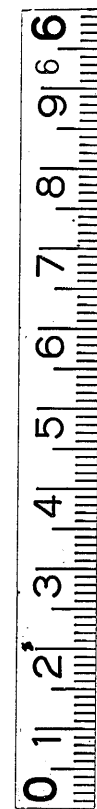


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A
REVIEW
OF THE
CONTROVERSY
RESPECTING THE
HIGH PRICE OF BULLION,
AND THE
STATE OF OUR CURRENCY.

LONDON:

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BULLION
AND
CURRENCY.

THE controversy which has arisen out of the Report of the Bullion Committee, is now, by the full developement of the arguments on both sides, brought to that state of maturity in which it becomes comparatively easy to take a short and general view of it, unincumbered by minute detail, or elementary explanation.

The main questions in dispute, when divested of all the needless amplification which the combatants on either side have given them, appear to be these:

- 1st. Whether the currency of this kingdom, or that which circulates among us as the

chief instrument of exchange and commerce, is depreciated by excess? and,

2dly. Supposing the existence of such a depreciation to be beyond the reach of positive proof, whether the system upon which our currency now depends, is not so faulty, and so pregnant with danger, as to require some immediate remedy, and particularly that which the Committee have pointed out?

This is certainly the broadest, and at the same time the simplest view of the subject. If the first of these questions is decided in the affirmative, the second of course is superfluous; on the other hand, though it should be demonstrated that the proofs of actual depreciation are not clear and sound, yet the opinion of the Committee might still have great weight, unless it could be satisfactorily shewn that the present condition of our circulating medium, avowedly anomalous, is justifiable upon grounds of peculiar expediency, which more than counterbalance all the possible dangers and disadvantages belonging to it.

1st. Is our currency depreciated?

Until the appearance of the last *Edinburgh Review* (a publication which may well be styled the Alpha and the Omega, the beginning and the end, of the bullion side of this controversy) it might have seemed impertinent to preface an examination of this question by an explanation of the word "*depreciated*." This word has so long been employed as the predicate of any thing that is *lowered in value*, that the most cautious disputant might well have been excused for not suspecting that it could be used in any other sense; and, in the present instance, besides the well known and accepted meaning of the word, the sense in which it has been affirmed that "our currency is depreciated," is rendered palpable by the arguments which have hitherto been adduced in support of the assertion; for these have always been such as could prove nothing at all if they did not prove that our paper was *lowered in value*, and that it was *so lowered in value* by excess: in other words, that it was on

account of its actual superabundance, less valuable in exchange for commodities, than it had been formerly, when confined within its natural limits. If Mr. HUSKISSON has not proved this, he has proved nothing: if Mr. DAVIES GIDDY has not proved this, he has proved nothing: and it will be seen by what follows, that if the *Edinburgh Review* is correct, these able and respectable writers have neither of them proved any thing.

Their proof is simply this:—The real value of gold cannot vary, or at least not materially: the nominal price of gold in this country has varied very greatly; the alteration must, therefore, have been in the real value of the article (the currency, whether coin or Bank paper) by which the gold is measured. These few words comprise the whole of what is essential in their argument, distended, as it has frequently been, by useless form, and amplified by perplexing, often fallacious, illustration. If it be possible, that the present phenomena, the present relative values of gold and bank-

paper — can arise from any thing but the diminished value of the paper, then Mr. HUSKISSON'S elaborate and demonstrative argument is null and void; it leaves the question just where he found it: at the simple fact that there has arisen a difference between the value of coin (or that paper, which is admitted to be equivalent to coin) and bullion; the nature of that difference remaining to be ascertained by a cautious inquiry into facts and probabilities.

That this is very obviously possible, has always, in opposition to that argument, been maintained by the practical men who have opposed the doctrine of the Committee. They have contended, that a rise in the price of gold is no *proof* of a diminution of the value of paper; that the alteration might be occasioned by a real increase in the value of gold; in which case, the value of the currency in which that price was expressed might remain undiminished. It seems, moreover, never to have entered into their thoughts

to suppose, that, in such a state—a state of *undiminished value*—the currency of a country could be termed *depreciated*.

In this, however, they have been mistaken. The *Edinburgh Review*—the parent, nurse, and champion of the Bullion Committee—maintains that a currency may be depreciated, without being lowered in value; and that the price of gold, in a country where the circulating medium is principally paper, may be raised—aye, and permanently raised—without any excess of that paper, and consequent fall in its price.

This will appear in the following extract, which contains a full, clear, and satisfactory answer to Mr. HUSKISSON'S arguments, and those of the other writers on the same side, who undertake to prove that the present high price of gold can only arise from the excess, and consequently diminished value, of our paper currency. It will be found in the last number (34) of that work, page 355.

“ In the case of a diminished supply from

“ the mines, or a greater consumption of the
 “ precious metals in some of the principal
 “ States of Europe, an immediate demand
 “ would be felt in the rest for bullion to be
 “ exported, the market price of bullion would
 “ be raised for a time above the Mint price;
 “ the notes of the different Banks would return
 “ upon them to be exchanged for coin, which
 “ would be sent abroad. The consequence
 “ would be, that the whole currency, con-
 “ sisting still of the same proportion of paper
 “ to coin, would be diminished in quantity,
 “ and raised in value, the market price of
 “ bullion would soon sink to the Mint
 “ price; the exchanges, which had been un-
 “ usually unfavourable, would be restored to
 “ their accustomed state, and no other effect
 “ would be felt than a general fall of prices
 “ throughout the commercial world.

“ Now, if in the case last supposed, the
 “ paper of one of these countries were not con-
 “ vertible into coin, and very little specie remain-

" ed in circulation, it is quite clear that the cur-
 " rency would not have the means of assimilating
 " itself to the currencies of the nations with
 " which it was connected; the market price
 " of bullion would rise very greatly above its
 " Mint price, all the gold which could be
 " readily collected would be exported; but as
 " this would be inconsiderable, and as the
 " great mass of paper would remain undimi-
 " nished, or perhaps be slightly increased to
 " supply the vacancies occasioned by the
 " gold exported, the great excess of the market
 " price of bullion above the Mint price, and
 " the very unfavourable exchanges, would be-
 " come permanent (subject however, still, to
 " variations occasioned by the balance of trade
 " and payments) and the currency of such a
 " country would be to all intents and purposes
 " depreciated, when compared with gold and
 " silver, and the currencies of other countries,
 " just as it would be from an original excess
 " of paper issues, *although on the whole,*

" taking paper and guineas together, the
 " amount of the currency might not be in-
 " creased by a single pound."

This passage announces a very singular re-
 volution among the parties to this controversy.
 It seems to bring together, upon one point,
 at least, and that a very material one, those
 who appeared the least likely to be reconciled
 —the practical men, and the pure metaphy-
 sicians; while, on the other hand, it separates
 those very metaphysicians from their newest and
 most zealous converts, upon the pretended de-
 monstration of an excess of paper, which is so
 much relied on by the latter. The case so clearly
 and concisely stated by the *Edinburgh Review*,
 is one which has always been contemplated by
 the practical men, and which is in some respects
 similar to what they conceive to be the state of
 things in this country at present. The practical
 men have always expressed their opinion that the
 price of gold has risen without any excess of paper,
 or any real diminution of its value;—their oppo-

nents have maintained, that this was *impossible*, because the simple fact of an increased price of bullion was an irrefragable proof of an excess, and a diminished value, of the paper.

There still remains, however, on this particular head of the dispute, a difference between the *Edinburgh Review* and the practical men as to the meaning of the word depreciation, and on this there is little chance of agreement, without a further concession on the part of the northern critics: for it will never be allowed, in this our latitude, that in any attempt at close or accurate reasoning, a thing should be said to be depreciated while it was admitted that it had not been lowered in value. This verbal difference is, however, of no great consequence, since it is so clear, from the reasons above stated, that it cannot be the cause of the dispute between the practical men and their other opponents, Mr. HUSKISSON, Mr. GIDDY, &c. It is beyond a doubt that depreciation, in the sense in which these Gentlemen

use the term, means an actual diminution of value, which diminution they trace to excess.

According to the opinion, then, of the *Edinburgh Review*, our currency may be really undepreciated, although the price of bullion should be permanently excessive, and the exchanges permanently unfavourable to us. This is an important opinion, as well because it is evidently a just one, as on account of the quarter from whence it proceeds. As there will be occasion, perhaps, again to refer to it in the course of the ensuing observations, the Reader is entreated to bear the above extract well in mind; and, further, to take the trouble of reading it again with the following substitution. Looking at the second paragraph, let him suppose the case of a country in which, instead of paper not convertible into coin, the currency should consist of coin positively not convertible into bullion, and not exportable; he will immediately perceive that the same conclusions must follow as in the case

supposed in the extract. The market price of bullion would be permanently raised above its Mint price, the exchange would become permanently what is called unfavourable; that is, it would remain so as long as bullion continued to be at an advanced price in the neighbouring countries: and all this might occur without any excess, and evidently without any diminution of the real value (in exchange for commodities in general) of the circulating medium.

II.

That the case supposed by the *Edinburgh Review*, is not the only one in which the price of bullion may rise above its value in coin, without any real depreciation of the currency, is strikingly shewn by the following example; an example exceedingly deserving of attention at the present time, not only because it furnishes a clear proof of the erroneousness of the doctrine, that the market price of gold can only rise by the excess (or other cause of depreciation) of the currency, but because it displays facts and opinions remarkably similar to those which are the subjects of dispute at the present time, with the advantage of a very sure criterion for pronouncing a judgment upon them—the test of subsequent experience.

In the case stated by the *Edinburgh Review*, the drain of specie is supposed to be created by its increased value abroad, and the consequent

demand for it there. In the case which is now to be described, and which is not a supposed but a real one, the drain of bullion arose from necessities at home,—the necessity of making large imports, and making them speedily,—on account of a succession of deficient harvests. It occurred in the years 1800 and 1801.

At the close of the latter year, there appeared in France a translation of the "*Wealth of Nations*," by Mr. GARNIER, then a Member of the National Institute, and now "*Prince of the Senate*."—Among the notes added to this work by the translator, there is one upon the suspension of cash payments at the Bank of England, which leads to the following observations:—

"If, however, all the mischievous consequences of a paper circulation not exchangeable at pleasure for coin, are not yet apparent in England those inevitable evils are nevertheless silently and gradually approaching, and some symptoms of them are even now perceivable.

"At this very time, for example, the ounce of standard gold sells in the market in England for £4. 6s. although an ounce of the same gold in coin produces only £3. 17s. 10½d.

"It is impossible to attribute this phenomenon to any other cause than the forced currency of the Bank note. The following is the only explanation of an effect wholly inexplicable in any other manner:—

"The Bank note, in spite of every effort to keep it at par, is, in fact, depreciated about ten and a half per cent. below its nominal value. If it is sometimes exchanged for guineas at its nominal value, it is owing to the public spirit which I have alluded to; and is a voluntary sacrifice dictated by patriotism, of ten and a half per cent. in every such exchange. From whence it results, that the paper is not only depreciated itself, but that it communicates that depreciation to the guineas, which strive to keep on a level with

“ it in the circulation; and this depreciation
 “ of the currency, whether paper or coin, must
 “ necessarily have the effect of raising, in the
 “ same proportion, the nominal prices of all
 “ merchandize and commodities.”

This opinion of Mr. GARNIER is exactly the opinion now maintained by the Bullion Committee; excepting that they ascribe the supposed depreciation of our paper to excess as its only cause: while the French writer seems rather to have attributed it to the nature and quality, than the quantity of our currency.

At the very time that Mr. GARNIER was publishing these opinions in France, Mr. THORNTON was writing his “ *Enquiry into the Nature of Paper Credit* ” in England. In the course of this Work the same phenomenon—the high market price of gold bullion in the two preceding years in this country—attracted his attention. But his explanation of it was just as different from that of Mr. GARNIER, as the opinions of the practical men are now

different from those of the Bullion Committee. He says, in page 242 of his work—
 “ The perplexities of this subject being
 “ such as I have now described, it naturally
 “ occurs to us to reason from the effect to the
 “ cause, and to infer a too great issue of paper,
 “ when we perceive an excess in the market
 “ price above the Mint price of gold. But
 “ this inference is one which, for reasons for-
 “ merly given, *should always be very cautiously*
 “ *made*; for it is to be borne in mind, that
 “ the excess *may arise from other causes than*
 “ *the too great emission of paper.* A suspension
 “ of the foreign demand for British goods,
 “ and an increase of the British demand for
 “ foreign articles, circumstances which may arise
 “ where there is no increase of Bank paper,
 “ are the much more frequent, as well as the
 “ more obvious causes of a fall in our exchange,
 “ and therefore, also of a high price of bullion.
 “ Our two defective harvests, and the interrup-

“ tions in our export trade, very sufficiently
“ account for the late fluctuations.”

The examination of this publication of Mr. THORNTON, in the *Edinburgh Review*, affords us another opinion upon the then state of our exchanges, and the price of bullion (so remarkably similar to the phenomena which are now again the subject of discussion), which is the more valuable and interesting, because it comes from the Gentleman who has taken the most forward part in the present enquiry who was in fact the author, and has been the chief conductor of the labors of the Bullion Committee—Mr. HORNER.

In a very able article, and one which contributed not a little to establish the early fame of the *Edinburgh Review*, Mr. HORNER observes upon the above opinion of Mr. THORNTON, in the following terms :

“ The importation of grain, by turning the
“ balance of trade against us, does tend to

“ produce that excess” (of the market price of bullion), “ but the excess which we have lately witnessed has been perhaps both too great and too permanent to be explained wholly in this manner. We doubt extremely if it could have been produced without that depreciation of our currency, which originates in excessive quantity.” (p. 199, No. 1.) And, a little further on, “ we have expressed ourselves with unaffected doubt, with regard to the alleged dependence of the present rate of prices on the state of our paper currency, because it appears to us a problem of which a satisfactory solution has not yet been offered. According to that view of the question indeed, which seems to us the most correct, as well as the most simple, a sufficient answer will be assigned, if the excess of the market price of gold, above its Mint price, shall be found to continue, notwithstanding the permanent restoration of the balance of trade to its accustomed preponderancy in our favor.”

The facts, then, and the opinions involved in this curious and accurate *prototype* of the now existing controversy, stood at the close of 1801 thus: the price of standard gold, which in 1799 had been as low as £3 18s. per oz. rose suddenly, and in 1800 was as high as £4 4s. and £4 5s.; at which prices it continued throughout the years 1800 and 1801; the exchanges with the Continent being proportionably against us. Of this state of things, Mr. GARNIER maintained, that a depreciated currency was the only explanation. Mr. THORNTON cautioned his readers against such an inference, insisting that those phenomena *might be* at any time, and in that instance certainly *were* produced by other causes. Mr. HORNER expressed his doubts upon the subject, and candidly referred to future experience for a solution of them.

And how did experience decide this dispute? By falsifying the assumption of the French economist, confirming the doctrine of the

English writer, and justifying the *doubts* of the Reviewer. In the years 1802 and 1803, the price of gold fell again to £3 19s. the quantity of bank-paper in circulation being, within the same time, not only undiminished, but considerably increased.

It remains for those who now again maintain that a rise in the market-price of bullion is a *demonstrable proof* of an excess and depreciation of our currency, to accommodate such an opinion to the history of these facts: it seems to be quite impossible to do so.

There appears, then, to be every evidence of truth on the side of the *Edinburgh Review*, and the practical men, when they alike maintain (differing from Mr. HUSKISSON and Mr. GIDDY), that the price of gold *may* rise, and the exchanges may be depressed, without any augmentation of the paper currency, or any real diminution of its value, in exchange for commodities at home.

The question whether that which may be the case, is actually the case at present, remains to be considered; a question which is open to fair discussion, as soon as the pretended proof of depreciation is thus satisfactorily removed.

III.

That "our Currency is depreciated by excess," is a proposition, then, which escapes every attempt hitherto made to reduce it to demonstration; and it is obvious that every endeavour to prove the existence of such an excess, by direct and positive evidence, must be equally fruitless.

The word "Currency," in the only sense in which it can be employed in the present discussion, must comprehend every description of circulating medium which serves the general purposes of money throughout the community. To ascertain what specific quantity of such currency was in circulation in the year 1797, or is in circulation at present, appears to be impossible. The various approximations which have been attempted upon a partial knowledge of the subject are quite hypothetical, and much too vague to justify any reliance upon them in sober argument.

There are, therefore, no direct means of proving that there is as much, or more, or how much more, of currency now in use than there was when the Bank suspended its payments. If the inquiry were confined to Bank Notes and Coin, there would, indeed, be strong grounds for believing that the quantity is rather less than greater, now than at that period. But that would be too partial a view of the question.

Neither does the difficulty end here. For even if the respective quantities of Currency in circulation at these different periods, could, upon sufficient grounds, be ascertained and compared, the comparison would still be of little or no value, unless another very important point were equally accessible to our researches; that is, the exact ratio in which our foreign commerce, our domestic trade, our public revenues, &c. &c. had increased and extended themselves in the intervening period. For it would evidently not be justifiable to infer a necessary depreciation of the currency from its positive augmenta-

tion (supposing such augmentation to appear), without carefully considering whether the increase was more than a just proportion to the extended demand and employment for it. Upon this last head, we have, however, more information than on the first. Our public accounts furnish the most positive evidence, that a very great increase has taken place in almost every branch of trade and industry which requires money to vivify and to move it; that the revenue and expenditure, not only of the Government, but of the nation in general, are greatly increased; that we import and export, and produce, and consume, greatly more (not as measured by prices, but by actual quantities) at this time than we ever did at any former period: and it is therefore obvious that a more abundant currency might now be circulated and employed among us than what existed in 1797, without any necessary depreciation of its value from excess. But whether the increase of our currency has kept pace with, or surpassed the increased em-

ployment for it, is not discoverable by any means we possess for exactly ascertaining the present or the past limits of either.

In the absence, then, of all direct evidence of any excess of currency, those who believe that there is such an excess, establish their opinion on the following inferences:—

An excess, they say, of the currency of a country occasions a diminution of its value; which diminution of value becomes evident, by the following effects:—As it sinks below the level of the currencies of other countries, in the general exchanges of the world, the monies of other countries, or the bullion which constitutes the basis of them, will be nominally enhanced in price, when measured by this depreciated currency; the exchanges with those countries will be altered in the same proportion, and the prices of all commodities will be nominally increased. All these phenomena are admitted to exist at the present time in this country; and it is therefore concluded confidently, that the

cause which is competent to produce them all—an excess of currency—exists likewise.

The Members of the Bullion Committee do not, however, appear to be all agreed as to the necessity of these concurring effects, to justify the assumption of a superabundant currency. There are some of them, who have published their opinions, and who (as we have already observed) conceive the high price of gold bullion to be alone a complete mathematical demonstration of the fact. The discordance between these and the others who take the broader but less peremptory ground of probability, is manifest in their Report, which sometimes insists upon the price of bullion as “an unequivocal system of excess,” and sometimes makes admissions which are incompatible with that doctrine; for, if the high price of gold were alone a proof of an excess of currency, how could the high price of gold have been produced, as the Committee believe it was, in 1808, by the operations of the French Emperor?

And, *e converso*, if the operations of the French Emperor could produce this effect, how can its bare existence be an unequivocal symptom of an excess of currency?—But the answer to this pretended demonstration has been sufficiently stated in the preceding number of these observations.

The other advocates for depreciation by excess, who take their stand upon the safer and more tenable grounds of probability, and who rely upon the existing coincidence of several effects which, it is allowed on all sides, would naturally be produced by a depreciated currency, are opposed by the practical men, upon the following grounds: first, because it is not admitted that the coincidence which they build upon does really exist: on the contrary, it is affirmed, that it is defective in a most material point, which is fatal to the argument of the Bullionists; and, secondly, the practical men assign for the effects which we witness, other causes, of which the existence is not a matter of

inference, but of palpable notoriety; and they assert that the natural tendency of these causes to produce such effects are acknowledged by all parties; that the Bullionists themselves believe them to have been operative in producing some part of the phenomena in question; while they, the practical men, maintain that they are completely competent to have produced them all.

The coincidence which is denied, is that of the high price of Bullion, and of all other commodities; a coincidence which is so important to the theory of the Committee, that it appears most extraordinary that they should have omitted all endeavours to investigate or to verify it. They assume carelessly and boldly that the high price of gold and of other commodities, at the same time, are a proof of an alteration of the currency by which they are respectively measured, without inquiring whether that coincidence was so regular and constant as to justify the inference of a necessary connexion, or so little uniform as to furnish the strongest argument

against it. A careful reference to the published accounts of current prices, from the period when gold first began to fluctuate considerably, would have afforded much useful information; but it will be seen by the following table, which is extracted from those documents, that such a reference would not have furnished any support to the opinions of the Committee; on the contrary, it affords the strongest evidence against them, by shewing that the price of gold has risen and fallen without any corresponding variation in the prices of a number of articles of constant and nearly uniform consumption, such as are the least likely to have been affected in value by any extraordinary circumstances, and therefore the most likely to indicate correctly any change in the value of the currency.

Let any person look at this table, and then say whether the Committee are justified in stating that "the prices of all commodities have risen, and gold appears to have risen in its price only in common with them." The statement is not

Years	Cotton.		Currants, per cwt.	Hides.		Indigo.		British, per ton.	Russ per
	E. India, per lb.	W. India, per lb.		B. Ayres, per lb.	W. India, per lb.	East India, per lb.	Spanish, per lb.		
1799	s. d. 1 6	s. d. 3 4	s. d. 38 11	d. 8½	d. 4½	s. d. 4 6	s. d. 10 1	£ s. 18 5	£ 17
1800	1 2	2 5	35 9	8¾	4	6 4	8 8	18 10	18
1801	1 5	2 2	47 2	8¾	4	7 8	9 2	20 00	20
1802	0 9	1 7	43 1	8	5	7 9	8 7	18 00	18
1803	0 9	1 6	57 4	8¾	7½	7 5	9 6	19 10	18
1804	0 11	1 7	55 4	7¾	6½	9 2	9 9	17 00	16
1805	1 4	1 7	49 4	7½	6	11 2	11 1	17 10	16
1806	1 1	1 8	40 1	6¾	6½	6 9	12 1	18 10	17
1807	0 11	1 5	47 7	7	6½	7 3	10 5	15 10	16
1808	1 1	2 3	61 1	6¾	4½	5 3	9 2	15 10	16
1809	1 2	1 6	45 8	7	4½	4 8	7 9	15 10	16
1810	0 11	1 5	37 8	9	6½	7 7	9 11	15 10	16

Years	Cotton.		Currants, per cwt.	Hides.		Indigo.		Iron.			Nankeens, per piece.	Pepper, per lb.	Tar, per barrel.	Tea, per lb.	Tin, per ton.	Tobacco, per lb.	Gold, per oz.
	E. India, per lb.	W. India, per lb.		B. Ayres, per lb.	W. India, per lb.	East India, per lb.	Spanish, per lb.	British, per ton.	Russian, per ton.	Swedish, per ton.							
	s. d.	s. d.	s. d.	d.	d.	s. d.	s. d.	£ s.	£ s.	£ s.	s. d.	s. d.	s. d.	s. d.	£ s.	s. d.	£ s.
1799	1 6	3 4	38 11	8½	4½	4 6	10 1	18 5	17 15	21 2	7 11	1 3	32 8	3 2	95 0	0 6½	3 18
1800	1 2	2 5	35 9	8¾	4	6 4	8 8	18 10	18 2	21 7	7 11	1 3	23 8	3 1½	100 0	0 5	4 5
1801	1 5	2 2	47 2	8¾	4	7 8	9 2	20 00	20 10	20 17	6 8	1 3	20 2	3 0	103 0	0 5¼	4 6
1802	0 9	1 7	43 1	8	5	7 9	8 7	18 00	18 2	18 10	6 0	0 11	19 5	3 2	109 0	0 4½	4 3
1803	0 9	1 6	57 4	8¾	7½	7 5	9 6	19 10	18 2	19 10	6 8	0 10	21 9	2 11	109 0	0 4¾	3 19
1804	0 11	1 7	55 4	7¾	6½	9 2	9 9	17 00	16 13	19 17	9 9	0 9	24 2	3 0	109 0	0 5¾	4 0
1805	1 4	1 7	49 4	7½	6	11 2	11 1	17 10	16 11	19 13	7 4	0 9	25 8	3 1	112 0	0 6½	4 0
1806	1 1	1 8	40 1	6¾	6½	6 9	12 1	18 10	17 12	19 5	5 0	0 7½	22 8	3 3	120 0	0 6	4 0
1807	0 11	1 5	47 7	7	6½	7 3	10 5	15 10	16 3	17 15	3 4	0 9	24 8	3 4	118 0	0 6½	4 0
1808	1 1	2 3	61 1	6¾	4½	5 3	9 2	15 10	16 8	17 15	7 2	1 0	38 5	3 3	114 0	1 3	4 0
1809	1 2	1 6	45 8	7	4½	4 8	7 9	15 10	16 6	17 7	6 6	1 0	40 8	3 5	114 0	1 0½	4 12
1810	0 11	1 5	37 8	9	6½	7 7	9 11	15 10	16 6	17 7	5 3	0 11	35 8	3 6	143 10	0 5½	4 10

[To be placed opposite page 30.]

Faint, illegible text, likely bleed-through from the reverse side of the page.

correct; there is no such appearance when re-
course is had to proper evidence. It was perfect-
ly true that when the Committee was sitting, the
prices of commodities in general were high, and
the price of gold was likewise high, but a closer
examination would have shewn, that they had
not risen and fallen or fluctuated together; and
therefore that so far from there being any coin-
cidence to justify the theory of the Committee,
there was a marked distinction which disproved it.

The articles here inserted, are selected from
a much more extensive account, which will be
found at the end of this tract, and which is
very deserving of a careful attention in consi-
dering this part of the question. In looking
at the account, it should be remembered that
the principal variations in the price of Gold
Bullion occurred, 1. In the years 1800 and
1801, when it made a sudden and very great
start, and afterwards as suddenly subsided; and,
2. in the three last years; in the first of which
(1808) it rose nearly to the height at which it

has since continued. In the former of these cases the rise of gold was traced by Mr. THORNTON, to the scarcity of grain in this country, in consequence of deficient harvests; and it will accordingly be perceived that the variations in the price of wheat corresponded in that instance with it. Some other articles of provision were probably affected by the same cause.

The prices in the table, are the wholesale prices in the London market. It may probably be observed, that the depreciation of money, would be more satisfactorily shewn by a reference to the retail prices of the commodities which constitute the chief articles of daily and necessary consumption; and this would perhaps be true, if the question were concerning the depreciation of money, in the general sense of the term. But what we are endeavouring to discover, is, whether the price of gold is an indication of the peculiar depreciation of our present currency; it being contended, that if it is, there

must be found in the articles which are purchased, with the same currency, in the same market, in the same manner, and by the same class of persons, as Gold Bullion, variations of price corresponding with those of gold; provided there be no special counteracting causes to prevent it. In this view it appears that the wholesale prices of the principal articles of commerce are those which it is the fairest to select for the comparison.

But even if the comparison be made with the prices ultimately paid by the consumer for these and other articles of necessity or enjoyment, it will still be found equally unfavorable to the theory of the Bullionists. It must be well remembered, that before the price of gold had begun to fluctuate materially, during a long period, throughout which it had remained very steady, the "expences of living" had been gradually and rapidly increasing in this country; and that the high prices of all articles of consumption, were not less a constant theme of

complaint and discussion, previous to the year 1797, than they have been since. But this increase of expence, which may perhaps be owing to the gradual depreciation of money, which accompanies the growing prosperity of every nation, has been uniformly progressive. It has not been marked by those fluctuations, which we have witnessed in the price of Gold Bullion. It has not suddenly risen, and as suddenly descended, and then continued long stationary and then suddenly risen again. Every man knows well from his own experience that this has not been the case, and it is therefore evident, that it has not been owing to the special depreciation of our currency from excess; or, at least, that it does not depend upon the same cause, as the high price of Bullion.

An attempt to investigate the causes upon which it does depend, would much exceed the limits of this publication. But it may not be impertinent to point out a very remarkable circumstance which would throw an insurmountable

difficulty in the way of those who should attempt to refer it to an increase of paper currency.

At the very same time that the Board of Agriculture in England was carrying on an extensive correspondence in order to ascertain the increase which had occurred since 1792, in the prices of labour and of all agricultural productions, the Agricultural Society at Paris, was making a similar enquiry for the period which had elapsed since the year 1789; and it is very remarkable, that the result of these researches instituted without any communication between the two national establishments, should have been very nearly the same with respect to almost every article: the only striking exception being that of wheat, which was very easily accounted for.

The following is an extract, from the report of the French Society, which was made by their secretary, MR. SILVESTRE, in 1805.

“ In most of the departments, the price

" of labour is increased by one third at least,
 " and in some by one half: in a few, it is
 " doubled: and this rise is more general with
 " respect to day labour, than to yearly wages.
 " The society has ascertained, that all the in-
 " struments of cultivation are raised in price,
 " in a proportion nearly similar; that building
 " materials have risen about one third, beasts of
 " labour about one half, and all the articles
 " requisite for the maintenance of the family
 " of a farmer, in the same proportion. On the
 " other hand, the animal produce of the farm, is
 " worth about one half more in the market than
 " it was in 1789; and although wheat has not
 " risen much more than one sixth in price,
 " barley and all description of forage, are dearer
 " by about one third."

In confirmation of this report of the Agri-
 cultural Society, we have another public docu-
 ment of a more recent date. It is the speech of
 Mr. DARU, " Intendant de l'Empereur," in

January 1810, when he proposed to the Legis-
 lative Body to annex certain national domains
 to the Imperial Crown. Adverting, on that
 occasion, to the circumstance that the Civil List
 which had been enjoyed by Louis XVI (amount-
 ing to twenty-five millions) was already conferred
 on Napoleon, he observed; " the revenue which
 " was appointed for the support of the crown in
 " 1791, was, no doubt, very considerable;
 " but if attention is paid to the difference
 " between the *real value* of money at that time
 " and at present, it will not be thought an ex-
 " travagant assertion, that the same income
 " does not represent now, more than two thirds
 " of what it was worth then."

Here, then, we behold a rise in the prices of
 commodities in France, nearly such as it is
 generally estimated in England. In France there
 is no paper currency, no restricted bank, and no
 symptom, whatever, of an excessive, and there-
 fore depreciated, circulating medium.

We find, then, upon a close examination of this part of the argument of the committee, 1st. That the prices of other commodities have not varied according to the price of gold. 2dly. That the general and gradual rise in the prices of almost all articles of ordinary consumption, appears to be quite independent of any excess of paper currency, since it has taken place where no paper currency has existed.

Having thus disposed of this formidable argument, the opponents of the Committee proceed to shew in what manner those effects have been, and still are, produced, which the Bullionists can trace to no other cause than an excess of Bank Notes. The reasons which they assign for these phenomena, are so well known and have been so much expatiated upon, that it is needless to repeat them. The forcible interruption of European commerce, which has rendered gold the chief, if not the only instrument, by which many articles of import can be procured; the large speculations which that very

circumstance has created in those articles; and the constant drain of money for the supply of our extensive expenditure abroad (which, whether the specie be purchased here in the Market, or by Bills on the spot, affects the present question in the same manner); these are among the most prominent of those reasons which appear fully sufficient to explain that state of things described by the *Edinburgh Review*, in which, without having added a single pound to our circulating medium, it is easy to conceive how the price of Bullion may be raised, and the exchange depressed against us, as long as the same circumstances may continue to affect them.

Are we then to embrace the opinion of the Committee, and to believe that the depreciation of our currency from excess, is proved?—Surely all the grounds of probability are on the other side of the question. On the one hand we have a doubtful inference, from effects only, of a cause which has no other evidence to support it; while on the other hand those same effects are

fully and satisfactorily accounted for by a reference to causes of which the existence is too notorious to require proof. Those who still lean to the side of this problematical inference, may at least derive a useful lesson from the prudent reserve of the Reviewer in 1802, who observed that "a sufficient answer to the question would be assigned, if the excess of the market price of gold above its mint price shall be found to continue, notwithstanding the permanent restoration of the balance of trade to its accustomed preponderancy in our favour." (*Edinburgh Review*, No. I, p. 200.) It is impossible not to applaud the prudence of this reference to the test of experience in a matter involved in so much difficulty; and impossible not to allow that it would be at least as prudent now as it was in 1802; especially since the question in 1802 was ultimately decided against those who maintained, or suspected, at that time, a depreciation of our currency from excess.

IV.

The supposed coincidence of the rise in the prices of gold and of all other articles, upon which the Bullion Committee have relied so much, is not the only instance in which they have hastily, and as it has since been proved, incorrectly assumed, what appeared to be necessary for their conclusions. There are other points, on which they have taken for granted what has not only been strongly denied, but positively refuted by their practical opponents; among which, one of the most important is their estimate of the balance of payments.

If all the members of the Committee had been united in the belief, that the high price of gold is alone a proof and a measure of the excess of the currency, it would, no doubt, have been deemed unnecessary to enquire for any

other possible causes of the object of their inquiry. The price of gold being ascertained, the existence of a depreciated currency must, according to that belief, have been ascertained likewise. But there appears to have been some among the Committee who thought, as Mr. THORNTON did in 1802, that the inference of a too great issue of paper, from the rise of the market price of gold, was "one which should always be very cautiously made; it being to be borne in mind, that the excess may arise from other causes:" it was, therefore, judged proper to inquire as to the existence of such other causes; and the first step for this purpose was, naturally, an attempt to ascertain the balance of payments between this country and the Continent.

That this inquiry was not more cautiously, or at least more successfully conducted, is a matter of much regret. The Committee would not have insisted upon the opinion contained in their Report, except upon a partial and erroneous view of this part of the subject.

Here the practical men are decidedly triumphant. Mr. BOSANQUET first pointed out a mistake in the estimate of the Committee, to the extent of no less than £7,000,000; and shewed, besides, that there were omissions in it to a still greater amount. Other facts and corrected calculations have been since brought to light, and the probability is now clearly established, that from the commencement of the Spanish revolution, our expences for imports, freight, and military service abroad, have considerably exceeded the returns (in the account with the continent of Europe) for the sale of our exports: that the violent measures put in force by our enemy, for the destruction of all commerce, have prevented us from extending our exports, in proportion to our increased expences;* and that, besides these causes, which

* It is a great mistake, however, to suppose that the exports of a nation must always keep pace with its expences abroad,

must at once, and in the same manner, have affected the price of Gold and the Exchanges,

abroad, or that its expences abroad cannot be carried beyond the limits of its exports. There is, certainly, a natural tendency in a foreign expenditure to create a corresponding exportation of goods, and a natural difficulty in supporting a foreign expenditure beyond them: but these natural tendencies and difficulties, which are very useful landmarks in general reasoning, may become very fallacious guides, if indiscriminately relied upon in all particular cases.—

Although it is by no means an ordinary case, it is certainly a possible one, that a nation may expend abroad much more than it can immediately repay by the export of Bullion, or of any other commodities. It may, on the credit of its Government, raise money in other countries, to a larger amount, by Bills of Exchange, than the purchasers of those Bills can immediately procure returns for. If the foreign markets are glutted with the produce of the borrowing nation, and Bullion is very scarce and dear in its market (as in such a state of things it would probably be), the foreign purchaser of its bills must expect considerable delay and inconvenience, in bringing back his funds to his own country: still, however, he might advance the money at a corresponding rate of exchange.

This

Bullion has been raised in our market by another special cause, viz. the tendency of those violent measures of the enemy, to render it the principal, and in some cases, the only instrument, by which our merchants could procure from the Continent, the most important and expensive of those articles of import, the demand for which, in this country, was such as to afford them a prospect of considerable gain, even after deducting the new and increased expence of the Bullion employed to obtain them.—Under such circumstances, it is sufficiently obvious, that in a market scantily supplied with an article so greatly in demand,

This is, probably, the case, with respect to our drafts from abroad at this time:—we are borrowing money to carry on our foreign expenditure, at a high rate of interest. It is, however, an advantage, in some degree compensating this extraordinary expence, that the debt, so created, must, ultimately, be discharged in British produce or merchandize; and it is, therefore, so much foreign capital invested in British industry.

the price of it should necessarily be raised by competition; and this state of things,—the peculiar demand for specie for our political purposes abroad, and for our commercial speculations at home,—appears to the practical men most satisfactorily to account for the effects now in question, and upon which, unfortunately, such discordant opinions have been promulgated. It is almost needless to add, that the same causes have continued to operate in the same degree, or rather more strongly, in 1810, than in the two years which were under the consideration of the Committee. The imports from the Continent, particularly of corn, hemp, and wood, have been greater than in the former years, and the exports have not been increased in the same proportion; while, on the other hand, our foreign expenditure, most happily not only for the glory of the nation, but for its eventual safety and independence, has been considerably extended.

The Committee, then, reasoned upon a wrong

foundation, when they presumed, that the state of our relations and commerce with other countries, did not afford any means of accounting for the price of gold and the depression of the exchanges, and that it was necessary to search elsewhere for the cause of those phenomena. This error is much to be lamented.

It is, perhaps, only on the ground of this misconception, that the case of Ireland, in 1804, could have been referred to, as it has been, for an example, to confirm their opinion respecting the present state of the currency of this country. Except when seen through the medium of this radical mistake, the two cases, in every point essential to the argument, are entirely dissimilar. The comparison stands briefly thus:—The Committee on the Exchanges of Ireland, in 1804, were of opinion, that Irish Bank notes were depreciated, principally for these two prevailing reasons;—1st. Because Bank notes were at a discount in exchange for commodities, as compared with guineas;—and

2dly, Because the exchange was nominally against Ireland, while the balance of payments, according to the best information that could be collected, was really considerably in its favor. Here, then, was a clear chain of reasoning, leading to the belief of a depreciated currency. The latter circumstance shewed, that the state of the exchange could not be explained by a reference to its ordinary causes, and therefore created a strong presumption of some alteration in the currency; and when the former circumstance was contemplated, that presumption ripened into proof. And is this, then, the case which we are told is so similar to our own? Have we the same ground of presumption, and the same kind of direct evidence in our own case, now under discussion? Surely it is impossible, notwithstanding all the respect which should be entertained for a Committee of the House of Commons, not to say that such a reference, and such a comparison, was hasty and inconsiderate, and, upon every ground of fair reasoning, un-

justifiable in the highest degree. In Ireland, coin and Bank notes did not circulate at par; in England they do.—In Ireland, the balance of payments did not appear to justify the state of the exchange; in England it does.—The first of these points was entirely overlooked by the Committee; the second was very superficially, and as it has since been shewn, very erroneously, considered. These omissions and mistakes can alone account for their contemplating the two cases as being parallel.

But however strong the ground might be, upon which it was believed, that the paper currency of Ireland was depreciated in 1804, the question, whether it was depreciated *by excess*, is still one of considerable doubt and difficulty. Subsequent events have certainly not been of a nature to add to the strength of that belief: on the contrary, there is no way of making those events consistent with it, except by assuming the very fact now in dispute, *viz.* that our own currency is depreciated; and that is

the mode pursued by the Committee. But a much more probable opinion seems to be that, which refers the depreciation of the paper in Ireland, to the then internal state of that country; which certainly afforded sufficient reasons for making guineas generally a more desirable object of possession than Bank notes; and, perhaps, for inducing a considerable proportion of the exporters of goods, to suspend the return of the proceeds by money or bills to Ireland, in consequence of which, the balance of payments might not be so immediately favorable to Ireland; as the comparison of the exports and imports would lead the Committee to suppose.

But whatever may have been the case of Ireland, there is no question of any other kind of depreciation at present in this country, except that which may be produced by excess. The Committee have not only carefully avoided stating any thing to countenance a suspicion of any other depreciation, but have studiously protested

against being understood to insinuate it. They have distinctly and most properly affirmed, and so has Mr. HUSKISSON, that the diminished value which they suppose in our currency, proceeds from superfluity alone, and not in the slightest degree from any want of confidence; and it is truly satisfactory that their opinions have gone forth so fenced and guarded against any misinterpretation upon this point, which, if once adopted by the Public, might have led to the most serious and extensive injury.

But, notwithstanding the pains taken by the Committee, and Mr. HUSKISSON, to secure themselves against this misconstruction, they have not been entirely successful. A writer in the *Quarterly Review*, who has undertaken to give a general statement of Mr. HUSKISSON'S arguments and opinions, in a criticism (no unfavourable one) of his work, has fallen into the very unaccountable, and very dangerous error of supposing it to be maintained by Mr. HUSKISSON, that Bank notes are "impaired in the

general estimation," and that they no longer represent value. The whole passage in which these most unjustifiable allusions are contained (unjustifiable as they regard the truth, and unjustifiable as they regard Mr. HUSKISSON), is as follows:— "He (Mr. CHAMBERS) has omitted to shew, that a promise, of which the performance is indefinitely delayed, is in no degree impaired in general estimation, that an instrument which purports to convey the possession of a certain portion of the precious metals, is not, by ceasing to convey such possession, at all deteriorated, and that, when it no longer represents value, it becomes intrinsically valueless, and, therefore, the fair standard of value."— These are, indeed, the words of the Reviewer; but, as the Reviewer has professed to give, not his own opinions, but those of his Author, it would be supposed by any person not having read Mr. HUSKISSON'S Work, that he (Mr. HUSKISSON) actually believed Bank notes to be "deteriorated," and that they "no longer represented value," because they were not

immediately exchangeable at the Bank for coin. These are certainly not Mr. HUSKISSON'S opinions; they are opinions which can be maintained by no man practically or theoretically acquainted with the real nature of Bank paper; and it is to be hoped that they have not been adopted from this unintentionally dangerous writer, by any of the numerous readers of the respectable publication in which the article appeared.

Having noticed the precedent attempted to be drawn from the case of Ireland in 1804, it may be proper to pay attention to another example, much insisted and relied upon by the Bullion Committee and their advocates — the state of the coin, and the means by which it was remedied, in King WILLIAM'S reign. The mistaken ground upon which the case of Ireland was introduced into the Report, has been very briefly pointed out. The examination of the other precedent will require a longer detail, the result of which will, however, satisfactorily shew that it has been assumed upon grounds equally slight and inconclusive.

The condition of the currency of this kingdom, and of the Bank paper, previous to the reformation of the coinage in the year 1695-6, together with the state of the exchanges and the price of gold at the same period, have appeared to the Committee to furnish "a very instructive illustration of all their principles and reasonings;" and the ablest of the subsequent writers on the same side of the question, declares that "the present state of our currency is in its principle and in its consequences precisely the same" * as it was in that case: and he reasons from it accordingly.

The grounds, however, upon which the Committee apprehend that the details of these long past events must afford "much instruction on the subject of the present enquiry," appear to be quite distinct from those upon which Mr.

* Mr. Huskisson, page 106.

HUSKISSON draws from them so pointed an inference in corroboration of his belief that our currency is at present depreciated.

The Committee discover the resemblance principally in the conduct of the Bank at the respective periods. Relying upon the two Pamphlets from which they profess to have derived their information, they perceive that the issues of Bank paper in 1696 were excessive; that these excessive issues were occasioned by the depreciation which is a consequence of excess; that this depreciation of the Bank paper, in conjunction with the then deteriorated state of the coin, produced a high price of gold, and a depression of the exchanges, similar to what we now witness; and that the cure was effected by a diminution of the quantity of Bank notes, at the same time that the coin was reformed. This statement of their opinion will be found to be accurately taken from their Report, p. 17, 18.

Mr. HUSKISSON, evidently looking with more care at the different points of comparison,

appears to have conceived the analogy, without any reference to the Bank issues, to stand thus: The effects which we now witness, and which are the subjects of our present enquiry, are found to have existed in 1696. They were then traced, notwithstanding a variety of opposing opinions, to the state of the currency, which was notoriously bad. The recoinage took place; and the evils disappeared. The case is the same at present; the fault is in the state of our currency. Let us, therefore, reform that, and we shall see the price of gold and the exchanges speedily return, as they did on the former occasion to their natural levels.

It may perhaps fairly be inferred, from these different views of the same case, and from the very distinct modes in which it has been brought forward, to corroborate the proof of depreciation, that it is, in truth, of too vague a nature to be of much importance to the argument, or to deserve the stress which has been laid upon it in so grave a document as a Report from a

Committee of the House of Commons. But since it has been so formally stated on one side, it cannot be improper to examine it on the other. It is, besides, a case very prominent in the history of political economy in general, and on that account peculiarly interesting, although it may not assist the judgment very materially in the present discussion. The following observations upon it may therefore not appear superfluous; and if they are correct, it will appear that the precedent of 1696 can add nothing to the strength of the grounds upon which the recommendation of the Bullion Committee is built.

The observation which first occurs upon the view taken by the Committee is, that there appears to be a material error in assimilating the excessive issues of Bank paper in 1696, with the supposed excessive issues of Bank paper in 1810; that even upon "the principles and reasonings" of the Committee, it seems to be an oversight to consider an excess of Bank paper

at that period, and a superabundance of Bank notes at present, as things of the same nature, and capable of producing the same effects; and, in short, that there must be some confusion between the very distinct ideas of a corporation discredited by mis-management, and a national currency depreciated by excess.

Is it pretended that the excess of Bank paper in 1696 created an excess of the whole currency of the kingdom, and that this excess was one of the causes of the rise of guineas, and the fall of the Dutch exchange; and if this is not pretended, in what way can it illustrate the doctrine, or give probability to the opinions of the Committee, which have relation to this point only? That the paper of the Bank in 1696, when it formed not only not the chief, but not the 10th part (perhaps not the 20th) of the circulation of the country; when it was scarcely yet used as money in commerce; that, at that time, the excess of that paper could produce the consequences which are now pre-

tended to be traced to an excess of currency, is a proposition quite inconsistent with all historical truth or probability. The *excess of Bank issues in 1696* is a term which can have no reference whatever to the quantity of the whole circulating medium at that time, but only to the funds and credit of the Bank itself. It certainly was not because the amount of the Bank notes then in circulation were greater than the transactions of the community required, that their value was reduced; but for the much more simple and obvious reason, that the Bank was unable to pay them. They fell, in consequence of this non-payment, to a discount. The Bank had exhausted itself of money to assist the KING, who was then driven to great straits for the payment of his armies abroad; and having otherwise imprudently disposed of their funds, the demands upon them were greater than their means to answer them. But their case, under those circumstances, and the effect of their

distress, are in no degree analogous to the present subject of consideration; for the depreciation of their paper cannot have contributed to produce the state of the foreign exchanges at that time, except in as far as the public credit of the nation may be supposed to have been affected by the failure of an Institution so nearly connected with the Government; and of which its exertions in behalf of the Government were very generally known to be the cause. This, then, was a very simple case of discredit; between which and our present situation, it is, fortunately, not pretended that there is any similarity.

The instruction, therefore, to be derived from this precedent is, at the most, a lesson of prudence to those, who may superintend the management of a Bank; from which they will learn, that when their trade exceeds their means, they will fall into discredit. Bank notes in 1696, were at a very large discount, because they were not paid; and it is a curious fact,

which does not appear to be generally known, that the Bank not only did not pay their bills themselves, but that they applied to the Treasury to prevent their being taken in the receipt of the Public Revenue, because, said they, if our notes are received at the Exchequer, the monies due to us there upon the tallies in our hands will be stopped to answer them!*

That the Bank paper was not depreciated on account of a positive excess of quantity, but merely on account of its excess as compared with the funds and credit of the Bank, is further proved by the subsequent measures of that period; of which the Committee appear to have received a very erroneous impression from the pamphlets to which they refer in their report. They say, that the credit of the Bank paper was restored by the diminution of its quantity. But the fact

This remonstrance was made by the Bank to the Officers of the Customs, and through them to the Treasury, as it appears in the books of that office for the year 1696.

was not so. It was restored by a new modelling of the establishment, which, while on the one hand it effected the discharge of a part of the paper outstanding by means of a further subscription, provided on the other, for a new and extended circulation of Bank notes; care being taken to ensure the punctual payment of them in future, not only by making such payment obligatory upon the issuers, but by a guarantee on the part of Government that they should be discharged out of the first monies in the Exchequer, upon default of payment at the Bank. (Journals, Ho. Co. vol. XI. p. 688.) And thus, so far from its being true, that a diminution of the Bank paper was one of the means by which, in 1697, the Exchanges and the price of gold were restored to their natural levels, it is a certain fact, that when that restoration took place, the issue of Bank notes was considerably extended.

So far, then, as the excess of Bank notes is concerned, the precedent of 1696 is quite

foreign to the question now under examination. We must, therefore, pass on to the other more general view in which a parallel between the two cases is attempted to be established. It is impossible, however to do so, without noticing one very singular feature in the argument of the Committee. The whole object of their labors being to prove the expediency of removing the restrictions upon cash payments at the Bank, as the only effectual preservative from an excess of currency with all its evil consequences, they "illustrate the principles and reasonings" upon which this doctrine is founded, by referring to an instance, in which, as they themselves say, this excess and these evil consequences were actually produced by over issues of the Bank when no such restrictions existed.

VI.

When the Committee adverted with so much emphasis to the precedent of 1696, as "furnishing much instruction on the subject of their present enquiry," the comparison which they presented was erroneous, not only for the reasons which have been pointed out, but even more so on account of the omission of a very material circumstance attending the events which they referred to—they forgot to mention that the expences of a most burthensome foreign war, and the difficulties of an interrupted commerce were operating upon the exchanges and the price of bullion, during the time that the Bank issues were so excessive; and that, when the exchanges were restored to their level, these difficulties and this expenditure had ceased by the conclusion of peace. This omission is equally striking in the other modes of drawing the parallel, which is now to be examined. Mr.

HUSKISSON notices no other circumstances as the causes either of the depression or the rise of the exchange, at that period, than the depreciation and reformation of the coin.

It appears, however, that the practical men might have referred with at least as much fairness to the same precedent, for a confirmation of their opinions, if they had stated it thus: Nothing could more clearly prove, they might say, the effect of a great foreign expenditure, coupled with an interrupted commerce, in producing an unfavourable exchange and a high price of gold, than the occurrences which preceded the treaty of Ryswick. The great war, so wisely, so nobly, and so ably conducted by William against France, occasioned immense burdens at home, and created the necessity of vast remittances to our armies abroad. The interruption of our commerce diminished the means of making those remittances; the exchanges with Holland, and all other parts where our armies and navies were, became exceedingly unfavourable; and

continued to fall in proportion as the demand for money or bills continued to press upon them; till at length the resources of the King at home and abroad seemed to be fairly exhausted. Fortunately those of the enemy were in a still worse condition; and a cotemporary historian informs us that, in 1696 (the year of the recoinage, and when the exchange was extraordinarily depressed), "the summer passed over without any action. The common scarcity of money kept both armies quiet.—And it passed for a happy campaign, because the French were not able to take any advantage of those ill accidents that our want of specie brought us under?" (Burnet, anno 1696.) In the winter which followed this campaign, thus inactive from mutual exhaustion, a treaty of peace was set on foot, which was finally concluded in the summer. Our foreign expenditure, which slackened in 1696, ceased entirely in 1697; our commerce revived; and the exchanges at the same period returned gradually to their level. The king's remittances

were made in September 1696, at 9 guilders; in January 1697, at 9, 5; in April at 9, 10; in July at 10, 8; and in September at 11, 3.

Nay, the Bullionist would exclaim, but you have made a most important omission; you have forgotten the reformation of the coin. And you too, say the practical men, you have made a most important omission: you have forgotten the war and the peace. We are contending concerning the cause of the present state of the exchanges; and, for a confirmation of your opinion that the depreciation of our currency is the only cause of it, you refer to a case in which you say that the same evils were cured by the sole amendment of the currency. On the other hand, we, in the first place, deny that, even if fairly stated, your precedent would be conclusive. We have always admitted that a depreciated currency would, if it existed, produce the effects in question; but we maintain that other causes may likewise produce them; and that where divers causes are capable of producing an effect,

it ought not to be ascribed exclusively to any one of them, except upon the strongest evidence of facts which the case will admit of. We therefore say, that even if the state of the coin in William's time had been, as you stated, the only apparent cause of the depression and recovery of the exchanges, it would still not follow that in the present instance we ought implicitly to ascribe their depression to a similar cause, when we behold other causes, as capable of producing it, of which the existence is at this time not less palpable and notorious than the bad state of the money was in 1696. But, secondly, we assert that your statement is inaccurate; and that the period which you have quoted furnishes an example more corroborative of our principles and reasonings than of yours. We find a large foreign expenditure and an unfavourable trade, then producing effects similar to those which we now witness: and we find those effects only ceasing with the termination of these circumstances. And although we are ready to admit that the bad

condition of the coin must have contributed to produce these effects, yet we cannot allow that because at that time the effects were produced by a mixture of causes of which both were *evident*, it is fair to infer that there must be at present likewise a similar mixture of causes, when one of them is *not* evident. We deny, alike, the historical accuracy of your parallel, and the logical connection of your inference.

That the practical men have good authority for their view of the history of the period referred to, will be seen from the following Extracts from LOWNDES'S Report, published towards the end of the year 1695, on the subject of the Recoinage.

"This nation is and hath been for some time past engaged in a necessary war, which hath not only caused a great expence of our wealth in foreign parts of Europe, but hath interrupted the navigation which used to supply us from the East and West Indies, and from other parts of Asia, Africa, and America,

“ with much greater quantities of goods than
 “ served our own consumption, and conse-
 “ quently afforded us a large overplus, which,
 “ together with our own native product or ma-
 “ nufacture, were exported to our neighbour
 “ nations, in barter or exchange for the goods
 “ we received from them: so that, reckoning
 “ on the one side, the value of the naval stores,
 “ linens, silks, saltpetre, and many other enu-
 “ merated commodities, which we received from
 “ our neighbours, and adding thereunto our
 “ foreign expence for the war; and on the other
 “ side, the value of so much of our native
 “ manufactures or produce, and the small
 “ overplus of goods brought from the East and
 “ West Indies, &c. as we have lately exported,
 “ or can export into our neighbour nations of
 “ Europe, there would appear a great difference
 “ or excess between the one side and the other
 “ of such account or reckoning; which differ-
 “ ence or excess is, or may be called, the balance
 “ of trade. That it cannot be conceived how

“ this balance, difference, or excess, hath been,
 “ or can be, answered by us in any thing other
 “ than our coin or bullion; that to answer this
 “ balance of trade, there hath been already
 “ exported a great part of our coins and bul-
 “ lion, namely clippings, which, I think, must
 “ have been equal in value to at least a fourth
 “ part of our whole species of silver monies,
 “ the molten silver of a good part of our heavy
 “ coins themselves, our whole stock of foreign
 “ silver (for I am told there is little or none of
 “ that to be bought in England at this time),
 “ and the molten silver of a great deal of our
 “ English plate, and vessels which people have
 “ been obliged to part with at a good price;
 “ and by this means silver, in coin or in mass,
 “ is actually grown very scarce in England.
 “ This advanced price of the silver has been
 “ growing for some time, and is originally caused
 “ by the balance, excess, or difference above-
 “ mentioned, which naturally and rationally
 “ produces such an effect; and there is no

“ reason to expect that silver will decline in
“ its price or value here, till it be made more
“ plentiful *by turning the balance of trade to*
“ *our advantage*, which seems to be a work
“ that can be accomplished with success in
“ time of peace, or by such a protection of
“ our trade, as will render our exportations as
“ large as they used to be in times of peace.”—

Lowndes, p. 74.

Further on, he says:—

“ The exchange to the Low Countries is sunk
“ so very low, that the public loses about four
“ shillings in the pound upon all the monies
“ remitted thither; which loss amounts to a
“ great deal in the charge of the army. And
“ the exchange to *Hamburgh and the East*
“ *Countries for all Naval Stores*, and other
“ goods, is lower, and to all places in the Me-
“ diterranean, *where our fleet is at present*,
“ the exchange is yet more to our prejudice.”—

Page 112.

And again:—

“ The above mentioned balance of trade
“ is (as before observed) the original cause of
“ the scarcity of silver in England, and of the
“ loss by the foreign exchange, or remittances;
“ and therefore he that can propose any proper
“ expedients, either to lessen that balance, or
“ convert it to our advantage, ought to be well
“ heard.”—*Page 90.*

LOCKE, who controverted LOWNDES'S pro-
posal for reforming the currency, does not differ
from him in these parts of his Report; on the
contrary, he seems rather to reproach him for
not sufficiently considering that the rate of the
exchange and the high price of Bullion were
owing to other causes than the state of the coin.
In his “*Considerations*,” &c. he says, page 130,
“ But the passing this Bill will not hinder
“ the exportation of one ounce either of bullion
“ or money; which must go, if you contract
“ debts beyond sea.” And in his “*Further*
“ *Considerations*,” page 149, “ The reason of
“ high exchange is the buying much commo-

“ dities in any foreign country, beyond the value
 “ of what that country takes of ours. This
 “ makes Englishmen have need of great sums
 “ there, and this raises the exchange, or price
 “ of bills.”

The existence of a great foreign expenditure at that time, and of the great difficulty of providing for it, is described by every historian. The King strained every nerve to maintain his great struggle with France, and he exhausted not only his revenue, but his credit in the effort. The Bank, who were devoted to his wishes—the wishes, indeed, of the nation at large—made exertions much beyond their strength to assist him. They lent him all they had, and borrowed for him all they could: he was unable to keep his engagements with them, and they with their creditors. They for some time raised loans in Holland, which were put a stop to by the King's Manager there (SCHUYLENBURG), who was as active in drawing from thence, as the Treasury were assiduous in their endeavours to remit

to him. At length the bills of the Bank were protested; they complained to the King; and we find the GOVERNOR, in a conference with GODOLPHIN, stating that, “ their credit was so “ fairly damned ” in Holland, that they could give the King no further assistance.

The effect of this want of money and of credit, upon the state of the exchange, must be obvious; and this state of distress appears to have reached its acme at the period of the inactive campaign, described by Burnet in the foregoing extract. Things returned to their ordinary level at the peace.

That the amendment of the coin, and still more the vigorous and enlightened measures adopted at the same time by Parliament, to re-establish the public finances, contributed to this restoration, is beyond all doubt. But although it must be evident that the mere return of peace, without these ameliorations, would not have been sufficient to produce it, it is equally obvious that these measures

would have been insufficient for that purpose, without an alteration in the rate of our foreign expenditure, or the state of our commerce.

One important observation connected with the subject of the present inquiries, presents itself on a retrospect of these events. The foundation of our system of paper credit seems to have been laid at this time.—The want of money occasioned a recourse to a national circulating paper.

“ There was not current coin enough to
 “ answer the occasions of trade, and scarcely
 “ the conveniences and necessities of life. But
 “ the Parliament made money without bullion,
 “ and distributed a great quantity of coin with-
 “ out the help of the Mint (these were Exche-
 “ quer Bills for small sums). By this, Parli-
 “ ment laid a good foundation for paper money
 “ to supply the place of our coin: for so many
 “ payments were at this time to be made into
 “ the Exchequer, that when the people had
 “ assurance given them that the Exchequer notes

“ should be received back again in payment of
 “ the taxes, they were well satisfied to take
 “ them.”— *Tindal, vol. 2. p. 336.*

And the advantages experienced, not long after, from the system of which the foundation was thus laid, are described by a contemporary historian, in a passage strikingly apposite to our present condition:—

“ Our armies, as well as our allies, were
 “ every where punctually paid: the credit of
 “ the nation was never raised so high in any
 “ age, nor so sacredly maintained: the Treasury
 “ was as exact and as regular in all its payments
 “ as any private banker could be. It is true,
 “ a great deal of money went out of the king-
 “ dom in specie: that which maintained the
 “ war in Spain was to be sent thither in that
 “ manner, the way by bills of exchange not
 “ being yet opened: our trade with Spain and
 “ the West Indies which formerly brought us
 “ great returns of money, was now stopped:
 “ by this means there grew to be a sensible

“ want of money over the nation : this was in
 “ a great measure supplied by the currency of
 “ Exchequer Bills and Bank Notes ; and this
 “ lay so obvious to the disaffected party, that
 “ they were often attempting to blast, or at
 “ least to disparage this paper credit : but it was
 “ still kept up.” —*Burnet, vol. 3, page 139, anno*
 1704.

VII.

If the foregoing is a correct view of the arguments by which it is maintained on the one hand, and denied on the other, that there are unequivocal symptoms of a present excess and consequent depreciation of our currency, it must be manifest that the Bullionists have much over-rated the solidity of the grounds upon which their opinion is professedly established.

Those persons among them who have attempted to demonstrate that the high price of bullion is, by itself, a perfect proof of an excess of Bank notes, are completely answered ;—1st. by the very clear statement which has been quoted from the *Edinburgh Review*, in which it is shewn upon grounds of indisputable reasoning, that it is possible for the exchanges to be permanently depressed, and the price of bullion permanently raised in this country, without the addition of a single pound to the amount of our

currency; 2dly, by the positive evidence of the facts referred to in the second part of these observations; and, 3dly, by the admission, in the Report of the Bullion Committee, that the exchanges and the price of bullion may be affected by other causes, and particularly that the very effects which are now the subjects of inquiry, were actually produced in the first instance, by "commercial events arising out of the occupation of the North of Germany by the French 'EMPEROR.'" (Report, page 16.) If then, the *Edinburgh Review* is right, if our facts are true, and if the Bullion Committee are, in the above quoted opinion correct, it cannot possibly be true that the high price of bullion is an "unequivocal symptom" of a depreciated currency; and still less that it is a demonstrable "proof and a measure" of the excess of Bank paper. It is even unnecessary to trace the fallacy of the pretended demonstration.

The second and more numerous class of the Bullionists are those whose belief in "deprecia-

tion" rests upon the probability arising out of those supposed coincidences and similarities, in which so much error and confusion has been discovered by a subsequent and more careful examination. They believe that Bank notes are excessive, because "the price of gold has risen, and the prices of all other commodities appear to have risen only *in common* with them." (Report, page 5.) But this is found to be untrue; the price of gold has *not* risen *in common* with that of other commodities.—They believe that our currency is depreciated because we have an unfavourable exchange, while the balance of payments does not appear to justify it. But this is found to be an error: for, when more carefully examined, the balance of payments *does* appear to justify a very unfavourable exchange, under a state of commerce violently interrupted.—They refer to the case of Ireland in 1804, and to the period of the recoinage in 1696, as precedents strongly confirmatory of their principles and reasonings; but those very precedents, when

they are more carefully studied and more accurately stated, are found to have a directly contrary tendency, and to be much more illustrative of the opinions of their opponents than of their own.

And here the Practical Men might with great fairness decline to go any further in the discussion. You have instituted, they might say to the Bullionists, an inquiry into certain facts which appeared to you to indicate the existence of a serious evil; you have convinced yourselves that the evil does exist; and upon that conviction you have recommended a remedy to the Legislature. But we have shewn clearly that you have been much misled in your estimation of the grounds upon which your conviction has been built. We have made it evident, that there is no "proof," as some of you thought there was, of an excessive currency; and it is now palpable to every unbiassed judgment that the *probabilities* upon which others of you depended, are reduced to very inconsiderable weight, when

all the errors which had crept into your statement of the case, are thrown out of it. As your proposal, therefore, was founded upon the belief of an evil, of which the existence, as it now appears, is not only not proved, but not even probable, there can be no necessity for any further reasons for rejecting it. You must, yourselves, admit, that except for the purpose of removing a dangerous disease, you would not, at such a time as this, have proposed a remedy which, in any view which even you can take of it, must be attended with inconvenience and difficulty to the public, and considerable loss to the Bank; and which, to others, appears fraught with so much danger, that nothing but the necessity of averting a still greater, could be a justification for hazarding it. If, then, the disease does not exist, or if your reasons for believing in its existence are not maintainable, you are sufficiently answered; and you cannot expect the Legislature to adopt your recommendation in the dark, and without a conviction of its necessity.

But the Practical Men are disposed to deal more liberally with the subject; they are willing to discuss it upon the broadest grounds with the Bullionists, and are prepared to shew, that, upon the genuine principles of political economy, and the soundest maxims of general policy, the modification of our currency, which has been effected by the Bank Restriction Act, has been highly advantageous to our interests at home and abroad; and that its discontinuance at the present time (and probably at any time during the war) would be extremely prejudicial to both. They maintain, that under the circumstances of the present contest—in the relation which now subsists between this country and the rest of Europe—it is highly expedient, that the Bank should not be permitted to resume its payments in specie.

This leads to the second question stated in the outset of these observations. But before it is attempted to state and examine it, the reader must be cautioned to dismiss the first question (that of actual depreciation) entirely from his mind.

The question now before us is, whether the state of our currency, supposing no evidence of its depreciation to exist, is such as to require the remedy proposed by the Committee?

It is obvious, that there are two points of view in which this question presents itself; the one is a simple balance of the advantages and disadvantages arising out of the Bank Restriction Act, in the present condition of the country, without reference to the special difficulties which may be in the way of an immediate, or even a gradual change; the other includes the contemplation of those difficulties. It might happen, that even if in the former view, the balance of disadvantage should preponderate, there might be so much danger or inconvenience in the remedy, as to make it more advisable to bear with the malady, than to attempt the cure of it. It is presumed, however, by the Practical Men, that this is not the case: and that a perseverance in the Bank Restriction Act will be judged proper, upon a fair view of the first part only of the question.

VIII.

In stating the belief of the Practical Men, that considerable advantage has been derived to this country under the peculiar circumstances of the war, from the Bank Restriction Act, it is necessary to protest in their behalf against a misunderstanding, or misrepresentation, of their opinions, which has too frequently appeared in the writings of their opponents. They are charged with the absurdity of maintaining the unqualified pre-eminence of Bank paper over gold, as a national currency, and of upholding the expediency of making it permanently non-convertible into cash. Some of the Bullion critics even go to the length of imputing to them the folly of claiming for Bank notes an "indefeasible superiority" over coin.

Whether these imputations are the effects of mistake, or of artifice, on the part of the Bullionists; whether they really believe that

the most reasonable of those who reject their doctrines, have no better arguments than the extravagant propositions which they have selected for censure or for ridicule, it is not necessary here to inquire: but it will not be difficult to shew that the Practical Men are at least perfectly consistent, when, on the one hand, they agree entirely with those who believe that a metallic currency (or paper immediately resolvable into it) is the best and safest national system of money, and that the idea of a permanent restriction of Bank payments is an absurdity not to be thought of; while, on the other hand, they maintain that the suspension of those payments during the war (with the prospect of their renewal at a peace) has been productive of great benefit, and has been one of the principal causes of that uniform progress in industry and commerce which we have experienced at home, notwithstanding the existence of so many circumstances abroad which were of a nature to impede and repress them. And although they

strenuously insist upon the propriety of resuming the payment of specie at the Bank whenever Peace shall arrive, they are equally strenuous in maintaining, that it ought not to be resumed till then ; not so much on account of the difficulty (great and obvious as it is) attending a change of system under the present circumstances, as on account of the positive advantages belonging to the restriction as a war system ; advantages which render its continuance while the war continues, a measure of sound and rational policy.

These opinions are widely different, indeed, from those of the Bullionists, who seem to think that they have the merit of much forbearance when they allow the plea of expediency to justify the original restriction of cash payments ; but who certainly cannot consistently admit that its subsequent continuance can in any way have been advantageous. That it has really been so, may, however, be shewn by a reference to the most approved maxims of political economy ; such as have received the sanction of the highest

names, and (what is much more important) which are most consistent with all reason and experience.

The benefit which is ascribed by the Practical Men to the temporary restriction of cash payments (beyond that of rescuing the Bank from the dangers which gave rise to it), has been that of protecting the internal trade and industry of this kingdom from the effects which an expensive war was calculated to have upon them ; effects which must, in all human probability, have been produced, if we had possessed no other currency than what was convertible into the currencies of other countries, while the demands of a large foreign expediture were to be supplied out of it.

The natural consequences of such a state of things, are well known from history and experience, and sufficiently obvious to reason. Expensive wars in former times have never failed ultimately to produce a scarcity of money ; and a scarcity of money has invariably had the

effect of checking trade, and throwing industry out of employment. The Bullionists seem not to be aware of this natural and fatal consequence of a diminution of the circulating medium; at least it forms no part of their system. They think that an unfavourable balance of payments, by diminishing, in the first instance, the currency of a country, increases the value of what remains; that this increased value of money occasions a fall in the prices of commodities; that the cheapness of commodities is an inducement to export them; and that the consequence of an augmented exportation is to restore the balance of payments, and bring all things back to their proper level.

But this is an imperfect, though a plausible, theory. When the balance of commercial payments only is concerned, even then it is not generally true, that the depressions which occasionally occur are only relieved by alterations of the value of the currency, and consequent variations in the prices of commodities. It is undoubtedly

restored by exportation; but the first stimulus to the exporters is the cheapness of their own currency (or bills upon their own country) abroad; the importations from other countries are checked by the same circumstances; and thus the cause of the unfavourable balance ceases when the remedy begins. The expenses of a foreign war are of a nature entirely different; they do not accommodate themselves to the state of the exchange; and although they have, on the one hand, a natural tendency to produce exportation, they have on the other hand (under ordinary circumstances) a tendency to impede it, by checking trade altogether. The mode in which this is effected, is explained by HUME, in his "Essay on Money," so clearly, that it would be presumptuous to attempt to put it in other words:

"From the whole of this reasoning, we may conclude that it is a matter of no consequence with regard to the domestic happiness of a state whether money be in a greater or

“ less quantity. The good policy of the Ma-
 “ gistrate consists only in keeping it, if possible,
 “ still *increasing*; because by that means he
 “ keeps alive a spirit of industry in the nation,
 “ and increases the stock of labour in which
 “ consists all real power and riches. A nation
 “ whose money decreases is actually at that time
 “ weaker and more miserable than another nation
 “ which possesses no more money, but is on the
 “ increasing hand. This will be easily accounted
 “ for if we consider that the alterations in the
 “ quantity of money, either on one side or on
 “ the other, are not *immediately attended with*
 “ *proportionable alterations in the prices of com-*
 “ *modities*. There is always an interval before
 “ matters be adjusted to their new situation,
 “ and this interval is as pernicious to industry
 “ when gold and silver are *diminishing*, as it is
 “ advantageous when they are *increasing*. The
 “ workman has not the same employment from
 “ the manufacturer and merchant, though he
 “ pays the same price for every thing in the

“ market. The farmer cannot dispose of his
 “ corn and cattle, though he must pay the same
 “ rent to his landlord.—The poverty and beg-
 “ gary, and sloth which must ensue, are easily
 “ foreseen.”

Such, then, is the manner in which the
 diminution of the money of any country operates
 to its disadvantage; and if it be true that the
 war in which we have been now nearly twenty
 years engaged, has been the most expensive we
 have ever waged; if it be true that it has drawn
 from us unprecedented sums for subsidies to
 other Powers, as well as for the payment of our
 own Armies and Establishments abroad; it must
 likewise be true, that if such an expenditure had
 been to be defrayed out of the only currency
 which served for our domestic trade, we must
 either have suffered the inconveniences described
 by HUME, or have desisted from our exertions.
 It is in vain to say that our exports could, in
 that case, have afforded us resources for defray-
 ing these expences to the same extent, as they

have actually done; since the very means of providing those exports, that is, of employing the labour necessary to prepare them, would have been impaired. To what length we might have continued the contest, and with what degree of distress and difficulty, it is impossible now to conjecture; but it is equally impossible to believe, that we could have flourished as we have done, under such a burdensome war, or that we could have been as prosperous at home and as powerful abroad as we are at this moment, if the "instrument of commerce," our circulating medium, had been in a decreasing state; and it is difficult to imagine how it could, under the circumstance of such a large foreign expenditure, have been otherwise, if that part of it which was exportable, had not been replaced by another which is not so. The Bank Restriction Act has been the means of maintaining in these kingdoms an abundant, uniform, and effective money, at a time when, without such an expedient, we must have suffered all the natural and necessary evils of a fluctuating and diminished currency.

IX.

It must not, however, be supposed, that there is an intention of attributing to those who proposed the Bank Restriction as the means of obviating a momentary danger, any distinct foresight of the advantages which have since resulted from it, beyond its expediency for that purpose. It would hardly be expected of the Minister who had recourse to it (although perhaps the most enlightened political economist of his time), that he should at once be able to estimate all the bearings of an experiment so new, so extraordinary, and so critical; an experiment, the success of which depended so much upon public opinion. — If indeed we could find any ground for suspecting that he had contemplated all the consequences of this measure, and that in the midst of the difficulties of the year 1797, when the pressure of the war was more severely felt than it has been in any of the fourteen subsequent

years, he had foreseen the possibility of obviating by this system the recurrence of a similar pressure, we should pay a still higher tribute of admiration to his genius and sagacity than we do now. The greater probability, however, is, that the advantages of an insulated currency, under the circumstances of an expensive war, were only gradually perceived after its adoption; they are not even now universally appreciated; and there is still a numerous class of persons unconscious of one of the chief causes which has enabled this country in opposition to all former experience, to thrive in every branch of national wealth, under every circumstance which should naturally have counteracted it.

If these persons will look back to the histories of any former expensive wars, they will behold the pernicious effects of those wars upon the domestic economy of the country speedily manifesting themselves in a languishing commerce, stagnant manufactures, and great complaints of a scarcity of money. The extract

before given from LOWNDES'S *Report*, shews this to have been the case in King WILLIAM'S wars. And in those of Queen ANNE, though the system of paper money prevented the same effects for some time, in the manner above described by BURNET; yet we find, that towards the end of that war, the same effects were sensibly felt, and the Bank fell again into discredit. This was imputed in those times (when the *fury* rather than the *spirit* of party was carried to the greatest excess) to the temporary ascendancy of the Tories, instead of being ascribed to the real and natural cause. In a more recent instance, the American war, we find another example of the same course of things. Not long after the war had become general by the combination of the European Powers against us, the pressure of it began to be most severely felt at home, and it appears by the evidence before the Lords' Committee in 1797, that in the year 1783, the Bank was more reduced in cash than it was even in 1797. The price of gold likewise was then very

high. And if those who can recollect the last mentioned war and that which preceded it, will recal to mind the effects which they produced upon all undertakings requiring money to prosecute them, such as buildings, roads, canals, inclosures, &c. &c. they must remember that after a few years of war such undertakings were scarcely heard of; and if they will then turn and contemplate the active commerce, the productive industry, the expensive plans of improvement, and all the other symptoms of increased and increasing wealth, which have marked the very latest period of this, the most expensive war ever known, they must confess that a difference so extraordinary must be referred to some peculiar and extraordinary cause; and they will perhaps admit that there is a stronger evidence, than even the consistency of his reasoning, in support of HUME's explanation of the different effects of an increasing and decreasing currency.

Let it be remembered then, that this decreasing state is that which we have avoided by

means of our temporary paper system as it is now constituted; and that it is precisely the state to which in a very aggravated degree, the recommendation of the Bullion Committee must inevitably bring us if it should be adopted by the Legislature. We should then experience all the ills of a diminution of money throughout the community. The Bank must gradually diminish their issues, first by curtailing their advances on Government securities, and then by reducing their mercantile discounts; and if the war with its expenditure should continue till the period when they would be compelled to pay in specie, they must then be competitors with Government for Bullion.—They would be obliged to sacrifice large sums in order to bring it and keep it here, while the Government would be exerting itself in the same manner to purchase it abroad, or to carry it thither; and how much soever they might nominally raise the exchange by diminishing the currency, and thereby producing the evils which have been described, they

would never force gold into the country, except at a loss to themselves and to the nation, until the state of commerce or other circumstances should have turned the exchange really in our favour.

But in order to judge more easily of the different effects of a foreign drain upon a currency insulated from that of other countries, or resolveable into them, let us look again at the cases stated by the *Edinburgh Review*, and quoted page 6.

Let the reader re-peruse that extract, and then consider which of the two cases there supposed, would, upon the principles above explained, be the most favourable; whether that of the country whose currency was neither increased, nor diminished, nor altered in value, by an extraordinary and unnatural change abroad; or that of the nation in which such a change produced a diminution of the quantity, and an increase of the value, of its currency? The former represents the present state of this country; the latter, that in which we should have been without the

Bank Restriction. The Bullionists prefer the latter state; but the Practical Men agree with HUME, in considering it replete with evil; and they are well satisfied with a measure which preserves our currency in an uniform state, when extraordinary causes are tending to effect an extraordinary change in it. The Bullionists seem to think, that nothing can be wrong, while the value of the currency is kept up to the value of bullion; the Practical Men conceive, that the market price of bullion, and its mint price, might be kept upon a level, while the trade of the country was suffering all the inconvenience of a scarcity of money.

Against these advantages, which the Practical Men discover in the temporary insulation of the Currency, the principal objections of the Bullionists are 1st.—The danger of an excessive issue of Bank paper under such a system;—and, 2dly.—The incompetency of a circulating paper to perform the functions of a standard, or common measure of value.

To the first objection, it is answered by the Practical Men, that the nature of Bank Paper is such as to afford no probability (some of them even doubt the *possibility*, except through gross and wanton mismanagement on the part of the Directors) of a greater issue of it, than is profitable to the community at large. They say, that, as the Notes of the Bank of England are not *given* to the holders, but only sold or lent, at the highest rate which can legally be paid for the use of money; that as the Bank can have no interest in disposing of them except they receive an equivalent, and as those who take them can have no inducement to do so except they be worth more than that equivalent; that as these notes, like all other articles, must become cheap, if the supply should be more than equal to the demand, and therefore, if more of them were drawn from the Bank, than could be usefully employed, they would be procurable in the general market at a lower rate than the Bank could consent to sell them for; for all these reasons they contend,

that the community will not draw out of the Bank, and retain in circulation, a greater quantity of Bank Notes than can be productively and profitably employed. Whatever is profitably employed, they think cannot be *too much*: whatever increases the wealth of a nation, by giving employment to industry, they think cannot be burdensome to it; and they are firmly of opinion, that it is infinitely more advantageous for a people to labour and produce, to traffic and exchange, than under the suspension of all industry and commerce, in the midst of the beggary and sloth described by HUME, to enjoy the satisfaction of seeing the mint price and the market price of gold upon a level.

They profess to be very imperfectly acquainted with that science of political economy to the "first principles" of which they are so frequently and so tauntingly referred by the Bullionists; but if it be a part of that science to maintain that the Currency of a Country is *ex-*

cessive, because it has not been *diminished* when extraordinary circumstances may have diminished that of other countries; and because, as in the second case supposed by the *Edinburgh Review*, it has not followed the changes which it would have done in the first of those cases; then, indeed, they beg leave to differ entirely from the Bullionists even upon the truth and legitimacy of their science and their principles; they maintain that the second of those cases is in every respect more favourable to the prosperity of a nation (particularly of an industrious and commercial nation) than the first; and while they admit that the Bank Restriction has certainly been the means of keeping up a much larger efficient currency than could, under the circumstances of the war, have been retained in the country without it, they decidedly deny the validity of that theory which pretends that it would have been advantageous to the State, that its circulating money should have been dimi-

nished in proportion to every change which may have been produced by any extraordinary circumstances in the price of bullion.

the price of bullion is not to be diminished in proportion to every change which may have been produced by any extraordinary circumstances in the price of bullion. the price of bullion is not to be diminished in proportion to every change which may have been produced by any extraordinary circumstances in the price of bullion. the price of bullion is not to be diminished in proportion to every change which may have been produced by any extraordinary circumstances in the price of bullion.

X.

The next objection of the Bullionists to this temporary system, is that which regards the functions of money as a standard or common measure, of value. They say that paper not convertible at pleasure into gold, is not capable of performing these functions; that gold and silver alone possess the qualities requisite for a common measure; that in this country gold is in the sole possession of that office; that Bank paper must therefore be measured by gold, not gold by Bank paper; and that gold being thus established as the fixed point, the difference, whatever it may be, which arises between it and paper, must indicate a variation of the paper, the thing measured, not of gold, the measure itself. The *Quarterly Review* closes the argument against the Practical Men, by asserting, that "they must either insist that Bank notes are employed in our currency as

"the real standard of value, or admit that they are depreciated."

This necessity is flatly denied on the other side; the Practical Men say that the Bullionists have assumed what is not true, when they have asserted that gold is the common measure of value in this country: for that it is not gold bullion, but gold money, the coin of the realm only, which is the measure of value. In support of this opinion they refer to the latest authority on the subject, and they find that Lord Liverpool expressly says—"the money or coin of a country, is the standard measure by which the value of all things bought and sold is regulated."—(Page 8). And, "The coins of every kingdom or state, are the measure of property and commerce within every such kingdom or state, according to the *nominal value declared and authorized by the Sovereign.*" (Page 16.)

They moreover ask the Bullionists whether 5 *dwt.* 9 *grs.* of uncoined gold would be a legal

tender for a debt of 21s., any more than a yard of fine cloth, or any other commodity of an equivalent value? If not, they say uncoined gold cannot be the measure of value; there being neither practically, or legally, any fixed measure of value beyond that instrument of commerce, whatever it is, which passes from hand to hand in exchange for commodities, and to which the values of all other things are therefore naturally referred; and if that measure is to be found in coined gold only, then the propositions of the *Quarterly Review*, "that it is necessary to insist that Bank notes are employed as the standard of value, or to admit that they are depreciated," falls at once to the ground; Bank notes are equivalent, in all pecuniary transactions, with that which is the practical measure of value; and there is no necessity for erecting them into a *standard*, in order to avoid the admission of their *depreciation*.

With respect to a "standard of value," the term seems to be variously understood; and the

enquiry concerning it has more of metaphysical difficulty in it, than of practical utility. In the sense in which some of the Bullionists have referred to it, there certainly is no such thing as a "standard of value." There is no one article of which the value is so fixed and immutable that every change of the relations between it, and all other articles, must of necessity be a change in the other articles and not in it.

That gold is the article which approaches the nearest to this, and that it is therefore the most proper subject for the instrument of commerce, (that is, the *money* which is the common measure of commodities) is not to be disputed.

There is no article which in general and for any length of time, is so little liable to fluctuation in its value as the precious metals; and for this reason, they have long been established, by the common consent of civilized nations, as the principal measures of value among them. It is a natural consequence of these qualities and this use of Gold and Sil-

ver, that, in all alterations of prices, the change should *primd facia* be supposed to be in any thing but in them. But it by no means follows that gold does therefore abstractedly possess an indefeasible right of exclusive fixedness, or that circumstances may not arise under which gold might be more liable to variations of value than any other article. And if such circumstances should occur, if the evidence of their existence should be palpable and irresistible, it would surely be too much to contend that in such a case the variations of value, *must* be in all other articles, merely because we had been accustomed to consider gold as a "Standard" The Bullionists, however, are so wedded to this "standard of value" that they maintain (as we shall see by again referring to the passage of the *Edinburgh Review* so often alluded to) that if gold *has really* varied in value, and other articles have *not* varied in the same proportion, then that the *alteration* is in the other articles which have *not varied*, and

not in the gold which *has varied*; because, say they, gold is the standard! so that if a foot rule were capable of varying as gold is, and had actually become longer, then the things which had been before equal in length to the foot rule, and were afterwards not so long, would, according to the Bullionists, be positively shorter than they had been before. Whether this is true or not, it is at least so new, that the Bullionists should be a little indulgent to those who do not believe it.

But what does LOCKE, whose authority is so much referred to by the Bullionists, say, upon this subject of the standard of value? Certainly nothing to countenance their doctrine. Let us hear his words:

" MONEY, whilst the same quantity of it
 " is passing up and down the kingdom in trade,
 " is really a standing measure of the falling and
 " rising value of other things in reference to one
 " another: and the alteration of prices is truly in
 " them only. But if you increase or lessen
 " the quantity of money *current in traffic* in

" any place, then the alteration of value is in
 " the money; and if at the same time wheat
 " keeps its proportion of vent to quantity, money
 " to speak truly, alters its worth, and wheat
 " does not, though it sell for a greater or less
 " price than it did before; for money being
 " looked upon as the standard measure of other
 " commodities, men consider and speak of it
 " still as if it were a standing measure, though
 " when it has varied its quantity it is plain it is
 " not," and,

" In any country that hath commerce with
 " the rest of the world, it is almost impossible
 " now to be without the use of silver coin: and
 " having money of that, and accounts kept in
 " such money, it is *impossible to have any stand-*
 " *ing unalterable measure of the value of things.*"
 (LOCKE'S works, vol. 5, p. 44 and 48.)

LOCKE therefore thought that a metallic cur-
 rency, though it might be a common measure,
 was not a "standard" of value: and upon his
 principles it would be still less conceivable, that

either of the metals, not in the state of money,
 but as a commodity, could constitute such a stan-
 dard. According to him it was principally on
 account of its transferability for the purposes of
 foreign traffic that metallic money was unfit to be
 a standard: the Bullionists think that it is that
 very circumstance which makes it the truest and
 the best.

Let us turn once more to the two cases
 described by the *Edinburgh Review*. In the
 first it is supposed, that in a nation in which
 the currency should consist of the precious me-
 tals, or paper convertible into them, that cur-
 rency would be diminished *in quantity and rai-*
sed in value, by an increased demand for Bullion
 abroad. In the second case, that of a country
 possessing a currency not convertible into gold
 or silver, the same demand would occasion a
 rise in the price of gold, and a fall of the ex-
 change, without the amount of the currency
 being increased or diminished by a single pound.
 Now the Bullionists are required to say,

in which of these two cases it would be the *gold* (their standard), and in which it would be the *currency*, that had varied. The practical men contend that in the latter case the currency would remain just as valuable in exchange for commodities as it had been before the variation of the gold; and therefore that it would be, *under such peculiar circumstances*, a steadier measure of value than gold; and that it would not only be a better measure of value, but a much more useful instrument of commerce, than the varying currency supposed in the first case; which, according to the principle explained by Hume, and decidedly adhered to by the practical men, would be in the most pernicious state for industry and commerce, in which the currency of a country could be placed. But this the Bullionists do not allow: their doctrine is, that if the currency is not raised in value when gold rises, it is depreciated: if it is not diminished when gold decreases, it is excessive: if the standard moves, the *change* is in that which does not follow it!

Such then are the advantages and disadvantages, of the present system. The practical men look back with pride and exultation to the history of the last fourteen years: they contemplate with the highest satisfaction the singular and awful contrast which they present. On the Continent they behold this period signalized by the most extraordinary, and the most calamitous events; by a series of sanguinary revolutions in which this country must have borne a part, if it had not possessed the wisdom, the courage and the resources to oppose that desolating power which has overthrown the governments, and trampled upon the subjects of the fairest portions of Europe; and which is now, with tyranny not surpassed by any example in the darkest and most barbarous ages of the world, strikingly proving how justly Rousseau drew the character of Despotism, when he said, "*that instead of governing mankind to make them happy, it makes them wretched in order to govern them.*"

Turning with pain from this view of the state of the continent, they dwell with delight upon the very different picture which the condition of their own country presents. Here they behold a nation, which during these same fourteen years (years of almost uninterrupted war) has been making a progress in every branch of national wealth and strength, rapid beyond all example in any similar period in the annals of this or of any other kingdom of the world. In this increase of wealth they see the most indisputable symptoms of that productive industry, which is only fostered by an active trade, and without which no kingdom can improve in riches and in strength. To every circumstance which can have promoted that industry and activity, they look with gratitude; and with dread to every experiment which may have a tendency, at such a juncture as the present, to remove any of the causes which may have contributed to them. They cannot believe that, where trade has flourished so greatly, the currency which is the

necessary instrument of that trade, can have been in a diseased state. And they deprecate any interference to alter, upon speculative and theoretical motives, that which has been found practically and essentially useful.

The Bullionists are obliged to admit the greater part of this. They cannot deny that we are wealthy; they cannot deny that, as a nation, we are happy. If any among them were sceptical upon this point, a perusal of Mr. Walsh's admirable book (for if they were sceptical they could not have perused it) would remove their doubts. But the Bullionists apprehend, that the money system under which all these advantages have grown, is radically vicious. In reply to every display of our prosperity, they say, but where is the security that your Currency is not excessive? where is your "*standard of value?*"

If there were any reason to apprehend, that the Legislature would be moved by the arguments contained in the Bullion Report, to adopt the

measure therein recommended, the impending discussion of this question would be a subject of the most fearful anxiety. But the result of that discussion is too confidently anticipated by the Practical Men, to leave any such anxiety upon their minds. They rely upon the wisdom of the Legislature for a decision, which will remove all apprehension of an ill-timed and an ill-digested attempt, to reform that which is now, for the interest of the public, just as it ought to be. They fully trust, that as the Bullionists have entirely failed in their attempt to *demonstrate* the depreciation of Bank paper; that as their endeavours to maintain it upon grounds of probability, are overpowered by a much superior weight of opposing evidence; that as upon the soundest principles of political economy, an abundant currency is as beneficial to industry and commerce, as the contrary is detrimental to them; that as the renewal of the Bank payments in specie, could not at this time take place, without occasioning a sudden and considerable diminution

of the currency with all the evil of such a diminution, not only upon the trade of the country, but upon the political exertions of the government;—for all these reasons, they confidently hope that the Legislature will make no alteration in the Restriction Act, which now limits the suspension of cash payments to the duration of the War; and that we may continue under the provisions of that Act, to be protected from the unfavourable impression which must otherwise be made by our expenditure and the state of affairs abroad, upon the activity of our commerce, and the developement of our industry, at home.

THE END.

LONDON:

Printed by Cox, Son, and Baylis, 75, Great Queen Street,
Lincoln's-Inn-Fields.

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		MAY 1947		
		1947	1946	1945
1947	1000	1000	1000	1000
1946	1000	1000	1000	1000
1945	1000	1000	1000	1000
1944	1000	1000	1000	1000
1943	1000	1000	1000	1000
1942	1000	1000	1000	1000
1941	1000	1000	1000	1000
1940	1000	1000	1000	1000
1939	1000	1000	1000	1000
1938	1000	1000	1000	1000
1937	1000	1000	1000	1000
1936	1000	1000	1000	1000
1935	1000	1000	1000	1000
1934	1000	1000	1000	1000
1933	1000	1000	1000	1000
1932	1000	1000	1000	1000
1931	1000	1000	1000	1000
1930	1000	1000	1000	1000
1929	1000	1000	1000	1000
1928	1000	1000	1000	1000
1927	1000	1000	1000	1000
1926	1000	1000	1000	1000
1925	1000	1000	1000	1000
1924	1000	1000	1000	1000
1923	1000	1000	1000	1000
1922	1000	1000	1000	1000
1921	1000	1000	1000	1000
1920	1000	1000	1000	1000
1919	1000	1000	1000	1000
1918	1000	1000	1000	1000
1917	1000	1000	1000	1000
1916	1000	1000	1000	1000
1915	1000	1000	1000	1000
1914	1000	1000	1000	1000
1913	1000	1000	1000	1000
1912	1000	1000	1000	1000
1911	1000	1000	1000	1000
1910	1000	1000	1000	1000
1909	1000	1000	1000	1000
1908	1000	1000	1000	1000
1907	1000	1000	1000	1000
1906	1000	1000	1000	1000
1905	1000	1000	1000	1000
1904	1000	1000	1000	1000
1903	1000	1000	1000	1000
1902	1000	1000	1000	1000
1901	1000	1000	1000	1000
1900	1000	1000	1000	1000

STATEMENT OF THE PRICES CURRENT IN LONDON

OF THE

FOLLOWING GOODS,

Imported and Exported, at corresponding Periods of each of the last Twelve Years.

Years.	Ashes. Per Cwt. s. d.	Barilla. Per Cwt. s. d.	Brandy. Per Gallon. s. d.	Cinna- mon. Per lb. s. d.	Cloves. Per lb. s. d.	Cochi- neal. Per lb. s. d.	Coffee.		Copper. British. Per Ton. £.	Corn. (Wheat.) British. Per Quarter. s. d.	Cotton E. India. Per lb. s. d.	Wool. W. India. Per lb. s. d.
							British Plantation. Per Cwt. s. d.	Foreign Plantation. Per Cwt. s. d.				
1799	57 11	35 9	4 4	4 10	3 9	21 5	140 6	0 0	140	67 6	1 6	3 4
1800	48 2	22 3	5 6	4 8	3 6	22 11	123 2	0 0	149	113 7	1 2	2 5
1801	44 2	24 9	8 4	4 8	3 8	24 4	113 2	0 0	149	118 3	1 5	2 2
1802	33 9	14 11	7 9	4 9	3 10	16 10	88 1	0 0	144	67 5	0 9	1 7
1803	42 2	21 10	5 6	4 5	3 7	23 5	134 6	0 0	149	56 6	0 9	1 6
1804	42 10	17 5	4 2	4 5	3 1	22 9	140 3	0 0	168	60 1	0 11	1 7
1805	58 0	20 2	4 0	5 3	3 1	27 4	153 0	0 0	210	87 10	1 4	1 7
1806	64 9	20 0	3 0	4 6	3 5	25 4	126 4	0 0	191	79 0	1 1	1 8
1807	63 10	32 3	3 1	6 4	3 5	23 4	113 0	0 0	154	73 3	0 11	1 5
1808	76 3	33 0	4 6	6 10	5 2	25 10	92 0	96 0	135	79 0	1 1	2 3
1809	57 4	39 8	4 10	7 1	4 6	31 3	106 10	99 6	158	95 7	1 2	1 6
1810	48 7	43 8	6 2	8 4	5 5	34 6	Spring 105r..... Fall..... 64r.....	100r 3 58r 3	158	106 2	0 11	1 5

Years.	Currants. Per Cwt. s. d.	Flax. (Rough.) Per Ton. £. s.	Hemp. (Rough.) Per Ton. £. s.	Hides.		Indigo.		Iron Bar.		Lead. (British.) Per Ton. £. s.	Linseed. Per Quarter. £. s.	Logwood. Per Ton. £. s.	Nan- keens. Per Piece. s. d.	
				B. Ayres. Per lb. d.	W. India. Per lb. d.	E. India. Per lb. s. d.	Spanish. Per lb. s. d.	British. Per Ton. £. s.	Russian. Per Ton. £. s.					Swedish. Per Ton. £. s.
1799	38 11	61 10	59 0	8 1/2	4 1/2	4 6	10 1	18 5	17 15	21 2	21 10	45 2	19 18	7 11
1800	35 9	70 0	61 0	8 1/2	4	6 4	8 8	18 10	18 2	21 7	23 4	49 8	19 8	7 11
1801	47 2	68 0	54 0	8 1/2	4	7 8	9 2	20 0	20 10	20 17	25 0	50 11	16 8	6 8
1802	43 1	66 0	43 0	8	5	7 9	8 7	18 0	18 2	18 10	32 10	63 9	12 19	6 0
1803	57 4	75 0	55 0	8 1/2	7 1/2	7 5	9 6	19 10	18 2	19 10	31 19	62 0	21 4	6 8
1804	55 4	82 0	66 10	7 1/2	6 1/2	9 2	9 9	17 0	16 13	19 17	31 19	56 6	17 6	9 9
1805	49 4	74 0	59 0	7 1/2	6	11 2	11 1	17 10	16 11	19 13	41 14	66 2	18 8	7 4
1806	40 1	66 0	63 0	6 1/2	6 1/2	6 9	12 1	18 10	17 12	19 5	37 5	65 3	13 8	5 0
1807	47 7	68 0	68 0	6 1/2	7	7 3	10 5	15 10	16 3	17 15	30 14	63 3	12 2	3 4
1808	61 1	82 0	90 0	6 1/2	4 1/2	5 3	9 2	15 10	16 8	17 15	36 15	95 9	13 17	7 2
1809	45 8	130 0	116 0	7	4 1/2	4 8	7 9	15 10	16 6	17 7	34 8	83 1	14 10	6 6
1810	37 8	88 0	78 0	9	6 1/2	7 7	9 11	15 10	16 6	17 7	34 16	62 7	22 7	5 3

Years.	Nutmegs.	Oil. Ordinary Olive.	Pepper.	Raisins.	Rum.	Saltpetre.	Silk. Bengal
			Train (British Fishery)				

1806	64	9	20	0	3	3	7	1	4	6	31	3	106	10	99	6	210	87	10	1	4	1	7	
1807	63	10	32	3	3	3	8	4	5	5	34	6	Spring 105	64	100	3	191	79	0	1	1	1	8	
1808	76	3	33	0	4	4							Fall				154	73	3	0	11	1	5	
1809	57	4	39	8	4	10											135	79	0	1	1	2	3	
1810	48	7	43	8	6	2											158	95	7	1	2	1	6	
																		158	106	2	0	11	1	5

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Years.	Currants.		Flax. (Rough.)		Hemp. (Rough.)		Hides. B. Ayres.		W. India.		Indigo. E. India.		Spanish.		British.		Iron Bar. Russian.		Swedish.		Lead. (British.)		Linseed.		Logwood.		Nan-keens.	
	Per Cwt.	s. d.	Per Ton.	£. s. d.	Per Ton.	£. s. d.	Per lb.	£. s. d.	Per lb.	£. s. d.	Per lb.	£. s. d.	Per lb.	£. s. d.	Per Ton.	£. s. d.	Per Ton.	£. s. d.	Per Ton.	£. s. d.	Per Ton.	£. s. d.	Per Quarter.	£. s. d.	Per Ton.	£. s. d.	Per Piece.	s. d.
1799	38	11	61	10	59	0	8	1/2	4	6	10	1	18	5	17	15	21	2	21	10	45	2	19	18	7	11		
1800	35	9	70	0	61	0	8	3/4	4	6	4	8	8	18	10	18	2	21	7	23	4	49	8	19	8	7	11	
1801	47	2	68	0	54	0	8	3/4	4	7	8	9	2	20	0	20	10	20	17	25	0	50	11	16	8	6	8	
1802	43	1	66	0	43	0	8	3/4	5	7	9	8	7	18	0	18	2	18	10	32	10	63	9	12	19	6	0	
1803	57	4	75	0	55	0	8	3/4	7	5	9	6	19	10	18	2	19	10	31	19	62	0	21	4	6	8		
1804	55	4	82	0	66	10	7	3/4	6	1/2	9	2	9	9	17	0	16	13	19	17	31	19	56	6	17	6	9	9
1805	49	4	74	0	59	0	7	3/4	6	1/2	11	2	11	1	17	10	16	11	19	13	41	14	66	2	18	8	7	4
1806	40	1	66	0	63	0	6	3/4	6	1/2	6	9	12	1	18	10	17	12	19	5	37	5	65	3	13	8	5	0
1807	47	7	68	0	68	0	7	3/4	6	1/2	7	3	10	5	15	10	16	3	17	15	30	14	63	3	12	2	3	4
1808	61	1	82	0	90	0	6	3/4	4	8	5	3	9	2	15	10	16	8	17	15	36	15	95	9	13	17	7	2
1809	45	8	130	0	116	0	7	3/4	4	8	4	8	7	9	15	10	16	6	17	7	34	8	83	1	14	10	6	6
1810	37	8	88	0	78	0	9	3/4	7	7	9	11	15	10	16	6	17	7	34	16	62	7	22	7	5	3		

Years.	Nutmegs. Per lb. s. d.	Oil. Ordinary Olive. Per Tun. £. s. d.		Train (British Fishery.) Per Tun. £. s. d.		Pepper. Per lb. s. d.	Raisins. Per Cwt. s. d.	Rum. Per Gallon. s. d.	Saltpetre. Per Cwt. s. d.	Silk. Bengal (raw.) Per lb. s. d.				
		1799	15	0	66						10	28	0	1
1800	12	7	59	15	36	9	1	3	3	6	66	2	17	5
1801	12	8	58	15	40	0	1	3	4	9	58	2	18	0
1802	12	7	49	8	29	0	0	11	3	4	43	4	22	9
1803	8	11	57	7	35	0	0	10	3	1	49	4	19	9
1804	9	4	55	19	32	0	0	9	2	5	59	7	17	8
1805	18	10	68	5	30	0	0	9	2	8	70	9	18	2
1806	26	8	65	18	30	5	0	7 1/2	2	5	61	11	15	10
1807	19	8	63	8	24	10	0	9	2	6	54	0	14	7
1808	17	7	67	18	31	10	1	0	3	4	69	8	28	1
1809	16	4	62	17	41	10	1	0	4	0	79	0	29	10
1810	15	7	56	17	42	3	0	11	3	10	76	3	33	2

Years.	Sugar, raw. Per Cwt. s. d.		Tallow. Per Cwt. s. d.	Tar. Per Barrel. s. d.	Tea. Per lb. s. d.	Tin. (British.) Per Ton. £. s. d.	Tobacco. Per lb. s. d.	Turpentine. Per Cwt. s. d.	Wine. (Port.) Per Tun. £. s. d.	Wood. Deals. Per 120. £. s. d.		Fir Timber. Per Load. £. s. d.	Wool. (Spanish.) Per lb. s. d.			
	1799	63								4	56			0	32	8
1800	68	8	58	6	23	8	3	1 1/2	100	0	13	4	6	9	5	0
1801	50	1	50	0	20	2	3	0	103	0	15	14	5	7	5	2
1802	36	2	60	0	19	5	3	2	109	0	10	11	4	13	4	11
1803	43	1	65	0	21	9	2	11	109	0	17	12	5	10	5	5
1804	53	1	68	0	24	2	3	0	109	0	11	15	3	15	5	11
1805	51	0	66	0	25	8	3	1	112	0	13	17	4	9	5	5
1806	43	11	66	0	22	8	3	3	120	0	15	6	6	13	5	4
1807	34	3	57	0	24	8	3	4	118	0	12	16	6	13	5	6
1808	37	7	88	6	38	5	3	3	114	0	24	6	11	14	6	0
1809	46	4	116	0	40	8	3	5	114	0	36	15	12	13	12	0
1810	49	4	72	0	35	8	3	6	143	10	25	5	11	19	6	7

Custom House,
London, 16th Feb. 1811.

WM. IRVING.

0359

Handwritten text on a page with a grid, possibly a ledger or data table. The text is extremely faint and illegible. The page is oriented vertically and contains several columns of data separated by vertical lines. There are also horizontal lines suggesting rows. The overall appearance is that of a scanned document with very low contrast.