AN

ESTIMATE

OF THE

VALUE

OF

South-Sea STOCK.

WITH

Some REMARKS *Relating thereto.*

By a Member *of the* HOUSE *of* COMMONS.

LONDON:

Printed in the YEAR MDCCXX.

PREFACE.

AS an Introduction *to the following* Estimate, *I shall acquaint the Reader with the several Views in which this Stock has appeared to me, before and since the passing of the late Act of Parliament*, For enabling the South-Sea Company to inlarge their Capital.

Before the passing of that Act, their Capital was l. 11,746,844 : 8 : 10; *and it was worth so much, if it was not lessened by Losses in Trade, and by allowing their Proprietors Dividends of* 1 l. per Cent. *more than the Interest payable to them by the Publick.*

After passing of the said Act, the Money payable to the Publick, in all Events, viz. *for the Redeemables, and a Year's Purchase for the Long Terms, if not taken in, amounted to* l. 4,823,127 : 13 : 2; *and if no New Partners had come in to their Aid, this would have made their Stock above* 41 per Cent. *worse than* Par.

If they had thought fit to have preserved the whole Stock to themselves, and had paid the Publick Creditors in Money and in Bonds, allowing 32 *Years Purchase to the Long, and* 17 *Years Purchase to the Short Terms; and they have allowed higher Prices to the last Subscribers; the whole Money stipulated for the Publick, and the said Surplus Prices of* 12 *and* 3 *Years Purchase, will be found to amount to* 16,113,311 : 17 : 4; *and this would have made their Stock above* 37 l. per Cent. *worse than Nothing.*

After the First Subscription of the Absolute Terms, and the First Two Money-Subscriptions, the Stock recovered, and was worth again about 100 l. per Cent. *as I have explained it in the* Estimate *published by me in* June *last: But this was to the great Loss of the said New Subscribers, who gave* 300, 375, *and* 400 l. *for that which was intrinsically worth only* 100 l.

After the Third Money-Subscription (which I suppose to be for Six Millions at 1000 l. per Cent.) *the Value of the Stock was near about* 300 l. per Cent.; *and by this the Condition of the preceding Proprietors was much mended; but to the apparent Loss of these New Subscribers, who gave* 1000 l. *for that which was worth only* 300 l.

After the Subscription of the Redeemable Debts, and the Remainder of the Absolute Terms (supposing the Whole to be subscribed) I compute the Value of the Stock at about 340 l. per Cent. *This was a little further Improvement of it; but, surely, greatly to the Loss of those who in ready Money, for their Payments are equal thereto, gave in One Sum* 800 l. *for the same.*

By the last Subscription of One Million at 1000 l. per Cent. *the Value of* 100 l. *Stock is now about* 360 l. *A very choice Bargain to those who have paid* 1000 l. *for it! And if the whole remaining Stock was subscribed for at the Rate of* 1000 l. per Cent. 100 l. *Stock would be even then worth under* 540 l.

But in all these Valuations, I compute, as if the whole Money subscribed, was actually paid in, and lent out again for the Profit of the Company; which is far from being the Case: For, not to mention the great Deduction for the Discounts for the Times of Payment, the remaining Payments seem now to be very uncertain, and the Hopes of future Subscriptions at high Prices, are, for the present, vanished.

Indeed,

Indeed, this blazing and astonishing Meteor, seems to me to have been at its Meridian, and to decline wich as great Rapidity as it first rose; the Price in the Alley *having, in a few Weeks, fallen from* 1000 *to* 600 l. per Cent. *and about which it now wavers: And in such a Situation, can it be expected, that the remaining Payments will be complied with by the Subscribers for this Stock; unless the Directors of the* South-Sea *Company shall explain the intrinsick Value thereof better than they have hitherto done? And if, by some New artful Management, the Delusion could be still carry'd on for a little while (for, in my poor Opinion, it can't long subsist, without the Omnipotent Power of Creating Silver and Gold Mines) it will, at last, fall so much the heavier on particular Persons, and end more fatally to the Nation, by continuing to Foreigners the Opportunity of draining us of our remaining Gold and Silver.*

We are now drawing near to the Michaelmas Moon, *and People, perhaps, may then begin to think more coolly about this Matter, and hearken a little to Reason and Demonstration: And I am therefore inclinable to believe, That the following* Estimate *will be of more Use, than what I formerly wrote upon this Subject, and may serve, in some measure, as an Antidote to those (and it is for their sakes I chiefly write) who have hitherto kept themselves free from the Infection. And on this Occasion, I shall transcribe the first Paragraph in* Page 9. *of the* Seasonable Considerations *which I published in* April *last*; viz.

" *It nearly concerns those who intend to be Subscribers or Purchasers (and it is for their sakes I* " *write) to carry always in their Minds, That whatever Price they shall think fit to give, that* " *the Faith of Parliament stands only ingaged to pay* 100 l. *for each* 100 l. *Stock, and* 5 l. per " Annum *for the Interest thereof until* Midsummer, 1727. *and* 4 l. per Annum *after-* " *wards, 'till repaid; and that this, and the Profits of Trade, and the proportionable Divi-* " *dend of the advanced Price, which They themselves shall give, is all they have to depend on* " *or expect; unless they proceed purely on the Foot of Gaming and Stock-Jobbing, in hopes to* " *gain, even by a bad Bargain, by Deceiving and Imposing upon others. But this, surely, is* " *to act with vile and dishonest Views, such as a Just Providence can never prosper; and if* " *the Biters should happen to be bit, their Sufferings will be unpitied; and certain it is, that* " *the Loss, at last, must rest some-where.* "

I bore an Early Testimony against the Imprudent Execution of this Scheme, and have continued to give fair Warning to my Fellow-Subjects of the pernicious Consequences thereof: And, indeed, every Day's Observation further confirms me, that I have not been (I would to God I were!) mistaken in my Conjectures about it; but, having contributed my poor Mite to prevent the Mischiefs which I foresaw, and now see happening to my Country, and the Prejudice to particular Persons, I have this Consolation, That I have faithfully discharged my Duty as a Representative (tho' one of the meanest) of Great Britain. *I shall take this Opportunity of declaring, That I have offered no Incense to this* Golden Calf, *nor reaped any the least Benefit therefrom, altho' I have been falsly represented to have done it*; Liberavi Animam meam: *And I shall conclude this* Preface, *with saying,* Qui decipi vult, decipiatur.

1720. September 10.

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Some REMARKS *Relating thereto.*

1. IN the following, and all the other Valuations which I have made of this Stock, I consider only the Debt due to the Company from the Publick, and the Money gained by Subscriptions, having as to these some Light to guide me; but as to the Profits which have arisen, or may arise, from their Home and Foreign Trade, I am intirely in the Dark, and do not, therefore, pretend to make any Guess about it; but do admit, That whatever hath been, or shall be got thereby, is to be added to the Values which I have stated in my Computations. As to the Subscriptions, I must observe, That I have admitted the whole Money to have been paid as at *Midsummer*, 1720. and lent out again, as from that Day, on the best Securities in *Britain*, at the Rate of 4 *l. per Cent. per Ann.* Interest, for the Benefit of the Company, and yet the Discounts for the Times of Payment, will be found to amount to several Millions; I believe, to a much greater Sum than the Trade of the Company will produce in many Years.

2. According to the best Information I could come at in this Matter, I compute, That before the last Subscription for One Million, the Capital of the Company was 30,588,503 *l.* 6041228 *Decimals*; and I state the Value thereof thus; *viz.*

	l.	*Decimals.*
The Debt due from the Publick to the Company, is - - - -	43,411,399 :	345833
The whole Subscription-Money at that Time, deducting there-out the Sum stipulated for the Publick, and the Payments in Money and Bonds to the Proprietors of the Absolute Terms, amounts to - - - - - -	61,341,771 :	4878473
Total	104,753,170 :	8336803

Which being divided amongst the Proprietors of this Capital, makes the Value of 100 *l.* Stock therein, to be 342 *l.* 459285323 *Decimals*; and supposing the remaining Stock was sold at the Rate of 1000 *l. per Cent.* then the Increased Capital, the Whole Value thereof, and the Value *per Cent.* will be found as followeth; *viz.*

The Increased Capital.		The Total Value.		The Value *per Cent.*	
l.	*Decimals.*	*l.*	*Decimals.*	*l.*	*Decimals.*
43,411,399 :	345833	232,982,128 :	2507823	536 :	6842160398

3. But

3. But for the Eaſe of the Readers for whom I chiefly intend this Paper, I will make my Computations in round Numbers, that the Proportions may appear at Sight, or, at leaſt, may be diſcovered with very little Trouble; and yet, at the ſame time, I ſhall make uſe of ſuch Numbers, by which the Value of this Stock will not be diminiſhed, but increaſed. I will therefore ſuppoſe, That before the laſt Subſcription for One Million, the Capital was exactly 30 Millions, and the Value thereof 105 Millions; it is then evident, That One Pound in this Stock was worth 3 *l.* 10 *s.* Ten Pounds worth 35 *l.* One Hundred Pounds worth 350 *l.* and One Million worth 3,500,000 *l.* for the Value of the Capital is exactly Three times and an half greater than the Capital. This is, indeed, a very ſorry Equivalent to thoſe who have given the higheſt Prices for this Stock; but it is a goodly Gain to the Proprietors of the Old *South-Sea* Stock, and, in the Whole, will be found to amount to above 33,478,506 *l.* and got out of the Pockets of indiſcreet Subſcribers: And yet, on Examination, it will be found, that if the ſaid Old Proprietors, after the paſſing of the Act of Parliament, had thought fit to have taken in no New Partners, but had divided amongſt themſelves the whole Stock, and paid the publick Creditors in Bonds and Money, at the Rates they have thought fit to allow them in Stock, that then their Capital would have been above 4,366,467 *l.* worſe than Nothing; and, conſequently, every Proprietor of 100 *l.* of that Stock, inſtead of having any Benefit therefrom, would have been in Debt above 37 *l.* more than the Value thereof.

4. But the Directors of the *South-Sea* Company have played the Game much better for their own, and the Benefit of the Proprietors of the ſaid Old Stock. And as by an artful Management of Subſcriptions, the Stock has been made worth 350 *l. per Cent.* ſo, by the ſame Methods, it may be ſtill made more valuable, if the preſent Frenzy ſhall happen to continue; but then this will be at their Expence, who ſhall ſubſcribe or purchaſe without Thought or Conſideration of what they are doing: For, certain it is, that whatever Price any Purchaſer ſhall give to the Company above the then preſent Value of the Stock, will be a Free-Gift from them, of a far greater Part of ſuch Surplus Price, to the Proprietors of the preceding Capital, and from which the New Purchaſers will reap no Benefit.

5. I ſhall make this Matter very clear from the Inſtance which has lately happen'd; *viz.* The laſt Subſcription for One Million at the Rate of 1000 *l. per Cent.* But, that my Computations may come out without Fractions, I will ſuppoſe this Subſcription at 970 *l. per Cent.* and then, for this One Million Stock, theſe Subſcribers have given . . . . . *l.* 9,700,000
But the Value of One Million Stock, before the Addition of their Money, was only . . . 3,500,000

So that they have given a Surplus Price more than the immediately preceding Value thereof, and which is thus diſtributed; *viz.*
To the preceding Proprietors of the 30 Millions Capital, 30 Parts in 31, and which amounts to . . . . . *l.* 6,000,000
Returns to themſelves One Part in 31, being 200,000
6,200,000

	l.
For after the Addition of this was	9,700,000
	105,000,000
Millions, is only	114,700,000

Increaſed Capital, makes the Value of One Million 3,700,000 *l.* So that by this Addition, there is only 20 *l.* added to the Value of 100 *l.* Stock: Thoſe, therefore, who have given their Money, is worth only . . . . . of . . . . . 970 370 600 which for One Million amounts to Six Millions, to the Value of the preceding Capital, which the Value of the Increaſed Capital of Thirty One Millions, is only . . . . . Which being divided amongſt the Proprietors of the Increaſed Capital, makes the Value of 100 *l.* Stock therein, to be 370 *l.* and the Value for 100 *l.* Stock, which, after the Addition of have made a Preſent to the preceding Proprietors for every 100 *l.* Stock which they have bought; as is before explained: But as they have given 1000 *l. per Cent.* for this Stock, their Caſe is ſtill ſomething worſe. From hence it is evident, That if another Million of this Stock ſhould be ſubſcribed for at any higher Price than 370 *l. per Cent.* the preſent Value thereof, that 31 Parts in 32 of ſuch Surplus Price, will go to the preſent Proprietors of the 31 Millions Capital, and One Part only in 32, return to the New Purchaſers.

6. Suppoſe the next Subſcription ſhould be for a Sum equal to that which was intended for the Proprietors, *viz.* One Fifth Part of the preſent Capital; Then the New Subſcription will be for 6,200,000 *l.* and the Increaſed Capital will be 37,200,000 *l.* and whatever Price the ſaid New Purchaſers ſhall give above 370 *l. per Cent.* the Surplus will be divided between them, and the Proprietors of the preceding Capital, in proportion to their Shares in the Increaſed Capital, which is as 5 to 1; ſo that the preceding Proprietors will have 5 Parts in 6, and the New Purchaſers only 1 part in 6 of the Surplus Price given for this Stock.

		l.
Suppoſe the Price of 100 *l.* Stock to be		1000
But the preceding Value was only		370
The Difference is thus divided; *viz.*	*l.*	
To the preceding Proprietors 5 Parts in 6, being	525	
To the New Purchaſers 1 Part in 6, being	105	
		630

For after this Addition, the Value of 100 *l.* Stock will be increaſed only 105 *l.* more than it was before, *viz.* to 475 *l.* and, conſequently, the New Purchaſers give 525 *l.* more than the Increaſed Value thereof; and it is a Free Gift from them to the Proprietors of the preceding Capital, without any Benefit accruing to themſelves. The

	l.
The Value of the preceding Capital was	114,700,000
Add thereto 6,200,000 *l.* at 1000 *l. per Cent.*	62,000,000
And then the Increaſed Capital is worth	176,700,000

Which being divided amongſt the Proprietors of the Increaſed Capital, makes the Value of 100 *l.* Stock therein, to be 475 *l.* as I have before mentioned. The Price given by the New Purchaſers of the 6,200,000 *l.* is, as before . . . . . *l.* 62,000,000
But the real Value thereof, at the Rate of 475 *l. per Cent.* is only 29,450,000
So that by the Bargain, the New Purchaſers loſe, and the Proprietors of the preceding Capital, gain 32,550,000

7. The Reſolution which was taken by the Court of Directors, of giving the Proprietors a Subſcription of 20 *l.* for every 100 *l.* Stock, and which has been ſince changed by them, and by the General Court, affords ſome Matter for Speculation. My Remark thereon, is, That the great Zeal for Subſcriptions at high Prices, ſeems to cool; and, That the Hopes of diſpoſing of them for conſiderable *Præmiums*, as was done on the firſt Three Subſcriptions, are intirely vaniſhed. And if this be the Caſe, it is then certainly much more for the Advantage of the preſent Proprietors, that the Stock ſhould be ſold to new People, than to become themſelves the Purchaſers thereof: For, in the one Caſe, the Stock will be improved 105 *l. per Cent.* in its Value (ſuppoſing the Sale at 1000 *l. per Cent.*), and their Condition mended to the Amount of 32,550,000 *l.* at the Expence of others; but if they themſelves ſhould be the Purchaſers of this Stock, and keep it, no new Profit would accrue to them thereby: It is true, the Stock would be ſtill improved in its Value, but no more than the Sum which they had contributed for that Purpoſe. Indeed, on the other Hand, they would have loſt nothing, whether they had ſubſcribed at 1000 *l.* or one Million *per Cent.*; for, whatever they had loſt in the Quality of New Purchaſers, they would have gained in the Quality of Preceding Proprietors; and whatever Sum they had given by way of Subſcription, would have exactly returned to them again in Dividends; ſuppoſing, which is always to be ſuppoſed, that the Improvement of this Money, above the Annual Intereſt thereof by the Directors, would have fully anſwered the Expence of Management.

8. After the laſt mention'd Subſcription, there will then remain 6,211,399 *l.* 345833 *Decimals* to be diſpoſed of: But I will ſuppoſe it only 6,200,000 *l.* for avoiding Fractions, the Remainder being a Trifle; and the Value of the Stock will ſtill come out higher on theſe Computations in round Numbers, than it will do when exactly ſtated. Suppoſing then, that this laſt Subſcription be made alſo at the Rate of 1000 *l. per Cent.* the Capital will be then compleated to 43,400,000 *l.* and the Value thereof will be as follows; *viz.*

	l.
The preceding Capital was worth	176,700,000
Add thereto 6,200,000 *l.* at 1000 *l. per Cent.*	62,000,000
	238,700,000

Which being divided amongſt the Proprietors of this Increaſed Capital, makes the Value of 100 *l.* Stock therein, to be 550 *l.*; and ſo theſe Purchaſers give 450 *l.* for every 100 *l.* Stock by them bought, more than the increaſed Value thereof; which is exactly 6 Parts in 7 of the Surplus Price for the ſole Profit of the preceding Proprietors, and amounts in the whole to 27,900,000 *l.* The Reader may further explain this to himſelf in the ſame Method I have done in the preceding Caſes.

9. I ſhall now give a ſhort and intire View of theſe Three Capitals, which I ſhall denote by the Letters *A*, *B*, and *C*, and of the Difference between their Imaginary and Real Values, in the Whole and *per Cent.* The firſt Line expreſſeth the *Imaginary Value*, the ſecond Line the *Real Value*, and the third the *Difference*.

	A	*B*	*C*
The Capitals are	31,000,000	37,200,000	43,400,000 *l.*

Lines.	The Value of the whole Capitals.			The Value of 100 *l.* Stock in the ſaid Capitals.		
	A	*B*	*C*	*A*	*B*	*C*
	l.	*l.*	*l.*	*l.*	*l.*	*l.*
Firſt	310,000,000	372,000,000	434,000,000	1000	1000	1000
Second	114,700,000	176,700,000	238,700,000	370	475	550
Third	195,300,000	195,300,000	195,300,000	630	525	450

10. I ſhall, in the like manner, give a ſhort View of the Perpetual Dividends, at the Rate of 4 *l. per Cent. per Ann.* Intereſt, which ought to be paid on the ſaid Capitals, and 100 *l.* Stock, according to the Imaginary, and according to the Real Values of the ſame.

The firſt Line expreſſes the Dividends according to the *Imaginary Value*, the ſecond Line according to the *Real Value*, and the third Line is the *Difference*.

Lines.	The Dividends of the whole Capitals.			The Dividends on 100 *l.* Stock.								
	A	*B*	*C*	*A*			*B*			*C*		
	l.	*l.*	*l.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*
Firſt	12,400,000	14,880,000	17,360,000	40	00	0	40	0	0	40	0	0
Second	4,588,000	7,068,000	9,543,000	14	16	0	19	0	0	22	0	0
Third	7,812,000	7,812,000	7,812,000	25	04	0	21	0	0	18	0	0

The Reader, from Tables of Compound Intereſt, may eaſily find the Dividends for any Term of Years, which will be equivalent to the aforeſaid perpetual Annuities, or Dividends; *viz.* What annual Dividends for any given Term of Years, are of an equal Value to a perpetual Dividend of 4 *l. per Cent. per Ann.* or of an equal Value at that Rate of Intereſt, to the Sum paid down for ſuch an Annuity for any Term of Years; and will find the Difference between the Annuities which ought to be granted according to the imaginary, and thoſe only which can be granted according to the real Values of the Stock, to be greater in any given Term of Years, than the ſame are on a perpetual Annuity. And I ſhall now give him an Example thereof in the Annuities or Dividends for 15 Years, which ought to be granted according to the imaginary Value of the Stock, and which has been actually paid by ſome of the Purchaſers for the ſame; and thoſe only which can be granted for that Term, according to the real Value of the Stock: And I ſhall do it in the ſame Way as I have done for the aforeſaid perpetual Dividends; but it being impoſſible to avoid Fractions in this Caſe, I have omitted thoſe which are under 1 *d.*

Lines.	The Dividends on the whole Capitals.						The Dividends on 100 *l.* Stock.								
	A		*B*		*C*		*A*			*B*			*C*		
	l.	*s.*	*l.*	*s.*	*l.*	*s.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*	*l.*	*s.*	*d.*
Firſt	27,881,710	00	33,458,052	00	39,034,394	00	89	18	9	89	18	9	89	18	9
Second	10,316,232	14	15,892,574	14	21,468,916	14	33	05	6	42	14	5	49	09	4
Third	17,565,477	06	17,565,477	06	17,565,477	06	56	13	3	47	04	4	40	09	5

11. The aforegoing Differences between the Dividends, which ought to be, and which only can be made on the aforegoing Three different Valuations of the Stock, appear to be very great; and it is very evident, that 100 *l.* Stock, which is intrinſically worth only 370 *l.* or 475 *l.* or, at the higheſt Valuation, 550 *l.* can only afford Dividends equal in Value to thoſe Sums; but can never afford Dividends equal in Value to 1000 *l.* And, to ſhew how extravagant ſuch an Expectation is, I ſhall obſerve, That thoſe who think that 100 *l.* Stock, in the preſent Capital of 31 Millions, is worth 1000 *l.* do, conſequently, compute the *l.*
Value of the whole Capital to be - - - - - - - - - - - - - 310,000,000
But I have before ſhewn, That it is worth only - - - - - - - - - 114,700,000

So that, to compleat it to this imaginary Value, there is wanting - - - - - 195,300,000

And I have before ſhewn, That if the remaining 12,400,000 *l.* Stock was ſubſcribed for at 1000 *l. per Cent.* tho' at preſent intrinſically worth only 370 *l.* that even then, 100 *l.* Stock will not be worth more than 550 *l.* which is little above One Half of what the Proprietors expect. I can therefore think but of one Expedient to make 100 *l.* Stock in the ſaid Capital of 31 Millions, to be worth 1000 *l.* to the preſent Proprietors; *viz.* To ſell the ſaid remaining 12,400,000 *l.* Stock for 195,300,000 *l.* which is at the Rate of 1575 *l. per Cent.* and then to give the ſaid New Purchaſers, who have paid ſo great a Price, no Share in the ſaid Increaſed Capital, but expect, that they will make a Generous Preſent of ſo great a Sum, for the Benefit only of the preſent Proprietors. And, conſidering what great Preſents have been already made by the Purchaſers of this Stock, to preceding Proprietors, I cannot ſay, but that a ſmall Improvement of the Madneſs which has ſo long continued, may carry the Matter even to this extravagant Heighth. It is certain, That the Firſt Advocate who appear'd for the high Value of *South-Sea* Stock, eſtabliſh'd his Scheme on the Foundation I have mentioned;

as may be ſeen in the Calculations publiſhed in the *Flying-Poſt* of the 9th of *April* laſt. But if ſuch New Purchaſers ſhould happen to expect (as perhaps they may) that the Price paid by them will be made good in the Value of the Stock, then the Increaſed Capital of 43,400,000 *l.* at the Rate of 1575 *l. per Cent.* will amount to - - - - - - - - - - - - *l.* 683,550,000
But the real Value thereof, is only - - - - - - - - - - - - 310,000,000

So that there will be then a Deficiency of - - - - - - - - - 373,550,000

And from whence is this Sum to be raiſed, all the Stock being now diſpoſed of? And if I ſhould admit, that the Company may go on in increaſing their Stock *in infinitum*, and that they would always find Purchaſers for the ſame; yet, it is evident, that the higher the Price is carried, the greater will the Deficiency be to make good the Value of the Stock according to that Price; becauſe that Value is not to be made good only to the laſt Purchaſers, but to all the Proprietors of the preceding Capital. And it paſſeth my Imagination to conceive, how Juſtice can be done to thoſe, who have already, or ſhall hereafter purchaſe at high Prices; unleſs all the Proprietors ſhall think fit to complete their Subſcriptions to the higheſt Price given; or, that all the high Prices be reduced to the loweſt, *viz.* to 100 *l.* for 100 *l.* Stock at which Rate the Old Proprietors of the *South-Sea* Stock came in; or, that the Dividends be made, not in proportion to the Shares in the Capital Stock, but according to the Prices paid to the Company, or originally advanced for the ſame. I am ſure, ſome Expedient the Directors of the *South-Sea* Company ought to think of, to indemnify thoſe, who, relying on their Integrity, have given the Prices which they thought fit to demand; for there is certainly a very great Difference between the Tranſactions of particular Perſons in the Buying and Selling of this Stock, and the Conduct of the Directors of this Company, who are in the Secret of this Myſtery, and who knew, or ought to have known, the real and intrinſick Value of this Stock. And therefore, I am of Opinion, That they are, in Juſtice and in Conſcience, obliged to make it appear, That the Stock is worth the higheſt Prices at which they have ſold, or ſhall ſell the ſame; or to make Reparation to the Perſons who have been injur'd by thoſe Sales from themſelves, or have been led into indiſcreet Purchaſes from particular Perſons, from the Example and Venerable Authority of this Great Society. And if it ſhould appear, that there has been an ill Uſe made by the Directors of this Company, of the Truſt repoſed in them by Parliament, a Court of Equity in a Free Nation, and which, I hope, will always continue ſo, cannot fail of giving the proper Relief: And if the Caſe ſhould ſeem to be too big for them, The Honour of the Legiſlative Authority is concerned to ſee Juſtice done to every *Britiſh* Subject.

12. I was in great hopes, after the Advertiſements which were given in Print in *April* laſt, to have ſeen a full and authentick State of the Value of the Stock of this Company; by which the fluctuating Price thereof might have been ſettled, and People might have been at ſome Certainty on what Terms to purchaſe: But all I have yet obſerved publiſhed to this Purpoſe, I ſhall here tranſcribe; *viz.* from the *Daily Courant*, *Monday*, *May* the 23d, 1720.

‘ *Thurſday*, *May* the 19th, 1720.

‘ AT *a Court of Directors of the* South-Sea *Company.* The Court of Directors taking into Conſideration
‘ what Terms and Prices to allow to the Proprietors of the Long Annuities, 9 *per Cents.* and Tickets of
‘ Lottery 1710. for which Subſcriptions have been made at the *South Sea Houſe*, in order to their being
‘ taken into the Capital Stock of this Company; and the Price of the Company's Stock being this Day up-
‘ wards of 375 *l. per Cent.* this Court came to the following Reſolutions; *viz.*’

And from the *Daily Courant* of *Saturday*, *Auguſt* the 13th, 1720.

‘ *Friday*, *Auguſt* the 12th, 1720.

‘ AT *a Court of Directors of the* South-Sea *Company.* The Court of Directors taking it into Conſideration
‘ what Terms and Prices to allow to the Proprietors of the Long Annuities, 9 *per Cents.* and Tickets of
‘ Lottery 1710. and alſo for the publick Redeemable Debts and Annuities, for which Subſcriptions have been
‘ made at the *South-Sea Houſe*, in order to their being taken into the Capital Stock of this Company; and the
‘ Price of the Company's Stock being this Day upwards of 900 *l. per Cent.* including therein the *Midſummer*
‘ Dividend of 10 *l. per Cent.* Stock, which makes the Stock, excluſive of that Dividend, about 820 *l. per*
‘ *Cent.* this Court came to the following Reſolutions; *viz.*’

And from the *Daily Courant* of *Wedneſday*, *Auguſt* the 31ſt, 1720.

London, *Auguſt* 31.

‘ YEſterday the Court of Directors of the *South-Sea* Company, came to a Reſolution, That 30 *l. per Cent.*
‘ in Money ſhall be the Half-Year's Dividend due at *Chriſtmas* next; and that from thence, for 12
‘ Years further, not leſs than 50 *l. per Cent.* in Money, ſhall be the Yearly Dividend on their Stock.’

And in that *Courant* it follows: ‘ *London*, *Auguſt* 31. Yeſterday *South-Sea* Stock was 765, 755, 780,
‘ to 770, with the Dividend.’

And from the *Daily Courant* of *Friday*, *September* 9. 1720.

London, *September* 8.

‘ THis Day a General Court of the *South-Sea* Company was held at *Merchant-Taylors Hall*, where were
‘ preſent the greateſt Appearance of Nobility and Gentry, and Perſons of Diſtinction, that has been
‘ ſeen; at which it was agreed, That the next *Chriſtmas* Dividend on the Stock and Subſcriptions, ſhall be
‘ 30 *l. per Cent.* and that a Dividend of not leſs than 50 *l. per Cent. per Annum* be made from and after
‘ *Chriſtmas* next, in Half-yearly Payments, for not leſs than 12 Years, upon the whole Stock and Subſcripti-

'ons: And the General Court unanimouſly approved of, and thanked the Sub and Deputy-Governors and 'Directors, for their prudent Conduct in the Company's Affairs, and agreed with the Court of Directors to 'omit the 20 *l. per Cent.* Subſcription of Stock, which had been intended for the Proprietors of the Stock 'and former Subſcriptions.'

Had this Account of the Value of *South-Sea* Stock been publiſhed by the meaneſt Broker in the *Alley of Iniquity*, there might have been ſome Apology made for him: But what can be ſaid for ſo lame a Hiſtory of the Value of this Stock, from thoſe who are in the Direction and Management thereof? For it amounts to no more than this; That on *Monday* the 23d of *May*, 1720. People thought fit to give 375 *l. per Cent.* for this Stock, and, therefore, it was worth ſo much: And on *Saturday*, *Auguſt* 13. 1720. Purchaſers thought fit to give 820 *l.* for this Stock, and, therefore, it was worth that Price. For which, indeed, there is the Authority of *Hudibras*;

What's the Worth of any Thing,
But as much Money as 'twill bring?

But is this an Account fit to be given of the Value of this Stock, by the Directors of ſo Great a Society? Surely, they ought to have ſet forth, The Money due to them from the Publick; The Money gained at thoſe reſpective Times by Subſcriptions; and, The Profits made by their Home and Foreign Commerce; and to have likewiſe ſet forth, The Debts due from them; and, That on the Ballance of their Books, their Stock was then worth ſuch a certain Sum. By this they would have dealt candidly and uprightly with all Mankind, and would have thereby given ſuch a Proof of the real and intrinſick Value of their Stock, as was only fit for them to give: And their omitting to do this, muſt neceſſarily give the ſtrongeſt Suſpicions, that the Value of their Stock is not able to bear ſuch a Light.

13. This leads me neceſſarily to obſerve the Treatment which the Subſcribers of the Publick Debts have met with: They, by ſubſcribing of their Debts, had at once paid in the full Price for the Stock they were intitled to, and ought therefore, in my Opinion, to have immediately had the Benefit thereof, to diſpoſe as they ſhould think fit: And if, at the Time when this Grace ſhall be granted, the Stock ſhould be under the Price which the Company have ſet it at to thoſe Subſcribers, will not their Caſe be very hard? And eſpecially to the laſt Subſcribers of the Abſolute Terms and the Redeemable Debts, who have not been left to their Option, as the Firſt Subſcribers of the Abſolute Terms were, to accept the Conditions given by the Directors, or to withdraw their Subſcriptions? What Outcries would have been, even againſt the Legiſlative Authority of *Great Britain*, had the meaneſt *Britiſh* Subject received from Them a Treatment of this kind! And, I believe, the Court of Directors, or a General Court of the *South-Sea* Company, are not (and, I hope, never will be) greater than the Parliament, or become the Abſolute Dictators of *Great Britain*.

14. As to the Reſolution of the Directors, and confirmed by a General Court, of allowing 30 *l. per Cent.* for the Dividend at *Chriſtmas* next, and not leſs than 50 *l. per Cent. per Annum* on the Capital Stock for 12 Years afterwards; I would gladly know, What Certainty can be inferred with relation to the Value of this Stock, further, than that it is equal to ſuch an Annuity (if the Directors and General Court are not miſtaken in their Expectations as to future Subſcriptions)? But as to any further Value, the Matter is left intirely in the Dark. Had they promiſed a perpetual Dividend of not leſs than 40 *l. per Cent.* on each 100 *l.* Capital Stock, they had then ſhewn, that they thought it worth 1000 *l.* But this, I believe, was a Length they thought they could not go, or, ſurely, they would have gone it, and have explained their Ability of doing it. The only Valuation, therefore, which can be formed of 100 *l. South-Sea* Stock (admitting that the Directors are not miſtaken in their Expectations as to future Subſcriptions) is, That it is worth or equal to 30 *l.* to be paid at *Chriſtmas* next, and of an Annuity of 50 *l.* for 12 Years afterwards: And this will be found to be worth only, in preſent Money, as at *Midſummer*, 1720. the Sum of - - - - - *l.* 489 : 9 : 3.

And it ſeems to me a Demonſtration, that this Dividend cannot be carried ſo far, according to the Value of the preſent increaſed Capital, or even if 6,200,000 *l.* more ſhould be ſubſcribed at the Rate of 1000 *l. per Cent.* altho' intrinſically worth but 370 *l. per Cent.* becauſe 100 *l.* Stock, worth only 370 *l.* or which may be increaſed to 475 *l. per Cent.* by the laſt mentioned Subſcription, cannot afford a Dividend for which 489 *l.* 9 *s.* 3 *d.* is neceſſary. I do agree, That if the whole remaining 12,400,000 *l.* Stock, be ſubſcribed at 1000 *l. per Cent.* that then the Dividend promiſed by the Company, may hold out longer than the Time they have mentioned; becauſe the Stock will be then worth 550 *l.* and 489 *l.* 9 *s.* 3 *d.* is ſufficient to anſwer the Term they have ſet. I therefore compute, That the Dividend they have promiſed, cannot hold out 9 Years, according to the preſent Value of that Stock; That it will not hold out 12 Years and an half, if a further Subſcription be obtained for 6,200,000 *l.* at 1000 *l. per Cent.*; and that if the whole remaining 12,400,000 *l.* be ſubſcribed at that Price, it will not fully hold out 15 Years. And I have already obſerved, and ſhall again repeat it, That in theſe Computations in round Numbers, I have made the Value of *South-Sea* Stock greater than it will come out upon an exact ſtating of the ſame.

15. Beſides what I have already mentioned, it will well deſerve the Conſideration of thoſe who intend to be Subſcribers for the remaining Stock, That tho' I have admitted, in my Computations, the Money ſubſcribed to be actually paid in, the Fact is far from being ſo; and if it ſhould ſo fall out, that before next *Chriſtmas*, the imaginary Value of this Stock ſhould conſiderably ſink below what it at preſent is, Whether the Subſcribers at 1000 *l. per Cent.* and who have as yet paid in only 100 *l.* would not rather chooſe to loſe that Sum, and the Benefit of their Subſcription, than comply with the ſucceeding Payments, even if they could hope for no Relief in a Court of Equity, or from the Legiſlature of *Great Britain*, as to the Money they have been drawn in to pay? And if this ſhould happen to be the Caſe, on what Foundation will the Value of this

this Stock ſtand? And if the Company ſhould, as it is given out, advance the ſucceeding Payments to the ſeveral Subſcribers on the Security of their Subſcriptions; is not this, in Effect, to repurchaſe again the Stock by them ſold? Indeed, I think, this will be doing great Juſtice to the ſeveral Subſcribers; but whether it will add to the Value of the Stock, I ſhall leave to the Conſideration of thoſe who intend to become Purchaſers thereof.

16. It is very obſervable, That ſoon after the *Bubbles*, as they are uſually called, met with a Check, in carrying on the Traffick of Subſcriptions, that their Stocks fell under One Third Part of the Price they had before been ſold at; which ſhews the vaſt Advantage of this ſingle Branch of Commerce in a Gaming Age. And it ſeems to me evident, that every of thoſe *Bubbles*, by a dexterous Management of the Trade of Subſcribing, might have raiſed the nominal Value of their Stocks, as high as that of the *South-Sea*: And, conſidering how great the Capital of that Company always was, and that it is now above 30 Millions, the Subſcribers to the *Bubbles* would have loſt leſs than thoſe who have ſubſcribed for *South-Sea* Stock. As for Inſtance, The Proprietors of the laſt Million, ſubſcribing, as I have ſuppoſed, to the *South-Sea* Company at 970 *l. per Cent.* gave thereby 6 Millions, as I have ſhewn, to the Proprietors of the preceding Capital: But, ſuppoſe, that the ſaid Million had been ſubſcribed at 1000 *l. per Cent.* to any of the *Bubble* Stocks, whoſe Capital and nominal Value had been One Million, and in reality worth Nothing; the Subſcribers would have loſt only One Half of their Money, *viz.* Five Millions; but if the *Bubble* Capital had been only 100,000 *l.* then the Loſs to the New Subſcribers had been under One Million. Indeed, if it were 30 Millions, then 30 Parts in 31 of the whole Money paid, would be loſt; for the Stock being ſuppoſed to be worth Nothing, the whole Money paid for it is a ſurplus Price. Admitting, therefore, that *South-Sea* Stock is worth at preſent 370 *l per Cent.* and no more, it is evident, that whatever is given for it above that Price, is, in Effect, ſubſcribed to a *Bubble* Stock; and that the ſame will be ſhared between the preſent Proprietors, and the new Subſcribers, in proportion as 31 Millions ſhall be to the Sum ſubſcribed. And therefore, whoever ſubſcribes 1000 *l.* for 100 *l. South-Sea* Stock, will be much a greater Loſer, than if he ſubſcribed 630 *l.* for 100 *l.* in any of the *Bubble* Stocks, even admitting their Capitals to be worth Nothing. It is therefore certain, That if the ſaid *Bubble* Stocks had been intitled to the Privilege of taking Subſcriptions, they had come in with the *South-Sea* Company for a Share even in the great Trade, and all the little Traffick had been intirely theirs. For, to ſpeak in a Gaming Stile, The *South-Sea* Stock muſt be allow'd the Honour of being the Gold-Table, the better ſort of *Bubbles* the Silver-Tables, and the lower Form of theſe are the Farthing-Tables for the Footmen. But the Government have, with great Juſtice to the Nation, and in great Charity to unwary People, ſhut up ſome of thoſe Shops of Deceit and Fraud: And I hope the Parliament, at their next Meeting, will follow this good Example, and finiſh what is yet left undone in this Affair, by an effectual Diſcouragement of the *Bulls* and the *Bears*, the *Puts* and *Refuſals*, and the other pernicious Gaming-Parts in the Trade of Stocks. It was with Pleaſure I read the Order of Council in relation to this Matter, and which, I think, has contributed very much to the abating the Spirit of Gaming in general; for ſince then, the Nominal Value of *South-Sea* Stock has been on the Declenſion.

17. I ſhall make a familiar Simile, which every Reader may carry in his Mind, without the Help of Figures; and which, I think, has a very near Reſemblance to the *South-Sea* Scheme, as it has been executed; *viz.* *A* having 100 *l.* Stock in Trade, tho' pretty much in Debt, gives it out to be worth 300 *l.* on account of many Privileges and Advantages to which he is intitled. *B*, relying on his great Wiſdom and Integrity, ſues to be admitted a Partner on thoſe Terms, and, accordingly, brings 300 *l.* into the Partnerſhip. The Trade being afterwards given out or diſcovered to be very improving, *C* comes in at 500 *l.* and afterwards *D* at 1100 *l.* and the Capital is then compleated to 2000 *l.* If the Partnerſhip had gone no further than *A* and *B*, then *A* had got, and *B* had loſt 100 *l.*; if it had ſtopt at *C*, *A* had got, and *C* had loſt 200 *l.* and *B* had been as he was before: But *D* alſo coming in, *A* gains 400 *l.* and *B* 200 *l.* and *C* neither gains nor loſes; but *D* loſes 600 *l.* Indeed, if *A* could ſhew that the ſaid Capital was intrinſically worth 4400 *l.* there would be no Harm done to *D*, and *B* and *C* would have been much obliged to him. But if the Capital at firſt was worth but 100 *l.* and increaſed only by the ſubſequent Partnerſhips, it muſt then be acknowledged, that *B* and *C* have been impoſed on in their Turns, and, that unfortunate, thoughtleſs *D* pays the Piper.

I heartily wiſh, that I may be miſtaken in the Computations which I have now and formerly made; and whenever that is made appear, I ſhall do Juſtice to the Directors of the *South-Sea* Company in a publick Recantation. And I do ſincerely declare, That no one of that Body can have more Pleaſure in confuting me on this Subject, than I ſhall have in being effectually confuted. For, I am far from envying the Great Eſtates which have been made by them, or any others, by this Project, if it can be ſhewn, that it is not done by the Ruin of many Families, and that, at laſt, it will not have a fatal Influence on the true Intereſt of *Great Britain*. But if it can be made evident, that numberleſs Families will not be Sufferers by this Gain, and that no Detriment will happen to the Nation thereby; and that all the Gains by this Project are Juſt and Honeſt; I have then One Particular to recommend to the Conſideration of the Directors of the *South-Sea* Company, and with that I ſhall conclude; *viz.* That they would think of a Generous Peace-Offering for the Service of their Country, againſt the next Meeting of the Parliament, for the too extravagant Profits they have made in their Bargain with the Repreſentatives of the People: And if the Caſe be as they would repreſent it, I think, it will be no more a Diſhonour to the Parliament, than it is ſometimes to the Crown, to acknowledge, That they have been deceived and impoſed upon in their Grant.

POST-

POSTSCRIPT.

FOR the Satisfaction of ſuch Readers as may be deſirous to know how I compute the Increaſed Capital, and the Value thereof, to be as I have mentioned, in the Beginning of this Paper, I ſhall acquaint them with the Suppoſitions on which the ſaid Computations are founded; *viz.*

				l.	*Decimals.*
That the Capital of the Old Proprietors, with the Addition of the 10 *l. per Cent.* for the *Midſummer* Dividend, was - - - - - - - -				12,921,528 :	8858332
That the Firſt Money-Subſcription was	2,250,000	at the Rate of 300 *l. per Cent.*			
the Second for - - - - - - -	1,500,000	at the Rate of 400 *l. per Cent.*			
the Third for - - - - - - -	6,000,000	at the Rate of 1000 *l. per Cent.*			
In all - - - - - - - - - -	9,750,000	And with the 10 *l. per Cent.* for the *Midſummer* Dividend, amounts to - - - - - - - - -		10,725,000 :	- - - - -
That Two third Parts in Value of the Proprietors of the Abſolute Terms, ſubſcribed on the Conditions given by the Directors the 19th of *May*, 1720. and that the other Third Part, and all the Proprietors of the Redeemable Debts, have ſubſcribed the ſame on the Terms given by the Directors the 12th of *Auguſt*, 1720; and then the Stock they are intitled to at *Midſummer*, 1720. will be found to be				6,941,974 :	7182896
In all - - - -				30,588,503 :	6041228
And the Value thereof I compute thus; *viz.*					
The Debt due from the Publick to the Company, is - - - - - -				43,411,399 :	345833
The Amount of the Three Money-Subſcriptions, at the aforeſaid Rates - -				72,750,000 :	- - - - -
In all - - - -				116,161,399 :	345833
Out of which deduct,	*l.*	*Decimals.*			
The Money ſtipulated for the Publick - - - - -	7,729,673 :	9791666		11,408,228 :	5121527
The Money payable to the Proprietors of the Abſolute Terms, according to the Conditions given by the Directors, amounts to - - - - - - - - - - -	3,678,554 :	5329861			
Which makes the Net Value of this Capital to be - - - - - - - - -				104,753,170 :	8336803

But without deducting the Arrears of Intereſt due to the Proprietors of the Publick Debts at *Lady-Day* and *Midſummer*, 1720. or any other Debts of the Company; of which I can make no Eſtimate.

If I am miſtaken in the aforegoing Suppoſitions, the ſaid Increaſed Capital will be accordingly more or leſs than I have made the ſame; but then the Value thereof will be alſo more or leſs; and however theſe Facts may come out, it can make no conſiderable Variation in the Eſtimate I have made of the Value of *South-Sea* Stock: And it is in the Power only of the Directors of the *South-Sea* Company to ſtate this Matter with Exactneſs; and I hope for their own Honour, and in Juſtice to thoſe who are or may be concerned in this Stock, they will condeſcend to do this.

I ſhall alſo ſhew the Reader how I compute the before mentioned great Gain, which the Proprietors of the Old *South-Sea* Stock have already made, over and above a Sum ſufficient to anſwer the Money ſtipulated for the Publick; *viz.* by valuing the Share they have in the Increaſed Capital at *Midſummer* 1720. at 350 *l. per Cent.*

	l.	*Decimals.*	*l.*	*Decimals.*
And it will be found to amount to - - - - -	45,225,351 :	1004162		
But for this they paid only their Original Capital, and which, at *Par*, was worth only - - - - -	11,746,844 :	4416666		
So that their clear Gain is - - - - - - - -			33,478,506 :	6587492
But if the Stock be worth 1000 *l. per Cent.* which is 650 *l. per Cent.* more than I have ſtated it at, then their Gain is the further Sum of - - - - -			83,989,937 :	7579158
In all - - - -			117,468,444 :	4166665

I ſhall conclude this *Poſtſcript* with tranſcribing the laſt Two Paragraphs of my Treatiſe relating to *South-Sea* Stock, of the 14th and 21ſt of *April*, 1720.

" When I conſider theſe Things, it ſeems to me a Demonſtration, That the preſent high Price of *South-Sea* " Stock, can ariſe only from the Folly and Madneſs of unthinking People; or, from very wicked Views of " thoſe who have longer Heads. Should, indeed, the Company, by the Command of the immenſe Caſh, " over which they will have the Power, do, what I hope they will not, influence all the Elections for a future " Parliament; This, and This only, I think, can account for the high Value of their Stock on any ſolid " Foundation. For then, inſtead of the Reduction to 4 *l. per Cent.* now enacted to take place at *Midſummer*, " 1727. they may hope to obtain ſuch an Increaſe of Intereſt, as to make good the Value of their Stock, and " to have the Sinking Fund, or a particular Land-Tax, applied for that Purpoſe. "

" But if the Company are diſpoſed to diſſipate the juſt Fears which all conſidering Men muſt have of their " formidable Power, they may eaſily and honeſtly do it, by fixing their Stock at 150 *l. per Cent.* and by " giving the Proprietors of the Long Terms 25 Years Purchaſe at that Price. This will ſufficiently enable " them to raiſe the Money ſtipulated for the Publick, and gain to themſelves above One Million and a Half; " and they would thereby ſhew a True Zeal for the Service of their Country, and a Juſt Moderation towards " their Fellow-Subjects; and they ſhould be the more induced to do this, from the Offer made by the *Bank of* " *England* to this Effect. But if nothing leſs than 20, 30, or 40 Millions will ſatisfy their Avarice and Ambi- " tion, muſt it not give the Nation a juſt Alarm, to provide in Time againſt the Attempts of ſuch Men? "

The

The Second POSTSCRIPT.

SINCE the finiſhing of the aforegoing Eſtimate, the Price of *South-Sea* Stock has fallen lower, and in theſe laſt Fourteen Days has had ſome ſmall Ebbings and Flowings; but, after all the Efforts to ſupport it, the Price was Yeſterday, according to the *Courant* of this Day, 380 *l.* 350 *l.* to 370 *l.*

It is ſaid, that the Directors intend to make a new Offer to the laſt Subſcribers of the Publick Debts, and to give them, as in Juſtice they are obliged, their Option of accepting or withdrawing their Subſcriptions, and that they will alſo mend the Terms of the laſt Two Money-Subſcriptions at 1000 *l. per Cent.* ſo as to make their Scheme more practicable than at preſent it ſeems to be. But will not this be a plain Acknowledgment, that the high Price at which they had ſet their Stock, had no other Foundation but the Folly of unthinking People?

I have already ſhewn, that the preſent Value of this Stock is not above 370 *l. per Cent.* even admitting that all the Money ſubſcribed were paid in; but if any thing be abated of the preſent Subſcriptions, the Stock will leſſen in Proportion, and then further Abatements will become as neceſſary as thoſe which are now intended: And I ſhall leave it to the Conſideration of the Directors, whether Juſtice can be done to all the Proprietors by any other Methods than thoſe which I have hinted at in the Firſt Paragraph of the aforegoing 9th Page?

The Pannick ſeems now to have ſeized ſo univerſally, that the future Dealers in this Stock will not want the aforegoing, or any other Eſtimates, by way of Caution: And I now publiſh the ſame chiefly for the Service of the Directors of the *South-Sea* Company, that they may take an Opportunity to explain their Scheme, and vindicate their Conduct in the Execution thereof, from the Imputations which at preſent ſeem to bear hard upon them; and in order to this, I would recommend the following Queries to their ſerious Conſideration.

1. At the reſpective Times when they took in Subſcriptions at 300 *l.* at 400 *l.* and at 1000 *l. per Cent.* was their Stock worth thoſe Prices from any reaſonable Proſpect of Profits in Trade, or from any other intrinſick Value therein? and if not, was not theſe Prices a great Impoſition, and a very unjuſtifiable Advantage taken of the reigning Madneſs and Folly of the People? Was it not a Breach of the Truſt repoſed in them by Parliament, and an ill Return to the Subſcribers, who, with an implicit Faith, relied on their Wiſdom and Integrity?

2. Whether their Example was not the chief, if not the ſole Encouragement for the high Prices given for this Stock in the Dealings amongſt particular Perſons? and if ſo, are they not then the Occaſion of the Loſſes which have been ſuſtained thereby?

3. Was there any Colour of Juſtice for not delivering with all Expedition to the ſubſcribing Proprietors of the Publick Debts, the Stock they were intituled to, and for which they had made the full Payment, or to ſtate the Price thereof as it was at the Time they made their Edict, and yet to lock it up until it ſhould fall much lower? And will they offer it as a Reaſon for their Conduct in this Particular, that they had thereby a better Opportunity of ſelling their own Stocks at high Prices, and to realize the ſame in Money and in Lands?

4. Has not their whole Time and Treaſure been of late employed to raiſe the Nominal Value of their Stock to a moſt extravagant Heighth? or, has any Part thereof been employed for the Encouragement of the Fiſhery (for which, among other Things, they were originally intended) or any other Branch of the *Britiſh* Commerce? On the contrary, have not our Exportations leſſened ſince *January* laſt? and are not the Manufactures every-where under greater Diſcouragements than at any Time heretofore? and from whence doth this proceed?

5. Is not a great Part of the Money in all the diſtant Counties of *England* drained away, and brought up to *London*? And yet the far greater Part of the whole Caſh of the Kingdom, and the immenſe Quantity of Paper-Money now exiſting, is not ſufficient to circulate the Commerce of *Exchange-Alley*, without an additional Coinage of Paper, which has been lately under Conſideration.

6. From whence proceeds the Alteration of the Exchange to *Holland*, ſo much of late to our Diſadvantage? Is not this a ſign that Foreigners are carrying off our Gold and Silver to realize their great Gains in the *South-Sea* Company, as other People have done at home?

7. Was not the Nation, about a Month ago, twice or three times as rich in Imagination as it was in *January* laſt, without the Addition of one Acre of Land, or one Ounce of Silver or Gold? but did not our Luxury begin to encreaſe on the Foundation of this imaginary Wealth? and is that for the Advantage of any Nation?

8. Is

8. Is there any hopes to reduce the Rate of Intereſt whilſt the Trade of *Exchange-Alley* continues to flouriſh, where more is made in One Month's Time, than the Laws of the Land allow to be taken for a whole Year? Or that Merchants will think of long Voyages, great Riſques, and ſmall Profits, whilſt their Heads are turn'd round with vaſt Expectations from this moſt accurſed and pernicious Trade of Stock-Jobbing? For the Gainers will continue it, in hopes to encreaſe their Wealth, and thoſe who have been undone by it, in hopes to retrieve their Misfortunes.

9. Have not ſeveral Goldſmiths already ſtopt Payment, who have adventured in this Stock, in hopes of gaining great Eſtates to themſelves, but at the Riſques of thoſe who had depoſited their Money with them? and are not the Loſſes of many others, which are already known, vaſtly great? and will not every Day diſcover new Scenes of the wreck'd Fortunes of thoſe who have adventured into this unhappy Ocean? I declare ſincerely, that my Heart bleeds for thoſe who have been innocently drawn in to their Ruin and Deſtruction. Many of theſe Caſes are within my own Knowledge, and have affected ſome of my particular Friends and very near Relations. And if any thing can be done for their Relief in the ſucceeding Seſſions of Parliament, conſiſtent with the Intereſt of *Great Britain*, I ſhall as heartily concur therein, as any Member of the Houſe of Commons. But there is one Length which I will never go, were it to preſerve the Mother who bore me from Penury and Want, *viz.* To contribute to the ſupporting for a while what appears to me to be a Fraud, to the Intent only, that the preſent too great Gainers may encreaſe their Wealth, and that the preſent Sufferers may retrieve their Loſſes, to the certain Ruin of a greater Number of People, and which muſt at laſt end the more fatally to the Nation.

10. And laſtly, It deſerves to be conſidered, whether by the Execution of this Scheme, and carrying Gaming to ſo extravagant a Heighth, the very Vitals of ſubſtantial Religion be not ſtruck at? and whether we are not in danger of having Common Honeſty and Morality entirely aboliſh'd, and that we ſhall fall even below Duke *Trincalo*'s *Criterion* of a Good Chriſtian, and become ſo very bad, as to eat and devour one another? This is a Particular which I would alſo recommend to the ſerious Conſideration of the Reverend Clergy of this Land; for, ſurely, their Preaching and Printing can never be more neceſſary than on ſuch an Occaſion as this.

The Profits which have ariſen on the firſt Three Money-Subſcriptions, over and above the Money payable to the Company, will be found to amount to about 30 Millions, if thoſe Subſcriptions were ſold at the higheſt Prices, which is more than a Moiety of the Debt of the Nation, at the higheſt Computation which has been made thereof. Whether ſuch a Sum as this has been merited, either from the Proprietors of the *South-Sea* Company, or from the Kingdom of *Great Britain*, by the Perſons to whom theſe Subſcriptions were originally given, may be better judged of when the Directors ſhall think fit to publiſh their Names. This only I will venture to affirm, That ſuch Part of thoſe Subſcriptions as have been given for the Benefit of Foreigners, has been an apparent Prejudice to the Nation. If any of the Directors have made Advantages from the ſaid Subſcriptions, to be ſure, they will think themſelves obliged, in Honour and in Conſcience, to account for the ſame, for the Benefit of the Proprietors by whom they are intruſted.

He that will compare the Progreſs of the *French Miſſiſippi* to the *South-Sea* Scheme, will find the Parallel between them to hold pretty nearly; but in this they differ, That in *France* the greateſt Gains fell to the Share of the Princes of the Blood, and the Nobility of the Kingdom; but with us, it has generally fallen to the Lot of the very loweſt and meaneſt of the People; ſome of whom, in a few Months, have gained greater Wealth by mere Gaming, without any Merit, than was ever got by any *Britiſh* Miniſter of State in any Reign, in the Courſe of his whole Adminiſtration. And is this a Matter of National Joy, or a ſufficient Compenſation for the many Evils which have been the Conſequence of the Execution of this Scheme?

Having mentioned the *French Miſſiſippi*, I ſhall take Leave to obſerve, That had it been kept within reaſonable Bounds, it might, under the Controul of an Abſolute Monarchy, have done ſome Good; but being ſuffer'd to run to ſo extraordinary a Heighth, it inriched ſome, and ruined many more, and became, at laſt, very miſchievous to that Country; for the wiſer Gainers therein, either realized in Land, at any Price, or hid their Money, or tranſported it to foreign Countries. But this Shock that rich and powerful Nation could have ſtood, and recovered with Eaſe therefrom, had not the Royal Bank been incorporated with that Company, by lending, at firſt, Money on that Stock, at a high Valuation, and, afterwards, by making *Miſſiſippi* Stock and Bank Notes convertible, at the Rate of 1800 *per Cent.* This gave the laſt and moſt mortal Stab to the *French* Credit; for thereby their Paper was multiplied to ſuch a Degree, that the Money of all *Europe* was not ſufficient to circulate the ſame, in the common Method of Banking. When I firſt ſaw that Arret, I ſaid to ſeveral Gentlemen of my Acquaintance, That I thought it would involve that Nation in ſuch Difficulties, as, without the intire Suppreſſion of their Paper-Money, and the Ruin thereby of numberleſs Families, whoſe Eſtates conſiſted therein, would be found inſuperable, even to the Wiſdom of an Archangel. And is it not apparent, that the ſaid Bank have ſince literally brought their *Noble to Nine-pence?* For the *French* Crown in Bank Money, which was, in *September*, 1719. worth 30 *d.* in Exchange to *London*, is now worth about 3 *d.* payable in the ſaid Bank Bills.

The ſame Cauſes do naturally produce the ſame Effects; and therefore, I am firmly perſuaded, That the Bank of *England*, in their preſent Negotiations with the *South-Sea* Company, will not go out of their Depth, and will carefully avoid that Rock, upon which the Royal Bank in *France* has been ſo lately Ship-wreck'd.

The

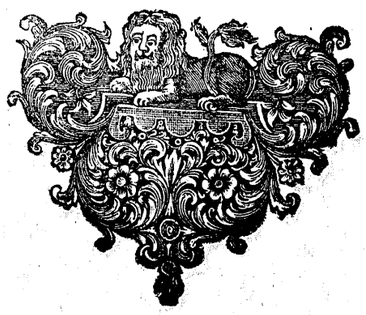
The Bank of *England*, I mention it to their Honour, has, from the firſt Commencement thereof, been managed with ſuch Prudence, as has juſtly gain'd them an univerſal Eſteem and Confidence, not only at Home, but with our Neighbour Nations; and, I think, they have never been diſtreſs'd, but on the Recoinage of our Money, and when the Kingdom has been threatned with Foreign Invaſions; which, if they had ſucceeded, would have render'd theirs, and all other Property, equally precarious: But, I believe, there was no Time when they were not able to ſhew, that they had an Eſtate abundantly ſufficient to anſwer all the Demands againſt them, and that the Money depoſited with them, was as ſafe as the Government it ſelf. But can the ſame thing be ſaid for the Value of *South-Sea* Stock, as the Executioners of that Scheme have thought fit to manage it? When, in a Time of a profound Peace, we ſee it have ſo great daily Fluctuations; and are, at laſt, forced to pray in Aid to thoſe who were lately their Rivals for this Project, and which, I think, they have miſmanaged.

I ſhall conclude this *Poſtſcript* with tranſcribing the ſhort *Preface* to the *Conſiderations* which I publiſhed in *April* laſt; *viz.*

" ON *Monday* laſt the *Flying-Poſt* of *Saturday* the 9th Inſtant, was brought to me filled with Calculations
" to demonſtrate this extraordinary Paradox; *viz.* That the higher the Price is which is given for the
" *South-Sea* Stock, the greater Benefit will the Purchaſer have thereby; and, That at 300 *l. per Cent.* it is
" intrinſically worth 448 *l.* and at 600 *l.* is worth 880 *l.*

" I am perſuaded, That thoſe who have the Honour to ſerve in the Adminiſtration or Direction of the
" *South-Sea* Company will ſpeedily do themſelves the Juſtice to diſown the aforeſaid, and all ſuch ſort of
" Calculations, and will, in a plain and eaſie Method, ſtate the intrinſick Value of their Stock, and accord-
" ingly fix the Price thereof to Subſcribers and Purchaſers; that an End may be thereby put to the Borrowing
" of Money at the Rate of 10 *l. per Cent. per Menſem*, and even at 20 *s. per Cent. per Diem*, and that the in-
" famous Trade of Stock-Jobbing may not be encouraged, to the intire Ruin of all other Traffick whatſoever,
" which, in Time, would prove more fatal to the Nation, than the moſt expenſive War we can poſſibly be
" ingaged in. And if any Conſequence like this ſhould happen, from an indiſcreet Execution of the *South-*
" *Sea* Scheme, will not this Formidable Company, and the Mighty Governors thereof, have their full Pro-
" portion and Share with Others, in any General Calamity."

1720. *September* 24.



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