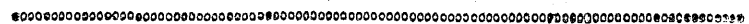


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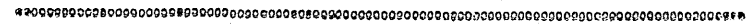


T H E
NATIONAL DEBT

PRODUCTIVE OF

NATIONAL PROSPERITY.

PRICE, ONE SHILLING AND SIX-PENCE.



For the Author

0347

T H E
NATIONAL DEBT

PRODUCTIVE OF

N A T I O N A L
P R O S P E R I T Y.

WARRINGTON,

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MDCCLXXXVII.

INTRODUCTION.

I HAVE long entertained sentiments respecting the National Debt, which have been unsupported by the general sentiments of mankind. But there are seasons, when to oppose the current opinion, would argue great weakness, the tide being so powerful, as to baffle every attempt to turn it. The present flourishing state of the nation having, however, proved, that the apprehensions which have been entertained concerning the debt are ill founded, is natural to conjecture,

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jecture, that its operation is not well understood. This circumstance, strengthened by some late publications in defence of a national debt, said to possess great merit, though I have not yet had the good fortune to meet with them, has encouraged me, at this time, to offer my thoughts to the public. And though, I am sensible, no person ever engaged in a more unpopular cause, I have the satisfaction to think, that an address to the people of Great Britain on a subject of the first importance, will not be condemned without a hearing; and that its pretensions will be decided by men uninfluenced by political prejudice.

In the beginning of the present century, when the debt was only in its infancy, the politicians of that time viewed it with such unfavourable impressions, that, though the nation did not

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not immediately sink under the pressure, they imagined it could not survive any considerable increase.

SUCCESSING politicians beheld the debt much grown, without discerning any symptoms of that ruin, which their predecessors had foretold: yet they entertained the same gloomy ideas of its further progress. Nay, though we have the good fortune to be living witnesses of the fallibility of our forefathers, in this respect, yet we are still haunted with the like imaginary fears; and the prevailing opinion now is, that inevitable ruin would accompany fresh loans.

It may not be in my power to bring the political world entirely to think with me on this subject; yet I shall consider myself as amply repaid, if I have the good fortune to lessen the

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anxiety which has long disturbed the well-wishers of Great Britain, occasioned by an opinion, that the national debt is an evil proportioned to its magnitude.

I MAY, with some degree of reason, be charged with presumption, in opposing my sentiments to those of mankind in general, having abundant cause to acknowledge, that neither my abilities, nor the bent of my studies, place me on a level with many, whom I have the honour to call my countrymen. Nor would any confidence have been reposed in opinions so singular, if the writer had not given himself credit for having discovered the *source* of the error, which has misled mankind—their connecting the same ideas with the *public* debt, which are drawn from a *private* one. And though he should even so far succeed, as to make the
error

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error visible to all, he is still aware of the difficulty which lies in his way, of inclining the nation to think favourably of TAXES; as it will not easily be conceived, that a man is enriched by parting with his property.

SHOULD it, however, appear to those who are pleased to give their attention to the subject, that the money raised by Government, when issued from the public purse, may be considered as grain deposited in the earth, which, when reaped again, yields an increase productive of national plenty and prosperity; I contend, that temporary and small inconveniencies should not be placed in competition with the good of the community; and that the private should be sacrificed to the public welfare.

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Not being a professed writer, I am in no danger of exercising those powers, which too often mislead the judgment, and enlist numbers in the cause of falsehood. I fear, on the other hand, that the want of them may subject me to a treatment, similar to that which the traveller meets with, who has the misfortune to appear in a homely dress: whatever claim he may have to a favourable reception, arising from honest intentions, his outward garb generally exposes him to contumely or neglect.

THE
PUBLIC DEBT
PRODUCTIVE OF
NATIONAL PROSPERITY.

IN treating a subject, which involves in it the concerns of all classes of men, in order that it may be more clearly comprehended, I beg leave to consider the people of Great Britain as composing ONE FAMILY; and, in what regards the welfare and prosperity of the nation, as connected together by ONE COMMON INTEREST. And though this union

may not be so visible in time of peace, owing to the contests of party, and little internal diffentions; yet, in time of war, private considerations are lost in the regard for the public welfare, and the subjects of the British empire embrace each other as BRETHREN.

IN taking a view of the national circumstances, the attention of the reader is requested, to the line which is drawn betwixt its FOREIGN and DOMESTIC connections; the propriety of which will appear obvious from the following considerations.

WHATEVER sum of money is owing by one member of a family to another of the same family, cannot in any degree add to, or take from, the quantity of property possessed by the whole family. The same remark may be applied to the nation. Whatever sum

sum of money is owing, by the community at large, to a part of the same community, cannot, in any degree, increase or diminish the national capital.

ON the other hand, whatever sum of money is owing by one family or nation, or the members of one family or nation, to the members of a different family or nation, must impair the national or family circumstances, in proportion to the amount of the debt.

HENCE it follows, That the money owing by the British Government to the subjects of Great Britain, cannot, with propriety, be considered as a NATIONAL DEBT, because it does not in the least diminish the national property. The real debt of the nation can only be, The sum of money owing by the people of Great Britain to FOREIGNERS;

REIGNERS; because the payment of the principal or interest is effected, by sending a valuable consideration OUT OF the kingdom.

By way of distinction, therefore, I shall consider the money owing by government to people residing *abroad*, as the NATIONAL DEBT; and the money owing by government to *its own subjects* at home, as the DOMESTIC DEBT. From want of this important distinction, I account for the general mistake which the world has been led into, by confounding the two accounts.

EXACTNESS in sums not being necessary in this place, the DOMESTIC DEBT may be estimated at more than 200 millions; and the FOREIGN DEBT, as not exceeding 40 millions. The former of these bears so large a proportion

proportion to the whole, that, by attending to its operation, we may acquire just notions, how far the national prosperity has been advanced, or impeded by it: as it cannot be denied, that the existence of so large an account must have had a considerable influence over the national affairs.

It may not be foreign to the subject, to inquire into the condition of the country *before* the debt existed. And though it will be easily proved, that the nation is much richer and happier, at present, it may not perhaps be admitted, from that consideration alone, that the improvement is to be ascribed to the operation of the debt. It affords, however, a strong argument against the prevailing opinion, that the national debt is an *evil* proportioned to its magnitude.

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WHILST the expences of government were confined, in a great measure, to the revenue arising from the estates in possession of the crown, the property of the nation was in few hands, and the cultivation of the land much neglected; it yielding a sufficiency, in its natural state, to satisfy the wants of the owners. The stock and buildings upon it were but of small value: and little could be reckoned on the produce of industry, there being but few people in circumstances to consume it. Hence, the bulk of the inhabitants were in a state of abject dependence, and experienced every species of oppression, in a land of freedom. Unconditional submission was the lot of extreme poverty, and every law in favour of liberty was superseded by the great law of necessity.

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WHEN the usual resources were insufficient to supply the exigencies of the state, more frequent recourse was had to TAXES: and as the money expended by government principally circulates at home, both in peace and war, being paid to those who furnish arms, clothing, &c. or who are in any other way employed under government, the augmented expenditure flowed in fresh channels, and became the property of new owners. By degrees, as the demands of government increased, the circulation of property became more general, and the industrious part of the nation possessed themselves of the floating wealth, in exchange for the produce of labour.

As the property of the nation became, in this manner, more *divided*, it experienced likewise a considerable *increase*; if the abundance of the necessities

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necessaries and conveniencies of life, procured by industry, may be said to constitute national wealth. When those who had acquired a competency, wished to disengage themselves from the fatigues of business, they realized their property, by laying it out in the purchase of land, or by lending it to the country, on the faith of government. This circumstance gave rise not only to an additional number of Land Owners, but likewise to a description of people, whose claims to the national property are equally well founded; I mean, the PUBLIC CREDITORS.

FROM what has been advanced it must, I flatter myself, appear evident, that TAXES have a tendency to *increase* the property of the nation, by *dividing* it amongst the community into smaller shares, and, from that circumstance, increasing

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increasing its circulation. And though the system of funding may have lessened the Aristocratic power, which was frequently exercised in disturbing government, and oppressing the people, yet the complaints of a few individuals should never weigh against national prosperity and happiness, which are founded on a more equal distribution of the comforts of life.

EVERY million which has been borrowed, at different periods, by the British government from the subjects of Great Britain, has, in my opinion, been productive of national improvement; and the present DOMESTIC DEBT, though very considerable, yields an *increase* proportioned to its magnitude.

EVERY guinea issued from the public purse, in its various stages of circulation

culatation, gives birth to many times its own amount, in the produce of labour. The public creditor, with the money he receives from government, is enabled to give employment to the weaver, the shoe-maker, the tailor, and to many people in other occupations, as well as to those who vend the necessaries and conveniencies of life. The same money is laid out, by the receivers, in the purchase of fresh articles adapted to their respective stations: and, whilst thus employed, each owner furnishes an addition of property to the general stock, which is visible in the improved circumstances of all classes of people.

THE domestic debt is not only productive of plenty, but it dispenses to the people in general, protection and happiness, by forming a connection of mutual advantage between the rich and

and the poor. This, rightly understood, will account for that growing prosperity, which has long confounded the political world; and, whilst it is maintained, will afford an exception to the general remark, which assigns to nations their epochas of infancy, maturity, and decline; for, during its continuance, Great Britain's sun will ever continue in its meridian splendor.

THE calamities occasioned by the property of a nation being in few hands, have already been noticed, and are too obvious, not only from the history of this island, but from the present condition of those countries, where such inequality prevails, to need a further enlargement. And the fate of fallen empires sufficiently instructs us, that the prosperity, founded on FOREIGN AID, is not to be relied on.

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THE importation of wealth from TRIBUTARY COLONIES, without returning an equivalent, is destructive of domestic industry. Whenever, therefore, the supply is withheld, which may easily happen, from conquest, or some other cause, the want of internal resources subjects the mother country to every species of wretchedness.

FORTUNATELY for Great Britain, her present circumstances place her at a distance from these evils. The general division of property makes the rich more numerous, but less powerful; affords them the means of purchasing the produce of industry; but restrains them from supporting numbers in the habits of idleness.

ON the other hand, the poor are no longer dependent on precarious bounty
for

for subsistence, but are enabled, from the great demand for the produce of labour, to feed plentifully on the fruits of their own industry; and, by an equal exchange of work for money, are freed from the gripe of oppression, and feel their proper consequence in the scale of society.

THE intercourse thus established, betwixt the people of property and the industrious part of the nation, gives rise not only to an abundance of the necessaries and conveniences of life produced from home materials, but likewise renders the most valuable productions of FOREIGN COUNTRIES our own. This consideration, without derogating from the importance of our export trade, may, perhaps, place the benefits resulting from it in a point of view, to which sufficient attention has not been paid.

WHILST the wealth of the nation was in few hands, the capitals employed in exporting the manufactures of the country to distant markets, were inconsiderable. And if that impediment could have been removed, by men of large landed property turning their attention to commerce, which was not likely to be the case, the people of Great Britain were not able to purchase the foreign articles procured for the goods exported. And it is a truth, which should never be forgotten, " That the EXTENT OF OUR
 " EXPORT TRADE ever did, and ever
 " will, in a great measure, depend on
 " the NUMBER OF PEOPLE IN GREAT
 " BRITAIN THAT ARE IN CIRCUM-
 " STANCES TO CONSUME FOREIGN
 " PRODUCE."

As this matter is not perhaps sufficiently attended to, it may not be unacceptable

acceptable to the reader, to have the leading occurrences in the voyage of a trading vessel enumerated.

THE British merchant, we will suppose, purchases from the manufacturers of different articles, the produce of labour, to the amount of £10,000, with which he obtains the customary credit. The most favourable foreign markets are visited, and the goods sold on the best terms. The vessel returns, freighted with goods proper for the home market, which are either procured in *exchange* for the British manufactures, or *purchased* with the *money* arising from their sale. The cargo is disposed of for £18,000, in the British ports. After paying for the goods exported, for the use of the ship and her stores, together with the sailors' wages, commissions, and the premiums of in-

furance, amounting in the whole to £15,000, there remains due to the merchant, a neat balance of £3,000. It is immaterial to him, whether the imported cargo consists of raw materials, articles of luxury, or the precious metals, provided there is an equal demand for them in this country. Raw materials are manufactured into goods, either to supply the home demand, or to be sent out to furnish other articles more acceptable, such as wine, sugar, rum, tobacco, fruit, &c. And so much of the precious metals as exceeds the wants of the country, is exported to purchase some other foreign produce, of greater value in the British markets.

THE industry consumed AT HOME, affords a *direct* intercourse betwixt the rich and poor. The connection is still maintained, though *indirectly*, in the

the LABOUR EXPORTED, as it is paid for by the purchasers of foreign produce, in Great Britain. Hence it is evident, that our FOREIGN TRADE OWES ITS EXTENT TO THE INTERNAL CIRCULATION OF PROPERTY: a remark, which is confirmed by experience; as our EXPORT TRADE has increased with the increase of the national debt, and may be considered rather as the OFFSPRING, than the PARENT, of national prosperity.

THE American war, independently of the loss of lives, and of the colonies, the latter of which is not perhaps much to be regretted, never appeared to me of that ruinous tendency, with which it has generally been charged: and I will venture to hazard an opinion, which, though singular, may not be ill-founded—That this kingdom

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dom was *richer* at the *close*, than at the *commencement*, of the war.

IN taking a view of the wealth of the nation, at these two periods, no part of the debt, which was borrowed from people in Great Britain, can possibly be admitted on the unfavourable side of the account; it having already been made to appear, that the property of the country, let the sum be ever so considerable, cannot be impaired by that circumstance. The property of the nation can only be charged with the INCREASED DEMANDS OF FOREIGNERS during the war, which are allowed not to amount to many millions; and will be more than compensated on the favourable side of the account.

THE method which seems most likely to do justice to the subject, is,
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to have recourse to the practice prevalent amongst people in trade, of taking stock at stated periods. I must beg the assistance, therefore, of the discerning and sensible part of the nation, in this important work. And, as small objects are not to be regarded, I appeal to them, if the land was not in a better state of cultivation—if, from that circumstance, the cattle and other stock upon it, were not more valuable—if the public buildings, the warehouses, the shops, together with the dwelling houses, barns, and other edifices, were not more numerous and commodious—if the property in ships, and in every thing appertaining to them, was not increased—if the public and private roads were not in much better repair—if the canals for the accommodation of trade, were not extended—and if the manufactures of the country were not more considerable,

able, at the *end*, than at the *beginning* of the war.

THE existence of the FACT may sufficiently apologize for the peculiar sentiments, which the writer has formed on this subject. Yet the reader may expect, that some cause should be assigned for so unexpected an event. Now although the prevailing opinion is, that the nation has been preserved from sinking under the pressure of her debt, by the exertions of industry and ingenuity; in this instance, as well as in those already enumerated, I contend, that the INCREASED DEBT has had the principal merit of mending the face of the country, by giving birth to the ADDITIONAL INDUSTRY AND INGENUITY since that period. The money borrowed by government was not lost to the country. A great part of it was paid to those contractors, merchants,

merchants, and manufacturers, who provided arms, horses, cloathing, provisions, sail-cloth, and every other article wanted to carry on the war; and thus came into general circulation. The money paid to the army, and navy, which was *spent in this country*, did not impair the national property.

ON the other hand, the writer admits, that a quantity of specie was sent to America, to pay the troops. This has been estimated at a million sterling. But the increased circulation of property, arising from the internal expenditure, enlarged the boundaries of industry and ingenuity so much, that the increased British manufactures not only paid for the foreign articles consumed upon the war, but were sent out in pursuit of the exported treasure. And in less than a year after peace was restored, America saw herself completely

pletely drained of British coin, which *came back to the mother country.*

THE interest of the foreign debt is provided for from the same source; from the excess of industry exported, which more than pays the demands upon government: as appears by the general balance of trade in favour of Great Britain.

ANOTHER circumstance, in support of the opinion which is hazarded, may merit attention: which is, that the minister borrowed money with greater facility and on lower terms, at the *decline*, than in the *infancy*, of the war.

SHOULD any of my countrymen still retain a fondness for their old sentiments, and object to the account here stated, as not being properly witnessed, there

there will be no difficulty in getting it attested, by the French, Spanish, Dutch and American nations. Long after they despaired of subduing British *valour*, the unequal contest was maintained, in hopes that the *expence* attending it would, in a little time, oblige the nation to unman her fleets, and to disband her armies; till they beheld, with horror and amazement, new sources of wealth eager to be employed in the public service. Hence they concluded, that British *courage*, and British *resources*, are equally inexhaustible.

THE two principal objections to TAXES are, that, in the first place, they fall heavy on the poor: and that, in the second place, they enhance the price of labour, and by that means cramp the foreign trade.

BUT

BUT the force of these objections will be very much weakened, when it is considered, that the taxes in Great Britain are more considerable, than in any other country, except Holland; and yet, that the poor are better fed, clothed, and lodged, and that more of the works of industry are exported from hence, than from any other part of the world. It cannot be denied, that taxes advance the price of labour, and the necessaries of life: but it must likewise be admitted, that the same circulation of property which they occasion, effected by ANY OTHER CAUSE, would advance them equally. It is not the pressure of the DEBT, which increases the expence of living; but the RICHES generated by it. For it is observable of all poor countries (Ireland, for instance) that provisions and labour may be had there on lower terms, than in the seat of opulence.

THE

THE price of labour is much more increased, within the present century, than the expence of living. This is allowed by every sensible writer on the subject; and is an incontestable proof, that the circumstances of the industrious part of the nation are improved, and that every apprehension on their account is ill founded.

THE foreign trade is in the same situation. It is extended, and not cramped, by TAXES, in the manner before explained. And if the wages of the poor should become double of their present amount, owing to a FURTHER INCREASE of the DOMESTIC DEBT, as this would be attended with an increased circulation of property, the industry exported would increase nearly in the same proportion.

THE writer repeats again, for fear so material an observation may not have its due

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due weight, that THE QUANTITY OF INDUSTRY IN THE KINGDOM WILL EVER, IN A GREAT MEASURE, BE PROPORTIONED TO THE QUANTITY OF CIRCULATING PROPERTY. It is not any thing peculiar to the soil, or climate, of this island, that renders it famous for ingenuity and industry. The inhabitants are, by nature, endued with the same faculties as their neighbours; and, if they were under similar circumstances, it would require a considerable stock of national prejudice to suppose, they would display a greater share of either. The encouragement afforded to the exertions of industry and ingenuity, by the floating wealth of the country, calls forth these friendly powers, and makes British manufactures perfected at less expence, than in places, where the price of labour is much lower.

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AT present, the superiority of Great Britain, in this respect, over every other country, is universally acknowledged. And to shew how little is to be feared from rivalship abroad, the British merchant generally charges the WHOLE PROFIT of the voyage on the ARTICLES OF EXPORT; which could not possibly be done, if the same quality of goods, from other countries, could be purchased cheaper.

THAT no injury can possibly happen to the foreign trade, from the operation of the domestic debt, though much greater than at present, the writer is so confident, that he wishes to give complete satisfaction to the reader on this point, by admitting a case never likely to happen: which is, that taxes may be increased so much, as to render the produce of labour, when exported, higher than from any

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other country—This is the period, which is generally imagined to be fast approaching; and which, when arrived, is expected to be attended with very unhappy consequences to the nation. Experience, however, strongly opposes this apprehension; as is evident from what has been said, respecting the usual practice of the merchant, who charges the profit of the voyage on the manufactures exported.

LET us, therefore, suppose the reverse to take place; and from an increased circulation of property, arising from fresh taxes, let us imagine, that the goods, which cost the merchant £10,000 in the British markets, will not bear an advance abroad, owing to foreign rivalry. The merchant either sells the articles of export at prime cost; that is, for £10,000: or exchanges them for other articles intended

tended for home consumption, which are only valued to him at £10,000. As the circumstances of the people at home are not, if our principle be right, impaired by the increase of the domestic debt; but as, on the other hand, the consumers of foreign produce are increased; the British merchant will meet with no difficulty in obtaining £18,000 for the IMPORTED CARGO. This sum, after paying all the expences attending the voyage, will be productive of the same balance in his favour, of £3,000, as if he had sold the EXPORTED CARGO for £18,000, and had obtained prime cost for the articles of IMPORT.

IN either case, there is the same quantity of industry sent abroad, and the same quantity of money paid by the British consumers at home, for the foreign articles. But as the ability of

the nation to consume them would be increased, and the quantity imported lessened, from this new circumstance, an extra quantity of industry would be exported, to supply not only the deficiency, but likewise the increased demand for foreign produce.

OR, let us put the case in another point of view. The raw material, which cost the nation, on importation, £1,000, is at present, we will suppose, charged to the merchant, when manufactured into goods, at £5,000; and sold by him in foreign markets, for £9,000. From a supposed advance in the price of labour to double the present amount, the raw material, when manufactured, will cost the merchant £9,000, which he is under the necessity of selling at prime cost, owing to a competition in the foreign market.

IN

IN the former instance, the profit of the voyage was charged on the article of EXPORT, and the foreign produce sold in the British markets for prime cost, that is, £9,000. In the present case, the profit of the voyage must be laid on the ARTICLES OF IMPORT; and, in order to nett the merchant the same balance, the IMPORTED CARGO must sell in the British markets for £13,000. The foreign produce, which at present costs the nation only £9,000, will unavoidably be advanced £4,000; but this will not at all cramp the national circumstances, or lessen the ability of the people to consume the same quantity of foreign produce, even at the advanced price: for in the former instance, the nation only charged a profit on the goods exported of £4,000; and in the latter, the profit to the nation proves to be £8,000. In either case, there is the same quantity

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of industry exported, and the same importation of foreign produce; and the £4,000 advance on the articles of import, is paid with the additional £4,000 charged on the articles of export.

FROM this state of the case, which is, I trust, unexceptionable, no injury can possibly happen to the foreign trade from the high price of labour. On the contrary, the increased circulation of wealth, from which only wages can be advanced, will occasion an increased consumption of the produce of industry, and of foreign articles; and the export trade, by these means, will be greatly extended.

THE only danger to be feared, and which it behoves government at all times to guard against, is, that our less opulent neighbours will endeavour,

by SMUGGLING, to avail themselves of the excessive wealth generated by an unbounded circulation.

IT cannot be denied, that taxes narrow the circumstances of many individuals. The same objection, however, may be applied to any system of government, or even to any dispensation of Providence, which involves in it the concerns of millions. And it is presumed, that no sound argument can be adduced against their existence, if it appears, that their operation is productive of national prosperity, and general happiness.

PROVIDENCE has, consistently with unerring Wisdom no doubt, strongly attached human nature to self-interest. Regardless, therefore, of the partial effects which the growing debt may have had on the community, there
D 4 would

would be but few advocates for its extinction, provided a general conviction prevailed, that it would be attended with greater inconveniencies than are experienced at present. Before such a persuasion can be established, there are obstacles to surmount of considerable magnitude, arising from causes, which have taken deep root in the human breast. A taxed income, accompanied with an advance of the necessaries and conveniencies of life, are circumstances so strong and self-evident, that people would deem it an insult offered to their understandings to reason upon them. Under such a difficulty, the only chance of success lies in opposing gain to loss, by producing a larger sum from the operation of the debt, than is paid by the country towards its support.

PRESUMING

PRESUMING that a degree of assent has been obtained to what has been advanced, respecting the division of landed property into smaller shares, and the increased circulation of wealth, occasioned by taxes; another truth, being universally allowed, will not require much pains to support it, viz. that the trade of the country, derived from the same source, has within the present century more than doubled the price of labour, and the value of the land. And, as contrary causes are productive of contrary effects, a reduction of the domestic debt, or which is the same thing, of the circulation of property, would, according to my principle, lessen not only the price of land and of labour, but likewise the demand for the produce of industry, and of foreign articles: and thus would very much cramp both our home and foreign trade.

I WOULD

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I WOULD therefore ask the landholder, if he would not rather submit to pay a fifth part of his income in taxes, than have his rent roll reduced one-third. The manufacturer, it may be supposed, whose object is gain, would rather comply with the demands of government, than be without national debt, and without customers. Nay, I would ask the mechanic, if it be not his interest to pay a trifle out of his earnings, for the benefit of light, and other necessaries, in order to enable him to prosecute his work; rather than be free from these incumbrances, and without employment. Every profession and occupation in life, dependent on the prosperity of the country, would be alike injured by a reduced circulation of property.

THE writer is sensible, that history furnishes many instances of nations,
which

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which have soared to wealth and power from other causes, than either the circulation of property, or a public debt. The records, however, which bear such favourable testimony of their elevation, afford, likewise, a melancholy proof of their fall; and give rise to a conjecture, that some defect in their constitution reduced them to a level with countries of weakness and poverty.

THE spoils of *victory* may, for a time, advance a people to the summit of affluence; but prosperity, acquired by the sword, will not bear either a reverse of fortune, or a period of repose: and when the supplies from the vanquished are at an end, the source of wealth is dried up, and the trophies of war may be viewed as monuments of departed greatness.

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AN influx of wealth derived from *foreign commerce* has, likewise, frequently been productive of temporary splendour; which, however, shortly disappeared, after the country enriched by it had excited the envy or jealousy of rival states. Where there is not an internal consumption proportioned to the quantity of industry produced, prohibited markets, or a competition in them, will soon destroy the monopoly which is the principal dependence of such a nation, and deprive the people, at once, of their wealth and consequence.

GREAT BRITAIN's prosperity, if not impaired by unskilful friends, promises a longer reign. Her implements of *industry* are more productive, than victorious *arms*; and more to be relied on, as the produce of the former benefits the places to which it is sent; whilst

whilst the latter marks them with desolation. Neither is it in the power of *rival states* to injure either our foreign or domestic trade, whilst the circulation of property is maintained, and British consumption is supplied by British labour, under the protection of the Navigation Act.

THE great demand, in this country, for foreign produce, stamps a value on the articles of export, and secures a favourable reception, and ready sale to her manufactures abroad; and the best security for the continuance of the trade is, that it is founded on the broad basis of general utility.

IT might have been the lot of this island, to have acquired a considerable share of consequence, and possessed many resources, without a public debt. All that I endeavour to prove

prove is, that the operation of this has greatly augmented the resources, and advanced the consequence of the nation; and that the connection which the debt has established betwixt the rich and poor, in the manner already shewn, has raised Great Britain to a level, at least, with the most powerful empires in the universe.

IF a public debt has a tendency to cramp the prosperity of a nation, from whence does it arise, that the most flourishing nations in Europe are those, that pay the most taxes?

IT is the opinion of many people, who place a much higher value on their rights and property, than on those of their neighbours, that Great Britain will never be the seat of happiness, till a sponge is applied to the national score, and the public debt,
and

and the public creditors sacrificed together. Such a measure is so repugnant to every principle of justice and of humanity, that I even cannot admit the case, to build an argument upon. But, in order to meet such unprincipled politicians on fair ground, let us suppose, that, actuated by a mistaken zeal in the favour of their country, the public creditors come forward, and make a voluntary tender to government of all their claims due upon it; and that, in a moment, without a shilling's expence, the nation is freed from the imaginary burden.

WILL not those who are most adverse to the existence of a national debt, allow that this would be, of all others, the most easy and most desirable way of getting rid of it; and would they not expect, that the good effects

effects would be immediately visible? Notwithstanding the writer accepts of the most unfavourable ground, yet he is willing to make a stand even here; and doubts not, that the injury would not only be instantaneous, but lasting.

I HAVE, from the first, set aside the consideration of the FOREIGN DEBT; and cannot imagine, in the present instance, that the same friendly dispositions would be exercised by the CREDITORS ABROAD. Their demands, therefore, together with the expences of government, would remain the same. Two hundred millions of the debt would be done away, and the nation freed from taxes, nearly to the amount of eight millions annually.

THE triumph will be of short duration, however, when it is considered, that there is no accession of property

property accruing to the nation from this circumstance. The land, the buildings, &c. would be precisely the same. Four hundred thousand public creditors, members of the same family, supposing, on an average, each creditor has £500 in the funds, together with their families and dependents, would lose the principal, and the nation save the interest, of the debt. But let us attend to the consequences. The eight millions, which were paid to the public creditors, and circulated by them amongst the various classes of the community, gave rise to many times their own value, in the produce of labour: and thus effected an annual increase of the national revenue, to the amount, at least, of 40 millions; which are more than a third of the whole landed and commercial revenues of Great Britain.

It may be urged, on the other hand, that the circulation would be maintained.

tained, owing to the improvement in the circumstances of the landholders, and other people of property, by the discontinuance of the annual payment of the eight millions. But this ground will be untenable, when it is considered, that the loss of one million of customers, reckoning the public creditors together with their families and dependents to amount to that number, will lessen every income arising either from landed property, trade, labour, or any profession or occupation, much more, than the amount of the taxes paid to the home creditors. The result of such a change, in the national circumstances, speaks forcibly against the policy of the attempt, in any shape; as nothing can be more plain, than that it would entail ruin on a considerable part of the inhabitants, injure the condition of the rest, and rob the country of those resources, which have raised it to the first rank in the scale of nations.

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If any thing, less than dear-bought experience, is powerful enough to remove deep rooted prejudices from the minds of men, the arguments already adduced may be expected to carry conviction along with them. Some danger, however, is to be apprehended from an opinion which is prevalent, that by paying off the public debt in SMALL SUMS ANNUALLY, there will be an increase of property in the nation, equal to the amount of the debt discharged; and that this will be employed in extending the trade, and consequently the prosperity, of the kingdom.

*of Capital
Home
country
will*

If this can be clearly made out, such a system of finance, undoubtedly, merits every support that can be given it. But those who are pleased to give their attention to the subject, will find a prospect less captivating; and will foresee, that the poison, though admini-

stered in small portions, and though its effects be not so visible, will, in the end, prove as fatal to the body politic, as if taken at one draught. Is there a sufficiency of unclaimed land rescued from the ocean, which forms a part of this island? Or are the royal forests so extensive, that the public creditors can have their demands satisfied? Even if this kind of payment were practicable, the reduced circulation of property attending it would render the measure an impolitic one. Or, does Great Britain contain in her bosom a gold mine, which promises to yield a sum equal to the large account? If such a treasure were explored, she could not do her sons a greater injury, than to trust it into their hands.

FORTUNATELY for the nation, however, no such resources offer. The excess of revenue is to be applied towards

wards paying off the debt: or, in other words, the offspring has the inhuman task allotted it, of destroying its own parent.

THAT the debt may be paid, is admitted: but as it was contracted, by taking the property of the nation FROM THE HANDS OF A FEW, and DISTRIBUTING IT AMONGST THE MANY, the payment can only be effected, by DRAWING IT BACK again from the hands of the MANY, and placing it with a FEW: and this will unavoidably subject the nation to the same degree of poverty and wretchedness, which it experienced before the debt existed.

THIS will, I trust, appear evident, when it is considered, that it is intended to pay off 240 millions with a very small part of the circulating specie,

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specie, the whole of which does not exceed 30 millions. And, when the payment is completed, the most sanguine promoter of the scheme does not expect, that there will be either an additional acre of land, or an additional guinea in the kingdom.

OF what then, may it be asked, is this supposed accession of property to consist? And where to be vested, when the funds are extinct? It has already been made appear, that the value and quantity of the produce of labour or manufactures, both for the home and foreign trade, depend on the number of people in Great Britain in circumstances to consume, either the articles of industry, or of foreign produce procured in exchange for the merchandize exported. Instead, therefore, of making room for fresh property, if any could be found, the present commercial capital will be
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more than sufficient to answer the demand; and will lose a great part of its present value, in the loss of customers.

THE British property in trade is very considerable, and may be depended upon, whilst it can be sold, or exchanged, for a certain quantity of specie, or for the necessaries of life. But when these are not attainable, or only in a small degree, the fortunes that are employed in manufactures and commerce, will elude the grasp of the owners, and the works of art and ingenuity fall a sacrifice to a partial division of the national wealth.

A PLAN of finance might easily be suggested, more consonant to the circumstances of the country, and equally calculated to preserve peace, and maintain war, without hurting the feelings of the people by fresh taxes. This
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the writer will gladly communicate, when there is a prospect of its being of use; but he forbears to trespass further on the patience of the reader, whilst there are such small hopes that the present system, adopted by a popular minister, and countenanced by every order of society will be abandoned.

ARGUMENTS drawn by a single pen, and militating against a favourite object, are not likely to make any great impression. There is too much reason to fear, that the blessings of peace will be imbittered by the loss of that national vigour, which an host of foes was unable to impair in time of war; and that Britannia will be left to mourn the poverty entailed upon her, by the mistaken policy of her own children.

T H E E N D.