—facts show it to be so. Of all countries which have a mixed currency, France, from 1803, when the Bank of France was established, up to 1848, had the most uniform and safe—the smallest proportion of credit money. Its general average from 1809 to 1838, according to official statements, was as 20 dollars in specie to 24 in bills, or five-sixth of its currency was value money, making an average adulteration of only one-sixth.*

In France we find, during that period, fewest failures of any country which has a mixed currency. England has a far more fluctuating currency than France. Scotland has a currency still more vacillating than that of England, but as we have not been able to find any *statistics* from that country, we cannot state the proportion of its credit money. From the suddenness and violence of its contractions, however, we have the most conclusive evidence that the adulteration of Scotch currency is much greater than that of England. In the United States the currency is more insecure and unstable than in any other country in the world. Its elasticity is such that it expands and contracts many times its average length, as we have already shown by official statistics. We have seen it asserted, but do not now recollect on what authority, that the comparative bankruptcies among business men in the different countries named was as follows:—In France 15 out of every 100; England, 35; Scotland, 60; United States, 80.

Of the general correctness of these estimates there is little doubt. It has been demonstrated by the many examinations that have been made, that the bankruptcies in this country among merchants, manufacturers, and business men in general, who give and take credit to any great extent, are 80 out of every 100. And it is presumed that the observation of all acquainted with the commercial history of the different countries above named, will confirm the general correctness of this table of bankruptcies, and go far to prove, if any proof be wanting, that the failures and the dangers which attend business operations in any country are *ceteris paribus*, as the proportion of its credit money to its value money. We are well satisfied of the correctness of the principle.

When the process of contraction commences, the first class on whom it falls is the merchants of the large cities—they find it difficult to get money to pay their notes. The next class is the manufacturers—the sale of their goods at once falls off. The labourers and mechanics next feel the pressure—they are thrown out of employment; and lastly, the farmer finds a dull sale and low prices for his produce, and all, unsuspicious of the cause, have a vague idea that their difficulties are owing to "hard times." And not only does this system, by its great issues of credit money—disturbing the laws of trade, destroying all careful business calculations, and exciting, to the wildest pitch of frenzy, overtrading, one-sided over-production and speculation—cause all these extraordinary fluctuations of trade and credit; but the banks often head the long list of bankruptcies, and give the fatal blow to great commercial houses staggering in very drunkenness under the stimulus of expanded paper. The slightest suspicion of its ability will overturn any bank but the firmest and surest.

Periodical revulsions in trade of a frightful character have occurred in this country at short intervals ever since the introduction of the mixed currency

* Of the present currency of France we say nothing. It is quite different in its character.