the country; it is, surely, a good reason why means should be devised for providing some temporary substitute, to avoid this direct tax or cost of keeping the coin at home, when it could be employed for a season abroad, so as to return with profit. The best means, as seen in Scotland, hitherto adopted for this end, are the erection of large well governed banking institutions, and the creation of a sound paper money, expressly to supply the occasional absence of the coin, as well as at all times to encrease thevolume of the currency, adequately with the power of the public to employ such addition profitably.

It is allowed, by the best modern writers on paper credit, that the Bank Paper System enables a large portion of the money, required for the business of the couutry, to be fabricated of the least valuable materials, or of paper instead of gold or silver. That besides being cheaper, a paper currency is incomparably more commodious than a metallic one; and that the destruction or loss of a bank note, though no doubt a personal calamity, yet cannot be a public injury, since the loss to the holder, is an equivalent gain to the issuer—whereas the loss of coin is a positive abstraction of so much from the national wealth. Now these are great and certain advantages, incident to a judicious use of paper money; but surely a country cannot be said to appreciate or possess them, when coin (to save the expense of which, in local circulation, the bank note system was invented) is made a *compulsory* medium for transacting business; for it must be admitted, that to whatever extent a fictitious value is given to it in domestic use, in so far is it a compulsory medium. The country, under such circumstances, would be compelled to employ at home a larger amount of the more expensive medium, than there would be occasion to do, or else lock it up as too dear to exchange for other commodities abroad. Thus it may be seen that paper money, by adding to the quantity of the currency,