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A  
**PLAN**

TO  
PRODUCE

A  
**Metallic Currency,**

FOR THE  
BENEFIT

OF THE  
**UNITED KINGDOM**

OF  
**GREAT BRITAIN :**

BY WHICH

*Government would be enabled to Discharge some  
Millions of National Debt,*

AND THE

Public relieved from some part of the present Taxes.

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TO THE PUBLIC.

*IT must be obvious to every discerning person, that the present system of our Paper Currency is so far defective as to require some amendment, not only from the numerous Forgeries committed, and the unpleasant consequences arising therefrom, which every person of feeling deploras, but also that want of security, which the laboring classes of the community ought to have when they receive their earnings from their employers. It must be fresh in the recollection of every one, the distresses and calamities which befel the laboring classes in the year 1816, when on account of the great failures that took place among the provincial Banks, they not only lost their hard earned pittance for their weekly labor, which was to procure sustenance for themselves and their families for the ensuing week, but also what they had saved by dint of economy to pay their house rent, and to provide themselves with some little comfort in case of sickness, or domestic affliction. To prevent the recurrence of such distressing scenes, and with a view to serve the community at large, the following Plan is submitted for their serious consideration, by their*

*Most obedient and devoted Servant,*  
**OBSERVER.**

A  
**PLAN,**  
§c. §c.

**PART I.**

THE very numerous Publications which have lately appeared respecting the Paper Currency of this Kingdom; the necessity of a Metallic currency, as a circulating medium; and the Bank of England resuming Cash Payments, renders it quite unnecessary to enter at any length upon the subject here; every effort has been used to obtain information, and I may almost say, that every argument has been used to prove what the writers were desirous to prove: therefore to walk over again the same ground which has so lately and so frequently been walked over, must be rather tiresome than amusing: besides, it is the intention of the writer to be as concise as possible in his remarks, from the conviction, that any plan offered to the Public, is better understood when concisely stated.

It is now near twenty years since the Paper Currency of this Kingdom became so general, and so extensive.—And when we consider the

great extent of its circulation, and the very trying situations this country has been in during that period, it is really wonderful, and almost unaccountable how it has kept its original value. It appears evident, that in all other countries where such an extensive circulation has been made, that a great depreciation in the original value has sometimes taken place before it has been four years in circulation: and, although the enemies of this country, both foreign and domestic, have tried every means, and used every stratagem to depreciate the Paper Currency of this Kingdom, yet has it not only surprised the enemies of this country, but also surprised some of its best friends.

However, the time has at length arrived, when it appears it is an absolute necessity for some change in our Paper system. Not that it is apprehended that there is any danger of a depreciation in the value, but the country requires a circulating medium of a more tangible shape, if I may use the expression; for the numerous forgeries upon the Bank of England, and the numerous prosecutions and executions that has lately taken place, has not only caused an unpleasant sensation of regret, but has also caused a kind of distrust to the Bank of England paper, and we need only look at the great number of names endorsed on the notes to convince us of the fact.

The great consideration is, how a metallic circulating medium can be effected, and whether we can with propriety and safety reduce the Paper system. At first sight either one or the other appear extremely difficult, the former more difficult than the latter, on account of the great scarcity of the precious metals, particularly of Gold. If Dr. ADAM SMITH be right, when he states the circulating medium of this country to be thirty-five millions in the year 1775, and allowing there was a fair proportion of Gold and Silver coins at that time to answer the purposes intended, which indeed we can hardly doubt, as there was no complaint at that time for the want of either, then we must be convinced there is not a sufficient quantity of Gold to be procured to make a similar circulating medium in the present day; for if we compare the value of labour in the year 1775, with the value of labour at this time, we find it something more than double, consequently every article we buy in this country is nearly double the value it was in the year 1775; and if the circulating medium then was only sufficient to answer the purpose, we shall, of course, require twice that quantity at this time: if so, it must be obvious to every unprejudiced mind, that it is impossible to procure such a quantity of the precious metals as to be adequate to such a circulation. It is very well known that the mines at this time do not produce twice the

quantity of precious metals which they did in the year 1775, and at present we know of no other source, and if we did, they could not readily be obtained; therefore, if we wait until there be a sufficient quantity of precious metals to make us a metallic circulation at the present standard value of our coins, we may most assuredly wait as long as we live. I shall therefore endeavor in the second part of this pamphlet to shew the practicability of introducing a metallic currency which will answer the purpose required, and give security to the laboring classes of the people, which is the principal inducement of forming this plan.

## PART II.

Having endeavored in the first part to shew the improbability, or rather the impossibility of procuring a sufficient quantity of the precious metals to make a metallic currency according to the present standard value of the coins, I shall now endeavor to shew the necessity of a metallic currency, and how far it may be made a benefit to the revenue of the state, as well as an advantage to the public at large.

Every one must candidly allow that a metallic currency, equal to the standard value of our present coin, would be most desirable: but if this be impracticable, and it is absolutely necessary to make some alteration in the Paper system, then, the only question is, in what manner can it be done? That some alteration is necessary, few people will deny, not only to prevent the frequent and alarming forgeries, and all the baneful consequences arising therefrom, but also to give security to that numerous and valuable body, the laboring classes of the people. Every observing man must recollect the dreadful consequences that ensued in the year 1816, to the laboring classes, when there was such extensive failures amongst the pro-

vincial banks: the great losses they then sustained, and the great misery they were compelled to endure, is almost beyond belief, except to those who were eye witnesses. Many respectable and industrious families, who had saved a little money from their earnings, were in a moment reduced to beggary and want, and their more opulent neighbours who were anxious to relieve them, had not a single coin to bestow, nor had they a bank note that would pass current in the neighbourhood. Had there been a metallic currency at that time, all the misery and distress would have been prevented; the labouring classes would have saved their earnings, and the wealthy would not have had so much to contribute to charitable purposes, nor would the poor's rate have borne so heavy upon the nation. Every thinking man must allow that the laboring classes ought to be paid with something that would make their earnings secure, and that security can only be given them by a metallic currency, and the sooner such a security can be given them the better. Therefore, under the impression that there is not a sufficient quantity of Gold to supply this country with a circulating medium in the usual way, that is, with coin of the standard value; and, under the impression that some alteration in the paper system is absolutely necessary for this country's welfare, I beg leave to lay before the public the following plan for their consider-

ation—being desirous, as far as lays in my power, to promote the happiness and prosperity of the united kingdom of Great Britain.

### PLAN.

THAT the Exchequer be allowed by Act of Parliament to issue a certain quantity of Gold Tokens for the space of seven years, and that it be felony for any person or persons to counterfeit the same.

That the quantity of Gold Tokens issued by the Exchequer, shall be equal in amount to the one pound notes now in circulation throughout the kingdom of Great Britain; and that all the one pound notes shall be withdrawn from circulation, as soon as the Tokens are issued to supply their place.

That the Exchequer shall issue Tokens of the value of Twenty Shillings, and Half-Tokens at Ten Shillings value.—The Tokens to consist of one half gold and the other half alloy.

That one half of the Tokens being alloy, shall be considered as a loan to Government, lent by the Public; for which loan, the public shall receive two per cent. interest, annually, or so long as the said Tokens shall continue in circulation:—the said per centage to be paid to the public by reducing the Tax on Tea, Salt, or Leather, or any other article of general consumption, so that the laboring classes shall

receive as much benefit as the higher classes of the community from the redemption of the Tax.

That the Exchequer Token shall be issued in alphabetical order: that is to say, a coinage marked with the letter A one million; letter B one million; letter C one million, and so continue to the end of the alphabet, should the demand for the Tokens amount to so much; if the demand should amount to more, then mark AB one million; AC one million; and so continue the double letter. By this means, the Government can either add to, or diminish the circulation, as circumstances may require; and the public can easily learn what quantity of Exchequer Tokens are in circulation.

By following this plan, one great objection to issuing a coin of less value than the standard value is done away, for the advantage of the government and the public would be reciprocal, which, perhaps was never contemplated before in such a measure.

The Government would raise upon the faith of the public near ten millions, at two per cent. and the Public will receive from Government an abatement of taxes to the amount of two per cent. for pledging their faith, and they receive their dividend without trouble or expence.

This plan would also facilitate cash payments at the Bank of England, as it would reduce their issues upwards of seven millions,

without any inconvenience to the public, as the Gold Tokens would supply their place. It would also, in a great measure, do away the forgeries upon the Bank; for most of the forgeries are in one pound notes. The alphabetical arrangement of the Tokens would prevent the necessity of an establishment, and by that means save expence. But the greatest advantage would be to the laboring classes of the people, who would receive a secure payment for their earnings, and be able to pay their landlords and their tradesmen, which was not the case in the year 1816, when so many poor families were ruined, and so many parishes overburthened with an enormous poor's rate. It is almost difficult to imagine what objections can be made to this plan, by any impartial man. The Bank of England, or the provincial Banks, can hardly make any objection, although it may be something against their interest, doing away the one pound notes; but every liberal-minded man must think that they ought to sacrifice some little interest for the public good. As to the bullion merchants and exchangers, I shall beg leave to make some observations upon their claims in Part III.

## PART III.

If we look at other countries where coin is circulated below the intrinsic value of Gold and Silver, we usually find a depreciation in their original value; but how does this arise, generally from putting too large a quantity into circulation, for such coin as well as paper will depreciate in value, if there be more in circulation than is required. In the plan now proposed, too extensive a circulation is guarded against, by putting the issue into alphabetical arrangement; besides, in trying this experiment the expence will be trifling, only the expence of coinage; in this plan there is no occasion for any governors or directors, or any establishment to create expence; the present establishment at the Mint will be sufficient to manage the whole, the alphabetical arrangement will shew the quantity issued; and it is only necessary for Government to guard against issuing too large a quantity.

It is very probable that the money changers, the bullion merchants, and their whole connection will exclaim against this system; because they will conceive it to be injurious to their trade; they will not sit easy if they think they

are to lose the fine promising harvest at the Bank of England; should the Bank resume cash payments, an issue of Gold coin according to the standard value, would certainly enrich them, they could then obtain Gold at a certain value, and dispose of it immediately to certain advantage; and when this country was drained of Gold, and a fresh supply through necessity required, then the bullion merchant will endeavor to obtain the foreign Gold coin at its standard value, and supply Great Britain at as dear a rate as possible; such a system cannot continue long, but it will continue long enough to make the bullion merchants immense profits, at the expence of both countries. The Mint of the country has of late done little good by coining Gold, the community at large had neither convenience nor advantage for it, no sooner appeared than it disappeared; the advantage in fact was all on one side, and that side was the bullion merchants and exchangers.

A coinage of fair standard value might be absolutely necessary about a century since, for the advantage of merchants who traded to foreign parts; yet in contradiction to this, we find acts of Parliament were made prohibiting under very severe penalties, the exportation of the British coin, yet we may reasonably suppose that a standard coin was necessary at that period, to protect the merchants in their traffic with foreign states; at that time there

was a rancorous enmity between nation and nation, particularly if they were rivals in trade; and one of the first things that was done when two nations went to war, was to seize upon all private property that were sent to both countries under the faith of Peace, and sometimes this was done before they went to war, and if war commenced, the property was always lost: bills of exchange at that time were only precarious security, therefore it was only prudence in a merchant to get Gold for his commodity as soon as he parted with it, but things are very different now.

It will very likely be said that this plan will be unfair dealing to the public, and only giving the public creditors ten shillings in the pound instead of twenty shillings; but I maintain it is not unfair dealing, because there is an absolute necessity for a Metallic Currency, and both the public and the public creditor participates in the advantages it gives to the laboring classes; if the laboring classes are paid with safe coin, the petty tradesmen they deal with are safely paid, the landlords obtain their house rent, and the community will not have to pay such an immense poor's rate.

As to the difference it may make in the exchanges, it cannot we may safely infer have any influence; for if we look back for the last fifteen years, we find there has been little or no Gold in circulation; and if we can keep the

exchange reasonably fair with a paper circulation, what harm can a current coin of ten shillings intrinsic value do to the exchanges, and that coin only for a limited time?

But if this plan should in some degree clash with the interest of the bullion merchant and the exchangers, ought we not to weigh the interest of the laboring classes and the other parts of the community against them? Most certainly; then put them both into a scale, and we shall soon see who will kick the beam.

I beg leave to repeat again, that it is principally for the benefit of the laboring classes that I recommend this plan: the laborer in London gets his weekly earnings paid with a Bank of England note, and if he steers clear of a forgery he is safe enough; but the labourer in the country is paid with a provincial Bank note, which is not at all times quite so safe. I do not mean to say the provincial banker ought to be doubted; on the contrary, I believe them to be a most respectable body, and deserving the confidence of the public; but lately, and very lately, we have seen the Portsmouth bank, the Tamworth bank, the Sheerness bank, and some other suspend their payments, which has ruined a great many families, and involved the laboring classes in great distress: this shews at once the necessity there is for Government to give the labouring classes



the best protection, and that is a Metallic Currency.

If the exigency of the times prevent any nation obtaining what may be most beneficial for its interest, it is the bounden duty of Government to protect the interest of the people by every means in their power; and it is the bounden duty of the people to support Government. And although a heavy cloud hangs over Great Britain at present, yet by the good management and frugality of its Government, the perseverance and industry of its people, confidence and commerce will very soon be restored, and I have no doubt but the present generation will see this country in a more flourishing and prosperous state than it ever was before.