

alleged excess of Bank notes, and the consequent alleged depreciation of our currency, (neither of which assertions have any just foundation), that it will be still lower; but at any rate, if there were any good grounds for the doctrines of the Committee, regarding the effect of paper currency on the price of gold, how could it have fallen even $\frac{7}{8}$ per cent. in so short a period?

2. *Exchange with Ireland.*

Another favourite doctrine is, that any great fall in the rate of exchange, is owing to excess of currency: let us see how far such an idea is justified by fact.

In the year 1804, an alarm was created regarding the state of exchange between this country and Ireland, which it was contended, was altogether owing to the excess of paper issued by the Bank of Ireland;* and ingenious men amused themselves with speculations regarding the alarming state of Ireland, and the necessity of redressing its pecuniary grievances. The Directors of the Bank of Ireland took

* This doctrine was very ably maintained by Lord Lauderdale, in a pamphlet intitled "Thoughts on the Alarming State of the Circulation, and on the means of redressing the Pecuniary Grievances in Ireland." Printed Anno 1805.