

Remembrances of the ruin which had come from the great issues of smaller currency at an earlier day were still vivid. Yet the pressure toward a popular currency for universal use grew stronger and stronger. The finance committee of the Assembly reported that "the people demand a new circulating medium"; that "the circulation of paper money is the best of operations"; that "it is the most free because it reposes on the will of the people"; that "it will bind the interest of the citizens to the public good."

The report appealed to the patriotism of the French people with the following exhortation. "Let us show to Europe that we understand our own resources; let us immediately take the broad road to our liberation instead of dragging ourselves along the tortuous and obscure paths of fragmentary loans." It concluded by recommending an issue of paper money carefully guarded, to the full amount of four hundred million *livres*, and the argument was pursued until the objection to smaller notes faded from view. Typical in the debate on the whole subject, in its various phases, were the declarations of M. Matrineau. He was loud and long for paper money, his only fear being that the Committee had not authorized enough of it; he declared that business was stagnant, and that the sole cause was a want of more of the circulating medium; that paper money ought to be made a legal tender; that the Assembly should rise above prejudices which the failures of John Law's paper money had caused, several decades before. Like every supporter of irredeemable paper money then or since, he seemed to think that the laws of Nature had changed since previous disastrous issues. He said; "Paper money under a despotism is dangerous; it favors corruption; but in a nation constitutionally governed, which itself takes care in the emission of its notes, which determines their number and use, that danger no longer exists." He insisted that John Law's notes at first restored prosperity, but that the wretchedness and ruin they caused resulted from their over issue, and that such an overissue is possible only under a despotism.*

M. de la Rochefoucauld gave his opinion that "the assign-

* See *Moniteur*, sitting of April 10, 1790.