

Government exists, and the currency is limited to its proper quantity, its value must remain intact ; and even in a state of anarchy and revolution it would continue to circulate and no one would be injured. A steady, well-regulated currency would be the greatest possible boon to society, as it would produce a regularity and confidence in trade little dreamed of at present ; and that boon will become more imperative the longer it is withheld, if social order is to be maintained in large and populous communities.

There can be very little doubt in the minds of those acquainted with the subject, that a vast percentage of the misery and demoralization at present existing in all populous communities, has been caused by the ignorance of the true principles of money. The redundancy of any commodity, induces a state of things called cheapness, which reduces its exchangeable value in relation to other commodities. This is an inexorable law of trade, and money is no exception to the rule, whether it be of gold or paper ; but the cheapness of money is called high prices. If money is so redundant or cheap, as to be exported to pay balances in trade, no value has been received for it. It is a gratuitous offering or gift, to the countries to which it is exported ; although it will be of no benefit to them, as it will again be exported on the same terms ; until each country receives its equal share according to the proportionate quantity of its currency. If this view be correct, and it cannot be successfully controverted, the United States and other gold producing countries, so far as they have coined the gold and put into circulation, previously to exporting it to pay balances in trade, have been furnishing it to the world gratis for the last thirty years ; and England by importing bullion and exporting coins is doing the same thing. Towards the end of the last century, when, for some time, there had been a partial cessation in the production of the precious metals, the exports and imports of all nations balanced in money values ; except as a general feature of the case, the exports to a small extent, exceeded the value of the imports. This, however, was a natural state of things, as it is a notorious fact that there was at all times a considerable amount of smuggling going on, which made up the balance on the side of the imports. This condition of the exchanges remains much the same up to the present time, with all countries excepting Great Britain.

For the fifteen years just previous to the late German and French war, the exports of France on the average exceeded the imports some millions of francs ; and those of Russia for the ten years previous to the same period, exceeded the imports on the average one hundred and fifteen millions of roubles annually. And it is only since the passing of the Banking Act of 1844, and the production of gold in California and Australia, that the price of English imports have so far exceeded those of her exports. One thing, therefore, appears sufficiently certain, that all trade must be balanced by the exchange of commodities produced by an equal amount of labor, all appearances to the contrary notwithstanding.

Money, of whatever it may consist, so long as it is money, it is only a medium of exchange, a mere representative of value previously contributed