RICARDO, PROPOSALS FOR A SECURE AND ECONOMIC CURRENCY, 1816

It must, I think, be allowed, that the war, which has pressed heavily on most of the classes of the community, has been attended with unlooked-for benefits to the Bank; and that in proportion to the increase of the public burdens and difficulties have been the gains of that body.

The restriction on the cash payments of the Bank, which was the effect of the war, has enabled them to raise the amount of their notes in circulation from 12 millions to 28 millions; whilst, at the same time, it has exonerated them from all necessity of keeping any large deposit of cash and bullion, a part of their assets from which they derive no profit.

The war, too, has raised the unredeemed public debt, of which the Bank have the management, from 220 to 830 millions; and, notwithstanding the reduced rate of charge, they will receive for the management of the debt alone, in the present year, 277,000l., [∗](http://oll.libertyfund.org/titles/ricardo-the-works-of-david-ricardo-mcculloch-ed#lf0454_footnote_nt151) whereas, in 1792, their whole receipt on account of the debt was 99,800l.

It is to the war that the Bank are also indebted for the increase in the amount of public deposits. In 1792 these deposits were probably less than 4 millions. In and since 1806 we know that they have generally exceeded 11 millions.

It cannot, I think, be doubted, that all the services which the Bank perform for the public could be performed by public servants, and in public offices established for that purpose, at a reduction or saving of expense of nearly half a million per annum.