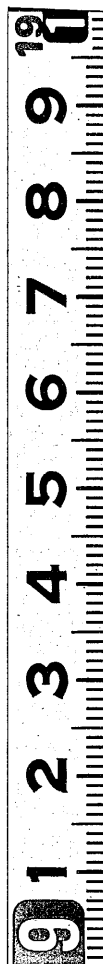


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R E M A R K S
ON THE
PRESENT STATE
OF THE
NATIONAL DEBT.
TOGETHER WITH
Some STRICTURES upon the general MODES
OF
TAXATION in ENGLAND.

*— est genus unum
Stultitiæ, nihilum metuenda timentis.*

HOR.

L O N D O N :
Printed for J. WILKIE, at the Bible in St. Paul's
Church-yard. M DCC LXIV.

 R E M A R K S, &c.

THE enormous and increasing debt of this nation, hath, more particularly of late years, been the subject of no less debate than complaint; and yet the various effects and tendencies of it, are still very far, I believe, from being perfectly understood in every point of view. Therefore an attempt to explain this matter, and to set it in a clear light, will not be thought, I presume, an unuseful undertaking. I have heard indeed some *celebrated* wits, *self-important* geniuses, and *profound* critics, give it as their *infallible* opinion, that nothing *new* could be said upon it; but to these it would be idle to give any answer. How far the following remarks and strictures upon it may be *new* or *old*, I am not in the least concerned to know; nor is it indeed very material, provided they are only sufficient to answer the purpose they are intended for; but this I am very certain of, that they are entirely the suggestions and result of my own enquiries: And as such, gentle reader, I offer them to the public, with as much *modesty* and *deference*, at least, as the world is *candid* and *impartial*.

Of all the various opinions of others upon this weighty subject, I shall take notice only of that, which commonly passes among us, for an estimate of that *incomparable* and *wise* Minister, Sir Robert Walpole; namely, that, whenever England should be upwards of a hundred millions in debt, it must immediately stop payment, or break, as the vulgar expression is. This, if it be really true, is, methinks, an abundant proof, that this *famous* Statesman,

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man was no more infallible, in some things at least, than other mortals. If Sir Robert would have it that our nation must stop payment when they could not refund the principal upon demand, he had just reason to apprehend, I believe, that this could not be done, when the public debt was much less than half way to a hundred millions sterling. But this certainly was not his meaning; for he could make a much better estimate of our circulating cash, I am fully satisfied. His meaning therefore was, if any meaning at all he had, that our government should not be able to pay the interest of a hundred millions.

Our national debt, or the sums borrowed by our government, is a meer imaginary treasure, every body knows, now no where existing, unless in some little, foolish scraps of paper only; for all the money in the kingdom would go but a very short way to discharge it. And no inconsiderable portion of it will always be necessary for the use of trade, besides what is collected for the government's service, during the time it is collecting I mean; for this also returns afterwards into the same hands that first paid it. Therefore our taxes are nothing more, in fact, than a general muster of our circulating cash, whereby a kind of estimate is taken of it, as it were to see whether it is equal or not to the total amount of the annual interest of our national debt. While we are able to collect taxes amongst us to this amount, it is very evident that there can be no necessity to stop payment. And this we have not as yet failed to do, although our public debt hath, for some years past, exceeded our gloomy prophet's estimate, even by one fourth and upwards.

In what view Sir Robert might consider our trade and commerce, whether as declining or extending I mean, I cannot take upon me to say; that circumstance being, in this case, a very important
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and weighty one. For, if our national debt should keep continually increasing, and our stock of cash should not keep pace with it, I am so far of that gentleman's opinion, that we must inevitably stop payment when this happens to be the case. For these fifty or sixty years back, however, our exports have brought in more cash considerably, than what is only just sufficient to answer this purpose. There are several old men now living besides *myself*, who remember very well the reigns of King William and Queen Anne; and we all agree, and know from experience, that we found it a great deal more difficult to pay our taxes in those reigns, than in any of the succeeding ones. But some people will be apt to question our veracity perhaps, as claiming the common privilege of old men and travellers, that, I mean, of telling what nobody can contradict, or rather what nobody was a witness to, but ourselves. Let them think so if they chuse it; I would have them to know, however, that I am very ready to submit the truth of what I say, to the evidence of any estimate better calculated to clear this point, if they can find out one. For in all estimates of this nature, the quantity of circulating cash, collected for the use of the government, as being the most general muster of it; and also the difficulty of collecting it, must both be considered, but chiefly the latter. Some little abatement, however, may be made, on account of such sums of money as might be, at this time, lock'd up in the trunks of a few wealthy Papists and Nonjurors, who, although they did not want it for the use of trade, chose rather to let it lie dormant by them, than lend it for the service of the government. But the whole amount of these inconsiderable sums put together, was not so great perhaps, as to make any material difference. But after all, a very different reason may be assigned for the difficulty we found, at that time,

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to pay our taxes; namely, that our wars were almost intirely carried on, during those two reigns, upon a foreign continent, from whence our money seldom returned again.

But let us proceed to examine, what, I believe, hath never been hitherto properly examined; namely, under what circumstances a nation may be truly said to be in debt. For I am already sensible that it will appear, in the course of this enquiry, that nations are neither so often, nor yet so much in debt as is commonly imagined. Now every state that is in debt, must be so either to particular individuals within itself, or to foreigners. I shall therefore consider my subject in both these views in the sequel. But before I proceed I must beg leave to make a few previous remarks.

What I would observe, in the first place, is, that, if any state or society of people are as industrious and laborious as they might, and ought to be; they will always have a certain quantity of commodities to spare, over and above what is necessary for their own immediate support. And this surplus of commodities will always bear a certain proportion to the number and industry of the people, to the quality of their soil, with respect to its fertility or barrenness, and to the natural advantages and conveniencies of their situation.

Another observation I would make is, that the pay of soldiers, in general, is little or nothing more than sufficient to support their expences in food and raiment, or to supply them with the common necessaries of life: a competence of these being all that any man can have need for or enjoy. And that a nation cannot support a greater number of military forces, than what the surplus of its own native produce, or of such commodities as it may procure in exchange for them, is sufficient to maintain, without distressing itself thereby in proportion.

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Having premised thus much, by the way, I shall now apply myself to enquire into the nature and consequences of a public debt, when foreign states only are creditors. But here it may be proper to point out, first of all, by what steps a nation is brought into debt, or reduced to the necessity of borrowing at all. To clear this point, let us suppose, for instance, that the quantity of commodities annually exported from England, for the consumption of foreigners, was full sufficient to support a hundred thousand men in arms, and to supply them with all manner of military *apparatus* necessary to equip them for action, whether by sea or land. Let us again suppose that the only way of trafficking was, by barter and exchange of commodities: and consequently that the supplies raised by the government for the support and maintenance of these forces, were levied throughout the kingdom in unmanufactured commodities: the government exchanging them for such ready manufactured ones as should be found necessary, and making proper allowances for the difference. Now supposing that the seat of war was upon a foreign continent, and that England was no way affected by it, either with respect to trade or otherwise, it is evident that England might carry on war upon these terms, and that without being any more in debt at last than at first, so long as it was a kingdom.

But if, on the contrary, we suppose that the surplus of commodities annually exported from England, was not sufficient by ten thousand bushels of corn every year, to support the number of men abovementioned in arms; and therefore that England was under an absolute necessity of borrowing yearly, during the war, that quantity of corn, of some neighbouring state, to make good the deficiency; if we suppose England under these circumstances,

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stances, I say, it follows that she must stand indebted to such state, at the end of the war, to the amount of as many bushels of corn as she had occasion to borrow, together with such interest as shall be due upon it. Now no state can be under an absolute necessity of contracting debt, but that only which is under an absolute necessity of borrowing supplies of foreigners. There are, however, several other ways whereby national debts may be contracted; each of which I intend to take particular notice of in the sequel. But whether the annual exports of England are sufficient or not to answer all the exigencies of the wars she is, from time to time, engaged in, is another question; although I am much inclined to think, that, upon a proper enquiry, it would appear, that the aid we procure from foreigners by loans only, are very inconsiderable. But it should be remembered that our exports in time of war are less than in time of peace, in proportion to the loss sustained on account of such number of useful hands, as are taken away from our manufactories. For this evil, at least, is a constant attendant upon war; but it is generally accompanied with many more.

Now the case, as above stated, appears in all the simplicity it will admit of; but when we suppose that money, according to the custom and practice of latter ages, is made use of in traffic, and allowed to pass in exchange for commodities, it renders our ideas somewhat more complex and intricate. But every difficulty will immediately vanish, if we only consider them as equivalents. Now to explain this matter a little more clearly, let us suppose that England stood in absolute want of some Russian commodities, for instance; and that, on account of her various exigencies in time of war, she stood also in no less want of money to purchase them withal: supposing that England were exactly under these

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these or the like circumstances, I say, it is very plain that, in this case, she can only supply herself, either by purchasing the commodities abovementioned upon credit, or by borrowing money, for that purpose, of some third state: both which being ultimately just one and the same thing.

From this short enquiry we may easily comprehend the nature of a public debt, as well as the manner of contracting it, when the loan, I mean, is obtained only from foreigners. I shall therefore proceed, in the next place, to give some account of the effects and consequences of a debt so contracted. But these are so plain and obvious, that it is almost needless to mention them. For if, as above observed, we only consider money and commodities as equivalents, it evidently follows, that, while we pay to Holland, Russia, or any other state, a certain annual sum of money, we do, in fact, just the same thing, as if we should supply them with corn, cattle, or some other commodities to that amount in specie. By this means we are rendered incapable of supporting the same number of forces in time of war, as we might otherwise do if no such debt had existed. Because all monies of this nature, which we pay to foreign states, are the very same thing in effect, as if we paid subsidies to them, or retained a certain number of their military forces in our service. And, if we keep their money longer in our hands, than we want the use of it, or after we are able to discharge it with our exports, we wrong ourselves; because, when this is really the case, we evidently oblige ourselves to pay the interest of money, that must either lie dormant by us, or, if it circulates, can only tend to enhance the price of commodities and to render money cheaper.

But a state is never in danger of breaking for debt, while the interest due upon the principal doth

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doth not exceed the total amount of their annual exports. The condition of that state, however, must be very low, which hath not a great deal more to spare, than is only just sufficient for this purpose; and is not therefore at all likely to have much credit upon any future occasion. Upon this state of the case we are under plain necessity, indeed, of supposing that all states are not equally industrious to provide themselves with the necessaries of life, by their own toil and labour; for if there were a consumption of commodities in every country equal to its own produce, no nation, upon the ballance of trade, would stand, in the least, indebted to another.

This, however, is no more than what happens, in every age, more or less, although it is possible the state of things might be otherwise. But here it may not be improper to take notice, by the way, that money, that is, gold and silver, hath been, in some degree, flowing through different channels into Europe, almost ever since the dissolution of the Roman empire; but more particularly since the discovery of the rich mines of America. And it is very observable that the surplus of commodities, of such, I mean, as are useful for the support of life, have been always shipped off for the consumption of the original proprietors and owners of these and the like kind of treasure, as they generally chuse rather to barter them for those articles, which they stand in absolute need of, than furnish themselves therewith, by their own labour and industry. And it is by this kind of commerce, that Europe, especially those states which have no colonies in south America, hath been always supplied with gold and silver.

But, if England, or any other state, should be forced, on account of tedious and expensive wars, to borrow so much money or provisions of foreigners,

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as would exceed what her annual exports, in time of peace, would be sufficient to pay the interest of; the consequence thereof would be, that, in the first place, she would be gradually drained of all her cash; and, in the end, would be reduced to an absolute necessity of stopping payment of the interests of such debts at least, as she had contracted over and above the sum abovementioned. And there is an inconvenience, which, I believe, is seldom thought of, in sinking or diminishing the national stock of cash; but there is none at all in not increasing it. I mean the inconvenience, which those people, who make contracts for any term of time, and bind themselves to make their payments in specie, must be thereby inevitably reduced to. For, supposing that a person should take a farm at the yearly rent of two hundred pounds, for instance, in a state where the national stock of cash was decreasing; it would render him incapable, within the short space of ten or twenty years perhaps, of paying one half of that sum for it. And yet if the growth and produce of it were taken in lieu of money, he might still make his payments with the same ease as when he first made his contract. But the case is directly otherwise, when money is continually flowing into the kingdom.

If, there was no way of trafficking, excepting only by barter and exchange of commodities, there would be likewise no way of contracting public debt I believe, on account of wards at least, besides that which I have already taken notice of. But now, since money is made use of in trade, men are daily led into ten thousand errors which they are not aware of, by reason of the obscurity wherein it hath involved this whole business. And among many others which I could name, it hath evidently given rise to the following one, which we, of this nation, would be frequently found guilty of upon

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due enquiry, I am satisfied. I mean that of borrowing money of foreigners to lay out in the purchase of our own commodities. This is borrowing money to no purpose at all; for every government is naturally entitled to whatever articles the state is able to furnish of itself, without purchasing, or paying for them. This is a most pernicious error, as will easily appear to every one, that considers the consequences of it, and as the following case will sufficiently explain.

Here then let us suppose that the produce of England alone, for instance, was equal to all its exigencies; or rather that the annual exports of it were sufficient to support such a number of military forces, as it would have occasion to keep on foot in time of war; but that the government, instead of levying taxes upon the subject to such amount as he had commodities to spare, should borrow ten millions sterling, every year during the war, of some neighbouring state, to lay out in the purchase of these same commodities, the produce of England as abovementioned; imposing only upon the subject a proportionable tax for paying the interest of it. In this case the condition of England, at the expiration of the war, would be exactly as follows. Her circulating cash would, by this means, be increased, in proportion to the money so borrowed; and the price of all her commodities would rise accordingly. But as there would be an annual interest due upon it, for which as well as the principal England would be responsible; there would be also an annual drain of cash again out of the kingdom, unless the interest of it were paid in a proportionable quantity of commodities. And if this be really the case, as it unavoidably must be, as well in time of war as peace; it is evidently impossible for the state to maintain and support the same number of forces, as if no such debt had been

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contracted. But, if the interest of it is paid all in specie, the nation would continue still equally in debt, at the same time that this fluctuating condition of her circulating cash must greatly perplex the subject, while he received the principal, in lieu of his commodities, with one hand; and subtracted therefrom, by paying annually a certain portion of the very same money, in the way of interest for it, with the other. And yet it is evident that the use of it would yield him no manner of advantage; for all the money he should thus receive of the government, would, in reality, be only so much debt upon himself.

But as our ideas of this term *government*, are so very complex and intricate, that it is almost thought, by many, to be something distinct from the community itself; before I proceed further I must beg leave to observe, that, with respect to the present case, it is no more than a certain number of people appointed by the state, to act as collectors, treasurers, and paymasters of the public monies.

Therefore all monies, borrowed by the government, are, in fact, borrowed by the state, or by those who pay the interest of them. And if so, this clearly brings the matter under consideration to this point; namely, that all monies borrowed, according to the above supposition, are always injurious to the state, in proportion to the interest paid for it: or, to explain this case by a similar one, that they are exactly the same thing, as if an English farmer, for instance, should apply to a Russian or a Hollander for a loan in specie, to the amount of ten thousand pounds sterling; and should continue to keep it in his hands, till he had, in a series of years, paid off the entire principal by way of interest for the use of it; but, when he had so done, should still stand indebted to his creditor, as he necessarily must from the nature of his contract, in

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the same sum of money as he had at first borrowed. Hitherto the farmer abovementioned, we see, is no other way affected by this loan, than as it may have occasioned some unnecessary trouble to him. But now it remains for him either to discharge the principal, or pay the creditor a proper interest for it; of which he can do neither, excepting only with the growth and produce of his own land. And therefore so much less of it will be left, for the supply of his own exigencies and those of the state. The consequence of which is so plain and obvious that I need not point it out.

Before I conclude my remarks upon this part of my subject, I must beg leave to obviate an error that is very current among us; namely, that the increase of our national debt, doth always occasion a proportionable advancement in the price of commodities. This is only true when monies are borrowed of foreign states and laid out in our own, as mentioned above; but in no other case whatsoever. For the truth of the matter is, the quantity of commodities, and that of the circulating cash in every state, do always bear some certain proportion to each other. And therefore each, in its turn, will invariably sink or rise in value, in exact proportion to the increase or diminution of it in quantity. To explain this, I must beg leave to put in supposition, what indeed is only barely possible; namely, that all the cash in the kingdom was the sole property, and in the possession of one single person; and that all the land therein likewise, as well as every thing else in general, was as much the property of another: now, in this case, if they were to exchange the whole with each other, at one single bargain, it is very plain that the price of the latter, must be entirely determined by the quantity of the former. The inference is too obvious to require an explanation.

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If, according to the supposition first laid down, a nation should borrow money of one state, and lay it out again, in the purchase of commodities from another, the price of commodities at home can be no way affected by it. But, if the government should borrow a loan of any particular individuals within the state, it is still less probable that a debt so contracted, should affect the price of commodities; nay, it is even impossible it should. For such borrowing and lending is just the same thing, in effect, as if one neighbour should borrow a like sum of another, and there is not even the smallest difference. Because the money, so lent and borrowed, circulates within the state, in all respects as before. However, to lay a tax upon any one particular commodity, will, without doubt, in some measure affect the price of it, although it will make no difference with respect to the whole. For the price of others will necessarily sink, in proportion to the advancement of this, upon which the tax is laid, if there is no increase, in the mean time, of the national stock of cash. All this is indisputably or even mathematically true, as may be easily shewn.

Therefore the daily advancement of the price of commodities, in this kingdom, is entirely owing to this one single cause; namely, the continual increase of our national stock of cash. And it makes no alteration in the case which way it is imported, whether in loans for the use of the government, or only in the common course of trade. Our paper currency, I grant, constitutes no inconsiderable part of it; but, with respect to the point in question, this makes no manner of difference.

While the balance of trade is considerably in our favour, it is quite in vain for us to complain of the perpetual advancement of the price of commodities; for the latter is a natural and invariable consequence of the former. But, although this

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circumstance must give other nations, that bring their commodities to the same market, no small advantage over us, as it puts it in their power to undersell us, than which nothing can be more injurious to trade; yet it is only prejudicial to us in particular cases. For in those markets, where we deal wholly by barter and exchange of commodities, it can be attended with no manner of disadvantage to us, unless the commodities, so received in exchange, were to be sold again in some foreign market, and paid for in specie.

To clear this matter a little better, let us suppose that England and France, for instance, should export each an equal quantity of cloth, and bring it both into the same market, where they receive in exchange for it, an equal quantity of raw silk or any other commodity. Let us again suppose that the cloth, thus exported from England, stood exactly in double the expence of that exported from France, the former in twenty thousand pounds, for instance, and the latter only in ten. Now upon this state of the case, it appears very plain, that, if both parties went together again into another market, in order to convert the raw silk, so received in exchange, into ready cash, it would be impossible for England to afford hers, by one half the money, so cheap as France. But, if instead of this, they should each bring home his commodity for his own immediate use, there would be no loss on either side; because the silk, so brought into England, would sell here proportionably dearer, and that also brought into France proportionably cheaper.

The *real* expence of manufacturing the cloth abovementioned, would be the very same in both countries ultimately, notwithstanding the difference of prices, if we suppose, I mean, that the people fare alike in each, with respect to food and

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raiment. For it is by the consumption of these alone, that the *real expence* of fabricating any goods or commodities, can be rightly ascertained, and not by the price that the work is charged with in specie. Because the value of the latter is always uncertain; being every where high or low in proportion to the quantity of it that circulates in the state.

But this is not the only disadvantage arising from this circumstance. For when commodities bear a higher price in one particular state than other neighbouring ones, such a state, among many other inconveniencies, will always be liable to have goods, the produce or manufacture of other nations, brought in and smuggled upon it, to the great injury and detriment of the fair trader. And no care or vigilance will be sufficient to prevent it. Another disadvantage it will be subject to, is, that many of its gentry, or of such persons therein as are possessed of independent fortunes, will be apt to retire into other countries, where they can live in greater affluence, and indulge their pleasures more; for the same or perhaps less expence. This must naturally prove a great discouragement to industry at home, and no less an injury to trade and commerce, till such time at least, as the annual drain of cash, occasioned by these various means, should bring things again, as it were, to an equilibrium.

To these we might add likewise, the hardships and difficulties or even distress, which those people must be daily reduced to, whose chief or perhaps whole support, depends entirely upon a standing salary paid all in specie. For the real value of money, as hath been already observed, is always regulated by the quantity of it. And therefore, where there is a perpetual influx of it, so as to occasion an increase of the national stock thereof, it must

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must necessarily sink in value. But, in a commercial state which hath the balance of trade considerably in its favour, these and many other inconveniencies of the same nature, which we may properly stile *accidental evils*, will scarcely admit of a remedy.

In the next place, I shall proceed to examine, by what means a nation may contract debt within itself. When a state is pressed, by down-right necessity, to retain a greater number of military forces, than what its own native produce is sufficient to support; and to make up the deficiency, is compelled to borrow a loan of some neighbouring state; the manner and circumstances of contracting a public debt, is, in this case, very plain and obvious. But, that a state should become indebted to itself, seems to involve something of difficulty in it. But this may happen several ways, as shall be explained in the sequel.

In the first place, a nation may contract debts within itself, by anticipating, as is often the case, half a year's or a twelve-month's subsidies, for instance; which sometimes it becomes necessary to do, for the immediate payment of an army raised for the protection of the state, on occasion of a sudden rupture. Because it must unavoidably be some little time, notwithstanding the utmost dispatch possible, before taxes can be levied in the usual form.

But debts, contracted in this manner, by anticipating only a few months supplies, may be discharged and paid off, by continuing the taxes, for a proper time, after the expiration of the war; or rather as soon as the taxes are collected. For, in this case, the state is under no necessity at all of contracting debt for any length of time, on account of the loan here in question; because all governments have a natural and unquestionable right

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to levy taxes upon the subject, whether in pecuniary payments or otherwise, to the full amount of what the state is capable of furnishing. And we cannot rightly suppose, that such a loan could have been furnished by particular individuals, if the national stock of commodities had not been equal to the exigencies of the state. But if it should happen to be really more than what the state could rightly afford to spare; yet the distress, occasioned thereby, would be no less general than if the quantity of commodities or sum of money so borrowed, had been collected from every particular individual, according to his abilities, throughout the whole kingdom. For, in this case, the property of one is the property of all; and every waste or diminution thereof, is no less a public, than private loss. Because the exigencies of the state must be supported by all in proportion to their substance. And if there is any deficiency at last, the whole community and every particular member of it, must on that account become equal sufferers.

For the truth of the matter is, it makes no real difference in fact, whether subsidies are raised by loans, borrowed of some particular individuals within the state, if no more than common interest is paid for them, or levied by a general tax upon it. Because both these methods are, in their effects and consequences, entirely the same, unless we would suppose that those people, who should thus lay out their money to interest, would be apt, on that account, to slacken in their application to business. But this is no more than what, in all probability, they would always have in their power to do, if they were so inclined, even though the government should borrow no money at all. Besides, as lending it only upon the above terms would occasion no extraordinary increase of it, they

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would still continue under the very same necessity of applying themselves to business as before. But this is a point, which must always depend, partly upon every man's own natural disposition, and partly upon the condition of his circumstances.

It is therefore a meer matter of indifference, whether a debt contracted as above is afterwards discharged or not. For, the public, in this case, are supposed to be able to pay the interest of it, without injury to themselves: it being, upon a fair estimate, no more than what their own commodities, which the government had a right to demand for discharging it, may be supposed capable of producing in the common course of trade. And therefore, whatever loans are borrowed under these circumstances, are no burden to the state, as they are widely different from a *national debt* properly so called. But, on the contrary, they rather answer a very useful purpose; that is, to lay a foundation for a national bank, which, within certain bounds, would be desirable in all states. How far this may be the case of England at this time, I cannot take upon me precisely to determine; but I am pretty much inclined to think, that no small portion of our public debt, may be considered in this light.

Another way, whereby *national debts* are sometimes contracted, is, when any thing more is wanted for the service of the state, than a certain portion only of the annual produce of the land. In this case it becomes necessary to give the creditors a proper government security, until the debt so contracted is paid off and discharged. In this view, timber to build shipping with, and several more articles of the same nature, may be considered. But, if we suppose a nation to be so circumstanced, as to be capable of supplying all its proper exigencies, as well in time of war as peace,

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peace, with the surplus of its annual produce only, there would be no longer a necessity of contracting debts as above. For which reason, this is perhaps an unnecessary distinction, as it hardly differs, when properly examined, from the preceding case.

Again, the most common, and by far the most pernicious way, of contracting national debts, is, when monies are borrowed, by the government, at the expence of giving the lender some extraordinary advantage, or what is commonly called a *douceur*. This is just the same thing as if the state, being, on account of some unforeseen contingency or emergency, under absolute necessity of anticipating a certain quantity of supplies, was forced to borrow of some one or more persons, a thousand bushels of corn, for instance; and, by way of premium for delivering it up for present use, should agree and contract with the person so lending it, to stand indebted to him in double the quantity; and to pay interest for it accordingly, until such time as the principal should be discharged. By this means the state becomes indebted to particular persons, for money or commodities, which never even so much as existed. And the plain consequence of such ruinous and pernicious contracts is, that those, who advance loans upon these terms, become thereby a burden to the state. And though they were industrious and useful members of society before perhaps, they are from this time forth exactly in the condition of *state pensioners*, who, for the sake of one meritorious action, if they ever atchieved any such, are always afterwards supported in great pomp and dignity, at the public expence; with this difference only, that the latter, the expence of supporting pensioners I mean, expires generally of itself after one or two lives at most; whereas the former, if

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not paid off and discharged, must continue a debt forever.

Therefore to contract debts upon these terms, is the way to undoe and ruin a nation indeed. But how frequently it is practised among us, and that only out of meer wantonness, is too well known to need a comment. But, if loans can be obtained upon no easier terms; a more powerful argument cannot certainly exist, why we should advance none, but when, by extreme necessity alone, we are compelled to it. And this perhaps would not happen twice in an age, if *certain persons* in office were only vigilant as they ought to be. We have idle hands and pensioners enough already, if I am not very much mistaken. And if so, it is certainly something worse than madness to burden ourselves with more. But, if, according to custom, we lavishly and wantonly indulge this pernicious practice, we shall undoubtedly do so till, in time, we shall be no longer able to support them.

There is one more way of contracting debts, no less ruinous and destructive to the state, than the foregoing one, and is so much the same with it indeed, that this distinction is perhaps altogether unnecessary. That which I mean is, when larger interest is given for a sum of money, than what the profits usually arising therefrom, in the common course of trade, would amount to. This is only another way of giving premiums, and consequently of creating *state pensioners*. In this case the lender receives annually one part in four perhaps, instead of one part in twenty of the principal sum borrowed, by which means he is enabled to live in sloth and idleness, if he is so disposed; although otherwise he would have been under necessity of applying himself to the business of his occu-

occupation. To one or other of these above mentioned, all other possible ways of contracting state debts may be reduced, and therefore I shall pass over them in silence.

Here I must beg leave to recapitulate a few of the principal inferences and deductions, which appear to be the result of the above enquiry. But, for the sake of dispatch and brevity, I shall mention only these four following: namely,

First, that a *national debt* properly so called is always detrimental to a state, in proportion to the annual interest paid for it; but more particularly so, when other states are the creditors.

Secondly, that, contrary to the common received notions of the world concerning this matter, a state is not always in debt, when it pays interest for money borrowed for public uses. For, when loans are advanced within the state, and that, in all respects, upon the same terms with monies borrowed on private occasions, it is not properly contracting a *national debt*, but only forming a *national bank*.

Thirdly, that a state therefore doth not really and truly contract debt, when the loans it borrows are advanced within itself, but only in proportion to the premiums it gives, and the extraordinary interest it pays, for them. And the natural effect and consequence of a debt so contracted, is, to increase the number of idle hands in a nation, and thereby to oppress and burden the industrious.

Fourthly and lastly, that every state, paying interest for money to foreigners, is always, at least, in that proportion in debt; and consequently, in the same degree, less powerful than it is naturally capable of being. For every state or nation, paying interest as above, is thereby proportionably drained of its commodities; so that in time of war, when

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when the exigencies of it are greater than ordinary, it will be impossible for it to support, only with its own produce, the same number of military forces as it might otherwise do, if no such debt were in being.

Before I dismiss this subject, I must beg leave to make one general remark upon the nature and common effects of trade, which all states, and England in particular, would, in my humble opinion, do well to consider; namely, that where ever the balance of trade is in favour of any nation, it occasions always a proportionable increase of such commodities therein, as are, in their own nature, durable and lasting; but more especially of gold and silver, together with many more of the like qualities. The reason of which is plainly this, that all commodities necessary for the support of life, although in a manner the only valuable and useful ones, are naturally perishable and subject to decay, and therefore of no real worth to keep; whereas the former, at the same time that they are, in some degree, useful, are both durable and ornamental. But though, in reality, they were no way serviceable to mankind; yet there are many other advantages, infinitely more valuable and important, to be derived from an extensive trade. But what I chiefly intended, by making this remark, is, that if our only acquisition, in time of peace, from a balance of trade in our favour, consists in the increase of our national stock of these, and the like kind of commodities; it would be a point of seasonable prudence and well-judged policy in us, to pay off, with all convenient speed, at least so much of our national debt, as we owe, and stand charged with, to foreigners. For this would enable us, upon any future occasion, to bring into the field a

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a more powerful and numerous army, in proportion to the annual subsidies we now pay to other states. For it is in that light, that the interest of money, which is paid to them, must all be considered. And the whole surplus of the annual produce of the state, or that portion of it which now serves only to increase our national stock of cash, should be entirely applied to this purpose, as it would be no injury to the subject, at the same time that it would be of the utmost public utility and advantage.

Hence we may easily trace the common grievance, of being overburdened with taxes, to its original and true source. The subject cannot be overburdened with taxes, so long as he hath plenty of such articles, as are requisite for his support and maintenance, and pays no more for public uses, than his superfluities only amount to. But when larger demands are made upon him, than he can afford to spare, over and above his own necessary consumption; then misery and oppression begins, with all the deplorable wretchedness of poverty.

This is directly the case of France at this time. Their standing armies, and the continual subsidies they pay to foreign states, which are just one and the same thing ultimately, are such an enormous and oppressive burden to them, that they are scarcely able to support it. The number of people employed there, in the necessary occupations of life, partly on account of their religious houses, those common sanctuaries of *idleness* and *debauchery*, which rob the public of so many useful hands; and partly on account of the standing armies abovementioned: the number of their peasants and handicraftsmen, I say, is, by these several means, so immensely reduced, that they are not able,

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able, without the utmost difficulty, to supply the exigencies of the state. But as their military forces are so numerous and powerful, that they are never at a loss to levy such taxes and contributions upon the public, if any where to be found; as shall be adequate for the support of those in office; while the poor peasant after all his toil, is left to drudge on and starve. Hence their love of arms, — only to avoid more intolerable misery and wretchedness.

The various and excentric schemes, which have been offered to the world, from time to time, for the payment of our public debt, are all nothing more than the whimsies and chimera's of idle brains and warm imaginations. There is only one reasonable and effectual method for accomplishing this, that I know of; I mean the extension of trade and commerce; and a proper economy with respect to the revenues and public monies.

States and communities have been frequently compared to private families, and with great propriety too; for the parallel holds good in every particular circumstance. A private family is a community in miniature. Industry and frugality are equally the source of wealth in both. And the ways of paying off and discharging private and public debts are entirely the same.

The whole kingdom therefore may be considered as one regular farm or estate, the property of one single person; and our public debt, as so much mortgage upon it. The method, which a prudent man would pursue, for paying off such mortgage and to clear his estate, is, to regulate his family in the best manner, to see that they all did their duty in their respective stations, suffering none to be idle, to cultivate every corner of

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his estate so as to make the most of it, and to carry as much of the produce of it as he could afford to spare, to the best markets, in order to discharge the fore-mentioned mortgage with it. In this case we might expect to see that land bearing corn and pasture, which was a desert and a wilderness before, and the whole country, as far as his estate extended, wearing the face of a fruitful and well-cultivated garden. For it is with the produce of his estate only, that he must discharge the mortgage upon it; and therefore the more of it he should have to spare, the sooner his debts would be paid off.

The reader will be apt to think, perhaps, that I say this with an eye, more particularly, to the present condition of our American colonies. I should be very glad, I own, to see all due care taken for the improvement of them, and proper encouragement given to foreigners, especially protestants, to come and settle there; but what I would chiefly recommend is, a proper regard and attention to the neglected state of our own country. A foreigner, who had only heard of our improvements, and the progress we have made in the fine arts, would be surpris'd, I believe, were he to come amongst us, to see so many waste and uncultivated lands, especially, in the heart of the kingdom, and even round about our metropolis. It is, methinks, a disgrace to our country, or rather to the people that live in it, that these and many more in England, should be suffered to remain in their present neglected condition. And nothing can be more pernicious and destructive policy, than to plant colonies at the expence of those hands which are so hugely wanted at home, not only for these, but also for numberless other purposes equally necessary and important.

I shall close my remarks upon this subject with observing, in the last place, that all idle hands, of whatever denomination, are as much a burden to the public as so many *state pensioners*, or a standing army. For which reason it imports us highly, to see, at least, that all those among us, who have no visible means of livelihood, and are able to work, should be employed, every one in some useful and necessary occupation. Because it is only by this means, and no other, that we shall be able to discharge and pay off our public debt.

To these remarks and strictures, I have also a few more to add, upon the present modes of taxation, and collecting the revenues in this kingdom. The numberless inconveniencies and difficulties occasioned by those now in use among us, would require, at least, a large volume in folio, to point out and expose them all. It would therefore be in vain to attempt a particular examination of them, in a work intended only for a cursory essay upon the subject. Besides, the more common grievances arising therefrom are in general so well known, that it is quite needless to mention them.

Now, in order to set this subject in the clearest and most conspicuous point of view, it will be proper to reduce it wholly to its original simplicity. For this purpose I must desire the reader to command his ideas to follow me the space of seven or eight centuries back, and to consider himself in the age of William the Conqueror, when all the lands in the kingdom were given away to that prince's favourites, and the chief officers in his army. Here I do not intend to take notice of the several kinds of tenures which ensued upon that distribution of the lands, but only to point that method of paying both rents and taxes, which
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is most agreeable to the nature of our present contracts, upon the supposition that the use of money had not been known in that age.

At that period, the people of this whole kingdom may be considered as consisting only of two distinct classes or denominations: that is, the rich and the poor, or the landed gentleman and the peasant. In this situation of things, if the landed gentlemen had adopted such tenures in letting their farms, as would have been most agreeable and consistent with the nature of modern contracts, the conditions thereof would have stood as follows: The rent of each farm would always have consisted of a certain portion of the fruit or produce of it; and, in general, those would have been taken for tenants, who would have engaged to pay, or rather bring to the landlord, in lieu of payment, the largest quantity of such fruit or produce. These the landlord himself would have been under necessity of converting, by barter and exchange, into such commodities or articles as would have been more immediately requisite for his own use, something in the manner of those who now receive tythes in kind.

But as the wants of nature are nearly the same in all men, those possessed of the richest and most extensive manors, would have required no more than other people for their own proper use and consumption. Therefore, as the commodities, paid them by their tenants in lieu of rents, would have been all of a perishable nature, they would have kept such number of men, in different employments, about them, as would have occasioned a consumption equal to the quantity of commodities so brought in to them. But because the far greater part of these would have been for little more than parade and pageantry, they would have
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been always the first sent out, upon all occasions, to fight the battles of the state; but not under their respective lords as their chieftains, according to the custom of former times, for they would have been no vassals, but in all respects upon the footing of our modern soldiery. And, in this case, the mode of taxation would have been, to levy upon all proprietors of lands throughout the kingdom, in proportion to their respective estates, a certain quantity of the commodities paid them, as above, in lieu of rent.

But their tenants would not have been at all affected by these taxes, unless when the state were reduced to such great extremities, that both the soldiery and peasants would have been equal sufferers, for want of sufficient quantity of provisions to support them. The reason of which is plain; the conditions of holding their farms would have been such, that they would have had little or nothing more to spare than just only their yearly rents. And therefore their landlords must necessarily have charged themselves with the payment of all taxes raised for the service of the state. Whenever therefore the public exigencies should have required it, they would have been obliged to lessen the number of their pages and retinue, and also to yield up a proportionable quantity of provisions, for the support and maintenance of those they had so parted with, while employed in the service of their country. And, in proportion as these exigencies should have encreased, and have grown more pressing and urgent, those of smaller fortune and narrow circumstances, would have been reduced thereby to the necessity, either of applying themselves to the business of some necessary occupation, such as cultivating their own estates, for instance, or of serving in their own
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proper persons in the wars. And those also of larger and more extensive property would have been under equal necessity of retrenching their expences, in the same proportion.

And this will appear very evident, if we only consider that every quantity of land, in proportion to its natural fertility and extent, will always furnish a certain quantity of commodities, over and above what is necessary for the support and maintenance of such number of hands as it requires to cultivate it; and also that all manner of taxes must necessarily arise from this surplus, which otherwise, of common right, belongs to the owner of the land.

And therefore in proportion as the exigencies of the state would have been more urgent and pressing, the less would have remained of this surplus for the use of the landlord himself, as hath been observed above. But, in time of peace, when the national expences would have lessened, the advantage would always have been the landlord's, as is the case with respect to the land-tax at present.

It is upon these very conditions that lands are lett with us at this day; only with this difference, that the rents are now paid in specie, and not, as above, in a certain portion of the produce of the ground. For, if the tenant contracts and binds himself to pay any share of the taxes, his rent must necessarily be less in proportion. Because it is impossible for the tenant to pay more for his farm, than the total surplus of the produce of it. But, in the case here supposed, the difficulty would have been less than at present, to find out and fix the real value of estates. For, if the tenant should have been obliged to borrow any quantity of commodities of his neighbours, to make up the defi-

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deficiency of his own; or to deny himself a competence of the necessaries of life, his farm, in this case, would visibly have been too dear; because, upon these terms, it would have been impossible for him to live upon it and make good his contract. This matter is exactly so at this time; only the present more complicated method of trafficking hath rendered it somewhat more difficult to ascertain the true value of land.

From what hath been said above, it appears very plain, that, if the use of money had not been known to us, the owners and proprietors of lands would have been the only persons more immediately chargeable with taxes; and therefore ought to be so now, as it would afford not only the readiest and most easy, but also the most equal and impartial method of collecting them. It is evidently the same thing ultimately, whether the revenues are collected from ten thousand articles or from one; provided the sum collected, in either case, be the same. And it is impossible it should make any difference, with regard to those who stand charged therewith, whether they pay their respective portions of them one way or another. For, supposing that every man throughout the kingdom, paid fifty or sixty shillings, for instance, out of his hire, for the service of the state; it would be intirely the very same thing to him, whether he paid that whole sum together, by way of *capitation*, or in so many half-pence or farthings as it stood charged upon his food and raiment.

Therefore, if all the different kinds of taxes, now charged upon various articles, were reduced to one single species only, it would evidently answer all the purposes intended thereby, as much as if they were continued upon their present footing,

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at the same time that it would render the method of collecting them infinitely more easy and compendious. And the only unexceptionable and effectual way to do this, is, to lay such an additional tax upon the land, as would, in the whole, be equal to all other taxes and duties, now gathered in the kingdom, put together. By this means they would be, as it were, drawn to one single point. For, as the earth is the original and common parent of every species of commodities, whatever taxes are laid upon it, do naturally and by consequence, proportionably affect the produce of it. Because the earth is only valuable on account of the fruit it bears. And therefore a tax of this kind, must necessarily comprehend all manner of articles, which it is possible to lay duties on. The proprietors of lands would pay, in that case, no larger share of the revenues than at present. For, when taxes or duties are laid upon any particular commodities, it must always affect their estates in proportion; but only in the reverse order. In the former case, the produce would be taxed, because the land, the parent of it, was taxed; but, in the latter, the land would be equally affected, on account of its affinity and connection with its own produce.

It is well known that all error, as well in theory as practice, are endless; and that nothing is so apt to lead people into it, as the want of keeping the first principles always in view, whereupon that art or science is founded. This observation is, methinks, abundantly verified in the case before us. For what else could have induced people, to adopt not only the most tedious and complicated, but also the most ineffectual and imperfect modes of taxation they could possibly have invented, in preference to that plain and obvious one, which

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the very nature of the thing itself pointed out and suggested to them!

The grievances occasioned by those, now generally in use among us, may be chiefly reduced to these four following: First, the inequality of our taxes; secondly, the difficulty of collecting them, and the great detriment to trade, on account of the vast number of people employed in that business; thirdly, the frequent frauds and impositions now daily practised, by the concealment of goods chargeable with duty; and fourthly, the violation and infringement of our constitutional liberty. To these several more might be added, although perhaps not quite so considerable; but I shall not enter into particulars; for that, *as hath been already observed*, would be almost endless.

Now, to remove not only these, but likewise all other possible inconveniencies, the *mode* here proposed would be altogether effectual. Several others there are, perhaps, whereby some few of them might be obviated; but there is none, at least that I know of, which will comprehend them all, excepting this only. Every tax or duty, not including all those articles that are any way made use of for the service of man, will always be, in some degree, partial and unequal; either because no particular commodity is alike the produce of every soil and country, or because the use of those charged with duty, will be quite laid aside by different people; while others, not so heavily taxed, or perhaps not taxed at all, may be any where found out to answer the same purpose. But, as I have already observed, to tax the land, is, by necessary and immediate consequence, to tax the whole produce of it; and therefore, in this case, it is impossible for any article or commodity whatsoever to escape being charged.

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Nor can a tax of this kind be liable to any material inequality; for the real value of land may be easily ascertained to as great nicety and exactness, as can reasonably be desired or wished for in matters of this nature.

And as to fraud and imposition, in this there can be none at all; much less would it tend to violate the liberty of the subject. But above all, the acquisition obtained thereby, with respect to trade, would be almost incredible. For all that body of people now idly and unprofitably employed with us in collecting the revenues, would be a most prodigious and important addition to our manufactories, which must naturally extend and increase our trade in proportion. And there would be also a vast and immense saving to the state, of the salaries now paid them for their support and maintenance. In time of war likewise, when the strength and power of states are, more particularly, put to the trial, they would be no less considerable and important an addition to military forces. In a word, the advantages we would derive from the *mode of taxation* here proposed, are as numerous and great, as the grievances occasioned by those now made use of are injurious and oppressive.

I expect, however, it will be objected to it, that the necessaries of life will, by this means, be equally charged with those commodities and articles which we now tax under the notion of *luxuries*. For, in this case, it would be impossible to make distinction. What the world would have us understand by this term, *luxuries*, is hard to tell; for, I believe, the common received notions of it are very obscure and indeterminate.

How rightly we judge of the true nature and quality of *luxuries*, may be easily gathered from

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the following instances; the duties laid upon plate and coaches, I mean. For both these were taxed under the notion of *luxuries*, I believe, and are still considered in that light, although, in my humble opinion, with no sort of reason. For, as touching the article of coaches, to take no notice of their use and convenience upon particular occasions, they are, in fact, the most frugal and thrifty method of travelling. Because, by this means, a set of horses are rendered capable of conveying even more than double the burden, which it would have been otherwise possible for them to carry. And this is very evident from the use of these vehicles, now so universally set up for public convenience, upon all the most frequented roads throughout England. To do by a less number what usually required more, and thereby to reduce the expences of any thing, is the highest and chief excellence of all mechanic improvements: and therefore to rank things which have this tendency in the class of *luxuries*, is a very gross and palpable mistake. And as to the article of *plate*, I have only to say, that I heartily wish there was not one poor family in the whole kingdom without it; not because they would be so much the richer upon that account; but because it would be certainly, in the end, by far the cheapest kind of furniture for them. What is it then but a downright paradox to give these articles the appellation of *luxuries*, when they have not one quality to constitute them such! for surely they are never the more *luxuries* in themselves, because they are almost peculiar to men of fortune. But, if we lay duties on them only for that reason, it is evidently the same thing, to tax any other part of their property.

Before I proceed, I must beg leave to add one general remark, concerning the cause and nature of

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of *luxuries* in general. What I would chiefly observe is, that the fertility of the soil is the real and true cause of *luxuries* in all countries. In the cold and barren regions of the North, in Iceland, Lapland, or Siberia, for instance, the people are hardly able, with all their toil and industry, to procure even the bare necessaries of life in the coarsest and most homely manner; or they can, at most, do very little more. And therefore, in these unkind regions, where the soil is so extremely barren and unfruitful, they have no time at all on their hands, which they can afford to spend in *stolt and idleness, in doing things not absolutely wanted, or in ornamenting and decorating those that are so.* For these are all the *luxuries* in the world that I know of; and the above definition of that term is the best that I can give.

But in those countries, which lie in milder and more gentle climates, such as England in particular, where the soil is naturally rich and fertile, one third of the people perhaps, or some such proportion, is full sufficient to provide sustenance and all the necessaries of life, if used, I mean, in the utmost simplicity they are capable of, for the support of the whole nation. Therefore the residue of the people, living in such countries, besides those employed in the execution of civil and religious offices, have time to apply themselves, some to the curious and polite embellishments of art, to give their work an air of elegance; and some, as their several inclinations shall lead them most, to a variety of philosophical researches for the use and benefit of mankind. But though it is entirely owing to the fertility of the soil they live in, that people have any time at all to bestow upon any thing besides those occupations only which

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are more immediately requisite for the support of life; yet that they have more or less of it, is also partly owing to the diligence and industry of those to whose lot such occupations fall.

In these countries, therefore, it is impossible to suppress *luxuries* altogether by the imposition of taxes, unless the state is so much in debt to foreigners, as to reduce every man to the necessity of applying himself to some trade or occupation, in order to pay the interest of it. But this is only removing the scene of *luxury* from one country into another. For wherever people are *idle*, there they are proportionably *luxurious*. And idleness is the common consequence of being fed at the expence of other men's labour. Besides, if we lay taxes upon any particular kind of *luxuries*, whether with a view to suppress them or not, people are not so barren of invention, but they will always be able to find out new ones, and that almost *ad infinitum*, in order to elude paying duties for those that are taxed. But to tax *luxuries* in proportion only as they are such, would be almost, if not wholly, impossible. For, to do that, there must be a distinction made, how far any thing is really and properly *luxurious* or superfluous. Because there are very few things, indeed, that are truly so in themselves, although most things are in some degree made so, by the extraordinary labour bestowed on them.

Foreign commodities, in general, are deemed *luxuries*, I believe, by many; but for what reason I cannot tell. For my part, indeed, I am really of opinion, I own, that all the fruit of the earth, where ever found growing, no matter whether in our own nation or in others, are every one of them called forth into being for some useful purpose, although we are often at a loss to
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find out those for which they were chiefly designed by Providence. We are not, however, altogether unacquainted with the use of such commodities as are now commonly brought over from beyond sea; and it would be very unreasonable to suppose, that we shall ever make it our business to import any but those only which shall be found some way or other serviceable. Besides, it is a matter of the utmost consequence to a nation, situated like ours, to have always great numbers occupied at sea, that it may not want sailors in time of war, even although the people so employed were, at other times, of little or no service to their country. For certainly, of all the advantages we derive from our trade and commerce with foreign parts, there is none so considerable and important as our acquisition of sailors and shipping. Foreign commodities, especially medicinal ones, are, no doubt, something more than convenient; but a naval force, in these latter ages, when all maritime powers have the same, is even something more than necessary.

Therefore, as our seafaring men, and those occupied in trading to foreign parts, are, of all others, the most useful to us in time of war, foreign commodities, when considered in this point of view, as furnishing these with employment, I mean, are attended even with more advantageous circumstances to the state, than those of our own proper growth or manufacture. And, therefore, whatever goods are brought into our ports and harbours, in exchange for others of our own sent abroad, and that only in English bottoms, should be subjected to no particular duties or imposts. For they should be now considered exactly in the same light, as if they were really and truly the produce of England; that being originally
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such, indeed, which was given in exchange for them.

Now if all commodities the growth and produce of England, must necessarily, and by consequence, pay taxes, when the land, the common parent of it, is charged; to subject those articles to the payment of duty and impost, which are brought in from abroad, in exchange for them, is nothing else, in fact, but to tax the same thing twice over. But, to set this matter in a clearer and more conspicuous point of view; let us suppose that an English farmer, for instance, having paid first all the usual demands of the government, should, upon the account of a great glut in our own markets, export, for the use of foreigners, such a quantity of corn as he had to spare, and should bring home again the value of it in some other commodity, which, in our ports, was subject to the payment of duty and impost: now, upon this state of the case, I ask any man if this is not entirely the same thing as to levy two different taxes, at so many different times, upon the same commodity? This, indeed, is even clear to demonstration. And if so, it is surely the height of madness to multiply taxes to no end or purpose. For none at all it can answer, that I know of, unless it be to puzzle and involve things in unnecessary obscurity. And of this the successive duties laid upon windows, are certainly a most *curious* and remarkable instance.

But if we bring any useless superfluities from abroad, or any thing esteemed unsalutary to English constitutions; or if we are over-fond of purchasing foreign manufactures, to the prejudice of our own trade; the best and only effectual means to restrain and remedy these and the like evils, is to prohibit, by law, at once the use and importation

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tation of all such foreign commodities as are so deemed injurious to us. For to think that the same end will be equally answered by the imposition of heavy duties upon them, is meer folly; because that hath no other tendency, as we know very well from experience, but only to encourage smuggling and clandestine trade.

But admitting that there really were some certain *luxuries* peculiar to men of fortune, for checking and suppressing of which, the imposition of heavy taxes were, of all others, the most proper remedy; let us see if the same purpose cannot be equally answered by the *mode* of taxation here proposed, with any of those now generally made use of. It is commonly held, I believe, that *luxuries* do always bear some, although perhaps uncertain, proportion to people's estates and fortunes. And if so, they are as easily suppressed by this *mode* as any other. But then I should be glad to know where these luxuries begin, that we may give entirely for the use and service of the government, all that may be justly deemed so. Now if we would suppose, that a person possessed of just five hundred pounds a year, for instance, had a full and sufficient competence for the support of both himself and family; but that all he had exceeding that sum was entirely a superfluity; it is no kind of difficulty to tax him in such proportion, as to take off his hands that whole surplus, without having recourse to the imposition of particular duties.

By this means we might easily reduce every man throughout England, whose income, I mean, amounts to five hundred pounds, or upwards, to one certain standard. This, I hope, would make us a happy people indeed: nay farther, we might even bring them down lower, if we should think
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proper, and fix the standard at two hundred pounds only. For this would reduce us still somewhat nearer to an equality, and would abolish all outward distinction pretty effectually. But if we would chuse to pursue these steps as far as they will bear, we might, with equal ease and facility, turn all our nobility and gentry out of the parlour into the kitchen, obliging them to do all the necessary offices of cooks and larders in their own families at least. A scheme of this kind would have been very agreeable to the genius and principles of the famous *levellers* in Oliver Cromwell's army; but I do not think it at all consistent, I own, with any form or species of civil government that ever was in the world, from the beginning of it to this day. But then, if our gentry must all turn cooks and larders, I should be glad to know how we are to dispose of that order of people, which now exercise those occupations with us. Our highways in general, I believe, are plentifully crowded already; and if so, it would be meer madness to advance more to that *honourable post*, at least, till there are proper vacancies.

But let us examine what effects such unequal taxes are likely to produce, with respect to trade and commerce; or how far they are a check or encouragement to industry. And this we may easily learn, if we only consider in what manner those, whom they are charged upon, are affected. To set that point, therefore, in a clear light, let us suppose that a labouring man, for instance, who, by pure dint of industry, earned twelve-pence a day, was obliged to pay two-pence out of it for public uses; but that another, who, by a more moderate application, did earn only eleven-pence, was to pay no more than half what the former was charged with; the remainder of their wages

would then be exactly the same to both. For, in this case, each of them would still have ten-pence entire to himself. But, if this is going somewhat farther than is really intended, by those who are advocates for this unequal method of laying on taxes; let us vary the case a little, and make such abatements therein, as they themselves, I presume, would have us.

To do this, we need only admit the case as above stated in all its circumstances, excepting that the person here supposed to earn twelve-pence a day, is to pay but three-half-pence out of it, instead of two-pence. This will leave him in possession of one half-penny more than the other, by way of recompence to him, for his superior industry. In one or other of these two cases, must necessarily be included the meaning of those, if any meaning at all they have, who say that a man possessed of two thousand pounds a year, should pay more than double the taxes that are charged upon another man, who hath only one thousand.

Now, according to this unequal and partial scheme, the former, although possessed of two thousand pounds income, could only afford to live, on account of the extraordinary taxes charged upon him, after the rate of fifteen hundred, or in some such proportion; while the latter could afford, not only to appear in a manner suitable to his supposed fortune, but even to support a still higher rank; because it would not be necessary for him, in the present case, to pay quite so much for public uses, as his own proper share of the taxes would have amounted to, if all estates in general were equally charged. But this is only taking the weights out of one scale, to put them into the other. It would be no kind of relief to

the public in general; because in proportion as the former is reduced, the latter is advanced. Besides, it is impossible it could any way affect the quantity of commodities in the nation. And it is by that alone, and by nothing else, that the quantity of subsidies raised within the state, must always be regulated.

To tax every man's estate, in a threefold proportion, whenever he hath the good luck, by his care and diligence, to double his fortune, is certainly by no means the way to encourage industry; but the very reverse of it indeed. For, in truth, it is nothing less than to take off the burden from the indolent and slothful, and to fix it upon the shoulders of the industrious, as it were on purpose to suppress his assiduity. It even robs him of that encouragement which every man is naturally entitled to, the fruit of his own labour. In a word, a scheme of this sort would be the most fatal and pernicious to trade, of any in the whole world, as it evidently tends to strike an universal damp upon the spirit of industry.

Some people there are, however, who are mighty advocates for it, and seem to be very fully persuaded that the richer and more opulent among us, are accordingly taxed something higher, even as matters are at present, than in proportion to the extent and value of their estates. But this, admitting it was really politic, is not true in fact, I am very much inclined to think, as would easily appear to us upon the shortest enquiry. Here it should be considered, in order to clear this point, that, if any certain tokens there are, whereby the true value of every man's estate may be known, to lay a duty upon the things constituting such tokens, which only keeps equal pace with the occasional increase or diminution thereof, is entirely
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the very same thing ultimately, with laying a general and equable tax upon the land. Thus, if *coaches* or *plate*, for instance, should always keep pace in number and quantity, as in common estimates they are supposed to do, with the occasional increase or diminution of men's property or estates, the taxes or duties laid upon them, if they only keep pace with every such occasional increase or diminution, differ, in no respect, from a general and equable land tax, as hath been observed above. And it is exactly in this proportion, that all manner of articles, at least that I know of, upon which duties are laid with us, are taxed at present. The duty upon windows, perhaps, looks something like an exception to this, although it must be confessed, indeed, that all tokens of this kind are a very uncertain method of judging of the extent of any man's estate or property. For which reason they are entirely to be rejected, since whatever taxes are founded upon them, will always be, in some degree, unequal.

But, after all, if *luxuries*, or what the world are pleased to call so, must be taxed, I desire that those of the very worst kind of them may not be forgotten, I mean *Idleness* and *Debauchery*. For these are the only *luxuries* that I know of, which are injurious to society. The reader hath not forgotten, I presume, the definition I have given of this term, in my first general remark upon it, namely, that it consists either in *idleness* and *sloth*, in *doing* or *fabricating things not absolutely wanted*, such as pictures, statues, and sculptures, for instance; or lastly, in *decorating* and *ornamenting things* that are, in themselves, *useful* and *necessary*. As to the first of these, I need not say any more of it; and as to the second, I shall only observe at present, that I heartily wish England was as

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much distinguished for productions of this kind, as either ancient Greece, or modern Italy. But, as to the last of them, I mean the curious elegancies and embellishments of art, besides the tendency they have to improve and polish the mind, they must certainly be allowed to serve, at least, one useful and laudable purpose, that is, to furnish artificers and mechanics with a means of livelihood. And not only so, but constant employment in business is often the best guard to virtue, as it serves to keep people, at least, from doing harm, even though they should do no very material good.

We might, no doubt, content ourselves with the utmost plainness and simplicity in every article that we have occasion for, and live at the same time full as happy; but if, on the contrary, we should indulge the utmost profusion of elegance therein, which the art of man can produce, I protest I can discover no manner of harm in it. Besides, for my own part, I had much rather see our streets crowded every where, with people habited in the most finished and courtly elegance, than with so many meer *Hottentots*. And though *luxuries* of this kind must occasion no little waste of our time, by reason that the execution of workmanship is necessarily rendered thereby much more tedious; yet, in my humble opinion, it would frequently be spent to much worse purposes, than even in making those ornaments and decorations, however seemingly insignificant, which have little or no other tendency than just to please the eye. Indeed, should we chuse to distinguish ourselves by this kind of *frugality*, it is very possible we might, by degrees, adopt, in a great many things, the customs and fashions of the rudest and most uncivilized tribe of Indians in America. I shall only
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add farther upon this head, that to think of taxing *luxuries* for the relief of the poor, is nothing but rank folly or gross ignorance. For it is by manufacturing and fabricating these very *luxuries*, that the poor themselves must live. For people are only poor, when they can have no employment, wherewith to earn their bread.

Some of those *coxcomb* gentry among us, who know no other way of distinguishing themselves, but by the excessive costliness of their food and raiment, will be apt to object farther perhaps, that if, according to this proposed scheme, our taxes were laid all upon the land, it would occasion a general equality in the price of commodities, and thereby rob them of that *distinction* and *eminence*, for which they so *justly* value themselves at present. This, however, would by no means be the case; if it really was, I have so much *esteem* and *regard* for these *worthies*, they may take my word for it, that I would not, for the world, have proposed or encouraged any scheme, however otherwise useful and important, which had even the least tendency to disoblige them. The price of commodities will always be as different as their qualities; for in proportion as things are better or more valuable in themselves, they will naturally bear a higher price. The mode of taxation will make no kind of difference in this case. Besides, those commodities which are brought from Canton in China, for instance, or any where from foreign parts, will always be sold for more in England, on account of the hazard and expence of fetching them, than those which are the proper growth and produce of it. And again, the more highly any thing is polished, or curiously ornamented, the more costly and expensive it will be in proportion. So that I can see nothing at all in this objection.

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So sensible I am of the difficulty to convince the world of the expediency or usefulness of any scheme, however, in itself, advantageous or convenient, if it hath but the least tendency to put them out of that way which they had been always used to; that I look upon my own private amusement, as the only end which my writing upon this subject is likely to answer. Some silly writers there are, I know, whose folly and vanity are so unbounded, as to believe they can draw the whole world, or, at least, a great part of it, into their own way of thinking; but the reader may assure himself, that I shall experience no manner of disappointment upon that account. However, that my work may appear somewhat more perfect, I must beg leave to add a few things more, concerning the difficulties of putting the scheme here proposed in practice.

I am very well apprised of the objections that are commonly made, to the making of new estimates of the value of land. When they are considered in a national view, I do not think them, I own, to be of any weight or consequence. But, admitting that they really were, the present case has nothing at all to do with them. For I would have no manner of alteration to be made, with respect to so much of our taxes, as are properly charged upon the *land* at present. This would entirely remove the sole ground of these objections. For it is only suggested that some particular individuals would be injured by it, if the present land-tax was equally charged upon all estates throughout the whole kingdom, according to a new valuation. But if no alteration should be made in this particular, there could be no room for grievances of that kind. It is, however, hard to tell, in my humble opinion, why one man should pay only a
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tenth part of his rents, or less perhaps, for public services; while another, and often his next neighbour, was obliged to pay more than the double. If there is any man in the world, who can shew me the reasonableness and equity of this measure, by fair and solid arguments, I will freely own him to be full as skilful and expert a casuist, as the famous *Ralpho* in *Hudibras*. But, to cut off all occasion for complaint, I would have these to be entirely continued upon their present footing.

I have observed all along, that the land alone should be chargeable with taxes; and therefore in making a new estimate of the value of it, houses should be entirely omitted. The reasons for this, I need not repeat in this place. The only material difficulty that I can perceive, in transferring our taxes all to the land, from the various articles upon which they are now payable, and consequently of putting this scheme in practice, consists wholly in adjusting the price of commodities. For, in proportion as the taxes should increase upon the land, the price of the fruit and produce of it should increase likewise. This would leave both the landlord and tenant exactly upon the same footing as at present, and would occasion no manner of loss or disadvantage to either. But the tenant, or the occupier of the land alone, should, in this case, be charged with the taxes, at least, till they were all finally transferred to it: because it is he who should have the commodity to sell, that must advance in the price of it. As to hire and wages in general, this would occasion no sort of difference; for in proportion as the price of one article should rise, that of another would sink, and the whole taken together would still continue in a kind of *equilibrium*.

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This, the reader will say, perhaps, sounds very well in theory; but how is it possible to reduce it all into practice? That, I agree, is very difficult indeed, although I cannot think it altogether impossible. So considerable an alteration can only be effected by almost insensible degrees, and with the utmost caution. But as I am convinced it will never be attempted, it is to no purpose at all for me to add any thing more upon it. However, it would look something unkind in me, if I took no notice of the distress which those people would be reduced to, who are now employed with us in collecting the revenues. I have only to say, touching that particular, that they ought not certainly to be dismissed from their office, without making some suitable provision for them, during the remainder of their lives. But that point might be easily settled.

Before I conclude, gentle Reader, I have one request, and an important one, to ask of thee, that is, not to *condemn* these Remarks, till thou art able to *confute* them; but that, I suppose, will be thought a little *unreasonable*. It may therefore be full as well for me, I believe, to withdraw my petition. Besides, I am sometimes a reader *myself*, and know very well from *experience*, and my own *sense* of things, how hard it is for one to exercise so much self-denial. For I love always to be thought *wiser* than my author, even though I should happen to know *nothing* at all of the matter. And that I take to be the case of most other readers.

F I N I S.

E R R A T A.

PAGE 9. line 30. for *wards*, read *wars*.
P. 33. l. 21. between the words *to* and *military*,
insert *our*.

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