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No. 316

CONSIDERATIONS
ON THE
PRESENT STATE
OF
PUBLIC AFFAIRS, &c.

[Price One Shilling.]

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CONSIDERATIONS
ON THE
PRESENT STATE
OF
PUBLIC AFFAIRS,
AND
THE MEANS OF RAISING
THE NECESSARY SUPPLIES.

BY
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MDCCLXXIX.

CONSIDERATIONS

ON THE

PRESENT STATE

OF

PUBLIC AFFAIRS, &c.

I TOOK the liberty, last year, to lay before the Public, the sentiments which then presented themselves to my mind, with respect to our American affairs.

A very new situation has since occurred, and however unequal I may think myself to the task of giving any information, or of suggesting any ideas, upon a subject, which must have exercised the anxious thoughts, of the ablest men in the kingdom, yet, in a crisis of so much importance, and even danger, I should think myself blameable, if I did not attempt to state my opinion, however insignificant, lest, by withholding it, I should seem unwilling to contribute every thing in my power, to the public service.

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As I aim at no object but the public prosperity, and mean not to serve the interested views of any party whatsoever, my sentiments will probably give no satisfaction, to the zealous partizans of that description, in whatever class they may happen to be ranged; but if any thing which has occurred to me, shall meet with the approbation of those, who are elevated above such limited views, the purposes of this Publication will be fully answered.

It has always appeared to me, that the great load of our Public Debt was a millstone, which, sooner or later, would endanger almost the existence of this Kingdom. I thought so at the last Peace, and I saw with indignation the alarming addition, which was then made, to our ordinary expences, commonly called our *Peace Establishment*. That measure excited, however, no remarkable disgust in the Nation at large, for mankind in general, as well as Princes, have undoubtedly a predilection to large establishments; and as the additional expence was defrayed out of the Sinking Fund, without any new Tax, that destructive measure, passed at the time, almost without observation or censure.

We have lived long enough, however, to experience the consequences of our folly, if not to repent of it; and I have great reason to speak confidently, when I say, that the enormous amount of our national Debt, has been one of the chief causes of the American resistance, and has, above all other things, encouraged France to engage in
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the present contest; and not only has it encouraged our enemies, and depressed our own minds, but the taxes upon many of the necessaries of life, which it has occasioned, have cramped the industry of our people, and have thereby diminished our power, as well as our importance.

As the very meritorious conduct of this country, in giving up the claim of Taxation, and sending out Commissioners to treat, on the most liberal footing, with America, has failed of success; and as the Congress is understood to have entered into a treaty, offensive and defensive, with our natural enemy, no option seems now to be left us, but either to proceed with the utmost vigour, in prosecuting the war, or to submit, not only to the claim of American Independence, but to such further conditions of peace, as France and the Congress may think proper to impose; for it is not to be imagined, that France, if we were ready to yield, would demand nothing for herself; or that the Congress would, in such a case, either disunite themselves from France, or be contented with the simple acknowledgment of Independence:—Besides, it would be dishonourable in the highest degree, upon our parts, to desert, unconditionally, those friends in America, who, from a sense of duty and allegiance, have hitherto stood firmly by us, at the hazard of their lives and fortunes.

But even if these points could, by a timid submission, be obtained, as I believe they could not, yet it behoves us to look forward, to the consequences,

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quences, of American independence, founded on the interposition of the French nation, and in what manner our future security, is consistent, with a connection so formed and supported.

That the proceeding of this Country, in passing the Conciliatory Bills, was wise and just, I am still most fully convinced; and I am also persuaded, that, notwithstanding the rejection of our terms by the Congress, these Bills, and the Commission which accompanied them, have been already attended with very important effects; for, besides having united, as I flatter myself they have done, almost every impartial man in this country, in the common cause, there is reason to believe, that, by removing every fair and honourable ground of union, they have, as might well be expected, greatly divided the Americans, and they have essentially diminished, the respect formerly paid to the Continental Congress, by bringing to light the real views, of that body of men.

Nothing, to be sure, could be more unfortunate, than the moment at which our Commissioners arrived in America; at a time when the news of a French treaty, hastily concluded to disappoint us, had arrived before them; accompanied with the promise of a French fleet of great force, which soon after did arrive; and when at the same time, as if to complete the appearances of our humiliation, the orders for evacuating Philadelphia, and leaving our numerous friends there, exposed to their inveterate enemies, were publicly known.

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It is in vain for us, however, to look back, except for the purpose of punishing those whose misconduct may have deserved it, and that measure, I hope and trust will be steadily pursued; but it is of the last consequence, that we should look forward; in this very new and important crisis.

In the present situation of our affairs, those, who are sufficiently detached from party-connections, and are influenced by no other motive, than that interest, which all men have in the public prosperity, are naturally led to consider, whether the object we are now contending for, by the war, deserves to be pursued; and if it does, whether or not it be attainable, and by what means?

The object now, I apprehend, is, to preserve such a connection with the Colonies in North America, as to unite the force of the whole empire, in time of war, for the common safety; so that no one part may be thrown into the scale of a foreign enemy, to the prejudice of the other part.

This object, it is imagined, will be attained, if the Colonies acknowledge the same King, which involves the power of peace and war, and the rights of mutual naturalization and succession; and this point is at the same time consistent, with the most ample ideas, of a free constitution in each of the Colonies, and even of a Congress, in the nature of a general Parliament, to take care of the general interests of the whole. It is perfectly consistent too, with the idea, of an exclu-

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five power in the Colony Assemblies, and Congress, to impose taxes in that country, and of an exclusive power, to vote the number of troops to be kept up in their respective provinces, similar to the control of the British Parliament, upon the Crown, with respect to troops in Great Britain; still more is it consistent, with the idea, of their enjoying a trade, almost free from restriction, not only to Great Britain, but to all parts of the world.

It is difficult to imagine, what any reasonable man in the Colonies can wish for more; and if Great Britain were willing, as I hope she would be, to give, besides, a share in the general government of the Empire to these Colonies, by admitting representatives from their respective Assemblies, to a seat in the British House of Commons*, and a vote in all questions (except as to taxes imposed here) it would seem to place the Colonies in the happiest situation, that has ever fallen to the lot of any body of people, since the beginning of time. They would, I apprehend, derive every possible advantage from such a connection, without any one disadvantage which it is possible to conceive.

The whole force of Great Britain, and of its navy, would serve to them as a protection and support. The great expence of the civil government here, would fall entirely upon us, and they would be only obliged to defray the very moderate expence, of their own internal governments.

* This point, concerning Representation here, is of a delicate nature; but under proper qualifications, I apprehend it would be advantageous to both Countries.

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Their trade would not only be free to this country, but would have a natural preference here, to that of other nations; the large capitals of the merchants of this country, would continue to support and extend their agriculture and improvements of every kind; and, free from the risk of internal discords, or external annoyance, they would enjoy every privilege, pre-eminence, and advantage of British subjects.

On the other hand, every power of injury, or of oppression, from hence, would be at an end. They would not trust to our virtue or good faith; for, by having the exclusive power of voting and levying their own money, and of regulating the number of their troops, the future government of America would be carried on by the consent of the people alone, and by the voice of the representatives chosen by them. The power of voting their own money, and of regulating their military force, would involve a redress of every other possible grievance: it is precisely the control, which the British Parliament has in this country, over the Crown, and for which our ancestors contended successfully, in the reign of Charles the First. The removal of custom-house officers named by the Crown, the security of charters, the control over judges and governors, which they so much desired; in short, every point from which the least jealousy has ever arisen, would naturally follow; nor would the Americans have to dread their being involved in the expence of our wars, since
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it would be in their own power, to refuse to contribute to that expence.

What then would the Colonies lose by giving up their claim of Independency? They would give up the power, indeed, of sending Ambassadors to the Court of France, to contrive there, the means of humbling and weakening, the Mother-country, and of exalting the power, of the common enemy of Europe. But they would certainly be exposed, to the risk of having their Assemblies managed, by the intrigues and money of that artful people, and of having the manners of that country, imperceptibly introduced amongst them. They would be exposed, too, to those dissensions and civil wars, which their new, and, I think, very defective constitutions of government, in an extensive continent, would certainly introduce; and they would soon feel, the enormous expence, which by degrees would be entailed upon them, by their new situation.

The body of the people in that country, were made to believe, that, by their new constitutions, the power would be placed in their hands; because every person, it was said, in any trust or authority, was to be chosen, directly or indirectly, by them: but they have already seen, that by laws made by their own Representatives, the right of voting can be altered and restrained, so as to model the elections, according to the will of their present Rulers; and when to this infringement of their constitutions, the effects of French money, shall

shall come to be added, the power of the people, will soon be found to be nothing but a phantom.

“ America,” we are told, by the Congress, “ is now stationed amongst the Powers of the Earth, and is clothed in robes of sovereignty*.” But was she not heretofore numbered amongst the Powers of the Earth, before she declared herself independent, and before the claim of taxation had been set up by this country? Is not Yorkshire one of the Powers of the Earth? is not Wales? is not Scotland? is not Ireland? and so much the more respectable, that they are united under the general denomination of the British State.—Does it exclude a people from being one of the Powers of the Earth, if they make a part of an empire, in which other people are included with them? If so, then each of the Thirteen Provinces, are no longer Powers of the Earth, because they make a part only of the general confederacy. Each American State, must upon that principle, be an independent power, in order to be stationed amongst the Powers of the Earth; each district, each village, nay each individual.—But the nature of society requires, that great bodies of men, should unite together, under one system of government, and each individual, each village, each district, then partakes, of the dignity of the whole. America did, and America would still, partake of the robes of sovereignty belonging to the British Empire, each individual being intitled to equal pri-

* See the Congress Account, 11th August, 1778, of the Ceremonial at receiving the French Ambassador.

vileges, and all parts concurring for the general prosperity.

It is true, the Members of the Congress, would not, in that case, exercise all the rights of sovereignty, though they would still exercise important ones; and there the difficulty, I presume, hinges. *They*, would not have the pride, of making bows and reverences, to an Ambassador of France. But will the people of America enjoy more happiness or more dignity, under the sovereignty of a Congress, allied to France, than under the sovereignty, of the limited Monarch of Great Britain, on the terms now proposed, and constituting a part, and a most respectable part, of the British Empire?

Actuated by such motives, it is no wonder that the Congress, are not ready to admit, that the concessions of this country, have made any change in the contest. It is no wonder that they hold it still, to be the duty of the people of America, to throw off their allegiance, and to renounce their connection with Britain, though, to accomplish it, they must involve their country in a dangerous connection with France. It is no wonder, that they make use of the stale trick, of representing this country, as unfit to be trusted, and that a great and magnanimous people, are capable of acting towards them, in this case, with the mean artifice of a petty tyrant, in a barbarous age.

But the Congress know, that the question is not now, whether America shall submit, to an arbitrary government, to be exercised by the King

and Parliament here, without being put upon an equal footing with every other subject of the empire. They know, that the control proposed to be given to the Colony Assemblies and Congress, is fitted to answer every purpose of freedom.

If danger to liberty were still to be apprehended, I confess, it would admit of an argument, whether the dangerous connection with France, ought not to be risked, as an option between two evils. But it would be as reasonable, for Scotland or Ireland, to prefer a similar connection with France, as it would now be for America.

If the connection with Great Britain, is so detestable, and of so little value, I would ask, in what light the Americans would have viewed that connection, if the King's residence had been in America, instead of England? Would America, in that case, have thought it advantageous to dismember itself from Britain? If not, why should it be advantageous now? for it were easy to shew, that it is advantageous for America, as well as Britain, that the residence of government, should be placed, on the frontier nearest to France.

The renouncing Great Britain, therefore, upon the terms now proposed, seems to me, to be the renouncing of that, which ought to be, to America, the object of the most earnest wishes, that it is to renounce their birthright, for a mere phantom, and to throw away the most precious jewel, to grasp with eagerness a worthless stone.

Are there no ties which bind mankind in society? If it was justifiable, on the part of the Colonies,

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nies, under all the circumstances of the case, to resist the former pretensions of this Country, by arms, yet is it justifiable now, after every point which can be favourable to liberty is conceded, to persist in that resistance? And upon what principle, either of law, morality, or religion, can such a resistance be now defended? Does a Government, by once claiming any point, which freedom cannot yield, immediately forfeit, for ever, all the rights which bind society together, and that these rights can never revive by the most ample concessions or atonement? If the point in dispute, is of a doubtful nature, so much so, as to divide in opinion, some of the ablest and most impartial men on both sides, does the insisting for a time, upon such a point, in like manner, forfeit, for ever, all the original bonds of union and allegiance?

It may be asked, what will remain to Great Britain, after so much is conceded to the Colonies? If all power of keeping troops in America, is taken from the Crown, authority, it may be said, will be at an end, and the Americans will, in fact, be independent, without the name; with this manifest disadvantage to Great Britain, that we must be involved in their quarrels, as much, as heretofore, without deriving any benefit, from the connection, either in the way of exclusive trade, or of taxation.

This objection is of a very serious nature; and if it be well founded, we can have no motive for continuing the war, except that of reducing the power of France, and ought to get out of it, as fast as we can.

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But I conceive, that the situation of Great Britain, upon the footing of the proposed connection with the colonies, would be such, as we ought to desire, and would perhaps be better for both countries, our new debt excepted, than the boasted situation before the commencement of the present contest. By this sort of connection, every source of jealousy would for ever be removed, the people of America, would be free from every apprehension of danger to liberty, their natural affection for a people, from whom they are sprung, possessing the same manners, language, religion, and laws, and having the same common interest, would certainly return. The connection arising from our having the same King, would unite us in the same views; there would be no occasion for faction or intrigue to preserve that connection, for it would be impossible for either party, to wish any improvement upon it.—We should be relieved, from the great expence, which attended the keeping troops in that country, a measure which could only be necessary, to enforce a government, which the great body of the people disliked; all the expence of their civil government, would be defrayed by the Americans themselves, and the prosperity of America, would be more than ever, the interest and the wish of this country. Her ports would be open to us, and in time of war, would be open to us alone, at least not to our declared enemies.

On the other hand, if America is declared independent, or if by withdrawing our troops, before a fair arrangement is made, she shall become independent,

independent, will she not continue to aid France in the present war, and is it not most probable, that she will be thrown irretrievably into the scale of France? an alarming circumstance for all Europe, and particularly alarming for Great Britain, Holland, and Spain.—Can we, in that case, long preserve Canada, Nova Scotia, the fisheries of Newfoundland, or either of the Floridas? Can we preserve our West-India islands, and if we were ready to give up the whole of these, as in that case perhaps in wisdom we ought *, can we preserve the East-Indies, or the Guinea trade? If these too

* The maintaining distant possessions, by a strong military force, in the face of a powerful enemy, where these possessions, do not yield a revenue, sufficient to defray the expence, must end in the ruin of every country. The Spanish monarchy, was not perhaps so much debilitated, by the loss of the Seven United Provinces, as by the expence of maintaining those which adhered to her. Our remaining territories in North America, could not be maintained, without a great force, any more than Newfoundland: and with respect to our West-India Islands, we could not bring home the produce in time of war, if America, possessed of a naval force, took part against us; because the winds and currents, oblige our vessels, particularly those from Jamaica, now that Cape Nicholas Mole is fortified, in returning from the West-India Islands, to run along the American coast; and as the islands themselves could at any time be attacked from America, before we could know of it here, we should be obliged to waste our people, and exhaust our treasure, by keeping, at all times, a great military, as well as naval force, in those unhealthy climates, for their defence, with this new disadvantage, that the materials for our navy, and the provisions for the whole of our force, must in that case be sent from Europe.

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must go, to what will Great Britain be reduced, or how long can she hope to preserve the empire of the sea, or even to support herself as an independent kingdom?

If it be said, that by acknowledging the Independency of America, peace will be immediately restored, I would first ask, whether peace ought to be purchased at such a price, leaving America united with France? And I would again ask, upon what authority this supposition is founded? The Congress have not said so; they have only offered, if their Independency is acknowledged, or our troops withdrawn, to treat with us, upon such terms as are consistent with treaties, which they have made, but which they have not ventured to disclose. Have they not kept an account, of all the damages sustained by the war? Have they not avowed the purpose of preserving such an account? And are we ready to pay for these damages? Have they given the least insinuation, that they will renounce their French connection? Has France declared, that she will consent to their renouncing that connection, or has she declared that she has no demands to make, after the acknowledgment of Independence? I believe it is no secret, that France has signified, what would be the lowest of her demands, in such a case, and that they are sufficiently humiliating.

If we are not, therefore, ready to give up all, must we not, in defence of what we may refuse to give up, be necessarily drawn into expence and exertions, similar to those, in which we are now engaged? and would we not afterwards, have more difficulty

difficulty than now, in defending ourselves against these new pretensions, when America, by the declaration of Independence, had become firmly united against us, by the forfeiture and destruction of all our friends in that country? And are we not more able now, to maintain the contest, when in possession of such important parts of North America, and with such numbers of the inhabitants, either already engaged in our cause, or wishing to support it, besides the reasonable prospect we have, of a much greater accession of the inhabitants of that Continent, so soon as we shall convince them, by vigorous exertions, that we are heartily in earnest, and that we are unalterably determined, to make good our point?

If such must be the necessary consequences of giving way to the claims of the Congress, little doubt I think can remain, that the object of compelling the disaffected part of the Thirteen Colonies, to embrace, that fair and honourable connection, which is now held out to them, is not only desirable, but essentially necessary, to our own existence, as an independent people.

Persons of all ranks are interested in this, and however the heat of party, and former opinions, may for a time deceive a part of this country, I am convinced, that when they come to consider attentively the train of consequences, which are necessarily connected with this object, they will forget their animosity, and unite in the proper measures, for preserving, from such imminent danger, the state to which they belong.

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That the object is attainable, I am also most fully convinced; but not unless the administration of public affairs, is directed, by men of fortitude and exertion, equal to the great occasion, by men, who like Lord Chatham, are capable of selecting, and resolute in employing, the most proper officers by sea and land, by men, who are not to be depressed or elated, by every little change of fortune; whose minds are not only capable of taking in the whole views of this great subject, and of deciding with wisdom and dispatch upon every occurrence, but of prosecuting with vigor, perseverance, and industry, such plans, as, after full information, are found to be most fit, and with such frugality and œconomy of the public money, as may enable us to persist in the contest, as long as shall be necessary.

Till the late offers of conciliation were made to America, a great part of this kingdom, were averse to the war. The ministers themselves, carried it on with languor and reluctance, and the officers of our fleets and armies, performed their duty, without that ardent zeal, which can alone insure success. The generous temper of an Englishman, could not be induced, to act with full vigour, in support of pretensions, which certainly would have tended, to reduce our fellow-subjects, to a state unworthy of freemen.—On the other hand, America was in general united, and few were our friends there, at the bottom of their hearts.—The contest is now entirely changed. The offers of Great Britain have been such, as became a brave and generous nation, and have left
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nothing, in point of freedom, to be wished for, by our fellow-subjects. The rejection of these offers by the Congress, has dispelled every doubt, in the minds of impartial men, with respect to the justice of the war; and the unnatural object, of reducing the power of Great Britain, avowed in the treaty, made by the artful American deputies, with the government of France, has roused the indignation of every generous Briton; at the same time, that the great body of the people in America, have now seen, the true object of those, who had till then, professed the freedom of America, as the sole motive of their conduct. It now appears, that, in fact, they had another and more favourite motive, namely, their private ambition. The severities they have of late been obliged to exercise, upon the people of America, are evident proofs, that now they govern by a faction, and not with the consent of the body of the people, who plainly see, that their sufferings are disregarded, whilst they serve as the means, of exalting and supporting in authority, a few men, who, by artful pretences, have raised themselves into power and consequence.

In considering this question therefore, how far, the object is attainable, we are not to suppose, that we have now to contend, with the united power of America, but only with a part of that people; a part indeed, who are in possession of the executive power, and have arms in their hands, but who are not supported, by the majority of the people, either with respect to property or numbers.

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France, is no doubt to be added to the scale against us; but I do not conceive it possible, that either Holland or Spain, are to be numbered in this contest amongst our enemies; because, if it is proposed on our part, to remove, as I think we ought, almost every obstruction to the American trade, with the rest of the world; neither of these powers, can have any possible motive of interest, for supporting American independence, but directly the contrary, since it is evidently against the interest of both these powers, to add America to the scale of France.

Neither can I suppose, that, in the present state of the contest, which certainly is, whether America shall be thrown into the scale of the most ambitious power in Europe, we can want alliances. At all events, if Spain should take part with France, we could not fail, in such a case, to derive the most effectual assistance, from those maritime powers in the North, whose evident interest it would be, to prevent the balance of naval power, from preponderating in favour of France and Spain.

If the object be worth contending for, and can hardly be purchased at too high a price; if it be intimately connected with our existence, as an independent nation; and if it be attainable, notwithstanding all that has hitherto befallen us, the next question is, with respect to the means to be employed.

I will not take upon me, to enter into an examination, of the proper military operations, either by sea or land, which will require to be discussed

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by an abler hand; all I shall say upon that subject is, that, without the most unprejudiced and unremitting attention, in the choice of our commanders in chief by sea and land, and without the most determined firmness, to enquire into, and to punish, misconduct of every kind, accompanied with a noble eagerness to reward distinguished merit, it will be in vain, after so long a peace, to expect those animated exertions, which, in former times, have so often distinguished the British nation.

But supposing, every proper measure to be adopted, both in the civil and military line, as well as with respect to foreign alliances, another most interesting and important question remains; Whether the resources of this nation, are still sufficient, to support a war against America, united with France and Spain? and whether there is any probability, of raising the annual supplies, for the length of time that may become necessary? That it will not be sufficient to raise these supplies for a year or two, is but too evident; we must be prepared to hold out for many years, and must decidedly take our arrangements upon that footing, otherwise we may expect, that our enemies will continue to persevere in the contest, from the flattering hope, of our being soon exhausted.

It is well known, that the French Ministers, as well as the Americans, have derived their chief hope of success, on this occasion, from the situation of our public debt, and from the expectation they have formed, that, in a little time, our resources
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of money will totally fail. They have even publicly expressed this, to be the chief ground of their expectation; and they have entertained opinions, upon the subject of our finances, which, I flatter myself, notwithstanding our mismanagement, are extremely ill founded. The imperfect attention, which, from 1762, was unfortunately paid, during the twelve years of peace, to diminish the public debt, and to improve our revenue, and the unpardonable addition, which was made to our *Peace Establishment*, after the peace of Paris, had left us, to begin our contest with America, under a grievous load; and to that cause, I beg leave to repeat it, and the wasteful conduct of the present war, may chiefly be attributed, the persevering resistance of North America. That enormous waste of national treasure, which has been incurred since 1774, without any success, to satisfy the expectations, or to justify the confidence, of the public, has increased our load to an alarming degree.

It has been very clearly demonstrated, by Dr. Smith, the ingenious author of *The Inquiry into the Nature and Causes of the Wealth of Nations*, that a public Debt, is, to every State, a calamity of the most ruinous kind; and that the waste of public treasure, by great fleets and armies, though the whole of the money were to be spent at home, must prove pernicious and destructive; nay, that it would be almost as much so then, as when they are maintained, at an equal expence, abroad. That, in both cases, the national stock is equally diminished, and the money,

ney, which should give exertion to useful and productive industry, is diverted to the wasteful maintenance of unproductive mouths; and that the taxes by which this revenue must be raised, from the people, must at last in a manner extinguish the agriculture, industry, and manufactures, of the Kingdom.

These serious truths, will now no longer, I presume, admit of dispute; and the idle theories, which had supposed, that the public debt, was, in any respect, a public benefit, or that an enormous expence in the establishment of the Prince, or in fleets and armies, whether maintained at home or abroad, was not a most grievous public evil, though in some degree a necessary evil, are now, I hope, for ever banished, from the imaginations of thinking men.

The mode of raising supplies, for extraordinary purposes of the State, introduced with caution at the Revolution, by borrowing money on the public credit, has been long pursued, with very little either of caution or foresight; and though we felt, very sensibly, the inconveniencies of it, towards the close of the last war, yet, as, by custom, it was considered as a necessary evil, no person seems to have thought of any other mode.

The inconveniencies, however, of having recourse to *money-lenders*, to support the public expences, are sufficiently obvious. It is to be expected, that they will ever take advantage of the public necessity, to raise their terms; that they will even add to that necessity, and depreciate the

Stocks, for a time, to answer their purpose; that they will combine together, to raise their price, and forgetting that they are citizens, may even endeavour, by every art, to enrich themselves, at the risk of the total ruin of the State.

It has been a very common opinion, that none but a popular Minister, could procure considerable loans; but the truth is, that there never has been a Minister, who has failed to procure money, if he would give the price, which the lenders were disposed to ask.—That price will always be less, to a successful Minister, because the public credit, in his hands, will stand higher, but still, the money will be offered, to every Minister, who will pay for it out of the public purse; and the example of France, has shewn us, that even public bankruptcy, has not prevented the Minister for the day, of that country, from procuring extraordinary loans.

The high terms, extorted by *money-lenders*, upon occasion of every public loan, give to the State, which follows this pernicious plan, the appearance of distress and weakness, which is however no proof, that the individuals of the State, and of course the State itself, are either exhausted, or embarrassed.

For this symptom of distress, is incident to the most wealthy nations, if their capitals be invested, in very profitable adventures, or be locked up from the market, at a particular time; or when, from causes real or imaginary, an alarm is taken, with respect to national security or credit.

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And indeed, whilst loans are the only resource of a nation, it must be subject, to this material disadvantage, that a discontented faction, may raise and give countenance, to evil reports, injurious to the public credit; and still more, will it be in the power, of a foreign enemy, to occasion alarms, sufficient to justify, the exorbitant exactions of *money-lenders*; so that the resources of the Kingdom, would, in some measure, in such a case, be placed in the hands of those, who aimed at its utter destruction.

The case of a private individual, who is under an absolute necessity of borrowing, is disagreeable enough; but he has advantages, which do not belong to a State. The degree of his necessity may be known only to himself; and if one person should refuse to lend him, he may have recourse to another; by which means, if he can offer undoubted security, he can hardly fail of success upon reasonable terms.—But the necessities of a State, in time of war, if large loans are required, can be no secret; a combination of all the most considerable money-lenders, is easily formed, because the necessities of the State, will generally afford, sufficient plunder, to answer the wishes of all. If any should happen to be left out, of the general combination, and the Minister should attempt to negotiate separately with them, the secret would soon be out; and the other lenders, would quickly draw them, into the general conspiracy, so that no alternative might be left, but either to consent

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to the most exorbitant demands, or to put a stop to the most necessary exertions of the State, in an hour, perhaps, of the greatest danger.

Under such circumstances, it becomes the spirit of a free country, to lay aside, for a time, the practice of borrowing, and to call upon the individuals of the Kingdom, for a direct aid, equal to the public occasions.

This aid may be given, by every person's paying, a certain rate or proportion of his real capital or income.—What that rate should be, must depend upon the sum required, compared with the total wealth of the nation.

If the money were raised in this manner, it would, in truth, fall much lighter upon the Kingdom, than in the mode of borrowing. It has been computed, that the terms lately demanded of Government, would cost the public 2,670,000 *l.* as a premium, for the loan of *seven millions*; that is to say, it would cost the public, that enormous sum, more, than if it was to borrow the money at *4 per cent.* (See Appendix.)

This difference, arises entirely, from the practice of borrowing money for public purposes; for it is well known, that *4 per cent.* is a higher rate, than was requisite to be given, on public security, before any new loans became necessary. This is evident, from the price at which *3 per cents.* sold, before the war, which was seldom under 87 or 88 *per cent.*, and sometimes higher. The quantity of money in Europe, has not been diminished by the war, but the demand for it, has enabled the

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lenders, to raise its price; and this rise of price, does not only affect the public, in the premium it is obliged to give for the loan, but it affects every branch of trade and industry in the Kingdom, by encouraging all the possessors of money, to raise their terms on private securities. This is a necessary consequence of a high premium given by the public; for those who expect such exorbitant premiums, make it their business to collect in money, from all quarters, which necessarily raises the price, to all who have occasion to borrow.

This is not merely theory or conjecture; I appeal to facts. Our manufacturers, our traders, our farmers, and even our landed gentlemen, know, to what a degree, this expectation of Government premiums, has affected them. Money cannot now be borrowed on mortgages, on the former terms. The price of land has fallen, the quantity of circulating cash, in the hands of our merchants, manufacturers, builders, improvers, is remarkably diminished.

We are much deceived, if we think, that if the money is raised by borrowing, it does not fall heavy, upon every individual, possessed of property, in the Kingdom; for besides the taxes which must be raised, to pay the interest of the sum, actually advanced to the public, we must also pay the interest of the premium, paid for the loan, and the expence of collecting both. Nor is this all; for it is the necessary consequence of every tax, that it enhances the price of the commodity, in every hand, through which it passes,
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to the actual consumer; and it is the consumers, or those who possess the means of buying, who at last pay for the public loan.

It was computed by Sir Matthew Decker, above forty years ago, that if there were no taxes in England, a man possessed of a land estate of 700 *l. per ann.* would be able to live better, than a man possessed of 2000 *l. per ann.* could then do; and that therefore, every man, at that time, paid, in fact, above 13 *s.* in the pound, on account of the taxes. Our taxes have very much increased, since that time, by two expensive wars; and though the computation of that ingenious author, proceeded upon the idea, that every public tax, fell ultimately upon the land, which is not correctly true, yet it is certain, that taxes fall upon every man, in proportion to his fortune, in a much heavier manner, than is commonly imagined.

Sir Matthew Decker has illustrated this, by shewing, that every tax is paid by the consumer, with a great addition. The tax, for example, upon leather, is not only paid in the price of a pair of shoes, with an addition to the shoemaker, for having advanced the tax, but with a farther addition, for the tax paid by the shoemaker, for his own shoes, and for the tax which the currier, the leather-feller, the butcher, the grazier, &c. paid for their shoes; and thus a considerable additional sum, is paid, for every tax, though, by being mixed with the price, it escapes observation. — Besides this, every tax is increased, by the expence of collecting it, and by the embarrassment,
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and loss of time, which is thereby occasioned to individuals, especially by the custom-house laws, and the perquisites of officers; all which are grievous obstructions, to the trade and industry of the people.

In order to judge, however, whether it is practicable, to raise, in time of war, the necessary supplies, within the year, it is proper to form some calculation, of the national wealth.

The total wealth of Great Britain, has been computed, by different writers, at different sums. It has undoubtedly increased very much, since the latest of these computations; and I may safely venture to affirm, that it now exceeds very much, *one thousand millions*. In this I comprehend, the value of the land, the value of the houses, the value of stock of all kinds, and materials of manufacture, shipping, cash, money in the Funds due to inhabitants, and debts due to us by persons out of the Kingdom, but deducting the like debts due by us, to other countries; in short, I comprehend every thing which can be denominated wealth or property.

It would be tedious to enter into the various modes, by which this computation may be made; it does not rest upon one mode, for various methods concur, to ascertain it as much, as any computation of this sort, can be ascertained. One or two modes may be mentioned, which will give some sort of idea, that the computation cannot be exaggerated.

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The land-tax, at Four Shillings in the pound, yields about *two millions*; and if, in levying it, the land were rated at its full value, the total rent of the land, would be *ten millions per ann.* But nobody believes, that, taking the Kingdom throughout, the land is, in truth, rated, at one half of the actual rent; so that the rent of the land, cannot be reckoned at less, than *twenty millions per ann.* This is paid to the landlords; but the revenue of the farmers, cannot be reckoned at much less, than an equal sum, for the farmer, besides paying his rent, must have enough to pay for the cultivation and sowing the ground, and a clear annual profit to himself, nearly equal to what he pays to the landlord, which would bring the clear produce, of the land alone, to above *forty millions per ann.*; and this, at 25 years purchase, would make the value of the land, *one thousand millions*, without taking in other property to an immense amount, which equally constitutes national wealth.

Another mode of forming a calculation, is, from the number of inhabitants, and the annual revenue necessary to maintain them. This mode, will not however shew, what revenue can be spared to the State; for there are countries, which contain three times the number of our inhabitants, and yet cannot raise so much money, as ourselves, because their people live more poorly, and there are fewer, in proportion, who have more than a bare subsistence. This mode of calculation, must therefore proceed, not only upon the numbers of the people, but upon their manner of living;

ing; and in that way, it may give us some idea, of the amount of the national wealth.

The total number of inhabitants of the United Kingdom, cannot be reckoned at less, than *seven* millions, of which, Scotland contains between 1,300,000 and 1,400,000, and England between 5,600,000 and 5,700,000. This number of persons, are annually fed, lodged and clothed, from a fund existing in the country. According to the manner of living of the people, we cannot reckon, that, one with another, the expence of the maintenance of each, amounts to a less sum, than 7*l.* 10*s.* per ann. or about 4½*d.* per day, including food, clothes, fire, candles, soap, and lodging. This would require a revenue of *fifty-two millions and a half per annum*, and the stock or fund, existing somewhere, from whence this revenue must arise, reckoning it to produce 5*per cent.*, would amount, at twenty years purchase, to *one thousand and fifty millions*.

This is not the most unexceptionable mode, of forming the calculation, of national wealth; but if the result of that computation be lower than the truth, and that the public debt, as lately increased, should be reckoned to amount at present to 160 millions, besides the long and other annuities, which will extinguish of themselves, it will follow, as a consequence, that our debt amounts, to about *one-sixth* part of the total wealth of the nation; and therefore, in order to pay it entirely off, if such an idea should ever be entertained, it would be necessary, that every person possessed of 100*l.* property, should pay 16*l.* as his share of
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the public debt; and if he did so, and were at the same time relieved, of all the taxes, which are now paid for the interest of that debt, he would be able, to live better, and carry on his business to more advantage, with the remaining 84*l.*, than can now be done with 100*l.*

The 160 millions, which I have mentioned as the probable amount of the national debt, supposes, the stockholders, to be paid, the full sum of 100*l.* for each 100*l.* of 3*per cent.* annuities; but as the present price in the market, of 100*l.* in the 3*per cents.*, is not much above 60*l.*, there can be no doubt, that if the Public were willing and able to pay off the whole at once, the stockholders, rather than not be paid, would accept of a small advance, above the market price; and in that view, the whole might be paid, by a contribution from every man, of a little more, than 10*per cent.* of his property, instead of 16*per cent.*

But, for the purpose of raising a sufficient sum, for carrying on the war during two years, 1½*per cent.* of every man's capital, to be paid by instalments, in the course of two years, would be fully adequate; as that sum, would amount, upon *one thousand millions* of property, to *fifteen millions*, which, without supposing much œconomy, ought, with the ordinary supplies, to support a vigorous war of two years at least.

Every person must perceive, the amazing effect, which such a measure would immediately produce, with respect to our national affairs; and in what a light, it would place this country, in the eyes of all Europe. The boasted prophecies concerning
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national bankruptcy would immediately vanish, and the distinction between a free government, and every other, would be placed in the clearest point of view; for I may venture to affirm, that no state in Europe, Holland excepted, could raise supplies for a war, in the manner proposed. It is in a free country only, that mankind feel themselves, so connected with the public prosperity, as willingly to sacrifice, in support of it, a part of their fortune, in great emergencies.

But it may be asked, how is it possible to suppose, that this nation, torn to pieces, as it has been, by dissensions, and dissatisfied with the management of its affairs, if it were even able to raise, within the year, so large a sum, in addition to its present burdens, would ever consent to pay it, much less to entrust it, to the Ministers of the Crown? Or how would it be possible to devise a mode, of levying to this extent, an equal proportion, of every man's fortune, for the service of the State?

I believe, indeed, that such a plan, however important, could not be carried into execution, without a very general concurrence and approbation, of the people at large, who must *first* be convinced, of the absolute necessity, of the utmost exertion, in the present crisis, to avert the black storm, which threatens us from every quarter; and, *secondly*, the nation must be convinced, that it is, in every view, their real interest, to raise the supplies within the year, not only to avoid the extravagant demands of *money-lenders*, but to prevent the imposition of new taxes, oppressive to industry,

dustry, and above all, that it is their interest to do so, in order, at this crisis, to exalt the national character in the eyes of all Europe. In the *third* place, the people must be convinced, that the conduct of public affairs, is entrusted, not merely to men of honour and of good intentions, but to the ablest, the firmest, and the most disinterested men, that are to be found in this extensive country.

The great body of the people, at such a time as this, do not turn their eyes, either to opposition or to men in office, as thinking, that the nation can be saved only, by the one or the other. They probably conceive, that as there are, doubtless, unfit persons, in both descriptions, so there are amongst each, a great many men, of integrity, of ability, and of disinterested public spirit; and that though some may have rashly pledged themselves, to the ruinous measure, of declaring America independent, yet that these, may still become convinced of their mistake; and that though others may have proved themselves unfit, to conduct the State, in so perilous a moment, yet these may willingly lend their aid, to persons of more ability and exertion; and at any rate, the people, I believe, are convinced, that, independent of either of the above descriptions, there are not wanting, a sufficient number of men, of wisdom, vigor, and integrity, who are fit to answer the utmost expectations, of a brave and generous people.

Without such an arrangement, I am confident, that the full spirit and force of this country, cannot be called forth. It never has been effectually
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called forth, in times of war, when the King's Ministers, did not possess, and deserve to possess, the full confidence of the nation; and this is the real distinction, between the exertions of a free people, and of those who are under an absolute government. In the one, the conduct of public affairs, is ever entrusted, in times of danger, to those in whom the people can confide; and then, every man's zeal for the general prosperity, exerts itself with full force. In despotic governments, on the contrary, the Ministers of the Crown, are chosen, without any attention to the wishes of the people, who, if the choice happens to be improper, soon become disgusted, and discouraged, by every want of success; and neither the naval nor the military officers, can be expected, to perform their duty, with becoming zeal or alacrity.

In absolute governments, indeed, this want of zeal, may be counteracted, by strict discipline and exemplary punishment, which, in some degree, may compensate the want of zeal; but in a government like ours, if the Ministers of the Crown, have lost the public opinion, they dare not punish the most negligent officer; and nothing therefore can be substituted, with us, instead of that generous zeal, which is the natural characteristic of freedom.

If the executive power of the State, for the purpose of conducting the war, were placed in proper hands, regulations might be made, for controlling the disbursement of the Public Money, in such a manner, as to remove, in some degree, the natural and commendable suspicion and jealousy of

the people.—Whatever should be raised, as an extraordinary aid, for the service of the year, in time of war, might be paid by the county collectors, to the Bank, in the name of a Committee to be appointed by the counties, and issued from thence by their orders, on proper requisitions, to the Treasury, from time to time, under such regulations, as might be devised.

Though it seems absolutely necessary, that the executive power, should be entrusted, with the disbursement of the public money, that the public service may not be obstructed; yet this, is perfectly consistent, with the most strict examination, of the accounts of the disbursements, made by every public office. In former times, it was thought sufficient, that Parliament might call for, and inspect, every account of public money; but experience has shewn, that this is a very imperfect control. The labour and difficulty of such an investigation, is sufficient, to damp the zeal of independent Members of Parliament; and though there are officers, appointed for the control of public accounts, yet as these controllers are named by the executive power, they certainly cannot be considered, as proper checks. It would therefore be expedient, upon occasion of an extraordinary aid of this sort, that some persons were selected, for the business, annually, as a Committee, and named by the counties, with power to call for persons, accounts, and vouchers, to take evidence upon oath, and to make their report annually to Parliament, before any new money is voted.

If the confidence of the people could be revived, by a proper arrangement in the ministerial department, and by proper checks, with respect to the disbursement of public money, there can be little doubt, that the utmost zeal would soon break forth, not only for carrying on the public service, and for restoring the kingdom, to its former envied situation, but for raising, within the year, the sum proposed, for carrying on the war.

The mode of ascertaining, and of levying, the proposed $1\frac{1}{2}$ per cent. of the clear amount of each man's fortune, would not, in that case, be so difficult, as may at first sight be imagined.

The Dutch, on some critical emergencies of their state, have had recourse to an aid of this sort; and the method adopted, I believe, was, that every man, should, upon oath, put into a box or chest, for the public use, a certain proportion of his fortune, without discovering how much he put in, and without further inquiry.—This mode of taxation, is said to have produced, a very large sum; and it was supposed, that great fidelity had been observed, in fulfilling the terms of the oath. Every man, was at that time convinced, of the imminent danger of the State; and the general manners of the people, in an early period of the Republic, when the first aid of this sort took place, were perhaps more pure, than ought to be expected, in this country, in the present age.

With us, it would perhaps be necessary, to devise some mode, of controlling, in some degree, the inclination, which, amidst the most general public

public spirit, might exist in some individuals, to pay a less sum than they ought. And such a mode, I imagine, might be devised, for rendering the aid effectual, without exposing the amount of any man's fortune, contrary to his inclination; but I apprehend it would be essential, in order to avoid jealousy, as well as oppression, to place the power of collecting the money, as is now done with respect to the land-tax, in the hands of persons chosen by the people themselves, and not named by the Ministers of the Crown.—Honour and distinction, ought ever to attend, remarkable instances of zeal for the commonwealth, and some mark of honour, might be annexed, to every instance of uncommon zeal, in contributing, on this occasion, to the public support; which arrangement would probably produce the happiest effects.

But it would be presumption, to offer any plan, that may have occurred to me, in a matter of so much consequence.—If the general idea is approved, men of better information, and happier talents, will readily point out, the best mode of effectuating the purpose intended; and I have no doubt, that the measure will be found extremely practicable, if the voice of the nation gives encouragement to the general plan.

In order, that money might be more easily found, by every one, for answering the successive payments, to the public, it would be proper, that the advances should be made, by many different instalments; and that the times of these instalments, should

should succeed, at proper intervals, the regular issues from the Treasury and Bank, for the public services, or the payment of interest on the stocks.

It might also be proper, that a bill should pass, for enabling foreigners to lend money, on mortgages of land or houses, in Great Britain, at an interest not exceeding 5 per cent. upon the same plan, as has been already adopted, by act of Parliament, with respect to mortgages in the West-India islands. And whatever obstructions exist, by the laws of Scotland, to loans on the security of land, from England or other countries, ought also to be removed by act of Parliament.

If, notwithstanding these precautions, any doubt or apprehension should be entertained, that there would be a want of circulating cash, to answer the several instalments, it would not be difficult, to devise a temporary means, of supplying that defect, and of rendering abortive, the attempts of the money-lenders, to take the same sort of advantage, of individuals, which they have been accustomed to take, of the Public.

I am, however, very well convinced, that there would not be occasion, for any such temporary expedient. There is no scarcity of money in the kingdom; for great sums are known to be amassed in particular hands, to be ready for a loan, and the exchange with other countries, has, for some time, been much in favour of Great Britain. The expectation of a high premium from the Public, has been the sole cause, of collecting money, from all quarters, into a few hands, who will not con-

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tinue, to with-hold it from individuals, when all expectation, of such extravagant profit from the public, shall be at an end.

But it would greatly facilitate the whole of such a plan, if the people could be inspired with a confidence, that, when peace should be restored, our *ordinary expence* would be diminished, and that the Sovereign himself, would set the example, which ought to be followed, by a diminution of all salaries exceeding a certain sum; and a very great reduction, ought at any rate to be made, both in the army and navy departments, beyond what took place at the last peace.

That we had no occasion to increase our establishment, as we then did, is apparent, from this undeniable fact, that France, at that time, made a considerable reduction of her force, below its former peace establishment; and the increasing our own establishment, beyond a due proportion to that of our neighbours, can at no time answer any other purpose, than to excite jealousy, and to compel rival nations, to increase their establishment, to keep pace with ours, to the manifest injury of both countries.

And with respect to the reduction of salaries, I beg leave to observe, that the idea, that it is necessary to annex, high salaries, to offices of trust and confidence, is, I believe, extremely erroneous. The passion of ambition, is sufficiently strong, to induce all men, of liberal minds, to serve the public, on account of the distinction, which naturally accompanies such situations. By
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adding to that motive, another base one, of avarice, we bring into the competition, another description of men, who, forgetting the meanness of their talents, the indolence of their dispositions, the cowardice of their minds, and their total want of elevation, extent of views, and true magnanimity, are apt, by every unworthy art, to thrust themselves into public departments, and to conceive, that they have fulfilled, the whole of their duty, when they have received their salaries, whilst they leave the public business, to be woefully conducted, by Secretaries and Clerks.

It is so far from being true, that the higher and more important the office, the salary should be the higher, that it is directly the reverse, because the honour annexed to high and important offices, is sufficient, without emolument, to induce all, who are fit to hold them, to aspire eagerly, at these situations, even to the prejudice of their private fortunes; and if no salaries were annexed, there is reason to believe, that very few would be induced to continue in office, after they felt, and the nation was convinced, that they were unfit to continue.

Notwithstanding the immense waste of public money in the government of France, yet it is a remarkable fact, that almost the whole essential business of the State, is carried on, at this hour, with little or no expence to the public, and that people eagerly press forward to act in public situations, merely on account of the honour and the influence, with which it is attended.

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It is well known, that the administration of justice, is in this manner carried on in France; for people pay a high price, for a law office, and are contented to do the duty, which is very laborious, without receiving, by way of salary, any thing like the interest of their money. Their motive is, that the situation gives them rank and pre-eminence amongst their fellow-subjects; and the vulgar opinion, that the Judges in that country, are corrupt, will be found, upon inquiry, to have very little foundation. The duty of almost every other office in the Provinces, is discharged at as cheap a rate to the public: nay, the officers of the army, actually serve for less pay, than is necessary for their support, and, in spite of the frugality for which they are distinguished, generally ruin their own private fortunes, in the service of the State.

The waste of the public treasure, arises, in that country, from an immense standing army; and the idle and profuse extravagance of a Court, which, from the nature of the constitution, is under no control with respect to its expence.

It will probably be said, that in despotic Governments, the possession of office, carries with it a degree of protection, and a power too, of oppression, which in a free country are out of the question. But I am informed, that in the Republic of Holland, the salaries of very high and important offices, are exceedingly trifling; and in our country, we see, with how much eagerness, the office of Lord-Lieutenant of a county, is solicited, though attended with expence, instead of emolument.

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If the national expence, were reduced within reasonable bounds, a great part of the public debt, might, in time of peace, be paid off in a few years, by a faithful application of the Sinking Fund. The whole of the taxes necessary to be levied, might then be easily thrown, upon a few articles of luxury, and every oppression upon the industry of the people, by taxes on the necessaries of life, might be entirely removed.

The articles of tea, sugar, and tobacco, if subjected to excise, instead of customs, would of themselves, raise a very large sum, without any obstruction to industry—and coffee and chocolate would require to be taxed, in some degree, to support the tea duty.

Wine and spirits, are proper objects of taxation; and the duty on wine, would be greatly increased, by being excised, as there is little doubt, that at least one-third of the present consumption, is brewed at home.

Beer, though not absolutely a necessary of life, has become so in a degree, from the habits and manners of the people. It is, however, a proper object of taxation; and if all other oppressive taxes were removed, and the whole of the present taxes on beer, were annually imposed upon malt, instead of being levied, on the other stages of the manufacture, it would distribute the burden more equally, and would even raise more money after lowering the tax; for I am persuaded, that instead of about 24 s. or 25 s. *per* quarter, which may be reckoned the amount of all the present du-

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ties on malt, beer, and ale, if a tax of one guinea per quarter, were imposed on malt, it would raise a revenue of 3,325,000 *l.* on 3,166,666 quarters of malt; which quantity is a very moderate computation, of the total consumption of malt.

A duty of 12 s. *per cent.* on sugar, would not be too high, if other oppressive taxes were taken off; and this, upon 1,500,000 cwt., would produce 900,000 *l.*

The tax upon tobacco, reckoning the consumption at 15,000 hogheads, of 900 lb. to the hoghead, might yield a very considerable revenue; for it might be taxed, as in France, to a much higher rate, than the price has, perhaps, ever arose to, in England, without diminishing much, the present consumption. Suppose the tax were 2 s. *per* pound, the amount would be 1,350,000 *l.* and as the duty might be effectually levied by the excise, so as to prevent smuggling, and there would be no ground for allowing, as at present, ten pounds in every hoghead, duty free, any diminution in the consumption, would, I believe, be more than compensated, by these means.

A similar computation might be made, with respect to the produce of the duty upon tea, coffee, chocolate, wine, and spirits, and it would be evident, that, from these sources alone, without any other taxes or duties, a greater revenue might be raised, without complaint, and without injury or obstruction to any one branch of trade, industry, or manufacture, than would perhaps be necessary, for every reasonable purpose of the State; and the whole

might be levied, at much less expence, than at present.

Another important effect, of such encouragement to trade and industry, would certainly be, to diminish the heavy burden of poor's rates, all over England, which, of itself, is, at present, an enormous grievance.

Dr. Smith is of opinion, that if raw silk were allowed to be imported, duty free, we should soon supply the greatest part of Europe with wrought silks; and this example is sufficient to prove, the extent of the mischiefs, arising from our present system of taxation.

But these speculations, do not apply to the present moment; we are now arrived at a crisis, which calls aloud, for the vigorous exertion of every public virtue; and on this occasion, all who are attached to their country, ought certainly to forget, every party prejudice, and every selfish consideration, and concur, like men, in putting the national affairs, into the ablest hands, that public confidence may be effectually restored. If this were done, I am convinced, that, considering the importance of the objects before us, the hazards to which we are exposed on the one hand, and the glory we may acquire on the other, there would not be wanting, a very general and hearty concurrence, of the nation at large, to raise the necessary supplies within the year; for this is the most marked and striking characteristic, of a free State, that every man considers himself, as personally interested, in the public prosperity; and in the present

sent case, every man would feel a pride, in contemplating the effect, which such a measure must immediately produce, upon the enemies of this country; and the certainty which it would give, of speedily restoring to Great Britain and its Colonies, that happiness, pre-eminence, and security, which, till of late, we had long enjoyed, amongst the surrounding nations.

F I N I S.

E R R A T A.

Page 19, line 7, at the word world, add the following as a note:

Upon this point, so contrary to established prejudices, I do not expect, at the first mention of it, a general assent. It would require to be discussed, at considerable length, if this were the proper place.

Page 20, line 21, for will, read may.

A P P E N D I X.

THE nature of the terms, said to have been demanded of Government, by the money-lenders, were distinctly explained, in a paper published in the *Public Advertiser*, of the 5th of January 1779, by an Author, whom it is my misfortune not to know, but to whom I think the Public is very much indebted. I shall therefore take the liberty of reprinting it here.

“ As the time is approaching, for what is commonly called *opening the Budget*, when a considerable loan, will probably form a part of the year’s supply, that Gentlemen may be prepared to judge, with some accuracy, of the sort of bargain they are making for their Constituents, the following circumstances are recommended to their consideration.

“ It is common to call by the general name of *Interest*, all that consideration, which is paid by the borrower of money, to the lender, over and above the capital, or sum borrowed; but it will greatly assist our judgment, if we accustom ourselves to consider that sum only as properly called *Interest*, which must be paid for money, taken up on the most indisputable security :

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“ Any thing above that, is more of the nature of
 “ *Insurance*.

“ Thus, if a merchant was to borrow money
 “ on goods, which he deposited with the lender,
 “ he might be only forced to pay four *per cent*.
 “ for a year's loan; but if the goods were of a
 “ perishable or hazardous nature, so as, not to be
 “ insured under two *per Cent*. the lender might
 “ take this risque on himself, and on that account
 “ would very fairly demand six *per cent*. It is
 “ for the same reason, that a bond debt, com-
 “ monly bears rather higher interest than a mort-
 “ gage; because the former, being only a per-
 “ sonal security, is subject to some risque, which
 “ the latter is not. Government security has been
 “ usually deemed, a mortgage of the best sort, on
 “ account of the punctual payment of interest,
 “ and the ease with which the capital may be
 “ called in; and, therefore, ought to bear lower
 “ interest, than any other, and will always do so,
 “ unless, either profusion and mismanagement,
 “ should dissipate our wealth, faster than our
 “ trade, its great source, can supply it, or else,
 “ some wild and extravagant scheme of Govern-
 “ ment, should, by alarming any part of the world
 “ for its liberties, draw several powerful States
 “ into a combination, to clip our wings; who,
 “ by being able to lessen our commerce, would
 “ certainly diminish our credit.

“ As annuities may, perhaps, make a part of
 “ the loan, the following short account of their
 “ nature,

“ nature may assist the judgment of any Gentle-
 “ man, not used to the calculation of them.

“ If, instead of giving five *per cent*. for the
 “ loan of 100 *l*. I agree with the lender, to give
 “ him 10 *l*. *per ann*. till the debt is discharged,
 “ it is plain, that the first year's payment, must
 “ be considered, as having discharged the interest
 “ of the debt for that year, and 5 *l*. of the prin-
 “ cipal; so that I now only owe 95 *l*. the interest
 “ of which, being but 4 *l*. 15 *s*. the second payment
 “ of 10 *l*. discharges 5 *l*. 5 *s*. of the remaining
 “ debt, and reduces it to 89 *l*. 15 *s*. and it will
 “ be found, that my debt, will be reduced to less
 “ than 10 *l*. in fourteen years. From whence I
 “ conclude, that when the interest of money is
 “ five *per cent*. an annuity of 10 *l*. for fourteen
 “ years, is not worth 100 *l*. but the same annuity
 “ for fifteen years, is worth more than 100 *l*.

“ On the same principle, the value of any an-
 “ nuity may be found, by any person, very little
 “ acquainted with figures; and there are tables
 “ ready calculated, for the use of persons, who
 “ have not leisure or inclination, to calculate
 “ themselves. By these tables, it will be found,
 “ that an annuity of 100 *l*. for twenty-nine years,
 “ is worth 1698 *l*. and a fraction, when interest
 “ is at four *per cent*. that it is worth 1514 *l*. and a
 “ fraction, at five *per cent*. and 1359 *l*. and a frac-
 “ tion, at six *per cent*.

“ The next article which we may expect, is a
 “ lottery. It is an usual method, to give the sub-
 “ scribers to a loan, a certain number of lottery
 “ tickets,

“ tickets, at their true value of 10 l. each, by
 “ which they make an advantage, of the folly of
 “ such people, as will rather give 4 l. or 5 l. for
 “ the permission to gamble for 10 l. than be out
 “ of Fortune’s way, as the expression is. For
 “ this advantage, the subscribers give Govern-
 “ ment credit for 3 l. each ticket, if the lottery
 “ does not exceed 50,000 tickets; though in re-
 “ ality, the sum levied on the Public, is half as
 “ much more; and the mischief beyond my power
 “ to estimate, by the gaming offices which it en-
 “ courages, to the destruction of industry.

“ To this may be added, a considerable ad-
 “ vantage to the subscribers, by the interest com-
 “ mencing before the money is advanced, which,
 “ in the last loan, amounted to two-fifths of a
 “ year’s interest on the whole loan.

“ To illustrate all the above, by one example,
 “ I will take for granted, that a loan is to be this
 “ year adopted on the plan we have seen in the
 “ News-papers, “ *That is, seven millions to be bor-*
 “ *rowed, for which every subscriber of one thousand*
 “ *to have that capital in 3 per cents, together with*
 “ *an annuity of 3 ½ per cent. or thirty-five pounds,*
 “ *for twenty nine years, and seven lottery tickets*
 “ *at 10 l.*

“ We shall see, at different rates of interest,
 “ what sort of a bargain, this would be, for the
 “ Public.

2

“ And

“ And *first*, we will suppose, Government could
 “ borrow money at 4 per cent.

“ 7,000,000 l. of 3 per cents, which l. s.
 “ then would be at 75 l. would
 “ be worth - - - 5,250,000 0
 “ 3 ½ per cent. on D^a, or 245,000 l.
 “ per annum, at the above price
 “ of 1698 l. and a fraction, for
 “ each 100 l. of this annuity,
 “ for 29 years, or about 17 years
 “ purchase, would be worth - 4,161,006 10
 “ 49,000 lottery tickets, at 3 l. - 147,000 0
 “ Two-fifths of a year’s interest on
 “ 7,000,000 l. at 4 per cent. - 112,000 0

9,670,006 10

Deduct 7,000,000 0

Premium 2,670,006 10

“ There would remain 2,670,006 l. 10 s. as a
 “ premium for lending 7,000,000 l. at 4 per cent.

“ Let us try it at 5 per cent.

“ 7,000,000 l. of 3 per cents, would l. s.
 “ then be, at 60, and worth - 4,200,000 0
 “ 3 ½ per cent. on D^a, or 245,000 l.
 “ per ann. at the above price, of
 “ 1514 l. and a fraction, for each
 “ 100 l. of this annuity for 29
 “ years, or about 15 years pur-
 “ chase, would be - - - 3,709,545 0
 “ Lottery Tickets - - - 147,000 0

Carried over 8,056,545 0

	l. s.
Brought over	8,056,545 0
“ Two-fifths of a year's interest on	
“ 7,000,000 l. at 5 per cent.	140,000 0
	<hr/> 8,196,545 0
Deduct	7,000,000 0
	<hr/> 1,196,545 0
At 6 per cent.	
“ 7,000,000 l. of 3 per cents, at 50 l.	3,500,000 0
“ Annuity of 245,000 l. at the	
“ above price of 1359 l. and a	
“ fraction, for each 100 l. of	
“ this annuity for 29 years, or	
“ about 13½ years purchase	3,309,721 10
“ Lottery Tickets	147,000 0
“ Two-fifths of a year's interest on	
“ 7,000,000 l. at 6 per cent.	168,000 0
	<hr/> 7,124,721 10
Deduct	7,000,000 0
	<hr/> 124,721 10

So that if the News paper had any authority for stating the above, as the proposed terms of the loan, the Public would give, almost 2 per cent. premium, to borrow money, on a fund equal to 6 per cent. never redeemable; but the above mode of calculation, will do for whatever may be the real terms of the loan.

WMS