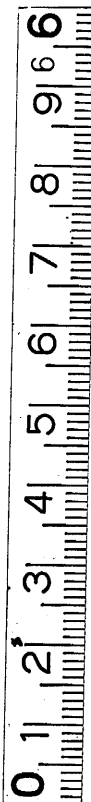


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THE
PREFACE EXAMINED.

AN
EXAMINATION OF THE PREFACE

TO A

PAMPHLET

ENTITLED

THE QUESTION

CONCERNING

THE DEPRECIATION OF OUR CURRENCY

STATED AND EXAMINED.

BY W. HUSKINSON, ESQ. M.P.

The puzzle into which this gentleman and his friends have fallen is much connected with the fashionable philosophy of the human mind, and which has not been inaptly called *Nominalist-Realists*, and the existence or non-existence of abstract ideas.

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THE
PREFACE EXAMINED.

AFTER stating the motives which led to the publication, which no one can be at a loss to surmise, the Preface proceeds thus:—"And, above all, when the many evil consequences of an *erroneous*, or even an *unsettled*, state of the public mind, upon a question of such vast importance, are considered, I trust I shall be justified in submitting what was originally prepared for an indulgent and limited circle only, to the examination of a more extended and impartial tribunal."

Many persons will *presume* to think, that whatever "opinions of an erroneous and

unsettled kind" are now afloat in the public, are to be attributed to the labours of Mr. H. and his friends; and it would be a question of useful inquiry, if, without hurting his feelings, one might be allowed to ask, "*How many* of the indulgent circle" here alluded to, were members of the Bullion-Committee?"

Mr. H. is extremely indignant at the misrepresentations which he conceives have gone abroad as to the course pursued by himself and his friends in their Report, and, as far as he has condescended to notice them, I think rather unjustly so; for, after all he has said in justification, he has left the main question just where the Committee did:

"A mighty maze, and all without a plan."

But as it is intended merely to notice what is given in the Preface, which points out, the reasons of the publication—his complaints against those who presume to dif-

fer with him in opinion, and the general outline of the work, I cannot help thinking that those who maintain, that many of the acting members of the Bullion Committee set out in the inquiry with preconceived and metaphysical doctrines of their own, are strictly right, and that the tendency of the questions put to the evidence called, as well as the inferences drawn from that evidence in the Report, clearly prove it.

Indeed it shews itself before the conclusion of the second page of the Report, where, speaking of the rise in the price of gold, and the depreciation in the exchanges, it says, "This, VERY EARLY, in the judgement of your Committee, pointed to something in the state of our domestic currency as the cause of both appearances." And so clearly is this *early* (which ought to have been called *previous*) opinion declared, that they hasten to avow

it before the conclusion of the same page, in direct opposition to the evidence before them, most of which, they say, "ascribe the high price of gold entirely to an alleged (the evidence says *real*) scarcity of that article, arising out of an unusual demand for it upon the continent. This unusual demand is described by some of them as being chiefly for the use of the French armies, though encreased also by that state of alarm and failure of confidence, which leads to the practice of hoarding."

This evidence, so important and decisive upon one of the main points on which the whole question turns, stands uncontradicted; and yet the Committee do not hesitate to give the following *decided opposite* opinion upon the subject:

"Your Committee are of opinion, that, in the sound and natural state of British currency, which is gold, no encreased de-

mand for gold from other parts of the world, however great, or from whatever cause arising, can have the effect of producing here, for a considerable period of time, a material rise in the market-price of gold."

The fallacy of this opinion is so obvious to every person acquainted with the subject, that it cannot fail to attract the notice of some person, who may take up the whole subject of the Report. It is merely introduced here in reference to the assertion in the Preface, and to ask, Whether this is not an opinion given "contrary to, and altogether inconsistent with, the evidence?" because Mr. H. tells us he has looked in vain to discover it.

Nor is it very easy to reconcile the professions of a candid investigation, which are held out, with the extraordinary impressions that are here conveyed to the public on a vital part of this inquiry—an

inquiry of the highest moment to the country, which has engaged the attention of twenty-one members of the House of Commons for many weeks, who were at liberty to call any evidence they pleased, and put to them such questions as they thought proper. This evidence, when it goes anyway counter to the opinions of the Committee, is called by Mr. H. (one of its most active members, and now their avowed advocate to the public) "*explanations*;" and a merit is attempted to be assumed by him and his colleagues "for listening to the *explanations* offered by the witnesses, with the most patient attention." To those whose minds are not so highly illuminated as this gentleman, it would seem, that it was the DUTY of the Committee not only "*to listen*," but to report upon the evidence before them. If not, their attendance was a mere matter of empty form.

Do we wait for a specimen of Mr. H.'s *wit and urbanity*?—we need only refer to the *happy* allusion he makes to Mr. R. Jackson's speech, for the former; and, for the latter, to the *gentlemanlike* manner in which he speaks of the publication of Sir John Sinclair. The *circle* must be *over-indulgent*, indeed, if they can approve of this illiberal and unprovoked attack. Nevertheless, this also has its use, for it shews what Mr. H. means by "meeting fairly those who have attacked the Report," or by "a candid investigation;" which the public are thus warned to apply to those only who are of the same opinion as himself and his circle.

Still, however, it seems that the alarms of Mr. H. on this important subject were not easily roused. He tells us it required time, study, reflection, and, above all, being out of office! and says, though several excellent publications have been written

since the agitation of the question in Parliament (of which he only notices *one*, and of which he is said to have made very ample use) they appear to him "to suppose a degree of elementary information in their readers, which all do not possess; and he therefore *presumes* to think, that he may be an useful, though *humble*, help in the discussion which now agitates the public opinion of the country." This is very good-natured; though here again a difficulty seems to occur,—how to reconcile the profession of *humility* with the act of publishing at all, accompanied by such a declaration as we have just read, which, to ordinary minds, would seem to convey a compliment to his own powers, at the expense of the public. The utility of the work I leave to others to determine. All I now wish to do, is to enter my protest against any claim which the author sets up to *humility*.

Another circumstance may as well be noticed by the way.—Mr. H. assumes, that those who presume to differ from him are *theorists*: it is therefore but fair to inform him, that there is a large body of men, who, though they do not profess to be as highly enlightened as the author, still possess the reputation of a fair share of understanding, and certainly of far more extensive practical experience than he does, who think the opinions of the Committee *speculative*. Now, a theorist has a system: the author cannot be at a loss to attach a true meaning to the *speculatist*.

It is not among the least of these novelties that we are expected to subscribe to Mr. H.'s reasonings without delay, and to take mere assertions for facts, upon pain of his anathema; more especially after having informed us that he had been thirteen years in error, and had

only lately become a convert to these *new lights*.

Surely, after this, it would seem but reasonable that he should allow some little time for reflection to those whom he thinks so deficient in "elementary information," when he, who has such a superabundance of it, took so long a time to be convinced. But perhaps he means this as another proof of his *humility*, by ascribing to them a much quicker comprehension than he possesses: or is it that *he* thinks *his* arguments so much more cogent than all that have preceded him? Whichever of these may be the real state of things I do not pretend to determine: all that is contended for is an impartial inquiry into the validity of Mr. H.'s reasonings, and some pledge from him, before *his* opinions are adopted, that he will not leave his converts in the lurch, by discovering that, after ma-

turer reflections, his former opinions were correct.

It cannot be meant to deny, that the measure of restriction of cash-payments was considered "as determinable whenever *that necessity should cease*;" and I know not where it appears in evidence to be otherwise considered. At any rate, this is not so much a point on which the "*explanation*" of evidence depends.—
PROVE that the necessity no longer exists, and THEN take off the restriction; and when Mr. H. appeals to *his* official communications on this particular point, it may be well for him to consider, how far *he could* be supposed, from situation, to have had any or much opportunity of knowing ALL the motives which had reference to a measure adopted in February 1797?

In attempting to account for the various causes which led to enlighten his mind

upon this subject, Mr. H. takes the trouble to inform us, (page 15,) "that the consequences of this measure, which are developed in the Report, did not arise till a late period. Up to *that* period, the foreign exchanges were not unfavourable and the market price of gold not materially above mint price."

It is not easy to understand what is *the period* here alluded to. The foreign exchanges were less depreciated in April, when the labours of the Committee were drawing to a close, than they were in July preceding, (1809). The depreciation in them could not, therefore, surprise; and as to the price of gold, the Report of the Committee on the affairs of the Bank, in 1797, shews that, so long ago as PREVIOUS to the cash-restriction, the Bank had often been obliged to pay much more for gold than mint-price.

But it is the evidence of the Governor

and Deputy-Governor of the Bank of England that shook the nerves of the author, and led him to the discovery that all his former hopes of security in the restriction of cash-payments were vain and nugatory. He says the Committee have stated the words of these gentlemen, "and have assigned reasons for thinking that they do not afford a check constantly and sufficiently operative against an over-issue, and consequent depreciation, of Bank-paper." And the author then concludes with this question, "Is this what is called making a Report directly contrary to the evidence?"

Most certainly it is, if this *opinion* of the Committee be not borne out by the fact, which, it is contended, it is not—there is not a particle of evidence or of practical effect, in respect to the circulation of the Bank of England, that warrants so unqualified an opinion, on a subject

so delicate, and, at best, so difficult to determine upon.

Whether Mr. H. Thornton is prepared to defend the allusion made to his former work, by the honourable gentleman, is not for me to inquire: at any rate, some credit is due to the dextrous manner in which it is here made use of. This is a *friend*, the Governor of the Bank is another *friend*, and the honourable gentleman shews himself to be one of those who think, that liberties are allowable with *friends*, which is a reasonable caution to those who are not yet introduced to the circle of his friendship.

Mr. H. says further, that he retired from office, in the *belief* that the price of gold would fall, and the exchanges become favourable! And why so?—Pray attend to the reasoning—“Why,” says Mr. H. “because our expedition to the Continent was terminated, and our pecuniary aid to

Austria discontinued.” But he has since discovered, from being a member of the Bullion-Committee, that the disappointment he has experienced on this head is owing to the issues of the Bank-of-England-paper not being regulated with a view to the state of exchanges and the price of gold.

Whatever may be the other subjects of regret with the author *from retiring from office*, he needed to have *none* upon this particular point, if he had considered it with his usual ability, or the knowledge on political economy, which he professes to be so anxious to impart to an *uninstructed* public.

It may be very true, that the expedition to the Continent, to which he alludes, was terminated, and the pecuniary aid to Austria discontinued; but that man must be a short-sighted politician indeed who will go the length to draw a direct and

positive conclusion, that *therefore all the effects of these expeditions* upon the foreign exchange ought to cease at the same moment—in fact, he cannot be supposed to possess any just views of political economy, if his other opinions are founded upon such principles.

Is it not equally true, that *other* sources of foreign expenditure were going on, and have greatly increased, and that many, if not all of them, were in contemplation, and must therefore have been known to the author, while he was in office, if his official communications were of that high cast which he wishes to convey to the public, and which I am now disposed to doubt? The astonishment, therefore, which he describes at not having perceived the effects *he* expected from these causes, may not be greater than that of other persons, when they discover that they had given him more

credit for his discernment, than it appears to have deserved.

Must it not be evident, that, viewing the unprecedented length of time in which a foreign expenditure, more or less, but generally very, considerable, has been going on, and of the effects of which the state of the foreign exchanges, and the price of gold, afford but too convincing proofs, that it is impossible to expect we could get rid of the effects of these outgoings in the rapid way which Mr. H. describes?

As to Mr. H.'s comparison of the subject at issue, with a problem in mathematics, many persons think that the hypothesis laid down in the Report can only be solved by the man, who shall previously have squared the circle, or discovered the philosopher's stone:—it may be, that Mr. H. and his friends have done so.

And when he expresses his "deep regret that an attempt is made to create political divisions on this subject," it becomes a fair object of inquiry, whether, if that be the case, the discerning part of the public will not single out that person as the offender, who, not content with taking an active part in all the proceedings of the Committee,—nor, with the opportunity which will be afforded him of supporting these opinions in his seat in Parliament, when it comes under discussion, volunteers an explanatory pamphlet, to which no other motives can be ascribed than those which are attempted to be charged upon others;—unless we should be prepared to discredit Mr. H.'s assurance, that vanity had no part in the publication.

But it does not come within my intention to enter further into the subject than to submit these few remarks on the Preface.

The work is before the public, with a name which gives it a stamp of authority: notwithstanding which, it is not likely to pass unnoticed, if it be not better supported by sound reasoning, than the motives assigned for its publicity in the Preface.

There is one fact, which ought to be known, as it is creditable to the author: he has bestowed extraordinary pains and labour upon his production; and, in aid of his own talents, he has had the assistance of men of established reputation in *composition*; it has been printed, reprinted, altered, revised, and corrected many times. It must therefore, at all events, be considered as a *highly-laboured* work; but, after all, its merits must rest upon far firmer grounds than those of a mere ingenious composition, to entitle it to any regard with such as practically under-

stand the subject, which the Committee
and Mr. H. have brought before the
public.

Cheltenham,

November 20, 1810.