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A N  
E S S A Y  
On the PRACTICE of  
Stock - Jobbing, &c.



[ Price Four-Pence. ]

*Charles Beaumont.*

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ON THE PRACTICE OF

Stock-Jobbing

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[Price Four-Pence]

AN  
ESSAY  
On the PRACTICE of  
STOCK-JOBGING,  
AND SOME  
REMARKS  
ON THE  
Right Use, and Regular  
Improvement of MONEY.

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*In a Letter to a Gentleman, and a  
Proprietor of South-Sea Stock.*

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L O N D O N:  
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ESSAYS  
ON THE PRACTICE OF  
STOCK-JOBBERING  
AND SOME  
OTHER MATTERS  
OF THE  
NINETEENTH CENTURY  
BY  
J. M. A. R. S.  
OF THE  
LONDON STOCK EXCHANGE

Improvement of Money  
in a Series of Lectures  
delivered at the  
LONDON STOCK EXCHANGE  
BY  
J. M. A. R. S.  
OF THE  
LONDON STOCK EXCHANGE

( I )



**S I R,**  
 **S I N C E** you was pleas'd  
to communicate your De-  
sire to know my Senti-  
ments and Opinion con-  
cerning the modern Practice of Stock-  
jobbing ; in Compliance with your  
Request, I send you my impartial  
Thoughts in this Letter ; which comes  
to acquaint you, that the irregular  
Method of acquiring Riches by  
B Stock-

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Stock-jobbing, was always inconsistent with my deliberate Judgment, as being contrary to the natural and clear Dictates of Reason, as well as the plain Admonitions of Conscience, directing and instructing us to govern our Words and Actions, according to the strict Laws, and sacred Rules of Truth, Justice, and Equity.

By the Practice of Stock-jobbing, I think it necessary to inform you, that I apprehend and mean those guileful Arts, and unjust Attempts, which are us'd to raise and sink the publick Stocks of this Nation with no other View, or better Design, than to gratify the immoderate and insatiable Desires of some covetous and ambitious Persons, at the Expence of lessening the Substance, and procuring the irreparable Loss and Calamity of others.

These

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These irregular and deceitful Methods of growing Rich, and obtaining a plentiful Estate with great Dispatch and Speed, have been (sometimes) maintain'd and carry'd on, partly by spreading false Reports concerning the publick Affairs, either Foreign or Domestick, in such a Manner, as may influence the Buyers and Sellers of Stock; and partly by forming clandestine Clubs, and secret Cabals, to invent divers Schemes, and various Projects, promoting the unequal Advantage and Interest of separate Parties, and exciting Discord and Sedition.

But more especially these extraordinary Means, and effectual Measures of attaining and increasing Wealth, have been further advanc'd, and in a great Measure supported, by a peculiar Custom of giving Money for the Refusal of Stock, and obliging one Person to Transfer and Deliver it to another at such a di-

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stant Time, and Particular Price, as is agreed on between the several Parties concern'd, who generally make it a verbal Contract. By Advantage whereof, it happens at certain Times, that a large Quantity of Stock is lock'd up, and kept from being Bought or Sold for a considerable while, and the Remainder being reduc'd to a lesser Bulk, more easily is rais'd to an immoderate Height, by the leading Men, and chief Managers of their Design, who always embrace the sudden Opportunity of selling large Parcels of their own Stock, in such a favourable and lucky Season; whilst that which continues unfold, soon after sinking faster than the former rose, by this crafty Device, is brought to much a lower Price, and smaller Value; which often occasions an irretrievable Damage in the Estates and Fortunes of the other Proprietors.

Some

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Some Persons, who endeavour to Disguise and Colour bad Actions with quaint Words, and specious Phrases, call this artful Management by the *French* Terms of *Finesse* and *Chicanery*, which really is no better, nor worse, than gainful Fraud, and profitable Knavery.

By which Means, and by the Invention of such subtle Projects, and cunning Contrivances, a great Number of Honest and Well-meaning People, are not only liable to be depriv'd of part of their lawful Property, and are expos'd to the constant Hazard of many bitter Disappointments, and grievous Misfortunes; but the *English* Nation in General, perhaps, at some Time or other, will be in Danger of having its Strength impair'd, and Riches exhausted; in as much as the extraordinary Profit, and excessive Gain which redounds to the Stock-jobbers Interest, will always



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ways encourage and invite Strangers and Foreigners to come hither, in hopes of pursuing the same delightful Game, and making the same Advantage, as others have done of the Rise of Stock; which being exchange'd for current Money, by several Ways may be transmitted, and convey'd from this Nation, to other remote Countries.

I do not pretend positively to assert, or foretel, that the common Practice, and fashionable Custom of Stock-jobbing, will certainly be attended with any such terrible Calamity; but I am fully persuaded by impartial Reason, and convinc'd by Experience, that those many artful Means, and particular Measures which have been concerted, and usually are employ'd to raise Stock to an excessive Price above its due and intrinsic Value; and chiefly the foremention'd Practice of giving Money for the Refusal of Stock, and making

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making fictitious Contracts and Bargains, does naturally tend to produce great Disquietude, anxious Trouble and Sorrow in the Minds of private Persons; and in like manner, does contribute to sow the Seeds of publick Contention, wild Disorder and Confusion; and seems to presage (if not by a proper Authority prevented) further Mischief, and other future Disasters.

As the general Happiness and Welfare of any particular Kingdom or Nation, does very much consist and depend on the common Industry and Frugality of its numerous People and Inhabitants, the regular Improvement of Trade, the free Circulation of Money, and its just Application to all the useful Ends and Exigencies of Life; so nothing contributes more to impoverish a Nation, than to encourage and countenance crafty and ill-designing Persons to invent unrighteous and self-inte-

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interested Schemes, (under the specious Pretence of doing Good) and give an ill Example of getting Riches by dishonourable and injurious Ways, by restraining or suppressing the current Coin, by an unequal and lavish Distribution of it to some, and by prohibiting the Use of it to others, and by hindring the necessary Growth and Increase of Trade and Commerce.

If we truly reflect on the unhappy Circumstances of those who have lately form'd a black and execrable Conspiracy against a just and merciful Prince, and well-regulated Government, it appears very probable, that several of those Gentlemen, and others concern'd in that Conspiracy, have been made the wretched Tools of mercenary Stock-jobbers.

Such Persons who delight to fish in troubled Waters, never fail to watch and improve every convenient Opportunity of embroiling the peace-

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peaceful State of publick Affairs, whensoever it serves their private Interest, or gratifies their covetous Desires; and forasmuch as any sudden or surprizing Tumult rais'd among the Populace, gives them a greater Power to depreciate the Credit of the Nation, and sink its various Stocks, when it promotes their ambitious Designs, or turns to their personal Advantage.

It is a melancholy Consideration, and cannot but excite painful Impressions of sincere Grief, and lively Sorrow in every generous and compassionate Person, that surveys the ruinous Effects, and pernicious Consequences of Stock-jobbing.

How many \* People of all Ranks and Conditions, have suffer'd the Loss of a considerable Part of their rightful Property, and necessary

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\* The Subscribers of Annuities in the Year 1720.

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Means of their Subsistence; and have Reason to date their Affliction from that very Time in which they consented to submit their various Estates and Fortunes to the adventurous and unskilful Management of unjust \* Directors, and ambitious Stock-jobbers.

If we consult the Wisdom of former Ages, and enquire into the ancient Customs and Usage of other Nations, justly celebrated for their prudent and excellent Conduct, in governing the People committed to the Supreme Magistrates Charge, we shall find by searching their respective Records, that the most eminent Legislators have fram'd several good and righteous Laws, to punish all Criminal Disorders of this Nature.

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\* The late *South-Sea* Directors.

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The \* ancient *Romans* had no less than Five Laws to reform the common and excessive Abuses of Money, and many others were made and enacted by them, to regulate extravagant Expences.

The *Jews* inhabiting a fertile and plentiful Country, and being amply furnish'd with the distinguish'd Blessings of Nature and Providence, were expressly commanded by God, not to receive any Profit or Advantage from † Usury amongst their Native Countrymen.

Although this Precept does not immediately concern us, who dwell in a different Climate, and being a Trading People, are govern'd by different Laws; nevertheless it ought to instruct us, that true Riches does not consist in collecting useless

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\* See *Kennet's Roman Antiquities*,  
† *Leviticus* xxv.

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Hoards of Pelf, and perverting the needful Aids and Service of Money, to promote the base and little Designs of covetous and worldly-minded Persons; but ought rather to be employ'd in Acts of Piety and Charity, in setting the industrious Poor to Work, in improving and increasing the natural Products of the Earth, in cultivating useful Arts and Sciences, and advancing solid Learning, and universal Knowledge to the utmost Perfection.

Amongst the many excellent Laws and Statutes which our *English* Legislature has form'd for the Benefit of Mankind, and Good of Posterity, such of them as heretofore have been enacted by our Ancestors, to rectify the irregular Abuse of Money, and reform the vicious Excess and Expence thereof, (excepting those Laws which relate to Gaming and Usury) are either disus'd, as exceeding

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ing Old, and out of Date, or being temporary, and limited to a particular Time, are now expir'd.

As nothing is more evident than that Money is an unprofitable Drug, and carries little or no intrinsic Value, unless it is circulated in Trade, and exchange'd for Things more valuable; whereas Land and live Stock increase by keeping, and Manufactures are useful whilst kept. It would be a noble Design, and richly deserving the due Applauses of all honest and upright Men, if some proper and expedient Method cou'd be invented, to turn our current Money into its right Channel, by augmenting Foreign and Domestick Trade, and especially by promoting the necessary and laborious Arts of Tillage and Husbandry; a competent Portion whereof employ'd this way, wou'd be found more profitable and conducive to the real Welfare and Ad-

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Advantage of Mankind, than the Wealth of both *Indies*, should it be lock'd up, and lie unimprov'd in covetous and uncharitable Persons Hands.

According to the Computation of an ingenious \* Author, it appears a manifest Truth, that the yearly Revenue arising from the Labour of our *English* People, amounts to near Eight or Nine Times as much as the annual Rent of all the plow'd Lands throughout the Kingdom.

And supposing there are Ten Millions of Acres of waste Land, if Five Thousand Poor that want Employment, were set to work in cultivating the Sixth Part of the foresaid waste Lands, would make the whole yearly Product to the Kingdom, worth above Two Millions *Sterling*;

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\* *Bellers on Trade, and Dr. Davenant's Essay on Ways and Means.*

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which annual Profit computed at Twenty Years Purchase, it adds more than Forty Millions *Sterling* to the general Stock and Value of the Nation; and upon the whole Tract and Extent of waste Land throughout the Kingdom, we might keep Two Millions and a half of People more than we have, and by this Means add an immense Treasure to the Value thereof.

From whence it may plainly be inferr'd, and clearly seen, that next to the Favour of God, upon the Increase of regular labouring People, does very much depend the greatest Wealth, Strength and Honour of the Nation.

The Kingdom and Empire of *China*, is Ten Times as big as *Great Britain*, and yet there is no waste Land in that spacious Country, and (as it is generally said) they are the richest People in the World; and though



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etual Means would be us'd to prevent and suppress the Mischief of fraudulent Stock-jobbing; either by declaring all fictitious Contracts hereafter Illegal and Void, which shall not be immediately comply'd with, and punctually fulfill'd; and by inflicting a proper Punishment on all Persons assuming a false Power, and pretending to sell and buy Stock for themselves, or others, who have neither Money to Purchase, nor Stock to Deliver; or by such other Ways and Means as shall seem most advisable and agreeable to the Sage Council and consummate Wisdom of the Parliament.

At the same Time it is much to be wish'd, and further desir'd, that some additional new Laws, by the Supreme Legislature, wou'd be made and establish'd, as well for the Advantage and Benefit of Trade, as for the Improvement of Manufactures,

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factures, for the Enlargement of Hospitals and Workhouses, for the Relief and Support of the miserable Poor residing and continuing in Goals and Prisons, (as being reduc'd to extreme Distress, and treated with greater Rigor and Severity in this Nation, than other Countries.) But more particularly for employing the industrious Poor in Tilling and Improving some Part of those waste Lands within this spacious Kingdom, which hitherto have lain neglected, and never been cultivated.

By which Means, and by the Favour and Protection of Divine Providence, it is exceeding probable, that the publick National Credit, which has lately been diminish'd by the unhappy Schemes, and unsuccessful Projects of Stock-jobbers, at length wou'd be restor'd to its former Lustre, and ancient Dignity; our Trade, and various Stores increase,

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crease, and solid Wealth and Plenty,  
lasting Prosperity and Happiness,  
be transmitted to future Ages, and  
succeeding Generations.

**I am,**

**SIR,**

**Your most Obedient,**

**and Faithful Servant, &c.**