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OBSERVATIONS
ON
The Speech
OF THE
RIGHT HON. W. HUSKISSON,
IN THE HOUSE OF COMMONS,
TUESDAY, THE 11TH OF JUNE, 1822,
ON
MR. WESTERN'S MOTION
CONCERNING
THE RESUMPTION OF CASH PAYMENTS,
Published MARCH 20th, 1823.

BY
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1823.

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OBSERVATIONS,

&c.

MR. HUSKISSON having recently* published his Speech upon my motion, last year, for the appointment of a Committee to enquire into the effects of Peel's Bill, I have naturally been induced to read it with attention, and I think that the statements it contains require some notice.— To this publication he has superadded the title (*Equitable Adjustment*) meaning thereby, that to any idea of revising and adjusting pecuniary contracts, his Speech is an antidote: I shall notwithstanding take but little notice of this part of it, except to remark, on the authority of Mons. J. B. Say, that when in France the franc was made to contain one-eightieth part only more fine silver than the livre tournois, the Government thought it just to provide that all engagements contracted in livres should be acquitted in the proportion of 80 francs for 81 livres. I much doubt whether an alteration of the currency ever took place in any country except this, *without* some provision for an equitable adjustment of pecuniary contracts; nor could

* March 20, 1823.

it have occurred here, had the alteration been apparent to the public; at all events the justice, or rather the necessity of some provision of the sort, is so obvious, that the onus ought to lie upon those who condemn it, to adduce precedents for *their* justification.—In our case, that is, of an *abandonment* of the standard, or rather of every standard, for 22 years, a settlement of the currency on just principles, determined by those criteria of its value during the abandonment, which were suggested by the Right Honorable Gentleman himself in 1811,* and to which I shall refer hereafter, is in my opinion the only effectual measure. I shall now proceed to remark more particularly upon different parts of his Speech.

In the first place I must observe, that he speaks of the landowners as if they all had enjoyed uninterrupted benefits under the Act of 1797, and the consequent depreciation of the currency, from the time of its passing. This, however, is obviously far from fact: those, on the contrary, whose lands were under lease for a term of years, or lives, sustained an injury in common with annuitants; for complaining of which, and first exposing the increasing difference of value between gold and paper, and the consequent

* See page 11, Extract from Hansard's Debates, is the Speech of the Right Hon. Gentleman on the Bullion Report.

fraud in progress by the Government, Lord King was, about the year 1810, treated by Ministers and their friends as if he had committed some heinous crime. The rents of land did not materially advance till some time after the restriction, and there were of course many landowners who let their lands *before* the advance, necessarily enduring, under those circumstances, the disadvantage of increasing expences; and afterwards, upon attaining the advance, were obliged almost as soon to give it back again, with the doubt, whether, even by such sacrifice, they shall get any rent at all.—The Right Honorable Gentleman next pursues a strain of insidious accusation against the landowners, as being the ready participators in the injustice of the Act of 1797: this is done with a great deal of lamentation about age and infancy, and widows and orphans, &c. He supposes a case of the Bank note having, for a considerable time, passed at its *real* value, and then says, he should have expected, upon a proposition to make it pass at its *depreciated nominal* value in payment of *dowers, settlements, and mortgages*, that the landed Gentlemen would have been loud in their expressions of indignation. Now the facts nearly accord with this supposed case, though they afford no justification of this injurious insinuation

against the landowners; the degradation of the Bank note was known, and the forcing it at its *nominal* value was remonstrated against by some landowners and others, who were aware of the depreciation, and who *were* loud in their expressions of indignation; but the Government as constantly denied that there was any depreciation, deceived the public, and forced its universal acceptance. The public, I say, were deceived, and the landed interest in general were as little aware that the advance of the price of the produce of the land and consequent increase of rent was owing to the depreciation of the currency, as they now are that the declension is owing to the restoration of it. The Government is deceiving the public a second time, and now cheating the industrious classes and debtors, as before they cheated the annuitants and creditors.

In page 12, the Right Honourable Gentleman comments upon my remarks on the difference between *raising* the *value* of money and *lowering* it, and argues against the justice of the conclusions I drew thereon. I contended, that in point of consequence and degree, the injury and injustice of *raising* it were much greater than that of *lowering* it, though in principle the same: the fact is, the *advance* of the *value* of money, acting upon the *gross products*

of industry, soon absorbs the whole *profit*, unless there is an absolutely simultaneous fall in the charges of production, which can hardly occur. But if it should, suppose the industrious person to be in debt, that debt not diminishing its nominal amount, whilst the *money* returns of his industry go down with the advancing value of money, he speedily finds his debts exceed his profits, and becomes absolutely ruined: the annuitant, though equally a victim to fraud, certainly is not injured to the same extent; he still retains, even in the worst case of depreciation, a portion of income. There are further obvious dangers attendant upon the injury of the productive classes, and none more striking and indisputable than this, viz. that, on the successful result of their labour, the annuitants themselves ultimately and wholly depend. This view of the case Mr. Huskisson attempts to combat, and to insinuate that I wish to sacrifice justice to political expediency. In further defence of myself, however, I shall here extract from Hansard's Debates part of a speech represented to have been made on a *former* occasion by the Right Honorable Gentleman himself, in which he draws this very comparison so nearly as I have done, that I think I must have caught my first view of it from him. It will appear also that

at that time he did not so largely deal out his lamentations upon widows, orphans, age, infancy, &c. &c. Mr. Huskisson, July 9th, 1817, *State of the Public Finances*—"When
 " prices were continually rising, all the active
 " classes were benefited, and annuitants alone
 " were placed in a worse situation. But it
 " was better that any loss should fall on them,
 " than on the productive classes. The effect of
 " a rise in price on them would perhaps force
 " them to greater economy, and at most abridge
 " their comforts; but while they were reduced to
 " this, the other classes were benefited. But the
 " effect of a falling market on the industry of the
 " country was very different; if the value of a
 " man's stock were only reduced one-tenth in va-
 " lue, perhaps that one-tenth might amount to
 " the whole of his own capital, the nine-tenths
 " might be borrowed. The fall naturally alarmed
 " the creditor, who, by urging his demand, forced
 " sales, by which the difficulty was increased.
 " In such a state of things it was impossible
 " that the revenue, depending as it did so
 " much on the active classes, should not fail."
 (And further on he says,) "The only articles
 " above value were, *money* for *production*, and
 " bread for the active part of the population,
 " and nothing could be so distressing to a

“ country as a scarcity in these and a glut in
“ all other articles.”

In the same page, he charges me with having adopted the theory of a constantly progressive depreciation of the circulating medium as the grand secret of public prosperity; whereas, in truth, my argument went solely to the question of *depreciation previously effected*, and to shew the impolicy and impracticability of reverting to a contracted currency of greater value, than that which had been established during a period of 22 years. He goes on to say, I wanted to adopt the scheme of the famous Mr. Law, who, though a most popular financier, brought ruin on thousands, and died in misery himself. I think he might have found a much better comparison for Mr. Law in the author of the Restriction Act of 1797, which, in its consequences, may justly be said to have some similitude to Mr. Law's scheme; and Mr. Pitt, like Mr. Law, may fairly also be charged with being the cause of the eventual ruin of thousands. The extravagant encomium which a French author lavished upon Mr. Law, and which Mr. Huskisson quotes and ridicules, will, in serious justice, do remarkably well for our great English financier: “ He was a Minister,” says this French writer, “ far above all the past age has known, that the

“ present can conceive, or that the future will
“ believe.” This is a description of Mr. Pitt, in which his opponents as well as his admirers may acquiesce; but it is to be regretted, he was not attentive to the exhortation which the Right Honorable Gentleman must of course have made to him, and which he gives us in his speech now. He says, “ It is amongst the
“ highest and first duties of the State, in re-
“ lation to property, to maintain the standard
“ of value inviolate and immutable; and it is
“ because we have neglected” (he should have said, because Mr. Pitt violated) “ that duty,
“ that we are now suffering all the evil conse-
“ quences of our neglect.” The *whole* of the argument of the Right Hon. Gentleman goes upon the assumption, that I was calling upon the House to *originate* a measure of progressive depreciation, which I should condemn as strongly as any body, and which most certainly had its origin in the Act of 1797, followed up by the successors of Mr. Pitt with still greater rapidity; whereas I was endeavoring to persuade the House to consider the means of extrication from the embarrassments in which we have been involved by that Act; a work certainly of infinite difficulty, and impossible to effect, without submitting to a choice of painful alternatives; but the *most surely*

and *fatally destructive* of which, I contended to be that which had been attempted by the Act of 1819.

In page 29, I find another misapprehension of my statement, and many pages of argument and false inference founded thereon. I asserted, on the known and concurrent opinion of the highest authorities, that wheat was a more invariable standard of value, on a *long period* of years, than the precious metals. He chuses therefore to suppose, that I wish to make wheat *effectively* the *currency* of the country, by subjecting the *value* of the currency to the measure of wheat in all its rapid annual fluctuations; and that I should, on similar grounds, take potatoes in Ireland; though I never hinted at such a proposition with any reference to a criterion of value in any way whatever. After all, if it was the principal food of the inhabitants, it would be not more extraordinary to refer to it as a criterion of value on a *long period*, than rice, which Adam Smith mentions as standing in the same place as wheat for such a purpose, in countries where it constitutes, like wheat, the chief food of the people. I suggested an examination of the average price of wheat, for a number of years, as a test of the value of the currency during the restriction, and as a guide in fixing the me-

tallic standard, upon the paper being again made convertible on demand; and it is curious that the Honorable Gentleman should have offered distinctly the same suggestions for a precisely similar purpose. I think here again I must have caught the idea from him. According to the Vol. of the Debates, May 7th, 1811, he appears, in his Speech on the Report of the Bullion Committee, to have said: "If they were to entrust to the Bank the fearful discretion of countervailing the effects of the rise of the price of gold and silver, he thought that then the *best criterion* of the *required standard* would be found, in taking the average price of corn for a given period, jointly with the average value of labour." Here he read a statement of the average prices of wheat for the fourteen years since the Bank restriction in 1797. *Throughout the period, the progressive rise in the average price of wheat, at stated periods, proved the gradual depreciation of our paper currency!*

After the abandonment of our antient standard for two and twenty years, a period, estimating the length of which by the amount of money transactions, public and private, that accrued, must be considered above a century, I contended that we ought to have acted upon this very principle, so laid down by the Right Hon. Gentleman, and go-

verned ourselves principally by the average price of wheat and labour, for a given period, as the *best criterion* of the *required standard*. We should have felt our way to the discovery of such a standard as would have enabled us with a bushel of wheat to obtain ten shillings, and for a week's labour of a husbandman, sixteen shillings; and this, I still say, it is more and more obviously and indispensably necessary to do, to avert the most fatal consequences. Furthermore I say, that at the termination of the war, the public would have hailed the establishment of the *money price* of wheat at about 80 shillings per quarter as that which would render general comfort through the country, and sustain agriculture to the point of perfection and production to which it had arrived; that at the time of passing Peel's Bill even, it was not in contemplation that the price of wheat would fall much below 80 shillings. It was not only not expected, but was universally believed, that we could not endure our present burthens, if *money prices* of the products of industry did not continue near that standard. The Right Honourable Gentleman must excuse me giving here another extract from a Speech supposed to be his, in 1815, although I have given it two or three times already; I must return to the charge on this occa-

sion:—“ With respect to the encouragement
 “ that ought to be given to the farmers, it
 “ should be considered that there was now a great
 “ diminution in the value of money, and that the
 “ capital necessary for carrying on farming opera-
 “ tions must be now double what it was before
 “ the war. The Noble Lord (Lord A. Hamilton)
 “ deceived himself therefore if he thought that
 “ things could return to what they were before the
 “ war; this was one of the most dangerous errors
 “ that could be entertained. What was likely to
 “ be the permanent charge of the country now
 “ that the war was at an end? The whole ex-
 “ pences of this country, including all our esta-
 “ blishments, before the war, only amounted to
 “ sixteen millions. He could not anticipate what
 “ part of our present establishments would be
 “ kept up, but whatever they would be, he believed
 “ that our peace establishment must entail upon
 “ us a burthen of nearer sixty than fifty millions.
 “ Would this produce no difference in the money
 “ value of all articles? When gentlemen talked
 “ of the increased price of bread, was not every
 “ thing raised in proportion, and that, not in con-
 “ sequence of the high price of bread, but the
 “ amount of taxation? It was impossible for the
 “ country to return to the prices before the war.
 “ It has been said, that the obvious remedy was

“ to lower the rents; he had not the good fortune
 “ to be a landowner, and he had no interest but
 “ that of the public in general in view. The pro-
 “ portion of the gross produce of the land which
 “ now came to the landlord, however it might be
 “ represented in money, was now much less than
 “ it was in 1792. Previous to the war, in a farm
 “ of moderate extent, the farmer considered him-
 “ self requited if he made three rents, but it was
 “ necessary now, in such a farm, to make five
 “ rents, or he would not be enabled to go on: if
 “ even the whole rental of the country were re-
 “ mitted, it would be impossible to return to the
 “ prices before the war. He was not afraid to
 “ declare, that the people of this country must
 “ not expect, be the law on the subject what it
 “ may, that with our burthens the price of bread
 “ can ever be less than double what it was before
 “ the war!” I shall also quote the Speech of a No-
 “ ble Lord, for whom I entertained a high personal
 “ respect, and whose death I sincerely lament.

In the debate on the distressed state of agri-
 “ culture in 1816, he observed, that “ the change
 “ in the representative value of every article of
 “ human consumption, had suddenly occasioned
 “ the change in that state of activity: but when
 “ it was argued that this change would be perma-
 “ nent,—when it was argued that 56 shillings a

“ quarter would continue to be the price of corn,
 “ he was at a loss to discover on what foundation
 “ such arguments were built. He saw no reason
 “ to doubt, that, at no very distant period, corn
 “ would rise to a fair remunerating price to the
 “ grower; and if it should get up to 80 shillings
 “ or 90 shillings a quarter, he would be glad to
 “ know where would then be the distress? While
 “ he said this, he understood and admitted there
 “ was another cause operating at the same mo-
 “ ment, which had a great tendency to retard the
 “ action of the remedy, and to prevent the price
 “ of agricultural produce from rising. Coinci-
 “ dent with the extreme depreciation of corn,
 “ had been an alteration in the state of the cir-
 “ culating medium, which affected the whole
 “ credit of the individuals, and impeded the
 “ operation of that confidence which was indis-
 “ pensable to them. A large part of that circu-
 “ lating medium had been withdrawn, and had
 “ disappeared, and with it (which was the most
 “ important consideration) had gone a large por-
 “ tion of the confidence that had heretofore ex-
 “ isted: but was this diminution of the circulat-
 “ ing medium founded on principles of a perma-
 “ nent nature? would it admit of no mitigation?
 “ The return of peace would eventually lead to
 “ the return of old maxims, to the return of those

“ common principles, on which the circulation
 “ of every country ought to be regulated. All
 “ the Banks in the country, from the great Na-
 “ tional Bank to the smallest private Bank that
 “ existed, must feel that the period was rapidly
 “ approaching, when the country might again pos-
 “ sess a *larger* amount of circulating medium.”

These extracts are certainly very decisive of the opinion of the Noble Lord and the Right Honorable Gentleman, and they shew distinctly that they neither of them contemplated in the most remote degree such a depression of prices as we have experienced. The Noble Lord felt the distress of agriculture at that time, he considered 56s. per qr. for wheat *wholly* inadequate, and encouraged the country to look forward to 80 or 90 shillings, as almost inevitable; he also expected that the period was rapidly approaching, when the *country might again possess a larger amount of circulating* medium. The Right Honourable Gentleman expresses his opinion still more strongly, as to the state of things which he supposes must necessarily exist after the termination of the war; and how he reconciles his present views, opinions, and expectations, with those he then entertained, is past my power to conjecture. He certainly takes the wisest course he can, that of scrupulously avoiding any allu-

sion to those times gone by; but it is seriously to be lamented that men, possessing the influence in the councils of the country which he does, should see grounds for entertaining, at such short intervals, such conflicting sentiments: men of ordinary understanding can by no means follow him, and may naturally become quite astonished by the change, and lose all their confidence in the superior wisdom of our public men.

In another part of his Speech the Right Honourable Gentleman finds great fault with me for estimating the weight of taxation by the price of wheat, forgetting that in 1811 he considered it the best criterion of the value of the currency in which those taxes were paid: he omits too, wholly, to notice the other tests by which I estimated the weight of taxation, namely, the price of gold and labour,—tests also to which he on other occasions refers. I have shewn the weight of taxation so estimated, to be as great now under either of those tests *as during the war*; and last year, in labour or wheat, more than 50 per cent. *beyond* the most expensive year of the war; I believe I may say, including the loans into the bargain. I have given tables in my second address to the Landowners of the United Empire, exhibiting these

statements, and I add in a note* a similar table, which I have taken from a periodical work of great celebrity, calculating the taxes *in gold* at different periods.

* CURRENCY in which TAXES were Paid, in Twelve Years ending 1821.

Years.	Average market price of Gold, per oz.	Difference per cent. between Market and Mint Prices.	Nominal Amount of Taxes.	Amount of Taxes in the Currency of 1792 and 1821.
1809.	L. s. d. 4 10 9	16 $\frac{1}{2}$	71,887,000	60,145,000
1810.	4 5 0	9 $\frac{1}{10}$	74,815,000	68,106,000
1811.	4 17 1	24 $\frac{1}{2}$	73,621,000	55,583,000
1812.	5 1 4	30	73,707,000	51,595,000
Sept. to Dec. 1812.	5 8 0	38 $\frac{1}{2}$	—	—
1813.	5 6 2	36 $\frac{1}{10}$	81,745,000	52,236,000
Nov. 1812, to } Mar. 1813. }	5 10 0	41	—	—
1814.	5 1 2	30 $\frac{1}{2}$	83,726,000	58,333,000
1815.	4 12 9	18 $\frac{3}{10}$	88,394,000	66,698,000
1816.	4 0 0	2 $\frac{1}{2}$	73,909,000	72,062,000
Oct. to Dec. 1816.	3 18 6	under 1	—	—
1817.	4 0 0	2 $\frac{1}{2}$	58,757,000	57,259,000
1818.	4 1 5	5 $\frac{1}{2}$	59,391,000	56,025,000
1819 (to Feb.)	4 3 0	6 $\frac{1}{5}$	52,288,000	54,597,000
1820.	3 17 10 $\frac{1}{2}$	0	59,812,000	59,812,000
1821.	3 17 10 $\frac{1}{2}$	0	61,000,000	61,000,000

We may now remark, that although this Table gives the comparative amount of the taxes in the currency in which they were actually paid each year, and at par, it is, for obvious reasons, necessary to take an average of years, where there were such fluctuations in the depreciation of the currency within the space of a few months. Let us then take the two most expensive periods of the war; the three years 1810, 1811 and 1812, and the three years 1813, 1814 and

The Right Honourable Gentleman next dwells upon the pledge given in 1797, and every subsequent act connected therewith, that we should return to cash payments at the old standard at the end of the war. But, in the first place, I see no such pledges in those Acts of Parliament, and if they were to be found there, he surely will not venture to deny that they must have been given on the credit of the

1815. The average depreciation in the former period was 21 $\frac{1}{2}$, and in the latter 28 $\frac{1}{2}$. The average *nominal* amount of taxes in the two periods was, in round numbers, 74 millions and 84 $\frac{1}{2}$ millions respectively; but their real amount, at par, was only 58 $\frac{1}{4}$ and 60 $\frac{1}{2}$ respectively. Therefore the country has been paying, during the last year, a larger amount of taxes, by half a million, than it did during the most wasteful and oppressive period of the late war; and a larger amount, by nearly three millions, than it did during the period next to that in point of expenditure. Nothing can more truly illustrate the effects of the return to cash payments than this statement. The measure may have been wise; it may have been inevitable; but it has had the effect of augmenting the pressure of the public burthens to a larger amount than the removal of the war taxes relieved the country in 1816. When we speak of the return to cash payments, we of course do not allude merely to the measures of 1819, but the whole operation begun in 1815, of reducing discounts, and thus lowering the market to the mint price of gold.—*Edinburgh Review, Feb. 1822.*

value of the currency being unaltered. Will any Statesman avow that he *knew*, when he contracted these enormous loans, and imposed those taxes, that they were to be paid in money of a higher value than that in which the negotiations were then carried on? It is clear from the Speeches I have quoted, as it must be apparent to the common sense of mankind, that no such idea existed: had Ministers gone on as they did, possessing such knowledge, they would have been nothing short of traitors to their country: in fact, they declared in 1819, they would not have taken the *old* standard, but upon the assumption of the difference being *merely about 3 per cent.*

The Right Honourable Gentleman, in the latter part of his Pamphlet or Speech, gives a long detail of all the circumstances attendant upon the calling in of the clipped coin in the reign of King William, comparing it with the restoration of the antient standard, by the act of 1819; and he begins the detail with an assertion singularly broad and peremptory. The following are his words:—

“ I affirm, without fear of contradiction, that the state of the currency in King William’s time, prior to the year 1696, was in *principle* exactly similar to the state in which it was prior to the

year 1819, and that the restoration of that currency in the year 1696 was a measure precisely similar, in principle, to the present restoration of our antient standard of value.”

The fallacy of this bold attempt to assimilate these two cases, was fully pointed out by Sir Francis Burdett and Mr. Bennett, and I cannot help expressing my surprise that he should still persist in it. What analogy can be found of *principle* between the clipped coin in the reign of King William, and the paper currency established under the act of 1797, is to me quite incomprehensible; nor is the resemblance, in *principle*, between the recoinage and the act of 1819, at all discernible.

The clipped coin, in the first place, was the illicit act of individuals, not merely without authority of law, but subject to severe penalty.

The paper currency, on the other hand, was created by Government, and effectively rendered by Act of Parliament legal tender in satisfaction of all debts and demands of whatever date or nature.

The defective value of the clipped coin was notorious to the public at large.

The depreciation of the paper currency was concealed from the public by the Government,

and, when detected, was unblushingly denied by Ministers, and an Act passed to compel its receipt at its *nominal* value.

The illicit circulation of the clipped money continued only four or five, or six years at most, namely, from 1691 to 1696, when the new coinage began, and had only in the last year or two been carried to any great extent.*

The paper currency, created and maintained by Acts of Parliament, lasted twenty-two years, in which time six hundred millions were added to the national debt, and taxes were increased from 18 to 60 millions. The civil list, pay of Army and Navy, and all the civil officers of the state, were increased specially and *avowedly on account of the depreciation* of the currency, and the price of wheat and other essential articles rose to double their former *money* price.

No depreciation of the currency was evinced by any advance in the price of wheat, or other

* Ruding, vol. iii. page 365, quoted by James: great scarcity of silver at this time, April, 1690. In page 367, silver was coined at the mint, 5s. 2d. the ounce, but that for exportation was generally sold for 5s. 3½d. which gave occasion for the coin to be melted and sent out of the Kingdom, Ibid. 377, 1694, the current silver money had become greatly clipped and adulterated, which practices were of late secretly carried on to a ruinous extent.

essential articles, during the time the clipped money was in circulation; on the contrary, the price of wheat was lower on the average of five years during that time, than after the recoinage.*

The clipped coin, after calling in, was taken at its nominal value in payment of taxes, the

* Average prices of wheat, per quarter, at Windsor Market for the following years,—

1691	1	10	2¼	} 2 7 2	1696	3	3	1¼	} 2 13 11
1692	2	1	5¼		1697	2	13	4	
1693	3	0	1¼		1698	3	0	9	
1694	2	16	10¼		1699	2	16	10¼	
1695	2	7	1¼		1700	1	15	6¼	

Mr. Huskisson says that the guinea, which was then a commodity fluctuating in its current value according to the price of bullion, fell from 30s. to 21s. 6d., and wool, from 36s. to 20s. a todd, *and all other commodities* in nearly the same proportion. Now, as to the guinea, Locke distinctly says, it did not rise above 21s. 6d. in the *legal* money, and was bought at 30s. only, *nominally*, when paid for, *in the illegal clipped* money. In regard to wool, in the first place, it is difficult to judge of its price, unless the quality is given; and in Eden's tables we find, in 1680, wool from 12s. to 13s.—in 1698, during the progress of the coinage, or about the time of its completion, 21s., and in 1700, South-down, 32s.; Kent and Essex, 17s. As to other articles, it appears from the same authority, that the average price of mutton, from 1660

Government bearing the loss, in order to guard individuals from the hardship to which they might have been exposed.

During the paper money, taxes imposed in its *nominal depreciated* value, and money borrowed, have been charged upon the public for payment in currency of sterling value.

During the circulation of the clipped coin, there was no advance of pay to Army or Navy, or any measure taken upon the supposition of a depreciated currency or standard; in truth, there never was any departure from the standard, and could be, therefore, no restoration. I have given in a note,* to which I beg the attention of the reader,

to 1690, was 2d. per lb., and after the recoinage in 1700, 2½d. It is a little remarkable, that the Right Honourable Gentleman makes his assertions here without reference to any authority, and these which I have quoted, and which are I believe the best extant, are contradictory of his statement. It is also singular that he makes no allusion to the prices of wheat, of which the evidence is conclusive and accessible to every body.

* Locke distinctly states, page 107, that no man was compelled to receive the clipt or depreciated money in legal payments; and there was a law in existence, with severe penalties, against those who tendered clipt money in payment.

some particulars of those occurrences in the reign of King William, relative to the clipped coin. I have extracted it from Mr. James's admirable Essays upon this subject, who has com-

And in page 31 he says, "I cannot but wonder at Mr. Lowndes, a man so skilled in the laws, especially of the Mint, of the Exchequer, and of our money, should all along in his arguments speak of clipt money, as if it were the lawful money of England."

Mr. Lowndes, in his Essay on the Amendment of the Silver Coin, says, "In consequence of the vitiating, diminishing, and counterfeiting the current money, it is come to pass that great contentions do daily arise among the king's subjects, in fairs, in markets, shops, and other places, throughout the kingdom, about the passing or refusing of the same, to the disturbance of the public peace. Many bargains, doings, and dealings, are totally laid aside, which lessens trade in general. Persons, before they conclude any bargains, are necessitated first to settle the price or value of the very money they are to receive for their goods.

1699. In this year the great recoinage of the silver money was completed, having occupied the greater part of that and the three preceding years. According to the account of the officers of the mint, the new silver coins amounted, in tale, to 6,882,908l. 19s. 7d.

Of which were coined in the Tower,	5,091,121	7	7
In the country mints, - - - - -	1,791,787	12	0
	<hr/>		
	£6,882,908	19	7

bined and arranged, in the most satisfactory manner, from the best authorities, an account of

The mint charges were 179,431*l.* 6*s.* and the whole charge and losses are supposed to be not less than 2,700,000*l.*

Taking, therefore, 4,588,606*l.* or two thirds of the total quantity of the new silver money, to have been the produce of plate and of heavy money, and, according to Davenant, allowing that the quantity made from the plate was 312,000*l.* this will then shew that there was in existence, and in circulation, before the recoinage, 4,276,606*l.*—*Ruding's Annals of the Coinage*, vol. iii. p. 442.

It is therefore clear, from what Mr. Lowndes has said, and from Mr. Locke's reply to him, that the general circulation of the country, or the legal standard of value, had not then (in the reign of William 3rd) been depreciated or debased; that people refused to take the clipt or debased money, just as they pleased; that the clipt or debased money had not been made a legal tender and compulsory in payments; that contracts had not been entered into, nor transactions founded upon such clipt or debased money, as in legal money; that purchases of land and leases, and rents of land, houses, and mines, money borrowed, and taxes and rates imposed, had not taken place in that clipt or debased money, as in the lawful money of the realm, but that it was permitted to pass for its real value only; some pieces which had been previously shillings, passing for seven-pence, some for eight-pence, or what they were worth. Persons, before they concluded any bargains, being necessitated first to settle the value of the money they were to receive in payment; and that two prices had actually taken place—one in the good and lawful sterling money, and the other in the clipt or depreciated money, which from the scarcity of silver change,

these transactions. The Right Honourable Gentleman winds up the whole of this extraordinary comparison with declaring his opinion, that King William was obliged, *by this calling in of the clipt coin* (which he all along denominates *restoration of the currency*) to conclude a peace, if not upon dishonourable, at least upon terms very disadvantageous. If this really was the case, how much more must the restoration of the currency in the present instance cripple our powers, and how formidable does our situation appear, in reference to those principles now acted upon by the great monarchs of the continent, and which threaten to subvert the independence of nations, and the liberties of mankind!—It is but too true, that the act of 1819, by effectively doubling the weight of the taxes, has very nearly consummated the exhaustion of those great powers, which were so lavishly used during the whole progress of the late war; but it is by no means made to appear, that the determination of King William to abstain from depreciation of the standard, for the mere purpose of saving two or

was permitted to pass current for convenience sake only, until the nuisance became too great, and no longer to be endured.

three millions of expence in the new coinage, *obliged him* to make peace. That he was greatly embarrassed by the difficulty of raising supplies, and that this difficulty was increased by the practices that had been carried on in clipping and debasing the coin, may be very true; but the Right Honourable Gentleman *assumes*, that because the altering the standard was *proposed*, it might have been easily done, and *necessarily would have succeeded* in relieving him from his embarrassments. There is, however, no ground for such a conclusion, either as to the ability to carry such a measure, or of its success, if carried. It was strongly argued that such a proceeding would cause great confusion, that the landlords would be defrauded of great part of their rents, the creditors of their debts, and the seamen and soldiers wronged in their pay.*

The Ministers of William by no means, therefore, appear to be so convinced of the *efficacy*

* Ralph's History of England, vol. ii. page 615. At home it was argued, that if the standard was raised, great confusion would attend it; the landlord would be defrauded of a great part of his rents, and the creditor of his debts, that the seaman and soldier would be wronged of his pay, &c. &c.

of the measure, or that the new Government could safely attempt it against the opposition which these considerations would have created; but the Right Honourable Gentleman argues as if William determined against the adoption of the proposition, *solely* on account of its *injustice*, (most unjust indeed it would have been) and that rather than acquiesce in which, he immediately determined to make an inglorious peace; and here he launches out into pompous praise of that monarch, and gives an extract from a letter of his, in which the King says, "may God relieve us from our present embarrassment, for I cannot suppose it is his will to suffer a nation to perish, which he has so often, almost miraculously, saved." He admires the pious confidence this letter breathes, and the beautiful simplicity of the language. This prayer is certainly well adapted to the present time, and a great portion of the subjects of his present Majesty are, I believe, daily offering it up, under feelings of the deepest distress, as their only hope. But with this exception, nothing can be so little applicable as the whole of this elaborate history, and I am astonished the Honourable Gentleman should have again sent it forth to the public. He must certainly rely

upon the very hasty reading which the public are in the habit of giving to these subjects, and the skill which he has employed in working it up. The example of King William might have been used in 1797 to deter Mr. Pitt from beginning to tamper with the currency, but he was on that occasion neither so just nor so pious as King William: in truth, this fine eulogy of King William for his justice, firmness, and constancy, are so many charges against Mr. Pitt of injustice and imbecility, and evidently applicable to no other purpose.

Other periods in our history have been vainly had recourse to by other persons, to endeavour to find something like a precedent for the Act of 1819, but they clearly have no analogy, because *no instance has occurred of a recurrence to a former higher standard*, as will be seen by the note below.* Edward the 1st, and Elizabeth, have been held up to our view. In the

* The following are the prices paid for silver, of the standard of our coins, by the Government to the public, according to the Mint indentures, in the reigns of Henry the 8th., Edward 6th., Mary, and Elizabeth, &c.

	£.	s.	d.
1527—18 Henry the 8th. - - -	1	18	11½
1543—34 — — - - -	2	4	4½

reign of the former, there was a clipping of the coin, for which divers individuals were speedily taken up and hanged;* and in that of Elizabeth,

1545—36 — — - - -	2	11	9½
1546—37 — — - - -	2	15	6
1547— 1 Edward the 6th. - - -	2	15	6
1549— 3 — — - - -	2	19	2½
1552— 6 — — - - -	2	19	3½
1553— 1 Mary, - - - - -	2	19	6½
1560— 2 Elizabeth, - - - - -	2	18	6
1600—43 — — - - -	3	0	0
1604— 2 James the 1st. - - - -	2	19	6
1626— 2 Charles the 1st. - - -	3	0	0
†1666—18 Charles the 2nd. - - -	3	2	0
1717— 3 George the 1st. - - -	3	2	0
1727— — — 2nd. - - -	3	2	0
1816—56 — — 3rd. - - -	3	6	0

* 1278, 6th. of Edward 1st.—This year there was enquiry made after such as had washed, clipped or counterfeited the king's coin, and two hundred and four-score and seventeen persons were condemned, and in divers places put into execution.—*Holinshed's Chronicle*, extracted by James.—Edward, therefore, instead of secretly attempting to force a currency into circulation, by deceiving the people into a belief that it possessed a higher value than it really did, punished, with the greatest severity, those who thus fraudulently cheated the public. *It is not a little curious that any body, who voted the one pound note and a shilling to be worth a guinea, should so admire this conduct of Edward.*

† Profit of seignorage given up.

the circumstances relative to the *currency* bear no *comparison* whatever with modern times. The facts are shortly, as follows: Henry the 8th did depreciate the currency, and besides made a considerable quantity of very debased coin; a small quantity was also made by Edward the 6th; but in his reign, and not in Elizabeth's, the calling it in again was principally effected. She finished the work and completed the re-coinage; and it appears to have been so managed, that some profit was thrown into her treasury,* but nothing like a recurrence took

* For converting the base money into sterling good money, there was a separate Mint at the Tower, which lasted about a year; the account of the base money received into the Mint, from Michaelmas 1560 to 1761, with the charges of workmanship, was as below:—

Total of the base money, in lb. cwt. 631,950 lbs.
 Which was in current money, according to the rates of their several standards, 638,113*l.* 16*s.* 6*d.*
 Total of fine money, 244,416 lbs.
 Which was in sterling money, 11 oz. 2 dwts. fine, coined at the rate of 60*s.* from the pound weight, £733,248.
 Weight of sterling metal recoined, 244,416 lb.
 Weight of base, when separated, 387,554
 631,970 lb.
 Charges of recoinage, 12,983*l.* 4*s.* 3*d.*

place to the standard Henry had abandoned. Indeed it is curious, that instead of restoring, she actually did further depreciate the currency below what she found it, 3*l.* 6*s.* 8*d.* per cent. During her reign, a greater natural depreciation of the currency took place than had occurred before or had ever taken place since, much greater even than was effected by the paper non-convertible money of the act of 1797. It is unnecessary to pursue these observations further.

Enough has been said to shew the fallacious grounds upon which the Right Honorable Gentleman has founded his Speech, and to destroy his authority, by the discovery of his

If the above statement of the coinage be correct, which is given by Mr. Ruding as authentic, from the Mint accounts, then will there appear to have been a considerable profit to the Crown from this operation.

Received in the mass for	- -	£638,113	16	6
Which was recoined into	- -	733,248	0	0
<hr/>				
Difference	- - - - -	95,134	3	6
Deduct expense of coinage,		12,983	0	0
<hr/>				
		82,250	19	3

This gain was accomplished by forcing in the base coins at less than their real value.

James's Essays, vol. ii. page 107.

former sentiments, so pointedly contradictory of those now before us. I do indeed marvel at the confidence with which the statements in the speech under consideration have been made, and more especially at the accusation of breach of faith he makes against men who would rescue the public from the payment of money which was never lent, and of taxes which it never was the intention of the Government to impose. The Right Honourable Gentleman does not deny that an additional weight (I believe he admits now to the extent of 20 or 30 per cent.) has been added to our national taxation by the increased value of the currency consequent on the resumption of the ancient standard; and though he saw so strongly, in 1811, the injustice and fatal consequences of a small rise in the value of money to the productive classes, he is now wholly insensible to the unparalleled distresses in which they are involved; and not only is he insensible to it, but he charges these sufferers with being robbers, if they dare complain of the infliction under which thousands have sunk into irretrievable ruin! The Right Honourable Gentleman would, I believe, shrink from the exposure of such rapid changes of opinions and views (which, however sincere, are so

fatal to the reputation of a statesman) were it not that he calculates too surely upon the little attention bestowed on this important subject. Miraculous indeed is the perseverance with which our great men turn their backs on this question, though they know they are themselves, in consequence, half of them at least, sinking into titled paupers, their children robbed of their inheritance, and their tenantry ruined. But this subject is important even beyond the consideration of *their* fate. It involves the future prosperity, the happiness, the liberties of the people, the strength, the power, the influence of this country. The subject notwithstanding lies in a narrow compass, and, in one point of view, the difference of opinion is only in degree, and not in principle. It is almost unanimously admitted, that our enormous debt and taxes have been effectively added to by the resumption of the standard. How *any* addition should be permitted by such means to such a debt, is sufficiently extraordinary; but whilst the people are writhing in agony under a load, which is nominally one-fourth less than the taxes of the latter years of the war in the restriction currency, and which were borne with comparatively little injury, it is strange indeed that men can be found to contend that the

change to the ancient metallic standard is a mere trifle of difference. It is notorious that the money income of the country is so reduced by that Act, as to bring it within a fearful approach of the amount of taxation; that the rent of land of Great Britain is brought below the interest of the national debt; that the influence arising from the collection and administration of the revenue, before so formidable, is now most extensively increased. It is notorious that all our minor country gentlemen and yeomanry are sunk in wealth, weight, and influence, almost to annihilation. It is notorious that the money earnings of the agricultural labourer are sunk one half, and form an alarming test of the general degradation of national income. Lastly, it is notorious to Europe, that we cannot engage in any serious contest; no, not for the protection of our honour and safety, and continue to pay our debts and taxes in the same ancient metallic standard. The challenge is thrown to any statesmen, who dare assert that war and the payment of our debt and taxes are compatible in that standard. Let them not quibble upon a skirmish of a campaign or two and a few millions; let them advert to the too probable deluge of war that threatens Europe, or even to a war of

the shortest duration in which this country ever was engaged, and then say, on their honour, if they think such a war and the ancient standard can exist together. There is hardly an individual, however sanguine, who in his heart does not feel the impossibility. What madness then to adopt a new standard, for such, I maintain, the old one to be, the maintenance of which is incompatible with the nation's safety in the alternative of war, and happiness and prosperity in time of peace. How much better, wiser, as well as more just, to have given that which we could make good and permanent. What tremendous ills should we not have avoided. Peace would have been attended with all its usual blessings, and we should at this moment have been in a position which would have induced a very different conduct towards us on the part of the great allied powers than that which they have recently evinced. The fact is too notorious to Europe, that under the weight which presses upon us, we dare not look up to the position we have been accustomed to take; we are rendered cowards by the conscious feeling of our difficulties; and the consequence is degradation on our part, destruction of the peace of Europe, insecurity to ourselves, and probable eventual war. Such

consequences are inevitable, or, on the other hand, the utter annihilation of the liberties of Spain, and the independence of nations. No human being has anticipated any other result of the war, than one of these alternatives, either of which must be looked upon with horror by this country; and in the first instance, in reference to *British* interests, we ought to have interposed effectually, to prevent such a catastrophe. Prepared for war, and determined to encounter it on the failure of negotiation, we should have succeeded; even now the universal expression of public indignation against the conduct of the French Government excites a hope of beneficial influence, in spite of the neutral policy of the Cabinet. It is not that our strength is decayed, or broken; far from it; we are, or should be, in the plenitude of health and vigour, were it not for that monstrous reduction of our national *monied* income, which has been occasioned by the Act of 1819, and the extraordinary load which it has so unjustly thrown upon the industry of the country: our power is paralyzed for the time, but not destroyed.

The time will come, and that before long, when the provisions of that Act must be, *secretly* or *openly*, done away. It is a favourite

dogma of Mr. Huskisson, that provided the standard is preserved, any *contrivance* to increase the circulating medium, or, what is the same thing, to make the same quantity perform a greater number of operations, is quite fair and legitimate and desirable, however much the value of the currency, and even of the gold of which that standard is made, may be *diminished* thereby; that is, the same object may be accomplished by any means but one. I will not stop to question the *superior* moral correctness of this position, but it shews the extension of the currency to be contemplated as possible, and compatible with the preservation of Peel's Bill, and which is to be nominally and apparently maintained, at any rate, as a point of ministerial honour. The session of last year was opened with an avowal of such intention; and it is probable that the loan of last year of the Bank, for the payment of the 5 per cents, and of this year, for the Half-pay, may for a time throw a little more money into circulation; but temporary and very limited will be the effect nevertheless. It is sufficient to prove that attempts may and will be made to do away the effects of Peel's Bill; and sooner or later it must be by some means accomplished, or, gigantic as is the

strength of this country, the load will be too mighty for our *permanent* endurance.

As to any expectations arising out of the recent advance of the price of grain, they are ridiculous; fluctuations in the price of commodities will, as usual, take place, but if the old standard new revived, is of higher value than the restriction currency (and that it is; nobody doubts) the aggregate money income of the country will remain at the same amount to which it has been reduced by the contraction of the circulating medium by the Act of 1819; the farmer may find a better price, for a time, upon a diminished quantity, but if that Act remains unaltered, grain will not, on an *average*, exceed the price it bore for one hundred and fifty years before the last war.

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