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THE
OUTLINE OF A PLAN
FOR BRINGING THE
SCOTCH AND ENGLISH CURRENCY
TO THE
SAME STANDARD BULLION VALUE,
AND PRODUCING
A STERLING COUNTRY BANK NOTE
OF EXCHANGEABLE VALUE,
CONVERTIBLE IN EVERY PLACE TO
GOLD COIN.

VERY HUMBLY ADDRESSED TO THOSE IN AUTHORITY; TO THE SCOTCH
AND ENGLISH COUNTRY BANKERS; AND TO THE PUBLIC;

By RICHARD MOORE, Esq.

“Loving Antiquity.”

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ADVERTISEMENT.

Not to alarm the general reader, only round numbers are treated of in the following pages; those who have a taste for fractions, may indulge it, by referring to the Authorities quoted.

ERRATA.

Page	Line	
3,	20,	insert a comma after "then"
7,	1,	for eleven read seventeen
9,	3,	insert a dash after "Rest there"
17,	16,	for stock-brokers read stock-holders
24,	2,	for and expense read and at expense
24,	7,	dele the
30,	18,	dele comma after "future" and insert it after "time"
44,	note,	for Joplin read Mr. Joplin
46,	15,	for in 1819 read from 1819
51,	10,	dele "without some capital"
57,	22,	for will read would
64,	1,	for providentially read providently
68,	7,	for offences read offence
70,	12,	for IV read V
72,	1,	insert "it could be commanded" after "opinion"
75,	11,	dele such

THE
OUTLINE OF A PLAN,

&c.

CHAPTER THE FIRST.

THE difficulties the country has been thrown into, and in particular that part of the distress which has been occasioned by the present state of the country bank paper currency, has excited the writer's attention, and induced his inquiries into the cause of it; and from such authorities as were within his reach, the result has produced an opinion, which, whether well or ill founded, he invites his readers to consider.

That the inconveniencies we experience with our country bank paper circulation, have been occasioned principally by our different administrations—indeed by the country at large—having wholly lost sight of the control necessary over the *value* of our country bank paper currency, as over the bullion currency issued from the Mint,

B.

and this from the earliest periods of country bank paper currency and bullion currency, being mixed up together.

The remedy that has suggested itself to the writer is to return to first principles, as far as it is now practicable to do so, and to the same control being established over the *value** of all the different parts of the currency of the realm, as the government always exercised when it consisted alone of bullion coin, and as early as the long lapse of time in which the contrary practice has prevailed, may now make possible.

But without interrupting the Scotch bankers in their business, whose affairs appear to be so wholesomely regulated, or those English bankers who survive the storm, who are so inconvenienced by the insolvency of their neighbours, and by the convulsed state of the money market, and to whom we are chiefly indebted at this moment for the currency, except in the districts of London and Lancashire, which now remains in circulation.

And, without thinking of violent, coercive measures, to begin by exercising such a control over the *value* of that portion of the country bank paper currency, as may be practicable, optional, and beneficial, to the bankers themselves, as well as to the public, that the government should take under their cognizance.

* The reader is requested to keep the words *value* and *quantity*, and the ideas they convey, totally distinct as he proceeds.

But before going further, the writer should, perhaps, give some account of the source he derives his ideas from, to induce a hope that anything useful, can have suggested itself to so humble an individual.

He does not mean to oppose his doctrines to others, though he may have to deal with some facts, but only to state such ideas as have unexpectedly occurred to him as useful, and which he is concerned to reflect must be new, or at least have been lost sight of, ever since the first establishment of the Bank of England in 1694, if not earlier, and are, therefore, left for others, than himself, to work upon if they please. The writer has simply clothed them in such garb, as occurred necessary to elucidate his subject, and which, if they should turn out applicable to public utility, as he hopes they may, he should have taken blame to himself had he remained silent.

When the subject engaged his attention, then the source and spring he determined to attend to was Dr. Adam Smith*. Different authorities, indeed, presented themselves to him, and among others some Tables†, that gave the country bank paper currency for 1818-19 at twenty-seven millions, and in 1822 at only eleven millions, and the pamphlet spoke of the distress among the manufacturers, the little employment for the working part of

* *On the Wealth of Nations.*

† Mr Joplin's Tables, a Pamphlet on Currency.

them, the great distress among the shopkeepers, and labouring class of the society, the reduction of the currency, the fall in the price of wheat, in the rental of land, and in the price of other commodities, and the riots and confusion in our manufacturing districts. He soon found these distresses had become matter of controversy, whether they had, or had not all been occasioned by the bill of the Right Honourable Mr. Peel, for the restoration of the bullion currency.

The writer felt that he was in troubled waters, and determined to have no more to do with this part of the bearing of the bill at present, and to touch slightly only the different articles necessary to elucidate the utility of his ideas, though he must confess he entertains the old English prejudice for gold coin. It bears upon it the impression of his sovereign, and has more the appearance of being the poor man's friend than a dirty piece of paper, issued, perhaps, by a man of straw; and though earned by the sweat of the labourer's brow, he is, possibly, destined to lose by the insolvency of the banker*. But, not to dwell more upon this part of the subject now, he proceeds to the article currency.

* The writer, however, means to convey nothing disrespectful of the body of them; he esteems both their utility and respectability, but some improper persons will get into all situations.

ON consulting his author* and others, the first peculiarity the writer has to notice of the currency is, that in what is called the London and the Lancashire districts, none but Bank of England notes or bullion coin are current; that throughout the rest of the country none but country bank notes, and small quantities of bullion coin, are, generally speaking, in circulation.

The Bank of England note has its corresponding capital value printed on the paper, and of public notoriety at the bank, either in government funds, approved private securities, or bullion coin. It is of equal value, therefore, as bullion coin itself, and it will at all times exchange for and buy bullion in the lump, when there is any in the market.

The country bank note has no corresponding guarantee of *value* to its amount of public notoriety whatever, nor will it exchange for or buy bullion in the lump, though there should be any in the market; the firm it issues from pays a stamp duty for this privilege, and the only security the holder of it has is from the solvency or insolvency of the bank that circulates it, and of confined local knowledge.

The bullion coin that issues from the Mint is

* Dr. Adam Smith.

of the purest description, and of higher value than the bullion coin of, perhaps, any other country. Government have never lost sight of the necessary control over the value of it; but the bullion that goes there, for the most part, belongs to individual subjects; the only part that government performs is the operation of coining, and the identifying the purity of the metals brought for coinage.

They exercise no means for circulating in quantity beyond the payments to their own servants, the civil establishments of the country, their trades-people and artisans, the army and navy, and the public annuities; but though these articles make up the sum of the expenditure and revenue—excepting bullion coin sent to the dockyards, outposts, and garrisons, for the soldiers and sailors at those places—the bulk of this mass of revenue, so far as the legitimate currency, the Bank of England note, and the bullion coin is concerned, remains in the London district.

It is received by the bankers and agents of the parties concerned, or by themselves, in the metropolis, and the rest of the currency put in motion in this district, takes place upon the expenditure of its population, and by the discounts and advances of the bank, bankers, merchants, manufacturers, trades-people, and others, that inhabit it. The amount of Bank of England notes in 1818-19 was twenty-seven millions; in 1822

only eleven* millions, but the difference was made up in the amount and addition of the bullion coinage.

The circulating currency over the rest of the Island, is wholly dependent on the country banks and bankers, and consists of their notes alone, with some small quantity of bullion coin, and this mass of paper is put in circulation through them.

“The circulation of every country,” says Dr. Adam Smith, “may be divided into two kinds, that between dealers and dealers, and that between dealers and consumers: for the first is wanted only the larger species of currency, nothing, perhaps, under the ten pound note; for the latter is required bullion coin, or one pound notes, with only silver.” The same authority seems to have contemplated also the possibility of what has happened in our own times, and that the business even of a great country might be carried on with a paper currency alone, and yet not be depreciated by this circumstance.

But with a strong leaning in favour of bullion coin; and again, supposing in this place, what happens, indeed, at present, that the credit of the country bank note is supported by the bullion coin in, and always streaming from, the country banks to the metropolis; losing sight, as it were, of the idea he had just before set forth, but which

* Mr. Joplin's Tables.

so happily took place with us, the possibility of a paper currency being supported, without depreciation, and simply upon the credit and good government of a country; but the reason he adduces in preference of bullion coin is this,—“An unsuccessful war, for example, in which the enemy got possession of the capital, and, consequently, of the treasure that supported the credit of the paper money,”—that must be the best policy, therefore, that, though the capital was lost, though the geese did cackle* would still produce for our retreating countrymen, a golden nest egg in every country town they came to.

But not to fatigue the reader, or himself, the writer thought he would relax, and look into another article, and in the face of all his exertions to the contrary, he finds the different heads of his discourse will run one into the other; but he determined to essay the word bank; he opened his book, and the first thing he read was, that there was one at Amsterdam, with an Agio belonging to it—he was quite alarmed—it appeared to him worse than the intricacies of Whist—he felt punished and abashed, and had well nigh given up his subject, but he was idle, and had nothing to do, and so cried courage! and resumed his task.

Currency appears to be alike necessary to brace the sinews of war, and for the enjoyment of

* Roman History.

peace; but the quantity necessary at any one time is not to be defined, unless, indeed, the reader could say to the sea—Rest there! to the prosperity of his country—Be still!—you shall neither advance nor retreat: then, and then only, could any wise head apportion the much or the little currency that would be required.

It is always more or less in motion; and though any sudden large increase may indicate some overtrading and over speculation*, it indicates as well prosperity, for no speculation can take place without the existence of riches somewhere; there must be money, at least, to try for the prize, though the object, greater riches, may not be won; it is necessary, we learn, alike to support the existing capital of a country, as to employ increased labour, and to create new capital, and new prosperity.—A question here presents itself, and of import:—Was there more currency in the market by sixteen millions† before 1822, than was necessary to support the existing prosperity? It is a fearful mass to have been withdrawn from circulation in so short a time as three or four years; every new loan for a twenty millions requires currency to break the bank note up, currency to pay the dividends on the annuities that have purchased it, and currency to support all the new

* But how is a decrease in the quantity of currency to indicate over trading and over speculation?

† See Mr. Joplin's Tables.

capital created by the labour the note has put in motion.

We are told, indeed, that every capital borrowed would equally have been employed, though government had not made use of it, and in productive labour too; But would the return for employing all the different loans of twenty millions that took place during the late war, have arrived so frequently in private hands? If not, we have had the like benefit as a trade, with half a dozen returns of its capital, instead of the ordinary rotation of only one.

And so the increased population, and all the fair houses for their accommodation throughout the land, its increased cultivation, its manufactures, its trade, and its resources, all seem to indicate. Hence the increase of the currency, the vacuums that have produced the want of it, and the realization of new capital and new prosperity that required its support.

There are no limits to the demands that may arise for an increase of currency, nor to the miseries that may ensue for want of a due proportion of it; all that a good government can do is to control the *value* over as large a portion of its quantity as is practicable, and to make it the interest of those whose business it is to issue it, as much as is possible, to attend to the intrinsic worth of the remainder. That remainder must be left to the judgment of the banker, the more or the less; if

he issues too much, it is sure to return upon the firm that issues it, and with loss, nothing can keep it in the market*: on the other hand, if there is not currency enough, the public lose the employment of so much labour the deficiency might have put in motion, and so much additional security for the payment of the public revenue †; for upon labour, and the quantity of it also, depends the public revenue, as the landlord's rent, currency puts the labour in motion, and the labour produces the income, public and private.

Nothing can be more clear, therefore, than that the government of every country ought to have a great deal to do with the *value* of the currency, but nothing to do with the *quantity* of it. No government, therefore, will ever make a law to limit the quantity of currency, it would be like committing suicide, and if any should accidentally creep in upon the Statute-book, it would be repealed so soon as the effects of it were discovered.

Currency is the life-blood of the body politic, which cannot exist without it; to be perfect, it should contain very peculiar properties. Its quantity should be unlimited, and of intrinsic worth, even in a stagnant state; it ought still to produce some profit to the holder, because he keeps

* Doctor Adam Smith.

† There is at this moment a great deficiency of country bank currency; and the revenue on the fifth of July had fallen off near five hundred thousand pounds, for that quarter of the year only.

it for the employment of the public and the state, as well as for himself;—it should be ever ready in the cause of justice to assist the police officer, for instance, but without producing intemperance or partiality in the judge, and like the water at the dam-head of a mill, never show itself before it is called for;—it should almost realize the poet's description of the Thames:—

Deep, though yet clear, though gentle, yet not dull,
Rough without rage, without o'erflowing full.

SMITHFIELD.

WHAT has preceded, shews some of the effects of currency. Very many people in this country, the writer is persuaded, will, nevertheless, think of country bankers, that they are by no means among those who want to be placed in the front of any act of parliament, for protection; not so, however, the Scotch, for if ever an expression of feeling and approval was conveyed in favour of a particular class of society, the Scotch petitions, the represented sentiments of three millions of people, exhibited their approbation of their own country banks and bankers.

If the reader should, however, be among those, the writer will not say adverse, but only lukewarm, thinking of them, perhaps, as not necessary to society. He is acquainted that sixteen millions of their paper currency in England had been with-

drawn from circulation by 1822, out of twenty-seven millions their amount in 1818-19, and without attributing this disappearance of so much currency as the cause or not, wheat that had been eighty-three shillings the quarter at the latter period, fell to forty-three* shillings the quarter at the former period; landlords immediately experienced great difficulties with their rents, manufacturers have ceased to be employed as usual, and riots, in various places, as is always the case where large bodies of people are out of employ, took place; and finally, the public income also has now declined, and at the rate of near two millions a year†. Let the reader only take the trouble to imagine further, that the remaining eleven millions of country paper currency had been withdrawn also, as an example of the country bankers' utility, or otherwise.

And so far, then, as country bank paper was concerned, there would have been no currency to have represented the price of wheat, or any other commodity in that part of England, not included in the London and the Lancashire districts.

Landlords *might*, however, have received their rents in kind, and the public revenue *might* be collected in the same way, and more traffic given to the iron railways and canals by the conveyance

* *Vide* Mr. Joplin's tables.

† The July quarter for 1826 was less by near 500,000*l.* than the corresponding quarter for 1825.

to the public offices in the metropolis of the corn, and new labour found for the drovers in taking the sheep and cattle to our public offices in payment of our taxes, and in this way, Smithfield, always a great nuisance, might be got rid of!

It is the custom at the Excise Office, and probably at other public offices, that all the money received in the day, and not paid away again in debentures, or otherwise, should be carried every evening to the bank; that provision is already made in Broad-street*, that the cattle and the sheep arriving there in the day, and not so disposed of, should be driven every evening to the bank!

That the metropolis would equally be supplied with provisions and cattle, by application at the public offices and the bank, as before Smithfield was suppressed. Half the dividends on the public annuities *might* be paid with a corn and cattle currency, instead of paper and bullion coin. New employment would be given to the officers of His Majesty's Treasury, and corn and currency would still have found their value.

THE BANK OF ENGLAND AND THE COUNTRY BANKS.

BANKS seem very early to have suggested themselves as necessary engines of state, or sources of

* The scite of the Excise Office.

private gain, in all great trading countries. The Bank of Amsterdam was established in 1609, and those of Venice and Genoa, in the times of their prosperity. The Bank of England was established in 1694, and no doubt was thought of by the projectors of it as become necessary, from the growing and the increased trade of the country, and from the demand for more currency than the Mint, and the then existing resources, without more aids, could supply.

It was made an immediate engine of state by borrowing 1,200,000*l.* of it, and of private gain to the proprietors, by government giving eight per cent. for the money, or an annuity of one hundred thousand pounds a year for management and interest.

They commenced their business, therefore, under very advantageous circumstances, with the liberty of issuing what amount of notes they pleased, all of which in the first instance were probably available in the purchase of gold bullion; at all events the public was safe as to the notes representing the 1,200,000*l.* and they went off with great credit and at score.

Our author gives two examples of the management of banks, dividing by four and by five to find the quantity of bullion coin, necessary to keep any certain quantity of bank notes in circulation the country would absorb;—the Bank of England, therefore, could very safely have ac-

comodated the public by the issue of a four or five millions of currency in notes; but so many accidents and interruptions are all new establishments liable to, and so inciting the object of gain, that they must probably have been induced to issue notes far beyond this amount; for only two years after their first establishment these notes fell twenty per cent*.

Nevertheless in 1697 the Bank of England was allowed to enlarge its capital stock by the ingraftment of another million. This sum was not lent at interest to government, but it was said to have been allowed for the support of public credit; and as it must have enabled the bank to have extended its issues so many more millions, or if there had been any issue of notes beyond what the capital of 1,200,000*l.* would support, to have supported such issue. The new capital added, would have acted either way; but whether or no the government of 1697 must have been of opinion, that there was no method of supporting a declining credit, but by the issue of more stirring currency!

It is a proof of the anxiety of the administration of that time, that there should be no want of currency!

The check by the depreciation of their notes, however, was of short continuance, for their

* There was also the additional cause, perhaps, of a new coinage of silver then going on.—*Dr. Adam Smith.*

capital in stock subscribed as early as 1722 was near nine millions, and their capital lent to government, for which they received interest, so large as near nine millions four hundred thousand pounds. "It was upon this occasion," says our author, "that the sum that the bank had advanced to the public first exceeded its capital stock, or the sum for which it paid a dividend to the proprietors of bank-stock; and from this early date, twenty-eight years only from its establishment, with the aid that government originally set it off with, and has hitherto exclusively given from time to time to the Bank of England, has it continued to flourish to the present date, to the infinite advantage of the public as an engine of state, and to its stock-brokers as a source of private profit, and as had been anticipated from its foundation."

Nothing can exceed the good government of the directors in the management of their concerns; and at least half the currency that is necessary for the support of our establishments, our capital, our credit, and the labour of the country, is supplied by it: but as riches, always run a race with knowledge in commanding power, and they are alone the sources of it, the policy of placing the remaining half of the currency in the sole possession of the Bank of England seems very dubious, and hazardous of producing such a control over the affairs even of this great country as

the company in Leadenhall-street exercise over the monarchies and their courts in Asia.

It appears sufficient to the writer that they divide the advantage: a few hundred stockholders only, with the rest of the population—thirteen or fourteen millions—and that the stability of the Bank of England, with the advantages they already possess, is equal to that of the British government; all that it has advanced to the public must be lost before its creditors can sustain any loss*.

This support from government is the whole mystery of its notes, exclusively, being available in the purchase of bullion, and which this note will do abroad as well as at home, and simply from the opinion the other nations of Europe entertain of the good management of our affairs, that a better letter of credit cannot be taken to the continent than a Bank of England note.

But take away the government support—the credit of the country—and put ten sovereigns in one scale and a ten pound Bank of England note in the other scale, the same as with a country bank note—lift the scales, and the paper will kick the beam directly: but add to the scale with the Bank of England note, the credit of the country, the opinion that the world entertains of our good government; the knowledge that the ten pound note, is the representative of a portion of a public

* Dr. Adam Smith.

fund, as will at all times command or sell for ten pounds, and the Bank of England note and the public credit together; immediately balance the ten sovereigns, and they are worth more than all the gold bullion in the world!!!

The battles of Trafalgar and Waterloo, may be said to have been fought in the bank note's favour; not a ship on the waters, nor a soldier on the parade, but is there for its support; all the triumphs that are past, and all the glories that are to come, are and will be its safe-guards!

COUNTRY BANKS AND THEIR NOTES.

THE country banks have never had the good fortune to enjoy the fostering care of government the Bank of England has possessed. They seem never to have been thought of but as objects of taxation by levying a stamp duty upon them, nor have the different governments during a period of one hundred and thirty-two years, dating only from the establishment of the Bank of England in 1694, ever exercised any control over the intrinsic *value* of any portion of the country bank paper currency, as was shewn to have been done by the Bank of England from its establishment; for such it cannot be denied has been the effect of the connexion between the government and it, and thus giving security to the public for all the notes the Bank of England issues.

How early country banks were established appears uncertain, but there is some mention of paper money even by Shakspeare*, but the bulk of our country banks have been established only within the last fifty years. It would appear as though the country traders and dealers in the earlier times, had been mostly in the practice of sending or bringing their bills which they wanted to be discounted, to London, and returning with the gold currency to the country; there appears no other way of accounting for the quantities of gold coin always met with in the country in those earlier times.

The country banks seem to have been multiplied with the increase of our national debt, and the increase of the capital of the country; and to have sprung up as the several vacuums of currency took place, by draining the country circulation, for the supply necessary for breaking up all the different, *Leviathan*, notes of loans, and to the amount of all the millions borrowed in the late war. Everything tended to the necessity for an enlargement of the currency, and in every small town there was a bank established for the issue of currency, and of its own coining; there has never been even a minimum security enacted or required for the public.

The revenue was collected in this currency, afterwards changed into Bank of England notes,

* "Not a rag of money."—*Comedy of Errors*, Act. iv. Sc. 4.

at the houses of their agents in London, and the largest part of the population of Britain, depended upon this currency for its support. No interruption was thought of to be given to the country bankers during the war; they were as necessary engines of state as the Bank of England, though, finally, to be so differently dealt with*, and the part of the currency issued by them was as necessary to the well-being of the state, as the part issued from the Bank of England.

Their gold, and that of the whole country, had long been drained to send abroad for corn in our scarcities, and for our armaments in different parts of the world. The currency was changed by legislative authority† for the time being from gold to paper; the act said,—you may now pay paper for gold;—the gold had departed out of the country in the service of the state, and it had become both necessary and just it should do so, and all their succeeding engagements were made according to this paper currency of one and two pound notes: the system had worked well, and conducted us, after a long and arduous but most successful war, to a glorious and secure peace.

One of the earliest subjects of discussion after the peace, was the propriety of returning to cash payments, and bullion coin instead of one and two pound notes, and meeting the general pre-

* By the consequences of omission.

† 1797.

judice, in favour of our old gold coinage*. Arrangements were made with the Bank of England that gold should be again coined and issued, and the one and two pound notes suppressed all over England †.

The bank immediately made their arrangement, purchased the gold that flowed in upon us with their notes, had the bullion coined and issued, anticipating the wishes of the government and the prejudices of the people by years, and our currency in the London, and the Lancashire, districts has been complete as to *value* ever since.

And very naturally, up went the fame of the Bank of England, but the others could do no such thing with their notes, and down went the character of the country bankers. There was nothing to be done by those who did not chuse to court bankruptcy, but to refuse the bills offered for discount, reduce their issues, look adversity in the face, and give security to the Bank of England, and borrow bullion coin, at high interest, for the country currency, and thus giving a new bonus for its stock-holders.

Let us turn again to the country bankers. The fiat went forth,—PAY IN GOLD!—How properly the Bank of England behaved and obeyed the mandate, we have seen; but it had no difficulties,

* 1819.

† This act did not entirely suppress the one and two pound notes before 1833.

for its notes were sterling; the bullion was in the market, and the one sterling commodity exchanged for the other sterling commodity: their facility for obeying the command was perfect.

The country banker might, indeed, have gone to the bullion market also, and presented his ten pound note, but would he have got bullion for it to have carried to the Mint for coinage?—no—it was not backed by *public credit*; to put into the scale with the paper note, opposite to the ten sovereigns, the balance would have been found wanting, and the bullion merchant would have had nothing to do with this note, and the country banker did not go and ask him.

Again, the command was given to two parties—pay—the one party has no difficulties to contend with, and obeys; the other party, the country bankers, see the necessity, and feel their own inability at the same time: both parties had equally been drained of their gold during the war, and for the service of the state; but the command to the Bank of England was not unaccompanied with the knowledge, the notoriety, that they could obey it;—it said only pay, for we have put it in your power to do so, and without peril or expense to yourself.

The command to the country bankers was accompanied by no knowledge or notoriety that they could obey it; accompanied by no act on the part of government that put it in their power to do

so; and the obedience required could only be complied with by peril and expense to themselves.

Thus we have got the interests of the Bank of England, placed in opposition to the interests of the country bankers, as some politicians have been fond of placing the interests of agriculturists, and the manufacturers in opposition; but we are all members of the same family, and we never can thrive so well as when our neighbours are prosperous as well as ourselves; and all jealousies are kept down among us, whether the times' price should require for the broad-cloth two or three shillings more per yard than usual, or existing circumstances produce for the bushel of wheat so many more, or so many fewer shillings.

But to return to the country bankers, what did they do? Without speaking to the cause, the reader is desired only to attend to the order of events;—the act of parliament takes place*,—the country bankers withdraw their currency, 16,000,000*l.* out of 27,000,000*l.* †; the difficulties of the landlords and the agriculturists ensue with their rents and profits; next those of the manufacturers; then the bankruptcies, and of the bankers themselves, by scores; next of the disappointed speculators, and their work people, in addition to the labouring manufacturers, all out of employ; then the *riots*, the consequence of this want of employment; and, finally, the falling off

* 1819.

† By 1822.

of the public revenue, and at the rate of near two millions a year*! The writer knows there is some evidence to shew that the bill was not the cause of these difficulties, and he will notice that evidence when he comes to speak exclusively to that bill.

Retribution for the consequences of omission, were never more justly due to any class of people;—not to the man of straw,—not to the improvident or unfaithful speculator, who had no business in the trade, but to the surviving, suffering, struggling, honourable country banker: and from the known justice of our rulers, there can be little doubt of his having all practicable redress. He has the example of his brethren in Scotland before him, and the choice, if necessary, of following up his interests also in the same decent and respectful way; and he would not be deserted by his neighbours by their not joining him in his petitions, any more than the Scotch country bankers were by theirs; and of appearing at the bars of our houses of legislature with his grievances, and he could not fail being attended to, for the interests of his country are identified with his own.

His case lays in a nut-shell, and is to be comprehended by the study of two words—Stirling, Note.

* The revenue for the 5th of July quarter was less than the corresponding quarter 1825, by near 500,000*l.*

THE MEETING OF PARLIAMENT AND THE
SCOTCH BANKS.

THE Parliament met the first of February, under circumstances the most inauspicious to our trade and credit, the public funds tumbling down, and the columns of the Gazettes full of nothing but bankruptcies; merchants and manufacturers, bankers and agriculturists, all hastening to the vortex of insolvency. The king's speech noticed all these difficulties, and recommended his parliament's earliest attention to the subject, and particularly directed their observations to the violent fluctuations of the currency, that life-blood of the body politic, that had recently taken place, "and to the state of the circulating medium of the country," and their application of the proper remedy! Indeed the very evils that had arisen, had been prophesied of in the preceding sessions.

The maximum of the deficiency of the country bank paper currency had taken place in 1822, as before noticed; but it had since somewhat increased in quantity, and the landholders, that class of His Majesty's subjects who contribute so largely towards the public revenue, and who form the best market for the manufacturers and the merchants, began to experience fewer difficulties with their rents; they had been the first to feel the effects of the bleeding, the turn of the other classes of society was now taking place.

Nothing could exceed the zeal and good wishes of our rulers to find the proper remedy as recommended in doors and out of doors; Whig or Tory, there was no distinction on this subject: everybody had reason to be satisfied, in this respect, with the powers to whom they owed their obedience.

The great number of insolvents among the bankers, in particular, as appeared in every succeeding Gazette, arrested the public attention, and seemed to draw more observation to their failures than to their neighbours, and to attribute a larger share of improvidence to the country bankers as the cause of our distresses, than to the other traders and speculators who fell with them. There was, however, this distinction between the parties; the country banker had fallen after a reduction in his trade,—the other insolvents after an extension of theirs.

The public feeling was, notwithstanding, most hostile to the country banker; security was the order of the day, and nobody thought otherwise, but that by such help, parliament had only to meet, and the remedies would be found at hand, and the funds recover their depression, and the traders, and the merchants, and the public, their credit; and what was crooked would be made straight, "and the rough places plain."

The Chancellor of the Exchequer, very early in the sessions, came forward with the subject, and

in a speech, received amidst the frequent cheering of the house, set forth the difficulties we laboured under;—and the remedies proposed were, an earlier stop to the issue and circulation of the one and two pound notes, than had been contemplated in 1819, and some arrangements with the Bank of England, in giving up certain privileges of their charter in favour of the public, and the giving facilities to the formation of joint-stock banking companies, and the providing of branch banks from themselves. These last measures were brought forward in the upper house by the first Lord of the Treasury, who, in his place, equally, promptly, and patriotically, developed the views of government.

In both houses questions were put from other members, Whether the stoppage of the small note currency bill was meant to be extended to Scotland? and the answer of the Chancellor of the Exchequer, in the lower house, was, and it was received with cheers, “I cannot, for my own part, see, why England should be kept on an exclusive principle*,” but added in substance, that the period for application of the rule should, perhaps, be different, and the measure as respected Scotland and Ireland be kept distinct; and the same answer was understood to have been given in the upper house.

Government were, doubtless, aware of the dis-

* Courier Newspaper debates.

crepancies that had occurred in 1762, 1763, and 1764, from the standard of *value* of the currency in Scotland being paper, whilst the currency of England was bullion coin, and they wished to avoid the same inconveniences as then took place. “While the exchange between London and Carlisle was at par,” says Dr. Adam Smith, “that between London and Dumfries, would sometimes be four per cent against Dumfries, though this town is not thirty miles distant from Carlisle, but at Carlisle bills were paid in bullion coin, whereas at Dumfries they were paid in Scotch bank notes.”

The news of the opinion given respecting their notes, had hardly time to arrive in Scotland, before the letters of Malagrowther appeared and displayed such unappropriate censure against the measures of government, as, no wonder, excited the ire of one British lion amongst its members, at least*. The petitions from Scotland, however, poured in upon the houses of parliament day after day in such numbers, and from all classes of its people, from its rank, and from its commonalty, its knowledge, and its riches; the gown and the cassock all took the same side of the question—there was no mistaking the feeling of the people of Scotland.

And that they were adverse to changing the

* See the Chancellor of the Exchequer’s speech on opening the Budget, 13th March, 1826.

paper currency of Scotland, under which all their engagements had been entered into, and for the conveniency of the state too, without the government of the country first pointing out in what way they were to obtain bullion coin to replace their present currency, and to fulfil their engagements.

It has been the province of all governments to superintend and direct the *value* of their currency, and the present difficulty has certainly arisen from the neglect of the administration in this respect, and as concerns the country bank paper currency, in particular of 1694, and the succeeding generations of governments since that time; indeed, it seems very dubious whether the administration of 1694 at all foresaw the good effects the connexion between the Bank of England and government was to have, in future, time in producing a sterling currency for half the amount of our circulation at least.

In changing the value of the currency from gold to paper in 1797, the act did not neglect to tell the country banker for his consolation, that the good government of the country should make it of equal *value* with gold; and to the glory of the country, and to the safety of the world, the pledge has been redeemed, and our paper currency never has been depreciated: but in exchanging to bullion coin from paper coin, the more difficult task,—the act of 1819, as to the

means how, has totally left the country bankers in the lurch: the case was new, and had never been provided for.

The Scotch looked at the effect the act of 1819 had had in England, under these circumstances, the government not pointing out nor providing in the same act that said,—pay in gold,—the mode and the possibility how they were to get possession of it to do so, without more peril and expense to themselves, than the Bank of England had to experience. They trembled for fear the same consequences should result to them from its extension to Scotland, as had taken place in England, and they, doubtless, thought they would make a strong effort, to arrest the necessity of a reduction of their own currency, and the crash and the catastrophe that had taken place here; and the sequel, and the information obtained at the end of the sessions, was a proof of their integrity and uprightness in so doing.

The parliament were not idle upon receiving the petitions. Committees were appointed in both houses exclusively to consider the case as related to Scotland, to whom the petitions were referred, and the committees were empowered to examine witnesses, and ordered to make their reports, and the English question seemed almost lost in the Scotch one. The public, however, were satisfied that all the pains that could be taken with the subject were resorted to; the frequent

intercourse between the ministers and the bank directors, and the stir, and the anxiety expressed by all parties, could not fail in its good effect.

The writer had observed in the speeches of different members a frequent use of the expression—over issue of currency;—he had often heard the same expression out of doors, and applied to the prices of different commodities, and meaning to convey the idea, that undue practices were sometimes resorted to in this way, to enhance their value by getting more currency into the market, by some hocus pocus artificial means than the natural wants of the markets, and the trade and labour of the country, would otherwise absorb.

He reasoned with himself upon the different modes by which currency got into circulation, the cash credits that were given to their customers by bankers, the discounting of bills; and there is another mode also, to the writer's experience practised— but not by bankers of great credit—that of giving agents a per centage for the quantity of notes they issued for the firms who employed them, in the purchase of corn, hops, sheep, &c., at the different fairs, which are resold again, and the sellers retain their commission money, pay the notes so received to the banker's London agent, who carries these notes again to the different banking agents of the firms that have issued them, and obtain bullion coin or

Bank of England notes, and place them to the credit of their own country banker and employer.

But this mode of issuing is most frequently attended with loss to the banker who circulates, by the quick return of the notes, to his London agent, where only they are payable in sterling money, and before any interest on the note issued, could have accumulated sufficient to pay for the per centage of putting it into circulation; and after all there must be a real and ulterior purchaser somewhere, and his money, at least, was held back, until he got possession of the corn, or the hops, or the sheep; that there could not be more than one sum of money in the market at the same time, that represented the value of the corn, or the hops, or the sheep. The notes in this instance would act more as bills of exchange than circulating currency; and of the three modes, they affect only the individual banker. If he is ignorant of his trade, and takes bad security it is his loss, and not the public's; for it cannot be supposed that large bodies of bankers all combine, and at the same time, so as to produce the effect supposed,—over issue.

And wholly to their own loss; if there is nothing in the market for the currency to represent, it must return to the coffers from whence it issued. Two sums of money never can remain to represent the same thing at the same time;

though the individual sum that represents corn, hops, or sheep, may be sometimes greater and sometimes smaller;—but currency cannot increase in quantity unless there are commodities,—capital—to represent its *value*; and therefore, it is not the quantity of currency in the market, that necessarily and alone influences the price of corn, or any other article, but the number of different commodities, and the quantity of each, that influences the amount of the currency, though the sudden reduction of such a mass as 16,000,000*l.*, we have seen has influenced the price of all commodities, and thrown labourers out of employment by scores of thousands.

Again, take the Bank of England.—With the country banks, they must all combine, a thing not very possible, when their interest for doing so was dubious: with the Bank of England, they must have thousands of ordinary applicants to produce any such effect, and the directors be as many times mistaken, in the value of the security accepted by them, before such an effect as over issue could take place.

The writer, therefore, concludes, that though an unfortunate individual might have taken bad security, and lose by an over issue from his firm, politically speaking, and as relates to the body corporate, there can be no such thing. The idea must have been the invention of some incendiary against the happiness of his fellow subjects, and

who would rule the state, if he could, by setting one class of people against another; the manufacturers, perhaps, against the agriculturists, or *vice versâ*.

So long as currency is represented by labour, there cannot be too much of it; and looking to the present state of idleness in our manufacturing districts, it is plain there is a deficiency of currency there in proportion to the number of labourers; that calling to mind the 16,000,000 of country bank currency withdrawn, the writer could not help arguing, that we must be under the influence, without the intention of the law-giver, certainly; but the calamities we suffer are equally the same—of some unknown, some misunderstood statute, that had had all the effect of making us quarrel with our prosperity.

In examining the expression—over issue—the Bank of England currency, which the writer had thought of, when he endeavoured to shew what a perfect currency should be under that article, again very forcibly occurred; and whatever jealousies he has expressed of the Bank of England possessing the exclusive power over the whole, it must be acknowledged a most happy circumstance, that they exercise the privilege of circulating their currency, to the extent and amount of half the quantity required.

But in this examination he seemed to be stumbling upon some new idea as he went along, and

he asked himself,—Why could there not be the same connexion established between the government, and the country bankers now, as took place between the government of 1694, and the Bank of England then?

And why should not the same good result come out of such a compact a second time, as before; and lead, at last, to as perfect a currency for the country district, as we now enjoyed for the London and the Lancashire districts?

The whole of the same good effects, as had taken up one hundred and thirty-two years to bring about, could not immediately be expected; But could not a beginning be effected, sufficient for all present purposes, and not only to enable the government to say to the Scotch, and English country banker,—pay in gold coin,—but pay—for we have enabled you to do so?

The writer liked the idea very much; it came as it were in the shape of an important case from a new client, and he immediately fancied himself a great lawyer, though he can assure his reader that the retaining fee was not very large; he pondered the subject very gravely notwithstanding, but refused the brief; he considered his abilities, as not equal to the importance of the task; but he promised to recommend the client to three parties to advocate his cause for him—those in authority, the Scotch and English country bankers, and the public, one or other of whom he

had no doubt, if there really was anything, in the client's case, would be able to prosecute it to completion. But he warned the client, so turned over to new advocates, that he would have hosts of competitors, and that as a true patriot, the writer could alone wish success to that party, who had the strongest claim; and it is, that letter of recommendation, the writer is now endeavouring to make out.

Towards the latter part of the sessions, the bank charter amendment bill, ceding the privilege to the public of establishing joint-stock banking companies, with any number of partners, if not nearer than sixty miles to London, passed, and the small note bill also, and government had been able to induce the Bank of England to consider the propriety of establishing branch banks from themselves in different districts. The Marquis of Lansdown expressed his future intention of bringing in a bill, obliging country bankers to pay their large notes in gold coin, equally at their country firms, as at their London agents*; and the Earl of Lauderdale expressed his intention of bringing in a bill, obliging the Mint to coin silver, when it was produced for that purpose by individuals, equally with gold†.

* A most useful bill whenever the country bankers are first shewn how to get the bullion coin without expense to themselves.

† Also very desirable, but it will probably be attended with additional expense.

The report from the Scotch committee in the House of Commons, was brought up the 26th of May, by the right honourable chairman of it, and who advocated the cause of the Scotch banks, in his place. The report was generally favourable to the Scotch system of banking, and doing the greatest honour to its members, who, though mostly going into the committee skeptics to the Scotch cause, came out believers in its orthodoxy. Lord Liverpool presented the report from the committee in the upper house the same day, and which contained an equal leaning to the merits of the Scotch banks.

The committee below stairs say, "Looking at the number of notes current in Scotland, under five pounds, and comparing it with the total amount of the paper currency of that country, it is very difficult to foresee the consequences of a law, which should prohibit the future issue of notes, constituting so large a proportion of the whole circulation."

Again, "the committee are unwilling, without stronger proof of necessity, to incur the risk of deranging, from any cause whatever, a system admirably calculated, in their opinion, to economize the use of capital, to excite and cherish a spirit of useful enterprise, and even to promote the moral habits of the people, by the direct inducements it holds out, to the maintenance of a character for industry, integrity, and prudence."

The lords' committee say also, "There is one part of their system, which is stated by all the witnesses, and in the opinion of the committee very justly stated, to have had the best effects upon the people of Scotland, and particularly upon the middling and poorer classes of society, in producing and encouraging habits of frugality and industry."

The following totals will give the reader some idea of the importance of not interfering with a system as above set forth* :—

The amount of the whole currency of Scotland at present in circulation, is	£3,309,082
Of which there are in notes under five pounds	2,079,244
The amounts of the deposits in the Scotch banks, bearing an interest of four per cent to the owners of it, more than half of which amount was deposited in sums from ten to two hundred pounds, is	21,000,000
The amount of the cash credits as given in evidence by the witnesses, and which the bankers receive five pounds per cent for, is	5,000,000

And the lords' committee further say, "Notwithstanding the opinions which have been here detailed, the committee are on the whole so deeply impressed with the importance of a metallic circulation below five pounds in England, not only for the benefit of England, but likewise for that of all the other parts of the empire, that if they were reduced to make an option between the establishment of such a metallic circulation in Scotland, or its abandonment in England, they

* Reports from the Committees in both Houses.

would recommend the prohibition of small notes in Scotland, but they entertain a reasonable expectation, that legislative measures may be devised, which will be effectual in preventing the introduction of Scotch paper into England*."

And thus closed a sessions alike admirable for its wisdom and forbearance, from premature legislating, and for its patience in investigating, for future triumph, however, postponed. Even the great magician of the age must have felt satisfied; though his threats to evoke the claymore from its scabbard were repelled with spirit †, his opinions, the moment they were found valid, were respected.

Would to God that the same forbearance had attended the measure of 1819, for more consideration and more developement, in order that the accomplishment of its otherwise desirable command, pay in gold coin, might have been obeyed without prejudice and without risk.

For the writer's own part, he cannot drive from his mind the consequences, that must have attended the loss of 16,000,000 of currency, had it so taken place during the late war. It is a known fact with those unfortunates, who have lost their limbs, that they for ever meet with bodily hurts, from thinking that they still retain the lost members; and he sees the body corporate of this great

* These extracts are copied from the *Courier* Newspaper.

† *Vide* the Chancellor of the Exchequer's speech on opening the Budget the 13th of March.

country so situated—a sleep—wake—and forgetting the amputation of his limb of 16,000,000 of currency—rise—make the effort to go forward—totter—and fall down prostrate at Buonaparte's feet!

THE BILL OF THE RIGHT HONOURABLE MR. PEEL.

THE act of 1819 took place with somewhat very like unanimity out of doors, as in doors, and quite enough, not only to exonerate the supporters of the measure from all intentional wrong; but fully to prove that it was patriotism alone that originated the measure; and we have all felt refreshed in consequence, by seeing His Majesty's face again, God bless him, upon a piece of gold—but there was still one warning voice held out against the precipitancy of the measure, that of the experienced and venerated parent of the Right Honourable proposer of the act, Sir Robert Peel—but gold was the only password, that could be attended to. We have got the bullion, but the currency that was necessary to float the goodly fabric of the state, has departed from us; and the writer need not depict the situation the country is left in without it.

The evidence the writer has to notice in favour of the bill not being the cause, of the reduction of the currency is, "that it has taken place from

the country bankers asking too high an interest for their money*,” and so having kept their customers away until the amount of currency uncalled for and unemployed, amounted to 16,000,0000; and this reason is deduced, as given in evidence from there having been no want of bills for discounting, or selling in exchange since 1819; and, therefore, there is no other way of accounting for this want of currency, but from the stagnation of demands on home securities. This is the amount of all the positive evidence the writer has seen to the above effect, and he can only meet it by negative or circumstantial evidence.

Whilst bullion coin was the currency for any note under five pounds, Dr. Adam Smith tells us, that in order for a country banker to keep 80,000%. of notes in circulation, it would require 20,000%. of bullion coin; and probably, also, the writer supposes 20,000%. of uncirculated notes in the coffers of the firm at home. Now when the one pound note became the legal tender, that part of the bullion coin, that represented pounds, was no longer necessary, the banker could only want silver sufficient, as change for his one pound notes, 5,000%. of silver only, instead of 20,000%. of bullion coin.

Any person, therefore, during the paper régime, could safely set up a bank of circulation to the amount of 80,000%., with the capital of only

* Mr. Joplin.

5,000%. in silver bullion, paying interest to his London banker and agent, for all his country bank notes that came there for payment, until they were redeemed by London bills, or other securities, the country banker's notes were issued for, and that would turn to sterling money; and the excess of these securities above the advances made by the London agent, and the interest on them made the country banker's profit, or the contrary; and many such banks, no doubt, were set up. The well-being of the country called for more currency; the increased population, the increased national debt, its greater and increasing capital of all descriptions, all our institutions, everything required more currency for its support.

And who can pretend to say that less currency was necessary, upon the peace taking place than during the war? If the war channels were drying up, the peace sources for occupancy, were opening.

The bill of 1819 did no such thing, in words, as pretend to interfere with the quantity of currency, it only said pay in gold coin; And what have been the facts of the country bankers' conduct upon that bill's passing?—Why, that finding themselves reduced to carry on a business of 80,000%. circulation, with only 5,000%. bullion capital, where 20,000%. of bullion coin would now be necessary; they, the country bankers, acting as one body, swayed by their own interest, and the moral conduct their new situation pointed out as

necessary, reduced their business to meet their capital, three-fifths, exactly in the proportion Dr. Adam Smith points out*, and determined to be satisfied with a circulation of 20,000*l.*, as they could no longer support one of 80,000*l.*—11,000,000 instead of 27,000,000 of currency†.

The bill of 1797 was worthy of its author, Mr. Pitt; for it was prospective, and embraced all the demands for more currency, that afterwards took place, and no dilemma occurred from the want of currency, during the whole of those arduous times, from the passing of that act to the peace. It, in effect, gave the country bankers, among other reasons for the change, this—we may have occasion before the war concludes, for four times the amount of our present currency, and, therefore, by making paper instead of gold the legal tender, we enable you, if necessary, to issue 320,000*l.* with the same capital that you now employ to circulate only 80,000*l.* of paper currency.

The effect of the bill of 1819 has been, that after having issued this amount of currency, or so greatly increased it, under the guarantee of the act of 1797, that no larger a capital than 20,000*l.* in bullion coin, would be necessary to circulate this increase of currency; to be told now, that

* It is very pleasing to see large bodies of people swayed by such correct principles.

† See Joplin's Tables for 1818-19, and 1822,

the country banker must add three times the amount, or 60,000*l.* more bullion coin to his capital, to perform the same operation. The consequence has been, that the currency the state of necessity requires, has been withdrawn, as the capital could not be so added to by individuals.

The gross amount of capital required is the banker's affair, it signifies nothing to the public, so long as they command sterling currency sufficient, to keep the industry of the country in motion. Withdraw the currency, and in exactly the proportion you do so, you have idleness, and riots, and disasters of every description; the act of 1819 was not prospective in preventing such occurrences.

This is the first negative, or circumstantial evidence, the writer has to produce, of the indirect effect the bill of 1819 has had to reduce the quantity of country bank currency; and it can only be met by an addition to the bill, pointing out to the country banker, how he is to get gold coin for his own notes, and increase his capital, so as to allow of his former amount of circulation.

The next evidence to the same effect is, the reduction of the currency previous to the bankruptcies. The committee of the lower house on the Scotch banks, eloquently set forth the utility of the Scotch system of banking, as "admirably calculated, in their opinion, to excite and cherish a useful spirit of enterprise," and they give this

as a reason for not lightly, "incurring the risk of deranging it for any cause whatever." They, the members of the committee, therefore, having so given in evidence, that the existing quantity of currency, was necessary to the excitement of their present enterprise in trade, in Scotland, cannot turn round and say, it may be so there, but in England, and for English enterprise, the existing quantity of currency in 1819, was not necessary by 16,000,000, or any other quantity. If the committee feared the consequences, Scotch bankruptcies there—they had the actual example of English bankruptcies here, to govern their opinions.

The reduction of the currency in 1819, downwards, must have affected all the fair enterprise and speculation of trade, entered into previous to that time, and not completed, and until the consequence of that bill's passing, could be foreseen, some time afterwards also. The traders, so actuated by a "fair spirit of enterprise," and speculation, went to their bankers with their securities—were refused assistance, from the banker's own necessities—struggled as long as they could from other resources—and first began to disclose and feel their dangerous situation in 1825. The increased imports and exports, as appeared upon the books at the Custom-House that spring, and other official documents, that would have been hailed as so many proofs of our growing

prosperity, and was, perhaps, no greater increase of trade, than might have been expected, if the currency had not been reduced; was now called over-trading and over-speculation; and the insolvent bankers and traders unjustly pointed at, and held up as land-marks to avoid. This is the second piece of negative and circumstantial evidence, produced to shew, that the bill of 1819 had indirectly tended, to reduce the quantity of country bank currency in England.

Most happy it was that, that bill did not include Scotland, as well as England. They might not in 1819 have seen the necessity for petitioning against the measure, any more than the English, but they did see it in 1826; and that beautiful system of local banking—beautiful, because so useful, for the encouragement of morality and order among the lower and middling classes of Scotch society, as so forcibly set forth, by the committees of both Houses of Parliament; and the effects of that bill, would have been just as disastrous in Scotland, as it has been here.

The next evidence of this description, are the Scotch petitions against the measure being extended to Scotland; and for what reason? For fear that the same disasters should take place in Scotland, in consequence, that had ensued upon that bill's passing in England. They petitioned, that their whole moral system of economy should not be destroyed, and ruin and desolation succeed.

The Scotch bankers saw the depositors of the 21,000,000*l.* alarmed, and coming for their money all at once, and with three-fifths of their currency, of necessity reduced, or with 1,320,000*l.* currency only, to fulfil their engagements with, in the place of 3,300,000*l.* currency, they now have. The people themselves fortunately saw, and understood, their situation; they petitioned, and not a single signature, but bears witness to the individual's opinion, that the bill of 1819 was the cause of the reduction of the 16,000,000 of currency in this country. Those petitions contain the evidence of three millions of people, that the bill of 1819 had indirectly tended, to reduce the quantity of the currency in England. This is the third piece of negative and circumstantial evidence, the writer has to bring forward.

But the right honourable author of the bill himself, by the eulogy contained in the report from the committee, of which he was the chairman, and had so large a share in drawing up, and his advocacy of the Scotch cause upon introducing the report, which did him so much honour, bears witness of his own conviction that there must be something wanting in that bill, and gives a guarantee to the public that the subject of it, will be again most minutely inquired into.

That right honourable person, will not shrink from acknowledging a deficiency in the bill, if he finds any, no more than he shrunk from being a

convert to the Scotch orthodoxy in the Scotch committee, but will shew to the world, that like those laws of the country, he has so advantageously pruned and altered from time to time, the foundations of his fame, will be broad enough for his support, though he should have one error to acknowledge, that had been committed also by all his progenitors for one hundred and thirty-two years; the error of all the governments from that date, inclusive of 1694, never having formed any similar connexion with the country bankers, as that subsisting between the Bank of England and all the governments during that period.

But it is time to think of the Client again, who must recommend his case to the reader, and to his new advocate's *patience* in a second chapter.

OUTLINE OF THE PLAN.

OUTLINE OF THE PLAN.

CHAPTER THE SECOND.

ARTICLE I.

THAT a minimum security shall, in future, be required by legislative enactment, from every person who is, or means to be, a country banker, say for 50000l., without which no individual or plurality of persons shall be qualified to carry on the business of banking out of London.

EXPLANATION.

All persons must agree, that without some capital in a trade that so vitally affects the public, no one ought to be permitted to exercise it without security; but what the minimum should be, may require further information. The writer leans to the idea that 50000l. is too high, as there are many remote districts, where probably a bank of circulation, requiring less capital, might be of great local utility.

ARTICLE II.

But that the choice of giving any further security beyond this 5000%, and the extent of such further security, be wholly left to the individual, or firm the banking establishment belongs to.

EXPLANATION.

It can never be necessary, and therefore not politic, to legislate where it is already the subject's own interest to do what is wished of him.

ARTICLE III.

That for this purpose some new office shall be added to the establishment at the Mint, where all country bankers shall be required to appear with such obligatory or additional security, at their own choice, and with their titles to the same, which should be immediately submitted to the legal crown officers for their approval.

EXPLANATION.

The Mint has been named only as first occurring, and as connecting itself with the subject, and because some new assistance must be wanting if these ideas should be put in execution, and the titles to the property offered in security, necessarily should be valid.

The annuity government pay to the Bank of

England for the management of the public concerns, must be considered as including the management of the London and the Lancashire currency; as a part of the public business; in the same way, some expense could not be avoided in the proper management of the country bank circulation; But what would the expense of any establishment, here supposed necessary, be, compared to the falling off of the revenue, for instance, of the late July quarter alone, near 500,000%?

ARTICLE IV.

That notice shall be given to the parties concerned, so soon as this opinion shall be received, and if favourable, the capital of the property so offered as security, whether real or personal, shall be held in trust by the Court of Chancery for the public, and the title-deeds remain in the possession of the crown, but for the following purposes.

ARTICLE V.

And first, if the security was in real property, or so much of it as was in real property in trust that the same person or persons who came forward with such security, should remain in the management and possession of the same, receive the rents, grant new leases, cut down timber, and do all such acts as were for their own emolument, and to the extent of the same legal privileges, short only of disposing of any part of the capital of the same as he, or they possessed, before such security was given.

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EXPLANATION.

Meant to connect, as Article IV., the bankers' interest with the public benefit.

ARTICLE VI.

And, secondly, if personal property, or so much of the security given as was personal property in trust, that the same person or persons who came forward with such personal security, should continue in the receipt of all the annuities, whether public or private, belonging to such personal capital; and to do all such personal acts relating to the same, and to the extent of the same legal privileges, short only of disposing of any part of such personal property as he or they possessed before such security was given*.

ARTICLE VII.

And that upon the security so offered being accepted, the parties concerned should be entitled to receive at His Majesty's Mint, after paying the proper stamp duty, the privilege of issuing sterling country bank notes, to be made as good and legal tender by Act of Parliament, according to the amount, and the time specified on the note, but for no longer time, suppose three years, as the bullion coin, and the Bank of England note, now is, and to the amount of the minimum security of 5,000l., or to the amount and full extent of any greater security, the party or parties shall have come forward with, and

*See Explanation, Articles IV. and V.

which shall have been so approved of on the part of the Crown.

EXPLANATION.

The Bank of England, from 1694, the date of their first charter, when they put into the hands of government 1,200,000l. as their security, receiving an annuity for the same downwards to the present time, have always exercised the privilege of issuing notes to any extent; and this connexion with government so first formed, and kept up since by more loans, and purchases of government securities, has stamped that golden value upon their currency, it now possesses so entirely to the advantage of the realm as to the amount of half its currency. The country banks circulate the other half of the currency, and it is truly of as much importance, that their part of the currency should be of sterling value, as that the part issued by the Bank of England should be such.

And of two servants of equal merit, they have each the same title to the same immunities, the country banker to receive the privilege and advantage of a sterling note, to the extent of the security he gives, as the Bank of England to the security it gives. It is true that time has made the notes of the latter all golden; and the sooner the connexion, here first solicited between the country banker and the government, is formed, and the longer it is kept up, the earlier will the

country bank circulation be matured, to the same perfection, as the other half of the currency.

The making such sterling country bank note a legal tender, makes them at once available in every payment, in the public annuities, as others, and of golden value. The time of circulation is limited, that the government may have periodical opportunities of sending more bullion currency, if necessary, to, and knowing that every, the remotest part of the empire, has a supply of gold coin for the people.

On the other hand, if the supply of gold in the market for coining falls off, as in 1797, the country will, at least, command a sterling country bank paper currency, and without risk of the dilemma we are now so severely suffering from, whenever a peace, perhaps, and the bullion appears in the market again; for the sterling country bank note then, like the Bank of England note now, would exchange for gold. The larger the security the country banker is able to give, the better for himself, and the better for the public: the interest of the two parties go together.

ARTICLE VIII.

And that the country bankers shall have the choice, of dividing the capital amounts of their respective securities so given, into notes of ten pounds, five pounds, or one pound, at their pleasure; and that they shall not be pre-

vented, but have full liberty to issue their private promissory notes also; and in addition to the sterling notes, to any amount, and of any denomination, from one pound inclusive, and upwards, at their own will and pleasure, and as at present.

EXPLANATION.

It seems necessary not to limit the banker in his issue of private promissory notes, any more than the Bank of England was limited in 1694, or is now, to be certain of a sufficient supply of currency, and unnecessary to control the division of the largest notes, and impolitic to interfere too much with the one pound promissory notes, in the first instance; the appearance of the gold coin must, sooner or later, put them out of countenance*.

But as one of the greatest advantages of these ideas, is to assimilate the Scotch and English circulation to a bullion, golden currency, and our information tells us that two-thirds of the Scotch currency, out of 3,300,000*l.* is in notes of one pound, though the Scotch bankers will, no doubt, avail themselves of the boon, by giving all the security in their power, neither they, or the

* Mr. Burke has said, where paper appears, gold is sure to disappear, and the writer does not mean to oppose such authority; but it occasioned the idea of periodical supplies of gold coin, and which, it is to be hoped, together with the general diffusion here proposed, would correct the inconvenience.

English country bankers would, probably, be able to give security to such an extent, as to make one pound notes immediately unnecessary everywhere, though at length, no doubt, they would become superfluous.

ARTICLE IX.

And which notes shall, among other formalities, have engraved upon them—sterling for ten pounds—or as the case may be; and the words—security to this amount being in the hands of government;—and their private promissory notes should have engraved upon them, in addition to their other designation of one five or ten pounds, as the case may be—the amount of the capital given to government in security, and for which they issue sterling notes—thus the capital—given in security to government by this firm, is 5,000*l.*, 20,000*l.*, 60,000*l.*; as the case may be.

EXPLANATION.

The whole amount of the security given by each firm, being printed on the private promissory note, would add value to it, without taking value from the sterling note, where it would only be necessary, that the holder should know that the amount of it was in the hands of government; and this direction, respecting the private note, would act as an incitement to the banker, to come forward with the largest security in his power.

ARTICLE X.

But with this reserve and election, as to the sterling notes at the time of their issuing, always excepted and reserved, that the crown should have the direction, whether the whole of the amount of the capital of the security given, or what portion of it, should or should not be divided into one pound notes,—or if any should—and the election also of retaining the notes, if the treasury thought fit, after the bankers had put their signatures to them, but giving to the parties concerned, so many golden sovereigns, or silver coin, one or both mixed, for the whole, or any part of them, as the sterling notes were a legal tender for.

EXPLANATION.

The first part of this article has been previously explained; the latter part shews how, in the first instance, the sterling note is to be exchanged for bullion coin, and how the gold and silver coin is to be circulated, and the country circulation to be kept supplied with it, equally with the London and the Lancashire districts.

ARTICLE XI.

And that it should be obligatory on the part of the country bankers to return with the notes to the Mint, say every three years, for the purpose of paying a stamp duty, receiving new notes, cancelling the old ones, and giving a periodical opportunity and election to the

Treasury to retain such new notes, and to give so much bullion coin as they were a legal tender for in the place of them, with the understanding, that such amount of bullion coin should be *bonâ fide* carried to, and issued by retail from, the banking firms the respective parties belonged to, and that even a bond should be entered into, if required, to the above effect.

EXPLANATION.

The onus of collecting the notes, and carrying of them to the Mint every three years, must fall somewhere, and no parties can be more proper than those who are to benefit so largely, though so properly and so justly, by the notes issuing. The present private notes always return to them in the proper time, with few exceptions, and there appears no reasonable objection why they should not do so, in the sterling note case also, but the wheel must be set a going, and experience take place, to be able to provide for every difficulty.

The latter part of this article provides for the periodical payment of a stamp duty and security, that the bullion coin obtained by the country banker at the Mint, should not otherwise be made use of, but as country bank circulation.

ARTICLE XII.

That for this purpose, whenever thought necessary, the Treasury should give their draft upon the Bank of

England for so many golden sovereigns, or gold and silver coin of the realm, as the respective amounts of security given, and notes returned required, to the Mint, who, on its part, after paying the bullion coin to the parties entitled to it, should pay the sterling notes so retained into the Bank of England to the account of the Treasury.

EXPLANATION.

This points out the mode the Mint are to get the gold coin to be given to the country banker, and supplying its place and value at the Bank of England, by paying the sterling notes, the bullion coin has exchanged for, to the account of the Treasury who have advanced the gold coin.

ARTICLE XIII.

That after the expiration of every, the said term of three years, they, the sterling notes, should be payable only by and at the firm of the bankers, on whose account they had been permitted to be issued, and for the space of ten weeks only.

ARTICLE XIV.

And from and after the expiration of every the said term of three years, and the term of ten weeks, to be payable only at His Majesty's Mint; and it should be compulsory upon the parties producing the note for payment, to procure also two reputable housekeepers to give security that no fraud was committed.

ARTICLE XV.

And to be penal upon all parties, after the expiration of every said term of three years, to pass such note, or to endeavour to obtain payment for it in any other way.

ARTICLE XVI.

That three full calendar months, but no longer a term, should be allowed the bankers to bring their old notes, and to receive their new sterling notes, or bullion coin instead; but that no new note, or amount in bullion coin, should issue, or be given to the bankers, without the corresponding old note being first given up to be cancelled for it, but to be kept for the party or parties entitled to it, after the expiration of every three years and three months, at the Mint.

EXPLANATION.

The great object to the public appears to be, that no very large sum of currency should be kept out of the market, or from being at hand to go to if called for; but as all the country bankers would hardly exchange their notes, either on the same day, or the same part of the year, even though there may be some apprehension, no real inconvenience, it is hoped, would ensue from the arrangement in the three last articles.

And at the same time a periodical opportunity of throwing more gold coin into the country circu-

lation, seems too valuable an advantage to give up; and at last as the country banker was able to follow up his own interest by giving more security, the time would arrive when it might be safe to legislate, and to say, the private promissory note must now only be paid in gold coin, at the country firm, and at once is secured that golden-nest egg, before mentioned in these pages, in every country town in the kingdom.

At present, let what will be done, the attention that government have so laudably given to the subject, the large quantity of bullion that has been provided and coined since the peace, more than 25,000,000, and which, if it could be kept in circulation, would, perhaps, be sufficient for the whole country. This bullion stream runs nowhere now but towards the capital, where it accumulates and lays gaping for employment; and as we do not, at present, know how to make use of it ourselves, entices, as it were, Messrs. Rothschilds, Messrs. Goldsmidts, and Messrs. all the other Loan Contractors, and Co., to make use of it for us, and to send it to the courts of Prussia, Persia, God knows where! anywhere but to the poor of England, it was peculiarly destined for, and among whom, was it but once only generally diffused, it would not be so easy to collect in bulk again for foreign courts; nor need the trade of these gentlemen be interrupted by the circumstance, as they might still command the

ingots, though, providentially, not the *British Sovereigns*.

ARTICLE XVII.

And that it shall, nevertheless, whether the banker produces the whole of the old notes, or only a part to be cancelled, after the expiration of the three years and three months, as above, be obligatory upon him or them, to pay the full stamp duty, on the whole of the security given by each particular firm, and so on, every succeeding three years and three months the stamp duty became due, and that the exchanging the notes should take place; and also that it should be obligatory on the banker to sign the new note, retained at the Mint, for the parties entitled to it; but the countersign by the officers at the Mint, should not be put to it before the legal proof to the ownership, should have been made out, but only when the new note or bullion coin was given to the person or persons entitled to it.

EXPLANATION.

The onus is again thrown upon the banker, as in Article XI., and for the same reason as there given to prevent the falling off in the public revenue; but there is no judging accurately of the effect in such cases, but from experience and practice. This article also further notices the disposition of the outstanding old notes.

ARTICLE XVIII.

And that it should be obligatory upon the Mint, before three of the highest officers on duty that day, any banker should bring his old notes, to be exchanged for new notes, or bullion coin, and before such banker, and previous to such new notes, or bullion coin, being given to such banker, to cancel the old notes.

EXPLANATION.

It must be allowed absolutely necessary to comply with the provisions in the above article.

ARTICLE XIX.

And likewise obligatory upon the Mint to require the signature of the banker, together with the signature of three officers of the Mint, to the return to be made of the transaction to the Treasury, and also his certificate of the numbers and separate amounts of the notes, if any outstanding, and not brought by such banker to be exchanged; which return of the notes so cancelled, and of the numbers and amounts of the notes so certified to be outstanding, to be published for the information of the public in the following Gazette.

EXPLANATION.

It contains further provision for the important purposes of Article XVIII.

ARTICLE XX.

And further, that it shall be obligatory upon the Mint, by the last day of the expiration of every, and each such terms of three years, to be prepared with the orders from the Treasury, and the new notes, or bullion coin, that may belong to each respective banking firm, that no delay might take place on the part of the government in exchanging the old notes, for the new ones, or paying the bullion coin for them, at the option of the Treasury.

ARTICLE XXI.

And so often as any outstanding single old note shall be exchanged, or the new note, paid for in bullion coin at the Mint, such new note, or amount in bullion coin, whichever is so retained, shall immediately be paid into the Bank of England to the account of the Treasury, and the old note destroyed as before; and a return shall be made to the Treasury of the transaction, and notice of the same, together with the number and amount of the note, published in the following Gazette, and the officers at the Mint, are to take care before such old note is exchanged, or new one paid for, that the number and amount corresponds with that before published in a former Gazette.

ARTICLE XXII.

And as to, for, and concerning the capital, real or personal property, so remaining in trust for the public in the Court of Chancery, as it is possible for so great an

advantage, though not greater than the Bank of England has always enjoyed, as is here held out to *bonâ fide* bankers, that designing persons might come forward professing the wish to become a banker or bankers, for the sake only of obtaining a large sum in sterling notes, or bullion coin, in addition to their income, from their real or personal capital they were willing should be so held in trust by the Court of Chancery.

Let it be enacted, that whenever any person or persons, not having before exercised the banking business, shall appear at the *Mint*, and express their desire to become a banker or bankers, it should be competent for the officers at the Mint, and they should be required to do so, to demand from such applicants, if the firm is meant to be established in a village, a certificate from three of the largest land-owners of the parish or neighbourhood; if in a town, from three-fourths of the inhabitants who pay taxes to the king, declaring that the applicants are good and competent persons for carrying on the banking business, and that they believe it is their intention to establish the banking firm, as set forth by him or them, and their opinion of what convenience it will be of, if any, to the neighbourhood.

ARTICLE XXIII.

And moreover, it should be imperative upon the officers at the Mint, during the progress for admitting any applicant to become bankers, to inform themselves of their characters, and *bonâ fide* intention by every other means in their power, to warn them of the impropriety and danger of professing intentions they did not mean to put into execution.

ARTICLE XXIV.

And whenever, notwithstanding, the new banking firm as set forth by the parties, should not have been established in the said place, or parish so mentioned, within, say six calendar months, from the day of the sterling notes or bullion coin having been paid to them, that His Majesty's Attorney-General should be required to prosecute the party or parties for the offences, and if found guilty, the whole of the real or personal property, so held in trust by the Court of Chancery for the public, should be declared forfeited to the crown, and the party or parties themselves be declared outlaws and infamous, and for ever afterwards incapacitated from exercising any trade, or calling in any of His Majesty's dominions.

ARTICLE XXV.

And whenever any banker or bankers, having the advantage of being permitted to issue sterling notes, shall become a bankrupt or bankrupts, notice of the issuing of the commission of bankruptcy should be immediately given to the Mint, which should, with the Court of Chancery, be authorized and required to proceed and sell all such real and personal property and estate, so held in trust from the firm the bankrupt, or bankrupts belonged to for the public, before a Master in Chancery, if real property or private annuities; if public annuities by the king's broker, under the order of the Court of Chancery and the Mint: the proceeds in both cases to be paid to the Mint.

And immediately paid by the Mint into the Bank of England, to the account of the Treasury; but who shall

replace the same at the Mint, at the end of the three years, the banker's outstanding notes are a legal tender for, and the proper notices of the same to be published in the Gazette.

ARTICLE XXVI.

And where the proceeds of such sale, after paying all expenses, exceeded the amount of the sterling notes outstanding, and advanced to the bankrupt or bankrupts by the Mint, the excess should be paid to the bankrupt's assignees for the benefit of the rest of his creditors; but when, on the contrary, the sale, after paying all expenses attending the same, falls short of what the bankrupt's estate was so held in security for, His Majesty should be entitled, as in all other cases, to receive the difference out of the other portions of the bankrupt's estate, and it should not be competent to the bankrupt's assignees, to make any dividend to the other creditors before such debt to the crown had been satisfied.

ARTICLE XXVII.

And besides the usual notice of the bankruptcy being published in the Gazette, a notice from the Mint should be published also, of the number of outstanding sterling notes issued on account of such bankrupt firm, and the numbers and amount of each; and that the notes were payable at the Mint, as well as at all other places, excepting only the bankrupt's late firm; the notes so paid at the Mint, to be destroyed as before, and the returns of the same to be sent to the Treasury, as before, and the notices published in the Gazette, as hithertofore.

ARTICLE XXVIII.

And the Lords of the Treasury and the officers of the Mint should be required to take notice and make provision accordingly.

The writer has gone at some length into both the articles and the explanation, as the best answer to the common observation applied to every new proposal, "that may be very good THEORY but how reduce it to PRACTICE," and to shew that what has been here advanced, are not merely visionary ideas, but are capable of being made a sound, useful, practicable plan. The pith of the plan, is contained in Articles IV, VI, and VII.

But the important question, not to be lost sight of, is not whether this, or any other system should be adopted in preference, but that that plan should be made use of, which promises at the earliest moment, to refill the present vacuum in our currency, and that would the soonest give employment and bread again, to the starving part of our population, and restore the public revenue and credit, to their former bearing.

It is too late, after reading in the book (Dr. Adam Smith's), which has been the *creed* of the country, in all matters of political economy, ever

since the earlier times of Mr. Pitt's administration—that a paper currency requires less bullion capital to circulate it, than a bullion currency does—to suppose now, that the fault of our distresses lays with the English country bankers; or anywhere, but from our own errors in prematurely passing the act of 1819.

The writer does not consider himself a candidate for any situation on this occasion, but he would extremely lament, if any new plan was acted upon without evidence from the body of the English country bankers being first had; whether, for instance, under the sterling note system here set forth, they should not be able to issue a larger supply of currency, to fill up the present vacuum of it, if there were customers and security offered, than they now do, and to what amount—and compared with any other system produced for their opinions—under which they would be able to increase their issues when wanted, to the greatest extent.

The subject is mentioned as, if thought necessary, it does seem that through the medium of the magistrates at the petty sessions in the counties—and requests made to, and answers given from, the different bankers in each county to these magistrates—and thence returns made to government, that the fullest evidence might be obtained of what additional supply of currency, and how soon, under each of the systems proposed for the

banker's opinion; and such an inquiry could not fail to be accepted as a healing to the wounds they are labouring under.

There are, as the writer apprehends, many country bankers still, whose business has been suspended since 1819, but who have most honourably paid their twenty shillings in the pound, and who would again engage in it, under any advantageous system; and such bankers might, at least, help to fill up the present vacuum in the currency.

As in 1819 to fill the vacuum which had existed in the currency, a provision was made for the purpose of returning to a bullion currency, without suspecting any evil effect from it.

CONCLUSION.

THE reader will not have perused these few pages without feeling surprised, that, with such a population as this country contains, no one person should have been aware that by passing the act of 1819, without provision to the contrary, four times the amount of capital, for supporting the then existing quantity of currency, 27,000,000*l.* than had been before employed, dividing by 4, or, 6,750,000*l.*, instead of 1,687,500*l.*, according to Dr. Adam Smith's* calculations, was immediately to become necessary.

The country bankers themselves were not aware

* See his *Wealth of Nations*, vol. i. pages 435-450, edit. 6, and the different heads under the article BANK, deducting three-fourths or three-fifths, as the example is wanted, from either page, when the currency is to be paper, and adding it again when the currency is to be bullion coin, gives the result spoke of in the text.

of it at the time*, or, like the Scotch, they would have petitioned. It was only when the act had passed, and they examined into their situation, in their closets, that they saw the dilemma they were placed in; but they all saw it at last, for they all did the same thing, reduced their issues to fit their capital, as their capital would no longer fit their currency—16,000,000*l.* out of 27,000,000*l.*†.

The writer can take no merit to himself at this discovery beyond his neighbours; for, like them, he had hitherto hailed the bill of 1819, as the means of returning to a bullion currency, without suspecting any evil effect from it. Accident alone has directed these observations; he knows his insufficiencies and acknowledges his errors, but which are, indeed, so universal in this unfortunate case, that though we all deplore the calamities produced by the omission, no one can say to his brother, YOU DID IT.

The alternative left to the country appears to be, either to place the country bankers upon the same footing, as far as practicable, as the Bank of England, by inviting them to come forward with their securities, and giving them also the advantage of a *sterling* note, and the opportunity, by such an enlargement of their capital, to extend the amount of their issues as in 1819 and before,

* It is but fair argument to say, the lawgiver himself could not have been aware of it, or he would have supplied the omission, or the legislature would not have passed the bill.

† See Mr. Joplin's Tables.

if necessary, when all our labourers were in employment, and the country enjoyed the fullest prosperity, and to enable the country bankers to meet the demands of their neighbours, and the public, when they had security to give, and occasion for the currency.

And not simply for the advantage of the country bankers, and that the direction to them in future may be—pay in gold coin, for we have enabled you to do so—but to be prepared as well with the answer to any deputation, that attributes our distresses to a want of currency—we have put it in the power of the country bankers to issue any quantity of currency they choose—and thus putting at rest the question, as it regards a full amount of currency being in the market now, or the contrary.

Or else to wait quietly the event, and the consequences of more labourers being thrown out of employment, and more deficiencies in the rents and profits of our agriculturists and land-owners, more deductions from the amount of our public revenue, and more taxes to supply the loss.

Even while the writer's pen is in his hand, there have been two deputations waited on ministers, upon the subject of our distresses, and both were received with the most marked curtesy, and the most patient attention. The first from Birmingham, who, with the Scotch petitioners and the writer, attribute our present evils to the deficiency in the amount of the currency; and the

only remedy, a return to an ample and secure circulating medium: and these gentlemen were not dismissed till after an hour's hearing, nor without the strongest assurances that the facts contained in their representations, should have the most serious consideration of His Majesty's government.

It was, however, painful to read that after the experience of a year and a half, our distresses should still be attributed to over-trading, as in the spring of 1825. The writer would continue to think so also, as he did then, because such exalted persons and patriots said so, if he had not since informed himself that the reduction of the currency, 1822, preceded the distress and the bankruptcies, 1825, which were not, therefore, the consequences of mistaken bankers assisting improvident traders, who, failing in their speculations, both became bankrupts together; but of unfortunate traders who had, more probably, embarked in their adventures when there was a full flow of currency, but who, in the midst of their engagements, unexpectedly found the country bankers without currency sufficient to support the fair enterprise of trade, in which they had embarked.

But the writer would hardly have been led to the consideration of this subject, had it not been one of such vital importance, as to demand the attention of every member of society, however humble, and at a time when the more affluent are giving their money in subscriptions, for the support of the sufferers, he felt called on to offer his

mite—in a remedy for the existing evils—submitting it as it presented itself to his mind, in the hope it may lead to such a new view of the subject, as may conduct those more deeply read in political economy, to practical and beneficial results.

When we were obliged to have recourse to a paper currency in 1797, which was at the time thought so hazardous by many, it proved, beyond all calculation, a mean of supporting us through our arduous conflict.

We have as little been aware that a deficiency of 16,000,000 of currency would rise as a new and formidable enemy, attacking the vital sources of our prosperity.

May we not hope, then, that the Supreme Disposer of all Good, who guided our fleets and armies to such signal victories, will direct the heads of our rulers to some such measure, as will save our *artisans* and *labourers* from *starvation*, and our public credit from destruction!

And thus the writer takes leave of his subject, and of the parties whose advocacy he has solicited for the client—those in authority—the Scotch and English country bankers—and the public.

Hampton-Court Palace,
August 17, 1826.

THE END.