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THE
Vindication and Advancement
OF OUR
National Constitution
AND
CREDIT:
Attempted in Several *Tracts*.

1. An Introductory Essay; wherein are occasionally consider'd the Two Main Points of Her MAJESTY's Title, and the Doctrine of *Resistance*.
2. Remarks upon the Bank of *England*, with regard more especially to our Trade, and the Constitution of the Government.
3. An Essay upon the National Credit of *Britain*.
4. A Letter to a Member of the Honourable House of Commons, relating to the Credit of our Government and the Nation in general.

All written by the same Author.

Nec enim ulla Res vehementius Remp. continet quam FIDES; quæ esse nulla potest nisi erit necessaria Solutio rerum creditarum. — Fraudandi enim spe sublata; solvendi necessitas consecuta est. Cic. de Offic. Lib. 2.

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Introductory E S S A Y, &c.

TH E Author began to write upon the Subject of these Papers above Four Years ago: A very discouraging Time! as the World saw, and himself sufficiently experienc'd. However, this he hopes will skreen him from the Imputation of an Officious Time-writer, that shapes his Course by every Wind.

He cannot but observe, that few or none of those who have written for our Constitution, have touch'd upon the great Use, and the dangerous Abuse of our *National Credit*. And yet he persuades himself it will appear from these Tracts, to be a necessary Addition to the many great Things that have been lately done for our Preservation; that all other Fundamentals (both in Church and State) are closely connected with this one, how distant soever they may appear at first sight.

And if his way of Writing on this important Subject is with Truth in his View, and Perspicuity in the Pursuit; without all Reflection on Persons, as much as the Subject would possibly permit; he shall then hope that this, in the Readers Hands, may deserve a Place amongst other well-meant Endeavours; and that he may,

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with

without Breach of Modesty, appeal once more to the *Wisdom of the Nation*.

To proceed then in this first Discourse, which is designed to add Strength to all the rest, and to have something peculiar of its own.

As to the *Remarks*, the Point may seem to turn upon the *Bank's* Prolongation, which was intended to be brought in that Session, but was not obtain'd till the succeeding, when the *Remarks* should seem to have been forgotten; but the Reader will easily make this general Application of all the Arguments urg'd with that View, That if the Danger was great in Granting the Prolongation, it cannot be less since it is granted.

And as to those Arguments, I have review'd them with all the Indifference of a Stranger; and not finding any of them inconclusive in it self, or unnecessary to the main Design, I leave them once more to plead for themselves, without material Alteration.

However, I find them capable of very Considerable Addition, from the prevailing Topic of Matter of Fact; which I shall here prefix to those more Speculative Arguments, in order to gain, if I can, the Reasoners of all Complexions.

To find out something of this kind, I have enquired both Abroad and at Home.

We find but Four Considerable *Banks* Abroad in *Europe*; those of *Amsterdam*, *Venice*, *Hamburg*, and *Genoua*; the Three first are all in the Hands, and consequently in the Interest of their respective Governments; which is so far from being a Case parallel to ours, that 'tis the Reverse of it; and the Danger we pretend is, from our *Bank's* Counter-Interest to the Government.

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Genoua, I grant, did once come up to the Point; and here I join Issue with an Advocate for our *Bank*, who has these Words; *Of all the Constitutions in the World, ours does most resemble that of St. George at Genoua*.

The Parallel. Observ. on the Bank. London, 1695. Machiav. Hist. of Florence. London, p. 61, &c.

And we may collect as much from *Machiavel's* History of *Florence*. A War with the *Venetians* occasion'd that Government to borrow great Sums of the Citizens: For Payment, they consign'd them their Customs, and incorporated them into a *Bank*, which had the Palace over the Custom-House for their Meeting; They had a Council of 100, and a Magistracy, or Directors of 8; and divided their Credit into *Logui*, or Shares in Stock; And the Body, thus constituted, bore the Name of *St. George*, as the Government had the Name of the *Commonalty*.

This *Commonalty*, or *Commonwealth*, had a further Occasion for a Loan; and apply'd to *St. George*, then grown Rich, and the ablest, if not the only Lender; and for that, they mortgaged to it some Lands and Towns, as they had done the Customs before.

This Account being compar'd with the Constitution of the *Bank of England*, as it may be seen in the *Remarks*, will abundantly justify the Parallel; and the long Continuance of the *Bank* at *Genoua*, will render it a proper Example, of what, in Time, may be expected from the *Bank of England*, without a timely Interposition.

I shall therefore compare the Reasoning in the *Remarks*, with the Facts at *Genoua*. The main Drift of those Reasons is to prove Three Things, as to the Danger of our Constitution.

First; From the *Bank's* becoming, as it must in Time, the Principal, if not the only Lender to the Government; whereby the former may grow upon the latter, till 'tis able to controul it.

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Secondly, And when the *Bank* shall have the Ascendant, there are other apparent Ways, whereby it may seize and subvert the Government, taking the Supreme Power to it self.

Thirdly, And when this is done, there is a Foundation laid of perpetual Revolutions in the Government; the *Means of Subversion* being constantly transferrable from one Sort of Men to another.

The Example.

As to the First, *St. George* was the great and only Lender, and somewhat more than dangerous, when *Matchiarvel* tells us, *most of those Towns and Lands*, (that were in Mortgage to them) formerly subject to the *Genouese*, submitted to them.

As to the Second, relating to the laying hold of an Opportunity, the Historian adds, and they [*St. George*] Govern'd and Defended them [the Towns and Lands] and every Year, by publick Vote, sent their Rectors; and the Commonalty (that is, the Government) of the City was no way concern'd.

Upon this Head, I had not gone so far, as to say, the *Bank* wou'd also alienate the Affections, and consequently the Allegiance of our People, from the Government to it self; yet something like this, seems to creep upon those, who are wont to measure the Safety of the Nation, by the Height of *Bank* Credit. But had I said this invidious Thing, the Historian wou'd have afforded his Parallel, in these Words; *Whence it comes to pass, that those Citizens have taken away their Love to the Rules of the Commonalty, as a Thing usurped and tyrannized* (tho' indeed the Ancient Constitution) and plac'd it on *St. George*, as a Rule well and equally administred. But to proceed - - -

Thirdly, I had endeavour'd to prove, That this was the Foundation, not of one, but of perpetual Revolutions; and this, if any, might seem a Consequence somewhat strain'd. But neither does

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does *Matchiarval* forsake me here; *Whence* (says he (that is, from the *Bank's* Administration) arises the frequent and easy Change of Government, and that sometimes they obey a Citizen, and sometimes a Stranger.

To sum up this Matter; here are Two Constitutions, confessedly, *the likest each other in the World*. Here are the Necessities of borrowing in each Government exactly alike; the Revenue of both in the same Manner mortgag'd; both Banks growing rich, while the Publick grows poor; both courting the Affections of the People; and in a word, unlike in nothing but that the one has, the other has not yet, got Possession of the Government.

And if now those in the *Remarks*, which I presume to call strong Reasons, supported by this flagrant Fact, shall be still longer disregarded, till it be too late; all I shall add, is one Heathen Observation;

Quos perdere vult Jupiter dementat prius.

But I am in better Hopes of Matters, as they now stand circumstanc'd; and therefore proceed to draw the Scene nearer home. And if it appears, that our *Bank* has been gaining Ground upon our Government; if the *Means of Subversion* have begun to operate already; sure 'tis high time to stop the Progress, and to turn a deaf Ear to that impudent Pretence of *not seasonable*; so I must term it in some of its lowd Authors; altho' I confess it seems an Instance of Modesty, as it has been us'd by some considerable Men, I have heard of; who never seem'd to deny, that Things went badly, but only from time to time alledg'd, *This is not a Time*.

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It's hard to suppose the Government of *Genova*, design'd *St. George* for their Master, when they gave it a Being; but *St. George* grew rich, and then became necessary, and then assumed the Power. And has not our *St. George* at *Grocer's-Hall*, been advancing from little more than One Million, to above Five; and is not its being necessary, its own great Plea; and what has hinder'd it from being Supreme, but a little more Season to ripen Matters, and one timely Interposition of the Government? And have not some (for I am far from charging it upon all) aim'd at distressing the Government, by refusing to lend, as formerly; and by falling their own Stock? At the same Conjunction discerning doubtless the Consequence, if others had not interpos'd, to supply the one, and keep up the other.

The *Remarks* had observ'd, That a Majority in a certain House, was one way to subvert. And I have heard it as Fact, That their Members have been all along increasing in that House; their Interest openly espous'd; their Privileges increas'd; their Time prolong'd; infomuch, that, as a *Bank*, they became sufficiently sensible of their Weight in that House; and I believe, I may add, the Nation is become sensible of it too.

It was doubtless their Power here, that naturally led them to exert the same in the *Exchequer*, and even contrary to Parliamentary Restriction, to get their Credit pass there, that they might have the Government's Money, and the Government their Paper; and this is done by a most shameful Illusion of the Law. And this is sufficient to shew, what Power they have had in that Powerful Place, the *Exchequer*; without looking into secret Influences.

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From the *Exchequer*, let us ascend to the Court it self; where the Influence has, I think, appear'd bare-fac'd at last, in one unparallel'd Account; concerted surely to shew the World, that they were now grown too great to be disoblige'd, as well as too much concern'd, to stand still, while their Friends were removing. And had this one Point been gained, all Resentment either from the Dignity of the Crown, or the Loyalty of the Subjects, might have been ever after too late.

In the King's Reign, the Favourers and Favourites of the *Bank*, were once silenc'd, and the *Bank* it self kept silence; but now the Time was come for them to speak out; and that strongly argues the Sense of Power, tho' perhaps not of Duty, increas'd upon them.

For my own Part, my only Wonder was to see Honest Men stand amaz'd at this Instance, who had read the *Remarks*, which had accounted for greater Things Four Years before.

This is all that, I think, need be added to the *Remarks*, as to the Concurrence of Reason and Fact; but the latter I shall further corroborate, by reflecting upon what has been lately done, in other Respects, and by many more Hands, besides those of the *Bank*. I mean, that while the *Means of Subversion* were plac'd in the *Bank*, *subverting Notions* were flying round the Nation. Which latter, in Regard they tend to the very same End, and remarking upon them being agreeable to the Author's entire Design of Writing for the Constitution; it does not appear improper, and I hope, it will not be unacceptable, in this Discourse, to lay open that Scene of Danger.

But I shall confine this Account to the Two principal Points, that are so hotly contended for; the one, denying Her Majesty's *Hereditary Title*, and

The Affi-
stants.

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and in the Room of it substituting a *Revolution Title*. The other is, the lately fashionable *Doctrine of Resistance*.

In decri-
ing Her
Majesty's
Title. As to Her Majesty's Title (which it will not appear so presumptuous to discourse for, since it has not been thought so, in the most publick manner to oppose it) her Majesty is not said, never to have had a Native Right to succeed; but the Intervention of the Revolution is affirm'd to have alter'd this Title. We must therefore enquire what the Revolution Acts have done, as they extend to this Reign.

The Act *Ann. 1. Gul. & Mar.* after placing the Crown on King *William* and Queen *Mary*, for their Lives, and next on the Heirs of *Q. Mary*, settles it on her Present Majesty and her Heirs; and in default of such Issue, on the Heirs of his Majesty. And after that comes the 2d Act *Ann. 10. Gul.* which, in failure of all the above-mention'd Heirs, establishes the Succession in the *Hannover Line*.

This I assert is an *Hereditary Title*, both in true Sense and Legal Construction. The former Act did indeed place the Crown immediately on their late Majesties, but it gave Right to all their Successors, by way of *Heirship*, (tho' it was not the Original of that Right, as shall be shown); but an *Heir* without an *Hereditary Title* is a Contradiction in Terms.

The other Act calls the Settlement a *Succession in the Protestant Line*; but 'tis impossible to have a *Succession in a Line*, without an *Hereditary Right*. All other Successions are accidental; as a Purchaser succeeds in another's Estate, or one Officer in another's Place, by Donation, &c. But this kind of Succession, is utterly disavow'd, when the Lords and Commons submit to this Settlement, themselves, and their Heirs for ever.

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This I conceive is direct and full Proof; which nevertheless has been made liable, with great Artifice and Industry to several Objections.

The First is, That an *Hereditary Right* is incapable of Limitation: Whereas, besides the Notion of the Pretender's Legitimacy (lately reviv'd by a new Sect of *Jacobites*) the Prior Branches of the Popish Line are precluded.

By what
Argu-
ments,
with their
Answer.

But in Answer to this Popular Objection, I ask, whence comes this new Description of an *Hereditary Title*, that it must of Necessity be Unlimitable or Null? Let us compare it with a familiar Case — An Estate *in Tail* upon the Heirs Male is as truly possess'd by an *Hereditary Right*, as a *Fee-Simple* is; yet, in the former, there is a manifest Limitation of Succession, in the Exclusion of Female Heirs.

Now suppose a *S'alique Law* should hereafter take Place in *Britain*, (which scarce any Age will offer at, were it only in Gratitude to the Present Auspicious Reign) here would be as true a Limitation, as there is in excluding all Papists; yet still, the Crown would be possess'd by an *Hereditary Right*, as justly as the foresaid Properties are.

The truth is, this Notion confounds all Common Law, as well as Common Sense; and *Littleton* and *Cook*, and all the long Robe after them, have distinguish'd without a difference, between *Fee-Simple* and *Fee in Tail*, *Heir in Tail* and *Heir at Law*, if this Modern Report must pass upon us.

The next Objection, is, That this very Limited Succession is not made Absolute and Unalterable; because a Person, in actual Possession, forfeits his Right to our Allegiance, if he either turns Papist, or marries one.

Now, this is no more than a Limitation of Poss-

Possession, as the other is of *Succession*. And this Provision (harsh as it may sound to some) may be concluded to have arisen from a just Sense in the Parliament, that Popery in the Prince, is utterly inconsistent with our whole Constitution, and destructive of it; so that such a Prince might with the greatest Reason, be look'd upon as no more fit to govern a Protestant Kingdom, than a Madman is to manage his Estate. And if that Lunatic may be *disseiz'd* (as by Common Law he may) without Alteration in the Title of the Estate; then neither does this Exception, (made by our Legislature) destroy the Rule; if that can be call'd an Exception, which has a Provision in the Rule it self. For that Act places the Crown on the next Protestant Heir; thereby carrying still on the Hereditary Right.

But 'tis further urg'd upon us, That this Hereditary Title is calculated for the Service of the Pretender, because if he has not the only, he has the best *Hereditary Title*, his being Prior to the other, and not so clogg'd.

Here I ask again, Are those that use this Language in earnest? If so, they are the Pretender's real Friends. For if the full Parliament could justly limit the Succession, then his Title is so far from being the best, that 'tis absolutely *Null*; if it had not this Power; Lo! here the seeming Contradictions of *Whig* and *Jacobite* perfectly reconcil'd.

But I must not conceal their Refuge to evade the Charge of *Jacobitism*, in their Favourite *Revolution Title*.

Here I freely admit that their late Majesties was a *Revolution Title*; but I totally deny that any Prince can have a *Revolution Title*, (in strictness of speaking) but he whose Succession is brought about immediately by a Revolution. And if this be the mean-

meaning, then we understand the Sense of those Words in the Voice of the Addressers, p. 8. *This very Revolution Title is the thing that is to support all our Future Princes in the Protestant Line*; that is, all our future Princes, are to succeed by so many *Revolutions*. And this is a clear Specimen of some Men's Affection to the *Illustrious House*; by giving the Lords and Commons that Power (which themselves have disclaim'd) of determining it otherwise, upon any Demise.

But I will not say all of them proceed thus far; some only think, that may be term'd a *Revolution Title*, which is owing to a Revolution.

I answer, (without disputing about Words) If the Revolution had taken the Crown quite out of one Family, and plac'd it in another; and her Majesty had descended from the latter, and not from the former, there might have been something in this Plea; But since her Majesty is the true Protestant Heir of King *James* the 1st. and the *Hannover* Line the next in Succession, 'tis plain the Parliament has done nothing to alter the Succession, (besides the Exclusion of Papists, already accounted for) and in all other Respects, has recogniz'd the ancient *Hereditary Title* to these Crowns.

I can find but one Plea more on their Side: They say, Without the Revolution, both Her Majesty's Right, and that of the Protestant Succession, had been utterly defeated.

But this Negative Cause (or in *Logic*, *Causa sine qua non*) can never be pleaded as a Title; for then all the Providential Acts, that gave, and have preserved to us this invaluable Blessing, may with equal Right be advanc'd and crowded into Her Majesty's Title. But I know not who can enumerate them all; such absurd Trifling sure, must mean something else. In the mean time,

time, I believe some Gentlemen wou'd not willingly have the Title turn'd upon themselves; I mean, that their Heirs should have only a *Revolution-Title* to those Estates, which, without the Revolution, themselves had never gotten.

This is all they plead for themselves; nor will I pass by what they urge by way of *Recrimination*. The Addressers, and some others, do not express the Limitation, and therefore must mean the Pretender.

But this Accusation is doubly unjust; for first, all that mention the Protestant Succession, (and that is all I have seen of them) do avow the Limitation. But I may further observe, that they who use this Expression of an *Hereditary Title*, in Terms unlimited, ought in all Ingenuity, to be understood of that same Title which the Law has mark'd out: But they who oppose this Title in the same unlimited Terms, do oppose directly that Legal Settlement which has fix'd an Hereditary Title, with what Limitations soever it is attended.

A Controversy of this Moment, might require a much larger Discussion; but I hope these Hints are sufficient to clear the way, and do not make the Digression too long. In short, the Secret seems to be this: Some Men flattered themselves they had a large Share in chusing the Parliament; the next Business therefore, was to give the Parliament a Standing Power of Chusing the Prince; who of Consequence must know to whom he shall stand oblig'd. And this I conceive I have justly term'd a *Subverting Notion*. How far it has been espous'd, every one does

Broaching anew the Popish Doctrine of Resistance.

conceive. The same Game was playing faster still, by several Hands. The Revolution-Title seemed calculated chiefly to affect the Successors, in their

their Accession to the Throne: Something therefore must be added, that carries with it *instant Awe*; and this is the *Modish Doctrine of Resistance*.

Here I think I am upon sure Ground; for I don't consider it yet, as, in the extreme Case of Self-defence from imminent Destruction, it may be an Exception to the Doctrine of Obedience; but as it is advanc'd into a Doctrine it self; which two things are widely different: A Doctrine of Disobedience, is an Engine levell'd at all the Human Infirmities of our Governors; and yet in this very Shape it has lately appeared at Noon-Day.

I grant it has been disguis'd, and even disclaim'd by its chief Abettors, when they are driven. *All that is contended for (says Mr. Hoadly) with any Zeal, is a Power to be left in the Governed Society, to preserve it self from Destruction: And the Editor of my Lord of Sarum's Speech says, Mr. Hoadly has asserted no more than this. But I must crave leave to dissent from both, and to prove that Mr. H. has contended for, and asserted much more, in the direct and immediate Conclusion from his own Premises: And the joining Issue with this Gentleman, will shorten our Work, and yet clear the Point; for His is the received and celebrated Opinion of the Party; and we must suppose those to be Votaries to his Doctrine, who are ready to Vote for his Preferment upon it.*

Consider. to the Bp. Exeter, p. 12.

Speech in the H. of Lords.

His Scheme is in short this; and I appeal to himself for the Truth of the Representation. Government is founded by God, entirely for the Good of the Community; and is plain, both from *Reason*, and *St. Paul*.

The Scheme.

That Good cannot be consulted, but by Justice in the Administration.

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Therefore the Governor, in every Act of Injustice, exceeds the Bounds of his Divine Commission.

For which Reason, in all such Instances, his Sovereignty, Superiority, and Authority, vanish and become Null.

And therefore, in all such Instances, he may be Resisted, as well as a Private Aggressor; as to any Conscience's Obedience that is due to his Commission.

But then, in Consideration of the Publick Peace, we may be frequently under Obligations to suffer Injustice from our Governors, without making Resistance.

This is the Sense, if not the Strength of all that he has written on the Subject. I shall meddle no further with the Divinity of the Point, than to produce one Argument, that may be Intelligible to every Capacity; but which I think utterly destroys his whole Scheme.

Mr. H. rightly discourses on the Grounds of our Obedience, as they are the same Debt to Magistrate, Parent, and Master; and so we find it inculcated in the Scripture: An Instance of the last will therefore be sufficient. *Servants* *1st. Ep. of* *Pet. ch. 2.* *v. 18.* *be subject to your Masters with all Fear, not only to the Good and Gentle, but also to the Froward.* Mr. H. knows, that the Word translated *Froward*, signifies not only the Peevish, but the Cruel and Inhuman Master; at least he may know it from Mr. Pool, who is not suspected of over-straining Obedience.

Now it's clear from Mr. H's Scheme, that these two Masters must be obeyed (so long as they are to be obeyed) upon quite different Principles: The *Good* for Conscience, the *Froward* only for Peace-sake. But the Apostle unfortunately adds, *For this is Thankworthy, if a Man,*

The Confutation from Scripture.

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Man, for Conscience towards God, endure Grief, Suffering wrongfully. Whence you see, the Obligation of Conscience is so far from ceasing in the Case of a Froward Master, that 'tis here confin'd to that Case; the Author not conceiving it needful, to superadd the Obligation of Conscience, to a *Good and Gentle Master.*

I thought this a Demonstration; yet when I urg'd it to a certain Sophister, he attempted to creep out, and said there might be an Obligation of Conscience, only to preserve the Peace.

But this Quibble does not mend the Matter; it only makes two Obligations of Conscience; the one Direct, drawn from the Authority of God; the other Consequential, from considering the Peace of the World. A Distinction altogether Unscriptural: On the contrary, St. Peter places the direct Obligation (*Conscience towards God*, not *Conscience towards the Peace of the World*, are the Words) upon this very Case of being Cruelly dealt with.

Here therefore lies the true Difference; St. Peter lays the great Stress upon the Authority of our Governors, in those Ill Acts of theirs, to which we are to submit, for Conscience towards God.

But the Rector of St. Peter's, nulls the whole Authority of all Governors, in those Acts wherein they Govern ill; and yet the latter is a profess'd Interpreter of the former.

But let us proceed to the Reason of the Thing, which I always found agreeable to the Scripture Account. If Submission to an unjust Command, can derive from no other Principle besides the Peace of the Community, (as Mr. H. strenuously contends it cannot) then it may often be a Question, with the Subject, Whether a timely Resistance may not contribute more to

From Reason.

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the Publick Peace, than a late one : And who- ever resolves this to himself in the Affirmative, stands oblig'd to make this timely Resistance, for the very Reason Mr. H. has invented for his Non-Resistance ; that is, a Conscientious Re- gard to the Peace of the Community. From whence it follows, that this Scheme can never, (by all the Art of Man) be ty'd down to the extreme Case of Self-defence from Destruction ; which was to be proved.

Again : If Resistance be *simply Lawful* in all Oppressive Instances, tho' for Peace-sake it may be deferred ; (which is Mr. H.'s true Scheme) and if every Oppressive Act in our Governors, be in it self *simply Evil*, (as doubtless it is) then 'tis unlawful for me to defer my Resistance, for the sake of the Publick Peace ; because, by Compliance, I gratify a Vicious and Unauthor- iz'd Inclination in him, and help to spread the Injustice thro' the Community. Which is in the true Sense, doing Evil, that Good may come ; doing a Direct Evil, for a Consequential Good : Which, I think, no good Casuist will allow.

And therefore this Scheme is so far from being confin'd to the last Extremity, that it obliges to Resistance (and that in Point of Conscience) in every Instance, wherein the Inferior does but erroneously imagine (for an Erroneous Con- science obliges) himself to be in the least injur'd, or ill dealt with ; which must unhinge all Government, and throw the World into that State of Nature, which otherways Mr. H. will never be able to prove. Such a Scene, has this Blessed Preacher of Peace open'd to us.

I could enlarge in Arguments not less conclu- sive than these, and also clearly detect the Falla- cy he puts, in that Notion of the Governor's exceeding the Bounds of his Commission : But these

these are altogether sufficient to my Purpose ; which was to shew, that he is not properly vin- dicating the late Revolution, but fitting up a Scheme for any other Revolution, that might be in view, or can possibly happen.

But it must be answer'd, what he often asks, How the other Scheme provides for that same Case of Extreme Danger to the whole Consti- tution. I answer, It does not expressly provide for it ; and I add, Neither ought it, in Reason, or in Law. Not in Reason ;

The main
Objecti-
on An-
swer'd.

First, Because the Case can never be describ'd, so as to be comprehended in a precedent Rule ; 'tis a Point of no Latitude, not reducible to any Measures of all the other stated Cases, relating to Government and Subjection.

Secondly, If it could be describ'd, the Work would be needless and impertinent ; 'tis a Case that always is, and may safely be left to an *Impe- tus* of Nature, both to discern the Exigency, and how to behave under it. The Impression of Self-preservation is so strong upon Human Na- ture, as not only to supersede all other Provision, but to render it insignificant : 'Tis no Case in the Conduct of Human Life, that can be im- prov'd by any Reasoning, what a Man is to do when he's driven by a Sword to the Wall.

Thirdly, It would be Unjust and Noxious to all Government, to describe such a Monstrous Case ; for 'tis infinitely more liable to be per- verted to an ill Purpose, than ever to be us'd for a good one : For do but let the People know, they may Resist in any Case, this leaves them to their own discerning Judgment when the Case shall happen ; and indeed, leads them on upon all Occasions, either to find, or make it.

In the next Place, to describe such a Case, and authorize Resistance in it, is inconsistent

with the very Nature of all Law and Legislature. I dare say it was never advanc'd into a Law, in any Government since the Creation, or we should have had it produc'd by Learned Hands. The Truth is, the irresistible Authority of the Supreme Power, is essential to the Force and Being of all Laws whatever. And one Law for Resistance (upon any Occasion) wou'd enervate the whole, and prove its own Destruction; for 'tis a Contradiction, for me to command another to resist *me*, because that very Command supposes I have an irresistible Authority over him: Which shews the extreme Nonsense of this Grand Design.

Nay, so far is the Law from commanding Resistance to the Lawgivers, that it does not command it in any Case between Man and Man: It only does (because it can do no more than) excuse the Resister (and that after an Arraignment) in the extreme Case of his Life, for taking another's; but it has no Right to command his Resistance.

Let Mr. *H.* consider well this Point: — If the Law cannot prescribe the Case of Extreme Necessity, and if such a Law wou'd be equally insignificant and Dangerous, (which perhaps occasion'd the Proverb to say, *Necessity has no Law*) then 'tis unaccountable, by what Authority Mr. *H.* takes upon him to carry his Resistance, even to Cases of no Necessity; as I have prov'd he has done. There is a wise Saying, and I leave him to disprove either the Truth of the Aphorism, or the Justice of the Application.

Oportet neminem esse sapientiores Legibus.

And the same Argument dispos'd me so, that I cou'd not well digest what the foresaid Editor says

says of the General Doctrine of *Non-Resistance*, That it ought not now to be deliver'd in such *crude Terms*.

But 'tis high time to take Leave of Mr. *Hoadly*, whom I have singl'd out with as much Modesty, I hope, as he did a Bishop, and agreeably to my Design of discovering Attacks upon the Constitution: For his Scheme is as much in every Mouth of the Party, as the Bishop's Doctrine was that of the whole Church, down from its first Institution, to the grossest Corruptions of Popery; and from the Reformation, to the Days of *Benj. Hoadly*.

I know he is follow'd with full Cry, by the Pack of Weekly Scribblers; but it would be offensive to rake into that Heap; only I have one Remark, which is to me a Key to all their Volumes. Their course Declamation runs high against *Jacobitism*; and then they boldly fix that Character on the greatest Part of the Church, and Body of the Nation: And thus by labouring to prove what no Body denies, and by taking for granted what none can prove, They had surely Poison'd this Kingdom, if some, by ill Chance, had not discover'd the Distemper, and others wisely provided an Antidote.

And thus I am brought home to the Point I aimed at; which was to shew, That *Subverting Means* are more likely to Operate, while *Subverting Notions* are spreading abroad: And to give Warning of both at once, since both naturally tend to the same Center.

But to come close to the main Design of all these Tracts; The *Remarks*, being written against a *Prolongation*, may be constr'd to argue for their Dissolution, before their Time comes, to the Prejudice of all their Proprietors.

This I declare was never in View ; and therefore the *Remarks* were soon follow'd by the *Essay on National Credit*, which has no further Aim, with Respect to the *Bank*, than to cut off the dangerous Dependance of the Government on it ; and secure the whole National Credit, on a better Foundation of its own.

But this Design is so far from being destructive to the *Bank*, that a Method is calculated whereby the *Bank* may be instrumental in the Undertaking, to its own considerable Benefit, and to merit the Thanks of all its well-meaning Proprietors.

The Short of the Case (which I recommend to all their serious Consideration) is this ; Whether 'tis more safe for, and more for the Interest of, the *Bank* it self, to continue over the Government, as the improper and ever-to-be suspected Guardian of its Treasure and Credit ; or to go on in a thriving Condition, in Subserviency to the Government, and without being remark'd upon by the Defenders of our Constitution ?

The Proposal of Remedy.

I must here add, That what the *Essay* proposes to be farther disclosed for the Service of the Government, is still ready to appear ; and, after the mature Consideration of several Years, to be made good to the proper and unbiass'd Judgments of those that are to consider it.

And the Proposers conceive it is, at this very Juncture, more seasonable and necessary than ever it was ; when our Publick Credit wants Help exceedingly, and daily incurs more Damage ; all which might have been prevented, by a timely Execution of this Design. For what Reasons, and with what Views it was prevented, may now be fairly guess'd at. - - - -

But they are not solicitous about any Retrospect ; they have sufficient Hopes, that the Remedy

medy is not too late ; and they believe the Application of it to be of the highest Concern to the well-being of this Nation.

To make our Government's Credit pass without *Discount* for the future, and subsist upon as good Terms at least, as any private Persons or Societies can, by Virtue of their Credit, is a Design of more Moment, than I know it is usually apprehended to be ; especially to all the Landed Men of this Kingdom.

The hard Case of Land Estates.

For, let us only consider a little, how it affects the Land-Interest. It will not be deny'd, That the Government is even now supply'd, in the present Contracts for the Navy, proportionably to the 40 *l. per Cent.* Discount ; which therefore is substantially so much present Loss, and in some Cases double, to the Publick Revenue ; and what a small Proportion of this Loss, will be supply'd by the Money, while so much more comes from the Land, and the Produce of it ?

Now this 40 *l. per Cent.* is all gain'd at last by the money'd Interest : And were it equally gain'd by that Interest, it might seem an unsufferable Hardship on the Land, and all those that live upon the Income of it ; but this is not the Case, 'tis gain'd only by a few Wealthy Men about this City, to the Prejudice of all the rest, both of the Land, and Money'd Interest in the Nation.

And I think, I may affirm, That by this one Misfortune, and Artifice together, of *Discount*, the Land Estates in *England* have suffer'd the vast Loss of many Millions ; and the Money'd Estates (but those only in a few Hands) gain'd unmeasurably ; while both Land and Trade have been under an Extremity of the most unjust Sufferings.

It is humbly conceived therefore, That a Parliament, in which there are like to be more Land

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Estates, than perhaps have been since the Reformation, will hearken to all reasonable Appearance of Remedy for this growing Evil; and whether the Proposition will not be effectual to put a present Stop, and in Time a Period to it, (besides many other Advantages both to the Government and Trade) shall most readily be submitted.

As to the *Letter to a Member of Parliament*, (the last of these Tracts) that was written chiefly to remove the Objection, which stuck with several Gentlemen, against Paper Credit in general: And this it is conceived may effectually be done, to remove all Suspicions of that kind, provided, due Care be taken (as is there propos'd) to settle it so, as to make it one of the most desirable Things, both to the Government, and the People of this Nation; Securing the one on that Right Foundation, which has been shaken; and letting the other have some Prospect of a nearer Conclusion of Debt, as well as War.

R E.

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R E M A R K S

U P O N T H E

Bank of *England*,

With Regard more Especially to our

Trade and Government.

To the R E A D E R.

WHEN our Money'd Men first solicited an Establishment of the Bank by Act of Parliament, the Argument made use of for this Design was not only a present Loan, but a great Show of future Service; which we may suppose from the mighty Powers and Privileges the Parliament gave them, beyond those of any Corporation, or Society, I believe, that ever was Erected in England.

The great Engines we had then to move [our Trade and our War] under a great Scarcity of Money, to keep them a going, put the Parliament upon uniting, as far as it cou'd be done, our little dispers'd Streams in the Channel of the Bank of England: And it prov'd accordingly, the Bank was useful, if not to Trade, yet apparently to the Government in several prompt Loans.

But

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But it seems the first Discourse of Usefulness is now improv'd into a strong Argument of Necessity; inso-much, that this Bank is valu'd by some, as the main Support of our Government; and is indeed too great to be disoblig'd, especially in so small a Request, as that of a Prolongation.

It is observable, that there are some Things which are Cordials to a Man's Body, but when they, by being us'd too freely, become necessary, they soon become fatal too: And I thought it worth my Enquiring (for private Satisfaction at least) whether this suppos'd Necessity of the present Bank, might not portend something Ill to our Body Politick.

But it was some Satisfaction to me, to find the Necessity only suppos'd, not prov'd; especially when I found its being mortal to our Constitution, a Point that was capable of being but too well prov'd. I have said something to remove this Necessity here, and no doubt much more will be said, when Ways and Means are enter'd upon; but that a Prolongation will make the Bank become necessary indeed, I think I have prov'd beyond Dispute. And that is the Reason why I cou'd never give my Consent to a Prolongation, had I the Honour to hear the Debate.

Or if I found the Bargain must be struck, I should be for selling our C-----n, as our Soldiers do their Lives, as dear as I cou'd: I should stiffly reject the Proffer of a Million, as too small a Share by much, wherewith to purchase the Whole. And I shou'd not much question, but to find the Bidder wise enough to comply; but I shou'd be very Humble afterwards, and know my Master.

For it must ever appear to me a dangerous Solecism in Politicks, that the Constitution shou'd depend upon anything in this World besides it self; or, that the Thing, which is the Support of every private Man's Property, shou'd subsist by any private Support. And therefore, I hope, the great Law of Self-preservation, will never
incline

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incline our Government to lean with so great a Stress upon that precarious Support, which, when withdrawn, It must fall to the Ground.

These I judg'd to be Truths of too great Importance to be conceal'd by me, especially when I saw none else appearing to reveal them; and that's my Apology for Publication.

And if I have made good my Point, I shall not fear, but that this little Tract will find Patrons, and our Excellent Constitution Patriots.

The INTRODUCTION.

NOTwithstanding, that the Bank of England is a Subject that has had no small Share in the late Politicks of the Town, yet there are several amongst us, who seem to look no farther than the Counting Tables in Grocer's-Hall, and so judge of the Bank, as they do of a Banker's Shop, to be of no other Use or Influence, but to receive and pay Money.

The Influence of the Bank considerable.

There are others, and among our deeper fight-ed Politicians, who plainly perceive an Influence, but want Light to trace it out; and consequently must, in great Measure, talk in the Dark, when they engage in this Subject.

As to the first sort, they may have their Error corrected by almost every Discourse that happens between the People of different Opinions, with Regard to the Bank: One cries, If this Bank is prolong'd, it will ingross our Trade, and ruin our Constitution. At the same time, another is pleading so much Merit on the Side of the Bank, that 8 per Cent. Annually, besides all the Profits of Banking, has not
been

been a suitable Reward for their Services to the Government; nor can any Thing be, but a farther Establishment. Now this methinks, ought to convince a Stander-by (what both Parties are agreed in) that there's something *considerable* in the Matter.

Requires a due Representation.

It is therefore, for the Use of those who want Light into the Recesses of this Subject, that the Paper before them was written; and it will not, it's hop'd, be accounted Presumption, to say, that several of those Gentlemen, who are Strangers to the Nature of *Banks*, and to the Condition of the *Bank of England*, may be deservedly plac'd within the Walls of the House of Commons, altho' their Education and Studies have not led their Thoughts much this Way.

The Author's Design in Representing it.

Wherefore it will be requisite to proceed in this Argument with Perspicuity and Plainness; and not only to state the Case intelligibly, but impartially too; to write without the Aim at any Talent, either at Satyr, or Harangue, but to endeavour all along, to lay open what I take to be an important Truth to us all at this time, and to support it by proper Evidence.

For this Reason, and lest the Gentlemen of the *Bank* should think themselves too freely dealt with, I profess, not to deal at all with their Persons, nor to lay any thing expressly to their Charge; no nor to deny them the Praise of having serv'd the Government well. In short, I can afford to allow them all the Virtue and good Principles imaginable, if I may but take leave to consider them, and their Successors especially, as Men liable to Temptations, while they partake, in Common with us, of *Nature* as well as *Grace*.

And intending to observe this Caution, I must request the Reader, as he goes along with me, to observe

observe it too, That it is not the *Persons*, but the *Thing*, that I am concerned with; and consequently, what I write, being derived from the Influence of no Party of Men whatever, I may expect a favourable Hearing from all equal Judges.

Seasonable blenefs thereof.

And I am of Opinion, an indifferent Person may presume to be heard, if he has considered the Case, and has any thing worth hearing, at this Juncture when every one expects the Cause will be brought upon the Stage by the *Bank* it self, which will plead with you (and with no small Assurance of Success) for the Prolongation of Time, almost Six Years before the Old Term can expire; tho' it may last much longer, if a Principal of 1, 200, 000 *l.* be not then paid them by the Government.

C H A P. I.

A Brief Account of the *Establishment, the Constitution, Privileges, and Restrictions* of the Present *Bank of England, and of the Profits arising to the Members thereof.*

THE *Bank* was Establish'd by a Loan to the Government of the foresaid 1,200,000 *l.* paid in at several times by Subscriptions equal to that Sum.

The Act for its Establishment pass'd in the Year 1693, *Guil. & Mar. 5.* which laid an Additional Duty upon *Tunnage, Excise, &c.* Which Duty, according to the Calculation then made, wou'd

The Establishment of the Bank, by the first Act, Ann. 1693.

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wou'd bring into the Exchequer 104,000 *l. per Ann.* of which 100,000 was secur'd to the *Bank*, as Interest for the said 1,200,000 *l.* amounting to 8 *per Cent.* and 4000 *l. per Ann.* more ; which was suppos'd to be thrown in to pay Salaries, &c.

Upon this Fund of Principal and Interest, They were Incorporated under the Title of *the Governor and Company of the Bank of England*, with a Power to make By-Laws, and do all other Acts as a Company, legally Constituted and Incorporated.

Pursuant to this Act of Parliament, they had a *Charter* enabling them to meet and chuse a Governor, a Deputy-Governor, and 24 Directors, 13 of which (the Governor, or Deputy-Governor, being always one) made a Court ; in which was lodg'd the whole Power of Transacting all things relating to the Society, excepting only, when a General Court of all the Members was call'd ; which was to be Four times a Year, and oftner, if demanded by any Nine Members, who were possess'd of at least 500 *l.* in Capital Stock.

The Choice of these Officers, and the Appointing their Salaries, was made by the Majority of all the Members, possess'd of at least 500 *l.* Capital Stock ; and was to be made anew every Year : The Governor, Deputy-Governor, and 16 of the 24 Directors, having a Capacity of being chosen again.

The Governor was to be qualified with the actual Possession of 4000 *l.* Capital Stock ; The Deputy with 3000 *l.* and each Director with 2000 *l.*

Thus they stood Constituted till the Year 1696, when the *Exchequer Tallies* had very much lost their Credit, partly by reason the Funds upon which

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which they were struck, prov'd deficient, and their Payment of Course was remote ; but chiefly by the Frauds and Artifices of Stock-Jobbers, &c. so that they passed at very great Discount, to the great Prejudice of the Publick Credit.

For Remedy of which, and to restore their Credit to the *Tallies*, the *Ingrafting Act* as it is call'd, then pass'd ; by which all Persons possess'd of *Tallies*, might make a new Subscription to the *Capital Stock* of the *Bank of England* ; and become Members thereof, by a new Incorporation ; the *Bank* being oblig'd to receive the said Subscriptions 4 *5th's* in *Tallies*, at *Par* ; and the remaining *5th* Part in *Bank Notes*.

By this Means the Capital Stock of the *Bank* was enlarg'd ; and the Government oblig'd to pay them 8 *per Cent.* for all their Subscrib'd *Tallies*, making it up where they did not carry so much Interest before, and also to allow them 8 *per Cent.* for as many more *Tallies* (which they were then possess'd of) as amounted to the Sum, which was Subscrib'd by the new Members in *Bank Notes* ; so that the whole of this new Enlargement might be esteem'd at 8 *per Cent.* from the Government ; until the Funds should come in, which wou'd pay off those *Tallies* in Course : And the *Bank* was accordingly to make a Dividend of Principal to the Members ; as those *Tallies* were paid off from Time to Time.

And thus they stand Constituted now : The *Tallies* being (as I am told) paid off by the Government within 10 *per Cent.* of what was Subscrib'd ; so that their Capital Stock in the Hands of the Government, is now but little more than the 1, 200, 000 *l.* first Subscribed ; though the

N. B. This was the Case when the REMARKS were Written.

Number

Ingraftment upon the *Bank*, by a Second Act, Ann. 1696.

Privileges to the Bank, by the First Act.

Number of their Members, is increased by the second Subscription.

Besides the 8 per Cent. Interest, there were several Advantages and Privileges given to this Society, some by the first, and others added by the second Establishment. The Privileges by the first were,

First, A Power to extend their Credit, and borrow Money of such as wou'd Voluntarily lend them; the 1, 200, 000 l. in the Hands of the Government, so far as it wou'd pay, being the Security to the Lender.

Secondly, For the better and more convenient Circulation of their Credit, their Notes, under their Common Seal, were made legally transferable by Indorsement, to all Voluntary Acceptors.

Thirdly, They were impower'd to purchase Lands, (Crown Lands excepted) and to receive Goods, &c. upon lending their Credit or Money, and to buy Bullion, Gold, or Silver; and also to sell such Lands, and the Produce thereof, and all such forfeited Goods, and Bullion, Gold, and Silver.

Fourthly, They had also the Privilege to deal in Bills of Exchange, either to give or receive them for Money, or other Bills, &c.

Fifthly, That their Capital Stock should not be chargeable with any Rate, Tax, or Duty whatever.

Sixthly, And for their Encouragement to act as a Body, it was not lawful for the Government to pay them their 1, 200, 000 l. Principal, but upon a Years Notice; and that not to be given until after the first of August 1705, by which they had an Establishment of 12 Years.

Seventhly, And it may be reckon'd amongst their Privileges, that any Member of Parliament

liament might be also a Member of their Society.

These are the chief Privileges they had at their first Establishment, which are all recogniz'd at their second, and several new ones granted.

First, A Power to Borrow more Moneys upon the Fund and Security of this Ingraftment.

Secondly, It was made Felony in any Person, to Counterfeit their Notes.

Thirdly, No Man could be a Bankrupt by reason of his Stock, nor that Stock liable to any Foreign Attachment by the Custom of London.

Fourthly, The Time of their being Paid off and Dissolved, was enlarg'd, and not to be under a Year's Warning after August the 1st. 1710. so that the whole Time will have been Eighteen Years.

Fifthly, It is Enacted, That during the Continuance of this Bank, there shall be no other Bank Establish'd by Authority of Parliament.

Having seen their Privileges, we must be so just as to look upon their Restrictions too; which we may do, without distinguishing their first and second Establishment, they being much the same in both.

First, No one Person or Society cou'd subscribe above 10000 l. before the 1st. of July then following, nor above 20000 l. afterward.

Secondly, They are not to Borrow under their Seal above the 1,200,000 l. lent upon their first Establishment; nor above the Sums subscrib'd upon their second: but if they do, and any Deficiency arises from thence, each private Member is made liable in his Proportion.

Thirdly, They are prohibited Trading (any otherwise than above permitted) as a Corporation, or empowering any one to Trade for them as such, under the Penalty of treble the Value they

they Trade for, with a Reward of a Fifth Part to the Informer.

Fourthly, If they shall refuse Payment of any of their just Debts, the Exchequer may, and must pay them out of the 100,000 *l. per Ann.* as it shall become due to the *Bank*.

That this is an impartial Account of their Constitution, Privileges, and Restrictions, will be confirm'd by any one that thinks fit to peruse the two Acts of Parliament before-mention'd.

And it is hop'd the Reader will carry this Account along with him; because the following Arguments shall be form'd upon it, and in reference to the Particulars of it; which is, I think, a fair and clear Method of stating the Case.

By what Meansthe Bank's Profit may arise.

But perhaps, in the mean time, it may not be improper to answer a Question that may be made, concerning the Inducements which at first mov'd our Money'd Men to procure the Establishment of the *Bank*; and still engages the present Members so very earnestly, and so very early to solicit the Prolongation of it.

Interest at 8 per Cent.

To which I Answer, First, the 8 *per Cent.* alone, (when the Legal Interest was but 6, and the clear Produce of Land seldom 4,) was of it self a sufficient Encouragement to this Undertaking; especially considering that this was Exempt from Taxes, to which other Money, and Stock, and Land were liable. This is obvious; but I Answer, *Secondly*,

An unlimited Credit.

The Power to extend their Credit, and upon so good a Foundation as the Security of an Act of Parliament, may become perhaps a more considerable Article of their Profit, than even so great an Interest.

They had a sufficient Prospect (and Time has made it good) of raising their Credit to a *Par* with Money; and wherever such Credit obtains, it

it affords all the real Advantages of so much Money.

And a Credit thus Establish'd, and rais'd to a *Par* with Money, is capable of being increas'd to an immense Value; considering the great Occasions for it, and Conveniencies of it in Trade, which, it's known, cannot be carry'd on to a due Extent in *England*, without a far greater Sum in Credit, than there is in *Specie* in the whole Nation: And therefore a Credit vastly extended, must bring in vast Profits to them that are thus Credited.

To explain this in an Instance or two; The *Bank* has a Privilege to negotiate and discount Bills of Exchange; in doing whereof, the Persons who come to have their Bills discounted, (which is commonly at the rate of 4 *per Cent.* or upwards) seldom require Money; but rather chuse their Notes, as being at *Par* with Money, and more easy and convenient in Payments than Money.

Discounting Bills of Exchange

Now if these Notes circulate abroad, but so long as till the Money is paid into the *Bank* upon the Bills of Exchange, then the *Bank* gains all the Discount, without disbursing any Money; and makes Advantage of that Money so much longer as their own Notes circulate.

Or if their Notes should return sooner, yet, considering that most People (for their own Convenience) deposit their Money in the *Bank*; that Money will answer these other Bills as fast as they come; and so one Sum will answer the Demands of another: From whence it follows, that the *Bank* is able to circulate, with a small Sum of Money, a much larger Sum in Credit, to their great Profit and Advantage.

Lending their Credit to the Government.

In like manner the *Bank* proceeds in lending their Credit to the Government, at considerable Interest ; which they can do without disbursing any Money, if the Notes they lend should keep out until the Funds upon which they lend them, bring in the Money to the *Bank* ; as now it may well be suppos'd they commonly do, when the Credit of the *Bank* is so high, and the Parliamentary Funds are not so remote as formerly.

Purchasing of Lands.

The same, or greater Advantages they will be able to make in the Purchase of Lands, when their Credit shall be so good, (as it may even now be suppos'd to be) that the Rent or Produce of those Lands shall be sufficient to support the Credit circulating, wherewith they were purchas'd ; that is, shall be sufficient to convert it into Money as fast as it shall be demanded, till the Lands bring in more Money ; and so on every Year, until the whole Produce shall be equal to the whole Sum of Purchase : And then, in this Case, those Lands cost nothing but Paper.

Or if their Credit should not extend to this Degree, yet the Inference is certain, with what small Sums, join'd with their great Credit, they can make large Purchases. The Influence and Effects of which, may hereafter fall under Consideration.

These Hints and Instances are sufficient to give the Reader some Idea of the Profits of the *Bank*, (without enlarging upon their receiving Goods deposited, and their purchasing Bullion, Gold, Silver, &c.) and consequently to account for the Cause that has rais'd the Zeal of its Members, in prosecuting the Design of a Prolongation.

C H A P. II.

The Case Stated ; and an Enquiry made into the Consequences of Prolonging the Bank of England. First, With Regard to our Trade, and all other Merchants and Traders.

THE Prolongation aim'd at by the *Bank*, is said to be 21 Years ; and the Conditions to be offer'd to the Parliament, are either to lend a Million of Money for that time, without Interest ; or to lower their present 8 per Cent. to 5, or 4 ; so that the remaining 3, or 4, may be a Fund, whereon to raise part of the Supply that will be wanted this Session.

Terms suggested for Prolonging the Bank.

In order to obtain this their Desire, there is no doubt but they will plead their past Services, set forth their present, and propose mighty ones for the future.

The best way to Examine all their Pretences, will, I presume, be first, to consider the Natural and Necessary Consequences of such a Prolongation, and then to enter upon the particular Consideration of the Arguments urg'd on the Side of the *Bank*.

Way to Examine their Pretences.

The Principal Consequences to be attended to in this Case, are such as concern Trade, and the Government ; and therefore, (to shorten this Discourse) I shall only speak with regard to these Two.

First, As to the Trade of this Kingdom, the Parliament, in both Establishments of the *Bank*, thought it necessary to restrain it from Trading either immediately, or by Commission, (excepting in the Produce of their Land, the Sale of deposited Goods, and the Purchase of Gold, &c.)

How the Bank may affect Trade.

and the Negotiating Bills of Exchange) as plainly foreseeing , that were they permitted to Trade freely , they might monopolize what Commodities they pleas'd , and undo all other Traders by their Great and Commanding Stock.

But if the *Bank* can evade the Force and Restraint of these Acts, and of any others that are likely to be made ; then it may be justly concluded Dangerous, if not Destructive to Trade, in the Sense and Judgment of the Legislature.

As to the present Constitution of the *Bank*, the Government of it is in the Hands of 26 , or rather in the Majority of that Number , who are not liable to any Personal Penalty, nor the *Bank* thro' their Default , to forfeit any of its Privileges, (so secure is this Establishment ;) and therefore there seems but very little Terror against, while there are strong Temptations to a direct Course of Trading.

How the *Bank* may Trade in one Instance.

For the Falacy may be as easy , as it will be gainful : For supposing those Gentlemen agreed and resolv'd to employ a round Sum of *Bank*-Money, or Credit in Trade , for the sake either of the *Bank* , or themselves ; which is not an impossible Supposition , considering the great Prospect of Gain, and the Smallness of the Number of Managers:

It is but giving a Commission , in general Terms, (from doing which, neither the Parliament nor their Charter restrains them) to one or more of the Directors , to dispose of such Money or Credit , for the said Service : And then he, or they, can as openly Trade with it, as other Merchants can do with their private Stock ; and may account to the *Bank* in Terms as general as those of the Commission, bringing in a competent Profit , and instead of being detected,

ted, gaining Applause, beside other *Premium*.

But if it must not be suppos'd, that the Directors will prevaricate at this rate, for so small a Profit as will be due to their private Shares in the *Bank* ; perhaps the Temptation may appear strong enough , when 'tis farther consider'd what Opportunities they have of Lending each other what Sums , and upon what Terms they shall think fit.

How in another.

And thus Trading in their Private Capacities with the *Bank*-Stock, it amounts to the same , if not a greater Injury and Oppression to Trade, than if the *Bank* it self traded with the like Sum barefaced.

But still , if even this shall be thought a Practice too palpable, there is a more covert way of doing the Business.

It is to be remember'd, that the *Bank* has a Power of discounting Bills of Exchange ; which they have done at 4 per Cent. to creditable Merchants, especially those well known to them.

How in a Third.

Now , it cannot be suppos'd but that the Directors may command this Favour at any time, and beyond others.

They therefore , or any of them , as being Merchants, easily foreseeing the great Advantages by Monopolizing several Commodities , and other seasonable Applications of large Sums, will be able to provide themselves for such Undertakings by the *Bank*-Stock, in this Method.

Supposing the Sum wanted is 20000 *l*. He need only procure one or more Bills for it to be drawn upon himself, payable to a Friend of his ; or upon a Friend of his payable to himself, Three Months after Date ; upon the Credit of which Bills, when accepted, his Interest will be so good at the *Bank* , that he or his Friend (which is

the same Case) shall have the Value of these Bills paid either in *Bank-Bills*, or ready Money, at the Discount of 4 *per Cent. per An.* which is but 1 *per Cent.* for the 3 Months: Which Sum Receiv'd, may be so dispos'd of in Trade, or otherwise, that the Produce may come in time enough to repay the *Bank*.

In this Case there is no Injury, but a Profit to the *Bank*: And yet, he who can have great Sums at Command, at so small a Rate as 4 *per Cent.* and, which is more Advantageous still, for just so many Days, or Weeks only as he wants it; will undoubtedly be able to out-trade all others, who cannot procure such Sums, or must be subject to the common Terms of Borrowing.

And he being thus qualified, will never want strong Temptations to attempt Monopolies, of one sort or other; which is an Injury that not only affects other Merchants, but by making the Commodity dearer, reaches all the Consumers of it. And all this he will be able to do, by no Ability of his own, but by his mere Relation to the *Bank of England*.

Consequence of the *Bank's* Trading.

Whether this has actually been the Practice, is not material to our Argument; it being sufficient, that possibly, if not probably, it may be so; but thus much may be said, that such ways have been taken by private Merchants, either to support their Credit, or carry on Monopolies: And here at the *Bank* it may be done, to so much an higher Degree, as the Stock of Money and Credit in the *Bank* exceeds theirs; and consequently to a proportionably greater Discouragement of other Traders, and Damage to the Publick.

And now, methinks, it might be worthy your Consideration, whether the Notorious Failure of so many private Merchants, especially those of middling

middling Stock, and the great Decay of all Personal and Private Credit in *London*, within these few Years last past (wherein the *Bank's* Credit has been, on the other Hand, constantly gaining Ground) can be accounted for so well, by any other Cause or Supposition, as by these now advanc'd.

From the Instances already given, it's reasonable to infer, that there may be many other Ways found out for the *Bank* to evade all Restrictions, that can be laid upon it by Publick Authority, to prevent either its Trading, or its Trading to the pernicious Degree of Monopolizing.

For Experience shows, that scarce any Restraints can be effectually laid upon Trade, or upon any Traders, where the Temptation of Profit runs very high, and the Stock of Money, or Credit to pursue it, is very large.

Therefore, I must confess I cannot foresee any Limitation or Restrictions, which the *Bank* may propose, or may be willing to submit to, which will not be liable to very easy and practicable Evasions.

Thus it appears, how capable the *Bank* is of Trading, in those very Cases wherein the Parliament intended it should not: But we must not omit another Case, wherein they have a Power and Privilege from the Parliament to Trade; and that no less injuriously to a more Considerable Body, I mean, all the Landed Men in the Kingdom: Which they may do, by virtue of their foremention'd Privilege to purchase Lands.

The *Banks* Trading in Land.

This, it was prov'd in the former Chapter, they will be able to do in vast Quantities, and without Disbursement of much Money, by means of their great Credit; which will so prevail in Time in the Country, as well as now it does

does in *London*, as to be in most Cases preferable to Money.

The Produce of which Lands thus easily purchas'd, will make a very profitable Trade of it; and, in due time, a very tempting one, and within their Reach too.

For the same Means which impower them to Out-Trade all others in Merchandise, will equally enable them to out-do all Competitors in Buying of Land.

Great Taxes, a growing Scarcity of Money, and a decaying Trade, as they will occasion a more frequent Sale of Lands, so they tend very much to disable the present Owners of Land, as to Purchasing any more.

While the *Bank* (being exempt from Taxes, and Engrossing what Money we have, and Acquiring a Larger Credit, by the Diminution of all private Credit) will be every Day growing more capable of Purchasing, as others grow less; and, in probability, will in some Time become almost the only Purchaser.

And he that is the only Purchaser of any Commodity, may reduce the Price of it as he pleases; which will in Course reduce the Price of all of the same kind.

How far this may affect all the Landed Men of *England*, is what seems to call for their very serious and timely Consideration.

But if the *Bank* should object to this, That they have not yet purchas'd one Foot of Land; I answer, However true that may be, it must not be inferr'd from thence that they never will.

The *Bank* has hitherto had more profitable Ways of disposing of their Money; so that the buying of Land seems to be one of the last things for them to do, as 'tis with other successful Traders.

This

Consequence thereof.

This therefore being the Work of Time, the present Success of the *Bank* proves that nothing but Time is wanting to bring them to such an overgrown Stock, as will almost necessitate them to fall into this Trade; which we may believe was not out of View at their first Establishment, by the express Provision they took care to have made for the doing of it against a proper Season.

Which perhaps is not yet come; a farther Establishment being, in all likelihood, necessary before they undertake that invidious Trade; as it seems so very likely to prove to all the Landed Men of this Kingdom.

Much more might be said upon these Heads, but that there is still behind an Argument against their Prolongation, of greater Moment to be consider'd.

C H A P. III.

The Consequences of prolonging the Bank of England, with Regard to our Government and Constitution.

IN the first place it may be proper to consider, how the *Bank*, being prolong'd, may affect the Government, and our valuable Constitution, as being the great Lender to the Government upon all Occasions.

Which Title of the *great Lender*, we may be allow'd to give the *Bank*, since this very thing is the general Plea on the side of the *Bank*, and perhaps will make the greatest Show amongst the Arguments that will be urg'd upon you for their Prolongation.

And indeed, this may very well be collected from what has been already said, concerning the *Bank's* Power of extending so good a Credit; and the many Ways it has of compassing such vast

How the Constitution may be affected by Loans from the *Bank*.

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vast Profits ; And lastly, The great Success it has already had in these Respects.

And it will follow from hence, that the *Bank* will be, in a short time, not only the *great*, but the *only* Lender to the Government. I mean none else will be able to supply the Government with such large Sums, as it has frequently wanted, before the Funds upon which these Sums were to be rais'd cou'd come in.

For here it must be granted, that as the *Bank* grows more able, all others will grow less able, to advance such large Sums. For as Money and Credit increases upon the former, it must proportionably decrease with the latter, considering the *Bank of England* does not in reality, increase the Stock of Money in *England*, as Merchants do by Trading.

So that in all likelihood the *Bank* will become either the only Lender, or so great a one, that without it, others cannot supply the Government with Loans sufficient ; which is one and the same Case, as to the Consequences I am going to draw, namely ;

First, That the *Bank* can set its own Rate of Lending ; for what is necessary to be had, late Instances tell us will be had at any Price : And we see but few Men scruple to make their own Advantages of the Necessities of the Government.

Secondly, It follows, That the *Bank* will be able very much to distress the Government, by its being thus Necessary.

And that Distress may fall upon the Government in point of Time, if the *Bank*, to advance their *Premium*, or for any other By-End, shou'd be dilatory in making those Loans.

Or it may fall out worse ; when the Loans are absolutely necessary for the Preservation of our Government and Constitution, if then they shou'd absolutely refuse to Lend. So

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So that the Government will be, in these Respects, as it were in the Hands of the *Bank*, and may be undone either at long run by being supply'd at too dear a rate, or at once by not being supply'd at all. And I believe they that know the World, will own, that these are neither Impossibilities, nor idle Fears.

But to proceed ----- The *Bank's* withholding their Money or Credit from the Government, is not the only Case wherein it may nearly affect us in our Constitution ; for the Power of that Stock may be too easily employ'd another way, even to the Destruction of the Government.

I will not go so far in supposing, as to say, that this collected Treasure of the Kingdom will ever be made use of against the Government in a Rebellious Manner : Or to affect, by Force, any part of our Constitution.

I will only presume to give some Hints, to shew by what means the Business may be done by Law, and in a Parliamentary Method.

The Government of the *Bank* being, as was said, in 26 Persons ; and, as it now happens, of about 2200 Members there are not above 70. as 'tis said, Qualified to be chosen into that Government : There may some time or other (no doubt) be so large a Majority of those who are capable of being chosen, as to make it very likely there would be a good Majority of those chosen, who being Disaffected, some out of Principle, others for different Reasons, may possibly think our Constitution stands in need of Alteration.

And then it will be Natural for them to enter upon Contrivances, and come to Resolutions how to bring about the desir'd Change.

I say it will be Natural, because they cannot but know the Means are in their Hands ; which are,

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are, what has been often suggested, a great Stock of Money, and an unbounded Credit, with a Power in themselves to apply it, as they shall think fit: Which Power they undoubtedly have, however they may be thought by some, liable to be censur'd, or dismiss'd by a General Court, upon detecting (which is no easy Matter) such Male-Administration.

Directors have Power sufficient for the fore said Purpose. † Vid. Letter concerning the Bank, and the Credit of the Nation. London, 1697.

It is pleaded by an † Author, and a Member of the Bank, as a Piece of Merit on their Side, (which no doubt it was) that *the Directors, upon a pressing Occasion of the King's, had stretch'd their Credit to a Degree that cou'd not consist with any measure of Prudence; nor cou'd the Directors (in his Opinion) answer it to their Members, had it been,* says he, *for any less Occasion than the Preservation of the Kingdom.*

I have no other use to make of this, but to infer that the Directors have in them a Power to dispose of the Money, and extend the Credit of the Society, as they shall think fit.

And that Credit which once was stretch'd to serve the Government in Distress; may as possibly at another time, if the Directors shall so resolve, be exerted to Distress or Subvert that Government.

The Means being therefore manifestly in their Hands, the next thing to be consider'd, is how to apply them.

A constant and large Majority of 513 is the way; how to compass that, is the Business.

It cannot be denied, that there have been frequent Attempts upon those Places where that Majority lies; and 'tis well known how powerful the said Means are, in the said Places.

But 'tis so Melancholy a Prospect, to think what the united Force (supposing but the Wills united) of so formidable a Society may do; con-

considering how near the thing has been done, by more disproportionate and unlikely Means; that I shall wave the Detail of Particulars, and be content rather to say too little upon this Article, than to give Light into the secret, but too easy Methods of so dangerous an Experiment.

I must confess this vile End cannot be compass'd but by suitable Practices; and therefore I am the more unwilling to make the Supposition. But when I find it among the Privileges of the Bank, that any of the numerous Company of its Members (not otherwise unqualified) may be of the fore said Number 513; and when I am satisfy'd how natural it is for all Members of so profitable a Company, to aim at Friends and Favourites in that House; when again I reflect on the Indisposition of the Times, and cannot but fear there will ever be Men, who, upon many other Accounts, will be ready to fall in with any Designs of Alteration: When Lastly, I foresee that the Triennial Act, with all its good Consequences, will have this untoward one, that it will make way for the Execution of such Designs by leisurely, and if I may speak so, *Triennial Steps*; even tho' it were impossible to finish the base Work all at one Blow:

The Supposition not unreasonable.

These things, and more that need not be mention'd, being seriously consider'd, I cannot think the Supposition will appear hard to any Man that looks abroad; but rather that 'tis Natural, especially since the *remotest Fears* are allow'd, by Wise Men, where the *Mischief is Fatal*.

But, in bar to all these Fears, I am sensible the Gentlemen of the Bank will plead they have never made any such Attempts as are here insinuated: But have all along kept themselves clean from *Extortion* and *Bribery*, the two great Plagues of a Nation.

Nor our Fears remov'd by the Integrity of the present

And Members.

And this I had rather grant than deny ; but then I must say, the Concession will by no Means remove our Fears, which will naturally take in all the succeeding Managers, while we have nothing to depend upon, but the Integrity of the present.

The true Party-Man.

But I cannot forbear mentioning one thing, which is not a little dangerous to our Constitution ; and that is , what we call Voting for a Party ; to which all such Societies as the *Bank*, especially when admitted within those Walls, have a natural and almost irresistible Tendency, as having ever a separate and party-Interest to carry on.

A Man that Votes steadily according to Principle, though he shou'd happen to be against the Constitution , is not , in my Opinion , to be branded as a Party-Man ; for he has made no general Surrender of his Judgment : But he that votes, and perhaps is sent to vote, only for the Interest of a Set of Men in Trade and Business, is the true Party-Man ; that is , one who prostitutes all the Laws of Honour, Conscience, and his Country, to sinister and selfish Ends.

If you know in Fact that you have any number of Men of this Stamp, you must have felt how much our whole Constitution suffers from such infected Members.

The Case of a bare Possibility.

After all, I suppose there are some Gentlemen will plead that these Consequences I have thus long insisted upon, are very remote, and unlikely to come to pass ; and will call them by the Name of *bare Possibilities*.

To take off all Pretences, let us grant even this too : I know 'tis Ridiculous to be alarm'd with *bare Possibilities* in trivial Matters ; but in Things of the *greatest Moment*, the *least Fears* will affect wise Men. For our Fears will rise in proportion

portion to the *greatness*, as well as to the *distance* of the Object we fear : And therefore to me the Argument still remains Conclusive, as to the Danger of our Constitution, and our *All* ; for venturing *All* must fright us, tho' it shou'd be but barely *possible* to lose that.

But even still there may be some that wou'd have us depend upon such Restrictions and Limitations, as the Parliament, they say, may find out for preventing these Evils. No future Restrictions effectual.

But I must answer, that what was just now said, makes it unsafe for us to treat, until it's demonstrably made out that such fatal Consequences are *absolutely impossible*.

On the contrary, I think he that considers the Nature of Restrictions, and their usual Success in Cases parallel to this ; and that I have already prov'd how liable those now upon the *Bank* are to be thoroughly evaded, will not easily believe that it can be demonstrated *absolutely impossible* such Consequences shou'd follow.

But to enter a little farther into the Matter ; let it be observ'd, that all these Consequences are chargeable upon that *boundless Power* which the *Bank* has of extending a Credit so current as this is, which, in its Nature, will always be increasing, until it grows too great for all Opposition.

And it's very impracticable so much as to restrain it in this Particular ; for it will be said, that it's inconsistent with the Nature and Design of the *Bank*, and a great hardship upon the Members, to limit or circumscribe their Credit ; since in their private Capacities they stand accountable for all they owe beyond what they have in the Hands of the Government.

This looks like a very good Plea, and yet if the Parliament does but leave them with the fore-
said

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said *boundless Power*, they will remain, what they are now, the best Credit in the Nation; and then our Treasure will as naturally flow in upon them, as our Rivers run into the Sea.

Nor is this so much owing to the Power of their private Credit, as some pretend, for the Part can never be so powerful as the Whole. And let these Gentlemen exert their private Credit as far as they shall think fit, no Body, that I know of, will object against it: But until they are content with that Power, which it seems they are not, by so earnestly desiring a Prolongation, we must believe they want the *main Point*.

But to return: From what I have now said, it follows, at least, that we have no room to expect a certain Remedy for these Evils, but that, in spite of all Restrictions, the foresaid Consequences will still have a very *apparent Possibility*.

And here I shou'd have submitted the Argument, but that I cannot forbear the mention of one thing more, which is, that these Consequences, how favourable an Aspect soever they may seem to have upon any one Party, are, in reality, of universal Concern, and therefore shou'd engage us all against them.

For tho' I have said a Change may be made by this means; yet I cou'd not presume to determine what sort of Men would be the Immediate Instruments; and consequently it remains uncertain, in Favour of what Party even the first Change may be brought about.

But let that be as it will, it ought to be considered whether this does not lay the Foundation for perpetual Change and Revolution.

For the means of effecting this, are plainly transferable from one sort of Men to another; and indeed, Men disaffected to the present Form of Government, be that what it will, will always

The Case
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ways endeavour to join themselves to such Societies; who have in their Hands the means of *Subversion*.

So that, after one Revolution, no Man can say whose turn it will be next to be uppermost.

And therefore it can never be the true Interest of any *Englishman* (*Churchman*, or *Dissenter*) to have the Legislature (or which is all one, the Command of it) misplac'd in the Hands of those, who will ever have a separate Interest from the main Body of the People of *England*.

C H A P. IV.

The Pleas and Pretences on the side of the Bank examin'd.

ALTHOUGH the Arguments of the preceeding Chapter seem to be of that Importance, that, if they conclude at all, they conclude against all manner of Treaty about a Prolongation; because of the Power which carries in it but *Possibilities* of the last Consequence; yet we must, no doubt, have Patience to hear a great deal pleaded on this Head, and much Merit pretended, to answer the Pretence of much Danger.

In discoursing upon which Merit (that we may be sure to consider it all) I shall not only have respect to their past Services, and their present Proffers or Proposals; but I shall also take in those Services they may pretend to for the future.

As to their past Services they have been chiefly the Loan of 1,200,000 *l.* at their first Establishment, and admitting the *Ingratment* of the *Tallies* afterward.

Now I have already shown, in part, what great Inducements they had to make that first Subscri-

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ption to the *Bank*, not only from the 8 per Cent. but also from the large Prospect of Profits, by a Circulation of Credit.

It has been calculated, that the said Fund of Interest alone wou'd, in 19 Years repay them Principal and Interest, with Interest upon Interest, at the moderate Rate of 5 per Cent. and all the 1,200,000 l. still due to them from the Government.

And at the same rate of 5 per Cent. it has been farther Calculated, that, should they continue a *Bank* on this foot for 60 Years, the Government must pay them what, with the same Interest, will produce near 14 Millions over and above the first Principal and Interest, with Interest upon Interest.

So that even the 8 per Cent. has been complain'd of by some as too great a Reward.

But such Complaints as these may be silenc'd perhaps, by reflecting upon the Advantages which other Lenders also took of the Government at that time of Day.

Bank re- paid much farther than Mr. Brisco's Calculation.

But the true and naked State of the Case is this; The Government at the same time that it received their 1,200,000 l. gave them a Power to issue Bills of Credit equal to that Sum, making it self Security for all those who thus far trusted the *Bank*.

By which means, the Credit thus given to the *Bank*, became more Useful and Profitable to them, than, in all likelihood, their Money would have been in their Hands, had they not lent it to the Government.

For they not only now enjoy the great Profit of that 1,200,000 l. Credit (as before made out) but, by Virtue of that Privilege, they have a farther Power of issuing what farther Credit of theirs now passes amongst us; and all this passes cur-

currently upon the Bottom of the publick Sanction and Security.

So that the Profit of this their Circulating Credit, if it is not already, is likely enough shortly to be greater than the 8 per Cent. and consequently than the Sums in the foremention'd Calculation.

As to the *Ingraftment*, it was thought by some of their Members an hardship upon them: But it is to be remark'd, that this has prov'd no Hardship, nor cou'd well be expected so to prove, since all the *Tallies*, and the whole *Ingrafted* Sum, carried 8 per Cent. Interest.

And they had a farther Privilege of proportionably extending their Credit, as in the first Case; so that the Terms being the same, I cannot see how this can be concluded a worse Bargain for them than the first.

By all this I intend no more than to give a Satisfactory Answer to the Argument of Merit pleaded upon this Head; let them carry the Plea of supplying the Government, and raising the Publick Credit as high as they will.

In short, they have been so amply paid for all that they have done (tho' they may be allow'd to have done it with the utmost Zeal) that they must not insist upon much past Merit; let them set forth their Present and Future as they think fit.

Let us then come to that point, and examine how their present Pretences stand; these it is said, will be either a Loan of a *Million* without Interest for the time of the desir'd Prolongation, or else they will lower the present Interest so much, that on the Fund of the Surplus, near a *Million* may be rais'd.

I hope I may venture to say, that it does not appear from the Posture of our Affairs Abroad,

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or the Conduct of our Ministry both there and at Home, that you will be under any Necessity in this, more than former Years, of recurring to any extraordinary Methods of raising the needful Supply.

But whatever your Occasions, or their Proffers may be, which I will not presume to determine, I may be allow'd to say, in the general, that nothing but *Ruin* can be set against *Ruin*; that is, nothing but the avoiding a more immediate *Ruin* (which I hope is far from being the present Case) can warrant those Methods that may produce *Ruin*, tho' at the greatest distance, while it is within the *Verge* of a *Possibility*.

Or if ever Affairs shou'd come to that desperate Condition, it wou'd, methinks, still require a deliberate and diligent Consideration, and set our Heads at work to find out, if possible, an Expedient that is neither in its Nature nor in its Consequences *Ruinous*.

Whatever Terms the *Bank* shall propose to you for their Prolongation, will, I conceive, come before you under the Notion of an *Equivalent*, if not a *Service*: But I am satisfy'd, as the Case stands, no present Supply can be deem'd an *Equivalent*, much less a *Service*, upon those Terms; nor consequently, cou'd I be for entring into any Treaty thereupon.

And the Reason of this will, I am sure, be more satisfactory in the Words of one of the Ablest Statesmen the last Age produc'd.

Lord Halifax's A-
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Equiva-
lent.

In Matters of Contract, not only the present Value, but the Contingencies and Consequences, as far as they can be fairly suppos'd, are to be consider'd. For Example; If there shou'd be a Possibility that one of the Parties may be Ruin'd by accepting, and the other only Disappointed by his refusing; the Consequences are so extremely unequal, that it is not imaginable a Man

Man should take that for an Equivalent, which hath such a fatal Possibility at the heels of it.

I will not make this Case of ours so invidious, as to say 'tis exactly parallel to that; but, as that Noble Author has made it turn upon a bare *Possibility*, I think I may say it justly concludes for what I am asserting.

Now, if the present Assistance of the *Bank* cannot merit a Prolongation, because of ill Consequences; then neither will any Pretensions of future Service be found sufficient, as being subject to the same.

But if it be still insinuated by any, that the *Bank* is so highly necessary, that the Govern-
ment, which is chiefly supplied by them, can scarce expect for the future to be supplied with-
out them; I answer, those that think them thus necessary, wou'd doubtless have us believe they are already too great and powerful to be dis-
oblig'd.

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cessary.

And what follows, if this be granted? Why certainly that a Prolongation will make them much more great and powerful, and dangerous indeed to be disoblig'd: And, consequently, then no one can deny the *Bank* a Power of *Subverting* that Constitution, which, without the voluntary Assistance of the *Bank* (for such are all Loans) is not able to *subsist*.

But to take off the Terror of this desperate Argument, I shall deny, and at the same time disprove this suppos'd Necessity of having the *Bank* prolong'd.

This mighty Power of theirs depends upon one Branch of the Publick Credit; but surely there still remains entire a far greater Power in the whole Frame or Body of our Government, than this Part can pretend to.

Proof
that it is
not yet
necessary.

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And what the *Bank* has done with this single Branch, plainly proves, that the Government is capable of doing much more, at least of being duly supplied, without such Foreign Aids.

Nor, if Methods cou'd be found out, whereby the Government might freely exert its own Credit, for its own Service, (and be thereby rescu'd from all precarious Dependance, and the many Hardships of a necessitous Borrower) wou'd such a Design, tho' immediately set on foot, be any way inconsistent with the Government's Engagement to the *Bank* at their last Establishment, that there shou'd be no other *Bank* erected by Parliament during their Term.

For, that the Government never cou'd intend to preclude it self from Exerting its own Credit by that Limitation, is apparent from the very same Act; in which, after the Settlement of the *Bank*, the Establishment and Circulation of the *Exchequer* Bills is expressly made and provided for; which is a manifest Instance, that the Government has reserv'd that Liberty and Privilege to it self, and excluded only all other private Persons.

And indeed, it wou'd look very strange, that the Government shou'd, by a premeditated and solemn Act, debar it self of that Privilege, which it wou'd be destroying Liberty and Property, to deny to the meanest Subject; that is, to make the best Use of his Credit that he can.

If then there be still a good *Foundation*, and a just *Power* left in the Government, for the Compassing of so good and great a Work; it remains only, at present, to wish for Heads and Hands equal to it.

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CONCLUSION.

AND now, from the whole, I hope I may be allow'd by all unbiass'd Men to draw this Conclusion; which is, that the Point here controverted, whenever it comes into Debate within your Walls, will appear of Moment enough to bespeak your greatest Sagacity, and mature Consideration, as it nearly concerns the present Form of our Happy Constitution, in which you bear so great a Part your selves, and of which you are entrusted with the Preservation of the whole.

And if these Papers have given any Light into a Subject, which (notwithstanding the Importance of it to us all) has lain so much out of the way of some, and been so overlook'd by others, that it has scarce been duly search'd into by any; then the Author, who has endeavour'd to state the Case with Clearness and Impartiality, will, he hopes, stand acquitted with you, from being either an *Officious*, or a *Partial* Writer.

And that will guard him from all the Censures of such who may be forward to say, *That* is writ for a *Party*, which is indeed written for the *Whole*; and this, doubtless, to disguise their own Appearing in a *Party-Cause*.

But 'tis to be hop'd all Men of Sense will infer, That he who is against *all Alterations*, must be for the *Present Establishment*; and that whoever goes about to obviate the *Possibility* of introducing *another* Constitution, demonstrates his sincere Inclinations to *this*.

Which makes it almost superfluous to say, that the Design of this Discourse cannot fairly be drawn

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drawn to favour, in the least, any other Pretensions, or made to plead for any other Cause, besides that of our most Excellent *Queen*, the *Succession* happily establish'd in the Protestant Line, and the Ancient and Invaluable *Freedom* of the *Parliament of England*.

And, being perfectly conscious of this, I have little Fear of disgusting any, but those whom a private Interest and Gain has made implicit Votaries to the *Bank*; or those, whom the Prospect of a favourable Turn to their Party, has engag'd so far, as to become Zealous Patrons of this *Bank*, and loud Advocates for it.

But I will not despair that this little Tract may find some Friends, even in *Grocer's-Hall*; those, I mean, whom it may incline to part with so much of their own Power, as they themselves wou'd be very unwilling to see fatally perverted.

But how such Thoughts will operate upon any of that Society, I must not offer to say; nor does, I hope, the Success of what I say depend there. But if, on the contrary, it shall provoke an Answer; I expect, and justly, that their own Cause be fairly clear'd of the Consequences charg'd upon it, before any other are imputed to this Discourse; and then I promise to debate that Point too.

But if, without any such Regard, there appears for Answer only unwarrantable Reflections, and unfair Insinuations; I will give this my final Answer to all Arguments of that Kind beforehand: I grant it, such Methods are well enough calculated to lead the credulous and unwary Multitude into Designs which they do not foresee, or to divert them from looking into those they shou'd: But these are *Amusements* too trifling to mislead your better Judgments; they will

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will rather have the contrary Effect: For Wise Men, when they hear much empty Noise in a Case of great Moment, always suspect that this Clamour is rais'd only to stifle such just Complaints, as those loud Gentlemen wou'd by no means have others hear.

I hope I have set no Example of this kind; and that no disrespectful Word, to the Person of any, has dropp'd from my Pen: That wou'd have been not only unbecoming, but foreign to my Design; which was, to make a just Representation of a Case I judg'd to be of Universal Concern, and to set the Matter in that Light to others, by which I first receiv'd Conviction my self; but, in Conclusion, to submit the whole (as it is the Duty of every Private Person to do) with all Deference to the *Wisdom of the Nation*.

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E S S A Y

U P O N T H E

National Credit

O F

E N G L A N D.

To, &c. Member of the Present
Honourable House of Commons.

S I R,

IN the Papers I here send you, you will find your own Sentiments submitted to, by the Publication of this Introductory Discourse to a Method, which I can now say has stood the Test of a very competent and discerning Judgment.

It will not, I hope, be objected to this little Tract, That the secret Springs, and all the inward Parts of the Movement of this Machine are not laid open to Publick View : For, tho' it is not doubted but that they will all very well bear the Light, yet they think fit to make their first publick Appearance before the Wisdom of the Nation.

Till

Till when, it may be thought sufficient, that the Publick is acquainted with the Reasons upon which the Design is built: And I shou'd think this Essay of Publick Use, if you find it contributing to the Removal of those Popular and Erroneous Notions, which I cannot but esteem to have been the true, tho' unobserv'd Causes of the very great ill Effects we lately smarted under; and which, notwithstanding all the Prudence of our present Administration, we are not yet insensible of.

And if what is here propos'd to All, shall incline their Representatives to take into Consideration what is, and what is to be offer'd upon this Subject, I shall easily be induc'd to think it will appear to them a just and well-form'd Design.

There will then be no room to apprehend that it shall meet with there, what it must encounter abroad, Partiality and Prejudice, from self-interested Objectors, whose Unhappiness I shall ever think it to be, that they seem to think their own Interest stands the most securely on the Ruins of the Publick.

But it is without Vanity presum'd, that an apparent Good Influence on the Publick, however it may seem to others, will be abundant Proof to you, that a Design in good measure contributing thereunto, does not, cannot derive from any such Influence, as will justly raise a fair and equitable Objection, either against that Design, or the Authors of it.

As to the Objections that do indeed concern the Merits of the Cause, the best of them which have occur'd to the Proposers in Thought or Conversation, have, I hope, already receiv'd their Answer in these Papers; and that you will see a just Foundation laid, in the Design it self, for the easy answering all such others as may arise.

If there is no other Purpose on Foot at this time, for farther exerting so desirable a thing as the Credit of England, it is humbly hop'd this will easily prevail: And if there is, particularly for augmenting the Number of Exche-

Exchequer Notes, there is nothing farther desir'd but a just Comparison, and the Preference to be given to that which shall be found most advantageous to the Publick.

I am not, Sir, without Hopes, that your Countenance to these Endeavours will meet with better and more publick Acknowledgments, than those of;

Your most Obedient Servant, &c.

S E C T. I.

THE Proposal, of which this Paper is to give some short and general Account, relates to the Establishing and Extending of a National Credit in England, to the great and mutual Benefit both of the Government and People of this Kingdom.

Intro-
duction.

The first Thing we shall observe, in order to lay open the Way to this Proposal, is the great Benefit, and the no less Necessity of a good Credit to be current in this Kingdom.

The Benefit of it to the Person or Society credited, is apparent from hence, that it does (for some Time) the Work of Money; during which Time, the Owner of that Credit does, in Effect, borrow Money without paying Interest for it, and may easily make his Advantages accordingly.

Benefits
of a good
Credit.

These Benefits, it is observable in the wisest Countries abroad, do chiefly redound to the Publick; whereas in England the Publick has been so far from receiving any Benefit from the best Foundation of Credit in Europe, which is its own, that it has scarce hitherto been able to borrow upon common Terms, or to exert its Credit,

Not yet
acquired
by our
Govern-
ment.

with-

without either giving an extravagant *Premium*, or suffering a prejudicial *Discount*.

One Reason there-
of.

But amongst other things that have hinder'd us hitherto from following the profitable Example of our Neighbours, perhaps none of the least, is a prevalent but mistaken Notion, that Paper-Credit, as 'tis call'd, is dangerous to the Publick, as being a false Shew of Wealth, and a Symptom of an unsound Constitution.

The Necessity of
Establishing a good
Credit.

To remove this Scruple, let it be consider'd, that whatever Inconveniencies, or even Danger may be conceiv'd to attend the Currency of a Paper-Credit, these Considerations must give way to an absolute Necessity of it, when that appears.

And that Necessity is now (and indeed it is reasonable to believe always will be) upon *England*, for the keeping up our Stock in Trade to a due Proportion of what we do, and more especially of what we are able to trade for.

For pre-
serving
our Trade.

Without which Stock (as it is additional to our *Specie*, and much exceeding the Value of it) we must lose the greatest Part of our Trade; and thereby manifestly endanger the Loss of the whole: For it will soon be in the Power of those who can out-trade us by a much greater Stock, to undo us as to Trade; and I think it needs no Proof, that the Consequence of that wou'd be fatal to us.

For main-
taining
the War.

And this Necessity of Credit is more pressing now in the time of an expensive War; because the War it self requires a great Stock of Treasure wherewith to carry it on: But were the Occasions of the War always supply'd with *Specie*, it would plainly exhaust the Stock employ'd in Trade too much, and more and more every Year.

It may be pleaded, as some Relief in this Case, that the *Specie*, by serving the Uses of the War, does quickly diffuse it self back into Trade. But notwithstanding this, it must be granted, that the Want of it, tho' for a small time only, may give a prejudicial Check to our Trade, which is not easily recoverable: And besides, that *Specie* is longer kept out of Trade, than it is kept in the Hands of Government; for it lies waiting in the Hands of Money'd Men, in prospect of making an advantageous Loan to the Government; to the apparent Prejudice and Lessening of our Trade.

From all which is apparent, not only the Necessity of Credit which we are under, but also the great Expediency, at least, of a more extensive Credit than we have at present.

And therefore if our Trading so much as we do upon Credit, be indeed an Indication of our Poverty, we must not for that Reason let it go, because we should be much Poorer, if not Undone without it.

But after all, it is, to discerning Men, a groundless Opinion, that the Dealing upon a well-establish'd Credit, is any Indication of the Poverty, or has any Tendency to the Destruction of a Community; but on the contrary, has a direct Tendency to enrich, and to preserve it. Which may easily be collected from what has been said already, concerning the great Increase of Trade, which Credit makes, by adding so much more Stock to it.

And accordingly, no one ought to think our Neighbours, the *Dutch*, have made themselves the Poorer, or have weaken'd, in the least, their Constitution, by laying so much Stress on their Credit; that (for one Instance) no Bills of Exchange, of Value above 30*l.* can be paid in

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The Dutch
entirely
lay a Stress
upon
Credit.

Amsterdam, but in the Bank; where not one hundredth Part (as it is computed) is paid in Specie, but upon the Credit of that Bank.

SECTION II.

IT is hop'd we have thus briefly, but fully prov'd the Benefits, and the Necessity of having a good Credit establish'd in this Nation of ours; the next thing naturally to be enquir'd in to, is, Whether our Constitution has a Capacity to improve and advance that National Credit, the better and more effectually to answer the desirable Ends and Purposes before-mentioned.

The Capacity of our Government, for Establishing a good Credit.

In order to be clear in this Point, let it be consider'd what it is that makes a good Credit; and that is the two Essential Properties of Security and Convenience.

That is certainly the most secure Credit, which is least liable of any other to a Failure, and which is founded upon a good Bottom, large enough to support it.

And that is the most convenient Credit, which is the most easy and dispatchful to receive and pay, and will serve the most sorts of People, and upon most Occasions, to make their Payments by, as well as they can do by Money.

By these indisputable Rules, let the Capacity of our Constitution, for this Purpose, be examined.

It cannot be deny'd but that our Credit has been hitherto extended almost entirely; both Abroad and at Home, By private Persons and Societies; whose Credit, no doubt, has been Beneficial as well as it was Necessary, in the Methods we have hitherto followed.

Now if there can be any good Reason given why our Government should not, in like manner,

ner, exert its own Credit, it must be one or both of these two: First, That the Security which the Government can give, is not, Intrinsically, so good as that of private Persons or Societies, is, or may be; or, Secondly, That the Government is not capacitated to Exert and Manage its own Credit, to equal Advantage with that which accrues to those Persons or Societies, by Vertue of their Credit.

The First is no good Reason, because in the Government of England, as it stands happily constituted, there is really contain'd all the Security which any Man has, or can reasonably desire for his Property; and that is, in its own Nature, a better than any private Security can be, and perhaps a better than any other Security in Europe.

That the Second is no good Reason, it shall be the Business of the following Proposal to show; in which we have endeavour'd to chalk out a secure and expedient Method, whereby the Government of England may freely exert its own Credit to at least equal Advantage and Profit in Particulars, with that which any private Persons or Societies have hitherto gain'd; and consequently to very great Advantage in the General, considering the great Dealings of our Government.

SECTION III.

BUT the Design of this Paper is only to give a general and summary Account of the said Proposal, so far as it is hop'd may prevail with the Wisdom of Parliament, to take it into Examination, and all the Particulars concerning it; which are ready to be submitted according to Direction.

It

General Description of the Method for doing it.

It is therefore propos'd, That an Office be erected, under the Direction of my Lord Treasurer, for the Establishment of a Publick Credit upon the Parliamentary Funds, for this Year's Service (so far as the House shall think proper) issuable to all those Persons, and none other, who have Claims upon the Government, upon those Accounts for which those Funds were given, and who shall voluntarily accept the same; and give such legal Discharges to the Government, as are usual upon their being paid in Money. These Bills are, according to the Method propos'd, to be taken back, and made passable in all Payments of the publick Revenue, throughout England: And it is also provided, that an Office be erected for that Purpose, where they shall be converted into *Specie*, on Demand; this will give them an universal Circulation with all Sorts of People, as well as those that make Payments to the Government. The Offices from whence these Bills issue, and where they are to be paid, to be manag'd by a competent Number of Commissioners, and subordinate Officers. And the Accounts of these Offices are methodiz'd, so as to be kept very clear and intelligible, without altering the Course of the Exchequer, or interrupting any of the present Methods of keeping the Publick Accounts.

This short Description of the Design may, perhaps alone, make it appear very practicable, to those Persons who have employ'd their Thoughts in studying the Nature of Credit, and the Principles of Trade; and as for others, it is reasonably hop'd, they will not be forward to censure this Design as impracticable, before they are acquainted with the particular Methods which are prepar'd, and lye ready for the Disquisition of our Representatives in Parliament.

In the mean time therefore, we shall presume to argue a little before-hand, upon the Expediency and Advantages of the Design, upon Supposition that those who shall thoroughly look into it, will clearly see a plain and open Way to put it into Practice.

The first thing to be consider'd, according to what has been laid down, is, Whether the propos'd Credit will come up to the Rules of *Security* and *Convenience*, more perfectly than any other now current in *England*.

S E C T. IV.

First, as to *Security*. All private Credit that is adapted to pass in Payments, is no better than Personal Security, (excepting the *Bank's* Fund of 100,000 *l. per Ann.* which the Parliament has made liable to pay their Debts, so far as it will go, and what has been since lent by them, and ingrafted upon their first Stock) which Personal Security is not absolutely safe for any one to act upon, and much less so for the Government to deal with it, and to depend upon it.

Reasons for putting it into Practice; First, Security, beyond any other Credit.

For in this Case, the Paper in the Hands of the Government, has too great, and a dangerous Dependance on the Money in those private Hands; and if they either, through an accidental Disability, or an ill Design, should withhold or deny Payment, the Government may be very much disappointed, and even driven to an Extremity.

It was pleaded by a zealous Advocate for the *Bank*, as one Way to enable them * to supply the Kingdom's Occasions with Money, that several Branches of the King's Taxes and Revenues should pass through it. And it has been said, That they would give a *Million* of Money for this Privilege, which has never yet been granted, but expressly prohibi-

* *vid. Letter to a Friend, concerning the Credit of the Nation, &c. Ann. 1697.*

ted by the Parliament, (excepting for a small time, and in an extraordinary Case) though some think there are Means found out, in a great measure, to evade that Prohibition.

But this sufficiently shows, at once, the Danger to the Publick in the Sense of the Parliament, and the Advantages of such a Privilege to private Men, in the Sense of the Bank; and by the Way also, it shews what Advantages, in Point of Profit, might arise to the Government by exerting its own Credit to pass in its own Revenue, as by the Method propos'd.

Wherein all the Defects of other Credit will be supplied; and it will contain all the valuable and desirable Security we have, for any thing we enjoy.

It is supported by Intrinsic Value, secur'd to it by an Act of Parliament, the best Title to any Property in England, and perhaps in Europe too.

And sure it must be a very desirable thing, to all the considerable Dealers, especially in this Nation, to have a Credit current in Trade, as secure as the best Title to Land.

And such an absolute Security to the Subject, cannot possibly be of any Danger to the Government, which now subsists by the Supplies of the Subject. Besides, the Occasions of the Government will, by this Credit, be as effectually and as expeditiously answer'd, as they would be, did the Taxes come in in Money, without Loans, as soon as the Funds are settled; for so soon will this Credit issue, and be accepted at Par with Money.

S E C T.

S E C T. V.

NEXT to the Security, we must examine and compare the Convenience of this Credit of England, besides London, to which our present Paper-Credit is near all of it confin'd, do labour under great Inconveniencies, especially when Money is scarce amongst them, for want of some such Credit to supply the Uses of it.

Secondly, Convenience.

And the Reason why the Credit we have in London does not diffuse itself amongst them, must be, that they do not know the Personal Condition and Ability of those that are to answer for it, nor can they have it converted there into Specie on Demand.

But it is easie to conceive how the Credit propos'd, will soon make its Way through all Parts of the Kingdom, that are either reach'd by Taxes, or subject to the Revenue.

For every one will know who is to answer for it; that is, the Credit of Parliament and the Estates of England.

And tho' there shou'd be no Offices setled in the Country on purpose to convert it into Money, yet when it pays there in the Revenue and Taxes, it is, in effect, converted into Money.

Besides, that all Receivers of the Publick Money, who do not make a private Use of it, will find their own Account more in the secure and convenient Remittance of this Credit, than they can do now in sending up either Money or private Bills; and consequently will be ready of themselves to exchange it for what Money they receive, on Account of the Publick; or however, lest any of them for such sinister Ends shou'd decline the doing of it, it will be a reasonable

fonable and unexceptionable Thing to enjoyn them all to do it.

This great Conveniency of it proves, that it will not only pay in all sorts of Places, but will be voluntarily accepted by all sorts of People. It will pay Merchants, because it pays Customs; It will pay Tradesmen, because Merchants; It will also pay Gentlemen and Landlords, because Tradesmen and Merchants; Then it will pay Farmers and Tenants, because their Landlords, and the Tradesmen they deal with, will take it; And it will, for that Reason, that it pays in Trade and Customs, pay all Inn-keepers, Victuallers, &c. and consequently all Soldiers and Sea-men, for their Uses in England.

But this is not all the Convenience of it; for however improbable it may be thought by some, this Credit must be eligible abroad, and preferable in all foreign Countries that England deals with, to any Credit of private Merchants, by which the Government is now chiefly supply'd there, for its Occasions in those Parts, as in Holland, Spain, Portugal, &c.

For 'tis certain we have in all those Places, frequent Occasions now, to be supply'd with Money, where the English Merchants have not Effects enough for that Supply; or at least their Payments do not become due in time to answer it. And upon all such Occasions, the Government is supply'd by the Personal Credit of English Merchants, by Bills upon their Correspondents there.

This is the known Case: Now tho' every Correspondent does chiefly rely on the suppos'd Ability of the Drawer, in all such Cases as this; yet most certainly it wou'd make him act more securely and confidently, if, besides the Ability of the Drawer, which he may have engag'd to him by

by Indorsement, he has also in the Bill it self (as it will be fram'd for this Purpose) a Fund of the Parliament of England for his Security, whatever becomes of the Drawer.

Which must render these Bills superior in Credit, where-ever England has Commerce, to all Bills of Exchange of any Merchants either here or abroad. But the Advantages of this to our Government and Trade are not to be enlarg'd upon nor particulariz'd here.

S E C T. VI.

FOR we shall now advance to another Reason, which cannot but appear to us a very powerful Motive to the Establishment of this Method; and that is the Promotion of our Trade. Thirdly, For the Advancement of our Trade.

It must be granted, that whatever advances the Stock of any Nation in Trade, must advance the Trade of that Nation: Now as much of this Credit as passes, will always be so much additional Stock to our Trade.

Or if it does, in some Cases take place, where a worse Credit had taken place before, and consequently will be excluded by it, even in this Case it will afford a Remedy for those fore Evils which are every Day felt, when private Credit proves unsolid, to the great Discouragement and Disadvantage of the Trade of our Nation.

But it has been prov'd already, that it will plentifully supply many Parts of England, which have not hitherto had the Benefit of any current Credit amongst them; and therefore will always be a real additional Stock to our Trade, in those Places where such Stock is most wanted; and by Reason of which Want alone, all the Owners of Land in this Kingdom have always, and more espec-

especially in late Years, suffer'd very much; and will, it is hop'd, be no less gratify'd with the Remedy.

But not only in the Country is our Stock in Danger of being exhausted, in the present Methods; but our Trade is hurt by them in London too, and in its most valuable Branches.

For, as it was observ'd before, the money'd Men have for some Years past, kept their great Sums out of those Channels of our National Trade, in which they were employ'd before; besides, that in Foreign Parts the War has made Trading less secure, so that they now find their Account in Trading another Way, viz. chiefly in lending to the Government, and discounting the Government's Credit.

If it appears, which I fear it will not, that notwithstanding this new Trade the old one is not, in Fact, impair'd; the Consequence is only this, that otherwise, in Fact, it would have been much increas'd.

As it must needs be, whenever our Trade can command back those many great Sums into it; which it will be able to do, whenever the Government stands in need of no Loans, and has a Credit not liable to Discount; to effect which, is the apparent Design of this Proposal.

S E C T. VII.

Fourthly, For the great Profit arising from this Method.

Another Argument which may incline our wise Government to proceed in the Method propos'd, may be the Consideration of those great Sums that will be Annually sav'd by it.

There will be sav'd, in the first place, all that Interest now paid for Money borrowed for her Majesty's and the Nation's Service (excepting only what Proportion of it will be found want-

ing for the Management of this Design) which Service will be as effectually answer'd by this Credit, as it is by the Money now borrowed.

In the next place, the Stores for Sea and Land-Service, will be purchas'd at so much cheaper Rates, as the Warrants for Payment thereof, are now, or any time may be under Discount.

For it is Rational enough to believe, that the Sellers of those Stores, who must take those Warrants, will always have a sufficient Regard to the Discount they lye under at the Market, in the Contracts they make with the Government.

Besides this, the Merchants and others will be enabled to serve the Government at much cheaper Rates, when they can drive much greater Trades with less Stock, by their prompt Payment in this Method; by which, and the great Quantities her Majesty buys of several Sorts of Commodities, the Queen will naturally have the Pre-emption of all Goods, and as cheap as can be afforded.

These are Profits that need not be particularly estimated to aggrandize the Undertaking; which, perhaps, wou'd appear to some but too great by a true Estimate of them.

But let it be consider'd farther how these great Profits will, in this Method, be apply'd, and to what Uses.

It will certainly be an exact piece of Justice, to make the Credit of the Publick, beneficial to the Publick; instead of its being diverted into other Methods, for the Benefit of private Persons; and that too, not without Danger, as well as Loss to the Publick.

And of this publick Profit each private Person must proportionably share, as he contributes to those Funds and Securities, upon which this Credit is rais'd: Whereas now, every one is forc'd upon

upon larger Contributions, to have the Govern-
ment supply'd with more speed; altho' we have
not recover'd, since our late great Sufferings up-
on that Article.

And indeed, it is no small Inducement to the
Method of good Husbandry, if that be found out,
our present Condition, as we stand involv'd in a
very great National Debt.

The Annual Interest of this Debt, some of it
at very great Proportions, joyn'd with the con-
stant Occasions of the Government, demands so
great Supplies, that 'tis said, the Difficulty of rai-
sing the Taxes, in Places distant from *London*, is
much increas'd of late; and what that will end
in (if the War ends not very soon) it cannot, I
think, be easily fore-seen through the present
Methods.

But a good Credit, establish'd, will pay off
Debts as fast as it will raise Estates; and
there can be no good Reason given why the
Government shou'd not begin to do the for-
mer, as private Persons have so often done the
latter.

For admit it is not true Politicks (tho' it's hard
to admit it) that the Government shou'd ever be
brought quite out of Debt to the People; yet sure
I am, a proper Relief cannot be unwarrantable,
when any Approaches are made towards an *Ex-
tremity*, which may endanger both Government
and People.

If there is any Reason for such Apprehension,
in our Case, which is submitted to Judgment;
there will, we conceive, be equal Reason for
hearkning to this Proposal.

S E C T.

S E C T. VIII.

BUT those that urge the foresaid Political
Maxim, do it, I suppose, upon the score of
securing the present Form of our Government,
in the Interest, as well as the Affections of the
many Creditors.

Lastly,
For Secu-
ring and
Strengthen-
ing the
Constitu-
tion.

And therefore the last Argument we shall of-
fer at present for this Establishment, shall shew
that this Method will be a very great Preservative
and Strengthner of our valuable Constitution;
and that far beyond the suppos'd Obligation deri-
ved upon the People, by Loans in the present
Methods.

For this will free us from the Imminent Danger,
which even the Lenders may bring upon our
Constitution; we mean those Money'd Societies,
who being possess'd of so great a part of the pub-
lick Credit, and daily acquiring more, will there-
by be enabled, in no long time, to engross and
command the whole Cash, as well as the Credit
of the Kingdom: and then they will have no-
thing left to do in *England*, but to determine what
they shall please to do, as has been lately made
appear in many Particulars.

And besides, when almost every Person, of In-
terest and Figure especially, shall have a Right
of *Property* as well as *Protection* in the Govern-
ment; the Popularity of Invaders will be extin-
guish'd, and it will engage and animate all sorts
of People to give their utmost Assistance to the
Government, under any Distress or Difficulty
that may fall upon it; because this Credit which
is diffus'd amongst them, doth consist in, and
has the Security of our Government and Consti-
tution.

Which

Which cannot fail to render it an Obligation upon the Subject to support the Government, far more extensive and powerful, than any Interest paid for Money is or can be; a Practice which, how convenient soever, has not been without Danger; not to say what it may contribute, in time, to a perpetuity of Taxes.

Whereas in the propos'd Method, the Obligation will be in its own Nature much greater, and at the same time, without any collateral Evil to set against it.

S E C T. IX.

IF all these Reasons, with many more that will occur upon considering and debating the Point, shall be as cogent and convincing to the Gentlemen of the House of Commons, as they are to the Proposers; it will be very easie for their discerning Judgments, to discover the Falacy of all Objections that can arise against it; which must be founded either on a Mistake, or a Misapplication of the Design.

However, it may be fit to say something here to the many Clamorous Objectors, which we are sensible a Proposal of this Nature will meet with, without Doors. And possibly some others may be inclin'd to reject it, without examining the Particulars, as foreseeing that the general Design will be detrimental to several Sorts of People, who have large Incomes and make great Gains by the present Methods.

To all such, and their Abettors, we humbly offer the following Considerations:

First, That it will appear an undoubted Maxim, That all private Interest ought to give way to that of the Publick, whenever they interfere; especially if that Private cannot stand and flourish,

The Objection of Loss to some Persons.

rish, as it does, but by the Decay, if not upon the Ruins of the Publick.

Secondly, Let it be consider'd, That the Government is doing nothing Injurious, on its part. If it were not just for our Government so far to Imitate our Neighbours, as to take all Banking into its own Hands; yet wou'd the present Design be no way chargeable with Injustice. For here the Government will not act, as a Banker does, which is to receive other Mens Money, on purpose to get Money by it; but as a Merchant does, which is to extend his Credit to serve his own Occasions, only to buy as Cheap, and be as much trusted in his Dealings as he can. And to deny this to any private Man, wou'd be to deny him Liberty and Property.

In the next place, It may not be improper to enquire who they are, upon whom this supposed Injury will fall; and, without pointing at particulars, we may say, they are either such as Lend to the Government, or such as Discount the Government's Credit.

But they that plead a Right to Lend (or they will not be injur'd by this Design) may, with as good a Grace, we conceive, plead a Right to Govern. For a necessitous Borrower, that has but one Place to be supply'd at, has his Dependance there; and to as great a Degree, as that Necessity is upon him.

And, as for those who will be offended to see the Credit of our Government redeemed from Discount, and consequently Disreputation; they may be pleas'd to reflect,

First, On the great Loss which the Publick even now sustains by paying 10 per Cent. for six Months Forbearance.

Next, We would desire then to consider whether the Government can purchase Stores so ad-
van-

vantageously, with the uncertain Value of Bills, at a precarious *Discount*.

But especially it concerns every Contributor to the Necessity of the Government, that it is equally uncertain where this *Discount* may End, or how far it may Advance; since we know it has not long ago come to 50 per Cent. the Effects of which will be long felt by us.

S E C T. X.

BUT to be plain, we do not think many Men will make open Pleas of such Sort of Objections as these are; and, whether these are at the Bottom or not, 'tis more likely the general Cry will run upon the Danger, or else the Novelty of the Design; or some perhaps may object, that it has nothing new in it.

But 'tis evident these Objections cannot take place, until after a full Hearing of all the Particulars; which it is hop'd they will have Patience to do.

In the mean time we are ready to answer them, so far as they can be thought to affect the general Description here laid down.

The Ob-
jection of
Danger
consider'd.
As to the *Danger*, which the Government will be said to be liable to by a Disappointment, if this Method shou'd not succeed; let it be consider'd that, of all those that furnish the Government with Stores, no Man, in his Wits, will refuse those Notes that are immediately convertible into Money at *Par*, when so many do furnish for Warrants that are not converted by the Government until after six Months, and often much longer.

All the *Danger* therefore must lye at the Door of the *Specie-Office*; which it may be imagin'd that this Design has not the Capacity to furnish with

with Cash, sufficient to support the Credit issu'd; and which therefore may be liable to fail by a powerful Run upon it.

But, in answer to this, it will be fully prov'd, in the first place; That no such powerful Run is likely to be made upon that Office; which may in part be collected from what has been said, concerning the diffusive Nature of this Credit, which will spread it self into so many Hands, and so many Places, that no such Run can be made, which the Government, in the Method propos'd, may not easily provide against.

And farther it is observable, that when a Run is made upon any Credit by the designing Men, the Fear of its Failure makes others also, who are possess'd of that Credit, to forward the Run; and 'tis that which commonly ruins a private Credit. But there can be no such Apprehension of the Credit propos'd; for every Note is as sure to be paid by the Government, as the Funds of that Year, or other Parliamentary Funds, will be paid to the Government: And therefore the Reason of striving for Payment will be taken away, when he that comes *last* is as sure to be paid, as he that comes *first*.

But moreover, it will be distinctly and particularly prov'd, that whatever Combination is form'd against it, or Run made upon it, they cannot succeed; that as the Government may exert this Credit by the most secure steps, so the Return of it upon the Government, can be attended with no *Danger*.

But because the full clearing of this Point, must be reserv'd to the opening of the whole Design, let us here suppose the Worst, which is, that the *Specie-Office* fails; and yet even in that Case, this Proposal will be a manifest Improvement of our present Methods; for this Credit is to paid
F and

and return to the Government by another Way, if the former shou'd be stopp'd up; and that is in all the Payments of the Publick Revenue.

Which Qualification alone, when rightly consider'd, may be judg'd sufficient to make it pass at *Par* from Hand to Hand; however, can never subject it to the Discount which the Government's Credit lies under at present; and even in this one Respect will be an apparent Advantage to the Publick.

S E C T. XI.

Novelty Answer'd.

THE next Accusation perhaps will be *Novelty*; by which, if it is meant that the Government has never yet thought fit to do it, that may be safely granted, and will farther appear by and by: But if it be supposed a thing unheard of in Trade, it is sufficient to answer here, That the Government will, by the propos'd Method, undertake to do nothing at all, but what others have done before; and with so much less Power and Ability to do it, that the Prospect which was *probable* to them, and upon that Account a sufficient Inducement, will be *certain* to the Government; and upon that Account, it is hop'd, no Insufficient one.

But is it any new thing for a Credit, better than what usually passes in any Place, to make its way there? Or will Men of Trade and Business be so long in understanding the Preferableness of this, as to give any Obstruction to the Currency of it?

They who understand the Value of Trade, and have well consider'd what Credit passes in the Trade of *England*, cannot but wish we had generally a better Credit passing than we have; and consequently will be far from objecting

Novelty;

Novelty; which therefore needs no farther Answer.

S E C T. XII.

BUT we must expect to meet with all sorts of Objectors; and therefore others on the contrary, will say there is nothing New in this Design, but that 'tis the same with *Exchequer-Bills*, which were set on Foot about Eight Years ago.

Nor has it yet been duly practis'd.

And indeed, were not this Design preferable to the *Exchequer-Bills*, both as to its stated Security, and in regard to the Benefit of the Government, and the Advantage of Trade, there wou'd have been less Encouragement to make this Proposal; as it may be hop'd there will be found greater, when all these are made appear.

First then, The Funds of those Bills have not yet been ascertain'd, to the Value of them; at least not so as to be evident to all People, any otherwise than by a Security of Parliament at large, without knowing expressly the Time when, or the Means by which they will be paid by the Parliament: Whereas these will have certainly annex'd to them, Funds adequate to the Value, and near enough in Point of Time; and all this provided by the Parliament, before the issuing of them.

Secondly, As to the Benefit to the Publick, the high Interest which the *Exchequer-Bills* carry, (not to mention the *Premium*, which was once 10 *per Cent.* for Circulation) makes them considerably less advantageous than these will be, as carrying at first a smaller Interest; which their Current Benefit will soon reduce.

And whereas the Success of the former, is wholly owing to the Interest they carry (as may be gather'd from their being generally hoarded up) the other, tho' they will not be so much hoarded up,

as carrying a less Interest, yet will have equal Success, by a thorough Circulation in all Payments, publick and private; which, by the great Quantity of Payments visible in Trade, may be presum'd to require a Paper-Credit, far exceeding, in Value, that Paper-Credit, which is, or would be hoarded up: So that these will be as useful as the *Exchequer-Bills*, in the Way mentioned, and more advantageous to the Government.

Thirdly, And the Way that they will pass, must also better serve the Purposes of Trade, than the *Exchequer-Bills* do.

For 'tis plain, these will be more frequently transferred in Trade, (as other Bills that bear no Interest, are more frequently than those that do); but in the frequent passing of Credit from Hand to Hand, consists its great Usefulness in Trade; for when either Money or Credit is hoarded up, it may more properly be said to *Stagnate*, than to *Circulate*.

And therefore 'tis no sufficient Answer, to say, That the Money is out while the Paper is kept up; because, in this Method, it is contriv'd that both shou'd be out, with equal Security to the Taker of either, and to the great Increase of our Stock in Trade, and consequently to the great Enlargement of our Trade it self.

By which Considerations it is fully prov'd, that the Credit, in this Design, will be apparently preferable either to *Exchequer-Bills*, *Tallies*, *Mortgages*, or any other Credit now Current; and more Beneficial than they can be to the Nation, upon those two great Articles, our *Government*; and our *Trade*.

S E C T. XII.

WE have now, as we conceive, answer'd the best that can be said by all sorts of Objectors, excepting those who, in earnest, may suspect some ill Influence from this Design, after it shall have received a successful Establishment, upon the Liberties of the People; by lodging too great a Power in the Hands of the Government, a Power as dangerous and formidable to the *People*, as, if lodg'd in private Hands, it might prove to the *Government*.

The Objection of Misapplicationfully Answered.

To remove this last Scruple, and to shew how well this Design is calculated for the Constitution of *England*, let it be observ'd,

First, That it does not give the least Power more than the Government is invest'd with at present; for here will be only the Management of the Publick Revenue by *Credit*, which the Prince and Ministry already do manage by *Money*; the arbitrary Raising, or undue Application of either, being equally cognizable by the Parliament, as equally concern'd in both.

For it is to be observ'd, that here is no boundless Power of extending the Credit, as *Bank* and *Bankers* have, but only so far as real Funds given by the Parliament will reach; and we don't find the Parliament ever gives more of these, than are judg'd necessary for the real Occasions of the Government: So that there cannot be legally more of this Credit rais'd, than the Parliament (in the present Methods) allows the Government to receive in Money.

Nor can it be suppos'd, that there will be any of it illegally and clandestinely rais'd; for each Bill is to be sign'd by a Number of Commissioners, who may be sufficiently deterr'd from exceeding

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ceeding the Value which the Parliament shall direct to be issu'd; and that by what Penalty shall be thought fit.

Which cannot but prove an effectual Barr to all such Practice, when it's consider'd that the Account of all the Bills may be register'd in such manner, as will immediately discover all possible Fraud in the issuing.

And not only so, but will also show the Application of each particular and minute Sum so exactly, that instead of being more liable to a Misapplication than Money, it will, in Reality, be much less.

For this Design will, in its own Nature, require an *Annual Act of Parliament*, and it cannot be suppos'd that the Parliament will raise more of the Credit, in any Year after its first Establishment, without Inspecting the Accounts of the Preceding.

Which will be an additional, and perhaps a preferable Check to any we have at present, upon the Application of the publick Revenue; Since the Accounts will be more intelligible and obvious upon Inspection, than they seem at least to be in the present Methods.

From whence we cannot but conclude, that the Power of this Credit is rightly plac'd; not only the Power of Giving is in the Parliament, but the Application also of what is given, will fall under the just Direction, and the plain View of the Parliament.

Which is the utmost Security we have, or can have in a Case of this Nature, it being a certain Maxim, That the Management of any considerable thing, may be committed, most safely, to those whose greatest Interest it is to have it well manag'd; and who will be the greatest Sufferers, in Case of ill Management.

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But, if any one will go so very far in supposing, as to say there may arise a Parliament which will give up, into the Hands of a Prince, the sole Power of Raising and Applying this Credit at his Pleasure; we will still answer, Either it will be given upon Funds, or without them: If upon Funds; it ever was, and ever will, we hope, be in the Power of the Parliament to give those, and to what Value they shall find wanting, and can be rais'd: Which Power of theirs, as it is incapable of Addition in this Particular, so it receives none at all from the present Design, which has not the least Tendency, either in this or any other Respect, to do any Mischief, while it does so much Good.

But if this Power shou'd be given at large, and without Funds, it wou'd be no Power at all; for the Credit wou'd instantly sink with voluntary Acceptors, as having lost all its desirable Security; without which no Convenience, how great soever, wou'd make it current.

Nor can the Want of Security in this Case, escape the Knowledge of all those who are to deal with it, any more than Men wou'd lend their Money, in case the Government shou'd attempt to borrow it, without having Funds to secure the Lenders.

But, upon the whole, it will appear hard to load a Design with Consequences so very far distant, and so highly improbable; whilst there appears, as has been remark'd, so great Necessity, instant and pressing upon us for that Relief, which this Design will certainly afford.

And therefore, as these Objections do allow, that the Design will do the Good that is propos'd to be done by it, (or else it cannot have Power to do the Mischief that is fear'd from it) so they must be unseasonably urg'd, as long

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as the Expences of this, and the Debts of the last War, are incumbent upon us. And whenever we see an End of these, there will still remain many other good Things to be done, by Virtue of this Method; such for Example, as *Finding a Stock to set at work our unemployed Poor, to raise our neglected Fishery; to improve our Manufactures, &c.* All which, and whatever other good Purposes this Design is applicable to, will sufficiently employ and engage it, so as to leave no Room for a Misapplication.

For, as it can't be suppos'd to be subjected by any Parliament to such evil Purposes; especially while so many good ones lie ready for it; so it has all the Security this World can give, that it shall be punctually apply'd, according to the Direction of Parliament; as has been prov'd before.

S E C T XIII.

Conclu-
sion, with
a just Pro-
spect of
Success, a
broad.

HAVING thus far endeavour'd to recommend the Establishing a *National Credit*, according to the Method prepar'd by the Proposers; as the only Expedient, whereby it appears to us, we can hope to be extricated from the Difficulties and Incumbrances our late great Expences have laid us under; and as a sufficient Supply and Support under all future Accidents; and also as the greatest Encouragement to our Trade, the Preservative of our Peace, and the Happiness we enjoy by an Excellent Constitution; we shall presume to add no more (by way of Conclusion) but that the Success of this Establishment may, in time, spread the Dignity and Lustre of this Constitution of ours into Foreign Parts, so as to render *England* the *Asylum* of *Europe*; as the safest Place for Foreigners, under Appre-

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Apprehensions at Home, to retire and transmit their Effects into.

For however this Method, when it shall be successful in *England*, may be imitated, yet it is not to be Parallell'd in many Countries Abroad; as being, in its own Nature, impracticable either by a *Weak* or an *Arbitrary* Government.

But it is truly adapted to the Constitution of our Government; which is endu'd with the best, and most desirable Power to be depended upon; that which is by Nature *strong*, and by Establishment *limited*; that which is admirably qualify'd to Assist, and equally restrain'd from Oppressing those under its happy Influence.

A L E T

A
LETTER
 TO A
MEMBER

Of the Present Honourable

House of Commons,

Relating to the Credit of our
Government, and of the
Nation in General.

S I R,

Decemb. 12. 1705.

I Cannot sufficiently commend the Employment
of your Thoughts, when you turn them to
consider the Credit of this Nation. It is not, I
think, an exposing *the Nakedness of our Land*, to
say that by Credit chiefly we subsist; or at least
without it should make as mean a Figure in the
World, as our Country does in the Map of it.
On the other hand, there is no doubt but our
Credit

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Credit is as capable of being Corrupted as our Coin ; and we may be undone either for want of a Credit, or for want of a good one.

In the Conversation I had the Honour to have lately with you , I have sometimes endeavour'd to make you believe I have consider'd this Point ; and since I can safely say you do believe it, it will be no Vanity in me to expect that the wise and impartial Part of the Kingdom shou'd be of your Opinion ; especially when they, in whose Power it is, shall think it reasonable that all the Conclusions we have come to upon this Subject , may see the Light.

In the mean time you are not the only Person that has discern'd in several of your worthy Members, a strong Prejudice against all sort of what they call *Paper Credit* ; believing it to be a false Show of Wealth, and a Symptom of a rotten Foundation ; and truly it must not be denied, that these Gentlemen (being considerable Members of the Publick) must have felt of late something like a secret Decay in our Civil Constitution, and in our Trade, which is the very Life and Soul of it ; since there are very few Members so inconsiderable as not to feel it.

Since therefore we are thus far agreed, and this is apparently a Case which calls for an early and an industrious Application, I hope they will be prevail'd upon once more, to search for the Cause of it, before they attempt to remove the Disease. And I shall think this Paper well employ'd , if (before I have quite tir'd you) I can prove that the Cause does not really lye where it is very often laid ; and can point out a more likely Place to find it in.

As to the former, I must affirm, under Favour, that the Charge runs wrong, when it runs upon *Paper Credit* in the general.

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The Design of *Specie* is certainly to be a Standard by which to measure, with more Certainty, the Value of Things. And I grant that our Silver (for Gold is reckon'd a Commodity) comes nearer to an invariable Standard, than any other that has yet prevail'd in the World ; and if the whole Earth were Civiliz'd, Silver wou'd, in likelihood, become the Universal Standard.

This is all that need be said to bring us to the Point, which is, Whether our Trade and Commerce can be, and ought to be carried on by *Specie* alone, or by that and Credit together? And to speak fully to this Point, I will first put the Supposition, That in *England* we have *Specie* enough for this Purpose ; and next that we have not.

In the first place, admitting the Supposition, that we had *Specie* enough wherewith to carry on our Trade to a due Extent, yet it wou'd not, in my Opinion, be for the Interest of our Trade, quit to exclude *Paper Credit*. For the greatest Dealers, and the greatest Dealings in our Trade, do require a quicker Dispatch, in point of time, than the Telling of *Specie* will admit of : This, and the Trouble of carrying it to and fro for all sorts of Payments, wou'd prove an unfufferable Hindrance to our Trade ; and give frequent Stops to that, whose very Life consists in being always in Motion.

Besides, that considerable Tradesmen cou'd never act with sufficient Security, by having such vast Sums of *Specie* always by them ; whereas *Paper Credit* (which does the Work of *Specie* Abroad) is more securely preserv'd at Home, and more capable of being recover'd when lost.

But I need not stay upon this first Supposition any longer, because 'tis a meer Supposition, for the Truth of our Case is, Secondly, That we have

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have not *Specie* near enough to carry on our Trade to that Extent, which by the help of Credit we do, and are capable of farther doing both at Home and Abroad.

Now, were we to reduce the Bounds of our Trade, to the Value of our *Specie*, the necessary Consequence would be, that we must lose as much Stock in Trade, as we had Credit current in it; and so much of our Trade (with the Profits of it) as was driven by that Stock.

For Example, If our *Specie* be indeed Ten Millions, and the Returns of our Trade do annually amount to Forty Millions, then three Parts in four of the Profits of our Trade, is owing to our Credit; and when that is destroy'd or exploded, our Profit must in Proportion sink with it. And the Argument will more nearly concern us, if the *Specie* shou'd be less, and our Trade greater, as 'tis generally computed they are.

And the Consequence of our losing our Trade, is our Neighbours gaining it; who always contrive to have the best Credit that's possible current in their Trade, which enables them to carry it on to that very great Extent, which we see they do.

And the lessening of our Trade must proportionably lessen our Shipping, to an equal lessening of our Naval Force, and our greatest Security.

From whence you may see an absolute Necessity of Credit in our Trade, and consequently, that 'tis necessary to the Well-being of *England*.

So that the grand Objection, That Credit sometimes fails in Particular Cases where *Specie* does not, is of no Force in this Case; because that accidental Evil bears no Proportion to the great Good, and the great Necessity of a Credit constantly to be employ'd in our Trade.

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If therefore we will consult either the Reason of the Thing, or the Practice of the greatest trading Nations, we shall not give the least Discouragement to our Credit; but rather think our selves oblig'd to nurse it tenderly, as that profitable Plant, which yields more Fruit to our Trade, than the whole *Specie* of the Kingdom.

This I think is made evident, as to the People of *England*; but the Stress of the Case lies not here. For, this being granted, another Question will be put; which is, How far the *Government* ought to make use of, and depend upon any sort of Credit? And that which makes this a different Case from the former, is, that it may not be prudent in the Government to subject it self to those Risques, which private Persons may prudently run, upon good Prospects of Gain.

This is a Consideration of no small Moment; let us therefore, if you please, in the first Place examine how the Fact stands, and how the Government is supply'd at present.

The Parliament, suppose, gives five Millions; but the Funds upon which this is given do not come in so fast as the necessary Service of the Government requires the Sums: For the nearest Funds are generally above a Year in fully coming in; but the Occasions of the Government are much more instant, and call for a great Part of the Supply in a few Months after given.

This causes every Year a Borrowing Clause; by Virtue of which the Government receives Loans; which it cannot do, but either in Money or Credit; and, I fear, it will be found to receive them, neither way, advantageously, or without considerable Detriment to the Publick Welfare of the Nation.

First, If the Loans are received all in Money, there are but three Ways that Money can come in; either

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either, First, The whole Sum is brought in at once; or, Secondly, It is borrowed at several Times as the several Occasions require; or, Thirdly, Some part of it is borrowed in *Specie* for some Uses, and for others the Government buys upon its own Credit, to pay when the Funds appropriated do come in.

As to the first Way, in this Case it is not likely that a Moiety of our *Specie*, should be brought on a sudden to center in any one Place: Or were this practicable, it would be highly prejudicial to our Trade, to have so great a Proportion of our whole Cash, drawn out of it at once.

As to the second Way, it is to be considered, that such prompt Loans, upon all Occasions, are not likely to be had, but from those who keep their Money by them for this very Purpose; which if they lend at the common Rates, is a Detriment to themselves, (which it is thought few will submit to) if at extraordinary Rates, it's detrimental to the Government. Besides, the Money in this Case, is, with equal Prejudice, kept out of Trade, whether it lies ready for the Government in private Hands, or lies in the Hands of the Government. Add to this, That it does not seem prudent when the Government has Service in View, and at a small Distance, to depend upon precarious Loans, at the Juncture of Execution.

But we see the Government borrowing some Money at Interest, and buying Stores for the Navy, &c. and upon the Credit of the Funds; which shews that the third Way is taken, and yet it must not be denied, that the Government, even this Way, suffers very much. For some of the Navy or Victualling-Bills are now at Ten per Cent. Discount; and may come to 40 or 50, tho' after Six Months, they bear Six per Cent. Interest from

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from the Government; and will not the Sellers, think you, have a sufficient Regard to this in their Contracts with the Government? And must not the Publick expect to pay as much dearer in the Rates at least, as the Warrants they give for Payment are under Discount?

These are to me apparent Disadvantages; nor are they capable of any Remedy, according to the present Methods, unless it shall be thought more advisable, that the Government (for the Ease of Trade, and to keep the *Specie* in it) should chiefly borrow Credit, such as *Bank* or *Banker's* Notes; who no doubt, will be ready enough to lend, with such extraordinary Advantage to themselves, as to get the Interest, perhaps of several Thousands, by the Stock of one. And it may be this would prove of real Use in the carrying on of our Trade.

But there is too great a Barr against this Practice; the Paper in the *Exchequer*, has too great a Dependance on the Money in the *Bank* or *Bankers* Hands, and may sink in its Value at once, if they should either withhold Payment, or be accidentally disabled only for a small space of Time in which the Government may be distressed, or even quite destroyed. I don't question but I have given the Reason why such Bills are not admitted in the *Exchequer* publickly; nor has the Parliament been prevailed upon, excepting for a short time in one extraordinary Case, to make *Bank* Notes passable there. How far a Friendship to the *Bank*, or any other Reason may have induced the Officers of the *Revenue*, collusively to admit of them, I wave enquiring.

And here it is that I perfectly agree with those Gentlemen, who complain of Paper Credit, as dangerous to pass in the *Exchequer*; meaning only

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ly that precarious Credit we are speaking of. But this true Principle has unhappily led some of you into a mistaken Consequence, which is to charge the same Danger upon all manner of *Paper Credit* there, tho' it be issued at first by the Government it self.

But I will assert, and prove it too, that the Consequences are so far from being the same in both Cases, that they are directly opposite.

For, whereas in the former Case, the Government would be endanger'd by depending on Private Credit; which would be the same thing as depending on a few Private Persons; in this Case, all those private Persons who make Use of the Government's Credit, are still made more dependent on the Government, and consequently that Government is made stronger by a very great Additional Obligation, and Interest of the Subject to maintain it.

To lay before you but one Instance in each Case: There is (we'll say) in the *Exchequer* a Million in Bank Notes, borrow'd at Interest: Does not the Government run the Hazard both of the Will and Power of the Bank to pay these Notes, even tho' the Service of them may be instantly necessary?

In the other Case; when the Government has issu'd a Million in Notes of its own (which may be so well contriv'd, that, with little or no Interest, they shall be preferrable to Money,) these, when they return into the *Exchequer*, (which we'll suppose they do instead of Money,) having already done that Service for which the Bank Notes were borrow'd, as abovesaid, may be admitted there without any possible Hazard, Detriment or Inconvenience.

But I am now come as far as I intended, and shall take up no more of your Time, than to tell you a short Story. There

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“ There was an Owner of a large Estate, consisting of the most secure and valuable Rents, with a great Number of Tenants: His Expenses were about equal to his Income; and wanting at one time considerable Supplies of Stores, with which his Tenants furnished him, some of them much beyond the Value of the Rent they were to pay him: He being at the same time not beforehand in Cash, was at a *Non-plus* how to pay the Suppliers so readily as they wanted: For, as to borrowing of some Tenants at Interest, to pay the rest; Money was scarce amongst them, and his Predecessor had suffer'd very much upon that Article; but at last he lit upon this Method: He gave out his own Bills of Credit, engaging his whole Revenue for the Payment of them, and obliging himself to take them back in all Payments of that Revenue. Nay, he contriv'd also how to exchange them for Money to all that desir'd it. Now, tho' he forced these Bills upon none, yet those that dealt with him soon understood how secure and how convenient these Bills were; and then did not only prefer them to all other Credit, but to ready Money too; because they did all the Business of Money with every one, and with much greater Dispatch; and for the same Reason, very few (excepting for petty Payments) would exchange them into Money.

And thus this wise Governor (for so I will venture to call him) by a dextrous Management of his own good Credit, bought as cheap, and was as well supply'd in all Respects, as he could have been by so much ready Money; and thereby kept his Estate clear; at the same time promoting Trade, and causing Plenty amongst his Tenants.

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I cannot forbear saying, *Happy were England, could this Story be told of us.* Something I'm sure might be done; the Consideration of which, seems to claim a Place amongst your weightiest Debates.

Ways and Means take up much of your Time; and methinks 'tis pity so much should be employ'd in Raising, and so little in Managing the Supplies:

And I must tell you my Opinion, That the Ablest Minister in the World cannot do this to any great degree, without your Aid. It is you must support the Credit, as well as supply the Coffers of the Government.

For I fear it is too evident, that until our Government has a more General and Active Credit, than has hitherto appear'd, it must be subject to the many Hazards and Hardships of a necessitous Borrower; but whither these tend, and where they will fall, I need not tell you: And besides, 'tis high time to ask your Pardon for what I have already presum'd to tell you, and to subscribe myself, as entirely I am,

Your most Oblig'd, &c.

E R R A T A.

Page 7. Line 1. for Matchiaval read Matchiavel. Ibid. in Marg' r. Imitation. P. 15. l. 35. for and r. as. P. 24. l. 1. for Reformation r. Restoration. P. 28. l. 21. for at r. of. P. 36. l. 16. for putchas'd r. purchas'd.