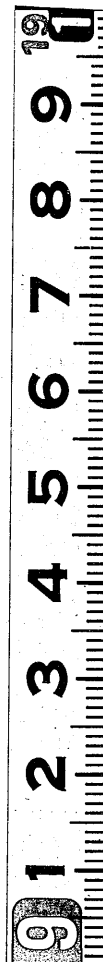


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...A...
D E F E N C E
OF SEVERAL
P R O P O S A L S
FOR

Raising of THREE MILLIONS

For the SERVICE of the

G O V E R N M E N T,

For the YEAR 1746.

With a POSTSCRIPT, containing some
NOTIONS relating to PUBLICK
CREDIT.

By Sir JOHN BARNARD, Knight.

L O N D O N:
Printed for J. O S B O R N, at the *Golden-Ball*,
in *Pater-noster Row*.

M.DCC.XLVI.

[Price 1s.]



A
DEFENCE
 OF SEVERAL
PROPOSALS
 FOR
 Raising of **THREE MILLIONS**
 For the SERVICE of the
GOVERNMENT.



LATE Transaction having made some Noise in the World, and raised the Curiosity of many Persons, desirous to be informed of the true State of the Controversy; and a Pamphlet having been printed, intituled, *A Letter to Sir John Barnard upon his Proposals for raising Three Millions of Money for the Service of the Year 1746*; wherein I am called to account for my Behaviour in Parliament, and many things are therein misrepresented; I have thought it might be acceptable to many, to have *my* Account of the Matter: And, in order for their Judgment, I shall set forth the Two Proposals, with the

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Times they were printed ; also the Supplement to the Second Proposal, together with a short Narrative of my Proceeding ; and shall afterwards take notice of some Parts of the Letter : But that the Reader may have the clearer Notion of my Behaviour, I think it best to begin my Narrative a little higher than the Commencement of the Dispute in question ; and to publish a Paper relating to Gold and Silver Plate, which was wrote, and communicated, in the Month of *January* : This, I think, is made in some degree necessary, by the Treatment it met with in a certain Place, when no ways under Consideration ; and may serve as an Answer to some Insinuations scattered through the Letter.

As I am one of the Representatives of the People of *Great Britain*, I know they have a Right to judge of my Behaviour in Parliament ; and to their Judgment I shall freely submit myself.

WHEN I first heard of the Proposal which was made in the General Court of the Bank, for lending One Million on the Land and Malt Taxes, I thought the Terms very hard on the Publick ; and was much concerned, that the Bank should do a thing, which could not but add to the Difficulties, which were full great before. It was easy to see, that the Call of 10 *per Cent.* on their Capital of about 9,800,000 *l.* would occasion a Fall of their Stock, as well as other publick Funds, and would forestall the Government, when it should have Occasion to raise Money by new-created Funds. I remembered how their raising the Interest on the Land-Tax to 3 $\frac{1}{2}$ *per Cent.* last Year, had been made use of as an Argument for the Terms on which the Three Millions last Year were raised ; which I thought might have been had much cheaper, by an open Subscription, into which all Persons who had Money by them, might have entered ; and is, in my Opinion, the best and cheapest way of raising Money at all times, and every way most pleasing

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pleasing to the People in general ; without which it is impossible for Publick Credit to flourish. I thought that Publick Credit could not have been so depressed by the Rebellion, and threatened Invasion, as it was, if the Three Millions had not been raised in the manner they were : For, the Subscription being at first principally in the Hands of Persons, who could not pay in the Sums which they had agreed to pay ; others, who had Money, and were deprived of coming in on the original Terms, and knew that the first Purchasers must bring their Goods to Market, many of them stood off, in Expectation of buying cheaper : So that when the Rebellion broke out, which was before some of the Payments became due, a good Part of the Three Millions was in Persons Hands, who could not keep it ; which made the Fall on all the Funds more than it would otherwise have been : And, I think, this will always be the Case on any such Incident, whilst the present Method of raising Money is pursued. I had seen, that the Methods used to help Publick Credit had had a contrary Effect, except that prudent salutary Step of Persons voluntarily engaging themselves to receive Bank Notes in Payment : And as well I knew that some Persons looked upon the Methods of late practised, in raising the Supplies, very differently from me ; and, although, perhaps, they did not approve the Methods, might think them absolutely necessary ; I was, upon the Whole, very apprehensive, that the Publick would greatly suffer in the raising the Supplies this Year : This put me on considering, What Remedy might be applied to so great an Evil : I then thought, that the only certain effectual Relief would be, to turn (as I may say) some of our dead Stock of Gold and Silver Plate, into a quick circulating Stock : I then began to consider, which way this might be reduced to Practice ; and also how it might serve the Use of Money, before it was coined. When I thought I had clear Ideas of the Matter, I

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took Occasion to talk with Gentlemen in the City: It met with Approbation from many, without Objections from any, that appeared to me of Weight. I then thought best to feel the Pulse of some Persons of Figure at the other End of the Town, and reduced the Whole into Writing; and communicated it on the 18th of *January*, where I thought it most likely to have the best Effect: A Copy of which follows:

I hope the Reader will excuse the Incorrectness, as it was wrote in a Hurry, without Design of being printed, and not so much as wrote over fair, when it was communicated. As I find some desirous to know, What I thought of our Affairs at that time, I chuse to publish it now in its original Dress.

Copy of a Paper about Gold and Silver P L A T E.

‘ IT is too evident, that the Distress brought on Credit by the Run on the Bank and Bankers, has carried out of the Market, Money, or Notes equivalent to Money, to a very great Sum, which can’t be ascertained; but the Effects of it are sensibly felt by a Stagnation in Trade, a great Fall on all the publick Securities, and an apparent Impossibility of raising the Sums, which the Government will absolutely want, to enable it to make either War or Peace.

‘ THE Question is, How our present Difficulties may be removed? It is notorious to those who have well considered this Point, and what has happened in former Times of Difficulties;

‘ THAT altho’ the Credit of Bank and Bankers may be grievously hurt in a very little time, they can neither be restored but by very slow Degrees.

‘ I AM fully persuaded, that the Credit of the Bank and Bankers will not be recovered, whilst the War shall

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‘ shall last, without some extraordinary Remedy be applied.

‘ SUCH an effectual Remedy, which will answer our present Wants, and also be a Means of supplying us during the present War, I conceive is in the Nation’s Power to be applied, without hurting any one Person.

‘ TO wit, if such a Quantity of the Gold and Silver Plate in this Kingdom were to be coined, as would answer to purchase all the Funds, which the Parliament will be obliged to create this Year.

‘ AS this is proposed to be voluntary, a Question may be made, Whether the Plate to be brought in would be equivalent to the Sum wanted?

‘ TO this I answer, That if it be properly set on Foot, there has lately appeared such a Spirit in Support of our Constitution, that I make no Doubt, but People will be ready to bring in large Quantities, in proportion to their Circumstances, possibly more than there will be Occasion for.

‘ MANY will do it out of their Zeal to serve their Country; many out of Interest, to receive the Income; especially as it may be done with an Appearance of Zeal, and leave no Imputation.

‘ OTHERS may be ashamed of keeping great Quantities for Shew, when their Neighbours part with theirs, for the publick Good.

‘ BUT the Success may be seen in a very little time, by a voluntary Subscription to be opened by proper Persons, and laid for all to subscribe that like it, in some publick Place; of which Notice, in Print, to be given.

‘ ALL Persons subscribing, to express to what Value they will bring in Plate.

‘ THERE is little room to doubt but the Parliament will give the Annuities to such Subscribers, although no Act be made previous to such Subscriptions.

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THE most difficult Point seems to be, How the Plate to be brought in will answer the Purpose of the Government; because it will require long time to coin it.

THIS Objection, although formidable, I hope is not insuperable. If every one were as thoroughly convinced as I am, that it is the only thing that can help us in our present Distress, they would apply all their Abilities to find out Means to make this Plate answer the Use of Money to the Publick. Some Means, that occur to me, I shall suggest, for the Consideration of those who are better acquainted.

ALL possible Expedition must be used in the Coining; and it will be right to coin the Gold first, as most valuable.

IF the Fund for defraying the Charge of Coining be not sufficient to answer so large a Coinage, the Mint-Master will doubtless apply to Parliament in time for a Supply.

AS the Mint is now employed in re-coining Spanish Dollars, if they by Proclamation were made current at a certain Rate, it would supersede the Necessity of coining them; whereby the Mint would be more at Leisure to coin the Plate.

WHEN the Gold and Silver shall be melted down, and reduced to Standard for Coining, Notes may be given for delivering so much Money as shall be specified therein, or a Quantity of uncoined Plate, answerable thereto, on Demand.

SUCH Notes for convenient Sums may be issued to the Navy, Victualling, &c. to pay their Bills for Contracts; which, I believe, will readily be accepted in Payment, as the Proprietor of the Bills will be able to pay them again, especially, if they are ordered to be taken in all Receipts of the Revenue.

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THIS would be an immediate Benefit to the Publick, by reducing the Discount on Bills, and enabling the Government to buy cheaper than at present.

IT will be necessary, that free Liberty be given to export such melted Plate.

THE Subsidies to Foreign Princes may be paid in such Plate, by Agreement here, or by sending it to *Amsterdam*, and converting it into Money.

BY the last-mentioned Means, our Army may be paid abroad. What Money may still be wanted faster than it can be coined, the Treasury may be empowered to dispose of such Plate as they shall find necessary; and charge the Loss under the Head of Services incurred, and not provided for.

IF the Supplies for this Year can be obtained in this manner, Credit will very soon revive, and Money be very plenty, not only for the present, but for the future, by such an Increase of the Cash of the Kingdom.

THE present Distress on Credit has been occasioned principally by Three Sorts of People; viz.

SOME out of Fear, which affecting others also, make a great Body; some, by Design, to promote the Views of our Enemies.

OTHERS, which are likewise a great Body, out of selfish Views, to make their private Advantage of the Distresses of the Publick; these, having their Money to lay out, by having got in time out of the Funds, are desirous to depreciate every thing, that they may come in on lower Terms; and, if they get it in their Power, will put their own Terms on the Publick.

IF Money be raised in the manner above proposed, these People will be intirely disappointed; and must bring their Money out, to buy the Funds in being; or keep it lying idle, which will not answer their Purpose.

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ON *Friday* the 31st of *January*, I first heard of the Agreement, which was said to be made for raising Three Millions. The Terms appeared to me to be so disadvantageous to the Publick, that at first I did not believe it; and expressed myself, That I thought it impossible: But soon after I understood, that it had been made publick in *Exchange-Alley*, and declared to be full on that Day; which, so far as I can learn, was the first time it was made publick: But, however that may be, I am very sure, that until about Two o'Clock that Day, I had never heard any thing about it, even not so much as that any Proposal had been made of one Side or the other.

I AM fully persuaded, that, in the Situation which this Nation is, so fully taxed, that it is not practicable by annual Taxes, to raise within the Year, the Money which is necessary in times of War. The Well-being of the Nation depends upon nothing more, than a constant prudent Management both in raising and expending the Money. Mismanagement in either tends to plunge us into Debts, which may grow so excessive, as that we may be neither able to bear them, nor honestly get rid of them.

THERE is likewise another Consideration, which, although inferior to that I have now mentioned, is with me of very great Weight, I mean, the Justice which is due to all the present Creditors of the Publick, not to have the Rate of Interest, on new Funds, raised more than is absolutely necessary; because the Consequence thereof is lowering the Prices of all the present Funds, in some degree; which not only gives very great Uneasiness to all the Proprietors, but falls very heavy on such of them as are obliged to sell their Property at low Prices; which has been the Case of many lately.

THERE is another Consideration, which regards both the Publick, and the Creditors; which is, that Mis-

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Mismanagement lessens the Opinion which Mankind have of the Funds, and so tends to raise the Rate of Interest. I conceive, that a Nation may lessen its Credit, by the same Means a private Man may: A Man that sets out with a great Estate, and is known to mismanage his Affairs, will, in time, have much less Credit than another, who, altho' of small Estate, is observed to manage his Affairs with Prudence. These Considerations are, I conceive, abundantly sufficient, to justify any Person in using his utmost Endeavours to have the Publick supplied with the necessary Money on the cheapest Terms possible; and to make a Member of Parliament, who, in that Capacity, is no other than a Trustee for the People, think it his indispensable Duty to act accordingly.

ON *Friday* the 21st of *February*, in a Committee of Ways and Means, the new Taxes were proposed; and it was opened, In what Manner there were Thoughts of raising Three Millions on those Taxes? The Method proposed appeared to me, at that time, too expensive; and therefore I gave my Reasons against that Method; and mentioned to the Committee, that I thought the Money might be raised much cheaper; and threw out, that I had no Doubt but One Million might be raised by a Lottery at Four *per Cent.* if there was One Third added in Capital to the Million, and the whole Million and One Third to carry Three *per Cent.* Interest: That I believed Two Millions might be raised by Annuities at Four *per Cent.* irredeemable, or by Annuities at Five *per Cent.* redeemable after Ten Years: I endeavoured to shew, that if the Money was raised, One Million by Lottery, and the other Two Millions, by either of the said Ways, the Saving to the Nation would be great; that it would be more agreeable to the People in general, than the Method proposed; and would tend to

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raise the Prices of the present Funds, which had been lowered by the Publication of the other Scheme.

My Thoughts were not received, as I hoped they would; but treated in a manner, which, to me, they did not appear to deserve. The Committee came to a general Resolution of raising the Three Millions by way of Lottery and Annuities.

ON Monday the 24th of February, the several Resolutions, which the Committee had come to, were reported to the House. The Debate was chiefly, that Day, on the Duty upon Glass: I did not enter into the Debate; but acquainted the House, that I had reduced my Proposal into Writing, and had sent it to the Press; that it would be printed against the next Morning, and delivered to the Members: That as the Resolution for raising Three Millions was equally open to my Proposal, as it was to the other Proposal, I should insist on mine. The Proposal was delivered next Morning to the Members; and published in one of the News Papers on Wednesday: Which Proposal now follows:

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APROPOSAL for raising THREE MILLIONS for the Service of the GOVERNMENT.

- ‘ 1,000,000 l. At Five per Cent. per Ann. for Ten Years; after which Time to be redeemable by l. s. d. Parliament - - - 50,000 0 0
- ‘ 1,000,000 l. On perpetual Annuities of Four per Cent. per Ann. unredeemable - 40,000 0 0
- ‘ 1,000,000 l. By a Lottery at Four per Cent. per Ann. 40,000 0 0
- ‘ 3,000,000 l. - - - on a Fund of, per Annum, - - - 130,000, 0 0
- ‘ The Lottery to have an Increase of Capital of - - - - 333,333 6 8
- ‘ The Whole 1,333,333 l. 6 s. 8 d. to have an Annuity of Three per Cent. per Ann. redeemable; which is, as above, - - - - 40,000 0 0
- ‘ To be disposed as follows;
- ‘ Every Blank Ticket to have 10 l. — the original Sum to be paid for a Ticket; and the Remainder of the Money to be divided in Prizes.
- ‘ Suppose, l. s. d. 75,000 Blanks, at 10 l. each, is - 750,000 0 0
- ‘ 25,000 Prizes, properly distributed - - - - 583,333 6 8
- ‘ 100,000 Tickets, of which the Lottery to consist, - - - 1,333,333 6 8
- ‘ All the above Annuities to be transferrable.’

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‘ A separate Book to be laid open for each of the
 ‘ said Three Millions; in which any Person may sub-
 ‘ scribe, paying down such Part of the Purchase-
 ‘ Money as shall be ordered.’

‘ That a Person subscribing in one Book be not
 ‘ obliged to subscribe in either of the other Books.’

‘ If the Lottery be not filled by a limited Time,
 ‘ no more Subscriptions to be taken in that Book;
 ‘ and the Lottery to consist only of the Sum sub-
 ‘ scribed.’

‘ Blanks and Prizes to be distributed in the above
 ‘ Proportion.’

ANY one may judge, that if, on Reflection on what had passed in the Committee on *Friday*, I had not been fully satisfied, that my Proposal was for the Advantage of the Publick; and that it was also practicable; I should have let the Affair drop, and not have exposed myself to the Censure of those who are Judges of such Affairs. I desire it may be observed, that each of the Three Ways mentioned in this Proposal, is founded on the Prices of Annuities on the 21st of *February*, in open Market, with some Inducement to People to advance their Money; without which, there could be no Hopes of raising it: But if the other Scheme had not been published to the World, and the Prices of the Funds lowered in consequence thereof, I don't think it would have been necessary to have offered so good Terms; but that the Three Millions might have been raised on still easier Terms for the Publick. The Proposal met abroad with a favourable Reception; and confirmed me in my Opinion, that the Government might have the whole Three Millions on the Terms I proposed. If it had been raised in that manner, I conceive the Advantage to the Government would have been about 400,000 *l*.

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BUT, by Conversation, I found the Methods would not be tried: Some would not allow the Difference between the Two Proposals to be near so great as I have stated it: But the Objection I found most insisted on, was, a List of Persons who had engaged to raise the Money on the Proposal first offered to the Committee; and therefore there was a Certainty of having the Money on that Proposal; but as for opening Books as I proposed, it was not thought that the Subscriptions would be filled; at least, it was very uncertain; and that a Disappointment of the Money, at that time, might be of fatal Consequence to the Nation. I must own, that this Reasoning had not the least Weight with me; and cannot help being of Opinion, that it was an Attachment to the First Proposal, which alone raised the Objections against mine. I make no Doubt but those who shall consider the Three Methods in that Proposal, will be of the same Opinion, and will think, that each of them carry a sufficient Inducement to Subscribers; taking into their Consideration that which is always to be understood, That the same Indulgence in point of Payment of the Purchase-Money, which is granted on the Proposal which was accepted, was to be granted to the Purchasers under my Proposal.

I WILL a little consider them, beginning as they stand in Order in the printed Proposal:

THE Million proposed at Five *per Cent.* for Ten Years, would be very acceptable to many Persons in Years, because of making so high Interest of their Money for that time, and leaving their Capital whole to those that shall come after. The Second would be very acceptable to all Persons who should want to make Settlements, not being liable to Alteration, either by Reduction of Interest, or paying off of any Part of the Principal; which is very inconvenient in Cases of Settlement: And altho' it may be supposed, that, at any particular time, there

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there are not Persons who want to make Settlements, sufficient to take off a Million, yet many others would like them, to be at a Certainty for themselves, and also to have it in their Power to leave unalterable Annuities, by their Wills, either for Life, or otherwise, without incumbering any other Part of their Estates: Besides, Persons who lay out their Money in the Funds, to gain a Profit by selling them again, when the Markets rise, would like these *4 per Cents*, because they might be very sure, that, at all times, irredeemable *4 per Cents* would sell in Proportion, at least, to *3 per Cents*: That is, if *3 per Cents* should be at 75, *4 per Cents* would be worth 100*l.*; if *3 per Cents* should rise to 100*l.* *4 per Cents* irredeemable must be 133*l.* 6*s.* 8*d.* *per Cent.* These are the least Prices they could sell for: But, besides that, they would have an additional Value, especially when *3 per Cents* may be above Par, from not being liable to have the Interest reduced, or the Capital paid off; which, how distant it may now appear, or how improbable soever it may seem at present ever to happen, I make no Doubt will be the Case one time or other. On the Whole, I believe, creating of some irredeemable *4 per Cents* would be a Means of bringing Money, both from at home and abroad, which will not come into the Funds by other Temptations.

I THINK I should lose my Time, if I were to use any Arguments to prove the strong Probability, that a Million might be raised on a Lottery, as mentioned in the Third Article: I believe, all Persons who understand these Matters, are fully convinced of it.

If the Methods I proposed were thought not encouraging enough, there was room to have added to every one of them, or to such of them as was thought to have stood in need of it: It could not be expected, that I should propose offering more, because I was fully convinced, that the Terms I proposed

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posed were inviting enough to answer the End of raising the Money; but for others, who thought differently, they might have proposed additional Inducements; or if either of the Three Ways was thought not adviseable, or not practicable, they might have left it out, and have tried to raise the Whole on the other Two; or they might have introduced intire new Methods: And for myself, although I was desirous to save 400,000*l.* to the Publick, yet, rather than save nothing, I should have come into that, which might have saved 3, 2, or 100,000*l.*

THE very Time which passed between the First Motion in the Committee of Ways and Means, and the Day on which the Committee on the Bill came to the Resolution, was more than sufficient to have tried (if Books had been laid open), whether People would voluntarily subscribe the Three Millions. If it had been found, that any Part was wanting, that Part might, notwithstanding, have been created, and left in the Disposition of the Treasury, to be issued at Par, for the necessary Occasions of the Government; which is what has been often practised in former Wars, and is now practised in another Instance, where Land-Tax Tallies, at Discount, have been issued at Par in Payments.

It would be endless to mention all the other Ways which might have been taken to save the 400,000*l.* or, at least, some good Part of it, without running the least Hazard in respect of the Publick. I endeavoured to satisfy Gentlemen of the Advantage which appeared to me, to be in my Proposal, above the other Proposal; but when I found I was not like to succeed, I considered, that it might be better to form another Proposal, which might take off all Objection, as to the Danger of being disappointed of the Money; which was so excessively magnified; and also to put it in such a Shape,

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a Shape, as that a Comparison might be made between It, and the Proposal first made in the Committee; which could not so well be done on my first Proposal, because it would depend on several Suppositions, which, however reasonable they might be, endless Disputes might be made thereon: Therefore as the Ground-work of the favourite Proposal was Redeemable 4 *per Cent.* Annuities, I thought it best to take the same for mine; and as we were never like to agree what Sum might be raised by a Lottery, on an open Subscription, and yet as a Lottery *was* to be made, it could not be denied, but that the more Money should come in by a Lottery, the cheaper it would be to the Publick, as it would be selling so many Annuities at Par, and consequently saving the Discount, which might arise by a Sale. I thought the best way would be to take in as much Money on a Lottery as should come in, and to sell as many more Annuities, as, with the Money raised by the Lottery, would amount to the Three Millions: This, I thought, must put an intire End to the Objection, that the Publick might be disappointed of the Money; for I did not imagine, that any Person could be weak enough to allege, that the Price of Annuities might be reduced to nothing, or next-kin to it. I do not say, that I have not since heard some such thing said: And, as to the Difference between this Second Proposal and the favourite Proposal, it would stand as I have explained it in the Paper, called, A Second Proposal: Which here follows:

A Second

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A Second PROPOSAL for Raising THREE MILLIONS for the Service of the GOVERNMENT.

THE first Proposal was published in order to obtain the Opinion of Mankind concerning the best Method of raising Three Millions for the Service of the Government: And, having now considered what has been said about the said Proposal in general, or any particular Part of it, I have thought proper to publish this Second Proposal; which I hope is free from any material Objection; viz.

THAT all the 3,000,000 *l.* be raised on Annuities of 4 *per Cent. per Ann.* redeemable by Parliament.

THAT a Subscription be taken in for a Lottery, at 10 *l. per Ticket*, to which every Person may be at Liberty to subscribe for one or more Tickets.

THAT no Subscription be taken in after a limited Time.

THAT the Lottery consist only of so many Tickets as shall be subscribed for at that Time.

THAT the total Amount of the Purchase-money of the Tickets subscribed for be properly distributed into Blanks and Prizes.

THAT what shall remain of the Three Millions, not raised as aforesaid by a Lottery, be raised by a publick Sale of Annuities, to be advertised in the *London Gazette* a reasonable Time before the Sale begin.

THAT in the said Advertisement be mentioned the Sum of Money to be raised by such Sale; the Time from which such Annuities are to commence; the Times of Payment for the Purchase-money; and that every Buyer shall instantly pay down 5 *per Cent.*

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Cent. for all Sums purchased, which shall be allowed to him in Part of the first Payment.

THAT the Payments be fixed at such Times as it shall be foreseen the Money will be wanted.

THAT, some time before the Sale, Catalogues be printed, of the Lots of Annuities to be sold, disposed into various Sums of 100 l. and upwards, as shall be thought proper, to accommodate all Persons who may have a Desire to buy.

THAT the Sale, being once begun, may be continued from Day to Day, until as many Annuities are sold, as that the Capital Sum thereof, together with the Money raised by the Lottery, will make up the Sum of Three Millions, intended to be raised.

THAT if it should happen, that the Annuities to be sold, sell, in an Average, under *Par*, an Adjournment of the Sale may be made, to such Day as shall be thought proper, to give Time to cast up the Deficiency: On which Day shall commence the Sale of as many Annuities as will make up such Deficiency; that the Government, in all Events, may be secure of the Money intended to be raised.

THAT, in case of any unforeseen Incident, which may make it expedient, the Sale, either before it is begun, or during the Time of Sale, may be postponed to a further Time.

IF the foregoing Method be put in Practice, the Difference between this Scheme of raising Three Millions, and that Scheme of raising the said Sum, which proposes a Lottery of 500,000 l. and 2,500,000 l. by Annuities, all at 4 per Cent. per Ann. with the Addition of 45,000 l. per Ann. for Life-Rents, will be thus:

IN Both Schemes there is 4 per Cent. redeemable: So in that respect they are equal.

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IN That Scheme the Government

give 45,000 l. per Ann. for Lives;

which will, in the long Run, come to a

very great Sum of Money; and, by a

moderate Computation, is worth 15

Years Purchase to the Government:

Which is, in ready Money,

IN my Scheme, the Government give only what

the Annuities may sell for less than 100 l. per Cent.

Which, whatever it may amount to, being deducted

from 675,000 l. the Remainder is a clear Saving to

the Nation.

IN the other Scheme there is neces-

sary a Fund of, per Ann. 165,000

IN mine a Fund certain of, per Ann. 120,000

AND also an additional Fund of 4 per Cent. on

what the Annuities shall sell for under *Par*.

THEREFORE, whatever shall by this means be

saved of the Fund of 165,000 l. may serve next

Year, if wanted, instead of laying a new Tax, as

far as it will go.

A few OBSERVATIONS on this present

PROPOSAL.

EVERY one that will, may have an Oppor-

tunity of venturing in the Lottery, on an

equal Foot with his Neighbours: Which is highly

agreeable to Britons; and suited to the Genius of

a People who dislike all Imposition.

EXPERIENCE has shewn, That whenever Lot-

teries have been made on an equal Foot, accord-

ing to the then current Rate of Interest on Pub-

lick Funds, very large Sums of Money have been

raised thereby; and, particularly, in the Years

1710, 1711, and 1712, which were the last Years

of the great War in Queen Anne's Reign.

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'Tis presumed, that large Sums of Money will come into a Lottery (on an open free Subscription) both from at Home and Abroad, that would not come in by any other means.

If that should be the Case, the Money so brought into the Market will have a considerable Effect to revive Publick Credit, raise the Price of the Publick Funds, and give thereby great Consolation to such Proprietors as keep their Property unaltered; who now see, with great Concern, their Estates daily falling in Value, and no Likelihood of a Turn in their Favour, near at hand.

If Stocks should rise, as 'tis very probable they will, if they have a little Time given them to breathe, the Annuities which shall be sold at Publick Sale, may sell for *Par*; which, as I have shewn, will be a great Saving to the Nation, at present; and will also make it more easy to raise the necessary Supplies another Year.

THE raising the Money this Year at an easy Rate, notwithstanding the Shock which has been given to Publick Credit by our Enemies at Home and Abroad, will give the Nation Figure and Weight; without which, we can neither carry on the War with a Prospect of Success, nor make a good Peace.

UNLESS the Subscription for a Lottery be open and free, and the Sale for Annuities publick, many Merchants cannot be able to execute their Correspondents Orders from Abroad; which will occasion great Heart-burnings and Uneasiness, as it will put such Merchants in Danger of losing their Correspondence.

If, contrary to all Probability, the Annuities at Publick Sale should sell lower than is now conceived, the Creditors of the Publick cannot reasonably complain; because they must know, that the Government must have the necessary Money; and

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and it cannot be expected, that the Government should sell Annuities for more than the Market Price; which must be found by a Publick Sale.

BESIDES, it will be in the Power of the present Creditors of the Publick, to lend a Hand, according to their Ability, to keep up the Prices of the present Funds, by becoming Purchasers of the New-created.

It is apprehended, That the Notion of the Government's selling Annuities at a very low Rate, has greatly depreciated all Publick Securities; and that, as soon as People shall be satisfied, that none will be sold but at the best Price they will yield, it will have the contrary Effect.

WHEN the Reader shall have considered this Proposal, as well as my First Proposal, he will find, that both proceed on one Principle; that is, that the Publick should deal directly with such Persons as have Money to lay out, without the Intervention of a Set of middle Men, to make a Property of both or either. I conceive, that the Publick ought to borrow Money on the cheapest Terms possible; and that every Individual in the Nation has a Right to come in, either to a Lottery, or to any other Fund, as cheap as his Neighbour; and that he ought never to be deprived of this Right, without an evident Prejudice would accrue to the Publick by his enjoying it. These Points, I conceive, are absolutely secured by this Second Proposal, which, I am therefore of Opinion, is as good a Method of proceeding at all times, when it shall be judged necessary to make use of a Lottery, for raising the Whole or Part of the Supplies wanted, as any other Method whatsoever. I am very sure, that it is a Method that will please all, who do not desire some undue Preference; and that the pleasing of the People in general

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general will greatly contribute to the keeping up of Publick Credit.

It may be necessary for me to say something to justify the Reasonableness of the Methods I proposed in the Second Scheme: As to the First Part of it, the Lottery, I think it speaks for itself; and has never been known to fail, when the Terms have been suited to the Times: And I leave it to the Judgment of every Reader, Whether he would not venture more largely in a Lottery, be the Terms better or worse, on an open Subscription, than he would do in a Lottery on the same Terms, where he could not be concerned without buying Tickets at an advanced Price? I believe a very large Sum might be raised by the Lottery mentioned in the Second Proposal. The other Part, which is selling the rest of the Annuities by a publick Sale, may not appear so clear at first Sight, because it has not been practised in the Sale of Funds; but has been practised both at home and abroad in selling of Goods; and especially by great Companies: Our *India* Company has always practised that Method; and are obliged so to do by Act of Parliament: There is no Argument that can be used against selling Funds by Auction, that will not hold equally strong against a Company's selling Goods the same way; and yet I dare say, that if the Company had Liberty to sell their Goods by private Sale, the Directors would not practise that way, neither would the Proprietors of their Stock, nor the People in general, be pleased with private Sales.

It should be considered, that those who buy Funds by private Agreement, without Design or Ability to keep them, depend on selling them again at an advanced Price, to other Persons who are able to keep them: And why may not these Persons have Opportunity by publick Auction, to buy of the Government directly? If any Gentleman had a large Quantity of Land to sell, no one would be able to persuade

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him, that, to get the best Price for it, he must sell it to a Land-Jobber, rather than to another Gentleman who wants such Land.

If a Sale of Annuities was published a reasonable time beforehand, Merchants and other Traders would write to their Correspondents in Foreign Parts, as well as in *Great-Britain*, to get Commissions from them to buy Annuities, as they do to buy other Goods; and the Expectation of buying them on reasonable Terms, would probably occasion Orders to be given from many Persons, who would otherwise buy none; some to lay out their Money to make a good Interest of it, others to make Advantage by selling out at advanced Prices, or to do either the one or the other, as Opportunity might offer: So that monied Men from all Parts of *Europe* might be Purchasers at the Sale; and it would not be in the Power of any Set of Persons (however desperately wicked they might be supposed to be) to prevent the Sale of the Annuities, on at least better Terms than they could be sold for to any Persons by private Agreement. It is an uncontroverted Maxim, that Goods will find their Value at a publick Sale; and all Funds can be looked on but as Goods.

THIS Second Proposal was sent to the Press on *Monday* the 3d of *March*; and was delivered to the Members the next Morning: But as I had talked with several on the *Monday*, concerning the Contents of the said Proposal, I found it would not meet with the Reception I hoped for; and, although I thought the Proposal sufficient to satisfy every one that was willing to be satisfied, that a very great Saving might be made to the Publick, by pursuing the Methods therein laid down; and therefore, when I formed that Proposal, had no Thoughts of going any farther; yet finding some object, that the Publick would be left still in Uncertainty, Whether that way would produce the Money cheaper than the other way originally pro-

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proposed; or, at least, it would be uncertain, how much cheaper; I was induced to go farther, and consider at what Price a Bargain might be made to secure as well the Certainty of the Government's not being disappointed of the Money, as of the Saving which might be made. The Reader will easily see, that Two Things were to be regarded in settling the Price: The first, which was uppermost in my Thoughts, was, that the Government should save as much as possible; the other, that if People were to contract, and so be answerable for the Loss, Equity as well as Prudence required, that they should have a reasonable Prospect of making Advantage by it; without which, it would be neither fair nor prudent to attempt to get People to engage; nor would there be any Reason to expect, that People should of themselves desire to engage. The Result of this Consideration was, the Paper called, *A Supplement to the Second Proposal*; which was wrote on Tuesday Morning, and shewed in the House to many Members the same Day: This Supplement was as follows:

*A SUPPLEMENT to the Second PRO-
POSAL.*

IF it shall be thought right to pursue the Methods laid down in the said Proposal for raising Three Millions; and, if it be judged more expedient for the Publick to be at a Certainty, what Quantity of Annuities will be created by the said Methods, than to run the Risque thereof;

It is further proposed,

THAT the Total Capital Sum of An-	} 3,300,000
nuities be	
Which at Four per Cent. per Ann.	} 132,000
amounts to the yearly Sum of	

THAT

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THAT the Times of paying the Purchase-Money for the said 3,300,000 *l.* be the same as was intended for the Payment of Three Millions, if raised by a Lottery, redeemable, and Life-Annuities.

THAT a Contract be made with such Persons as will undertake the same; viz.

THAT, in Consideration of having to their own Benefit all the Money which the said 3,300,000 *l.* shall raise by a Lottery, and the Sale of the remaining Annuities over-and-above Three Millions, they shall oblige themselves to make good all Deficiency which may arise by means of the proposed Sale at the respective times of Payment, as above expressed.

THAT, to secure to the Government the Performance of the Contract, there be deposited in Government-Securities, to intire Satisfaction, the Sum of 250,000 *l.*; which, after the Contract shall be performed, shall be re-delivered, without Fee or Charge to the Contractors.

THAT, if the said Contractors shall make Default of any Payment or Payments by them to be made, the Whole, or any Part, of the deposited Securities may be sold, and applied to make the said Payment or Payments, deducting first the Charges of Sale, and Interest, from the Day whereon the Money ought to have been paid.

THAT the Contractors enter into Bond, to make good all the Deficiency, although it may amount to more than the deposited Securities.

IF 250,000 *l.* should be thought not a competent Deposit, it is apprehended a larger Deposit may be easily obtained,

I must acquaint my Reader, that this Supplement was never printed: I thought there was no Occasion for it, as the Second Proposal, without it, was, in my Opinion, sufficient to answer the Purposes of the Government, and better to be proceeded on by

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itself, than to make any Agreement; which I think will never be done, without some Disadvantage to the Publick. I am fully persuaded, that if that Proposal had been proceeded on, the Publick would have found so great Benefit thereby, as never to have thought of any other way of Proceeding in times of Difficulty; for which I have above given my Reasons; and I make no doubt, but that if the Government had proceeded on the Supplement, although, in that Case, the Government would have saved above 400,000 *l.* of what they now pay for raising Three Millions, which is not a very trifling Sum; yet the Contractors would have made a Profit sufficient to satisfy them, or any reasonable Persons, for any Risque they might be supposed to run. I caused a Copy to be made of the Supplement, and gave it to a worthy Friend in the City, zealous for the Publick Good, that he might make a proper Use of it: I also took all Opportunities of shewing the Supplement to Members of Parliament, and to all other Persons, during that whole Week: I found it received so well by Persons of Judgment in such Affairs, as well as Fortune, and such voluntary Expressions of their Desire of being concerned therein, even for large Sums, that I had all the Assurance I could wish for, that if it should be thought proper by the Committee to proceed on that Supplement, the only Difficulty would be to satisfy all their Desires, and not the least Difficulty of filling the Subscription.

I WAS also confirmed in my Opinion, by observing, that the Opposition made to the Favourite Scheme had put some Spirit into People in the City, and had occasioned the Funds to rise, notwithstanding that many unfair Means had been used to prevent the Rise; and was a Proof to me, that I was not mistaken in that which I had said in the first Day's Debate, That the publishing the Terms of that Scheme, had contributed to lower the Prices of the Funds. I have

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have no Reason to doubt, but that if the said Scheme had been rejected, all the Funds would have risen considerably: I think no better Proof could be given of my firm Belief, that raising the Money in the manner laid down in my Second Proposal would be beneficial to the Publick, than the Proposal laid down in the Supplement, by which the Publick would save above 400,000 *l.*: Which I prove thus:

The 45,000 <i>l.</i> per Annum, for Lives,	} 675,000 <i>l.</i>
would be saved; which I make - - -	
In lieu of which would be given	} 270,000 <i>l.</i>
300,000 <i>l.</i> Annuities, at Four per	
Cent. which, if valued at 90 per Cent.	
comes to but - - - - -	} 405,000 <i>l.</i>
Saving to the Publick, on this Calculation - - - - -	

ON Monday the 10th of March, in the Committee on the Bill, was the principal Debate; at which time the Committee was to determine the Question, of going on with the Proposal originally made, on which that Part of the Bill we were upon was framed; or, by rejecting that Proposal, to make way for any other Method of raising the Three Millions.

I OPPOSED that Proposal; and gave my Opinion absolutely, for proceeding on the Methods laid down in my Second Proposal: But if the Committee should be of Opinion to proceed on the Supplement, I undertook, in case a Preamble for a Subscription should be agreed upon and settled that Night, to bring the same to the House on Wednesday, signed by Persons of undoubted Character and Substance; and, if I failed therein, I assured the Committee, I would make no further Opposition to the other Proposal.

I COULD never get any of the Friends to the original Proposal to say, That if the Deposit was to be in Money instead of Government Securities, or to be made larger, they would come into the Proposal

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posal in the Supplement: And therefore having proposed such a Deposit, as I thought abundantly sufficient, I had no Reason either to alter or increase the Deposit, nor yet to make a List of Persons to be Subscribers. I knew very well, that if Gentlemen should be willing to lay aside the Proposal in the Bill, in order to save the Publick 400,000*l.* they would be very ready to give so small a Time as I desired, since no possible Inconvenience could arise to the Publick therefrom, because the Money was to be paid at the very same times, as by the Proposal in the Bill. However, as, in the Debate, a Deposit of 250,000*l.* in Government-Securities, was treated as insufficient; I did say in Reply, That, if that Sum was thought not enough, it should be increased even to a Million, if desired; which might have been easily done, as it would cost the Subscribers nothing, the Interest on the Securities going on for their Benefit. I said further, That, if Government-Securities were not liked, they should have 250,000*l.* deposited in Money: Farther than that Sum in Money I never thought of depositing: And I must own, that I should have thought it a very great Hardship to have made any Deposit in Money, because a Deposit in Securities would have made it full as certain to the Publick as a Deposit in Money; and there could be no good Reason for desiring a Deposit, but to secure the Performance of the Contract. The Nature of a Deposit I take to be only a Security for the Performance of an Agreement: And in this Case, if the Deposit had been in Money, the Loss of Interest must be borne either by the Publick, or the Contractors. There is another very strong Reason, Why the Deposit in Question should not be made in Money, because that Money, if not deposited, might be more usefully employed to carry the Scheme into Execution; whereas its lying dead would be a Hindrance thereto.

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Not succeeding in my Endeavours to set aside the Clause in the Bill, I next endeavoured to reduce the Quantity of Life-Annuity from 45,000*l.* *per Annum* to 25,000*l.*; for which I gave these Reasons; That there was no Occasion to give any thing on the Lottery of 500,000*l.* because it carried in itself a sufficient Inducement to Subscribers; and that One *per Cent. per Annum* for Life was more than enough on the 2,500,000*l.* in Four *per Cent.* Annuities. The Success in this was the same as in opposing the main Question.

WHEN the Bill was passed, as I had done my Duty in the House, I should have sat down quietly, had I not been attacked, in Print, for my Behaviour this Affair. I believe few People would think, that (bad as the World is) a Man would be openly charged with endeavouring to save a very large Sum to the Publick: It might have been expected, that those, who have had a Share of the Money got by the Bargain, might have been satisfied therewith; especially, as it has not been pretended, that the Opposition to their Scheme has lessened their Profit, by lowering the Prices of any of the Funds. An Act of Parliament always carries its own Weight along with it, and must be received with Respect and Submission; and it must be supposed to be founded on the publick Good: But if presumptuous Men shall take upon 'em to assign Reasons for an Act of Parliament, and shall be allowed to attack Members, in Print, for having opposed that Act, which every Member had a Right to do; and shall place their Arguments in a false Light; surely, such Members have a Right to justify themselves, and answer the false Reasoning of the other: If any ill Consequences arise therefrom, they ought to be imputed to the Aggressor: Therefore, I hope, I shall be excused in what I have said, or shall further say, in my own Justification. If it be inquired, What can be the Aim in bringing this Matter on the Stage

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Stage of the Publick? I can assign no other, than a Desire of having that way of bargaining for raising the Supplies continued; which appears to me the very worst that ever has been practised: And it is in hopes, by setting the Affair in a true Light, to prevent the same for the future, that I enter so largely into it: I could otherwise very willingly have left all that has been said against me, to this short and true Answer, That I had no other Motive for what I did, but the Good of my Country; and that the Steps I took therein, appeared to me the most likely to answer that End.

I COME now to take some notice of the Letter; and shall begin with the First Paragraph.

I AM ready to agree, that in the dangerous Situation the Nation was some time since, and at all times, effectual Methods ought to be taken to raise the necessary Supplies; and that the utmost Frugality ought to be used, *that Prudence will allow of*: These Words I would substitute, in lieu of those in the Letter, *without exposing us to the Hazard of a Disappointment*: Which Words I don't like; because a small Hazard of a small Disappointment ought not to be put in Balance against a great Saving to the Publick. I see well the Use made of those Words; and therefore object to them.

THE latter Part of this Paragraph I should greatly commend, if I had read no more of the Letter: But, in Page the 9th, I find the Principle of examining impartially Proposals dropt, by introducing an implicit Sanction to be given to Bargains made beforehand: I can't conceive, what Use there is in examining Two Proposals, unless it be to vote for that which is best.

AT Bottom of Page the 3d, in the Letter, begins a Paragraph relating to the Borrowing of Money on the Land-Tax at 4 per Cent.; wherein the Author, I presume, would be understood, That the first Application to borrow that Money was a publick Sub-

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scription opened in the City; a thing which he represents me now so fond of: In all which, I apprehend, he is totally mistaken. The first Application, I suppose, was to the Bank, who refused: The next, I suppose, was to those, which, in another place, he calls the Monied Men in the City; who, having had a Bargain last Year, worth to them above 160,000 *l.* * ought, in Gratitude for what was past, as well as to intitle themselves to another good Bargain, to have provided the Money wanted. It may be imagined, that the Heads of these Monied Men, instead of raising the Money amongst themselves, and the Persons who partook with them in their Bargain, endeavoured to get together the Merchants, and others of the City, and so to avail themselves of the publick Spirit amongst them, to raise the Money, whilst themselves should go away with the Credit of it, and intitle them to another good Bargain: It is most certain, that something like this was the Opinion of great Numbers of considerable Persons in the City, and cast a great Damp on the Subscription: So that, considering the time when this Subscription was attempted, that the Run on the Bank distressed most People in Trade; that the Bank advanced nothing; that the Monied Men had failed the Expectation of the Treasury; that Interest of Money was actually above 4 per Cent. at that Time; and that the Subscription was set on foot, and recommended, by People, for whom the Merchants had not the greatest Esteem; it † is more wonder to me, that so much was raised by this new Method, than that no more was raised; and is very far from putting me out of Conceit with open Subscriptions; and, I think, proves, that more Money

* Note, This Sum is taken from the Price at which the Subscribers might have sold, before the First Payment was made.

† If any extraordinary Assistance should be at any time expected out of the City, the Lord Mayor, for the Time being, seems to be the most proper Person to be applied to.

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may be raised by open Subscriptions, than by any other Method at the same Rate of Interest: However, to cut this Matter short, so far as relates to me; The Subscriptions I recommend, apply to the Interest of People, by giving a moderate Advantage: The Subscription opened for the Land-Tax, taken by itself, was contrary to the Interest of every Man that did subscribe, because he could make more Advantage of his Money other ways.

THE next Paragraph in the Letter, I think, merits no Answer: It is not to be wondered at, that a Person should make some feeble Efforts to abuse my Friends, when he afterwards places his own in so shocking a Light, that I dare say, those very Friends will not thank him for it. *Vide Letter, Page 17.*

IN the following, he goes on about the Land-Tax; mentions its having been stiled, *The Flower of the Supplies*; and asked, as a Favour, even at 3 per Cent. I am obliged to him for this Hint; because it puts me in mind of another Instance to prove, That open Subscriptions are the very best and cheapest way of raising Money; and I dare almost affirm, that there never has been a time, when the contrary can be proved to have happened; neither do I think, there ever will be a time, when Money may not be raised by a free and open Subscription, on better Terms, than it can be obtained by any private Agreement: The Instance I mean is this: About the Beginning of the present *Spanish War*, the Bank, although in full Credit, and who had been used to supply great Part of the Land and Malt Taxes, refused to lend on them at 3 per Cent., and insisted to have $3\frac{1}{2}$ per Cent.: This occasioned a Debate: Many Gentlemen gave their Opinions, That the Money might be raised at 3 per Cent. by opening Loans at the Exchequer, even although the Bank should still stand out: This way was tried, and succeeded. The Bank, when they found the Government could do with-

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out them, vouchsafed, for their own Interest, to lend at 3 per Cent. and, in the following Years, the Bank lent so much, that there was not room left for all other People; and then, some who had lent their Money in the first Year I have mentioned, were forced to ask it as a Favour to lend on the Land-Tax, or be shut out. At the Latter-end of the Section I am now upon; Two Questions are asked me. As a nameless Author can have no Right to an Answer, it is no ways necessary to give any: However, if he reads the Proposal foregoing, concerning the Coining of Plate, he will see what my Thoughts were at the Time that Paper was written.

I AM got to Page 5th of the Letter, wherein it is said, That the Bank is usually stiled, the Fountain of Publick Credit: I think any one that understands what Publick Credit is, and desires to speak properly, will never call it by that Name: Publick Credit was in Being before the Bank, and would continue although there was no Bank. I know, very well, that the higher Credit the Bank is in, the more it has in its Power to support the Credit of the Publick; and the more zealous the Bank is in that Affair, the more it will merit from the Government; and deserve the Love and Esteem of all those who wish the Good of the Nation: But whenever the Bank is foremost in endeavouring to raise the Rate of Interest to the Government, or shall refuse to lend its Assistance to reduce the Rate of Interest, it will deserve neither Favour from the Government, nor Esteem from the Subjects.

I SAY further, That the Bank is a very good Servant, but a very bad Master; and it would be very easy to prove, that the Bank depends as much, for their Flourishing, on the Favour of the Government, as the Government does on the Assistance of the Bank; and therefore the Benefits ought to be reciprocal. I shall now mention what I take to be

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the Basis of Credit both publick and private; I mean, Opinion; for, according to the Opinion that People have of the Publick, or of particular Persons, such will the Credit of Either be: By Credit I don't mean simply the Rate of Interest; for that is affected by many other Considerations.

I FOLLOW my Author in his stating the Case; but cannot agree, that the next natural Application for a Loan on the Land-Tax was to the Bank; because I have supposed the first Application was there; and, if the Bank wanted Assistance themselves, I think, for that very Reason, a second Application to them would be unnatural, as the Case of the Bank could not be unknown.

HE afterwards, in relating what was done with, and for, the Bank, begins with these Words: "What could the Treasury then do?"

I ANSWER, That, on *his* stating the Case, they should have applied to the Monied Men; but, I observe, he very carefully keeps *them* out of Sight, and does not introduce them until the Bargain comes to be made for Three Millions. Perhaps he may think it would have been fruitless to apply to them to assist the Government in the Land-Tax, with Money which might be provided by them, for a Purpose much more advantageous to themselves: However, I cannot believe but that they were applied to in the manner I have stated before; so that the Question he asks, will remain unanswered: Therefore, for a direct Answer, I give my Opinion, That as the Bank *could not*, and the Monied Men *would not*, lend on the Land-Tax, the Treasury might have seen, that an open Subscription was, in those Circumstances, the likeliest way of getting the Money on the Land-Tax, on the easiest Terms: Therefore, as it appeared, on Trial, that the Interest of 4 *per Cent.* was not thought a sufficient Encouragement to fill the Land-Tax, they should have done

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done as all People of Credit do, when they want a Sum of Money; that is, get it on the best Terms they can. I remember it was a pretty general Expectation, that when the Parliament came to sit, they would have impowered the Treasury to give 5 *per Cent.* on the Land-Tax; which probably would have brought in all the Money wanted, as fast as the Occasions of the Government would require it; more especially, if, instead of Tallies, which are very disagreeable in the City, Exchequer Bills, payable in the same Course as Tallies are payable, were issued, in such Sums as the Lenders of the Money should desire: In this Case many Persons, who had Money by them, which they foresaw they might want in a few Months, would, to serve the Publick, and to make some Interest in the mean time, have paid in their Money on the Land-Tax, as they would depend on passing them away in Payments when they might have occasion. It is very observable, that Bank-Bills, carrying an Interest of 5 *per Cent.* have borne a small Premium, when Land-Tax Tallies, that might come in Course in a Year, or less, carrying an Interest of 4 *per Cent.* have been sold at 3½ *per Cent.* Discount; by which a Person might make 7½ *per Cent. per Annum* of his Money.

I NEVER heard (that I can recollect) but one Reason given, why, since Exchequer-Bills would be better esteem'd than Tallies, they are not issued in common; that is, That, by Contract with the Bank, no Exchequer-Bills can be issued without their Consent: It seems to me very hard, that when the Bank cannot supply the Government, they should hinder the Government from issuing Exchequer-Bills, whereby they might be supplied with Money, at a lower Rate of Interest than they could be by Tallies. I cannot join with the Letter-writer in his double Praise, for giving to the Bank One *per Cent.* additional Interest for near a Million of Money (not for a Year

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a Year only, but) till the Government shall have it in their Power to redeem the Capital, (which how long it may be before that happens, I cannot say), and have no other Consideration but the Loan of a fresh Million on the Land and Malt Taxes, at 4 *per Cent.* This, although nominally, is paying but 5 *per Cent.* on those Taxes, will cost the Government very dear, and was very well understood in the City, and contributed to the lowering the Price of Stocks, especially as the Money was to be raised by a Call of 10 *per Cent.* on the Proprietors of the Bank-Stock.

I AM got now to Page 6. of the Letter, wherein the Author comes to the Raising of the Three Millions, which has been the Subject of Debate. Any one that reads his Letter to this Place, I dare say, would believe, that the Application which he now speaks of to the Monied Men in the City, was after the Transaction with the Bank; whereas the Proposal made in the General Court of the Bank was about the Middle of *January*, not a Week before the News came of the Action at *Falkirk*: And he tells us, at the Bottom of Page 7, That the Contract for the Three Millions rested in Suspense near a Month, till about that time: I am therefore apt to think, that the Contract with the Bank, and the other Contract, which he dignifies afterwards with the Name of the *Exchequer-Scheme* (I suppose, for fear it should be called the *Exchange-Alley Scheme*), were minted at the same time, and that neither of them took their Rise in the Exchequer: I have my Jealousy, that as the Bank's raising the Interest on the Land-Tax, last Year, to 3½ *per Cent.* was a Prelude to the Bargain for Three Millions last Year; so the Bargain with the Bank, this Year, was to usher in the Exchequer-Scheme.

THE Letter-Writer next takes notice, that, besides the Land and the Malt Taxes, and what may be taken from the Sinking Fund, there was still wanting,

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wanting, to complete the Supplies for the Year, Three Millions; which I agree to: Then says, "Where could the Treasury apply for raising these Three Millions?"

I ANSWER, That, in the Month of *December*, wherein, by his Stating, or before the Application was made, they could not properly apply any-where, it being too critical a Time, and no Occasion for the Money for a good while to come, as the Land, Malt, and Sinking Fund, would supply the Occasions of the Government, as I apprehend, for at least Five Months; before which time, unless the Government should be overset, there was Reason to expect that Affairs would mend; I mean, that as Peoples most unreasonable Fears began to wear off, Money, which had been hoarded up, would, by degrees, come out again, as has actually happened. He says further, "A publick Subscription had been tried already, and had, in great measure, failed; and the Bank of *England* had done their utmost." As for the Subscription, I have spoken of it already; and, as for the Bank, it had done nothing at the Time of Application; so that it would have been more proper to have said, That a publick Subscription had done All which had been done; and then the Inference should naturally have been, That a publick Subscription, on such Terms as would give a reasonable Encouragement to People to subscribe, would be not only the cheapest Method for raising the Three Millions, but also what the People had a Right to expect, were it only in Return for having assisted the Government, in Time of Distress, with so large a Sum as 500,000 *l.*

HE then says, "Was it not then the most natural and prudent Method, for those Gentlemen to talk with, and consult the Monied Men in the City of *London*, whose Ability and Punctuality they had experienced on former Occasions?" Who, or how

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how many, the Monied Men, he means, were, is nowhere said: It is very well known, that the Men who have Money in the City are very numerous, and an Application to them must be publick; but it is possible indeed, that a very few Persons may pass, with some, for the Monied Men of the City; and the same few Persons may take on them to represent the Sense of the City, although perhaps quite contrary to the real Sense of the Citizens: The same few Persons may likewise, on occasion, answer for the City, That the Persons talked with, and consulted, were very few: And that those few communicated the Terms of their Proposal to very few (if any) others, may be fairly concluded, because a Secret can never subsist amongst many Persons; and this remained a Secret for about a Month. I cannot say but the few Monied Men acted very prudently, in keeping their Proposal a Secret till the Time it was accepted; and probably it was kept secret above a Week after it was accepted, if the Letter states the true Time; for it was not publickly divulged in *Exchange-Alley*, till the 3rd of *January*; and at the same time was declared to be full. If the Terms had been declared before it was accepted, I think, it could never have been accepted, because the Clamour and Abuse of the Scheme, which the Letter-Writer represents in Page 10. followed instantly the Divulging of it; and that not only from disappointed Persons, as he would have it, but also from Persons who never endeavoured to get into the Subscription, and even from many Persons who were in it.

As to what follows in the Remainder of the Paragraph I am now upon, when those various Proposals he supposes to have been delivered, are produced, a Judgment may be made of them: At present I shall say, That, except the Plate-Scheme, which I now publish, I have heard of none, but a general Proposal to raise the Three Millions, by way of a Lottery,

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a Lottery, and Annuities at 4 *per Cent.* all by way of open Subscription, allowing some small Discompt: This, I am told, was strongly pressed; and I verily believe it might have been executed on such Terms as would have saved a very large Sum to the Publick.

I AM come to the Paragraph in Page 7. which begins in a pompous manner: If my Reader has the Letter, he will do well to read it; and will, from thence, judge what Answer it ought to receive: I doubt not but he will have observed, that my Plate-Scheme, which, for the Matter, was the best I was able to produce, was not kept *in petto*.

IN the next Paragraph, beginning the Bottom of Page 7. he comes to fix the Time, as near as he can, when the Proposal was first made, and when it was accepted: The latter he states to be after the Action at *Falkirk*. I suppose the News came to Town about the 21st of *January*; and, by going back the time which the Treaty was on foot, which he states to be near a Month, may suppose, the Proposal was first made about the End of *December*, when the Time was, that he supposes the Treasury talked with, and consulted, the Monied Men: I do not know, I might have objected to his Use of the Word *consulted*, in that Place; but I have taken it in the Sense of treating with them, or asking them, on what Terms they would undertake to advance Three Millions: I now suppose, from him, that they produced their Proposal, at farthest, before the End of *December*; and I shall choose, for the future, to call them *Undertakers*; not liking that they should enjoy the Title of *The Monied Men*, as if they were the *only* Monied Men in the City.

HAVING now fixed the Time of making the Proposal to be the Latter-end of *December*, according the best Light I have, I think it necessary to see what Price the 4 *per Cent.* Annuities bore at Market,

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at that Time, which the Letter-Writer has taken great care not once to mention, throughout the whole Letter; and yet he ought to know, that it was from thence only, that a Judgment could be formed of the Reasonableness of the Proposal. I find that South-Sea Annuities, the only *4 per Cent.* Government Annuities, of which a very large Part of the Publick Debt consists, were sold about *100 l. per Cent.* and from this Price I make my present Calculation; and I suppose the Proposal to be the same as that which the Letter-Writer calls the Exchequer-Scheme: Which Scheme is, that Three Millions of *4 per Cent.* Annuities be created *500,000 l.* by way of Lottery, and the Remainder without a Lottery; and that the Subscribers should have, for their Encouragement, *45,000 l. per Ann.* Life-Rents. I first lay it down, That there was no need of giving any thing with the Lottery, because a Lottery for *500,000 l.* would go off at Par: Then the Value of *45,000 l.* Life-Annuities, which I set at 15 Years Purchase to the Government, and, at that Price, amounts to *675,000 l.* must be considered as given, to take off $2\frac{1}{2}$ Millions of *4 per Cent.* Annuities; and does amount to *27 per Cent.* so that in this Light the Government, for *73 l.* paid in, becomes indebted to the Creditor *100 l.* attended with an Annuity of *4 per Cent. per Annum*, redeemable by Parliament: This I take to be a true State of the Case, which I think impossible to be reduced, to make it less disadvantageous to the Publick: And, in this Light, if the Proposal had been immediately closed with, it would have been consenting to sell $2\frac{1}{2}$ Millions for *675,000 l.* under the then Market-Price of *4 per Cent.* Annuities; and it is to be observed, that *3 per Cent.* Annuities sold for about *80 per Cent.* at that time.

HERE I must desire my Reader not to misunderstand me: I do not say, That the Annuities would come so cheap to all the Subscribers, as *73 per Cent.*:

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I know very well the contrary: The Case, as it relates to them, I shall consider hereafter; but what I will stand by, is, that the Publick sell $2\frac{1}{2}$ Millions of *4 per Cent.* Annuities, for no more than *73 per Cent.* according to the Valuation I put on the Life-Annuities, which is founded on the Observations of the Time which People in general live: It is also justified by an Account brought from the Exchequer, of Annuities for Lives, granted in King William's Reign, which, together, ought to be esteemed very sufficient to regulate our Conduct by, in a Matter which must be allowed to be contingent, and therefore not capable of mathematical Certainty.

To put it in another Light, the Government give for Interest of the $2\frac{1}{2}$ Millions, on the above Calculation, *5 l. 9 s. 6 d. per Cent. per Annum*, until the Annuities be redeemed, by paying *100 l.* for *73 l.* received.

I DARE say, if any Gentleman who should want to borrow a Sum of Money, should have it proposed to him, that, upon receiving *73 l.* he should give a Bond for Payment of *100 l.* at the Rate of *4 per Cent. per Annum* Interest, he would be shock'd at the Proposal.

I MAY therefore fairly imagine, that if the Proposal in question had been seen in its true Light, when it was first offered, it could never have received the least Countenance, but would have been rejected with the Contempt it deserved. The Letter-Writer says, it was endeavoured to get the Contract cheaper; I suppose he means of the Undertakers, for he does not pretend to say, that any other Persons were tried, whether they would do it cheaper or not: Would he have it understood, that there is no raising a Sum of Three Millions but by agreeing with these Undertakers? Miserable indeed would the Condition of this Nation be, if that was the Case! What Use was made of the Time that this Affair rested in

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Suspense, he does not tell us: I have known Members of Parliament consulted on Money-Affairs, although of much less Consequence than raising Three Millions; and I have known great Benefit arise to the Publick therefrom; and surely, if ever any thing deserved a Consultation, it must be a Matter of so perplexed a Nature, as the Proposal in question, which was very indifferently understood, even Two Months after it was formed: Whether there was any such Consultation or not, I cannot say: But, however, it seems, 'several judicious disinterested Persons pressed to have the thing fixed, for fear of the fatal Consequences which might befall the Publick by the Money not being secured.' As I do not know *who* the Persons were, I can say nothing particularly to them; but this I will say, that if they *knew* and *understood* the Terms, and were *disinterested*, I believe, the World will not think them *judicious*: If they either did not know or understand the Terms, their Judgment will stand for little, no more than the imaginary fatal Consequences, which they so dreaded; and are not in the least probable to happen, whilst the Government subsists, and is possessed of the Capital.

He tells me, That this was not a Time (meaning, after the News of the Action at * *Falkirk*) to hesitate for a Trifle.

If he had carried his Position further, and, instead of this Time, had said, that no Time was proper to hesitate for a Trifle, I would, even then, have had no Dispute with him about it; because I should still be at Liberty to give my Opinion, what may be esteemed a Trifle: But he says further, 'I call Two or Three hundred thousand Pounds a Trifle, when the Fate of this Nation might

* Note, That after the News of the Action at *Falkirk*, South-Sea Annuities sold for 98 per Cent. and 3 per Cent. Annuities for 78 per Cent.

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' depend upon securing so large a Sum of Money as Three Millions: I say, what he thinks proper to call it, is nothing to me; I don't dispute his Right of calling it a *Trifle*; for aught I know, he may be concerned in sharing this *Trifle*; and may be desirous, that the World should look on it as such, in order to have every Year a Share of these *Trifles*: But I suppose, he knows, that calling a Thing by a Name, does not alter the Nature of it: But as it is more easy to *call* it a *Trifle*, than to *prove* it one; he has thrown in the latter Words, in hopes, that the World will take them for a Proof: To which I answer, That the Fate of the Nation did not depend on making an Agreement at that Time for Three Millions of Money not immediately wanted; and that the same might have been as well secured on cheaper Terms.

In Page the 8th, he says, 'Just about that Time, the *India* Company wanted a large Sum of Money: And then goes on with his Relation, about their taking in Silver at 5 s. 4 d. per Ounce, to pay for in Six Months: What Use he would make of this, I can't find; unless to shew, that Money was very scarce at that Time, which every one knew before; and People that want Money for a short Time, must give any Rate, if their Necessity be very urgent, and they can't get it cheaper. I am persuaded he did not understand the Nature of the Case he has related: For, I think, everybody would understand, from his stating the Case only, that the Company took this Method to raise Money: But it is no such Matter: The Company subsist by Trade; and Silver to them is a necessary Commodity; without which they can't dispatch their Ships for the *East-Indies*. The Company wanted a large Quantity of Silver for their Ships then fitting out; the Price of Silver was very low, occasioned by the rich Prizes from *Peru* taken the last Summer; and the Bank being the Chief, if not

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the Only Buyer, the Company could not reap the Benefit of the low Price, for Want of spare Money to buy it: They therefore took the wisest Step, that could be taken in *their* Circumstances; they made it publick, that they would buy the Silver which should be brought them, at *5 s. 4 d. per Ounce* (which is a Price they can well afford to give), to pay for in Six Months. This answered their End; they got the Silver which they wanted, and dispatched their Ships. I am persuaded, that those who consider this Case, will see, that it is a Proof of the Method which I proposed to the Government being good; that is, to deal with the People at large, without any middle Men, to make an Advantage of both Parties.

IN the same Page, he goes on with what he now calls, *a Contract*; and speaks of the Obligations of one Side, and the other, to perform it; and takes upon him to tell me, what he admits would be imprudent, to declare in the House. I believe his Doctrine of Agreements, made with the Treasury, being binding on the House, will be as little relished out of the House, as it would have been in the House. Implicit Faith is a Doctrine not well relished by *Britons*; and they are no more willing to compliment the Treasury therewith, than the Pope himself: All that the Treasury can do, is to promise to lay it before, and recommend it to the Parliament. If Proposers will undertake, on that Consideration, to be obliged to stand to their Proposal, in case the Parliament shall approve it, there is no Doubt but both Sides ought to stand to their Agreement. When any Proposal is brought before Parliament, sure it is for their Judgment; and, if they find it to be not for the Advantage of the Nation, they ought not to give a Sanction to it: As to his Opinion, That, in this Case, no Set of Men would treat with the Treasury; I believe he is quite mistaken;

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taken: But, if he should happen to be in the Right, the Treasury would then be obliged to take the Method I recommend; by which, I am fully persuaded, the Nation would be a great Gainer.

HE tells me, Page 9, That I imputed the Fall of *5 or 6 per Cent.* on *4 per Cent.* Annuities, to the Contrivances of these Stock-Jobbers. I remember very well, that on *Friday* the 21st of *February*, in the Committee of Ways and Means, when the Proposal was first opened, I said, That the publishing this Scheme in *Exchange-Alley*, had occasioned a Fall on the Annuities, and gave great Uneasiness to the Possessors of the Publick Funds, to find Annuities were to be sold at so low a Price, or to that Effect.

HE says, 'If a publick Subscription had been opened at *5 per Cent.* he really believes, it would not have filled.' I say, That if there had been no consulting with the Undertakers, and consequently, no depreciating Scheme said to be agreed, but that the Matter had been taken up originally in Parliament, I see no Reason to doubt, but the whole Three Millions might have been raised by a publick open Subscription at *5 per Cent.* redeemable at a Year's Notice: And I am firmly persuaded, that such a Method would have been much more agreeable to the People, and would not have lowered the *4 per Cent.* Annuities so much as the present Scheme has done.

IN Page 10, he says, 'That many of the Subscribers to the Scheme can't keep their Subscriptions, and many more never intended to keep them: Which I intirely agree to. Whether those who intend to keep them are many or few, he has not vouchsafed to tell us; and, as I have not seen the List of them, I shall not pretend to give my Opinion. I own it would be a great Pleasure to me, to see, in Print, a List of those who snatched the Advantage last Year; a List of the Subscribers of

500,000 l.

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500,000 *l.* to the Land-Tax this Year; and also a List of the Subscribers to the Scheme in question: Some useful Observations might possibly be made on 'em.

I am willing to admit, that it is the Interest of every one of the Subscribers, now they are in Possession of the Bargain, to keep up the Price of 4 *per Cent.* Annuities. The Letter-Writer need not have been surpris'd, that I should on the 10th of *March*, in the Committee upon the Bill, represent, that very undue Methods had been taken to depreciate the 4 *per Cent.* Annuities, because this was done before the Scheme had received any Sanction. If he did not see the Reason of their doing it, he should have been surpris'd at *them*, and not at *me*, who only took notice of Facts, which were too notorious to be denied.

In the same Page, he says, 'The 4 *per Cent.* Annuities not falling so much as was expected upon this Scheme being made publick, every Monied Man tried to get a Part of the Subscription.' He has not told us, what it was that created the Expectation. It could not be at that Time the making known, That Three Millions were to be rais'd: That was very well understood long before; and had, together with other things, lowered the Price of 4 *per Cent.* Annuities, as well as the other publick Funds: It was therefore the Terms of the Scheme, which rais'd the Expectation of a Fall; and did actually occasion a Fall, as he has owned a little before.

THERE seems to be no Reason, Why the settling the Terms of raising Three Millions (after a long Expectation of that Sum being to be rais'd) should lower the Price of any publick Funds, if the Terms had been settled in such manner, as, in Justice to the Creditors of the Publick, they ought to have been settled; that is, taking the Price of Annuities at Four *per Cent.* for the Basis: Such an Allowance should be given, as would be sufficient to induce Persons, who have Money, to subscribe for them; but not

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such an unreasonable Allowance, as should cause People to sell out their present Funds at any Rate, to come into the new Funds, as well as to induce the Undertakers to take such large Shares to themselves and Friends, as to gain considerable Estates in one Year, even without advancing One Shilling: For, according to the most current Market-price in *Exchange-Alley*, before the Making of the First Payment, the Whole amounted to above Two hundred thousand Pounds Profit; and it was generally thought more prudent for the Subscribers, to make the First Payment, than to sell their Subscriptions at the Proportion of Profit I have mentioned.

AND yet, although this Scheme was well seen to be very profitable, it is far from being true, that every Monied Man endeavoured to get a Share of the Subscription; there were many Persons very well affected to the Government, and who had Money at command, and were willing to serve the Government therewith on easier Terms, who would not cringe to any of the Undertakers to come into a Subscription, which they thought should have been as open to Themselves, as to the Undertakers.

HE then comes to the Point in question, and begins very pompously, Page 11. 'Now, Sir, let us see, what this monstrous scandalous Bargain is.' Then going on to prove, What Advantage the Subscribers were to make; concludes, in Page the 12th, with great Triumph: 'So that every Subscriber of 100 *l.* may possibly make 6 *per Cent.* Profit. A most exorbitant Advantage, at a time when Bank Bills, carrying 5 *per Cent.* Interest, were at Discount!'

I MUST bespeak my Reader's Attention to consider what it is, that the Letter-Writer would be thought to have proved. I can conceive no other Idea that he desires to convey, but that, if Bank Bills were at a Discount of One *per Cent.* which would enable the Purchaser to make 6 *per Cent.* *per Annum* Interest

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terest of his Money, he would be on a Level with the Subscribers to the Scheme. If this be not his Meaning, I can comprehend no Use of his mentioning Bank Bills, which were at a less Discount than Land-Tax-Tallies, Salt-Tallies, and *India Bonds*: All which (altho' I conceive them nothing to the Point in question) he knows were made use of, and quoted, in a certain Place: But he seems to have singled out Bank Bills, which at the highest Discount, were not, as I am informed, *One per Cent.*; because having, by his Calculation, made the Profit to the Subscribers to the Scheme to be *6 per Cent.* (altho' he admits in his Postscript, that it is *8 per Cent.*); that Discount of *One per Cent.* with the Interest of *5 per Cent.* agrees most exactly with the Profit which he here makes to be on the Scheme; and I must admit, that to Readers who may see it in this Light, he has done his Business most effectually: But I observe, the Dispute between us, in this Part of his Letter, is not about the Price of Interest; if that was the Dispute, the Discount of Bank Bills carrying *5 per Cent.* Interest would be very properly produced: But he has been making a Calculation of the Advantage which the Subscribers make; and therein has governed himself by the Market Prices, as they were at the Time of his Writing, or of such Prices as he has thought fit to put down: And, taking in what he has admitted in his Postscript, I own, he has put the Profit as high, at least, as I should have done, if I had made a Calculation. In the Place before me, he makes it *6 per Cent.* on the Three Millions subscribed; in the Postscript, he makes it *8 per Cent.*: The first comes to 180,000 *l.* the latter amounts to 240,000 *l.* Profit. I am willing to take it at 210,000 *l.* Profit; because I understand, that 400 Guineas for 100 Lottery Tickets, with the Annuities tacked to them, was a current Price before the Day of the First Payment, and the Buyer to make the said Payment; which amounts to, on the whole Subscription, 210,000 *l.* Profit,

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Profit, without advancing any Money: Those who thought proper, disposed of their Tickets; and, as for the others who did not, whether they get more or less, I throw it out of the Question in the present Calculation: And now, to make a Comparison between the Purchaser of Bank Bills, and the Subscribers to the Scheme, the former might make (we will suppose) near *6 per Cent.* by being out of his Money a whole Year; the latter might make *7 per Cent.* Profit on the whole Sum he was a Subscriber for, without advancing any Money: When the Letter-writer can tell, how much *per Cent. per Annum* this amounts to, he will have Right to cry out, *A most exorbitant Advantage! &c.*

He admits, that if the best Lives are always chosen, the Life-Annuities will stand the Government in 675,000 *l.*; but then gives some Reasons, Why all the Annuities will not be filled up with the best Lives: To which I say, That it is not necessary to justify the Assertion of their standing the Government in 675,000 *l.* that all the Nominees should be of the best Lives: If they were, the Value to the Government should be set higher. Whatever Force there may be in the Reasons he has given, for People putting in their own Lives, although not of the best, I presume they were of equal Force in King William's Time, in which Annuities for Lives were granted. The Account which has been laid before Parliament, since the Debate on the present Question, abundantly justifies the Value which I put on the 45,000 *l.* Life-Annuities, viz. of 675,000 *l.*

He says, That to the Subscribers he values them at about 500,000 *l.*; which I don't contradict, so far as relates to those who can't keep them: But he would do well to inform Mankind, if he can, Why the Undertakers (for the Subscribers in general knew nothing of the Terms, till the Proposal was accepted) should peremptorily insist on having 45,000 *l. per*

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Annum Life-Annuities, Value to the Government 675,000 *l.*; which, to the Subscribers who sell them, are worth but 500,000 *l.*

I SHALL now make another Calculation of Profit, after the First Payment made.

IF Two Persons, A and B, had each 10,000 *l.* in *South-Sea* Annuities, A keeps his Annuities, and B sells his at Par (being put in the List for 1000 Tickets), in order to make his First Payment: Let us see, what Difference there may be between them, if B sells Part of his Annuities on the * 22d of April 1746, at which Time the Receipts for the First Payment were delivered out; and so he might sell for ready Money:

To a Thousand Lottery Tickets belong
50,000 *l.* in 4 *per Cent.* Annuities: And
900 *l.* *per Annum* in Life-Annuities:

I suppose the Tickets to sell at Par, although they bear a Premium

20 <i>per Cent.</i> paid on the 50,000 <i>l.</i>	}	10,000
Annuities, is - - - - -		

I suppose he sells 44,000 <i>l.</i> —Annuities at 91 <i>per Cent.</i> for which he receives 11 <i>per Cent.</i> (the Buyer being to pay at future Times the remaining 80 <i>per Cent.</i>), is - - - - -	}	4,840

I suppose he keeps 6000 <i>l.</i> Annuities, for which he must pay 8 <i>per Cent.</i> more, is - - - - -	}	4,800

I suppose he keeps his Life-Annuities, and fills them up with proper Lives; which will make them worth to him, at least, 15 Years Purchase, -	}	13,500

Which has cost him no more † than 4000 *l.* *South-Sea* Annuities; the 6000 *l.* Bank Annuities be-

* Note, The Twenty-second of April was before the News of the glorious Victory over the Rebels near *Culloden-House*.

† Note, 4000 *l.* for 900 *l.* *per Annum* Life-Annuities, does not amount to Four and a Half Years Purchase.

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ing of equal Value to keep, with *South-Sea* Annuities; so that B has now an Estate of about double to A.

THE Letter-Writer can't well object to this Calculation, because he has admitted Life-Annuities to be worth Fifteen Years Purchase, if the best Lives are chosen; neither I presume will he suppose, that the Undertakers did not see this, when they formed the Proposal; and therefore until a better Reason be given, for insisting on having Life-Annuities, the Reader may, if he pleases, accept of this.

HIS next Paragraph, in Page the 12th, I pass over, because I have given my Thoughts of the Times as I have gone along; and shall take some Notice of the more immediate Attack which he makes on me, beginning at the Bottom of that Page. He seems to have formed a Design to make the World believe, that I talked in such a random manner in the several Debates, that no Regard should be had to what I advanced: Whether I did so or not, I must submit to the Judgment of those who heard the several Debates; but I shall take Notice, that telling me, in Print, that I said such and such Words in the Debate, is contrary to his Duty as a Member of Parliament, a great Invasion of the Privilege of the House, as it strikes at the most fundamental Privilege of Parliament, which is Freedom of Debate; which I think it impossible could continue to be exercised, if it was to become a general Practice to quote Members Sayings, in Print; and it would make it necessary for the House to order a great Number of Short-hand Writers to take down every Debate, that a Member, when thus attacked, might have something to appeal to for his Justification. I shall say in general, that I hope I did not make so ridiculous a Figure as this Writer represents: If I used any Expressions that were thought too strong, I hope it will be imputed to the real Cause, which was, my Zeal to save the Publick a very large Sum of Money; which

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I am as sure might have been done, as it is possible any one can be sure of a thing which is contingent; and that with as much Certainty, at least, as was in that Scheme, which the Letter-Writer calls the *Exchange-Scheme*.

I SHALL observe, on one Particular only, which, being a Matter of Fact, is capable of Proof; and shall recite that whole Paragraph to avoid any Mistake.

‘ WHEN you mention’d your First Scheme in the House, you was very fond of it; and, if my Memory does not fail me, was so positive as to the Success, that you staked your Credit upon it: But when you said in the Committee, That you had struck out that Scheme off-hand, during the First Debate, you certainly forgot yourself; for I am very sure you said in the First Day’s Debate, That you had sent that Scheme to the Press, and it would be printed against the next Day: Accordingly it was delivered at the Door of the House of Commons the next Morning.’

I DARE say the Reader will easily see the Intent of this Paragraph: But it happens very luckily for me, that it is impossible, that the Whole of what he here says should be true, although he ushers in that Part which is false, with saying, He is very sure, the First Day’s Debate was in the Committee of Ways and Means, which was *Friday* the 21st of *February*, when I first proposed my Scheme: Any one that will look in the Votes, may see it was that Day; and therefore the Scheme could not be delivered at the Door of the House the next Morning, the House not sitting: The Truth is, that it was in the House, upon the Report of the Resolutions from the Committee, on the *Monday* following, that I acquainted the House, That I had put my Proposal into Writing, and had sent it to the Press; and that it should be delivered the next Morning, as it was accordingly; which is
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no ways inconsistent with what I said in the Committee on the Bill a Fortnight afterwards; and the Forgetfulness, which he charges on me, falls on himself: By this Instance, of being quite wrong, in a Case wherein he was so *very sure*, the Reader will judge, what Credit is to be given to him in other Cases, wherein he has misrepresented my Meaning, as the Reader will observe, by considering the Account I have given above of my Proceeding; which I think all the Notice proper for me to take of his Letter, till Page 16.

HIS Supposition of an extraordinary Quantity of Corn to be carried to a Country-Market, must be allowed to be absurd enough, though not quite so absurd as selling it at home for Three Fourths of the Market-Price: The Absurdity, in his State of the Case, does not arise from giving Notice beforehand, but in carrying it at all to a Market not fit to take it off; and therefore has nothing to do with the Case of selling Annuities, where, on all hands, there must be supposed to be Buyers, or else it would be absurd to offer to sell them, in any Shape.

THE Letter-Writer having in that Paragraph, introduced the *Longheads* in *Exchange-Alley*, and forewarned us not to trust the Fate of the Nation to Inch of Candle, thinks fit to pursue his Argument: To which, I desire my Reader’s Attention; and shall recite the whole Paragraph in Page the 17th.

‘ IF you, and your Friends, Sir, had blown up the Scheme in the Bill, depend upon it, many Persons both *Jews* and *Gentiles*, would have set their Faces against yours; and, either out of Resentment, or Self-Interest, would have done their utmost to depreciate the Value of Stocks at the publick Auction.’

I observe, That he insinuates, That the Fate of the Nation would depend on the Event of a Sale by publick Auction: In which if he has any Meaning, it must be, That the running down the Prices of Annuities at such Sale, would be a fatal Blow to the Nation: And then assures me, That many Persons would
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do their utmost to depreciate the Value of Stocks at the publick Auction ; which *many Persons* I must take to be the *Longheads* in *Exchange-Alley* ; whom, I suppose, he will allow to see as much as himself : Putting all this together, I may conceive him speaking in this Manner : There are many longheaded Persons in *Exchange-Alley*, who are sensible, how great a Misfortune it would be to the Nation, to have the Prices of Stocks run down ; and yet are so desperately wicked, that, in case they can't have the Supplying of the Government with Money on their own Terms, will do all in their Power to run down the Value of Stocks, although it should occasion the Ruin of the Nation. I will appeal to the Reader, Whether I have exaggerated what the Letter says ; and then desire him to consider, What Opinion he would have of such Persons, if he knew them ; or rather, What Opinion he will have of the Letter-Writer for calumniating his Countrymen. I hope there are not such Monsters to be found amongst us : I am sure, if the Letter-Writer were to produce a List of the Persons he means, he would not put his own Name amongst them ; nor get Leave of any one Man of Fortune in the Kingdom, to insert his Name in the List.

If the Reader should think this not a sufficient Answer, I add, That, if the Agreement had been made with my Friends, there would have been a Body of Men linked together, able enough to have defended themselves, and have kept up the Price of Annuities at the Auction, against all the Efforts that could be made to the contrary ; and therefore the Letter-Writer had no Occasion to be in Pain for us.

I MIGHT likewise put him in mind, That Men of Fortune, out of Self-Interest, might be kept from pursuing such desperate Measures (as he assures me would be taken to beat down the Price of Annuities at the Auction) by remembering the Parliamentary Inquiries, which have been in our Time, and the Consequences

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sequences which have attended them ; and, whatever may be thought of them, I believe no honest Man in the Kingdom would think Men, who thrust their Dagger into the Vitals of their Country, undeserving of the severest Punishment, when there was no Law against Parricide, that did not hinder the Punishment due to the Crime.

As to all his Suppositions, and Calculations thereon, I shall only observe, that allow a Person to make what Suppositions he pleases, and his Work is done : What Pity it is, when he had brought Annuities to sell so low as 60 *per Cent.* he had not followed the Example set him ; and have supposed, that nobody would give *any thing* for the Annuities!

I MUST take some Notice of the Case of the Call of 10 *per Cent.* which the Bank made on their Proprietors, because he seems not to have understood it : He says, That Call reduced Bank-Stock 10 *per Cent.* by means of such Proprietors as sold their Permits : And this he proves, by saying, Bank-Stock was at 124 *per Cent.* when the Call was made ; and that the Permits sold, at an Average, at 14 *per Cent.* : Admitting those Facts to be true, I make the Fall to be but about 5 *per Cent.* which I prove thus :

	<i>l.</i>	<i>s.</i>
Suppose a Person to have 1000 <i>l.</i> Bank-Stock, Value 124 <i>per Cent.</i> is - -	1240	00
Deduct the Dividend at <i>Lady-Day</i> (because the New Stock has not that Dividend), at $2\frac{3}{4}$ <i>per Cent.</i> is - -	27	10
The Value of 1000 <i>l.</i> Bank-Stock, without the Dividend - -	1212	10
He pays in 10 <i>per Cent.</i> which is - -	100	00
He has now 1100 <i>l.</i> Stock ; which, at 119 <i>l.</i> 6 <i>s.</i> 4 $d\frac{4}{11}$ <i>per Cent.</i> is - -	1312	10

So that the Permits on the Price of 124 *per Cent.* for Bank-Stock, ought to sell for 19 *l.* 6 *s.* 4 $d\frac{4}{11}$. and
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no more: But what is it to the Question, Whether the Call (together with the publishing a depreciating Scheme, which happened during that Time) lowered Bank-Stock 5 or 10 *per Cent.*: Here was no Sale of a Million of Stock, either by an open Subscription, or by publick Auction, which are the Two Ways that I approve of; and, if either are chosen, I shall be satisfied, provided the Interest of the Publick be pursued, in settling the Price on the Subscription: It is only to prevent the Publick's being imposed on, that I prefer an Auction. When the Bank increased their Capital, to supply the Publick with 1,600,000 *l.* they sold Stock by an open Subscription, and the Price of their Stock kept up. If he had wanted to prove, What Effect a Call on People, who are not able to pay, would have, he might have mentioned, what happened on the Bank's Call of 20 *per Cent.* on their Subscribers of 1,800,000 *l.* for Circulating Exchequer-Bills; which, although it amounted to but 360,000 *l.* brought the Circulation-Notes to above 25 *per Cent.* Discount, and lowered the Prices of all the Funds: This Instance would have been equally to his Purpose.

I SHALL pass over his Advice in Page 22, with observing, That publick Sales amongst us are so frequent, that any one, who is not wilfully blind, may easily see, what Effect they have to raise the Prices of Goods sold.

ALTHO' I don't chuse to follow the Letter-Writer in his many Suppositions, and spend Time in shewing the Improbability of them, this being, in good measure, done already, in what goes before; yet it may not be improper to consider, how he winds up his Matter: He supposes his *Longheads* determined to run down the Price of Annuities at the Auction as much as possible; and that, without a Miracle, they might be able to cause them to sell as low as 60 *per Cent.*: After which, he falls into a Fit

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of Trembling, to think of the Condition which the Nation would be in, if there was no Parliament sitting: How he comes to cry up the Exchequer-Scheme, which I have proved sells 4 *per Cent.* Annuities for no more than 73 *per Cent.* and is so terribly frightened at the Thoughts of selling them for 60 *per Cent.* I must leave him to reconcile: If the Supplement had been agreed to, and a sufficient Deposit taken in Government Securities, to answer any Deficiency arising from the Sale, there could be no Loss to the Publick, but a certain Saving of above 400,000 *l.* And the Subscribers to the Contract would not have been intitled to any Pity, because they would have had it in their Power to have prevented the Loss to themselves: They might have filled the Lottery to what Sum they thought proper, and might have been Purchasers at the Sale for Annuities, at the Price, under which they should determine that the Annuities should not be sold; and they would have had the same Persons to buy Annuities of them by private Sale, as, the Bulk of the Subscribers to the Exchequer-Scheme, consisting of many Persons who cannot keep their Annuities, and many Persons who never intended to keep them; all the Difference would be, that the Subscribers to the Contract, mentioned in my Supplement, would be content with a very moderate Profit, in Comparison of the Profit made by the Subscribers to the Exchequer-Scheme: And if this be a Crime, I must own we have been notoriously guilty, in endeavouring to save the Publick the *Trifle* of 400,000 *l.*

THE Letter-Writer says, towards his Conclusion, That if the new 4 *per Cents* had been run down, at the Auction, to 80, 70, or 60 *per Cent.* it would infallibly have brought down all the other 4 *per Cents* in the Kingdom to the same Price; and must have sunk all the other Publick Funds

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‘in proportion.’ Here, I conceive, his Infallibility fails him; for if it should be possible, that his *Longheads* could lower 4 *per Cents* at the Auction, to 60 *per Cent.* could they likewise oblige the Proprietors of the old 4 *per Cents* to part with them at the same Price? Have we not seen the new 4 *per Cents* selling currently 5 *per Cent.* under the old 4 *per Cents*, since the Receipts for the former have been delivered; and for this Reason, that one Sort were generally in the Hands of Persons who could keep them, and the others generally in the Hands of such as could not keep them.

BUT, if what he says were true, does he think, that the Proprietors of the Publick Funds would be greatly obliged to his *Longheads* for this Service, any more than the Publick itself? I can see no Use of all this (which I look on as downright Threatening), but to deter the Publick from attempting any other Way of raising Money, than by agreeing with them; and to oblige the Creditors to be silent under their Misfortunes, lest a much greater Evil should be brought upon them: I am very far from thinking, that the *Longheads* have either the Will or the Power to do what this Letter-Writer has affirmed; but surely much less than he has represented, would call aloud on the Legislature, to provide a Remedy, in time, against any Conspiracy to run down the Price of Stocks, on the Support of which depends so much the Good of the Publick, as also of the Possessors of the Funds.

THE Letter-Writer, in Page the 23d, will have it, that, after being very sanguine on my First Proposal, I gave it up; which, if he was in the Committee on the 10th of *March*, he knows to be otherwise; for I then, at the Beginning of the Debate, defended that Proposal; and it was in Answer to something which had been said on a former Occasion against the Lottery in that Proposal, that I mentioned

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mentioned that Lottery was Gaming at *Par*, and therefore many would come into that Lottery who would not come into the late Lotteries: The Letter-Writer has indeed applied what I said of Gaming at *Par* to the Lottery in the Second Proposal, as if I did not know, that whatever the Discount should be on 4 *per Cents*, so much would the Loss be to all concerned in the Lottery taken together; and yet if I had called it Gaming at *Par*, a Supposition not improbable would have helped me out; and surely I have as much Right to suppose, as the Letter-Writer: What I mean is, that if the Exchequer-Scheme had been laid aside, Annuities at 4 *per Cent.* might have sold for 100 *l.* *per Cent.*

IF the Reader considers my Second Proposal, he will find this not out of my Thoughts at that Time: This puts me in mind of what he has said in Page the 16th, That Lottery-Tickets were at a Discount last Year: If he had intended to have dealt fairly with his Readers, he should have informed them, that although the Lottery last Year consisted of 3 *per Cents*, worth but 90 *per Cent.* at Market, yet Tickets, which were 10 *l.* each, sold, for several Months together, for a Premium of above 20 *s.* each; which being 2 *l.* above the real Value, which was 9 *l.* amounts to above 22 *l.* *per Cent.* Tickets were sold for that Price, in Parcels; and if avaritious People were not contented with the Gain they might have made, but kept their Tickets in Expectation of their rising higher, until the Rebellion broke out, which turned Peoples Minds another way, and also lowered the Price of 3 *per Cent.* Annuities, and, for a few Days, Tickets sold under 10 *l.* nothing is to be inferred from thence, that a Lottery, this Year, on 4 *per Cent.* Annuities, would not bring in a large Sum of Money, if every one might subscribe what Sum he pleased, without being obliged to ask it as a Favour from any Person. I admit People are tired

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with being imposed on, and being deprived of what they think their Birthright; and yet we see, that, in this present Lottery, Tickets sell for a Premium.

BUT the Letter-Writer will have it, that publishing a Second Proposal was giving up the First; and that I was under a Necessity of publishing a Supplement to the Second: What this proves against me, I own I cannot see; it appears to me, that publishing the Second Proposal proves, that I had a good Opinion of the First, as to the Certainty of the Money being raised thereby; because the Second does not offer so good Terms for the Lenders as the First. The Supplement likewise proves the good Opinion I had of the Methods laid down in the Second Proposal; and so if I had produced a hundred more Proposals, which should be all practicable, and much better than the Proposal which I opposed, it would not be giving up Either as impracticable, but would have proved, that some Persons were determined to stand by the Proposal opposed. Whether the Three distinct Proposals do not sufficiently prove the same, must be left to the Reader's Judgment.

If I may be excused the Presumption, after having received a Reprimand from the Letter-Writer, for, 'contriving Scheme after Scheme, and even 'Scheme within Scheme, Three Schemes in one; 'Supplement after Supplement, and Expedient upon Expedient;' I shall mention (amongst many which might be mentioned) another Scheme, which probably some may think better than any I proposed during the Contest; that is, if 3,300,000 *l.* of 4 *per Cent.* Annuities, had been thrown into a Lottery, to raise Three Millions, at 10 *l.* *per* Ticket, the Blanks might have had 10 *l.* *per* Ticket; and the Surplus 300,000 *l.* together with the several 10 *l.* *per* Ticket, belonging to the Prize-Tickets, would have furnished Annuities for Prizes, sufficient to have induced

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induced Adventurers to take off the whole Lottery: As every one that had Money would have been glad to have come into such a Lottery, even with a Design to keep their Blanks, if they proved such, I should think it would bring out the hoarded Money of all Persons who should, by their Friends, be advised of this Lottery; and that they might come in for any Number of Tickets they pleased. And now the Letter-Writer may exult, and say, That I have given up all the Schemes I had produced before.

If any one should ask, How I can imagine so large a Sum can be raised by a Lottery, I must answer, That I judge so, from considering what Effects Lotteries have produced in former Times. The Reader may observe, that, in my Second Proposal, I have mentioned Lotteries in the Years 1710, 1711, and 1712, by which large Sums of Money were raised. It is remarkable, that, during the whole War in Queen *Anne's* Reign, there had been no Lottery before the Year 1710; from whence it is plain, that Lotteries were not the favoured Way of raising Money: And, for myself, I can truly say, that ever since I have been in Parliament, I have been against Lotteries, from the Gaming which generally attends them; but I have had the Mortification to see, that when Lotteries have been laid aside, as to the Purpose of raising Money for the Use of the Publick, they have been taken up to raise Money for other Purposes; and have, in the present War, been made yearly, for small Sums, comparatively to what might have been raised by them: The former had large Abatements made from the Capital, and the latter were given to the Engrossers, to make their best Advantage of the Tickets; so that there has not been a Lottery for these many Years past, whereinto every one might put his Money, on the square; and so adventure more than small Sums, without calling his Prudence in question.

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At the Beginning of the War above-mentioned, Money was plenty, and the Supplies were raised easily; so that although, towards the Beginning, the Publick sold Annuities for 99 Years (which seems to have been the favourite Way) for 15 Years Purchase, they afterwards sold for $15\frac{1}{2}$ Years; and lastly for 16 Years Purchase, in the Year 1707 and 1708. This was certainly a bad way of raising Money, and I do not find it used after that Time: Money, by the Continuance of the War, grew scarce; or, at least, the Monied People began to take Advantage of the Necessities of the Publick, and raise the Rate of Interest: There were many things at high Discount, such as Navy and Victualling Bills, which were thrown back in their Payments; some Loans on deficient Funds; too large a Quantity of Exchequer-Bills, which were not payable on Demand, and so bore a Discount: I presume these Things might put the Treasury upon thinking, how to bring fresh Money to Market: I suppose they considered, there might be hoarded up, all over the Kingdom, Sums of Money, which none of the Ways they had tried would bring out; and so thought proper to try a Lottery: The first made was in 1710, on a Fund of 135,000 *l. per Annum*, for 32 Years; on which they raised One Million and half, on 150,000 Tickets, of 10 *l.* each: The Blanks had 7 *per Cent. per Annum*, for 32 Years; and the Prizes remaining 2 *per Cent.* The Whole being 9 *per Cent.* for 32 Years, and the Principal sunk, there was an open Subscription, and the Lottery was presently filled: Although this seems now to have been extravagant, I take it to have been according to the then Rate of Interest for publick Funds; or, to speak more properly, agreeable to what People might make of their Money by buying other Publick Funds: And, without such Encouragement, it would have been vain to have expected that large Sums would come in: The same Year 900,000 *l.*

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was raised by open Subscription (Bargaining for the whole Supplies in a Lump was not then in Fashion), at the Rate of 9 *per Cent. per Annum*, for 32 Years: There was a Provision in the Act, that if the Money did not come in by way of Loan, on the 9 *per Cent.* the Fund, or such Part of it as should remain unpurchased, should be converted into a Lottery: And People, in this case, had Time to the 15th of September, to pay in their Money for the Purchase of Tickets. So little was it then apprehended, that a Lottery would fail; or, if it did, that the Fate of the Nation depended thereon.

WHAT I have mentioned, passed in the last Year of Lord Godolphin. When the new Ministry came in, they were thought by many to be under such Difficulties, in point of raising of Money, that they would scarce be able to go on: The Bank had declared against them; they were not generally acceptable to those who were concerned in the Funds; the Discount was risen high on Navy-Bills, &c. and the Exchequer-Bills, not being Specie, were a great Burthen: Yet they found Remedies for these Evils; there was 3,500,000 *l.* raised for the Year 1711, by Lotteries, on Terms more beneficial to the Publick than the Lottery in 1710; and the other 9 *per Cent.* Annuities, for 32 Years: The Reader must observe, that all the 9 *per Cents*, for 32 Years, were irredeemable; and so the Publick was tied down to that high Rate of Interest, to the End of the Term: The 10 *l. per Ticket* Lottery, in 1711, on which 1,500,000 *l.* was raised, had 9 *per Cent. per Annum* for 32 Years, for its Basis; but then the Capital was increased in such manner, as that the 9 *per Cent.* would pay 6 *per Cent. per Annum* on the whole increased Capital; and the Remainder was to be applied annually, to pay off the Principal; by which the Whole would be discharged in 32 Years. The 100 *l. Ticket* Lottery, called the *Class Lottery*, raised

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Two Millions, on a Fund of 186,670 *l. per Annum*, for 32 Years, which is about $9\frac{1}{3}$ *per Cent.* This Lottery had likewise an increased Capital, carrying 6 *per Cent.* Interest, to be paid off in the same manner as the other: The Benefit which the Publick received from this Method was, the Power reserved of redeeming the Whole, by paying off the increased Capital, when Time should permit it: This was a wise Provision; and as, from this time, no Irredeemables were created, the Foundation for the Sinking Fund was laid: And it was to get rid of the Irredeemables, which were created before this time, that the *South-Sea* Scheme, in 1720, was set a-foot. The very bad Effects from that Scheme are not to my Purpose to enter into: I shall only say, That, the Publick having now created 67,500 *l. per Annum* irredeemable, I shall be very sorry to see any more of that sort created, unless on very moderate Terms, for no long time: I should prefer Annuities for Terms of Years to Life-Annuities; because it appears to me, that the Publick never created any Life-Annuities, that did not cost them more than they might have had Money for by other Methods: I suppose it must be the Sense of This, that made Life-Annuities laid aside; and none were created in *Queen Anne's War*.

In the Year 1712, there was 1,800,000 *l.* raised on a Lottery of 10 *l. per Ticket*, and 1,800,000 *l.* on a Lottery of 100 *l. per Ticket*; each Lottery had a Fund of 168,003 *l. per Annum*, for 32 Years, with increased Capitals as the former Year, at 6 *per Cent. per Annum* Interest, and redeemable by Parliament: So that in 1710 there was raised, by a Lottery, 1,500,000 *l.*; in 1711, by Two Lotteries, 3,500,000 *l.*; in 1712, 3,600,000 *l.* So little were People tired with Lotteries, when made on a reasonable Foot, and open for every one to subscribe: There is no doubt but that in 1711, and 1712, the Parliament

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Parliament would have raised Part of the Money without a Lottery, if they could have had it on the same Terms as by a Lottery; for they certainly would not have chosen to have Two Lotteries in one Year, not to cloy People with them; or else it must be supposed, that they chose to raise all by Lotteries; because they found that Method brought fresh Money to Market, which was not likely to come in by other Means: Whether it was one or both of these Reasons that induced the Parliament to pursue Lotteries, it proves what I contend for, as far as their Opinion will go. Here I must observe, that after they fell into the Method of Lotteries, the Price of raising Money did increase but very little upon them; for, in 1710, they paid 9 *per Cent.* for 32 Years, on 2,400,000 *l.*; in 1711, 9 *per Cent.* on 1,500,000 *l.*; and $9\frac{1}{3}$ *per Cent.* on 2,000,000 *l.*; in 1712, $9\frac{1}{3}$ *per Cent.* on 3,600,000 *l.* And if it be considered, that, the Two last of the Three Years here mentioned, the Funds were redeemable, and that they were actually redeemed afterwards, it will be found, that the Money was raised on better Terms for the Publick, in the Year 1712, than the Money in 1710, notwithstanding the Difference of $\frac{1}{3}$ *per Cent.* for 32 Years; whereas we have given double the Premium for raising Three Millions this Year, at 4 *per Cent.* to that which we gave last Year, for raising Two Millions at 3 *per Cent.* and One Million at $3\frac{1}{2}$ *per Cent.*; which is a monstrous Difference; and it is not easy to see what it will come to, if this Method be pursued. It must be observed, that the Contractors have taken care, both Years, to have their Premium in such manner as to be irredeemable. It would have been, in my Opinion, more eligible for the Publick to have given 6 *per Cent.* Interest for the Three Millions redeemable by Parliament, than to have raised the Money on the present Foot.

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UPON the Whole, having considered this Subject the best I am able, I give my Opinion, That, in our present Situation, when it shall be necessary to create new Funds, the best way will be to make no Irredeemables of any sort; the Rate of Interest being now too high; nor yet to have any Increase of Capital; but to raise the whole Sum wanted at such a Rate of Interest as at the Time of raising it shall be thought reasonable, between the Publick and the Lenders: That an open Subscription be taken for a Lottery on the whole Sum, if it should come in by a Day to be fixed: That if any remain unsubscribed for, it be disposed of by publick Auction, as mentioned in my Second Proposal, or else by an open Subscription, within a limited Time; after which no Subscription to be allowed: The Remainder, if any, to be issued in Payments, as the Money may be wanted, not under *Par*: If the Treasury find it necessary to sell any of the Annuities, they may be empowered to sell, from time to time, such Sums of them, as they judge proper, to the best Bidders, after giving Notice of the Day on which they will receive Proposals, as is practised in inferior Offices, when Goods are to be contracted for: And, to prevent being obliged to sell at low Prices, the Treasury may be empowered to borrow Money on the Annuities; and also have a Power to borrow Money on the future Produce of the Sinking Fund, after the Money granted out of it for the Service of the current Year shall be answered: The Interest saved on the Annuities will answer the Interest to be paid on a Loan.

THESE Methods, I am persuaded, will be pleasing to the People; which is a Point greatly to be consulted; and will raise the Money cheaper than any private Agreement will do, and with as great Certainty as human Affairs will admit of: If I am asked,

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asked, How this reasonable Rate of Interest shall be settled; I answer, First is to be considered the Price, which the redeemable Annuities in being shall bear at Market; and next should be taken the Opinion of as many Persons as can be had: It is dangerous to trust to the Opinion of a few, who may possibly have in View more their own Interest, than the Publick Good: And besides, the more these Matters are talked of, the better it will be for the Publick. Proposals that shun the Day-Light are certainly bad. If there should be no Resolution taken, how to dispose of any Annuities, which may remain, until the Event shall shew how much Money may be raised by a Lottery, it may be still better: And I recommend the bringing the Matter early in the Year into Parliament, that there may be the more time to consider the proper Rate of Interest to be allowed, and also sufficient time for Notice to be given, as well Abroad as at Home; by which Means the most Money will come in. If we may judge by what happened the Latter-end of the War in Queen Anne's Reign, we may reasonably hope, that the Rate of Interest will very little increase on us, when we shall make use of Lotteries on open Subscriptions.

I HAVE now gone through this Affair, in which (most probably) I shall tire my Reader. I hope some Good will arise to the Publick by putting Gentlemen upon considering these Matters, which are of the highest Importance to the Nation: And it is very likely that it may occasion the publishing some better Method for raising Money, than any thing which has occurred to me; in which I shall most heartily rejoice.

London, 31 May,
1746.

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POSTSCRIPT.

I SHALL now lay together some Notions relating to Publick Credit, for the Consideration of my Reader. Many of them may be found scattered through the foregoing Work; which I did not think a sufficient Reason for omitting them in this Place; because they may serve to exercise the Thoughts of those who are desirous to be acquainted with these Matters: I will not take upon me to say, that they are all right, although they now appear to me to be so; but, when Objections are started, I may find myself mistaken.

I CONCEIVE that the Prices of the Funds do not in the least depend on the Quantity of them, either taken in the gross, or any particular Sort of them; that if they were double to what they are now, it would not necessarily follow, that the Prices would be lower; nor yet, if they consisted but of Half what they do now, would the Price be from thence increased.

It is therefore the Quantity brought to Market, compared with the Purchasers, which rises or falls the Prices of the Funds.

THUS, if the Quantity to be sold exceeds the Money to be laid out, the Price must fall, until that Fall produces Purchasers, who would not be such at higher Prices.

So likewise, if the Purchasers exceed the Quantities to be sold, Stocks must rise, until that Rise produces Sellers, which before were not Sellers.

WHEN the Government have a Necessity to create new Funds, they must dispose of them at such Prices

Prices as Buyers may be found; and should use such Methods in the Sale, as are most likely to invite the greatest Number of such Purchasers as design to keep them.

WHEN Funds are sold directly, by the Government, to Persons who design to keep them, they are immediately out of the Market, and affect the Price no more than all that Quantity of the Publick Funds, which remains in the Hands of Persons, who never think of selling them.

WHEN Funds are sold by the Government, to Traffickers in Stocks, who design to sell them again, the Market continues in Agitation, until the Funds, by degrees, become settled in the Hands of Buyers, who keep them.

THOSE Traffickers, who buy to sell again, will have more Encouragement than is necessary to be given to those who buy with a Design to keep; or else there would be no Profit arising to them.

If, therefore, the Government should deal directly with Persons who buy to keep the Funds, a good Part at least of that immense Profit, which is now made by these Traffickers, would remain to the Government.

THERE must be found, at last, Buyers with an Intention to keep; or else the Traffickers could not get rid of what they buy.

PURCHASERS, with a Design to keep, would much more willingly buy of the Government, at any certain Price, than they would buy of the Traffickers at such Price; because they would have a reasonable Expectation, that it would be the lowest Price that Year.

If timely Notice were given every Year, there would probably come in Buyers, with a Design to keep, sufficient to take off all the Funds created that Year, provided they may come in freely at the original Price.

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If new-created Funds were thus taken off every Year, they would but very little affect the Prices of Funds at Market.

ONE or Two *per Cent.* under the Market-Price, together with some Ease in Payment, may be sufficient to induce Buyers with a Design to keep, to take off all the Funds to be created in a Year.

It is not proper, that any of the Payments should be fixed too near the End of the Year, because it will interfere with the Money to be raised the next Year.

How many soever the Payments may be, or whatever the Times of Payment, it is proper to allow a reasonable Discount to those who will pay in any Money before the Times fixed; which Discount may be saved, by not Issuing of Tallies on the Land and Malt.

It is more for the Interest of the Publick to have the Money paid at such Times as best suits the Purchasers (which will be done, if a Discount be allowed), than to have it remain to be paid at certain fixed Times.

WHEN the Purchasers are not allowed a Discount, they are unwilling to pay their Money long before the prefixed Days; and so lay out their Money in something to bring Interest in the mean time.

WHEN, by this means, large Sums are to be paid at certain Times, if any Accident happens, which casts a Damp on Publick Credit, People being under a Necessity of bringing something to Market, to raise the Money; this contributes greatly to hurt Publick Credit.

THERE will be always large Sums to be laid out in the Funds, and more especially when they are lower than they have been at former times; which Sums arise, in part, from the following Causes:

AMONGST

AMONGST People who live on their Income, whether by Estates in Land, or in the Funds, or in Mortgages, there will be many who are always saving Part of their Income, and want to lay it out.

PEOPLE, who thrive in Trade, are willing, as they can spare Money, to lay it out in something to support them more at their Ease.

As War necessarily contracts Trade, and consequently so much Money cannot be employed therein, as in Times of Peace, those who have large Estates in Trade, must have Money gradually coming in; which, when the Funds are reasonable, they may choose to lay out therein; and some, from this Beginning, go on to draw all their Money out of Trade, to place it in the Funds.

WHAT is mentioned relating to People in *England*, holds the same with regard to People abroad, who, if the particular Friends, with whom they correspond here, can procure for them new-created Funds, on the original Prices, at which the Government sells them, will give Orders to those Friends to purchase for them such Funds.

THE raising the Rate of Interest on new Funds occasions the Fall in Price of the old Funds; which is a great Prejudice to those who happen to be under a Necessity of selling out.

It likewise raises the Rate of Interest between private Persons; and also lowers the Value of Land; so that the whole Community suffers thereby.

No Money should be raised on the Subjects, but what is absolutely necessary for the Publick Good.

As the necessary Money cannot now be raised without borrowing, the higher Rate the Interest is at, the more must the People pay.

If a higher Rate of Interest should ever be given to Traffickers in Stocks, than it might be raised at by open Subscription, the People will receive a double

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double Injury, both by paying more Taxes than are necessary, and also by being deprived of their just Right of purchasing Funds on the same Terms with their Neighbours.

THE Credit of the Publick depends much on the Opinion of the People; and therefore great Regard should always be had, to preserve in the People a good Opinion. Oeconomy in Management, and Impartiality in letting all Persons alike into the Purchase of the Funds, will be the best means to keep up a good Opinion in the People.

ALL People love to have a Liberty of being Purchasers at the original Prices, whether they make use of it or not.

As all are Partakers of the Burden of new Taxes, so none ought to be deprived of sharing in whatever Benefits the Publick may find it necessary to give, to raise Money on them.

NOTHING contributes more to the Revolutions in the Prices of Stocks, than the Methods of late used, of contracting with a few Persons, for raising the Supplies in a Lump; and those Persons having the sharing it out as they please.

THOSE Revolutions in the Prices of Stocks make the Proprietors uneasy, and out of Humour, to see their Property bandied about, for particular Persons to get great Estates.

THIS Uneasiness begets a Disgust in People to Stocks: They see them yearly falling, and from thence apprehend greater Falls; from whence many sell their Stocks.

THOSE who are in a sort of Possession of Bargaining for new Funds, at their own Prices, whilst they can depend on having a good Bargain every Year, can have no Interest to keep up the Prices of the Funds, any longer than until they sell good Part of their Bargain; and, as for the Remainder, it may

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may serve them to throw down the Prices, against the Time of a new Bargain.

WHAT cannot be done by barely selling out their Stocks, they have other ways to bring about.

LET the Price at Market be never so low, altho' it may be by their own Management, whilst they can make Persons believe, that the Money cannot be raised without agreeing with them, they will be sure to agree much under the Market-Price, and consequently run little or no Risk of Losing, and have a strong Probability of excessive Gains.

SOME remaining Part of what the Traffickers purchase, being sold out at proper Times, to lower the Prices of Stocks, likewise gives them a Pretence to say, That the Bargain was not so good as it was taken to be.

IF Money be raised by a Lottery large enough to let in every one, or by Subscriptions open to every one, on the best Terms for the Publick, all Mankind will be on a Level.

THOSE Persons who keep their Stocks, let the Price be higher or lower, certainly act the most for the Publick Good, and ought to receive the greatest Encouragement.

THOSE Dealers in Stocks, who have large Sums of Money in hand, have certainly acted against the Publick Good, by selling out their Property in the Funds; and yet are often the Persons most favoured, and admitted to annual Bargains.

THE best way of supporting the Prices of the Funds will be, to let the People know, that for the future the Money wanted shall be raised on the lowest Terms possible, with an equal Liberty to all Persons to be Purchasers.

IF this Method be constantly practised, such Persons who sell their Funds, in hopes to come in again cheaper, may find themselves mistaken.

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THIS is certain, that the Publick selling new Funds too cheap, tends to make all Mankind have a worse Opinion of the Funds in general, than they would otherwise have.

IF a Person, who has Goods to sell, does not put a Value on them himself, how can it be expected that Others will value them?

WHENEVER the Government shall have no Occasion to create new Funds, the Money which will necessarily come to Market, to buy Stocks, will inevitably raise the Prices of all, let the Quantity in Being be never so large.

THEREFORE it must be cheaper for the Government, at any time, in Compliance with the Necessity of the Times, to give a higher Interest redeemable, than an Interest something less, with any Part of such Interest irredeemable; because in the first Case they may reasonably expect, in a very few Years, to reduce the Interest on a Level with the other Funds.

IF any should be of Opinion, that giving a high Interest for new Funds, will reduce the other Funds in Price, in proportion to the different Rates of Interest, I conceive it to be a great Mistake.

IF there were different Funds, at the Rates of 3, 4, and 5 *per Cent.* all irredeemable, they would generally sell in exact Proportion one to the other.

BUT, suppose the same Funds all redeemable, they will never sell in Proportion one to the other; because People will have in view the Reduction of Interest.

SUPPOSE any Quantity of new Funds to be created, and sold in any one Year, it will not occasion there being less Money the next Year, than if no such Funds had been created; because, as the Government issues out all the Money received, the same Quantity of Money will still be in private Persons Hands, as the Year foregoing.

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As the same Quantity of Money will be in Being one Year as the former, though it have shifted Hands, the Question with the Possessors of it will be, What is the best Use that they can make of it? And probably there will be Persons enough disposed to come into the Purchase of Funds, to take off any new created Quantity, if it be free for every one to purchase at the Government's Price.

IT is a very great Hardship on Merchants, who have foreign Correspondents, when they cannot execute such Correspondents Orders for new Funds, on the same Terms with their Neighbours here, as by that means they are in danger of losing their future Commissions, even in other Affairs.

IF the Interest of the Nation in its publick Capacity, the Interest of the Creditors of the Nation, and the Interest of the Individuals of the Nation, are all promoted by open Subscriptions, it must appear very strange, that the Interest of a few Persons, who have been acting against all Three, should be preferred.

IF the Government should think it necessary to give advantageous Terms for Raising of Money, Equity would require, that it should be given to those who suffer most thereby; and, consequently, that the present Proprietors of the Funds should have the Pre-emption before those who have sold their Funds, and thereby contributed to create that Necessity.

IF nobody sold their Property in the Funds, but out of Necessity, the Prices would keep up very well, notwithstanding the annual Creating of new Funds.

THOSE Persons who sell their Property in the Funds may be easily known, and whatever Pretence they may make of Zeal for the Government, their Actions speak the contrary: And although it

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would not be right under any Persons from selling their Property the Funds, in a fair way, yet surely there is no Reason to reward them for so doing, by giving them fresh Funds, immoderately under the Market-Price.

I THINK those Persons who were large Subscribers to the Bargain for raising the Money for the Year 1745, should have made it appear, that they were in Possession of their Subscriptions, before they were admitted to be large Subscribers for the Year 1746.

IF Persons are admitted to subscribe largely one Year, when they are known, or might have been known, to have parted with the Sums subscribed for the former Year, what is this but encouraging them to go on with a Traffick highly detrimental to the Nation?

WHENEVER, by any means, there happens to be a Run on the Bank, it occasions many Persons, although well-affected, to join in the Run, for fear of losing their Money; and gives an Alarm to the Bank: And if the Bank call on their Subscribers for Circulation, it adds to the Difficulties.

I AM of Opinion, that as the Bank is now constituted, it is scarce possible for them to be drained of their Money: Many of their Notes are so dispersed, that they cannot come in for Payment for a good while; and Men of Sense and Affection for the Government will always do what lies in their Power, to support them; which, in some time, will put a Stop to the Run.

IF the Bank find it necessary, they may give Interest to those who will bring in Money voluntarily, to be paid at a fixed Time: Which Method will not affect Credit, like a Call on the Subscribers; many of whom are not able to pay in their Money; or they