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**LETTER**  
TO THE  
RIGHT HONOURABLE  
**THE EARL OF LIVERPOOL.**

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THE EARL OF LIVERPOOL,  
FIRST LORD OF THE TREASURY.

My Lord,  
I AM perfectly aware that it is high presumption in a man, either of literary, scientific, or political acquirements, to address a nobleman of your high rank and acknowledged talents, upon a subject with which your Lordship has so long, and so conspicuously, proved yourself to be eminently conversant: and it is still more so, for an humble individual like me, to address your Lordship, who has so long filled the highest official situation in the State, with so much ability and credit to yourself, and glory and honour to the country. Being fully sensible of this, and having long admired the conduct of his Majesty's Ministers, and the wisdom of Parliament, I am totally at a loss how to introduce myself, or my humble ideas, to the notice of your Lordship; but having been, in my early life, engaged in agricultural pursuits, afterwards in mercantile concerns, both in this northern metropolis and in London, and latterly been a collector of taxes in Scotland for thirteen years; and, having been long impressed with the notion, that a change in the Financial System of the country might be attended with beneficial effects—and my thirteen years' public life convincing me, by the increasing difficulty, of the ultimate impossibility of collecting that portion of the revenue—I have

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for some time directed my attention to the subject: and, after much labour and intense application, I flatter myself I have been successful in discovering the foundation of a system, which, if acted on, would relieve the whole community of the burdens which have so long and so grievously oppressed them—and that, too, without eventually sacrificing the interests of any one portion of it. Aware of the magnitude of the undertaking, and fully sensible of my own inability to do adequate justice to the subject, I had nigh shrunk from the attempt, and intended to furnish the publishers of some of the periodical works of the day with my ideas;—but, emboldened by the reflection, that the welfare of our country has ever been the uppermost feeling in your Lordship's breast, and that, perhaps, my imperfect suggestions *may* contribute to her benefit, I beg permission, with all humility, to lay them before your Lordship, well knowing, that, if they possess any merit, they will meet with attention, and, if not, the intrusion will be pardoned.

The principle upon which the following suggestions are founded, is that of placing the country upon the footing on which it was in the year 1790, before the expensive war in which we have since been engaged, had, by increasing our national debt to so alarming a degree, brought us into a situation from which I have no hesitation in asserting we can only hope to escape, by a step at once bold, decisive, and prompt. To accomplish this, with equal justice to all parties in the state, each party must submit to an equal sacrifice. It will be seen, however, that, by adopting these suggestions, *all* will suffer equally, if suffering it can be called;—consequently the sacrifice will be felt by *none*.

The changes which I would humbly submit to your Lordship, consist of four propositions, each of which would affect separate classes in society particularly, and the whole community generally; consequently the interest of those directly affected will have to be separately attended to in the sequel. The first proposition would be hailed with universal satisfaction; the second may be opposed by a class of the community whose interests may be affected; the third may be opposed by another interested class, but by none who oppose the second; the fourth proposition may be opposed by another party interested, but by none whose interest it is to oppose any of the former ones. But if the plan, as a whole, appears to your Lordship to be for the general good of the empire, all the opponents must see it in such a light as will induce them most

cheerfully to submit to such privations or sacrifices as they will be called upon to make; and, I have no doubt, that a change, founded on principles similar to those I have the honour of submitting, might be carried into effect at the meeting of the Parliament about to be assembled.

I trust, when your Lordship is informed, that it is with a view of improving the Financial System, and placing it on a sound foundation, that I have made this attempt, you will be pleased to listen to this unembellished epistle.

It is certainly bold in a humble individual, to suggest an alteration in the System of Finance, so as to do equal justice to the parties principally interested, and to give relief and satisfaction to the whole of our beloved King's subjects. Whether my humble suggestions may have this effect or not, I can sincerely assure your Lordship, that my intentions are founded on honesty and integrity, and a pure regard to the interests of our country; and I hope to be able to convince your Lordship, that, though parties interested may at first oppose, yet that the country will be soon in prosperity, and not only officers of state, placemen and pensioners, landlords and tenants, bankers and fundholders, but that every class of society, from the baron to the beggar, would be benefited, and every one know exactly how they stand, and the finances of the greatest empire in the world be placed on such a firm basis, that neither foreign foe, or domestic commotion, can ever shake. Surely such a result cannot be expected from a continuation of the present system as it stands. For it is needless to disguise or conceal, that the country cannot bear, for any length of time, the burdens under which it is at present groaning, and that a lengthened continuance of these burdens may ultimately tend to an overturning of the most glorious constitution ever formed in the world. I shall now proceed to state the propositions I have to submit, and earnestly and respectfully solicit your Lordship's high consideration of the same:—

1st. Then I propose a total repeal of the Assessed Taxes. I am aware this will be a nominal loss to the revenue of four millions, but, at same time, a relief to the country of more than five millions. When taken, however, in connection with the whole system, it will be found to be merely nominal, as the amount will be made up in a way as ample, and far more satisfactory. As this proposal is so simple as to require no elucidation, and will be so popular as to meet with no opposition, I shall not trouble your Lordship upon it any further, than

merely to say, that if the whole taxes cannot be repealed at once, the House and Window Duty could be repealed the first year, and the duty on the establishment the second. It being always kept in view, that, as the major part of the money raised by direct taxes, will reach the Exchequer in the way of indirect taxes, little will be lost to the Revenue; and the tax on the establishment could be levied at no expense by the Excise.

2dly, I propose a reduction of the pay or emolument of every individual, whatever receiving money from the Government, whether in name of salary, wages, pay, half-pay, pensions, or annuity, or in any manner of way whatever, at a certain rate to be determined on; and, at present, for the sake of going on with my plan, I would propose one and a quarter per cent. on those receiving under £100 per annum., and two and a half on all receiving above £100; and this to go on progressively for ten years, conform to the following scale:

Those not exceeding say £100.		Those exceeding £100, say £1000.	
Per Cent.		Per Cent.	
1 1/4	in 1827, on £100 - £1 5 0	2 1/2	in 1827, on £1000 - £25 0 0
2 1/4	1828 - " - " - £2 10 0	5	1828 - " - " - £50 0 0
3 1/4	1829 - " - " - £3 15 0	7 1/2	1829 - " - " - £75 0 0
5	1830 - " - " - £5 0 0	10	1830 - " - " - £100 0 0
6 1/4	1831 - " - " - £6 5 0	12 1/2	1831 - " - " - £125 0 0
7 1/4	1832 - " - " - £7 10 0	15	1832 - " - " - £150 0 0
8 1/4	1833 - " - " - £8 15 0	17 1/2	1833 - " - " - £175 0 0
10	1834 - " - " - £10 0 0	20	1834 - " - " - £200 0 0
11 1/4	1835 - " - " - £11 5 0	22 1/2	1835 - " - " - £225 0 0
12 1/4	1836 - " - " - £12 10 0	25	1836 - " - " - £250 0 0

So that those receiving £100 in 1826, would receive in the year 1836, £87. 10s.; and those receiving £1000 per annum in 1826, would receive in 1836, £750. That no alteration should be made on those scales for the ten years, and no appeal be received from any quarter against it; but, after the lapse of ten years, the operation of the whole plan might be investigated, and any person finding himself aggrieved, allowed to petition the Treasury, or either of the Houses of Parliament, to have the above reduction stopped, and even to get an increase; but in all cases where the salary, pay, pension, or annuity, has trebled or doubled since the year 1790, the scale of reduction shall not stop at the end of ten years, but shall go on till the increased salary, pay, or pension, shall come down to the same sum that was paid at or previous to that year. I doubt not but some will say, that part of their pay or property has been taken from them, which was guaranteed to them by acts of Parliament. Although some may object to this plan of

reduction; when I look around me and observe our beloved King remitting thousand on thousand to the starving inhabitants of the manufacturing districts; and when I see the greatest ministers of state, and nobility of the land, follow the Royal example; and those again, followed by every class under them, down to the privates of whole regiments subscribing a day's pay to alleviate the distress of the country; thereby proving the necessity of the case in the strongest manner;—I cannot allow myself, for one moment, to think that any one of our noble-minded tars, or generous soldiers, would object to this reduction, far less that the more enlightened ministers of state, or judges of the land, would raise their voice against it. Indeed I am convinced, that all receiving government money will, on reflection, be satisfied that it is for their interest; and that they will therefore cheerfully acquiesce in these reductions; for all must be convinced of the moral impossibility which exists, to continue to pay the present sums much longer. Should I, however, have mistaken the feelings of those classes of the commonwealth, and that it is found that they would still object; I ask, what real right they have to complain? When your Lordship takes it into consideration, that a very large proportion of our immense engagements were contracted in a depreciated currency, and that all government establishments were raised in consequence of that depreciation; and that, by adopting the proposed suggestions, the currency will be restored to a sound and healthy state; and that, consequently, their incomes, though reduced in amount, will go as far as formerly,—there can be no ground of complaint whatever, particularly as they will be benefited by the other proposals. In short, when the price of corn and government duties are assimilated to those of 1790, no individual, public or private, has a right to expect that his pay or salary shall go farther than at that period. This proposal, if adopted, will save an immense sum to the state the first year—double the amount the second year—and, in the tenth year, as far as I have been able to calculate, £8,000,000; being double the nett produce of the whole Assessed Taxes—which the poor cannot pay—which oppress and irritate the middling classes—and which those who are able, pay with dissatisfaction; after having enjoyed a period of twelve years of peace; and consequently, having expected long ere this, a relief from so heavy a burden. This brings me to the third proposal. Having, in the first proposition, shewn that a loss of four millions will be sustained.

by a repeal of the Assessed Taxes, and, in the second, that a saving of eight millions will be made, it will be noticed, on the whole, that there is a gain of four millions to his Majesty's subjects; but the saving of the *eight millions* affects his Majesty's servants only; I therefore proceed, as I intended, in this third proposition, to relieve this class as rapidly as their salaries have been cut down by the second. Every one must admit, that the subject now to be treated of, is delicate, difficult, and intricate,—I mean the Corn Laws,—on which so much has been said, both in and out of Parliament, that it is unnecessary for almost any human being to attempt saying any thing that has not been said already. Without further preface, therefore, I would humbly propose the immediate and permanent opening of the ports, for the admission of all kinds of grain, on the following scale of duty, for the next ten years, viz.—

## DUTY PER QUARTER.

Year.	Wheat.		Oats.		All other kinds of grain.	
	s.	d.	s.	d.	s.	d.
1827	17	6	7	6	10	0
1828	16	6	7	0	9	6
1829	15	6	6	6	9	0
1830	14	6	6	0	8	6
1831	13	6	5	6	8	0
1832	12	6	5	0	7	6
1833	11	6	4	6	7	0
1834	10	6	4	0	6	6
1835	9	6	3	6	6	0
1836	8	6	3	0	5	6
1837	7	6	2	6	5	0

The ports to be permanently open, and this last duty permanently fixed.

In the present state of the country, it would have been fortunate if the ports could have been opened with due regard to the interest of the agriculturist without any duty; but, as this would be evidently injurious to both proprietors and tenants, I have adopted a scale for ten years, gradually decreasing; and, by the end of that period, the major part of the *present leases* will be at an end, and the contracting parties can commence on a more sure footing, and the *tenants at will* would not be in the least degree hurt by the change. I am aware this duty is three times higher than that in the year 1790; but the circumstances of the country are materially changed; and, as the high duty

will increase the revenue, as well as extend the protection of the home grower, I cannot, at present, anticipate any well-grounded objection to it. Although the duty is higher than it was in 1790, your Lordship may, and I have no doubt will, be told, that it is not half a protecting duty. The landed interest will immediately say, that part of *their* income has been taken from them, which was guaranteed to them by acts of Parliament. I observe Colquhoun and the free-trade party, estimate, that the prohibitory corn laws cost the country twenty-five millions *per annum*. Taking this estimate as correct, the country would gain twenty-five millions annually, but the landed interest would lose it. There is no doubt the proposal now in hand would assimilate the price of corn, and, of course, the value of land, to that of the year 1790; and, without the fourth proposal, which is intended ultimately to assimilate the national debt to that of the same period, would be an evident injury to the landed interest. At the same time I cannot help expressing my fears, that, if this, or some such proposition, is not adopted, the scene at Lancaster, where forty-five unfortunate individuals were sentenced to death, was nothing to what may happen. The poor and the fatherless will be starved to death; the middling class will be reduced a step; and the lower class will be reduced to pauperism. Every thing will retrograde but riot and rebellion. The home trade will decline and decay; and the export trade of Great Britain will be lost for ever. It is in vain to hope, because it is morally impossible that the country can ever be permanently prosperous, until the prices of provisions are reduced to those of the year 1790, and bear a due proportion to the price of labour; or, at least, be reduced to something near the prices in the countries which are our rivals in trade. I therefore humbly submit to your Lordship, that some proposition, such as I have suggested, must necessarily be adopted to save the country from ruin, and immediately be the means of reviving and establishing, on a solid foundation, all the interests of the empire. The landed interest at first will suffer by the loss of the above £25,000,000 annually; and the proprietors may say with truth, that they have more to complain of than any other members of the commonwealth. It is not enough that they are told, that they have as many acres as their forefathers left them, and may get the same rental. This, your Lordship will observe, does not apply to the new proprietors, who scarcely, at present, receive two *per cent.* for their money; and, if this proposition of mine is adopted, they will get but one *per cent.* But it may apply to the old proprietors; for it is

strictly true, that the ancient nobility will have the same number of acres; and it is equally true that they may get the same rental that their forefathers did. Your Lordship is, however, particularly requested to observe, that you will be told by them, that, in the time of the ancient nobility, the ancient government had *no debt*, and, consequently, had not £35,000,000 of *annual dividends to pay*; and that the debt of our modern government was created, and continued to increase, *in a depreciated paper currency*, since the unfortunate days of the unfortunate administration of Lord North; and that every ministry that have followed him, have continued to increase the debt, till it has reached the alarming sum of £800,000,000; and, until this debt can be brought down to the national debt of the country in the year 1790, corn cannot, *with an equal measure of justice*, be brought down to the price of that period. But the intention of my fourth proposal is, to attempt, in some measure, to do this.

*4thly*, Now, my Lord, I come to my last proposition; and, as this is one of immense importance, I have to solicit your Lordship's indulgence, should I appear a little prolix in my remarks. All the financiers, since the days of King William and Mary, have continued to increase the Revenue, and unfortunately they have continued to increase the debt along with it; but, as the system, which I have the honour to propose to your Lordship, is intended to lighten the burdens of the country, the Revenue and the debt must be gradually lowered at one and the same time. In suggesting this reduction, I am not so rash as to say,—cancel the debt, and let the country free; for I am satisfied, that such a step would unhinge all the bonds of society, and plunge in total ruin the whole interests of the kingdom: but, on considering the subject for many years, I think every one must be satisfied, that it is indispensably necessary to lessen the debt; for, while such an enormous load continues, the country must labour under its weight,—and labour, and labour in vain; for one may as well expect to leap over the Alps, as expect that the country can prosper with such a load. But how so important a measure is to be accomplished, is, and must be, a matter of extreme difficulty, if not of utter impossibility, unless recourse is had to steps, which nothing but the urgency of the case can justify. In interfering with the solemn engagements of the country, not only to its own members, but to individuals and states in every quarter of the globe, much panic would ensue in the first instance,—some would say, fly the city, for the Stock Exchange will be blown up; but I feel confident the panic would be but temporary, and, in a short

period, such a reaction would take place in our credit, as to place it on a firmer footing than ever. I have then to propose, that, on a certain day to be fixed, say the 1st of January next, one and a quarter *per cent.* be deducted annually from the gross amount of the National Debt,—I mean the Capital,—the said one and a quarter *per cent.* to be deducted on the same day every year, until the debt is reduced, and its amount is down to the same sum it was before the French Revolution; that is to £240,000,000. I mean the deduction to take place on the following scale, viz:

1827	£800,000,000	0	0
	10,000,000	0	0
1828	790,000,000	0	0
	9,875,000	0	0
1829	780,125,000	0	0
	9,751,562	10	0
1830	770,373,437	10	0
	9,629,667	19	4
1831	760,743,769	10	7 1/2
	9,509,297	2	4 1/2
1832	751,234,472	8	3
	9,390,430	18	1 1/4
1833	741,844,041	10	1 1/2
	9,273,050	10	4 1/2
1834	732,570,990	19	9 1/2
	9,157,137	7	9
1835	723,413,853	12	0 1/4
	9,001,006	10	0 1/2
1836	714,412,847	1	0
	8,930,160	11	9
1837	705,482,686	9	3 1/2
	8,818,033	11	7 1/2
	£696,664,652	17	8

and to continue till the debt is reduced to that of 1790.

Your Lordship will observe the deduction is made from the *capital*, and not from the *dividends*. Any deduction from the latter would not only affect the circulating medium, but it would be severely felt by a numerous class of the fundholders and would be particularly hard in the case of minors and others, that may be obliged to live on the dividends. Besides, any deduction from the dividends, that would do the country any good, would be a sacrifice too great to be expected; whereas, taking it from the capital, I trust to make it appear, that, taken in conjunction with my former suggestions, the deduction would never be felt at all. In proposing this reduction, I am conscious similar language will be used by some fundholders, that I have attributed to those affected by propositions second and third; and that they may say, that part of *their* property is taken from them that was guaranteed by acts of Parliament. But, by taking a comprehensive view of the matter, their property is not taken from them; neither is the national faith compromised. It is true there is a change of figures; but, from the changes that are made by the two preceding propositions, the reduced sums of funded capital will be of as much comparative value, and go as far in purchasing all other descriptions of property as the original nominal sum; and, as the price of corn, and, consequently, of every thing else, will be reduced to the prices of 1790, within ten years, while the dividends are reduced in the same period in a much less proportion, they will go as far during that period, and, after it, much farther than they do at present.

But let us take another view of the subject, and suppose that Government had not borrowed the money, or that, by some miraculous event, they were instantly enabled to repay it, what could the holders do with £800,000,000 of money? Had it been possible to have purchased produce of any kind a short time ago, the half of the capital was gone in the speculation. Had it been lent on foreign securities, it would have been in a worse situation. Had it been lodged only twelve months ago in the hands of many hundred bankers at home, what would the £800,000,000 be reduced to now? But, instead of any of these investments, had the possessors of this immense sum wished to lend it on mortgage, where is the land to be found of adequate extent in value? In fact, my Lord, it will be found, that there is no way of keeping such a sum safe, but by locking it up,—say, in the Bank of England, or the Tower; and, in that case, where are the dividends? Or, where is the eight hundred millions of coin to lock up?—and, I presume, nobody

would lock up paper. But suppose the fundholders were to get the sum in sovereigns, I admit it would be safe, if locked up or buried; but it would not be safer than in the British funds; neither would it be so well invested: because, if the regular dividends were added, the capital would continue to increase, notwithstanding of the annual deduction of one and a quarter *per cent.* every 1st of January. In short, my Lord, this £800,000,000 of nominal capital could be trusted nowhere but in the British funds: And, although an act of the legislature were passed, and in force to-morrow, along with those to be founded on the principles of the other three propositions, the capitalist would consider it a good investment: For what is one and a quarter *per cent.* annually, for guaranteeing this immense sum? Who would guarantee a mercantile debt for one and a quarter *per cent.*, even for six months? Who would guarantee an adventure of this magnitude, or insure, or underwrite for a vessel with £800,000,000 on board, for one and a quarter *per cent.*? What insurance or premium would have been offered, and *most cheerfully paid*, to insure this very £800,000,000 at the time the fleet mutinied with Parker at the Nore, when the British three *per cents.* fell to 47? The British government alone can undertake an insurance of this magnitude; and the premium of one and a quarter *per cent.* is too little for the risk. In fact it is but little, in comparison to what is at present actually expended to protect our funded property.

What I have said is a sufficient answer to any objections that I anticipate from the fundholders, as a body interested in the welfare of the state; but, as an illustration of their situation, in comparison with the other classes in society, who may be more particularly affected by the changes suggested, I would put the case. Supposing three brothers, A, B, and C, receiving one thousand pounds each, and, during the war, A purchases a commission with his £1000; B purchases land with his, and C purchases stock with his £1000; and, in consequence of the long and expensive war, the country gets into difficulty and distress, and it becomes a matter of necessity, that, in ten years, one-fourth of the pay, or 25 *per cent.* is taken from A, and a greater proportion of his rental is taken from B, upon what principle can C complain of the trifle that is taken from his funded capital? No doubt the funds will suffer as much in one hundred years as the land, but the *present* fundholders cannot suffer as much as the *present* landholders; because their interest in the funds will have ceased long before

this trifling scale can reduce the national debt to what it was in 1790. Let it be asked, which of the brothers would have the most reason to complain? Surely the stockholder would have the least. For your Lordship will not fail to keep in view, that you will be told by the landed interest, that, by the estimate of Colquhoun and the free-trade party, they will suffer a loss of £25,000,000 annually, by the abolition of the corn laws; and that they would suffer this very unjustly, unless the fundholders were also to contribute, in a fair proportion, to the necessities of the state: And that you will be told, by the class who are affected by my second proposition, that they cannot suffer the £8,000,000 of proposed reduction, unless the corn laws are repealed, and the national debt reduced.

With regard to foreign fundholders, they must be treated in the same way as British subjects. And, in answer to their complaints, let them, in the *first* place, be told, that they cannot complain of the payment of one and a quarter *per cent.* for securing their property, while they contribute, in no other form, for its protection: and, let them look around them, and discover where they can place their property with half the security. In the *next* place, let them reflect on the hundreds of millions that Great Britain expended in the cause of the established governments of Europe within the last thirty years, and that in defence of their property; and, if they still consider their case hard, let them apply to their own government for redress. They must be told, and that firmly, that we have no intention of reducing our debt lower than it was before the French Revolution. That the American war, and all wars before that period in which we were engaged, were strictly our own, and whatever money was borrowed shall most faithfully and honourably be paid; but, as the money borrowed between the years 1790 and 1815, must be considered as the debt of all Europe, having been contracted principally, nay entirely, for its preservation, it is no more than an act of common justice to relieve us, in part, of such a vast expenditure. It may be said, we ought to have had the different powers of Europe bound for the expenses incurred on their own respective accounts; but, to see the impossibility of this, it is only necessary to take a retrospective view of the state of Europe during that period. How could Portugal have been bound when the Braganza Family were obliged to fly to the Brazils? How could Spain have been bound, when both Charles and Ferdinand were prisoners in France? How could Prussia have been bound, when Buonaparte issued his celebrated decrees from Berlin? How

could France have been bound, when her lawful Sovereign was a refugee in the city of Edinburgh, and when the usurper of her throne assumed the titles of Emperor of the French, King of Italy, and Protector of the Confederation of the Rhine; and, had it not been for Great Britain, would have added Dictator to the World? We certainly had Austria bound, but to what did that amount? She was so completely bound, that her Emperor could have been prosecuted at the court of Vienna for the debt; and we were even allowed to cut down the wood in the royal demesnes of Austria, till these many millions were paid; but, with all this security, the House of Commons hailed as a God-send, the paltry sum of two millions in full of all demands.

In cutting down the debt, I am presuming, that no future loans will be required; as, from the impetus which would be instantly given to trade of all descriptions, and the increasing prosperity of the country at large, the ways and means could easily be raised within the year. And, should it unfortunately happen, that future wars should arise, and that we are under the necessity of having recourse to loans, I am not apprehensive of the result, as the money could not only be obtained at the price of the funds at the time, although the lenders are made aware that the one and a quarter *per cent.* is deducted from the capital annually, but the fund of credit is created to enable ministry to borrow the same.

I originally intended to make a fifth proposition, — to cut down the Revenue on a scale of so many *per cents.* till all the duties were assimilated to those of the year 1790; but, as so many taxes have been totally repealed, and as many partially reduced, since the peace, I should suppose such a scale of reduction were better in the hands of the ministry. And, as the taxes already repealed, wholly and partially, from 1821 to 1825, amount to £10,160,000., and that, independent of the £14,000,000 of Property Tax, terminating in 1816, I should suppose a reduction from 1827 to 1837 may be estimated at £10,000,000.

This, my Lord, is about the substance of the four propositions I set out with. They are the suggestions of a mind inured to business, accustomed to calculate, and not a little interested, individually as well as generally, in the prosperity of our country. They are perhaps not drawn up with all the clearness and perspicuity requisite for so intricate a subject; but, such as they are, I leave the import of them to be judged of by your Lordship.



Before leaving off, I trust I may be pardoned for pointing out a few of the many grievances of the present system, as felt by the generality of his Majesty's subjects. I began with the four millions of Assessed Taxes; they are still paid, but they are not, and never were, cheerfully paid; and, after twelve year's peace, they are paid with increased dissatisfaction. Many poor families are much straitened; many pawn their furniture; and some families are roused out of doors to pay them. Direct taxes are bad in principle, as they raise little money and much strife, and they never should be resorted to except in time of war. But, supposing they were easily paid, it appears to be bad policy to keep them up; for what advantage are they to Government? The moment they are realized, the whole amount, and other four millions, are paid away by the Government, in *extra pay* to the army and navy, to the judges of the land, crown-servants, and others; so that the money raised from the subjects do the Government no good. In using the words *extra pay*, I wish to be distinctly understood, that I have no distant intention of insinuating that the gallant defenders of our country, the judges of the land, or others receiving the government money, are overpaid. No, the extra pay became indispensably necessary, in consequence of the extra price of provisions, and the change in the currency. But let us proceed to inquire what good this eight millions of extra pay does them. The raising of the money makes the poor, poor indeed, and it does no good to those who get it. In fact *they* would be better without it; for, whenever they receive it, it is paid away to the landed interest for dear bread, and other agricultural produce. Let us then proceed to inquire what good it does the proprietors of the soil. It does them no good; *they* would be better without it; for, whenever they receive the £25,000,000 for the bread tax, it is paid away indirectly to the fundholders. Then one would suppose the happy fundholders would be well off with their £35,000,000 of annual dividends; but this is not the case, for, when they receive them, they are, with the exception of what is accumulated and added to the capital for private purposes, swallowed up in high duties, dear bread, extra salaries, and high rents; so that if the government duties, the corn, and the &c.s. were reduced to the scale of the year 1790, *they* would be better off. Now, if no one of these three great classes, who are so deeply interested in the country, are one fraction the better of all this extra money being raised from the subjects and paid to them, it must follow that it is bad policy to keep up war taxes in time of peace; and it must also thence be apparent, that it is a thing much to be desired to as-

simulate our Revenue and Expenditure to the scale of 1790, before the war commenced.

I may estimate the number of the above three classes at about three millions of individuals. These three millions, if not benefited, will not, at least, be injured by the adoption of the propositions I have had the honour of submitting to your Lordship; and the remaining twelve millions of his Majesty's subjects will be essentially benefited. It is not necessary for me to explain the condition of these twelve millions of individuals; but I may observe, that, after twelve years profound peace, our commerce is nearly at a stand, our manufactures entirely so, our individual credit impaired, our revenue decreasing, and our debt overwhelming. Under these circumstances, it is no wonder that a great proportion of these twelve millions are, at this moment, in misery and distress, and that thousands are fast following to the same situation; or that the kingdom should be covered with beggars and paupers, from Cornwall to Kirkwall, besides the starved, distressed, and otherwise alarming situation of Ireland.

This is a picture of the present state of matters. Now the result of my propositions, by which the burdens of the people will be lightened, will be better shewn and illustrated by stating the same, in the abstract, in figures, viz.

1. A total repeal of Assessed Taxes will lighten the burdens of the country annually	£ 5,000,000
2. A reduction of one fourth of all pay, pensions, salaries, &c. as per Proposition 2, including the savings by those falling by deaths	8,000,000
3. A repeal of the Corn Laws will lighten the burdens of the country, as estimated by Dr. Colquhoun and the free-trade party, at	25,000,000
4. A gradual reduction of the national debt will lighten the burdens of the people, besides reducing the debt itself in ten years <i>one hundred millions</i>	4,000,000
5. As, from past experience, we see that between the years 1821 to 1825, a reduction of taxes, amounting to ten millions one hundred and sixty thousand pounds took place, and that independent of the fourteen millions of property in 1816, we may fairly calculate on a reduction of taxes from 1827 to 1837 of	10,000,000
Total	£52,000,000

In stating that the proposed system would lighten the burdens of the country, I may add, that, from the increase that may arise from the second and fifth propositions, and that must arise from the fourth, the sayings will soon be sixty millions; and, before the debt is reduced to the amount of 1,790, the burdens of the country will be lightened £70,000,000 annually.

I am aware that the scheme is calculated on a scale of ten years; but as the whole of the direct taxes are taken off the first year, and the scale immediately made to apply to the others, every branch of the community would flourish. The anticipation of the expiry of the ten years, when the result would happen, would be so strong, that the prosperity of the country may be calculated on to be as great the first and second years, as the last year of the ten. I then respectfully put the question, Whether it is better to have recourse to, and recommend these, or such measures, to save the country, and particularly the fundholders, or to go on, making bad worse, with a system which attempts to raise £52,000,000 annually from those who have it not; and, of course, must terminate in the issue of Exchequer bills or a loan. Had wheat continued at 110s., sugar 112s., and tallow 125s., the colonial produce, and all articles at home and abroad as high in proportion, there is no doubt this £52,000,000 could easily have been raised; but as the whole of these articles, and every thing else, have fallen 50 or 60 per cent, the raising of the sum now is not practicable.

The measures I suggest are founded on justice, although some may dispute it. All must admit they are founded on necessity, as many State measures are. I need not remind your Lordship of the immortal Nelson bombarding Copenhagen, and carrying off the Danish fleet, which was only justified on the score of necessity. But what I have the honour to suggest, are measures of justice as well as necessity; and your Lordship will be aware, that there is here no foreign power to whom the Government have to justify the scheme on the score of necessity; it being only the members of our own commonwealth who require the explanation.

It may be observed, that there are various classes in the country that are not directly taken notice of in these propositions. It would be difficult, if not impossible, to include all; but when I cast my eyes at the export and the shipping interests, the great mercantile and colonial interests abroad, and the great banking and manufacturing interests at home, and reflect on the dreadful calamities that have affected them, and other classes, within the last twelve months, they appear to

have suffered too much already. When their days of prosperity come round, their enterprising spirit and exertions will benefit the country and the revenue in a tenfold proportion to any law that can be framed, and the blessings of peace be really accompanied with that of plenty.

A great deal more might have been said on this important subject; but, as I have, I fear, encroached too much on your Lordship's patience and valuable time already, I hasten to a conclusion. And if, in my zeal for the welfare of the country, I have used any improper language, or wrong expressions, I trust it will be attributed to my zeal in the cause, and not to intentional disrespect. But I would earnestly solicit those receiving Government money, who may take another view of the matter, seriously to reflect, that the best ship, with the bravest commander and skilful crew, guided by the most able and experienced pilot, has gone a-ground; and, in that case, to think on the risk they run of not being employed, and what rate of pay may be allotted them. I would also have the landed interest, on giving up the corn-bill, to reflect, that, if that case occur, (which God forbid, although the lands would still be where they are), the risk the owners run of their changing proprietors. And, above all, I entreat the fundholders seriously, very seriously, to reflect, that little, very little, saves a vessel; and, if they refuse to lighten her this trifle, and it unfortunately happen, that the greatest and the best state-vessel in the world get overloaded, and founder—the stock that is worth £800,000,000 to-day, will not be worth 800 fractions to-morrow.

I have the honour to be,

My Lord,

Your Lordship's most obedient,

And most humble servant,

GEO. SPENCE,

Member of the Merchant Company of the City of Edinburgh.

Edinburgh, 21, Picardy Place, }  
Oct. 27, 1826.

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