

restricting it to a National or Government issue, never to exceed the amount of our taxation; and not to the issue of private individuals, or bankers, who have no right to exercise the Royal prerogative of making money at will, and who, if they issue promissory notes, ought to be made to perform them in sterling cash.

Each Colony should have its paper money, current alone therein, which should also be issued by the Government, redeemable in Treasury bills in England. The question would be the amount of notes to be issued in each Colony.

Treasury bills might also be issued for gold, or silver at the market value—in which case they should be again paid in metal. No one need apprehend, from a currency applicable solely among ourselves, depreciation; for the writer holds that the paper of a country never depreciates so long as a country is powerful, and has credit for honesty, and so long as the paper did not exceed the Home, or Colonial taxation.

Foreign trade would, of course, be carried on chiefly in the metals, and our circulating medium would not be materially affected by the Foreign Exchange. In fact, a vast deal of trade is carried on at present in metals—in Spanish money in particular—which is sometimes higher and sometimes lower. Such a system would facilitate the trade among ourselves beyond calculation, and also otherwise help the merchants, particularly those trading with China from the Eastern Colonies. It would also give a turn to British trade and our general interests, by reason of our Colonial establishments, which would be viewed with great jealousy by the Americans and other foreigners; but no matter for that—our sole object should be to do as others do, or attempt to do, viz., to take care of ourselves, and to cause that wonderful consideration for others which looks to foreign countries for objects of sympathy, while our labourers and working manufacturers starve.

As regards the Colonies, the writers' views will be better explained by an example:—

Suppose A, a merchant in England, consigns goods to B, in a colony; B, on taking the Colonial National notes to the Treasury, would receive a Treasury bill, which he would transmit to A, in discharge of A's claim upon him (B) for those goods. Thus, an active commercial intercourse would be carried on between England and her Colonies, and among themselves, without the intervention of a metallic currency.

But there is no reason why Treasury bills should not be paid in gold, or silver, provided gold or silver had been paid into the Treasury, either in England or in the Colony. The effect of this plan would be to place our circulating medium beyond the influence of continental nations and America, and leave our gold for our own use, and for that branch of foreign trade, which can alone be carried on through the medium of the precious metals.

It may be said, perhaps, that it would be impossible to have a currency entirely and exclusively of paper, without any gold or silver; but the adoption of the above plan would practically result in this—that gold would exist to the amount that it now exists, but would become more free for our foreign commercial transactions, and, in fact, capable of being treated as merchandise, like cotton, corn, &c. &c.

Notwithstanding the total failure of Sir Robert Peel's Monetary Act of 1844, which was only so framed as to become a supplementary measure to his Cash Resumption Act of 1840, which act was a ruinous act to tens of thousands, and by which Sir Robert Peel is supposed to have profited to the amount of thousands of pounds,—or, as he is said to have been told by his father, that he had doubled his own fortune and ruined his country, and to which act enormous mischief may be traced;—yet there are men, rejoicing in the name of Free Traders, or Philosophers, who say, though they do not object to the exultant shouts raised over the explosion of the act of 1844,* that those who would extend their eyes to the act of 1840, exhibit their own ignorance and folly. But, really, there is no fault to the confidence of these Free Traders, and one of their weapons is to charge all who differ from them with ignorance.

* The mischief created by this act increases from day to day. It possesses this radical vice in its constitution, that just as if our circulating medium increased as our population and wants increase, it from day to day decreases it, as has a of time, either by failure or otherwise, cease to issue notes; thus decreasing the general amount of the circulation, and taking away the circulating medium from a whole district.