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THE  
S T A T E  
OF THE  
N A T I O N,  
WITH A  
PRELIMINARY DEFENCE  
OF THE  
B U D G E T.

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The SECOND EDITION.

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P A R T I.  
 T H E  
 D E F E N C E  
 O F T H E  
 B U D G E T.

THERE has lately been published a pamphlet, entitled, *Remarks on the Budget, &c.* Upon the perusal of this work, I immediately discovered the hand of some one conversant in office; an unlucky hand indeed, for I think I never did in my life, meet with so many errors in so small a volume; and therefore I should not have thought it worthy of any attention, if the minister himself had not publicly adopted the principal arguments of that performance: but when he seconds the accusation brought against the author of the Budget, as having misrepresented the state of the nation, with a view to undermine public credit; I fear it stands confessed upon the authority of his own argument, that the fate of public credit is but too much concerned in the decision of this debate. I should not have thought myself entitled to call for the public attention, merely to vindicate the casual performance of a private man; but as a national point of the greatest importance is involved in the debate, to which that has given rise, and as such pains have been taken to deceive the public, and to conceal those evils which if not averted must end in the public ruin, I could not refrain from doing the best that is in my power to state these matters in perfect clearness. I protest, exclusive of measures as connected with men, I think I have no wish for any one minister before another. To whom does it import, except to ministers themselves and their dependents, who shall give out the court kalendar, who shall perform the important functions of voting the land and malt, or what great lord shall pay his servants wages with controllerships, contractorships, and commissariates? But the question whether public credit shall be placed upon a firm basis, or left upon hollow ground, is that upon which every land-holder, stock-holder, and merchant, in the kingdom, has a right to call aloud for satisfaction. Have we struggled so far through the expence of a tedious and exhausting war, and after all, are we to

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be kept in perpetual jeopardy, because an impotent ministry will not make one effort more to secure the whole, but rather leave the ship to be wrecked in sight of harbour.

*Paulatim adnabat terræ, & jam tuta tenebat,  
Ni gens crudelis madida cum veste gravatum,  
Prensantemque uncis manibus capita aspera montis,  
Ferro invassisset, prædamque ignara putasset.*

In the preliminary part of this work, which I have entitled *The Defence of the Budget*, I shall have an opportunity of discussing many points, without which we could not get any footing as to the main object in view, and that in which the public is alone concerned, viz. the true state of the nation with regard to its annual income, expenditure, and unfunded debt; but before I enter into the detail of the argument, I will make one previous remark; which is, that the sum total of the evidence brought against the Budget, amounts only to this,—That the remarker, in his estimate of the sinking fund, has made use of the same public papers that are used in the Budget, and has brought out a different conclusion.—But what does this prove? Not the least in the world that the one is right, and the other wrong; for any one may easily imagine that a juggler in estimates may bring out forty different conclusions from the same papers, which may all pass for sterling upon those who are not conversant in the science. But as it is impossible for more than one conclusion to be the true one, why has not this author laid his finger upon that error in my estimate, which he presumes to have led me wrong, and the avoiding of which, he supposes to have led him right? Why has he not specified the different ways that we have used the same papers, and justified his method in preference to mine? An error there must be on one side or the other, and it is the indispensable task of a writer who comes second in the debate, to demonstrate the errors in the account to which he replies; for after all my estimate still stands unimpeached. What is it to me, that A or B publishes a different estimate of the sinking fund, unless he reproves mine? it is impossible that the Remarker should have omitted to specify the error of my estimate, if he could have found one. Now, as long as I live, I never wish to stand upon fairer ground in argument, than this,—That my opponent, after eight months consideration, should content himself with having-hammered out a different conclusion, without specifying the reasons of difference between him and me, justifying his, or attempting to confute mine.

I now come to state the argument between the Author of the Budget and the Remarker. In the first place, it is allowed on all hands, that the outstanding debt is upwards of 10,000,000, viz.

Navy

( 5 )

Navy annuities	—	—	—	—	—	3,500,000
Navy Debt	—	—	—	—	—	3,926,000
Exchequer bills	—	—	—	—	—	1,800,000
German demands as stated by the minister	—	—	—	—	—	1,000,000
						<u>10,226,000</u>

The next question is, how are we to pay this debt off? The minister has undertaken this task without laying any new taxes, and has declared that he will accomplish it, by the surplus monies of the sinking fund. This annual surplus is specified in the remarks, as amounting to 1,150,000; in the Budget it is only stated at 220,000.

Here follow the respective accounts.

According to the Budget.			According to the Remarker.		
Land and malt,	2,450,000		Land and malt,	2,450,000	
Sinking fund,	1,270,000		Sinking fund,	1,600,000	
Total ways and means	3,720,000		Total ways and means	4,050,000	
Peace establishment	3,500,000		Peace establishment	2,900,000	
Surplus	—	220,000	Surplus	—	1,150,000

The difference between us therefore lies in two articles; viz. the produce of the Sinking-Fund, and the amount of the peace establishment. As to the produce of the sinking fund, as stated in the Budget, no more can be said, than is said there already: the average of each article is very accurately taken from authentic papers, and no one has, or can, reprove any single article: therefore I shall proceed to demonstrate that the estimate of the Sinking-fund in the Remarks, is false. The Remarker says, that 1,943,000 l. having been its true average produce for the last six years, he must suppose that it will produce as much in every future year, and therefore takes this sum of 1,943,000 l. for the foundation of all his calculations in the following manner,

Average of the Sinking-fund for the last six years,	—	—	1,943,000
From whence deduct,			
For navy annuities	—	—	140,000
Interest of the out-standing debt	—	—	110,000
Deficiencies	—	—	100,000
Total deductions	—	—	<u>350,000</u>
Nett remainder	—	—	1,593,000

( 6 )

This for round numbers is called 1,600,000l. and in truth, for the sake of the public, I wish it were the only error: but I now proceed to shew that this is not within 300,000l. of the truth: to begin with the foundation estimate of 1,943,000l. the Remarker concludes, that the average of the last six years, is argument enough to set down the same for the future, and pledges his reputation on the most careful examination, that none of the funds incorporated since 1758, with the Sinking-fund, can lessen that fund. Now, what is one to think of a year, where there is only 400,000l. additional revenue created, and where the annuity and charges amount to 610,000l. All the new duties created for the service of the year 1762, were as follow.

	Produce	£.
Spirits, by 33 G. 2.	—	299,000
Ditto, by 2 G. 3.	—	60,000
* House duty 2 G. 3.	—	29,000
		<hr/>
		398,000

I allow that there is another duty appropriated for the loan of 1762 (*viz.* Spirit duty 24 G. 2.) but that was in the Sinking-fund before, and therefore is to be set aside, when we speak of the additional revenue annexed to the Sinking-fund. Now I say, what is one to think of a man who pledges his reputation, that no fund incorporated since 1758, can lessen the Sinking-fund, when he has actually had a demonstration in his hands, from the papers presented to the House of Commons, that the whole amount of the new duties appropriated in 1762, fall short of the charges of that year by above 200,000l. and still this is not the only fund that has been incorporated since 1758, to the disadvantage of the Sinking-fund, for there are two more; in short, there have been four funds incorporated, three of which have lessened the Sinking-fund, and the fourth increases it; this last circumstance our author is very careful to take notice of, and informs us that the fund of 1761. adds at least, 26,000l. *per annum*, to the Sinking-fund; I think a man must have his talents under great command, who can poke out an article of

\* The produce of this article is increased in the accounts of the present year, but as the Budget, the Remarks, and this part of the defence, were all written long before those accounts were presented, I have stated this article as it stood between us during the debate, for it is equally an error on the part of the Remarker, as he could not possibly know the thing before it existed; and the author of the Budget was entitled to correct his estimate, upon a claim laid in last year, in case this article should increase, as it was expected to do, tho' not upon strong grounds enough to insist upon in an estimate. In working up the state of the revenue in the second part, I have taken the highest year's produce of this duty, and still keep my claim open, being a new branch. However, as to the deficiency of the fund for 1762, it is but the difference of about 33,000l. so that I fear this fund will always be deficient near 180,000l. besides what it has impaired the produce of the preceding spirit duties. It is our good fortune, and not the Remarker's, that what was an error of 210,000l. in him, is only a loss of about 180,000l. to the public; and the reason for fixing it upon the Remarker as an error of 210,000l. is, that it was a judgement not given according to the evidence before him.

26,000 l.

( 7 )

26,000l. in one fund, to the advantage of his argument, without any danger of discovering the deficiency of three others, to the amount of 223,000l. Here follows a state of the four funds, incorporated since 1758.

	Amount of the Duties.	Charges.	Excess.	Deficiency.
	£.	£.	£.	£.
1759	223,000	232,000	.....	— 9000
60	330,000	334,000	.....	— 4000
61	522,000	496,000	— 26,000	.....
62	398,000	608,000	.....	210,000
			<hr/>	<hr/>
			26,000	223,000

The decrease therefore upon the whole is 197,000l. This error is the consequence of taking the whole account in a lump, and not giving the average produce of the new duties incorporated since 1758 *lingulatum*, as the author of the Budget has. In short, we have made use of the same authentic papers, but in different ways: there cannot possibly be any objection to mine, but that it is more laborious, and pursues the point with more accuracy, than a juggling finance-master would wish: but if the Remarker (whom to treat in the most candid way I must suppose a prodigy of ignorance) would have given me credit for the necessity of dividing and distributing the account, he would have avoided an error of 197,000l. a year.

I think I have now, upon the strictest demonstration, convicted an error of 197,000l. in the Remarker's estimate of the Sinking-Fund; therefore I shall defalcate that sum.

Remarker's estimate of the Sinking-Fund	£. 1,600,000
To be deducted, on account of an error convicted in his estimate,	197,000

And then it will be reduced to . . . . . 1,403,000

But still this account exceeds that in the Budget by the difference between 1,403,000  
And . . . . . 1,270,000

Which amounts to . . . . . 133,000

And therefore, in the next place, I proceed to point out the occasion of that difference, and to justify the estimate in the Budget. This difference, of 133,000l. takes its rise from this circumstance; that the Remarker has only allowed 110,000l. as the interest of 6,000,000l. of out-standing debt; whereas the author of the Budget has allowed 4l. *per cent* upon the whole sum, amounting to 240,000l. which

( 8 )

which is 130,000l. more than the Remarker's allowance. I think if I can succeed in shewing that the Remarker has understated this article by so much, and consequently that this farther sum ought to be deducted, I shall then have fully proved, that his estimate is erroneous, in as much as it differs from the estimate in the Budget.

The argument relating to this out-standing debt of 6,000,000l. stands thus. In the first place it is contended, that near 1,000,000l. of this debt will hardly ever be demanded, and therefore is to be considered as merely nominal. To this I reply, that the outstanding debt was stated last year by the minister himself at 6,000,000l. and therefore, was taken without further enquiry upon his credit, because there seemed to be no reason for him to magnify the difficulties he had to cope with. However, if following his authority could not put it out of doubt then, we are so much more behind-hand since that time, that the outstanding debt is certainly to be considered as amounting to 6,000,000l. *now*.

Navy debt	— — — — —	£.
Exchequer bills	— — — — —	3,926,000
Residue of German demands, as stated by the minister last year	— — — — —	1,800,000
		1,000,000
		6,726,000

Thus far the outstanding debt amounts to 6,726,000l. besides many other deficiencies that will undoubtedly appear before the end of the session: therefore, I will venture to replace that million, and to compute the outstanding debt as effectively amounting to 6,000,000l. now. But in the second place, it is argued, that great part of this debt consists of non-interest bills, navy bills under six months, and other articles not bearing interest: but I reply to all this very shortly, that it does not signify a straw to my argument, whether any part of it stands at present out at interest or no; for my assertion is this, that whatever the outstanding debt be, it is to be estimated at least as a pressure upon the public, equivalent to the annual interest which would be paid for money to clear it off: and upon this plain reason, that prompt payment is the only true œconomy. If a nation gets the character of being bad pay-masters, it must be with them, as every day's experience, shews to be the case in private life, the tradesman will make his bill accordingly; and he will extort 10 per cent or 20 per cent upon every contract, while the stingy minister is amusing himself with a silly tale of saving four. Why are these things to be palliated, and plaistered, and white-washed? For God's sake let us speak of things as they are. A debt is a debt, and if the minister would but look it in the face like a man, it would be the way to make the lightest of the evil that can be. You cannot lessen, but may increase, the mischief by delay; and this is precisely the present case, for the money might have been taken up two years ago to pay off this debt, upon better terms than at present by 10 per cent; but all the procrastination in

( 9 )

in the world won't make a debt any thing but a debt, nor yet make 6,000,000l. to be less than 6,000,000l; nor 6,000,000l. to be worth less than 240,000l. a year.

See what miserable shifts people are driven to, when they try to make less of a thing than it really is. Is it not a mighty matter to boast of, that part of the navy debt consists of seamen's wages which bear no interest, nor is to be paid till God knows when, perhaps never? No matter what distress falls in the interim upon the poor seaman, let him sell his pay to the broker, or usurer for half price; or if he be killed, let the widow and orphan recover it when they can. The public however saves 4 per cent all this while! now this is a true specimen of modern œconomy; to count the private seaman's distress as the public's gain! I do not speak as to the point of humanity, though I do wonder how a man can be so entirely without bowels, as coolly to cast up whole pages of poor seamen distressed and ruined, for the sake of setting down, Sinking fund debtor to cash 4 per cent! No man loves the sinking fund more than I do, but

By Heav'n I would rather coin my heart  
And drop my blood for drachmas, than to wring  
From the hard hands of seamen, their vile traff.  
By any indirection——

However, to meet these peddling arithmeticians, in their own province of pounds, shillings, and pence—They boast of saving the first half year's interest upon the navy bills, though every bill that comes out is issued at 5 per cent. discount. Now I should be glad to know by what rule in Wingate's arithmetic, they collect this curious piece of œconomy, to pay five pounds down, for the sake of saving 40 shillings. I think to a plain man it must appear, that paying 5l. per cent. per half year, to save 2l. interest, is much the same thing as giving at the rate of 10 per cent. per ann. hush-money, to conceal a debt that might be provided for at four.

I think I have now very fairly proved that the charge is not at all over-rated by setting down 240,000l. for the interest of the outstanding debt, nor indeed should I aggravate beyond the truth, were I to affirm, that, that part of the outstanding debt, which apparently carries no interest at all, does yet behind the curtain in effect press upon the public, at the rate of 10 per cent.

I have now reconciled the Remarker's estimate of the Sinking-Fund with that in the Budget; and I think there can be no fairer method of proceeding in the World. I have taken his own figures, I have pointed out the errors, convicted, and corrected them, and the issue of the whole matter is this, That the Remarker's estimate when corrected is

	— — —	1,273,000
The estimate in the Budget	— — —	1,271,000

So much for the Sinking-Fund

The next article to be examined is the amount of the Peace-Establishment. The Remarker has stated this at 2,900,000l. and says that any one may be convinced of this, who will but examine the supplies of 1764. But if it is to be found

( 10 )

found there, why has he not specified the articles? He might have done it in half a page, for the instruction and conviction of those who do not carry a copy of the supplies in their pockets. In the Budget the *avowed* peace establishment is called 3,500,000l.\* and surely it would be enough to say in justification of that assertion, that I can produce the minister's estimate from his own lips beyond that sum. I here insert it, not as any thing to the real argument, but only to shew how a dextrous hand can dilate or contract an estimate, so as to fit the purpose of the instant hour within a hair's breadth. This estimate was given out during the late war, when the drift of the argument was to aggravate the difficulties, that we should still have to struggle with, whenever peace came, and among others to magnify the expence of the peace establishment. The departure was taken from the year 1753, which amounted to

Navy encreased 6000 men	2,400,000
Army estimates encreased	300,000
Annual encrease of the navy debt	200,000
Deficiencies of land and malt	300,000
Militia	300,000
Foundling hospital	200,000
Ordinary of the navy encreased	100,000
	100,000
	3,900,000

Well: when this estimate had done its duty for the day, it was dismissed, and now another is slipped in upon us in its stead; which affirms, that 2,900,000l. is an ample provision for the peace establishment, and that even this will soon be reduced 2 or 3 hundred thousand pounds. But let us go to the actual state of the establishment, and see what is really the truth.

Navy.		£.
16,000 men	—	832,000
Ordinary of the navy	—	398,000
Plymouth and Greenwich hospital	—	13,000
Building and repairs of ships	—	200,000
Annual encrease of the navy debt	—	200,000
		1,643,000

\* I cannot help observing, that this sum of 3,500,000l. is misquoted in two separate pages of the Remarks, and is set down 3,600,000l. which circumstance, trifling as it is, carries a disingenuous and discreditable air, that the writer cannot be contented with his own errors, which are all on the same side, but the poor printer must be taken in to impute an article to the Budget which is not to be found there.

Before

( 11 )

Before I go any farther, I will remark upon two articles.—In the first place—the ship-building estimate for 1764, was 256,000l. and in 1765, it was 308,000l. but only 200,000l. was voted in each year. Perhaps the minister may call this providing for the peace establishment. I do not. He may reduce that establishment as low as he pleases, upon the principle of leaving things undone, but this must be paid for some day or other, and that dearly too; either in the ruin of the navy, or the future repairs at ten times the expence. However, I have set down only 200,000l.

As to the encrease of the navy debt, which I have set at 200,000l. I can only say that the minister's estimate once upon a time was 300,000l. that the encrease last year was 530,000l. and that upon perusing that account I cannot venture to estimate the permanent annual encrease at less than 200,000l.

We now come to the army.

Army.		£.
Guards, garrisons, and plantations	—	1,019,000
Half-pay	—	135,000
Chelsea	—	109,100
General and staff officers, superannuated men, and widows pensions	—	14,500
Extraordinaries not provided for by parliament, estimated at	—	150,000
		1,427,600

The only article in this account that is at all a matter of uncertainty, is that for extra's. This article for the present year amounts to 404,000l. on account of the late war, and I fear we shall have arrears of this kind, for some time to come: but upon sifting out the permanent articles, and considering the expence that must arise, to put North-America, from Canada to Florida, into a state of defence, and to support it; I do not think the account over-rated; or at least, for the next seven years, this article must amount to 150,000l. a year.

The next article of the establishment is the militia; the estimate for this as given into parliament is 130,000l. a year; but I shall only set down what was voted last year, viz.

Militia	—	80,000
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Ordnance.

The expence of the office of ordnance for the last year and the present, amounts upon an average to — — — — — 228,000

Sundry Services.

Under this head I include the Foundling hospital, the establishment of Nova Scotia, Georgia, Florida, African forts, which altogether amount to about — — — — — 80,000

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( 12 )

And besides these, there are many incidental expences, such as a marriage portion for any of the royal family, the purchase money for the Isle of Man, a lazaretto, longitude money, paving the streets; all these are within sight, and small articles of this kind must arise every year.

I will now recapitulate the articles of the peace establishment.

Navy	—	—	—	—	—	—	£.
Army	—	—	—	—	—	—	1,643,000
Militia	—	—	—	—	—	—	1,427,000
Ordnance	—	—	—	—	—	—	80,000
Sundry services	—	—	—	—	—	—	228,000
	—	—	—	—	—	—	80,000
Total	—	—	—	—	—	—	3,458,000

Besides incidental expences.

I did not expect to have so plain a point called into question, as the amount of the peace establishment, especially under the eye of that very minister who first proclaimed the largeness of it; or else, I could easily have specified the articles in the Budget: but before I leave this head, I must once more repeat, that I have set the annual encrease of the navy debt, 100,000 l. below the minister's own estimate; and that I have only charged the building and repairs of the navy according to his deficient provision for this article, which he has left in arrear 56,000 l. for the last year, and 108,000 l. for the present year. I have never yet said that the peace establishment would not come to less than 3,500,000 l. if things were ill provided for, though I think even that will be difficult; but I go to the real state of things, and not to that lamentable system which looks no farther than the drawing up an advertisement for the Gazetteer, or dispersing hand-bills of the surprising feats performed, as it were by sleight of hand, by this ingenious and wonderful administration.

I think I have now fully proved these two points. That the Remarker has over-rated the produce of the Sinking-fund by 330,000 l. and that he has under-rated the peace establishment by 600,000 l. I shall here annex the Remarker's state of the annual savings that will be applicable to the discharge of the unfunded debt of 10,000,000 l. and correct it according to the errors convicted in it.

Ways and means according to the Remarker's estimate when corrected.

Land and malt	—	—	—	—	—	—	2,450,000
Sinking fund	—	—	—	—	—	1,600,000	
From whence deduct, on account of errors in that estimate	—	—	—	—	—	330,000	
And then the nett Sinking fund will be	—	—	—	—	—	1,270,000	
Total ways and means when corrected	—	—	—	—	—	—	3,720,000

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( 13 )

Total ways and means brought over	—	—	—	—	3,720,000
Peace establishment according to the Remarker	2,900,000				
To which add, on account of omissions in that estimate	—	—	—	600,000	
Total peace establishment when corrected	—	—	—	—	3,500,000
Therefore the annual surplus corrected, is	—	—	—	—	220,000

I have now gone through the principal argument upon the system of administration in revenue matters; which is, to state the balance of the national income and expenditure, that we may become informed how much surplus is to be depended upon, to look the unfunded debt in the face. It is a very essential point to be made out clearly, and not to be misrepresented. I have proved that the Remarker's estimate of this surplus as amounting to 1,150,000 l. is erroneous by 930,000 l. and here I shall leave this argument for the present, and proceed to point out several smaller errors in the Remarks; with this view, to shew that ministerial writers pay no regard in the least to truth, in their assertions. And whether these things be attributed to ignorance or wilful imposture, I shall not concern myself; because in either case it equally takes away the credit of the writer whenever he asserts or conveys an assertion, unless he produces his authentic vouchers: for any one who is liable to an error of 197,000 l. in the Sinking-fund, is not to be trusted again in an estimate; and one who does not know whether the peace establishment is 2,900,000 l. or 3,500,000 l. cannot expect credit for the future on his bare assertion.

What dependance can there be upon a man who pretends to be an adept in the use of public papers, and yet does not know them again when he sees them. The Remarker says of his own materials, &c.—“*perhaps they are less liable to error than the author's numerous averages*”—(viz. the author of the Budget) and again, “*to quit our author's materials for others I hope as good,*” and again, of the materials in the Budget he uses this phrase: *as far as it is possible with any regard to truth to build upon them*”. Now would any one living suspect that the authentic papers which the Remarker uses, are identically the same that are used in the Budget? I am sure if the Remarker is so ignorant as not to know this, he cannot expect to be depended upon as an adept, but if he does know this, and yet seeks to convey that the figures in the Budget are not authentic, he cannot expect any encomiums for his honesty.

Now for the list of smaller errors. The Remarker produces the amount of the last ten years of the late king's civil list, which being above par, carries demonstration according to him *that the subsequent duties had not impaired that branch of the revenue*. Now which are the duties laid on during the war, that can possibly affect the civil list revenue? The subsidy of 1759; and the beer duty of 1761. The first of these only existed during the last year of the ten that he has produced, and the other was not laid on till half a year after the expiration of the whole term: and it is this second, viz. the beer duty of 1761, that chiefly affects the civil list.

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( 14 )

So I think henceforward we have a measure of what ministers mean when they carry demonstration with them. Because the beer duty of 1761, did not lessen the civil list excise for ten years before it was laid on; therefore it has not lessened it since it has been laid on. After so ingenious a demonstration as this, I should be afraid that an argument from the matter of fact will make no figure: but if matter-of-fact-evidence might be allowed in such points, the question could soon be cleared up from papers upon the table.

In the account presented after the late king's death, of the produce of the civil list branches, it appears, that the amount of the civil list excise, upon a medium of the last ten years was 295,000 l. per. ann. and if any one will look into the surplusses presented from year to year since the accession, he will find the produce of this branch to be as follows.

Year ending October, 1761	—	—	225,000
1762	—	—	277,000
1763	—	—	256,000
1764	—	—	257,000

Amounting upon an average of the last 3 years to 263,000 l. per annum.

I have omitted the year ending October 1761, in the average, because it was only from October 25 1760, to October 10 1761, being 15 days less than the year (although the produce of this branch fell short much more than in the due proportion) because I do not catch at the *summum jus* in an argument, when I am aware that it would be injurious to the real truth: therefore I discard fractions of a year, and only argue upon the produce of funds when they are got into a steady way.

A man must be very ignorant not to know that every encrease of duties, operates to lessen the produce of the antecedent duties upon the same article. The revenue upon tea is the strongest instance of this kind that can be; for it was so far from following the proportion of the tax, that the revenue was doubled by taking off half the duty. But for the sake of those who may be induced to think upon the Remarker's authority, or that of his patron, that the duties laid on during the war do not lessen the previous income upon the same articles, I shall annex as a specimen the duties upon coffee and chocolate. The paper was presented to the house last session.

Coffee.			Chocolate.		
to Midfr. 1756	Old Duty	New Duty	to Midfr. 1756	Old Duty	New Duty
57	37781	—	57	10461	—
58	39461	—	58	10226	—
59	38362	—	59	10806	—
60	38083	10038	60	10264	4308
1761	26285	13150	61	6086	3043
62	25641	12842	62	7395	3697
63	25288	12667	63	7262	3631
	27158	13702		7887	3943

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( 15 )

A thousand instances might be produced as much to the purpose as the duties upon Coffee and Chocolate, but I chuse these because they make part of a fund which has been asserted not to injure the sinking fund by its incorporation. The apparent produce of this fund as specified above (being the fund for 1759) falls 9000l. short of the charges attending the incorporation with the sinking fund; and it now appears that a small part of this fund which amounts to about 16,000l. out of the 223,000l. (the average produce of the whole) has lessened the antecedent branches upon which it operates, exactly to the amount of its own produce: so that for certain we must consider this fund as virtually deficient 16,000l. besides the original 9000l. and all this still besides what we must suppose the remaining part operates to defalcate from the previous produce of similar articles. But this remainder, being a 5 per cent subsidy upon a multitude of articles, it is impossible from the nature of the Custom-house accounts, to trace their operation upon previous duties article by article; tho' we find to our misfortune, where we happen to catch two out-lying articles by themselves, that the appearance is not at all favourable to the revenue.

In another part, the Remarker speaking of Chelsea hospital, and the half-pay; says, *that the former is never very great but at the close of a war, and that the estimate of the latter diminishing every day, must diminish the estimate of the current service.* I give here the actual estimates of both for 7 years during the late peace, viz. from 1749 to 1755, both inclusive,

Chelsea hospital.		Half-pay.	
1749	63,200	—	67,200
50	64,800	—	67,000
51	62,500	—	64,000
52	58,400	—	60,000
53	58,200	—	58,000
54	57,300	—	55,000
55	59,700	—	47,000

I observe upon them, in the first place, that the decrease of Chelsea hospital during the whole 7 years is not 7000l. tho' the Remarker says that it is never very high but at the close of a war. And as to the decrease of the half pay 20,000l. in seven years, what is that to the argument of providing a fund to discharge an unfunded debt of more than 10,000,000l.

As to the assertion about Chelsea hospital, I cannot conceive that a writer who is so ready to stake his reputation upon a fact which is to be disproved out of the printed journals, can have any other view than to take his chance of imposing upon the multitude, who naturally think that a man would not venture upon a fallacy so easy to be detected, and therefore pin their faith upon a confident assertion. These poor expedients may serve the purpose of the present hour, but in the end those who use them will be found nothing better than treacherous deceivers of the public.

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( 16 )

The Remarker seems to have a longing to say something favourable of the smuggling cutters, not directly indeed, but indirectly to convey that the chief encrease of the customs of the year 1763 above 1762, was owing to them. He seems to acknowledge that the sum of 391,000l. originally claimed, as the encrease upon the revenue of tea, was not taken at random, but was meant as claiming the whole encrease of the customs to have been upon that article. I will join issue with the ministry for one moment, and suppose it so; that I may be entitled to repeat a question which has been put to them already. It was merely this; "If these cutters have improved the revenue as much as you assert, pray let us know what is the expence of their establishment." A very plain question, and if the public has any right to enquire into the conduct of public affairs, I am sure it deserves a very direct and explicit answer. As the question was put on the part of the public, I shall represent it in the way of dialogue with the initials of P. and M. for People and Ministry.

P. If the revenue be so much improved by the smuggling cutters as it is pretended to be, let us be informed what is the expence of them.

M. Without doubt it is a very reasonable enquiry, and all the information that office can afford, shall certainly be produced, specify what you wou'd have.

P. We wou'd have an account of the number of the smuggling cutters, the number of men employed on that service, the expence of them, &c.

M. Smuggling cutters! There is no such vessel in the king's service. The admiralty would not understand the term of smuggling cutters. Smuggling cutters indeed! If you expect an answer, pray accommodate your question a little more to the mode of public business, according to the forms of office.

P. Then let us have a list of the vessels, their expence, &c. that are employed to restrain the unlawful practice of smuggling.

M. That would be a list indeed! It would be a list of the whole royal navy; for there is not a ship in the king's service, that has it not in orders to restrain, and to take smugglers.

P. Well—let us try once more—Give us a list of such vessels as are employed only in the suppression of smuggling.

M. That is no list at all, for there is no vessel in the king's service that is commissioned to take smugglers, and nothing else.

P. As there seems to be nothing of our wording that will please you,—you know our meaning—take the question and word it yourselves according to the forms of office, and then give us a plain answer.

M. Indeed! We must word your question for you! That's a singular thought truly! No, No—if you can express what you would have, you shall have it, but don't expect that we will help you out.

This is a true measure of ministerial candour and deference to the voice of their country. For God's sake who is the superior? Is it the minister, or his country? Is he accountable to the public, or is the insolence on our side for presuming to scrutinize his conduct. For my own part as an individual, I join in the general suspicion, that this country is forced into an expence of 150,000l. a year by dint of the

( 17 )

the ministerial, *sic volo sic jubeo*, tho' the public revenue cannot possibly be supposed to receive an equivalent. Is the estate of the public to be made a sacrifice, for the sake of enlarging the patronage of a chicaning administration? And are we to be no otherwise repaid than by a shameful mockery of the public.

I will endeavour to give a short and plain estimate of the expence of these cutters, tho' the ministry have not been so kind as to indulge us with it.

The number of men employed in this service have been specified by the minister himself at three thousand, the expence of which establishment taken according to the naval estimate of 52l. *per* man amounts to 156,000l. Every one knows that the naval estimate is always too low, and it is very obvious that the wear and tear of vessels which are or ought to be cruising at all times and in all weathers, must out-run the estimate, still in a greater proportion.

I shall in the next place insert an account that lies upon the table of the house of Commons; that we may have an idea from the actual matter of fact, of the vigilance and efficacy of these famous cutters. It was presented about the end of the last session, a few days after the Budget was printed. This paper contains a comparison of the respective seizures made by the custom house vessels, and by the minister's favourite cutters upon the articles of spirits, wine, and tea, between January 1st. 1763 and January 1st. 1764, and is as follows.

	Spirits seized		Wine seized		Tea seized	
	Gallons		Gallons		Pounds weight	
	On shore	On float	On shore	On float	On shore	On float
By the custom-house vessels, or officers.	44154½	81700½	2916½	5702½	39618½	30760½
By his majesty's cruizers.	813	7334½	----	--55	--476	11345½

Eight vessels and eight boats burnt by the custom-house officers.  
Two vessels and no boats burnt by his majesty's cruizers.

I shall make no comment upon this account, but leave it to speak for itself; and proceed to enquire whether the revenue has been encreased in the payment of the regular duties upon any of these articles; still keeping in mind, that the comparative merits of the custom-house cutters, and the minister's cutters, must always be in proportion to the seizures that they respectively make, for those who seize most, will of course be most formidable to smugglers, and by consequence will operate the most to prevent such practices.

As to the improvement of the revenue upon the article of foreign spirits imported, the ministry have never yet made any claim to merit on that head. It was natural to expect, that French Brandy would be imported in great quantity the first year after the peace with France, and accordingly that branch in the Aggregate fund which arises from spirits imported, (and which I take for a specimen) rose immensely high in the surpluses ending at October 1763, but by October 1764 this article dropt 53,000l. and came to what I should take to be about it's average. In short, the duties on spirits will fluctuate: sometimes the consumption of British spirits, sometimes of French brandy, and sometimes of rum, will encrease, but there is no appearance of the revenue rising upon the whole above the average of the last seven years, which is the line that I go by in the subsequent calculations.

The article of wine I pass over, because tho' a few gallons are now and then seized, yet every one knows that smugglers deal chiefly in brandy and tea.

Therefore I now go on to state all the facts upon which the ministry claim any merit as having encreased the revenue on tea, and then we shall see whether they confirm or confute their pretensions. The facts are these. In the first place the government produce an account of the tea cleared at the India-house for 10 years ending April 1763, and to this they add the tea cleared between April 1763 and the October following, thus,

Year ending April	Home consumption. lbs.	Ireland. lbs.	America. lbs.
1754	— 3,439,000 —	172,000	176,000
55	— 3,518,000 —	171,000	151,000
56	— 3,522,000 —	164,000	114,000
57	— 3,940,000 —	477,000	94,000
58	— 3,914,000 —	110,000	164,000
59	— 3,750,000 —	154,000	206,000
60	— 3,700,000 —	70,000	301,000
61	— 4,172,000 —	125,000	170,000
62	— 4,670,000 —	204,000	94,000
63	— 4,131,000 —	156,000	201,000
Total	— 38,760,000 —	1,808,000	1,674,000

Tea cleared between April 5 and Oct. 10. 1763, being $\frac{1}{2}$ a year.	2,712,000	109,000	155,000
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Now the average being in a rough way supposed to be, about 4,000,000 lbs. weight, and the produce of the last half year 2,700,000 lbs. weight, it is very modestly argued from this single fact that, 1,400,000lbs. weight will, for ever after pay duty more

more than used to do. In the first place I argue that this is properly but half a fact; for who has yet proved or can possibly prove, that the half yearly sales at the India-house must always be equal? for all such things must be regulated according to the demand and the quantities imported. From the very account itself we are sure that the quantities of the yearly consumption are not always the same; but when the second half year's clearance ending at April 1764, is produced, if that should likewise amount to 2,700,000lbs weight, then I will allow that there is one, and but one, entire fact to go upon. But if the clearance at April 1764, should not exceed 2,000,000lbs, \* they may then tell us how much the whole is beyond the produce of the year 1762, which amounted to 4,670,000lbs. And then, after all, the whole evidence would stand upon the testimony of one, and but one entire fact, in an article, the consumption of which has been gradually encreasing for 18 years before these new-fangled cutters were thought of. The ministry select an article that has been rising for 18 years, and if it should continue to rise, they lay in a claim to the merit of all future encrease, by their cutters; and this is the evidence upon which 150,000l. of the nation's money is to be thrown away.

Oh but say the ministry this is not the only fact that we have to produce, for in the surplus papers ending at October 1764. it will be found that the duty upon tea is greatly encreased, and this is contended for as the evidence of a second year. But observe the juggle; for this is but one and the same fact told twice over. They produce the quantity of tea cleared on or before the 10th of October 1763 for one fact, and the amount of the duties paid after the 10th of October 1763 for another. Whereas the truth is, that the encreased duty actually paid into the

\* I have just received an account of the whole year's clearance, viz. from April 1763 to ditto 1764 as follows:

	Home consumption. lbs. weight	Ireland. lbs. weight	America. lbs. weight
Total clearance from April 1763 to Do. 1764. Therefore if we deduct the first half year's clearance as presented to the house of Commons we shall have the second standing clear by itself.	4,780,444	169,757	323,473
Half year's clearance from April 1763 to October 1763	2,712,466	109,629	155,861
Remainder $\frac{1}{2}$ year's clearance from Oct. 1763 to April 1764 I have likewise got the $\frac{1}{2}$ year from April 1764 to October 1764, which added to the preceding will make up the first complete year after the minister's boasted account.	2,067,978	60,128	167,612
Half year from April 1764 to October 1764.	1,935,640	121,891	189,480
Total clearance from October 1763 to Ditto 1764.	4,003,618	182,019	357,092

Let this stand for a measure of ministerial veracity. The very first complete year after it was so confidently asserted that the revenue was so much improved upon this article, that we might depend upon every future clearance being twice 2,712,000 lbs. weight, (that is 5,424,000 lbs. weight) it has proved no more than 4,003,000lbs. weight. The boasted encrease of 1,400,000lbs. weight is vanished, and the very first year's clearance is below the par of what it was for seven years before the cutters were thought of.

( 20 )

exchequer after October 10. 1763, in the next half year's accounts, is the produce of the tea cleared on or before that day. The quantity imported is encreased in *one* year, and the duty paid is greater in the *next* year's accounts. In short, of the extraordinary quantity of tea cleared in the half year ending October 1763, some part might encrease the duty paid in before the 10th of October 1763, the day of making up the surplus accounts; but the chief part being the Michaelmas sale at the India-house, would not be paid into the exchequer till after the 10th of October 1763, and therefore would not appear till April 1764, which is the next day of stating the accounts. Now this is precisely the fact: The duty at October 1763 is rather higher than usual; the April account in 1764 is much higher, in proportion to the usual produce of that half year, (which is never so great as those ending at October,) and the produce of the half year ending at last October 1764, is again fallen down to the ordinary medium of the Octobers for the last 5 years. Here follow the vouchers. I only give the account for 5 years past, because the average of an encreasing duty should not be taken too far back: and these 5 years shew the duty, for  $3\frac{1}{2}$  years before the smuggling cutters were established, and for  $1\frac{1}{2}$  year since;

Tea Duty.	
Half year ending April.	Half year ending October.
£.	£.
1760 — 201,000	258,000
61 — 183,000	277,000
62 — 207,000	236,000
63 — 209,000	268,000
64 — 236,000	261,000

It appears by this account—first, that the produce of the duty at October 1763 was about 8000l. above the medium of the other Octobers, secondly, that the produce at April 1764 exceeds the usual April duties by about 36,000l. and that the last half year ending October 1764 is got down again to the usual average. And now I think we are just where we were, We have I hope no reason to fear, but that the tea duty may still continue an encreasing duty, tho' as to the smuggling cutters, the whole evidence falls to the ground; for the sum total is only this. In one half year, an uncommon quantity of tea was cleared off at the India-house, in the next half year, the duty got into the exchequer, and in the third half year, things are again in *statu quo*.

I should not have thought it worth while to have hunted down the idle pretensions of a vain boasting administration, but that I do at the same time serve two main purposes of my own argument. The one is to justify the average that I shall set down hereafter, (viz. in the second part) for the amount of the duty upon tea; and the other is to point out, how little it will answer upon the ballance of the account, to put the nation to the exorbitant expence of these cutters, to purchase the poor increase that they bring to the revenue.

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( 21 )

I come now just to speak a few words about the estimate of the sinking fund that is given in the Budget, because it has been said that the papers to be presented this Session, would confute it. This challenge would indeed have very little weight with me, who know that an Estimate, drawn (without an error) from authentic papers, upon a medium of six years, must be the true line to go by, and notwithstanding the casual produce being above par this year as well as the last, yet that the average Estimate will be found the truth in the end. If the principle of computing the Revenue, upon a medium of years can be called in question; or if any figural error, or misquotation can be found in the Budget, that would indeed be something to the point; but if none of these can be done, I do still assert that the Estimate in the Budget, has drawn the true line, and in the second part of this work, I shall incorporate the seventh year with the former account article by article, and upon that evidence rest the whole argument as to the future produce of the revenue. The several articles of the funds compared *idem ad idem*, are not so high for the year since the Budget was written, as they were the year before, as for instance, take the surplusses of the three funds, in the year ending October 1763 they amounted to 2,209,000, in October 1764 they amounted to 2,172,000 l. The Average as stated in the Budget was 1,938,000 l. I here state the surplusses for seven years to justify that Estimate.

Year ending October	£.
1758 —	1,835,000
1759 —	1,831,000
1760 —	2,056,000
1761 —	1,974,000
1762 —	1,726,000
1763 —	2,209,000
1764 —	2,172,000

Now of these seven years, three are above my estimate, three are below it, and one very nearly neutral. But if an average Estimate is to be overthrown upon the evidence of any one year, I must needs say that the ministry have missed their time, for the argument is worse this year than the last, inasmuch as the branches of the revenue taken *ad idem* are not so high as they were.

As to the consolidated duties, the estimate in the Budget will stand as before except in one article, which I laid in my claim, by way of caveat, to amend, if it should come out to be below par. I mean the house duty of 1762. This is set down in the Budget at 29,100 l. with this note, that though *I knew it had been expected to produce a great deal more, I could not think myself justified to set it down for more, merely upon a vague estimate and contrary to the experience of a second year's produce.* It is risen this year to 62,000 l. and still is not got half way to what it was given for, so that I still once again lay in my claim to explain and amend this article, if it should hereafter come nearer to the first expectations. There is another branch of the consolidated duties which is likewise attended with a note, I mean the computed produce of the beer duty for three quarters of the year; The estimate of this article is not at all material to the state of the general question; What will hereafter be the clear produce of the sinking fund? and as to the just-

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ness of it, for the past year, whether it had produced more or less *before* last October, is likewise of small moment, because whatever its produce was above 248,000 l. the Annuity due upon it at Midsummer, just so much in a worse situation must the sinking fund be found *after* October. In the Budget this was stated with more moderation in favour of the Minister, than the fact has proved, for there the collusive increase of the sinking fund at October upon this article is only stated at 124,000 l. whereas it has really proved 182,000 l. and therefore the Christmas quarter is robbed of 182,000 l. by racking the sinking fund before October, instead of leaving it to be assisted (as expressed in the Budget) by 30,000 l. or 40,000 l. vacant money upon this article at Christmas. This amounts to about 140,000 l. upon a ballance, that the sinking fund may be supposed to have been injured at Christmas, by this operation of consolidating the beer duty of 1761.

Let us examine this by the matter of fact, for we have an account of the state of the sinking fund every year at Christmas, in a paper entitled, *An Account of The Disposition of Money, &c.* It appears by this paper that at January 5, 1765, there was no more than 1,864,000 l. paid off, of the 2,000,000 l. charged upon the sinking fund for 1764; whereas if there had been nothing collusive in the account of the surplusses as presented at October, we might have depended upon it, that the whole 2,000,000 l. was discharged, with a surplus still beyond that of 135,000 l. But the real state of the fact is, that instead of a collusive surplus of 135,000 l. at October, there is an actual debt of 135,000 l. at the Christmas following. The difference between these two accounts is 270,000 l. How does all this come to pass? Plainly thus: you have anticipated the funds, just for the sake of making a show upon the tenth of October, but when you get home and rub off your patches and paint, you find that the Christmas quarter did not produce enough to answer the Christmas demands by 270,000 l. I know the Christmas quarter is not sufficient to pay the Christmas demands in general, and that the year before last it fell short 130,000 l. as appears by comparing the accounts of the *Disposition of Money, &c.* with the paper of surplusses of that Session, in the same manner as we detect the deficiency of 270,000 l. now. But why is it this year 140,000 worse than the last? Because you have carried off 140,000 l. of the Beer duty before October, and have left the sinking fund answerable for half a year's annuity at Christmas, with so much less means to pay it.

Now see what the whole policy of this year has been. The Minister knew, or ought to have known, that the Christmas quarter in the following year's account, was to be expected to fall short by 130,000 l. upon the old branches; he knew that, by incorporating the Beer duty, he loaded that same quarter (and all future Christmas quarters) with a six months annuity to pay out of three months revenue, which added to the former, carried demonstration that the whole deficiency at Christmas must amount to 270,000 l. or thereabouts. Now instead of drawing the line upon an Average, and even that with the precaution to respite 270,000 l. at the October quarter, to make good this deficiency at Christmas. The Minister has so overloaded this part of the Revenue, that notwithstanding the greatest produce of the funds that almost ever was known, and the utmost strain and exertion

exertion of their abilities, if I may so say, to be more provident for him, than he for them, yet still they were run so hard, as not to leave enough in store (by one half) to bear them harmless at the next pay day. I am the more diffusive upon this article, because that part in the Budget, which points out the ministerial craft, by which every engine is brought forth to rack down the sinking fund, is treated as a mere cavil; and likewise to explain, and establish this very material and practical truth, whatever the ballance of the page may be in October, yet that the sinking fund is virtually deficient, and must at the next pay day disgorge 270,000 l. unless there be so much left in October, to make up the deficiencies of the rising Christmas quarter. It is a mere equivocation to say, that the sinking fund is clear in October, when we know it will be behind hand upon those very articles at Christmas; and the experience of this year is very striking, when we consider that we were found 270,000 l. worse at Christmas, than we thought ourselves last October.

The deficiency of the Christmas quarters began three years ago, and takes its rise from incorporating with the sinking fund, several annuities, whose half yearly payments are due at Christmas, all which, as the sinking fund accounts are ballanced at October, are so many charges of six months to be paid out of three months revenue. Therefore unless we wish to be deceived upon the face of the account, we should respite at October enough to supply the deficiency of the rising quarter. I here annex the deficiencies of the Christmas quarters for three years past, to shew how this has crept upon us.

Deficiency of the Christmas quarters of the sinking fund.

January 5—1763—	45,000
1764—	130,000
1765—	270,000

Now I beg to know what satisfaction the Ministry can have, in exulting upon a collusive surplus of 135,000 l. at last October, when they know that there was a deficiency at Christmas, of twice that sum.

I observed an article in the papers a little after Christmas, (for there I look for the panegyrics of Ministers upon themselves) to this purpose; that the Annuities were paid sooner this year than ever was known, and this was not inserted, I suppose, to trumpet the extraordinary diligence of the clerks in casting up the accounts, but to insinuate something or other, as if the Lords of the Treasury had turned over a new leaf; but this puff, struck me who had considered the ground a little, in a different light from what was intended, for I confess wherever the ministerial Gazetteers, are most lavish of their commendations, I am always induced to look for a defect. And whenever the Minister or his Agents, are throwing dust into the peoples eyes, I cannot help suspecting that they have done something which they wish to hide. I suspected then, what I find to be the real truth, viz. that the revenue of the sinking fund for the quarter ending at Christmas, had fallen very short of the charges upon it. And now that the event is become ascertained, I call upon it to be my testimony, that I have not been vexatious, to charge Ministers with mismanagement, without apparent and sufficient suspicion of danger

( 24 )

danger in the case. For I take it to be a matter of the greatest consequence to public credit, that the sinking fund should not be anticipated with such rapaciousness, as to leave it so bare, that the produce of any quarter, should be insufficient to support the prompt payment of Annuities, when the preceding quarter may have greatly over-run. If the annuity fund of 1761 had not been consolidated, yet in consequence of all the surplus, of the October quarter upon the other branches being anticipated, the Christmas quarter would have been left short; but having moreover anticipated the surplus of the Beer duty at October, and leaving only one quarter's produce, to answer half a year's charge at Christmas, the produce of the fund has not been sufficient for payment of the Annuities; and I think if this practice be allowed, of taking a rich quarter for the Minister's use, and leaving a poor one for the Annuitants, it may some day or other prove fatal to public credit. It is very tantalizing to see a surplus in October, and yet for the Minister to restrain himself under a self-denying ordinance, not to touch it till after the Christmas quarter is satisfied; especially if money should happen to be scarce towards the latter end of the year, or the parliament should not meet till after Christmas, or any casual flurry in public affairs should press for a few thousands extraordinary, or in short any of a hundred other incidents, for Ministers are now and then pressed for money as well as other people. Besides the temptation and the danger, go together *pari passu*, whenever the casual produce of the funds happens to be low, the temptation becomes the strongest, to seize all the vacant money wherever they can catch it, and from the same causes the deficiency of the next quarter will be liable to increase.

The quarterly payments out of the sinking fund are very inconveniently divided, viz. into two payments of about 340,000l. each, at April and October, and into two others of about 1,120,000 at Midsummer and Christmas; and consequently at the winding up of the year in October, you do not know what you have to depend upon; you are sure that the Christmas quarter will prove deficient, but who can tell how much; and upon this uncertainty a timid minister may hold his hand too tight, and a dashing one may run public credit to a non plus. Now the remedy to all this is the easiest thing in the world, viz. only to divide the payments more equally; if the quarters annuity that will become due upon the 4 per cents: consolidated were to be paid off at April next, or in October, and the half yearly payments from thence forward kept upon those pay days, the quarterly payments out of the sinking fund, would be divided very near equally, viz. into two payments of about 750,000l. and into two of about 710,000l. and then the vacant money would arise upon every quarter, according to its produce, in a regular way, and not by jerks as it does now; at this quarter, tantalizing the minister with a collusive surplus of 200,000l. or 300,000l. which if he should dare to touch, he will have it all, and if ill luck should pursue him, perhaps as much more to refund at the ensuing pay day; this may happen to be very distressing, and if the public should but in the interim come to suspect even a hesitation, instead of prompt payment; from that moment we lose that invaluable and hitherto untainted prerogative of the English funds for prompt payment, above every other nation in the world. I do not mean to insinuate that the present administration

( 25 )

tion would knowingly or intentionally risk the whole state of public credit, merely by one improvident or indiscreet act; but I could wish not to have Ministers too often led into temptation; This is the tendency of things, and if not prevented in time, the mischief may overtake us before we are aware. The danger is apparent, the remedy is obvious, apply it in time.

All that I contend for, is only, first, that the sinking fund may be put out of the reach of any danger, in consequence of the inequality and uncertainty of the quarterly ballances; and secondly, that the mortgage upon the sinking fund for the instant year, may always be discharged by Christmas; which may be secured either by equalizing the quarterly payments, and then taking an average estimate; or else by aiming so much below the estimate between October and October, as to leave 250,000l. or 300,000l. to supply the deficiency of the next Christmas quarter. Now I do affirm that neither of these points were consulted the last year, for in the first place the income of the Sinking-fund, fell short of the charges at Christmas by 270,000l. which ballance, the boasted surplus left in October was not sufficient to restore: and secondly, notwithstanding the respective funds each taken *ad idem*, produced last year near 300,000l. above par, yet still the charge upon the Sinking-fund for the year 1764, was not cleared off at Christmas last by 135,000l. and if I were minister I should think it no great matter to boast of, that I had discovered any temporary expedient, to lift a lame dog over the stile in October, which would certainly run the Sinking-fund a-ground by Christmas. Upon the whole of the argument therefore, I do still abide by the estimate in the Budget, which is in part proved true, upon the actual deficiency of 135,000l. at the end of the year, and as for the rest, I will challenge any man to say, that the credit of an estimate, correctly taken upon a medium of six years, is at all impeached by the casual produce of the funds (especially customs) for any one year. As an estimate it was the true measure to go by at the time of making it, and until the principle of reasoning upon the doctrine of averages be laid aside, for the more amusing fancies of building castles in the air, or until some actual error in the estimate itself be detected, I will venture to use it again as the foundation estimate for the future produce of the Sinking-fund.

I have but one point more to take notice of. The Remarker says, why should it be imputed as a matter of blame to the present minister, although the Sinking-fund at the end of the year had proved 400,000l. in arrear? and gives for his reason, that in 1761, there was an arrear of 965,000l. and the preceding year, an arrear of 1,499,000l. But what is all this to the purpose? allowing the implication of their own argument; if it was wrong then (which it was not) why is it contended for as not being wrong now. I shall presently shew that the cases are not at all the same, and therefore, that a measure which was judicious then, is become fundamentally wrong now. But I cannot omit this opportunity of remarking, that this principle of selecting all the real or supposed defects of former times for imitation, seems to have been the only study of modern ministers and their advocates, as if their own experience, from having spent the former part of their lives in opposition, had given them confidence for ever after, to deride all public virtue as mere pretence, and most audaciously in the face of their country, to cite the black list of public

( 26 )

public crimes, as so many patterns for their conduct, and precedents for their justification.—However in the case before us, I contend that the anticipation of the Sinking-fund beyond the year, during the war, was a judicious measure then; because the increased capital to be allowed, or the increased interest of the loans during the war, made it prudent to reduce the quantity of money to be borrowed as low as might be, and this was the reason assigned by Mr. Legge in the House of Commons. I do not precisely recollect the year, but I remember this phrase upon the occasion; That he did not expect that the Sinking-fund would be clear of the charge then laid on, 'till the following Midsummer twelvemonth; and therefore what was done was openly done; it was from urgent necessity, at the very pinch of the war, and with the approbation of the whole house. Now I will venture to say that in the present case, there could have been given no probable estimate on the 9th of March, 1764, that the Sinking-fund would be clear at the end of the year; and in fact it is not clear by 135,000 l. I must observe that neither Mr. Legge, nor lord Barrington, ever charged the Sinking-fund but upon a specific estimate, accurately pursued down to the very last farthing; nay so tenderly was it treated in the year 1762, to recover the former exhaustions, that it was charged below the average estimate by 200,000 l. and now comes a minister during profound peace, to put the revenue again upon the rack, as if the Gauls were at our gates.

What is public credit but providing for the establishment of each year, out of the revenues of the year? If once the precedent be admitted, of incroaching in a regular way upon the subsequent year, Who can say at what sum it will stop? The Sinking-fund of this year is in debt 135,000 l. to the services of the last, and we have had a good escape that it was not half a million; however the precedent argues over for the greater sum. It will be said, was not 2,000,000 l. voted last year without an estimate? And so we are to go on; the more mischievous the precedent is, the more tenacious will be the minister, that there may not fail to be forth-coming, a precedent in every kind, whether it be openly to attack, or secretly to undermine public credit. I have indulged myself more largely upon this topic, from one motive which I do not blush to avow. When aspersions are thrown out upon the dead, I feel it as an act of justice, and no one can call it flattery, to vindicate the memory of a worthy man who is no longer amongst us to speak for himself, or to lend his helping hand, to avert the storm which he saw gathering over his country; and which in his dying moments he lamented more than his own fate. He thought a man had lived long enough, who had lived, to hear the honour of parliament openly reviled, and the faith of parliament contemptuously set at nought, to prepare the way for a deliberate violation of the public faith.

In the second part of this work, I proceed to state the several branches of the revenue on one side, and the several articles of expenditure on the other, that we may have a clear idea of the result: and it has been for the sake of keeping this enquiry distinct, that I have discussed many points in the first part as preliminaries, to get them out of the way, that the whole might stand as unembarrassed as possible. This subject though in general not much known, would be perfectly intelligible, if those who administer the revenue, had not some clandestine motive for keeping up the mystery. Let us take off the veil and see what they are doing.

P A R T II.

( 27 )

P A R T II.

T H E

## S T A T E of the N A T I O N,

WITH REGARD TO ITS

INCOME, EXPENDITURE, and UNFUNDED  
D E B T.

**T**H E public revenue for the service of the year, consists of land-tax, malt-tax, and sinking fund.

The land-tax at four shillings in the pound, together with the annual malt duty, produce nett about 2,450,000 l.

Thus far all sides are agreed: but the sinking fund is a much more complex affair; therefore we must enter more minutely into the detail of the several articles from which it arises. The sinking fund then consists; first, of the surplusses of three funds, called the aggregate, fourth-sea and general funds, after the respective charges upon them are paid.

I shall give the average produce upon a medium of seven years of each constituent branch of the three funds, and then subtract the charges; and tho' this task be more laborious than taking the surplusses all in a lump, yet, I think, it will pay for the trouble, from the greater accuracy; and because it will draw the medium line upon the produce of each branch, from which we may hereafter judge, what parts of the revenue are upon the increase, and what are upon the decline; and first, to begin with the estimate of the aggregate.\*

E

Estimate

\* I have but a few notes to make upon the whole of this estimate. All the branches are taken upon the medium of seven years, except the following. The duty upon tea; to this I have added 20,000 l. as supposing it to be a rising duty. The duty upon low wines since 1736, I have taken upon four years only, because of the very evident effect of the new duties upon this branch since 1760. The civil list duties, I have taken upon an average during the late king's reign, except the civil list excise, of which I have specified the produce in the first part of this work, and transferred it into this account from thence. In the article of seizures I have been liberal, and have set them above the par. I think these are all the exceptions out of a seven years medium. The supposed improve-

( 28 )

## Estimate of the aggregate fund, upon a medium of seven years.

Two thirds subsidy	112,000
Arrears of tea and coffee	
Ditto of encreased duties on ditto	760
Half the inland duty on coffee	12,400
Ditto on tea	240,000
Inland duty on chocolate	6,900
Duty on callicoes	3,200
One half of the old subsidy	47,000
Surplus of the other half	10,600
Duty on French merchandize	10,300
Plantation duty	1,200
Duty on hops	75,000
India silks 15 per cent.	
Duty on brandy since 1736	329,000
Duty on low wines since ditto	20,000
Ditto on British spirits since ditto	23,000
Ditto on spirits imported since ditto	5,600
Surplus of the 99 years nine-penny excise	67,000
Ditto of $\frac{2}{3}$ ths of the bank 9d. ditto	25,100
Ditto of $\frac{1}{3}$ ths of ditto	12,500
Ditto of the revenues of the 4th, 5th, and 6th of Queen Anne	133,000
Ditto of lottery fund 1710	78,400
Ditto of annuity fund 1710	57,000
House duty	91,400
Surplus of 3700 per week out of the hered. excise	65,000
Public monies	15,000
New subsidy	247,000
Hereditary and temporary excise	263,000
Post office, produce of the old branch	36,000
Ditto supposed encrease by regulating franks	30,000
Seizures	40,000
Small branches of the civil list	15,000
Total produce of the aggregate upon the average of seven years	2,072,300
From this annual computed produce of the aggregate, subtract the annual charges	980,000

And the surplus of the aggregate fund will be 1,092,300

improvement of the post-office I have spoken of elsewhere, I think 30,000l. is enough to be allowed, especially as the first half year since the regulation has had the ill luck to be lower than that immediately preceding. In an estimate of a hundred different articles, it is impossible to conform to the dead letter of any one rule; and it would be endless to specify every minute consideration, that must occur in such a work; broken accounts, fractions of years, new duties laid, &c. &c. in which every man must judge for himself, and be responsible for the application. I only plead for this latitude in lesser points. However, throughout the whole, I have endeavoured to hit the spirit of the thing, with a fair intention to state the truth.

Estimate

( 29 )

## Estimate of the South Sea fund upon a medium of seven years.

Duty on wines and vinegar	90,800
Ditto on tobacco	82,200
Import of 1690	102,000
Additional duty of 1692	65,200
Duty on whale-fins	4,100
Duty on candles	76,000
Apprentice duty	4,300
From the aggregate fund	2,097
	426,600
From this annual computed produce, subtract the annual charges, being	239,000
And the then surplus of the South Sea fund will be	187,600

## Estimate of the general fund upon a medium of seven years.

Subsidy on goods exported	37,200
Two shillings per chaldron on coals	87,200
Additional duty on candles	76,200
Hackney coaches and chairs	5,700
New stamp duties	15,800
Letter money	36,400
Duty on hides	118,000
Duty on soap	144,000
Stamp duties on paper	28,600
Additional duties on hides	69,000
Duties on wire and starch	19,000
Policies of insurance	5,070
Moiety of the inland duty on coffee	12,400
Ditto on tea	240,000
For the banker's annuities out of the hereditary excise	39,800
	934,300
From this annual computed produce Subtract the annual charges	245,000
And then the surplus of the general fund, will be	689,300

## Recapitulation of the Surplusses.

Surplus of the aggregate fund	1,092,300
Ditto of the south sea fund	187,600
Ditto of the general fund	689,300
Total surplusses of the three funds	1,969,200

We

( 30 )

We now come to the second great branch of the sinking fund, viz. the produce of the consolidated duties; as follows,

Duty on wrought plate	100
Stamps 1731	31,300
Surplus of the spirit duties of the 16th and 17th of G. II.	24,000
Ditto on wines	45,900
Ditto on glass and spirituous liquors	38,000
Ditto on houses	114,000
Coach duty	55,500
Subsidy 1747	319,000
Duty on sweets	6,000
Plate licenses	7,000
Surplus of the duties on paper, soap and coals, 1714	49,000
Ditto on coals 1719	26,800
Beer licenses, cards, and plate, by the 29th of G. II.	77,000
Salt	227,700
Stamps, wine licenses, coals exported, and spirit licenses by the 30th of G. II.	101,000
Subsidy 1759 with the new duties on chocolate and coffee	224,100
Spirit duty by 24th G. II.	50,000
Ditto by 33d of G. II.	299,000
Ditto by 2d of G. III.	60,000
House duty by 2d of G. III.	64,000
Malt duty	330,000
Beer duty of 1761	530,000
Total produce of the consolidated duties	2,679,400

And now I think we are come to a compleat estimate of the sinking fund, which will stand as follows:

By surplusses	1,969,000
By consolidated duties	2,679,000
Total	4,648,000

The charges upon this fund are;

To pay consolidated annuities	1,012,200
Reduced annuities	540,994
Four per cents	814,234
Long annuities with charges	251,900
3½ per cents 1756	53,342
South sea annuities 1751	64,180
Life annuities 1757	35,000

Navy

( 31 )

Total brought forward	4,648,000
Navy annuities	139,300
Deficiencies	100,000

Total charges 3,011,000

Total remainder\* 1,637,000

From this sum is to be subtracted the further sum of 240,000 l. under the title of interest for such part of the outstanding debt, as does bear interest, and allowance for discount upon the issuing of such bills as do not bear interest, and profit upon all contracts, in consideration of want of prompt payment, arising from there being a great quantity of outstanding debt unprovided for. This article is explained in the former part of this work, and I think the lowest allowance that can be made must be

240,000

And then the nett surplus remaining for the service of the year will be 1,397,000

\* It may perhaps appear strange at first sight, that I should give an average estimate of the sinking fund, at no more than 1,637,000, when it is notorious that the disposable money for the last year, amounted to 2,202,000 l. because it may be thought, that the difference between these two sums, (being 565,000 l.) is too great to be imputed to chance; and thence a suspicion may arise, that the average is underrated. But if any one will take the pains to compare the several articles of the surplusses for the last year, with the corresponding ones in the above estimate, he will find that the whole excess of their produce, each taken ad idem, is only about 271,000 l. above par, which is certainly no such great matter, as to be thought out of the reach of a casual fluctuation, and indeed much less than the variations that almost always happen even between contiguous years. But the technicalities of office have a most wonderful power of disguising the truth. Why then, it will be said, did the last year exceed the average line by 565,000 l. In the first place, 147,000 l. was carried from the supplies of the year, which is no constituent branch; 2dly, there was a casual advantage of 182,000 l. upon the beer duty before last October, whereas in future years the surplus will only be about 30,000 l. or 40,000 l. (the Remarker has stated it at 26,000 l.) now the difference between 35,000 l. suppose, and 182,000 l. is a casual advantage of 147,000 l. more, peculiar to the first year of incorporating that fund, being ½ of a year's produce by October, to discharge only one-half year's payment due at Midsummer last, as explained in several parts of this work. Therefore we must subtract the amount of these two sums, viz. 294,000 l. from the excess of the last year above the average, the remainder will be the actual excess of the duties taken ad idem.

Total excess of the year 1764, above the average	565,000
To be deducted { from the supplies	147,000
{ from the beer duty	147,000
Real excess of the funds for 1764, above the average	271,000

Now, I think, any one who does but cast his eye over public accounts, will easily find out fluctuations as great as this almost between any two years taken at random; and therefore, I conclude, that we need have no distrust of an estimate so fully drawn out, unless we could lay our finger upon some actual error.

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( 32 )

We have now stated the first point, viz, the nett amount of the public revenue, as follows ;

By land and malt	—	—	—	2,450,000
By sinking fund	—	—	—	1,396,000
Total revenue				3,846,000

In the Budget of last year, the public revenue was not stated at so much by above an hundred and twenty thousand pounds, which difference arises, First, from incorporating a seventh year's produce which has been above par, and therefore, has raised the average estimate above what it was last year. Secondly, from allowing 30,000 l. increase upon the post-office by the regulation of franking, and this I think a full allowance, for it can as yet be but a mere point of speculation, and thus far it is rather unfortunate, that the half year's produce of the post-office since the regulation, should have been less than the half year immediately preceding that regulation : however, as the branch of the post-office that comes to the aggregate fund (being a surplus) is very liable to great proportional fluctuations, I consider this unfavourable appearance, rather as casual than permanent. Thirdly, from 33,000 l. increase of the house duty of 1762, for which I laid in my claim last year ; and fourthly, from 20,000 l. increase that I have allowed upon the article of tea, of which improvement certainly this is the full amount. The tea duty has been gradually encreasing for 20 years, therefore I conceive it probable to go on : but as to the operation of the cutters, I think there is not much evidence. This point is fully stated in the first part. There are some smaller articles, upon which I have taken the opportunity of allowing the turn of the scale in favour of the revenue, whenever there was any colour for it. From all these circumstances taken together, it is, that the estimate of the revenue is higher this year, than the last, and not to any error, either in the calculation given then, or now.

The next point of enquiry, is the expenditure of this country.

This point is fully canvassed in the first part, and therefore is now ready done to our hands, so that I shall set it down as it was in the Budget of last year, viz, 3,500,000 l. and these two points being specified, viz, the income and expenditure, it is very obvious, that if the

Nett amount of the revenue be	—	—	—	3,846,800
And the nett expenditure	—	—	—	3,500,000

The annual surplus can be no more than 346,000

This sum of 346,000 l. is all the surplus that there is, to discharge the unfunded debt of more than 10,000,000 l.

If I had followed the strict rule of making estimates, the surplus would have been less ; and indeed, it is very possible that I may have run into the error of allowing too much in favour of the revenue, to avoid the imputation of lessening the estimate.

And

( 33 )

And it is only amusing ourselves for a time, with vain expectations and delusions, till the evil consequences overtake us, if we seek to magnify the revenue beyond the truth, and catch at every temporary incident to deceive ourselves and the public. It is not many days since there was an article in the daily advertiser, that the customs in the year 1764, were risen from 1,500,000 l. to more than 2,000,000 l. Now I cannot conceive any thing so contemptible, as to see ministers neglecting the great and important business of the state, to compose idle stories for a newspaper, and I am the more earnest to expose them, because if they can succeed so far as to divert the public attention from the real state of things, and to make the people believe that all is safe and well, we shall lose our time of putting the revenue of this kingdom upon such a footing of steadiness and security, as it ought to be, till perhaps it may be too late, and some consternation or bankruptcy overtake us. The customs have for two years been encreased : but has this never happened before? Certainly it has. Ministers must know, that the produce of the customs will vary 800,000 l. between one year and the next. After all the boast that has been made, they have not since the peace risen so high by 50,000 l. as they did in the year 1760. The highest year since the peace having been 2,249,000 l. whereas in 1760, they produced 2,299,000 l. but the year 1761 fell down again to 1,512,000 l. In short, if ministers will use all the advantages, that those who are in office have over the ignorant, they may certainly deceive the people out of doors : but if they mean to speak honestly, they must confess the chief encrease of the revenue for the last two years, has been from the customs, and that any casual encrease in that branch, does not in the least promise for duration. There is no danger so great in revenue matters, as to over-rate the public means ; for if we depend upon a fallacious revenue, we shall, in the midst of our golden dreams, be found bankrupts.

I will not waste my time in calculating how much less than half a century, it will require for a surplus of 346,000 l. to discharge an unfunded debt of 10,000,000 l. but, if the landed man is to have no respite, nor the stock-holder any steady property till that be accomplished, I think they have a gloomy prospect before them ; yet, gloomy as it is, what better fate have they to hope for? The four shillings land-tax is now become the avowed peace establishment, and as to the funds, what encouragement is there, while ruin seems to hang over them, as it were by a single thread? The unfunded debt amounts to more than ten millions, of which nearly seven is outstanding ; and do ministers think that the funds can hold up their head, when they see, that if public affairs should make it necessary, to provide but half a million extraordinary, we must wade through a loan of more than ten times that sum to get at it. God forbid that so heavy a calamity should overtake us ; but if the clouds of war should gather, who will give pledge to the stock-holders, that their property shall not be reduced to one half of its present value, while the first aspect of a war shall have to confront a loan of seven or eight millions. If that unfortunate day should come, the outstanding debt must be discharged then, tho' the minister may postpone it now ; and then the evil will fall upon us with aggravated force, the abilities of this country being still farther impaired by the consternation and the prospect of another

( 34 )

another war: yet the tax that will then be indispensable, must be double to what would do now.

But what is all this to the present minister? He was not a principal in advising the peace, but merely calls himself a by-stander: Why should he incur the odium of laying any additional tax upon the country, only to patch up the consequences of a measure for which he is not responsible? Yet methinks, the man who obstinately withholds the remedy, has but little to boast of, tho' he might not bespeak the evil. I suppose, he thinks the consequences of his neglecting to put the revenue of this country into a state of security, will, in the general consternation, be confounded with the original source of the evil, and that the resentments of an injured nation will first knock at the door of that man, who is so far from disavowing his own handy work, that he has already bespoke it for his epitaph. And thus it is, that the most momentous concerns of a great kingdom are to be made public sport of, or at best, but a subject of wrangling between two parties, the one saying, I made the peace, and you would not secure it; and the other, I did not make the peace, and therefore am not responsible for the consequences; as if the nation had no other concern in the matter, than merely to know who did this, and who did that. An anxious people press their minister for *present* shelter, and security for their estates *now*: He bids them be patient, and fear nothing, he has put things into such a train, that in twenty years all their apprehensions shall be removed: It may be less than twenty years: Has he not regulated the Post-office? Take off one year for that: Has he not purchased the Isle of Man? Strike off another year: Has he not seized eleven thousand three hundred and forty-five pounds weight of tea in one single year, at the small expence of 150,000 l. What can mortal man do more? Well, all this is true: but what have you done with France and Spain all this while? Have they entered into a recognizance of peace, and good behaviour, for the next twenty years? Oh no! That is no part of his bargain: he is not responsible for that. Without doubt, the advisers of the peace will entertain their new friends with great cordiality and politeness, for twenty years, and in the mean while he will perform his part. But still, it is possible, that France may jog the minister's elbow, or Spain may kick down his calculations, and then I fear we should find ourselves at a nonplus; if after all we have reckoned without our host. One would think, that ministers were laughing at their country, while the whole jet of their argument is to tell us, that if it were not for France and Spain, we should do well enough, but alas! they have made a slip in the calculation, and forgot them! else we had been perfect.

However, there is one comfort still in store: The minister has been assured that the Havannah can never be secured on the town side; and if we should take the Manillas once more, we will make them pay ransom for their ransom.

But what consolation is all this, to the proprietors of 130,000,000 l.? Their property is already worse by 20,000,000 l. than it ought to be; and the minister knows very well, that if a war should overtake us, while we have such a load of outstanding debt upon our hands, the stocks must be depressed still more, and that every fall of five per cent. or ten per cent. is so many millions more out of their pockets. This is no point of speculation, but a certain matter of fact, practically obvious to every

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( 35 )

proprietor of the funds; let them speak for themselves. In April 1763, (the commencement of this system of inaction) the three per cents stood at about 95, and the four per cents redeemable at about 99, and therefore the holders of the latter sort of stock, valued the difference (being an annuity of 20 shillings, and which they considered as the redeemable part) at about four years purchase; as expressing their opinion, that if the faculties of the public had been exerted, to set the revenue upon a steady footing, it would have come to their turn to be reduced in a reasonable time. Two years are elapsed since that time; and what do they value their lease at now? It will be found at twelve years purchase; the three per cents being at 86, and the reducible four per cents at 98; which is as much as to say, that a man may safely give twelve years purchase for an annuity to continue from this time, till the minister has discharged the *outstanding* debt, by those methods which he takes to effect it: for till that be done, they are safe enough from any reduction.

And now, I think I shall not be found to stand alone in any of these arguments: either that it will require a long term of years to discharge the *outstanding* debt according to the present plan; for in this the proprietors of the redeemable funds are all on my side; and no one can doubt but that the testimony of people, who value their property according to their conviction, must be very sincere. As to the other part of the argument, that it is indispensable to take the most speedy and efficacious methods of discharging the *outstanding* debt; and if it were possible, even before the rumour of war shall be again heard; I fear that I am but too well supported by the general panic of the stock-holders, as well as the most anxious expectation of the landed men. If the four shilling land-tax is mortgaged for the next twelve or fifteen years, I wonder how ministers can think they have brought the reduction into sight; but I am sure, if the load that depresses the stocks is not to be relieved till then, their case is still more desperate; for the landed man will only have to pay his four shillings still, at least he looks for no more; but the stock-holder may lose half the value of his capital if a war should come upon us. I should think it an heavy account to be answerable for, to give a man no better security for his estate, than what is to depend upon an uninterrupted peace for fifteen or twenty years. A stock-holder applies to the minister to know his future doom; he says, I am worth ten thousand pounds to-day, what shall I be worth to-morrow? The minister tells him as before, that he did not make the peace; and therefore is not responsible for it. But still is he not responsible for neglecting to give him the best security that the case admits? If the *outstanding* debt were provided for, the stocks might then stand the shock of a war, and still hold up their head; but it is the whole difference of safety or ruin to them, whether the first year's loan be half a million or half a score millions: and it is this anxiety that keeps them from looking up during the short respite of a peace, which at least in the opinion of stock-holders, will not last long enough to see the *outstanding* debt paid off.

One would think that ministers had not difficulties enough to struggle with, and therefore lay them by to accumulate: but perhaps they consider it as a very politic measure, and one that will serve a double turn, to keep a debt of 10,000,000 l. hovering over our heads, to remind us, that the glories of war are not without alloy,

G

( 36 )

and to become hereafter a stumbling-block, in the way of any future administration, upon whom the odious task may fall, of laying taxes to discharge it; and it is to this under-plot, between ministers that are, and ministers that may be, that the landholder and the stock-holder are to be made the victims. Good God! how unfeeling and inflexible ministers are, to keep thus exposed, the *only* vulnerable part of their country; while public credit is in this anxious and uncertain state, a single frown from Spain, would annihilate more property of the fund-holders in one day, than might support a war.

For God's sake let us seize the instant hour; let us remove this unweildy mass, which stands like a mountain in our way, and chokes up every faculty. Let freshness and vigour be restored to public credit, and then the fate of this country will stand upon a rock: nay, ministers would plant themselves upon a rock, if they had but the fortitude not to postpone the thing that must be done, till it shall be too late. Surely they have had experience enough that this system of inaction will neither render them popular, nor restore public credit. To amuse their country with idle stories of improving the revenue twenty thousand here, and twenty thousand there, even if all their pretences were true, is not to the point that pinches: security is what we call for: the ministry professedly delay giving security to the whole, even in contempt of flanger: the property and trade of millions, is to stand or fall according as the wind blows, or as the packet brings advice, that some foreign court is thought to smile or frown upon our minister: then comes an article in the Gazetteer about smuggling cutters, and the duty upon tea, as if such idle tales would compose the alarms of land, trade, and funds, whose all is at stake.

Public credit is the right hand of this nation; if you bind down that, you invite the enemy that lies in wait to attack us; but if the *outstanding* debt were clear, and we could command an extra million at a moment's notice, we should find ourselves more secure, than if we were to double the establishment. We could then repel any incidental attack or skirmish, without the risk of being plunged into a long and ruinous war. I do not know, whether ministers look with complacency on these events, and defy them; but I am sure stock-holders shudder at the thought.

*Quos super atra flex jam jam lapsura cadenti  
Imminet assmilis.*

What are ministers dreaming of that they call œconomy? They draw out a plan for a great kingdom to do nothing, and to live upon nothing, as if they were talking of a private man retired into the country upon an allowance from his creditors: that is a penny-wise system indeed! No! set out the establishment, with a frugal sufficiency, and keep it up with vigilance, and above all be ready to assert the public cause upon any emergence, without a moment's delay, and then we shall find ourselves as respectable as any of our neighbours. Even according to their own penurious plan, ministers may pay off their pittance for one year or two years, and then comes the emergence of the third, that sets us farther back from our purpose than ever; yet still this is not half the mischief, for while public credit is thus kept languishing, and the property of stock-holders

pinning

( 37 )

away, every superficial scratch is felt as a deep wound, upon the trade and property of this kingdom.

The minister has pledged himself to his country, that he will produce a fund of 1,150,000 l. after the expence of the year is provided for, to look the unfunded debt in the face. In this very assertion, that he will provide such a surplus, is at least implied a confession, that a less sum than this would not be in any wise sufficient for the purpose; therefore, let us not lose sight of this confession, but call upon ministers to make their word good, as nothing can be fairer, than to take their own boasting of what they will do, for the measure of what they ought to do: besides, the thing speaks for itself; that no less a sum than 1,000,000 l. or 1,200,000 l. a year, can be supposed in any reasonable time to clear off a debt of 10,000,000 l. for all the nations of Europe will not stand by with their arms folded, whilst we take our leisure to discharge a debt of 10,000,000 l. by a surplus of 346,000 l. a year. The foundation of this work must be, first to discharge the *outstanding* part of this debt without delay; for if this were once cleared off, we might in some measure be more at our ease, to provide for the rest of our difficulties, and God knows, we should still have enough to struggle with. If ministers would but *so far* take compassion upon their country, as to exert themselves to effect this, the rest of their work would come half way to meet them. The surplus monies would then be encreased by the sum of 240,000 l. charged above to the account of the *outstanding* debt. This added to the former (346,000 l.) would amount very nearly to 600,000 l. a year. If once we were got so far upon our road, the prospect would begin to clear up; the great storm that now hangs over our heads would then be dispelled; for even if some casual broil with any foreign power, should for a time suspend or retard the subsequent part of our work, yet, the main stake would be safe, public credit would be got into shelter. We are now upon a little eminence, with a surplus of 600,000 l. a year to combat the remaining 3,500,000 l. of the *unfunded* navy annuities; tho' I fear the landed man may still grow impatient, at the tardiness of an operation upon which his relief is ultimately to depend. Yet there may, perhaps, be found two or three incidents in his favour, such as the money due from France for prisoners during the war; we hope to receive 670,000 l. on this account, within the next two years, and by that time perhaps the produce of the American revenue may be ascertained: these indeed are but trivial matters, as to the point of sweeping away any considerable portion of the *unfunded* debt, especially the latter: nevertheless, they would give a degree of cheerfulness to the work.——But we forget ourselves; we are amused in vain with this transient gleam of hope; the minister has set his fatal *veto*, at the very threshold, and fixed our doom: in his sight we are an insolent and factious crew; we must depart, and take for our portion bankruptcy and despair.

February 28, 1765.

( 38 )

## P O S T S C R I P T.

THE whole performance to which this is a postscript, was finished on the last day of February as dated, and therefore throughout the whole course of the argument, there is no idea of the loan of 1,500,000 l. which was opened to the public on the 13th of March, but as accidental delays have retarded the publication till after that day, I could not help sending this postscript after it, lest I should seem unwilling to acknowledge the rectitude of this measure, which as far as it goes, I do very freely admit, being *in part* a compliance with that system the necessity of which I have so strongly contended for. But still, I do insist, that we have only one foot over the threshold yet: the ministry have indeed deserted their fast hold, and have at length descended, instead of holding loans and lotteries in contempt, to accept their assistance; thereby acknowledging the risk of waiting for the tardy and precarious surplus upon the establishment. It is therefore a main point gained, that the necessity of other and more expeditious means is admitted; but if we go on at no greater rate, than we do at present, we shall never get within sight of the end, for we can hardly be said to pay faster than the debt rises upon our hands. Take the navy debt, to which the present loan of 1,500,000 l. is applicable; how much shall we be in a better situation at the beginning of the next session, suppose in January 1766, than we were at the end of the last in 1764? the navy debt was encreased in the last year 530,000 l. and if we state the encrease during the present year at the least supposable sum, viz. 300,000 l. more, then there will be 830,000 l. to be deducted, which leaves us only 670,000 l. the better upon the whole; even, if the encreased debt for this instant year should be no more than 300,000 l. That is to say, as much as the provision of 1,500,000 l. exceeds the encrease of the navy debt for the last year, and the future encrease during the present year, just so much ground is gained upon the whole and no more. This is the light in which the measure strikes me: I did not chuse to pass it over in silence, as it seemed to come so unavoidably in my way. As a subsequent measure it does not interfere with the main scope of my argument, and as a deficient one it only becomes the stronger testimony in my favour from its being so grudgingly extorted. I give it this transient remark, as it goes by, but I do not mean to enlist myself as a perpetual commentator upon the measures of administration, especially in the subordinate points of detail, my intention has been to give a full and clear state of things, for when we have once ascertained the departure, it will be very easy to keep our reckoning.

I have drawn the line, I think, as fairly as it can be, upon the distinction of *outstanding* debt and *unfunded* debt, and have not pressed for more than is immediately necessary for the public safety. Not that ministers should be sluggish in clearing off the *unfunded* debt; because every delay is so far postponing the relief of the landed man, whose tax may be reduced when that is accomplished; but as to the *outstanding* debt, I must repeat it again; It is the *only* vulnerable part of this country. To leave this point exposed, is inviting some secret enemy to attack us: Do ministers think how formidable a thing it is to stand responsible for the fate of their country? If a day of calamity and distraction should come, it will be in vain to plead who did not advise the peace. The state of public credit when put to the proof, will admit of no disguise. God forbid, that we should ever come to see this contention between the advisers of the peace, and those who ought to be the Supporters of public credit. I am sure, I speak a language that ministers would do well to consider before the clouds collect. It is not the language of ill-will to them.

I have heard these arguments treated by ministers as *weak* and *foolish*, *wicked* and *ill-intentioned*. As to their *weakness* and *folly*—If ministers will not be convinced, we have no way to help ourselves: the country must patiently expect the consequences. As to *wickedness* and *ill-intention*, they are hard words, and would carry a severe censure, if they did not come from ministers; but

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( 39 )

their anger is the strongest testimony that I have said nothing but the truth. Why is a man to be pointed out as an enemy to his country, merely because he charges the *administration* with neglecting the public concerns? For there is no argument of mine that has a tendency to disparage *public credit*; but, on the contrary, to shew that this country might be put out of the reach of any sudden danger, the very first hour that ministers would think proper to lay aside private animosities, and to set their shoulders to the work. But they catch at any twig to save themselves. The minister forgets that the stocks fell ten per cent. within the first half year of the present administration; he forgets the immense *outstanding* debt which he neglects to provide for; and instead of looking at home, attributes the languid state of public affairs, to the supposed *wickedness* and *ill-intention* of those who have no other foundation for their arguments, than *weakness* and *folly*.

Ministers are very ready to invite accusations on points where they have never been brought. They pretend a great alarm, as if it had been insinuated to the fund-holders, *that they have no reason to believe their principal will ever be paid, and that their interest will be in peril the very first war we are obliged to undertake; and that, in short, their security is become scanty*. Now this is a meer fictitious accusation that ministers have brought against themselves; for what motive could a fund-holder have to wish for the repayment of his principal, if he could find himself possessed of a species of property saleable at par? Therefore, as far as relates to the principal, his utmost wish would be accomplished by raising the stocks. And as the security of his interest, it was never greater than it is now: there is a nett surplus of thirteen or fourteen hundred thousand pounds for the current service, which must go first to satisfy the annuitants. But this is not their whole security, for the fund-holders take precedence in payment of the outstanding and unfunded debt; therefore they have behind them a reserve of eighteen or nineteen hundred thousand pounds, tho' the vacant money for the current service, be but about fourteen. The whole drift of my argument is to shew, that the sinking fund is not enough to compleat the peace establishment, without a four shilling land tax: But ministers (for the purpose of diverting our attention from the point that pinches) chuse to hand the argument aside, from the landed-man to the fund-holders, as if a surplus of eighteen or nineteen hundred thousand pounds were not an ample security to them for the payment of their interest.

No one ever doubted the security of the funds. But when threats are thrown out, and measures of compulsion are suggested, it is high time for the public creditor to look about him. I hope we shall hear no more of these things. Thank God, the very thought was rejected by parliament with disdain. Proprietors of navy bills to the amount of 179,229 l. 6s. 6d. having their free option, chose to decline certain terms which were offered to them, and to abide by the original terms of their contract, thus expressed, *The said bills to be paid in course, according to the rules of the navy*. The act of parliament left the acceptance of the terms to their option, and by far the greater number did accept them. Ten months after, when the stock into which the greater number had subscribed, was at more than nine per cent. discount, (all the other stocks having fallen in the same proportion) there comes a deliberate proposal, to pass over in the course of payment these *delinquents*, these *factious* non-subscribers, unless they would consent to take ninety-one pounds (or rather less) for every hundred. What countenance did this proposal meet with? None. The parliament voted them their whole money to the last farthing, without a moment's delay. They resolved, *That provision be made for all such bills, payable in course, amounting to 179,226 l. 6s. 6d. as were not converted into annuities after the rate of four per cent. in pursuance of an act made in the last session of parliament*. As long as parliament will thus stand the guardian of public credit, we may defy the worst that ministers can do. What disposition can we suppose those ministers to have towards their country, who think it *weakness* and *folly* to have any feeling for the public faith, and who call it *wickedness* and *ill-intention* to remonstrate against a deliberate breach of contract? I lay my stress here; not only to justify what I have said, which every man is called upon to do when so highly accused as being an enemy to his country; but likewise to shew, as a substantial part of the argument in support of public credit, that it stands not, on the precarious honour of ministers, but on the unshaken and inviolable faith of parliament.

March 21, 1765.

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