

capital cause is the want of punctuality in paying the interest, and the delays and difficulties which the lenders experience when compelled to have recourse to law to enforce the payment.

If there be force in these observations, then the facts which have been assigned as proofs of an actual scarcity of coin, are not proofs, or prove only an artificial scarcity. We will now endeavour to establish more positively, that this scarcity is rather artificial than real: The price of labour is still high in this country, and produce, ever since the peace, has borne and now bears a liberal price: We do not hear that any part of this produce remains on hand for the want of a market; the whole crop of 1785, and such part of the crop of 1786 as could be brought to market, have been sold, and we presume the sellers have received in most instances the price, or equivalent, for the articles disposed of. Let us suppose that 12500 hogsheds of tobacco were sold for cash in this state the last year, and that they averaged £. 15 per hogshed, it would take £. 187500 to purchase that number of hogsheds. Supposing the wheat sold the same year to amount to 600000 bushels, and the price to be a dollar per bushel, the sum requisite to pay for that quantity of wheat is £. 225000. We admit that the same parts or incidental portions of these sums would be employed more than once in those purchases, and that therefore a considerable deduction must be made from the sum total; but it is to be noticed, that the circulation of money is not very rapid, and besides, we have taken no account in this estimate of one half of the tobacco made communibus annis in this state, and consigned to foreign markets by the makers of it, nor of the live stock and provisions brought to market within the year, nor of a variety of other saleable articles, the continued transfer of which, from hand to hand, must absorb and employ large sums of money.

An attentive consideration of this subject induces us to believe, the coin now in this state cannot fall short of £. 450000. Suppose us mistaken, and that it does not exceed one half that sum, would the emission of a depreciated paper money cure the evil, and effectually supply the want of coin? If coin is more advantageous to a country than paper money, even when good, (as it certainly is) we cannot by any means approve the policy of throwing a paper money into circulation as a medium of commerce, which will infallibly prevent the influx of coin. If the value of our exports should exceed the value of our imports, the balance, great or small, must be paid in coin. Country produce, should it be low, compared with the prices where they are consumed, will tempt foreigners and natives to import cash to buy up our produce, supposing the demand for it to continue the same, and that we would not accept foreign manufactures in payment.

A rapid circulation, the effect of a general confidence, a steady administration of justice, a well ordered government, a flourishing trade, would in a great measure supply the deficiency of coin; for a small sum circulating briskly, would perform the functions of a sum thrice as large, which should circulate thrice as slow.

If it should be supposed, that the prices of country produce would be increased by emitting paper money, it is answered, that as our produce is consumed in foreign countries, the value of it here must depend on the price it will command in those countries; for no merchant will continue to buy a commodity for exportation at a losing price. If therefore the produce of this country is now as high here as the prices at foreign markets will warrant, an addition even of gold and silver to what we have at present would not increase the price of exportable articles. Merchants would sooner export the gold and silver to countries where they might be advantageously laid out, than invest them in our commodities at a certain loss. In countries, indeed, which consume a great part of their own manufactures, an addition of money will increase the consumption, and of consequence the price of those manufactures; but our situation is very different. The articles consumed in this country are certainly of a price sufficiently high, and we think an increase of the price of living is by no means desirable, unless it be the consequence of solid wealth, drawn from other nations by our exports. The operation of paper money, if it should in any degree act as a medium of commerce, so as to create an imaginary high price of country produce, would revive the exportation of specie, which we have reason to believe has in a great measure ceased. All countries, except those which produce gold and silver, experience the ebb and flow of these metals: Money, as free as air, flies to those countries where it is comparatively scarce, and where there is a demand for it. Nothing will restrain it but attempts to supply its place by an artificial, fluctuating substitute, which has ever been found ineffectual, and while working its own ruin, will retard the influx of real money. Country produce was held so high by the makers, some time ago, that it could not be exported by the merchant without loss. The makers were obliged to export it themselves, and lost by the sale at a foreign market. The want of other advantageous articles induced the merchant to export money. The price of produce, though still liberal, has fallen, and when the merchant can export it to advantage, the gain will tempt foreigners to exchange their money for it, and thus specie will again flow into this state. It seems to us peculiarly impolitic, in a commercial view, to furnish strangers with paper money to buy the produce of this country, and thus remove the necessity they would be under of bringing in specie to make their purchases.

Considering your bill, therefore, with a view to commerce, as well as finance, it appears to us not only useless, but injurious; we doubt not but that you view the bill in a different light, yet in adopting or rejecting any measures, we must act according to our judgment. If indeed the propriety of the measure was doubtful only, respect to the opinion of others ought to have due weight; and if this was the case in the present instance, the opinion of your house would have great weight with us; but upon a measure appearing to us so clearly injurious, it ought not to be expected that we can sacrifice our judgment to the opinion of others, the reasons for which are not communicated.

We admit, gentlemen, that the situation of this country is critical, and calls for the aid of every friend; we admit that it is necessary to exert ourselves to preserve our government, and we are willing