

He aided him, in the present instance, to fortify the mind of the Regent against all the remonstrances of his ministers and the parliament.

Accordingly on the 21 of May, 1716, letters patent were granted to Law, to establish a bank of deposit, discount and circulation, under the firm of "Law and Company" to continue for twenty years. The capital was fixed at six millions of livres, divided into shares of five hundred livres each, which were to be sold for twenty-five per cent. of the Regent's debased coin, and seventy-five per cent. of the public securities, which were then at a great reduction from their nominal value, and which then amounted to nineteen hundred millions. The ostensible object of the bank, as set forth in the patent, was to encourage the commerce and manufactures of France. The louis d'ors and crowns of the bank were always to retain the same standard of value, and its bills to be payable in them on demand.

At the outset, while the bank was limited in its operations, and while its paper really represented the specie in its vaults, it seemed to realize all that had been promised from it. It rapidly acquired public confidence, and an extended circulation, and produced an activity in commerce, unknown under the baneful government of Louis XIV. As the bills of the bank bore an interest, and as it was stipulated they would be of invariable value, and as hints had been artfully circulated that the coin would experience successive diminution, every body hastened to the bank to exchange gold and silver for paper. So great became the throng of depositors, and so intense their eagerness, that there was quite a press and struggle at the back door, and a ludicrous panic was awakened, as if there was danger of their not being admitted. An anecdote of the time relates, that one of the clerks, with an ominous smile, called out to the struggling multitude: "Have a little patience, my friends; we mean to take all your money; an assertion discreetly verified in the sequel.

Thus, by the simple establishment of a bank, Law and the Regent obtained pledges of confidence for the consummation of farther and more complicated schemes, as yet hidden from the public. In a little while the bank shares rose enormously, and the amount of its notes in circulation exceeded one hundred and ten millions of livres. A subtle stroke of policy had rendered it popular with the aristocracy. Louis XIV. had several years previously imposed an income tax of a tenth, giving his royal word that it should cease in 1717. This tax had been exceedingly irksome to the privileged orders; and, in the present disastrous times, they had dreaded an augmentation of it. In consequence of the successful operation of Law's scheme, however, the tax was abolished, and now nothing was to be heard among the nobility and clergy, but praises of the Regent and the bank.

Hitherto, all had gone well, and all might have continued to go well, had not the paper system been farther expanded. But Law had yet the grandest part of his scheme to develop. He had to open his ideal world of speculation, his El Dorado of unbounded wealth. The English had brought the vast imaginary commerce of the South Seas in aid of their banking operations. Law sought to bring, as an immense auxiliary of his bank, the whole trade of the Mississippi. Under this name was included not merely the river so called, but the vast region known as Louisiana, extending from north latitude 29 deg. up to Canada in north latitude 40 deg. This country had been granted by Louis XIV. to the Sieur Crozat, but he had been induced to resign his patent. In conformity to the plea of Mr. Law, letters patent were granted in August, 1717, for the creation of a commercial company, which was to have the colonizing of this country, and the monopoly of its trade and resources, and of the beaver or fur trade with Canada. It was called the Western, but became better known as the Mississippi Company. The capital was fixed at one hundred millions of livres, divided into shares, bearing an interest of four per cent., which were subscribed for in the public securities. As the bank was to co-operate with the company, the Regent ordered that its bills should be received the same as coin, in all payments of the public revenue. Law was appointed chief director of this company, which was an exact copy of the Earl of Oxford's South Sea Company, set on foot in 1711, and which distracted all England with the frenzy of speculation. In like manner with the delusive picturings given in that memorable scheme of the sources of rich trade to be opened in the South Sea countries, Law held forth magnificent prospects of the fortunes to be made in colonizing Louisiana, which was represented as a veritable land of promise, capable of yielding every variety of the most precious produce. Reports, too, were artfully circulated with great mystery, as if the "chosen few" of mines of gold and silver recently discovered in Louisiana, and which would insure instant wealth to the early purchasers. These confidential whispers of course soon became public; and were confirmed by travellers fresh from the Mississippi, and doubtless bribed, who had seen the mines in question, and declared them superior in richness to those of Mexico and Peru. Nay more, ocular proof was furnished to public credulity, in ingots of gold, conveyed to the mint, as if just brought from the mines of Louisiana.

Extraordinary measures were adopted to force a colonization. An edict was issued to collect and transport settlers to the Mississippi. The police lent its aid. The streets and prisons of Paris, and of the provincial cities, were swept of mendicants and vagabonds of all kinds, who were conveyed to Havre de Grace. About six thousand were crowded into ships, where no precautions had been taken for their health or accommodation. Instruments of all kinds, proper for the working of mines were ostentatiously paraded in public, and put on board the vessels, and the whole set sail in this fabulous El Dorado, which was to prove the gateway of the greater part of its wretched colonists.

D'Angoussant, the chancellor, a man of probity and integrity, still lifted his voice against the paper system of Law, and his respect of colonization; and was eloquent and prophetic in picturing the evils they were calculated to produce; the private distress and public degradation; the corruption of morals and manners; the triumph of knaves and schemers; the ruin of fortunes and downfall of families. He was

incited more and more to this opposition by the Duke de Noailles, the Minister of Finance, who was jealous of the growing ascendancy of Law over the mind of the Regent, but was less honest than the chancellor in his opposition. The Regent was excessively annoyed by the difficulties they collectively set up in the way of his darling schemes of finance, and the countenance they gave to the opposition of parliament, which body, disgusted more and more with the abuses of the regency, and the system of Law, had gone so far as to carry its remonstrances to the very foot of the throne.

He determined to relieve himself from these two ministers, who, either through honesty or policy, interfered with all his plans. Accordingly, on the 28th of January, 1718, he dismissed the chancellor from office, and exiled him to his estate in the country; and shortly afterwards, removed the Duke de Noailles from the administration of the finances.

The opposition of parliament to the Regent and his measures, was carried on with increasing violence. That body aspired to an equal authority with the Regent, in the administration of affairs, and pretended, by its decree, to suspend an edict of the regency, ordering a new coinage, and altering the value of the currency. But its chief hostility was levelled against Law, a foreigner and a heretic, and one who was considered by a majority of the members in the light of a malefactor. In fact, so far was this hostility carried, that secret measures were taken to investigate his malversations, and to collect evidence against him; and it was resolved in parliament that, should the testimony collected justify their suspicions, they would have him seized and brought before them; would give him a brief trial, and, if convicted, would hang him in the court yard of the palace, and throw open the gates after the execution, that the public might behold his corpse!

Law received intimation of the danger hanging over him, and was in terrible trepidation. He took refuge in the Palais Royal, the residence of the Regent, and implored his protection. The Regent himself embarrassed by the sturdy opposition of parliament, which contemplated nothing less than a decree reversing most of his public measures, especially those of finance. His decision kept Law for a time in an agony of terror and suspense. Finally, by assembling a board of justice, and bringing to his aid the absolute authority of the king, he triumphed over parliament, and relieved Law from his dread of being hanged.

The system now went on with flowing sail. The Western, or Mississippi company, being identified with the bank, rapidly increased in power and privileges. One monopoly after another was granted to it; the trade of the Indian seas; the slave trade with Senegal and Guinea; the farming of tobacco; the national coinage, &c. Each new privilege was made a pretext for issuing more bills, and caused an immense advance in the price of stock. At length, on the 4th of December, 1718, the Regent gave the establishment the imposing title of THE ROYAL BANK, and proclaimed that he had effected the purchase of all the shares, the proceeds of which he had added to his capital. This measure seemed to shock the public feeling more than any other connected with the system, and roused the indignation of parliament. The French nation had long been accustomed to attach an idea of every thing noble, lofty, and magnificent, to the royal name and person, especially during the stately and sumptuous reign of Louis XIV., that they could not at first tolerate the idea of royalty being in any degree mingled with matters of traffic and finance, and the king being in a manner a banker. It was one of the downward steps, however, by which royalty lost its illustrious splendor in France, and became gradually cheapened in the public mind.

Arbitrary measures now began to be taken to force the bills of the bank into artificial currency. On the 27th of December, appeared an order in council forbidding, under severe penalties, the payment of any sum above six hundred livres in gold or silver. This decree rendered bank bills necessary in all transactions of purchase and sale, and called for a new emission. The prohibition was occasionally evaded or opposed; confiscations were the consequence; informers were rewarded, and spies and traitors began to spring up in all the domestic walks of life.

The worst effect of this illusive system was the mania for gain, or rather for gambling in stocks, that now seized upon the whole nation. Under the exciting effects of lying reports, and the forcing effects of government decrees, the shares of the company went on rising in value, until they reached thirteen hundred per cent. Nothing was now spoken of, but the price of shares and the immense fortunes suddenly made by lucky speculators. Those whom Law had deluded, used every means to delude others. The most extravagant dreams were indulged concerning the wealth to flow in upon the Company from its colonies, its trade, and its various monopolies. It is true nothing as yet had been realized, nor could in some time be realized, from these distant sources, even if productive, but the imaginations of speculators are ever in the advance, and their conjectures are immediately converted into facts. Lying reports now flew from mouth to mouth, of sure avenues to fortune suddenly thrown open. The more extravagant the fable, the more readily was it believed. To doubt, was to awaken anger, or incur ridicule. In a time of public infatuation, it requires no small exercise of courage to doubt a popular fallacy.

Paris now became the centre of attraction for all the avaricious and "avaricious," who flocked to it, not merely from the provinces, but from the neighboring countries. A stock exchange was established in a house in the Rue Quincampoix, and became immediately the gathering place of stock-jobbers. The exchange opened at 7 o'clock, with the beat of drum and sound of bell, and closed at night with the same signals. Guards were stationed at each end of the street to maintain order, and exclude carriages and horses. The whole street swarmed throughout the day like a beehive. Bargains of all kinds were seized upon with avidity. Shares of stock passed from hand to hand, mounting in value, one knew not why. Fortunes were made in a moment, as if by magic; and every lucky bargain prompted those around to a more desperate throw of the die. The fever went on, increasing in intensity as the day declined; and when the drum beat and the

bell rang at night, to close the exchange, there were exclamations of impatience and despair, as if the wheel of fortune had suddenly been stopped, when about to make its luckiest revolution.

To engulf all classes in this ruinous vortex, Law now split the shares of fifty millions of stock each into one hundred shares, thus, in the splitting of lottery tickets, accommodating the venture to the humblest purse. Society was thus stirred up to its very dregs, and adventurers of the lowest order hurried to the stock market. All honest, industrious pursuits, and modest gains, were now despised. Wealth was to be obtained instantly, without labor, and without stint. The upper classes were as base in their venality as the lower. The highest and most powerful nobles, abandoning all generous pursuits and lofty aims, engaged in the vile scuffle for gain. They were even baser than the lower classes; for some of them, who were members of the council of the regency, abused their station and their influence, and promoted measures by which shares arose while in their hands, and they made immense profits.

The Duke de Bourbon, the Prince of Conti, the Dukes de la Force and d'Antin were among the foremost of these illustrious stock-jobbers. They were nick-named the Mississippi Lords, and they smiled at the sneering title. In fact, the usual distinctions of society had lost their consequence under the reign of this new passion. Rank, talent, military fame, no longer inspired deference. All respect for others, all self-respect, were forgotten in the mercenary struggle of the stock-market. Even prelates and ecclesiastical corporations, forgetting their true objects of devotion, mingled among the votaries of Mammon. They were not behind those who wielded the civil power in fabricating ordinances suited to their avaricious purposes. Theological decisions forthwith appeared, in which the anathema launched by the church against usury, was conveniently construed as not extending to the traffic in bank shares!

The Abbe Dubois entered into the mysteries of stock-jobbing with all the zeal of an apostle, and enriched himself by the spoils of the credulous; and he continually drew large sums from Law, as considerations for his political influence. Faithless to his country, in the course of his gambling speculations he transferred to England a great amount of specie, which had been paid into the royal treasury; thus contributing to the subsequent dearth of the precious metals.

The female sex participated in this sordid frenzy. Princesses of the blood, and ladies of the highest nobility, were among the most rapacious of the stock-jobbers. The Regent seemed to have the riches of Croesus at his command, and lavished money by hundreds of thousands upon his female relatives and favorites, as well as upon his *roues*, the dissolute companions of his debauches. "My son," writes the Regent's mother, in her correspondence, "gave me shares to the amount of two millions, which I distributed among my household. The King also took several millions for his own household. All the royal family have had them; all the children and grand-children of France, and the princes of the blood."

Luxury and extravagance kept pace with this sudden inflation of fancied wealth. The hereditary palaces of nobles were pulled down, and rebuilt on a scale of augmented splendor. Entertainments were given of incredible cost and magnificence. Never before had been such display in houses, furniture, equipages and amusements. This was particularly the case among persons of the lower ranks, who had suddenly become possessed of millions. Ludicrous anecdotes are related of some of these upstarts. One who had just launched a splendid carriage, when about to use it for the first time, instead of getting in at the door, mounted through the window, to his accustomed place behind. Some ladies of quality, seeing a well-dressed woman covered with diamonds, but whom nobody knew, alight from a very handsome carriage, inquired who she was, of the footman. He replied, with a sneer: "It is a lady who has recently tumbled from a garret into this carriage."—Mr. Law's domestics were said to become in like manner enriched by the crumbs which fell from the table. His coachman, having made a fortune, retired from his service. Mr. Law requested him to procure a coachman in his place. He appeared the next day with two whom he pronounced equally good, and told Mr. Law, "Take which of them you choose, and I will take the other!"

Nor were these *novi homines* treated with the distance and disdain they would formerly have experienced from the haughty aristocracy of France. The pride of the bold noblesse had been stifled by the stronger instinct of avarice. They rather sought the intimacy and confidence of these lucky upstarts; and it has been observed that a nobleman would gladly take his seat at the table of the fortunate lacquey of yesterday in hopes of learning from him the secret of growing rich! Law now went about with a countenance radiant with success, and apparently dispensing wealth on every side. "He is admirably skilled in all that relates to finance," writes the Duchess of Orleans, the Regent's mother, and has put the affairs of the State in such good order, that all the king's debts have been paid. He is so much run after, that he has no repose night or day. A Duchess even kissed his hand publicly. If a Duchess can do this, what will other ladies do!"

Wherever he went, his path was strewn with gold, and he was sought to see him pass, and sought to obtain the favor of a word, a nod, or smile, as if a mere glance from him would bestow fortune.

When at home, his house was absolutely besieged by furious candidates for fortune. "They forced the doors," says the Duke de St. Simon, "they scaled his windows from the garden; they made the way into his cabinet down the chimney!"—The same venal court was paid by all classes to his family. The highest ladies of the court vied with each other in meanness, to purchase the lucrative friendship of Mrs. Law and her daughter. They waited upon them with as much assiduity and adulation as if they had been princesses of the blood. The Regent one day expressed a desire that some Duchess should accompany his daughter to Genoa. "My Lord," said some one present, "if you would have a choice from among the Duchesses, you need but send for Mrs. Law; you will find them all assembled there."

The wealth of Law rapidly increased with the expansion of the bubble. In the course of a few months he purchased fourteen titled estates, paying for them in paper; and the public hated these sudden and vast acquisitions of landed property as so many proofs of the soundness of his system. In one instance, he met with a shrewd bargainer, who had not the general faith in his paper money. The President de Norvion insisted on being paid for an estate in hard coin. Law accordingly brought the amount, four thousand livres, in specie, saying, with a sarcastic smile, that he preferred paying in money, as its weight rendered it a mere incumbrance. As it happened, the President could give no clear title to the land, and the money had to be refunded. He paid it back in paper, which Law dared not refuse, lest he should depreciate it in the market!

The course of illusory credit went on triumphantly for eighteen months. Law had nearly fulfilled one of his promises, for the greater part of the public debt had been paid off; but how paid? In bank shares, which had been trumped up several hundred per cent. above their value, and which were to vanish like smoke in the hands of the holders. One of the most striking attributes of Law was the imperturbable assurance and self-possession with which he replied to every objection, and found a solution for every problem. He had the dexterity of a juggler in evading difficulties; and what was peculiar, made figures themselves, which are the very elements of exact demonstration, the means to dazzle and bewilder.

Towards the latter end of 1719, the Mississippi scheme had reached its point of glory. Half a million of strangers had crowded into Paris, in quest of fortune. The hotels and lodging-houses were overflowing; difficulty was procured with excessive difficulty; granaries were turned into bed-rooms; provisions had risen enormously in price; splendid houses were multiplying on every side; the streets were crowded with carriages; above a thousand new equipages had been launched.

On the eleventh of December, Law obtained another prohibitory decree, for the purpose of sweeping all the remaining specie in circulation into the bank. By this it was forbidden to make any payment in silver above ten livres, or in gold, above three hundred.

The repeated decrees of this nature, the object of which was to depreciate the value of gold, and increase the illusive credit of paper, began to awaken doubts of a system which required such bolstering. Capitalists gradually awoke from their bewilderment. Sound and able financiers consulted together, and agreed to make common cause against this continual expansion of a paper system. The shares of the bank and of the company began to decline in value. Wary men took the alarm, and began to realize; a word now first brought into use, to express the conversion of ideal property into something real.

The Prince of Conti, one of the most prominent and grasping of the Mississippi lords, was the first to give a blow to the credit of the bank. There was a mixture of ingratitude in his conduct that characterized the venal baseness of the times. He had received, from time to time, enormous sums from Law as the price of his influence and patronage. In revenge, the Prince immediately sent such an amount of paper to the bank to be cashed, that it required four wagons to bring away the silver, and he had the meanness to lool out of the window of his hotel, and jest and exult, as it was trundled into his port cochere.

This was the signal for other drains of like nature. The English and Dutch merchants, who had purchased a great amount of bank paper at low prices, cashed them at the bank, and carried the money out of the country. Other strangers did the like, thus draining the kingdom of its specie, and leaving paper in its place.

The Regent, perceiving these symptoms of decay in the system, sought to restore it to public confidence by conferring marks of confidence upon its author. He accordingly resolved to make Law Comptroller-General of the Finances of France. There was a material obstacle in the way. Law was a Protestant, and the Regent, unscrupulous as he was himself, did not dare publicly to outrage the severe edicts which Louis XIV., in his bigoted days, had culminated against all heretics. Law soon let him know that there would be no difficulty on that head. He was ready at any moment to abjure his religion in the way of business. For decency's sake, however, it was judged proper he should previously be convinced and converted. A ghostly instructor was soon found, ready to accomplish his conversion in the shortest possible time. This was Abbe Tencin, a profligate creature of the profligate Dubois, and, like him, working his way to ecclesiastical promotion and temporal wealth by the basest means.

Under the instructions of the Abbe Tencin, Law soon mastered the mysteries and dogmas of the Catholic doctrine; and, after a brief course of ghostly training, declared himself thoroughly convinced and converted. To avoid the sneers and jests of the Parisian public; the ceremony of abjuration took place at Melun. Law made a pious present of one hundred thousand livres to the Church of St. Roque, and the Abbe Tencin was rewarded for his edifying labors by sundry shares and bank bills, which he shrewdly took care to convert into cash, having as little faith in the system, as in the piety of his new convert. A more grave and moral community might have been outraged by this scandalous farce; but the Parisians laughed at it with their usual levity, and contented themselves with making it the subject of a number of songs and epigrams.

Law, being now orthodox in his faith; took out letters of naturalization, and having thus surmounted the intervening obstacles, was elevated by the Regent to the post of Comptroller General. So accustomed had the community become to all juggles and transmutations in this hero of finance, that no one seemed shocked or astonished at his sudden elevation. On the contrary, being now considered perfectly established in place and power; he became more than ever the object of vernal adoration. Men of rank and dignity thronged to his ante-chamber, waiting patiently their turn for an audience; and titled dames demeaned themselves to take the front seats of the carriages of his wife and daughter, as if they had been riding with princesses of the blood royal. Law's head grew giddy with his elevation, and he began to aspire after aristocratical distinction. There was

to be a court ball, at which several of the young noblemen were to dance in a ballet with the youthful king. Law requested that his son might be admitted into the ballet, and the Regent consented. The young scions of nobility, however, were indignant, and scouted the "intruding upstart." Their more worldly parents, fearful of displeasing the modern Midas, remonstrated them in vain. The striplings had not yet imbibed the passion for gain, and still held to their high blood. The son of the banker received slight and annoyances on all sides, and the public applauded them for their spirit. A fit of illness came opportunely to relieve the youth from an honor which would have cost him a world of vexations and affronts.

In February, 1720, shortly after Law's instalment in office, a decree came out, uniting the bank to the India Company, by which last name the whole establishment was now known. The decree stated, that as the bank was royal, the king was bound to make good the value of its bills; that he committed to the company the government of the bank for fifty years, and sold to it fifty millions of stock belonging to him, for nine hundred millions; a simple advance of eighteen hundred per cent. The decree farther declared, in the king's name, that he would never draw on the bank, until the value of his drafts had first been lodged in it by his receivers general.

The bank, it was said, had by this time issued notes to the amount of one thousand millions; being more paper than all the banks of Europe were able to circulate. To aid its credit, the receivers of the revenue were directed to take bank notes of the sub-receivers. All payments, therefore, of one hundred livres and upwards, were ordered to be made in bank notes. These compulsory measures for a short time gave a false credit to the bank, which proceeded to discount merchants' notes, to lend money on jewels, plate, and other valuables, as well as on mortgages.

Still farther to force on the system, an edict next appeared, forbidding any individual or any corporate body, civil or religious, to hold in possession more than five hundred livres in current coin; that is to say, about seven louis d'ors; the value of the louis d'or in paper being, at the time, seventy-two livres. All the gold and silver they might have, above this pittance, was to be brought to the royal bank and exchanged either for shares or bills.

As confiscation was the penalty of disobedience to the decree, and informers were assured a share of the forfeitures, a bounty was in a manner held out to domestic spies and traitors; and the most odious scrutiny was awakened into the pecuniary affairs of families and individuals. The very confidence between friends and relatives was impaired, and all the domestic ties and virtues of society were threatened, until a general sentiment of indignation broke forth, that compelled the Regent to rescind the odious decree. Lord Stairs, the British ambassador, speaking of the system of espionage encouraged by this edict, observed that it was impossible to doubt that Law was a thorough Catholic, since he had thus established the "inquisition," after having already proved "transubstantiation" by changing specie into paper.

Equal abuses had taken place under the coloring project. In his thousand expedients to amass capital, Law had sold parcels of land in Mississippi, at the rate of three thousand livres for a league square. Many capitalists had purchased estates large enough to constitute almost a principality; the only evil was, Law had sold property which he could not deliver. The agents of the colonists, who aided in recruiting the ranks of the mendicants and vagabonds, they had scourged the streets at night, seizing upon honest mechanics, or their sons, and hurrying them to their crimping houses, for the sole purpose of extorting money from them as a ransom. The populace was aroused to indignation by these abuses. The officers of police were mobbed in the exercise of their odious functions, and several of them were killed, which put an end to this flagrant abuse of power.

In March, a most extraordinary decree of the council fixed the prices of shares of the India Company at nine thousand livres each. All ecclesiastical communities and hospitals were now prohibited from investing money at interest, in any thing but India stock. With all these props and staves, the system continued to totter. How could it be otherwise, under a despotic government, that could alter the value of property at every moment? The very compulsory measures that were adopted to establish the credit of the bank, hastened its fall; plainly showing there was a want of solid security. Law caused pamphlets to be published setting forth, in eloquent language, the vast profits that must accrue to holders of the stock, and the impossibility of the king's ever doing it harm. On the very back of the king, dated the 22d of May, wherein, under pretences of having reduced the value of his coin, it was declared necessary to reduce the value of his bank notes one-half, and of the India shares from nine thousand to five thousand livres!

This decree came like a clap of thunder upon shareholders. They found one half of the pretended value of the paper in their hands annihilated in an instant; and what certainty had they with respect to the other half? The rich considered themselves ruined; those in humbler circumstances looked forward to abject beggary.

The parliament seized the occasion to stand forth as the protector of the public, and refused to register the decree. It gained the credit of compelling the Regent to retrace his steps, though it is more probable he yielded to the universal burst of public astonishment and reprobation. On the 27th of May, the edict was revoked, and bank bills were restored to their previous value. But the fatal blow had been struck; the delusion was at end. Government itself had lost all public confidence, equally with the bank it had engendered, and which its own arbitrary acts had brought into discredit. "All Paris," says the Regent's mother, in her letters, "has been mourning at the cursed decree, which Law has persuaded my son to make. I have received anonymous letters, stating that I have nothing to fear on my own account, but that my son shall be pursued with fire and sword." The Regent now endeavored to avert the odium of his ruinous schemes from himself.

He affected to have suddenly lost confidence in Law, and on the 29th of May, discharged him from his employ, as Comptroller General, and stationed a Swiss guard of six teen men in his house. He even refused to see him, when, on the following day, he applied at the portal of the Palais Royal for admission; but having played off this farce before the public, he admitted him secretly the same night, by a private door, and continued as before, to co-operate with him in his financial schemes.

On the first of June, the Regent issued a decree, permitting persons to have as much money as they pleased in their possession. Few, however, were in a state to benefit by this permission. There was a run upon the bank, but a royal ordinance immediately suspended payment until further orders. To relieve the public mind, a city stock was created of twenty-five millions, bearing an interest of two and a half per cent, for which bank notes were taken in exchange. The bank notes withdrawn from circulation, were publicly burnt before the Hotel de Ville. The public, however, had lost confidence in every thing and every body, and suspected fraud and collusion in those who pretended to turn the bills.

A general confusion now took place in the financial world. Families who had lived in opulence, found themselves suddenly reduced to indigence. Schemers who had been revelling in the delusion of princely fortunes, found their estates vanishing into thin air. Those who had any property remaining, sought to secure it against reverses. Cautious persons found there was no safety for property in a country where the coin was continually shifting in value, and where a despotism was exercised over public securities, and even over the private purses of individuals. They began to send their effects in other countries, when Jo I on the 20th of June, a royal edict commanded them to bring back their effects, under penalty of forfeiting twice their value; and forbade them, under like penalty, from investing their money in foreign stocks. This was soon followed by another decree forbidding any one to retain precious stones in his possession, or to sell them to foreigners; all must be deposited in the bank, in exchange for depreciating paper!

Execrations were now poured out, on all sides, against Law, and menaces of vengeance. What a contrast, in a short time, to the vernal incense that was offered up to him! "This person," writes the Regent's mother, "who was formerly worshipped as a god, is now not sure of his life. It is astonishing how greatly terrified he is. He is as a dead man; he is pale as a sheet, and it is said he can never get over it. My son is not dismayed, though he is threatened on all sides, and is very much amused with Law's terrors."

About the middle of July, the last grand attempt was made by Law and the Regent, to keep up the system and provide for the immense emission of paper. A decree was fabricated, giving the India Company the entire monopoly of commerce, on condition that it would, in the course of a year, reimburse six hundred millions of livres of its bills, at the rate of fifty millions per month. On the 17th, this decree was sent to parliament to be registered. It at once raised a storm of opposition in that assembly; and a vehement discussion took place. While that was going on, a disastrous scene was passing out of doors.

The calamitous effects of the system had reached the humblest concerns of human life. Provisions had risen to an enormous price; paper money was refused at all the shops; the people had not wherewithal to buy bread. It had been found absolutely indispensable to relax a little from the suspension of specie payments, and to allow small sums to be scantily exchanged for paper. The doors of the bank and the neighboring street were immediately thronged with a famishing multitude, seeking cash for bank notes of ten livres. So great was the press and struggle, that several persons were stifled and crushed to death. The mob carried three of the bodies to the court yard of the Palais Royal. Some cried for the Regent to come forth, and behold the effect of his system; others demanded the death of Law, the impostor, who had brought this misery and ruin upon the nation.

The moment was critical; the popular fury was rising to a tempest, when Le Blanc, the Secretary of State, stepped forth. He had previously sent for the military, and now only sought to gain time. Singing out six or seven stout fellows, who seemed to be the ringleaders of the mob: "My good fellows," said he, calmly, "carry away these bodies, and place them in some church, and then come back quickly to me for your pay." They immediately obeyed; a kind of funeral procession was formed; the arrival of troops dispersed those who had lingered behind; and Paris was probably saved from an insurrection.

About ten o'clock in the morning, all being quiet, Law ventured to go in his carriage to the Palais Royal. He was saluted with cries and curses, as he passed, along the streets; and he reached the Palais Royal in a terrible fright. The Regent amused himself with his fears, but retained him with him, and sent off his carriage, which was assailed by the mob, pelted with stones, and the glasses shattered. The news of this outrage was communicated to parliament in the midst of a furious discussion of the decree for the commercial monopoly. The first president, who had been absent for a short time, re-entered, and communicated the tidings in a whimsical couplet.

"Messieurs, Messieurs! bonno nouvelle!
Le carrosse de Law est requie en carrelle!"
"Gentlemen, Gentlemen! good news!
The carriage of Law is shivered to atoms!"

The members sprang up with joy: "And Law!" exclaimed they, "has been torn to pieces!" The president was ignorant of the tumult; whereupon the debate was cut short; the decree rejected, and the house adjourned; the members hurrying to learn the particulars. Such was the levity with which public affairs were treated, at this dissolute and disastrous period.

On the following day, there was an ordinance from the king, prohibiting all popular assemblages; and troops were stationed at various points, and in all public places. The regiment of guards were ordered to hold itself in readiness; and the musqueteers to be at their hotels, with their horses ready saddled. A number of small offices were opened, where people might cash small notes, though with great delay and difficul-