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"CONSTITUTIONAL RIGHTS."

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EXPLANATION OF STOCKS.

There are few topics of conversation perhaps more frequently introduced, and, at the same time, less generally understood, than that of the public funds, and I know few subjects on which the uneducated can derive so little information from books. I am certain, therefore, that I will render a very acceptable service to many, and these not the least respectable of my readers, if I can throw so much light upon the subject as may enable them to understand the prices of the Stocks, as given in the public papers.

It is perhaps hardly necessary to remark, that in every war in which this country has been engaged since the Revolution, the amount of the annual taxes has been found inadequate to defray the expenses of government. To supply the deficiency, our rulers have generally had recourse to loans;—that is to say, they have borrowed money from such individuals as were able and willing to lend it, giving these individuals a security for the payment of a certain annual interest. To explain the nature of this transaction, I shall take a very simple case. Suppose, then, that £100 is the sum which government wishes to borrow, and that an individual offers to lend that sum at an interest of 5 per cent. On paying down the money, the lender receives a bill, bond, or acknowledgment for the amount; by which acknowledgment he is entitled to draw yearly from the public revenue £5 of interest, but on the express condition that he is not to demand repayment of the principal, or sum lent, unless government is willing to repay it. The person who thus possesses the bill or acknowledgment is said to be a holder of £100 of 5 per cent. stock, and the money lent upon that bill constitutes a part of what is called the national debt, because it is in fact borrowed by the nation, and the interest is paid out of the taxes. It is obvious, however, that few persons would be disposed to lend money on the condition of never being allowed to demand repayment, even though they were quite certain of receiving annual interest, and of transmitting the right to that interest to their posterity. To remedy this inconvenience, therefore, the lender who wishes to employ the sum which he lent to government in any other way though he cannot directly demand repayment, is at liberty to sell his bill to any body who will purchase it, and for any sum that another may be willing to pay for it. In doing so, he merely sells to a second person the right which he himself possessed to the annual interest of £5, & that the second person is of course at liberty to dispose of his right to another in the same way. This transaction, in general, is called a transfer of stock, and in the particular case which I have supposed, the one is said to sell, and the other to buy, a £100 of 5 per cent. stock. If 5 per cent. be considered a fair and equitable interest for money lent, it is obvious that such a bill as I have now been speaking of, or, in other words, that £100 of 5 per cent. stock, is just worth £100 sterling.—It is possible, however, that in certain circumstances, the holder of that bill may receive more or be obliged to take less for it than £100. If two or three individuals, for example, have each a sum of money which they are anxious to lay out at interest, but find it difficult to do so, a competition will naturally take place among them to become the purchaser of the bill in question, which will always secure to the holder £5 of yearly interest. The possessor of the bill will of course take advantage of this competition, and raise his price, say to £105. The purchaser, therefore, pays £105 of per cent. stock, or he lays out his money at an interest of £5 for every £105, which is at the rate of something more than 4 3-4 per cent. If, on the other hand, however, the possessor of the bill or stock is anxious to dispose of it, while few are willing to buy it, he will be forced to offer it for less than £100, say £95. The purchaser, in this case, pays £95 for £100 of 5 per cent. stock, or he lays out his money at an interest of £5 for every £95, which is at the rate of 5 1-4 per cent. For simplicity of illustration, I have supposed that £100 is the sum borrowed by Government, and that of course there is just one bill to be disposed of, or transferred by the lender. If it be supposed however, as is really the fact, that the loans generally amount to several millions, the necessity which the lenders are under of selling their bills, or in other words, transferring their stock, will be more apparent. The transaction between government and the lenders is precisely the same in the case of millions as that of a hundred; and it is unnecessary, therefore, again to illustrate the general principle of that transaction. It is evident, however, that even the most opulent merchants, who are generally the lenders, cannot be supposed to have such a command of money as to be able to advance ten or twelve million to government at once. When they contract for a loan, therefore,—that is, when they agree to lend to government the sum required,—they generally pay the money by instalments, or partial payments, at certain intervals, say one million a month, till the whole is advanced. In the mean time they sell or transfer the bills or securities which they receive from Government, to those who may have money to lay out at interest, and who of course will be disposed to purchase such bills, so that the sale of the bills of the first instalment may enable them to pay the second. In this way, government securities or bills become articles of commerce, and their price is regulated, like that of any other article, according to the supply and demand. If we suppose, as before, that the contractors for the loan, that is, the original lenders, receive from Government a £100 bill for every £100 sterling that they lend, bearing 5 per cent. they will gain or lose by the transaction, according as they can dispose of those bills for more or less than £100. If the buyers are numerous compared with the quantity of bills,—that is, if there be a great number who are anxious to have their money laid out at interest,—they will be tempted perhaps to give, as was before supposed, £105 for every bill, for though, by doing so, they will have only 4 3-4 per cent. for their money, still it may possibly be more than they can draw for it in any other way, while the security is better than if they lent their money to private individuals or companies. In this case the contractors would gain 5 per cent. upon the loan, or £50,000 on the whole ten millions.—If, on the other hand, however, comparatively few persons are found disposed to lay out their money

at 5 per cent. the contractors may be obliged to offer their bills for less than £100, say, as before, £95. In this case the contractors lose 5 per cent. on the loan, or £50,000 on the whole ten millions. It is easy to see, from this view of the subject, how the price of stock is liable to fluctuation from accidental circumstances. I shall not attempt to enumerate these; but it may be worth while to point out how it is affected by peace or war, as these two states of the country are generally found to have the greatest influence in raising or depressing the value of stock. In the time of war, then, the price of stock is comparatively low, because in such a state of things, it is likely that government will be under the necessity of borrowing; and as every loan produces new bills, the quantity of those to be disposed of, or, in other words, the supply of the market, will be increased. The price, therefore, will fall, for the same reason that the price of corn falls after a plentiful harvest. In time of peace, again, the price of stock is comparatively high, because, in such a state of things, the taxes are likely to be sufficient to defray the expenses of Government without any loans, and consequently no new bills are to be disposed of, or the supply, though not positively diminished, ceases to be augmented. For the same reason, the price of stock in the time of War is materially affected by the nature of the intelligence that comes from the scene of action. If that intelligence be unfavourable, stock will fall, because here is a prospect either of protracted warfare, or of the necessity of more vigorous exertions on the part of the government; in both of which cases, new loans may be necessary, and consequently a new supply of bills will be thrown into the money market. On the other hand, should the intelligence be favourable, the price of stock will rise, because the prospect of a successful termination of the war renders it probable that there will be no new loan, and consequently no new supply of stock. It is this variation in the price of stock that gives room for the nefarious practice of stock-jobbing. That practice consists in raising and circulating reports calculated to raise or depress the price of stock, according to the particular views of the individual. If he wishes, for example, to sell his stock or bills, he endeavours to propagate some report or other favourable to the issue of the war, and the establishment of peace in order, if possible, to raise the price of stock; and if he wishes to buy, he propagates reports of a different tendency. It is painful to think that this abominable system is sometimes carried on by men whose rank and station in society, to say nothing of the obligation of morality and religion, might be expected to place them above any such disgraceful acts; but, in general, I believe it is confined to men of desperate fortune and little character, who subsist by a species of gambling, to which the finance system of this country has opened a wide and extensive field. I allude to those men who make a practice of buying and selling stock, without actually possessing any; and whose transactions, therefore, are nothing more than wagers about the price of stock on a certain day. To explain the nature of the transaction by an example, I shall suppose that A sells to B a government bill of £100 or £100 of 5 per cent. stock, to be delivered on a certain future day, and that the price is fixed at £102. If, when the day arrives, the price of stock shall have fallen to £100, A would be able to purchase the bill in question for £100, while in consequence of his bargain, B would be obliged to pay him £102 for it, so that A would gain £2. If, however, stock had risen to £104 B would still be obliged to give only £102, so that A would lose £2, but instead of actually buying and selling the stock, the bargain is generally implemented by A paying to B, or receiving from him, the £2, or whatever may be the sum of loss or gain. In such a case as this, it is obviously A's interest that the price of stock should fall, and as obviously B's interest that it should rise, between the day of the bargain and that of settling; and hence the temptation held out to both to circulate reports favourable to their own particular views. B, or the buyer, is usually denominated a Bull, as expressive of his desire to toss up; and A, or seller, a Bear, from his wish to trample upon, or tread down. The law, of course, does not recognize a transaction which proceeds on a principle of gambling; but a sense of honour, or, what is perhaps nearer the truth, self-interest, generally secures the payment of the difference, as the person who refuses to pay his loss is exhibited in the Stock Exchange, under the designation of a lame duck, a disgrace which is considered as the sentence of banishment from that scene of bustle and business.

THE MINERAL KINGDOM OF ENGLAND.

There is perhaps no portion of the earth's surface, of the same extent, which contains so great a variety of those mineral substances which minister to the necessities and comforts of life, as the island of Great Britain; and it would almost seem, from its internal structure, as if Providence had pre-ordained that it should be the seat of an opulent and powerful people, and one of its chief instruments for the civilization and advancement of the human race. That this is no extravagant overstrained expression of national vanity, may, we think, be very easily made apparent, by a few reflections on the vast advantages which the British Empire itself, and, through it, the civilized world have derived, from the circumstance of our possessing an abundance of one particular mineral under the surface of our soil. The almost inexhaustible mines of coal, which are found in so many different parts of our island, have unquestionably been one of the chief sources of our wealth, and of our influence among other nations of Europe. All our great manufacturing towns, Birmingham, Leeds, Sheffield, Manchester, Glasgow, Paisley, are not only situated in the immediate vicinity of coal, but never would have existed without it. If we had had no coal we should have lost the greater part of the wealth we derive from our metallic ores, for they could neither have been drawn from the depths where they lie concealed, nor, if found near the surface, could they have been profitably refined. Without Coal the steam-engine would probably have remained among the apparatus of the natural philosopher; not only did the fuel supply the means of working the machine, but the demand for artificial power, in order to raise the same fuel from the bowels of the earth, more immediately led to the practical application of the great discovery made by Watt, while repairing the

philosophical instrument of Dr. Black. Before the invention of the steam-engine, the power required to move machinery was confined to the impelling force of running water, of wind, of animal and human strength,—all too weak, unsteady, irregular and costly to admit of the possibility of their extensive application. But the steam-engine gave a new power to the human race, capable of being applied to every purpose and in every situation where fuel can be found. Thus manufactures arose, and from the cheapness with which labour could be commanded, and the prodigious increase of work done in the same space of time, their produce was so reduced in price, so as to bring luxuries and comforts within the reach of thousands who never tasted them before. New tastes thus excited and increasing consumption multiplied manufacturing establishments, and their demands led to great improvements in the steam-engine itself, and thus, by the reciprocal action of improvement and demand, our machinery and manufactures gradually acquired that high degree of perfection to which they are now arrived. With the improvement of the steam-engine, came the wonderful application of it to navigation, which has already, in a few years, produced such extraordinary results; and which, when combined with its farther application to wheel carriages, must at no great distance of time occasion a revolution in the whole state of society. At this moment a steam-vessel is exploring lands in the interior of Africa, never before visited by civilized man; the harbinger, we may confidently hope, of future civilization, prosperity and happiness to that vast portion of the earth's service. Are we not then fully justified in saying that these great results, involving the future destinies of the human race, may be traced to the discovery of the beds of coal placed by nature in our little island?

Next to Coal our Iron is the most important of our mineral treasures; and it is a remarkable circumstance, that the ore of that metal, which is so essential to the wants of man that civilization has never been known to exist without it, should in Great Britain be placed in greatest abundance, not only in the vicinity of, but actually associated with the coal necessary to separate the metal from the impurities of the ore, so as to render it fit for use. In Sweden and most other countries where iron mines exist, the ore is refined by means of wood; but no space on the surface of our Island could have been spared to grow timber for such a purpose; and thus, without coal, in a place of being as we are now, great exporters of wrought and unwrought iron to distant nations, we must have depended on other countries for this metal; to the vast detriment of many of our manufactures, which mainly owe their improvement and extension to the abundance and consequent cheapness of Iron.

There are extensive mines of Lead in Derbyshire, Northumberland, Lanarkshire, Dumfriesshire, and several other places in Great Britain, sufficient not only to supply the demand for that metal, but yielding a considerable amount for exportation. Copper is produced in large quantities in Cornwall, and the same county has been celebrated for its Tin mines for nearly two thousand years.

Coal, iron, lead, copper, and tin, are the principle minerals of our country, which, in common language, are usually associated with the idea of the produce of mines. Silver and gold we have none, with the exception of a little of the former contained in some of the ores of lead, and which is separated by refining, when in sufficient quantity to yield a profit beyond the expense of the process; but we have some other metals, highly useful in the arts, such as zinc, antimony and manganese.

Besides the substances above mentioned, we have many other mineral treasures of great importance still to be noticed. Of these, the most valuable perhaps is limestone, from its use in agriculture, to ameliorate and increase the fertility of the soil, and from its being an indispensable ingredient in mortar for building; and there are not many parts of the Island far distant from a supply of this material. Building stone is found in most parts of the country; and although we must go to Italy for the material for the art of sculpture to be employed upon, we have freestones applicable to all the purposes of ornamental architecture, and we have many marbles of great beauty. If stones be far off, clay is never wanting to supply a substance; and the most distant nations have their daily food served up in vessels, the materials of which, dug from our clay-pits, have given occupation to thousands of our industrious population in our potteries and china manufactures. For our supply of salt, that essential part of the daily sustenance of almost every human being, we are not dependent on the brine which encircles our Island, for we have in the mines and salt springs of Cheshire & Worcestershire almost inexhaustible stores of the purest quality, unmingled with those earthy and other ingredients which must be separated by an expensive process, before a culinary salt can be obtained from the water of the sea.

Familiar as are almost every one of the mineral substances we have named, in the common business of life, there are many persons who have but a very slight idea from whence they are derived, and what previous process they undergo before they can be made applicable to our use. We do not doubt, therefore, that we shall contribute to the instruction and entertainment of many of our readers, by making them acquainted with the natural history of our mineral treasures; with the mode in which they are obtained from the mines, and with the operations they are subjected to, before they can be brought forward as marketable commodities. To do this, however, in a clear & intelligible manner, some preliminary information is indispensable; without this, the terms we must necessarily employ, in our descriptions of the mode in which the substances exist under the surface of the earth, would not be understood. This introductory matter, however, we are persuaded will not be found the least instructive or the least entertaining part of the information we shall lay before our readers; on the contrary, we feel assured that it will disclose to many of them the wonders of nature, of which they had previously no conception. It will embrace a popular sketch of the leading doctrines in geology, that department of science, whose object is to investigate the nature and properties of the substances of which the solid crust of the earth is composed; the laws of their combinations, as constituting the elements of rocks, and other stony masses; the arrangement of these different masses, and their relations to each other; the changes, which they appear to have undergone in various successive periods; and, finally, to establish a just theory of the construction of that solid crust. In

the formation of organized bodies, that is in the structure of animals and plants, the most superficial observer cannot fail to discover a beautiful and refined mechanism; but if we cast our eyes upon the ground, and look at heaps of gravel, sand, clay, and stone, it seems that if chance only had brought them together, and that neither symmetry nor order can be discovered in their nature. But a closer examination soon convinces us of that which, reasoning from the wisdom and designs manifested by other parts of creation, we might beforehand have very naturally been led to expect, viz: that in all the varieties of form, and structure, and change, which the study of the mineral kingdom displays, laws as fixed and immutable prevail, as in the most complicated mechanism of the human frame, or in the motions of the heavenly bodies; and if astronomy has discovered how beautifully "the heavens declare the glory of God," as certainly do we feel assured, by the investigations of geology, that the earth "showeth his handy work."

ENGLAND.

PARLIAMENTARY SUMMARY.

The Duke of Sussex presented a petition from the City of London, for the adoption of poor laws for Ireland. His Royal Highness said that, as this important question had been mooted elsewhere, he would not, at present, make any observations that were calculated to provoke discussion. The Duke of Hamilton declared that some measure was requisite, as regarded the Irish poor in Scotland. The Earl of Wicklow admitted that there was cause of complaint; but still poor laws for Ireland would fail.

In the Commons, at the morning sitting, Mr. Alderman Wood gave notice (for Sir S. Whalley) of another motion for the 15th inst., for the repeal of the house and window duties; and in the evening, Mr. Tennyson intimated that he should take an early opportunity of moving, as an amendment, the repeal of the house and window duties.

After several petitions had been presented by the clergy of Armagh, Cashel, Tuam, &c. against the Church Temporalities (Ireland) Bill, the Chancellor of the Exchequer moved the second reading of this bill. Mr. C. Wynne, Mr. Goulbourn and Sir R. Peel, attacked the bill in *limine*, on the ground of form, maintaining that, as the measure involves crown property, it ought to have been preceded by a message from the King, as had that evening been done in the case of the land revenues. The Chancellor of the Exchequer and Mr. Stanley replied that the measure had been recommended to Parliament on the opening of the session, in the speech from the Throne; and observed that, if such objections were taken on points of form, the impression would go forth that there would be quite as earnest an objection to the substance of the bill. The speaker said, that if the Message were requisite for the second reading, it would have been necessary for the first reading. He was inclined to believe that a Message previously to the Committee, where the details of the Bill are considered, would meet the necessity of the case. The order of the day for the second reading was then adopted; and on the question that the bill be read a second time a debate arose, and continued during the remainder of the evening. Mr. Stanley spoke strongly in support of the bill, and maintained the right of parliament to appropriate the improvements of Church property to the improvement of the state. After speeches from Sir R. Inglis, Mr. R. Grant, &c., Sir R. Peel resisted Mr. Stanley's arguments at considerable length. He contended that there was no right so to appropriate the improvements of Church property; that, on the contrary, they still belonged to the church; and that if they did not, the parliament would have just as much right to step in and claim for the state the improvements of private property that might result from any Legislative measure. After some observations from the Chancellor of the Exchequer, who declared that the Ministers adhered to the general details of the measure; from Col. Conolly, &c., Mr. Lefroy moved the adjournment of the debate, to which the Chancellor of the Exchequer objected.—The House divided—for the amendment that the bill be read this day 6 months, 76—against it, 317; leaving Ministers a majority of 230.

The dissatisfaction of the West India interest has certainly increased, and the more the proposed plan of the government is contemplated, the greater appears the difficulty of reducing it to practice, and it is considered by the best informed that to attempt to enforce this system of emancipation, with all imperfections on its head, would only cause the ruin of the proprietors and planters, a diminution to an alarming extent of our revenue, and it is feared, eventually the falling away of these colonies from their allegiance. When the mercantile and commanding maritime positions they occupy, and the immense amount of blood and treasure expended in their preservation are contemplated, and when the vast capital heretofore employed, and actually invested in forwarding their prosperity is calculated, it must strike every one that it behoves the British Government maturely and deliberately to weigh the matter, and carefully balancing the cause of philanthropy against these great interests, to take care that the zeal of one party shall not urge them to unequitable acts against the just claims of the other.

In answer to a deputation from the various parishes of Westminster, Lord Althorp had explained it to be the intention of government to reduce the duty one half on all houses which have shops attached to them—and, instead of remitting one-third, to retain the whole of the window tax. The house duty is to be allowed in no instance except where there is a shop attached to the dwelling house.

The office of Secretary to Ireland has been offered to Mr. Abercrombie, who, it is understood, has declined it.

THE DEAD ALIVE.

On Tuesday afternoon an adjourned inquest was held at the Christ Church workhouse, Blackfriars road, before Mr. R. Carter, on the body of a young woman, who was found drowned at the steps of Blackfriars bridge, on Saturday morning by a police constable.

Mr. Peter Wood, an eating-house keeper, in the Bermondsey New Road, having seen a paragraph in one of the Sunday newspapers, that the body of a female had been taken out of the Thames on