

RESULT :

Notes—Mint,	9,500,000	Gold	10,000,000
Bankers	19,000,000	Returned to Bank-	
		ers	500,000
	<hr/>		<hr/>
	28,500,000	Reserve,	9,500,000
Sovereigns, 30,000,000			
Abstracted			
from the Mint 500,000			
	<hr/>		
	30,500,000		
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	59,000,000	Reduction, 1,000,000	

The effect is no more than a Reduction of Circulation equal to two-thirds the amount of Paper cancelled, or equal to the whole amount of Bankers' Paper cancelled, which is the class of Paper presumed to be in excess.

CASE THIRD.

Suppose the Public apply to the Mint for £1,500,000 of Gold for exportation, taking 500,000 of Mint Notes and 1,000,000 of Bankers' Notes, and suppose the Bankers, on being applied to, pay into the Mint 1,500,000 in Sovereigns :

RESULT :

Notes—Mint,	10,000,000	Reserve of Gold, . .	10,000,000
Bankers'	20,000,000		
	<hr/>		
	30,000,000		
Sovereigns	30,000,000		
Taken from the Circu-			
lation to replace in			
the Mint the sum			
exported	1,500,000		
	<hr/>		
	28,500,000		
	<hr/>		
	58,500,000	Reduction 1,500,000	
		Exported 1,500,000	

The effect being as if the Circulation had been Metallic. But suppose the Bankers could only raise 1,000,000 to meet their own Notes, and, consequently, not having redeemed the 500,000 of Mint Notes, the whole 1,500,000 must be cancelled :