

Whereupon the petitioners prayed, that the trustee might be prohibited from making any further payments to the grantees or heirs

scheme. The value of all things was raised to a great height; but immediately that the bubble burst, property returned to its true value, and the stock of the company sunk almost to nothing. Multitudes were totally ruined; many became insane from their disappointments and losses, and the whole nation was plundered.—(*Smollet's His. Eng. b. 2, c. 2, s. 26*; *Shel. Lun. Intr. 61.*) As might have been expected, the administration of justice was not allowed to proceed in its regular course, altogether unaffected by this strange and pernicious infatuation. In many cases, where sales had been made under the authority of the Court of Chancery, purchasers were unable to comply with, or were ready to make the greatest sacrifices to disengage themselves from, their contracts. "A court of equity," said the Chancellor, in speaking of a sale made during this period, "ought to take notice under what a general delusion the nation was when this contract was made, when there was thought to be more money in the nation than there really was, which induced people to put imaginary values on estates."—(*Savile v. Savile, 1 P. Will. 746*; *2 Eden, 198.*)

Causes somewhat similar, which were in operation at the time the sale and the resale mentioned in this case were made, were attended with similar effects. In a report made by the Secretary of the Treasury, it is, among other things, stated, that the whole amount of money, metallic and paper, in circulation within this Union, in the year 1815, might be safely calculated at not less than *one hundred and ten millions of dollars*, which was probably augmented in 1816; but at the close of the year 1819, it had been estimated, upon data believed to be substantially correct, at *forty-five millions of dollars*. According to these estimates, the currency of the United States had, in the space of three years, been reduced from \$110,000,000 to \$45,000,000; a reduction exceeding fifty-nine per cent. of the whole circulation of 1815. "A change so violent could not fail," says the Secretary, "under the most favourable auspices in other respects, to produce much distress, to check the ardor of enterprise, and seriously to affect the productive energies of the nation." And again, says the Secretary, "As there is no recorded example, in the history of nations, of a reduction of the currency so rapid, and so extensive; so but few examples have occurred of distress so general, and so severe, as that which has been exhibited in the United States."—(*Report of W. H. Crawford to the House of Represent. 12th February, 1820, pages 8 & 9*; *Niles' Reg. 114.*) It was found, at the close of the war of 1814, that the State Banks had inundated the country with their paper; and, instead of the evil having been corrected by the Bank of the United States, it is stated, upon good authority, that they increased it by their extensive discounts and issues to stockholders—(*Report Com. House Repr. to examine into the proceedings of the Bank, 16th Jan. 1819, page 8.*)—until, by the natural and wholesome influence of a renewed foreign commerce, and the curtailment of their discounts, the State Banks were enabled to resume specie payments, and the development of the speculations and frauds of those who had, at that time, obtained the management of the Bank of the United States, and the crippled and powerless condition of that institution, left all property free to return to its proper and real value.—(*Report Cond. Bank, 49*; *Letter 2, April, 1819, from Pres. Cheves to Secr. Crawford*; *North Amer. Review, January, 1831, art. 2.*) A recollection of these circumstances seemed to be necessary to a distinct understanding of the nature of the extraordinary depreciation spoken of in this case, and to shew how it happened, that, when this sale was made to *Ferrée*, in November, 1818, people had been induced "to put imaginary values on estates;" by which so many who purchased about that time were afterwards totally ruined. (*Chancellor's case, post, note (q).*)