every hand held out to receive it; that the salaries in our public offices, and the pay of our army and navy, had been greatly increased, in many cases twofold, solely in consequence of the low value of money; it is difficult for men of ordinary intellect to see how justice requires all this to be paid in double money again.

But if it should be still insisted on, that justice demanded it, then men of common capacity will be in want of an appropriate term by which to express the keeping of compact, and giving and receiving mutually measure for measure; for in the spirit of this act, under a plea of justice, we may oblige a debtor to pay twice the quantity of produce we lent him, even though it should re-

duce him from a state of comfort to penury : we may let a farm for a rent of a hundred bushels of wheat, double the capacity of the measure, and still enforce from the tenant the same tale of bushels.

We may cajole a nation to believe, that coining the same piece of gold into fifty millions of pounds instead of seventy-five millions, is the relieving it from twenty millions of taxes. With a contrivance so *easy*, and, at the same time, so *very* beneficial, it is a pity the principle of it had not been more extensively acted upon, by merely adopting the standard in use in the reign of Edward the Third; in that case, even thirty millions more might have been subtracted from the national burden.

The injurious effect, which this most unfortunate proceeding must have had on our foreign commerce, may be easily seen, if we will give a moment's attention to the means we are obliged to resort to in order to obtain gold, the only material in which we can now pay our debts.

This article, like all others that excite the cupidity of man, owes its value to the quantity of human labour necessary to procure it; and, therefore, cannot be purchased, unless we give a just proportion of the produce of our industry in exchange for it; any ingenious expedient to get it by means of bills of exchange, or promissory notes, payable at a future time, will be in the end of no

avail to keep here a single ounce, for which we have not given an equivalent in goods.

To see this operation in the least complicated way, let us suppose a merchant, in 1815, exporting a sufficient quantity of goods to buy a hundred ounces of gold, which, on being imported here, he sells for £550, the price of gold being then £5 10s. per ounce. We assume this sum as necessary to repay him, or to enable him to honour an acceptance given for the outfit. Continuing his trade, he again sends out the same value in goods, and receives in return the same number of ounces of gold; but now he finds here an arbitrary price fixed on it, that obliges him to part with it for less than £390. With this he cannot pay his acceptance; and to have been enabled to get a sufficiency of gold to exchange into £550, an additional quantity of goods ought to have been sent out, to the value of £225; which, in effect, would have been the same as giving three pounds for two. Equally injurious to his interest would a return in bills have proved; since, in regulating the exchange, the foreigner only wants to know the quantity of metal in our standard of money, and fixes the rate agreeably to it. The foreign money which the agent of the British merchant receives for his goods must exchange into a less number of pounds, in proportion to the increase of our standard. The remittances, which our merchants had to make to those of other countries

on the expiration of the term of credit, for their goods sold here on time, exchanged into more foreign money than was sufficient to remunerate them, and much more than they could have had the most distant idea of receiving. Thus we robbed our own manufacturers to enrich those of other nations, who were preparing to contend with us for the markets of the world.

This mortal blow, given to our foreign commerce, the strong arm of our power, prepared us to expect, without surprise, the paralysis which seized on the whole body of the nation.

The Bank of England being compelled to pay in gold was necessitated to contract its paper, in order to bring down the price of merchandize; for had the issues of paper not been restrained, the prices of goods here must have continued the same, and none would have been sent into the foreign market to buy gold. Such a state of things would have precluded the Bank from getting gold, or if by chance there had been a small quantity in the home market, it must have given 775 pound notes for an ingot of size enough to make 550 sovereigns; which the seller of it could have drawn from the Bank again, after it had taken the trouble to coin it, by presenting for payment 550 notes: this, therefore, in the nature of things, would have been unfeasible.

The cruel and destructive operation of this measure was first felt by the manufacturer. He

had bought his material, accepted his bills, made all his contracts, and paid the wages of his servants, estimating a certain proportion of his produce to sell for three pounds, which the legislature obliged him to sell for two. Ruinous as this may appear, it is far from showing the extent of his loss. The courts of law compelled him to pay every legal demand on him in money, the same only in denomination, but intrinsically of much greater value than that in which he had made his bargain. This obliged him to hurry into the market with all the goods in his power, to force sales when the demand for them must have been greatly lessened, in consequence of the diminution of the currency; for demand always depends on the means of the buyer, which must have been diminished in the same proportion. If with this depression of price be also taken into account the number of bankruptcies, from which he was exposed to suffer, occasioned in many cases by the inability of his customers to obtain money for their goods, he must have been favourably circumstanced if he reserved half his capital. With his means thus narrowed, the impossibility of making at once a new adjustment of wages with his servants, and hopeless of a remuneration for the risk and attention necessarily attached to the carrying on his business, there was no reason for surprise at seeing in most cases his machinery stand still; or working only a day or two in the week, to prevent its falling

into decay ; or, if his means enabled him, he might have chosen this way of extending his charity to a few of his most deserving servants. Thus the great body of the artificers of the country, deprived of all employment, were obliged to apply to the occupiers of the land, for the allowance the law provides for paupers ; instead of forming, as in a natural course of things they ought to have done, the greatest beneficial market for the sale of the produce of the land. This led to the ruin of the tenantry of the country, that respectable body of men, which the country views with so much pride and esteem. Thus did this short-sighted measure for enforcing gold payment at the old standard bring the country into that hapless state of exhaustion, the remembrance of which must be still fresh in the mind of every thinking man, and give just cause for the most serious apprehensions.

County meetings were convened in every part of the kingdom, to consider the state of the nation. The empirical plans, which were suggested at these as likely to relieve it, sufficiently show the general opinion, and the irritated state of the public mind. At last an expedient was hit upon, which was not only to relieve, but effect a complete cure in this almost hopeless case. Under its operation, we were even told, that no man could have any conception of the degree of strength we should rapidly acquire. This patent remedy was nothing less than stimulating the country by arti-

ficially filling up the channel of circulation with a great influx of paper ; the contrivances for introducing which being well remembered, it would be useless to describe.

If the advisers of this measure had understood the nature of the malady, they never could have had the cruelty to attempt the experiment. Few charlatans' specifics were ever so hazardous : they sometimes succeed by chance ; but this, being contrary to the natural course of things, was sure to fail ; since, after the short-lived effort of vigour which it was calculated to enable us to exert, it must inevitably throw us into a state of hopeless impotency.

This rash scheme, which set afloat so much paper money exchangeable into gold, was in reality an attempt to keep down the price of gold by law, to oblige the producer of it to give the same quantity of it in exchange for less of our produce than he had been accustomed to receive. Thus our country became the dearest in the world for produce, and the cheapest for gold ; the foreigner was therefore induced to push in upon us his produce for sale, while he would buy but little of ours in return. This state of things soon brought a balance in his favour ; and then a run took place on the Bank for gold to pay him. The only means to stop the drain were resorted to ; the circulation of bank-notes was immediately contracted ; and this brought down the price of our

produce with ruin to the manufacturer, till the foreigner was content to receive it in payment for his goods, or the balance of the account was settled by an insolvency.

If, by a gradual contraction of the currency at the end of the war, the country were brought to the verge of destruction, what just cause have we not to fear, on account of this sudden and more exhausting contraction, which the constitution has been enabled to submit to solely from the ephemeral strength of an artificial stimulus? This shifting, juggling state of our currency has made the unhappy fate of the producer not unlike that of the fabled Sisyphus, for ever doomed to toil, and to have the fruits of his labour forced from his hands.

But it is impossible, my Lord, that such a state of things can last. It must soon burst the bonds of society. The principle of greatest force, to induce mankind to submit to these bonds, is the mutual protection given and received by the individuals forming it. When this principle is broken in upon, either by fraud, force, or folly, those dreadful effects ensue, which disgrace the pages of history.

Should this statement respecting our currency be found true, happy indeed will it be for the country, if every individual in it will unite heart and hand at once to declare, that means shall be taken to banish paper money for ever; and that

for the future the bank-note, let its security be what it will, shall be looked upon as the accursed thing, the cause of all our woe. Let it not be supposed, because the system has been persevered in for so many years, and the country has not only borne it, but, while subjected to its influence, made very great advances in improvement, that this system was the cause of the improvement effected. A much greater degree of it most probably would have been attained, by resorting to a plan far less unjust, and which must have prevented the present appalling catastrophe. Our situation relative to the rest of the world has been so changed since the introduction of machinery, that what formerly we could support, we are now no longer able to bear. The powerful implement, destined to perform so prominent a part in bringing about a new order of things in the commercial world, is equally as perfect with our rivals as with us; and if we be ever to regain that admittance into the foreign market, from which, by the folly of giving a bounty to our competitors, we have shut ourselves out, we must fight our way inch by inch. Before the introduction of machinery, the foreigner, to have been enabled to compete with us in many of our most important manufactures, must have inveigled away a great part of the artificers of the country. This necessity exists no longer: he now possesses equal skill, and more



ample means, than ourselves. The man who reasons at all, and possesses a particle of love for his country, must understand the declaration of Mr. Huskisson, in the last session of Parliament, that the American was underselling us in cotton, and the German in hardware, as the announcement of the fiend Poverty being already at our door; and it must induce him to think seriously of the best way to prevent his forcing an entrance.

Efficacious as I have shown this spurious currency to have been in itself in spreading desolation through the land, and, independent of all other causes, fully sufficient utterly to ruin us as a commercial nation, it has nevertheless received powerful assistance from the other causes I have mentioned. The corn laws have enabled it to spread much farther than it otherwise could have yet done; for the free ingress of foreign grain would have rendered the balance of trade sufficiently unfavourable to draw off our gold, before the tide of woe could have spread so wide. Without the assistance of paper money, the price of corn here must come to a level with the continental price. Thus these two evils, like giant fiends supporting each other, carried into effect the work of destruction in this unhappy land. The avowed intention of the corn-bill was to give a remunerating price to the land owner for cultivating his land, which he as-

serted could not be done, except ten shillings a bushel could be obtained for his wheat. To prove this assertion, and that there might be no appearance of haste in a business of such vital importance, a host of agriculturists were brought before a committee appointed for the purpose of examining into it; and all uniting in giving their opinion, that no less a sum would prevent ruin, was considered as sufficient to confirm it. High taxes, and grievous imposts, were said to have rendered this price necessary; but no question was asked how the consumer was to give high prices for corn, and pay high taxes too; and no plan was suggested to enable him to get gold cheap, though he would be obliged to sell cheap.

Every true Englishman wishes from his heart to see the agricultural interest flourishing; and all whose occupation is the honourable and useful one of raising food for the community, well remunerated for their labour, and feeling happy in their situations. But no rational man can suppose the corn-bill will ever have such an effect; for this law, even if it be considered unconnected in its operation with any other, will be found, upon the slightest looking into, like the expedient for circulating paper payable in gold, to be one that is opposed to the natural order of things, and therefore will never succeed. The price of corn, like that of all the productions of

labour, is regulated on the principle of the proportion of the supply to the demand. This question therefore, like most others, has two sides; and it is not only necessary to give the seller an opportunity of controlling the supply of corn, but the means the buyer has to pay must be known, before the price can be determined.

Men of ordinary intellect see this as a self-evident proposition, and know, that all is the utmost that can, in any case, be got. It belonged to the superior wisdom of the members of the Corn Committee to show the agriculturist the way to get more than all, and from nothing to produce something.

Had they acted as common men of business in the investigation of so very plain a question, their attention would have been engaged in examining the nature of their market. They would have looked to the source whence the funds arose, which enabled the consumers of corn to become buyers; and must soon have discovered there, after subtracting from the population of the kingdom all whose maintenance arose from their occupation, or claims on the land, and whose share of the produce of it must be the same, let the price be what it may,—that the portion of the people, which from its magnitude may be said to constitute them buyers in the market, are the artificers; and that the only means these have of consuming depend

on the rate of their wages. The first thing therefore to be done was to give good wages to the artificer, to enable him to become a buyer. Instead of seeing this, and pursuing so very obvious a course, the agriculturist says at once to the artificer, "Give me a high price for my corn, and I will give a high one in return for your goods." But this evidently cannot be done, unless there is money first put into the artificer's pocket to begin with.

Such are the wretched foundations of all the self-called unanswerable reasonings of the supporters of the Corn Bill. Their advocates always insist, that the ruin of the agriculturist is the ruin of the manufacturer; instead of perceiving, that the ruin of the manufacturer brings after it that of the agriculturist. They pretend to prove, that the high price of corn is the cause of the high price of goods, by which means high wages can be given; and then, to complete the circle, the high rate of wages is the cause of the high price of corn. This system of things is that which they call working well. They pride themselves in this mystecism, and think they possess superior knowledge, and that their enlightened understandings have fathomed the depths of the question.

In triumph they tell the country, that the prosperity of trade depends on that of the land; that it is the home trade only, which, from its magni-

tude, deserves our assiduous care; and that the foreign trade being scarcely an eighth of the whole, is therefore evidently of little moment.

When people use a dark lantern, it is not a matter of surprise, if they discover not the object they are in search of. With the assistance of only common candle-light, the agriculturist would have immediately seen, that the price of wages is regulated by nothing else than this contemptible eighth, or tenth, or whatever part it may be of our produce that is consumed in the foreign market. The price of every article in this country is the quantity of gold it will procure in exchange.

To get this material, which is a foreign production, we must purchase it in the markets of the world with our own productions, where we must give as much for it as any of our competitors. It is therefore evident, if we be to continue our trade, we must get as many goods here in exchange for it, as we gave for the gold abroad. The wages, therefore, that are paid in preparing the goods, can be no more than all the gold received for them; neither can the landowner get more for his corn, than the whole of the wages paid for making the goods. The foreign price of goods, whatever it may be, thus fixes the rate of wages, that can be afforded to be paid on the whole of our manufactures, even on the seven-eighths which are consumed at home.

Should this not immediately reach the sensorium of the agriculturist, it may penetrate so far perhaps, if he will take the trouble to ask himself, what possible reason there can be to export the one-eighth, except as good a price is expected to be obtained for it abroad as at home. If by the competition of the foreign manufacturer this should prove impracticable, the export ceases, and the whole of our manufactures are attempted to be vended at home. The effect of an over-supply on a stationary demand, we may give him credit for fully comprehending. He has shown himself feelingly sensitive there, by the efforts he has made to prevent this from taking place in his own market. This consideration will show him, that the effect of foreign competition prevents the manufacturer from charging him here a monopoly price, and that to as full an extent as the allowing of foreign goods to be brought to our market; and if he can distinguish one idea from another, he must see also, that every piece of foreign goods sold here is lessening the source whence the funds arise that create the demand for his own, and that he is the loser to the full amount. If the present general distress be not sufficient to prove to the landowner the total ruin of the manufacturer, he must see, if he do not purposely shut his eyes, that the joint agency of the paper

currency and Corn Bill must immediately bring it about.

The landowner has to answer to the country for this cruel, unjust spoliation ; and in the natural course of things, in a very short time, he must taste the bitterness of it. His conduct truly resembles that of the man who sells his bed in the morning, which he will want at night. The inevitable effect of the Corn Laws, if their natural tendency be not diverted by opposite measures, must be either to oblige this country to export corn, or receive for it a less price than the continental one. The following simple case is almost a self-evident proof, that no other consequence can ensue.

An English manufacturer, at the expense of the consumption of a bushel of wheat, is enabled to bring an article into the foreign market, for which to repay him, he must get gold equal to ten shillings. A foreign manufacturer has the means, with the same quantity of wheat, of bringing a similar article into the market, for which he could afford to accept gold equal only to four shillings ; but the supply not being more than the demand, he is enabled to obtain ten shillings. This great profit gives him capital to increase his machinery, and bring into the market more than double the quantity of goods. This produces a glut, and the

market must sink : the smallest abatement ruins the English manufacturer, and gives the foreigner full possession of the whole market ; and if he be driven from it again, it must be by a lower price than he can afford to sell at. Thus the folly of the Corn Bill will permanently destroy even the hopes of the country. Every advantage in skill, machinery, and capital, which we possessed at the end of the war, and which probably would have enabled us to have held for many years our foreign trade unimpaired, we have lost by the most egregious folly of our enactments. These have given capital to our rival, which he has used for the direct purpose of taking from us our trade.

Were it possible to work a problem, to show the loss the manufacturer has sustained by the system of our Corn Laws, in which every negative and positive quantity, profits, losses by bankruptcies, and depreciations, could be accurately measured, the solution would prove, that the sum of which the manufacturer has been defrauded, and the money put into the pocket of the landowner, could not be far from the difference between the price he was obliged to give for all the produce of the soil, on account of these laws, and the sum he would have given for it, had they never existed.

To these two prolific causes of misery I have mentioned, must be added our Insolvent Laws. These hold out a sanctuary for fraud. The facility

our paper system furnishes for procuring credit has induced and enabled men to engage in the wildest speculations ; and the impunity with which the fraudulent speculator escapes by means of these laws, encourages him to throw his spurious money into the channel of circulation without measure, reckless of the consequences.

God forbid, at such a time as the present, when thousands of my countrymen, with the most upright intention, have been forced by the torrent of desolation into the gulph of misery, that I should advocate the adding to their unhappy lot one bitter particle. Without investigating this subject more fully, all I can venture to say on it is, that if a person, who, under the assumed character of a man of honour and a gentleman, obtains credit sufficient to pay acceptances for thousands, while he is annually losing on his returns, and spending large sums of his creditors' property yearly in luxury ; after having perhaps too reserved a considerable sum to supply his future wants, or furnish himself with fresh means for deception ; can such a man be set at large merely on giving up any small quantity of property he may choose, and of which no part, in fact, ever belonged to him ? then it is high time for credit to cease altogether, or to give up hanging for forgery, or the petty act of sheep-stealing, when such wholesale robbers are left unpunished. It is useless to attribute any

part of our distress to speculations, while our policy encourages them. To cure any evil, assuredly the way is to trace it back to its cause, the removal of which is the most effectual remedy. Speculations being generated by means of the connexion between our corrupt currency and insolvent laws, while the parents continue in vigour, such offspring must be expected as a natural effect.

In times of such heart-rending distress, men may wish to carry their researches still farther back, and endeavour to find what could have induced these great causes, so fruitful in calamity. This might lead them to a disquisition on the philosophy of the human mind ; in which boundless field they must soon be lost amid the innumerable disputative theories, that have been adduced to found a plausible cause for the determination of the will of man. But Christian nations have a surer guide than such vain philosophy : they are in possession of the revealed word of the Deity, who has condescended to inform them of some moral causes, which operate to produce physical ones. He there expressly tells us, that he wishes our happiness, but that we can attain it only by pursuing the means he has pointed out. These require us only to do justice, love mercy, and walk humbly before Him. But if we be wayward, there is no expectation held out, that God will alter the immutable laws of nature, to allow us to reach hap-

piness by any other route than that he has appointed. So far from this, he tells us, that if we do not follow the truth, he will depart out of his way to punish us. But, even when folly throws us into such an unhappy state, we may still see the mercy and long-suffering of the Deity.

He does not immediately hurl down vengeance from Heaven, but he appoints means, the certain course of which will effect his purposes. When these come into existence, of which by a due consideration we may satisfy ourselves, they serve as a warning to ward off his anger in the only way he allows, which is by a return into the true path; or they continue as causes, which, too, that we may not mistake them, always proceed in a natural course, till they produce those dreadful consequences, which are designated with truth as the judgments of Heaven. He has even, for our farther instruction, mentioned also, in express terms, some of the means he employs; and in the emphatic language of holy writ he tells us, that when nations depart from the right way, he will distract their councils, and set children to rule over them. It would be extreme presumption in me, or any man, my Lord, to say what moral causes may be in operation, but in the present unhappy state of the country, there must exist some of great magnitude, to excite so much alarm. When too we see the Legislature, composed chiefly of the land-

owners of the kingdom, mistaking their true interest, and persevering in means, with an intention of benefiting themselves, but which must assuredly soon bring utter ruin on their families, as well as on the rest of the community—have we not, from this state of things, just reason for dread and alarm? How can we conceive any conduct more characteristic of that of children, who never know what is best for themselves?

In thinking of expedients likely to alleviate such a complication of misfortune, my heart sinks within me on the view of the chasms and obstructions that oppose our way. Every member of a Christian community, I feel assured, will coincide with me in opinion, that our first effort should be made in prayer and humiliation to Almighty God, to ask of him, with one heart and one mind, that he would be graciously pleased with his wisdom to direct our councils, and lead us by the shortest road from the mazes of error in which we have been so long bewildered, into the plain road of justice, where, in legible characters, we may read on the finger-post the direct way to public prosperity. On our part, it must be our duty and interest continually to strive, as much as in us lies, to attain this object.

In submitting to your Lordship's consideration the means likely to effectuate this purpose, I cannot avoid seeing the great difficulties that beset the way:

firmness and perseverance will therefore be necessary to attend our whole progress. If, in delivering my opinions, a tone of confidence, arising from conviction, should predominate, I hope your Lordship will impute it to such an impression, and not to presumption, or a forgetfulness of the narrow limit of human intellect.

From the observations I have presented, I deduce the inference, that prosperity can never be our portion, till our paper money ceases entirely. The best expedient for withdrawing it should be immediately resorted to. Till our currency becomes wholly of intrinsic value, the artificer is deprived of his just wages. What right have we to rob him? or why should we try to do so? I have shown, that he must buy his gold in the markets of the world with the produce of his industry, brought into competition with that of his rivals; and, if this gold be artificially made cheaper when brought hither, he is defrauded of a natural right. It is by thus deceitfully depressing gold below its natural value, that paper money has been so greatly mischievous, and the parent of such heart-rending distress.

It is utterly impossible also to continue the present sovereign unassisted by paper as our pound sterling: the attempt to do so, could the country even for a moment be supposed to be enabled to endure it, would reduce our wheat to

three shillings the bushel, and the price of all our labour in proportion. The whole proceeds of the kingdom, in that case, would not satisfy the claims of the Exchequer.

We are now arrived at a point, where we must instantly stop our career. No one can be bold enough to advise the continuance of measures, that have already greatly undermined a constitution framed by the fortunate expedients of ages, and which has proved the best specimen ever exhibited to the world. If this structure be permitted to fall, who can conceive, even in imagination, the form the materials may be obliged to take, when huddled together in factious haste?

The only expedient therefore that can be adopted in our present unhappy situation is to fix a new standard for our pound; and the best guide to direct us in making the new measure is wheat: not only because it is the principal article of expense in the produce of that labour which we are obliged to sell in competition with our rivals, and of which we must give as much for an equal quantity of gold; but because the investigation of the Corn Committee led to the determination of the precise quantity the country could afford to exchange for a pound.

It being certain therefore that we can get no more gold for the produce of any labour brought into existence by the consumption of a certain



quantity of wheat, than our competitor can obtain for a similar quantity, and the taxation of the country not allowing more wheat than two bushels to be given in exchange for a pound sterling; the measure of gold wanted for our pound is found to be that which will buy two bushels of wheat in the same markets that supply our rivals. This is the utmost quantity. Taxation may not enable us to afford even so much: and how can we compete with our rival, if our imports be higher than he is subjected to?

Many of the continental nations having silver for their standard, it may be necessary to permit us to pay our debts in equal quantities of silver and gold. Other advantages would attend such a measure; one of which would be the preventing any fluctuation in the value of the two metals. If we have fortitude sufficient to submit to this operation of altering our standard, the country may possibly revive; but care should be taken that we extirpate the whole of the cancer which is now so fast approaching our vitals, that there may be no necessity of recurring again to such severe measures.

We must make an attempt, my Lord, to escape from the corrupt and miserable state in which, unfortunately, we are so deeply plunged. The first principle of our nature, the desire of happiness implanted in us by our Maker, will justify

our endeavours; and the expedient of a new standard is the best I can conceive. Nations oppressed with less than a thousandth part of our burden have frequently been obliged to resort to it; how, then, can we expect to avoid it?

Let no hypocritical and canting cry of injustice that may be raised up against it, by those who will not take the trouble of looking into it, deter us from doing our duty. In particular, let not that man be heard, who can advocate the far more unjust system of paying paper money with gold, which, by thus deceitfully making it cheap, has occasioned the intolerable misery that appals us in every direction to which we turn our eyes. Neither let that man open his mouth against it, who proposes a system of paper money to be paid at the market price of gold, which price would depend on the will of the issuers of such fraudulent trash; who on the one hand might bring the pound sterling to be worth only an ounce of copper, and thus rob the annuitant of all his substance, or on the other might make the pound sterling worth an ounce of gold, and thus bring the industrious producer to beggary.

It is true, indeed, that a frightful chasm lies between us and the solid even ground, on which we might pursue our career with joy and surety. Thousands have already fallen into it, and thousands more must fall: but, if an effort be not



made, all will slide in, and the gambling will thus be finished.

Let us therefore exert ourselves, to close up or pass over this horrible pit. On the other side we shall find the path smooth; and there the new standard will buy as much of the produce of British industry as the old one did on this side. The spirit of our contracts relating to it would be acted up to. The wages of our countrymen would require no readjustment. That humiliating specimen of the produce of the united intellect of men blinded by interest, the Corn Bill, would crumble into nothing. The tenantry could pay their rents, and the annuitant buy the same loaf with the same tale of money. Our foreign trade might perhaps be recovered. The foreigner would probably lose less on his existing accounts with us, than by the present bankrupt system of settling them. Our own merchants and manufacturers may be repaid a small portion, though not a hundredth part of the sum they have lost; and the exchange would soon arrange, both for the foreigner and them, the just equilibrium of value. They, whom our impolitic measures have driven to reside abroad, and to spend there incomes, drawn from the exhausting resources of this kingdom, will find it equally cheap and prudent to live at home, and to fertilize by their expenditure the soil that nourishes them; instead of injuring their

parent country by the strength they now afford to her rivals. That we might assure ourselves, that the foundation of our future structure was firm, glad should I be, my Lord, to hear of a motion, proposed and carried by acclamation in both houses of parliament, that, for a memento to future generations of the folly of doing injustice, the names of all our insolvents should be engraved on plates of brass; and, if room could be found for them on the walls, an order given to suspend them there, with a description of the misery of the present times, and a representation of the bank note, in the most conspicuous part, as the instrument which has been the fatal cause of all.

Thus, my Lord, have I ventured to address you on one of the most important of subjects; but, in such times as the present, little men must use their feeble strength, till the giant intellect of the nation is roused from its lethargy. If any should be found so fastidious as to object to the dress I have taken, equally so would they be at that of the courier, who has sped from afar to the city to announce the approach of the enemy to their gates. Should truth have condescended to accompany my remarks, her intrinsic worth cannot be impaired by any apparel; and the only disadvantage she can be placed under, will be the difficulty of recognizing her.

I hope and pray that the conduct of the British

parliament, during its present session, may be so wisely directed, that no one may be able to say with truth of the situation of the nation, *Quem Deus vult perdere, prius dementat*; and that no senator, when he looks into his own breast, will be able to say, *Video meliora, proboque; Deteriora sequor*. But if unfortunately this unhappy empire must still be subjected to empirical devices, which can never succeed except we can work miracles, while the bank note is permitted insidiously to eat away the foundation of the fabric of our prosperity; if reason be to be kept from her seat, and we be to submit to be governed by the illusive dreams of the imagination; I hope the mercy of God will allow the even scales to be depicted in our visions, before we see the hand-writing on the wall.

I have the honour to subscribe myself,

My Lord,

Your Lordship's most obedient,

humble servant,

A CALM OBSERVER.

LONDON:

PRINTED BY THOMAS DAVISON, WHITEFRIARS.