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A  
SHORT ENQUIRY  
INTO THE NATURE OF  
*MONOPOLY* and *FORESTALLING*.

A SECOND EDITION,  
CONSIDERABLY ENLARGED AND AMENDED.

With an APPENDIX, on the probable Effect of an Act  
of the Legislature to enforce the use of a COARSER  
SORT of BREAD; and some CONSIDERATIONS on the  
propofed Plan for the SALE of CORN by WEIGHT.

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A

*SHORT ENQUIRY*

INTO THE

NATURE OF MONOPOLY, &amp;c.

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**T**HE distress of the Poor, from the high price of provisions, has occasioned many persons to enquire into the cause, and to suggest modes of relief. A very general opinion seems to prevail, that the scarcity is in a great measure, if not wholly, artificial; and the high price of bread is principally ascribed to the interference of the persons engaged in the different branches of the corn-trade. It is imagined, that, if the farmers were to sell their corn immediately to the consumer, without the intervention of any other persons, the market would be more plentifully and cheaply supplied. It is the design of

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these pages to shew that such opinions have no foundation in truth; that the tendency of this interference of the dealers in corn, is to avert or alleviate the inconvenience which is complained of; that they are best informed on the subject, and most interested in providing the market with a constant and equal supply. It is of particular importance to trace the influence of their labours, and the sources of their profit, at a time when the current of popular prejudice threatens them with persecution. The ignorance of the vulgar has the support of a number of persons, whose opinions are recommended by their rank in life, their character, and information on other subjects. "The avarice of the dealer,"—"a wicked and interested monopoly,"—and phrases of a similar tendency, are found in almost every publication. Unfortunately, the mistaken policy of our ancestors has furnished a sanction to the general error; as the different dealers, in various modes of conducting their trade, were subjected to the penalties of the law. The mischievous influence of regulations of this kind has been shewn by a number of writers, and a  
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different policy is already adopted by the experience of modern legislatures, in some instances: but in others, these restrictions are still subsisting, and have been recently enforced.

When the season fails of its ordinary produce, it is obvious, that the calamity will be felt with less severity, when the pressure of it is equally distributed throughout the different parts of the year. A reduction of the consumption ought to take place in the months immediately succeeding the harvest, which would obviate the necessity of an excessive reduction in the others. But as the people will always consume the same quantity of corn, if they can procure it at the same rate, a reduction of consumption must be enforced by an advance of price. If the price should be too low, the consumption will be so great, that our stock will be exhausted before the end of the year; if the price should be too high, the consumption will be so reduced, that the stock will be made to last beyond the year. There is, therefore, a price which exactly secures the consumption of the crop in the course of the season; and if all the

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corn should be sold at this price, the public will be materially relieved, as the pressure of the scarcity, by being more diffused, will receive all possible alleviation.

If the farmers or possessors of corn were able to ascertain the produce of the harvest, by a proper distribution of their stock of grain, they might secure this regulation of the consumption. By sending the corn to market in greater abundance, they might lower the price when too high; and by withholding the corn, they might raise the price when it was too low. If this were judiciously managed, it would be advantageous to themselves as well as serviceable to the public. Every one of them would endeavour to sell his corn at the best price. But this purpose would be equally defeated by withholding it too long, or by selling it too soon. By withholding the corn too long, he raises the price higher than is required by the deficiency of the crop, and produces so great a retrenchment of the consumption, that his stock will be left on his hands till the following season, which, as the present is supposed a season of scarcity, will be probably more productive,  
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and of course the price lower. By selling the corn too soon, he encourages too great a consumption, and loses an advantage which he might have secured by a judicious delay; for the price at which he sells is lower than is necessary to make the crop hold out.

If the farmers, or original possessors of corn, were to commit errors of this kind in the distribution of their crops, such errors might be corrected by other persons, with profit to themselves, and benefit to the public. These persons, having ascertained the produce of the harvest, would have an interest in preventing these irregularities in the consumption. By taking grain from the market, they would raise the price when too low; and by sending grain to market, they would lower the price when too high. By preventing either excess, they would effectually serve the nation as well as themselves; and their interests are inseparable. The timely advance of price which they might occasion, is the foundation of the public œconomy, as well as their profit; and the more just the speculation,  
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lation, the more certain their gain, and our relief.

But irregularities in the supply of the market, will be the *necessary* result of the poverty of the farmers, and their want of information. If their calculations are supposed accurate, few of them possess more capital than is necessary for the proper cultivation of their farms; and if some are wealthy enough to reserve a proper portion of their crops till the season is more advanced, their means of ascertaining the produce of the harvest must be very imperfect, and the supply of the market would be subject to continual interruption and uncertainty from the avocations of agricultural pursuits. It is evident, that the business will be better conducted by persons whose attention is exclusively directed to it, whose sources of information are more enlarged, and whose calculations are of course more accurate. If these persons were in sufficient number, and possessed an adequate capital; by means of their interposition, the possibility of famine would be averted, and the distress occa-

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sioned by a season of scarcity would receive all the mitigation which the nature of such a calamity will admit.

To illustrate the beneficial effects of an œconomy of this kind, we will put the case of a private family, who, in general, use thirty quartern loaves a month. They have laid in their whole stock of flour for that time. Instead of thirty, they can only procure a sufficient quantity to make twenty-four. Unless they retrench, at the end of twenty-four days they are left without provision for the remaining six;—but an equal reduction of one-fifth of the usual allowance would have carried them through the whole month. Instead of being discovered thus early, should the necessity for this œconomy escape notice till the expiration of twelve days, they could only afford themselves two-thirds of the usual quota during the remaining eighteen, and the grievance would have been proportionably oppressive.

When a voyage extends beyond its expected limit, the stock of provisions in the ship is unequal to the ordinary consumption; the captain calculates what must be the

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the reduction to make it hold out ; and a seasonable frugality preserves the lives of the crew. Discipline with him produces that controul over the wishes of the seamen, which, in the market, is effected by the advance of the price.

By way of example, we will suppose, that a year of ordinary produce affords a weekly consumption for London of 22,000 sacks. Should the deficiency of the whole crop require a diminution of 2000 sacks *per* week, unless some retrenchment is enforced, the whole stock of the country will be consumed in less than eleven months, and the people will be left without means of subsistence till the next harvest. The dealers, or certain persons who employ their capitals in the conduct of this important business, if they could ascertain with perfect accuracy the state of the crop, and if they possessed adequate means, would take care that the weekly supply of the London market was kept at 20,000 sacks. If 21,000 were sent, they would take thence the 1000 ; if 19,000 were sent, they would furnish an additional 1000. The dealer will never take  
grain

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grain from the market, or reserve his own, unless he foresees an advance of price at a future period ; and the price will not advance, unless the scarcity becomes more severe. At that time, therefore, the supply of his stock is *more seasonable to the public, than when it was withdrawn*. The interest of any one dealer must be that of all. The direct tendency, therefore, of their labours would be, by an equalization of the price, to correct those fluctuations of the supply which aggravate the pressure of a scarcity.

Unfortunately, such are the numerous difficulties which they have to struggle with from the magnitude of the object, general prejudices, and the want of proper information as to the state of the crop, that they have never yet been able to produce so perfect an equalization of price as was above supposed.

The average produce of wheat in the country may be stated, on a moderate calculation, at six millions of quarters, which at forty shillings a quarter, would amount to twelve millions of money. It is obvious, that an immense capital is necessary to produce any considerable alteration of price in so large a mass.

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The harvest of the year 1794 fell considerably short of its general produce\* ; the early consumption was not reduced in proportion to it. The dealers were too liberal in their supply, and our *forced abstinence* was the greater. The possessors of corn, this year, seem to be better informed†. The present high price of corn is a melancholy index of the failure or insufficiency of the crops. We suffer at present; but the actual inconvenience, the retrenchment of the consumption at this moment, protects us from a still greater at another, and is our only preservation against absolute famine.

It is observed by Dr. Adam Smith, that as corn grows in great varieties of soil and situation, a failure of the seasons will never occasion so great a dearth with us, as in rice countries for instance, where a

\* The deficiency of the crop of 1794 is stated by Lord Sheffield, in his speech in the House of Commons, just before the recess, at an eighth.

† The deficiency of the present crop is stated in the same speech at an eighth, and the deficiency of the supply from the usual reserve of former years at another eighth, which makes a deficiency in the whole stock of one fourth. The whole speech is given in the *Annals of Agriculture* for December, page 345.

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dearth would be equally fatal to all the crops. If full protection is given to the dealers, and the free circulation of grain throughout the kingdom, a very scanty harvest will still afford a produce sufficient for the support of the people, with the aid of a supply which may be expected from importation, and the relief from the use of substitutes. Since the intervention of these persons, we have no doubt occasionally felt considerable inconvenience during a season of scarcity; but no stronger proof can be given of their utility, than by a reference to the early periods of our history, and the comparison of our sufferings with those of our ancestors under the pressure of a similar calamity. The famines which were then so frequent are to be attributed to the unequal distribution, from the poverty of the farmers, and the penalties against the interference of other persons, rather than a total failure of the crops: the necessity of a quick return of a small capital, to pay rent, and to replace and repair stock, prevented any reserve of corn for a future supply. The market was furnished, and of course the price and consumption continued the same,

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during the first months of these years of scarcity, as in those of ordinary produce. When the deficiency was perceived, the whole stock in the country had been reduced so low, that the price rose to an excessive height, and the people sunk under the pressure of absolute want. We find, during the reign of Edward the Confessor, that the quarter of wheat was raised to 7l. 10s. of our money; and whatever allowance is made for the failure of crops, and the effect of intestine commotion, we must be sensible, that if an advance of price had taken place earlier, the scarcity would have been rendered more supportable.

Some portion of the little capital of the country was directed to this object, in the course of its progress and improvement. But in 1315, the uninformed Legislature of that age interfered to resist any such influence; and the assize to regulate the price of provisions was followed by a famine. This ordinance was soon repealed; but the same prejudice and policy still subsisted. The number of persons, who embarked in so hazardous a speculation, were, of course, few, and their  
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means very contracted. In those reigns, where the variations of price, in the course of the same year, have been preserved, we meet with the most deplorable inequalities, and may thence judge of the hardships of the people. In 1557, we find wheat at 4s. the quarter, in the months immediately after harvest, and gradually rising to 2l. 17s. 4d.; a disproportion of sixteen to one: so that the people could only procure, in June and July, one-sixteenth of the quantity they consumed in September and October. Those who had then access to a pound, were now limited to an ounce.

From these instances, as well as the foregoing reasoning, it must be evident, that the interference of the dealers promotes the safety and convenience of the whole community. But it ought to be further observed, that they are more particularly beneficial to the poorer classes. The poor are the great consumers of corn; they are the great sufferers under the pressure of these inequalities of price. If the quarter loaf was sold at one season of the year for sixpence, and at another season for two shillings, no sensible inconvenience  
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would be endured by persons of very moderate fortune; by the poor, so sudden and considerable an advance of price must be felt with great severity, and the most rigid œconomy could furnish very little palliation.

In a season of calamity like the present, when the profits of the dealer, from a successful speculation, are in *appearance* higher than in ordinary years, it is of peculiar importance that the poor should receive a right impression on the subject. But unfortunately the ignorance of some persons, and the hasty conclusions of others, have contributed to produce an opposite effect. The public is continually represented as suffering under the artifices of a combination. A combination must mean that all the farmers, and other persons possessed of corn, throughout the kingdom, are at this moment bound by a secret engagement, not to sell their stocks under a certain price, when every individual, whether a *party* or *not*, would have an *interest* in defeating it. The supposition need only be stated, it is too improbable to deserve a refutation in detail.—The supposed conduct of the spice trade

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trade is sometimes alluded to, as an instance of the possibility of an influence of this kind. The Dutch are said to sell their spices for a greater price than is necessary to replace the capital engaged in the trade, with the ordinary profits. But we must observe, that all the branches of this trade are in the hands of a particular company in Holland, not to the exclusion of the rest of Europe only, but to the exclusion of all the rest of the Dutch people. The absurdity of any parallel between a trade thus confined, and the corn trade, must be obvious to every one.

The merchant who purchases for exportation, would indeed produce an effect different to that which has been described in the course of our reasoning. His purchases are made for another market, if in any other country, the price were so much higher, that the difference would defray the expence of carriage with a profit. But exportation is prohibited, and though there may be a difference of opinion as to the policy of the restraint, there can be none as to the difficulty of evading it. The bulk of the commodity, and the universal

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universal jealousy on the subject, are insurmountable obstacles to any attempt of the kind.

Under the present circumstances therefore, the accumulation of the dealers can only influence the supply of particular periods, but will not lessen the whole supply of the year. If the season has proved unfavourable, we have seen that it is the interest of both the dealer and public, that all his stock should be sold in the course of the same year. But if a year has been more than ordinarily productive, a reserve of corn till the next to a certain extent might be serviceable to the nation as well as himself, as the plenty of one year would be made to relieve the scarcity of another. In the natural order of things a speculation of this kind would be rarely undertaken, and never to a prejudicial extent, as the perishable nature of the commodity, and the uncertainty of the future crop, would render it extremely hazardous. But any such accumulation, which might be beneficial in many instances, is effectually counteracted by the artificial inducement of the bounty on exportation.

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The mischievous policy of this regulation has rendered the intervention of the dealer essential to the public in years of ordinary produce, as well as in years of scarcity. Unless the real state of the crop were ascertained by his calculation, and its *early* influence on the price, a premium would be frequently given on the exportation of corn to other countries, which was wanted for consumption at home.

In tracing the sources of the profit of the dealers, we have hitherto only considered them as enforcing a timely economy. But happily their influence is still more beneficial; it extends beyond a judicious management of the actual stock in the country, and is the occasion of an additional supply. The early price points out to the merchant the state of the crop, and the advantage of importation. And as a market must be sought, and the whole voyage performed, before any aid can be derived from this channel, unless our wants are discovered by the *early* speculation of the dealers, the relief from foreign supplies will be too late.

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An apprehension of this kind was one of the motives for the interference of government last year, when large purchases were made in the foreign markets on their account\*. But it was acknowledged in the House of Commons, that notwithstanding all the exertions of government, the skill and care of private individuals would have been probably more successful. And it must be recollected that the one is necessarily superseded by the other. An interference of this nature and extent disturbs the whole system which we have been considering. The success of the dealer no longer depends on the skill of his calculation, but on the supply of government, which is precarious and arbitrary, as it is not regulated by any desire of profit. The

\* "His Majesty's ministers were apprehensive that the British merchants would not be able to meet the national purse of France at the foreign market." Ld. Sheffield's speech. If the real state of the deficiency had been known very early in the season, our merchants might probably have secured a supply, before the French, from the state of the country at that time, had become sensible of the extent of their wants, and engaged in the competition.

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individual merchant retires from a rivalry of this description; government, having taken the business out of his hands, would be forced to continue it; and we have seen in France, where this has been the case, the loss on the sale of grain, one of the most important articles of the public expenditure; and the distribution of it a continual subject of complaint and dissatisfaction\*.

But besides the relief of the present year derived from importation, the timely intervention of the dealer will materially contribute to our security in future. If the scarcity does not proceed from any casual failure of the crops, but from our not cultivating a sufficient quantity of wheat, the farmer sees an advantage in remedying the defect, and is furnished with the knowledge *early* enough to make it profitable to himself and the public, by an additional growth. In confirmation of this assertion, the quantity of corn wanted for seed last autumn, is known to have exceeded con-

\* The restoration of the corn trade to its natural channel was recommended by the Committee in their first report to the House of Commons.

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siderably what is usually reserved; and we shall find by a reference to the list of the prices in different years, that two or three years of scarcity have been uniformly succeeded by a more plentiful supply than before.

Having traced the importance of a judicious management of the stock of the country; and having seen that it will be conducted with the most skill, by persons whose attention is directed to this object exclusively; I shall now endeavour to prove that by means of such intermediate persons, it will likewise be conducted at the *least expence*.

It is material to observe, that the distinction between the farmer and dealer did not arise from any foreign influence, but is the act of the parties themselves. When the farmer, instead of journeying to market with a few sacks, sells his stock immediately to a neighbouring dealer, he has no other inducement than a sense of his own interest. If he had time and skill sufficient for both occupations, he would hardly relinquish an obvious channel of profit. But when he finds that he can only attend to the one  
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at the expence of the other; he is naturally led to give his whole care and capital where he has the most skill, and of course the greatest advantage over his neighbours. He is relieved from the difficulties of a business foreign to his main employment by the intervention of the dealer. The dealer, on the other hand, sees a similar advantage in an exclusive appropriation of his care and capital. To give an instance which will illustrate the advantages of this division, let us suppose, that the wealth and industry of London enables its inhabitants to purchase a quantity of corn, equal to a sixth of the whole produce of the country. We see how large a district is necessary to afford the requisite supply; and it is evidently impossible for the farmers to bring their corn from so great a distance, without a material obstruction of the progress of the business of the farm. But by the interposition of the dealer, the most remote parts of the country are made to contribute to the supply of the capital. In consequence of this division, there is an evident saving of time and labour in the cultivation of corn, and the distribution of it. The labourers being  
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uninterrupted, and more skilful, fewer hands are wanted to do the same business; *a less sum is paid in wages*, and of course the market is supplied *cheaper* as well as better.

In manufactures, from minute divisions of the work, every one knows, that fewer persons are employed on any given produce, and the consumer is charged less. Skill, in the growth of corn, or rearing of cattle, is no less distinct from that which is requisite for a judicious sale, than the making several parts of a pin, and afterwards putting them together. In all the departments of trade, we have a similar distribution. The factor and wholesale dealer are distinct from the merchant and manufacturer. It has, indeed, been said, that agriculture is not equally susceptible of an œconomy of time, by the division of labour. There may be too much truth in the remark: but the division here insisted on, is not between any two branches of agriculture, but between the occupation itself, and one essentially differing in its nature and requisites. And since the principle is not applicable to the extent we wish,  
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this instance is to be the more eagerly embraced.

A jealousy of the intervention of any such persons was, nevertheless, the foundation of the laws against "the purchase of corn while on the ground;"—"forestalling," which is the purchase of corn or cattle, in their way to market; "regrating," which is a re-sale in the same market, or in one less than four miles distant from the first. It was erroneously conceived, that these operations had a tendency to raise the price of the commodity, by introducing an additional labourer. But we have traced an opposite effect: and as we have seen that the interest of the dealer, in the regulation of the price, coincides with that of the public, any restraint on the *period* at which he would make his purchase, or on the *place*, is an inconvenience to him, and of disservice to the community.

In fact, these modes of interference are trials of skill among the different dealers; the effects of a salutary competition, by means of which, society indirectly exercises a control over these persons, through the medium of each other. So far from producing any

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undue influence on the price, the mistake of one is corrected by the superior intelligence of another.

I have, indeed, heard it suggested, that these speculations prove sometimes erroneous; and we are made to suffer the pressure of a scarcity, which only exists in apprehension. But from what has been said, it is obvious, that a false estimate of this kind is of greater prejudice to the dealers than to the public. For as, by the hypothesis, the stock in the country exceeds their calculation, they will be forced to sell, what is thus unnecessarily reserved, at a less price than they might have secured by an earlier distribution. An error of this kind may possibly happen, but unfortunately we have more to apprehend from one directly opposite. The dealers are more likely to fail of proper influence, by being too early in their supply, than by too long a delay. A premature sale will still yield some *profit*, but an injudicious reserve may be attended with positive *loss*. We have already seen that this was their conduct last year. On the whole, we must be persuaded that as they are more conversant in the business, their opinions ought

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ought to be preferred to those of other persons; and as they are so deeply interested, we have, in them, the best security our situation will admit. There is another decisive answer to the objection, when we observe the number of persons who have embarked their fortunes in the pursuit; they would have desisted, if the speculation had proved unsuccessful. But the current of prejudice generally takes another channel; and their wealth is, with equal justice, a favourite subject of complaint. On a little reflection, however, we must be convinced, that the profits of any one trade cannot long exceed those of another. The prospect of superior advantage would occasion an influx of additional capital, and attract a greater number of persons. If there had been no foreign control, the interest of the persons more immediately concerned would have secured us a supply of what we most wanted; and a competition among themselves, would have fixed the proper limits to their profits. Unfortunately, the policy of our ancestors was of a different description: the Legislature continually interfered, and the system has been disturbed. The actual  
prejudice

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prejudice against Monopoly, (which is the modern term for Engrossing,) may perhaps be accounted for. Monopolies were a privilege granted by former Sovereigns to certain individuals, for the exclusive sale of particular commodities. No tax could have been more pernicious in its effect; for, as they possessed an absolute control over the market, they were enabled to limit the supply, in order to advance the price; and as this was more profitable, the interest of the seller was put in direct opposition to that of the public. The monopoly of salt, in the reign of Elizabeth, raised the price at once from 16d. a bushel, to 14s. and 15s. The practice has been long since abolished; but the term is unluckily retained, and fastened on persons of a very different description.

The prevalent ideas of forestalling, regrating, &c. may possibly have arisen among the people, at first, from the exercise of the prerogatives of pre-emption and purveyance, which bear an apparent resemblance. The Legislature has indeed corrected its notions on the subject. An act was passed in the 12th of the present king, chapter 71,

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which repealed the different statutes against forestalling, regrating, engrossing, &c. It recites as follows:

“ That it has been found by experience,  
 “ that the restraints laid by several statutes  
 “ upon the dealing in corn, meal, flour,  
 “ cattle, and sundry other sorts of victuals,  
 “ by preventing a free trade in the said  
 “ commodities, have a tendency to discour-  
 “ age the growth and to enhance the price  
 “ of the same; which statutes, if put in ex-  
 “ ecution, would bring a great distress upon  
 “ the inhabitants of many parts of this  
 “ kingdom, and in particular upon those of  
 “ the cities of London and Westminster;  
 “ be it enacted by, &c. and thereupon it is  
 “ enacted, that the 3 and 4 *Edw. 6. c. 21.*;  
 “ the 5 and 6 *Edw. 6. c. 14.*; the 2 and 3  
 “ *Philip and Mary, c. 3.*; the 5 *Eliz. c. 5.*  
 “ and *c. 12.*; the 15 *Car. 2. c. 8.* &c. &c.  
 “ and also all acts for the better enforce-  
 “ ment of the same, being detrimental to  
 “ the supply of the labouring and manu-  
 “ facturing poor of this kingdom, shall be,  
 “ and the same are hereby declared to be  
 “ repealed.”

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But by a strange omission, as these were offences at common-law, the repeal of the different statutes alone was insufficient. The parties are left exposed to the former penalties, and only exempt from those which were laid by the acts. As these contain the description of the offence, which must be adopted by the courts of justice, I shall insert them.

By 5 and 6 *Edward 6. c. 14. s. 1.*—  
 “ Whosoever shall buy, or cause to be  
 “ bought, any merchandize, victuals, or  
 “ any other thing whatsoever, coming by  
 “ land or by water towards any market or  
 “ fair, to be sold in the same, or coming  
 “ toward any city, port, haven, creek, or  
 “ road of this realm or Wales, from any  
 “ ports beyond the sea, to be sold; or make  
 “ any bargain, contract, or promise for the  
 “ having or buying of the same, or any  
 “ part thereof, so coming as is aforesaid,  
 “ before the same shall be in the market,  
 “ fair, city, or port, &c. ready to be sold;  
 “ or shall make any motion, by word, letter,  
 “ message, or otherwise, to any person or  
 “ persons, for the enhancing of the price,  
 “ or

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“ or dearer selling of any thing above-  
 “ mentioned, or else dissuade, move, or  
 “ stir any of the things above rehearsed, to  
 “ any market, city, or port, &c. to be  
 “ sold, shall be deemed a *Forestaller.*”

By 5 and 6 *Edward 6. c. 14. s. 2.*—  
 “ Whosoever shall by any means regrate,  
 “ obtain, or get into his hands or posses-  
 “ sion, in any fair or market, any corn,  
 “ wine, fish, butter, cheese, candles, tal-  
 “ low, sheep, lambs, calves, swine, pigs,  
 “ geese, capons, hens, chickens, pigeons,  
 “ conies, or other dead victuals whatsoever,  
 “ that shall be brought to any fair or mar-  
 “ ket to be sold, and do sell the same again  
 “ in any fair or market holden in the same  
 “ place, or within four miles thereof, shall  
 “ be taken for a *Regrator.*”

By 5 and 6 *Edward 6. c. 14. s. 3.*—  
 “ Whosoever shall engross, or get into his  
 “ hands, by buying, contracting, or pro-  
 “ mise-taking, other than by demise, grant,  
 “ or lease of land, or tithes, any corn  
 “ growing in the fields, or any other corn  
 “ or grain, butter, cheese, fish, or other  
 “ dead victuals whatsoever, within the  
 “ realm of England, to the intent to sell  
 “ the



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“ the same again, shall be reputed *an un-*  
*lawful Engrosser.*”

The practice of “ engrossing,” indeed, had received some little protection from a statute passed in the 15th of Charles the Second, *c.* 7. By the 4th clause of this statute, it was made lawful for persons (“ not forestalling, nor selling the same in the same market within three months of the buying thereof,”) to buy in open market, and to lay up and keep in their granaries, and to sell again, any quantity of corn, when it was under a certain price: wheat at 48 shillings the quarter, and the other grains in the same proportion. When above this price, the prohibition therefore still continued as at common law, until the 31st year of the reign of the present king; when a statute was passed (*c.* 30.) which extended the provisions of the act of Charles the Second, and the buying corn to sell again was made legal at any price. It is sufficiently obvious, that the same reasoning, which has been hitherto confined to corn, is equally applicable to every other article of commerce. The divisions which have taken place in the employments of the  
different

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different persons concerned, must have arisen from their being the foundation of superior skill. The necessary consequence to the Public must have been a *better* and *cheaper* supply. These practices have an influence, the direct reverse of that which they were supposed to have by the framers of the prohibition. We have seen that the principle is fully recognized by the statute of the 12th of the present king, already recited: but until a new statute is passed, expressly to remove the restrictions of the common law, these dealers, in various modes of conducting their trade, are left exposed to the ancient penalties\*.

But the mischief does not end here. The interference of Government strengthens the prejudices of the people; and the persons engaged in the different branches of

\* *Individual* instances of “ forestalling,” or “ re-grating,” cannot enhance the price to the consumer; as the meat (for example) which is thus procured, must be sold at the same price with the rest. And if the practice become general, it must be for the reasons which are above mentioned, when it occasions a reduction of the price.

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those trades, labour under a continual proscription, and are the first victims in a moment of convulsion.

A recurrence to all the periods of our history, will uniformly shew the mischief of imposing any restraints on the enterprise of individuals \*; and the pernicious operation of a recent instance is familiar to every one. The law of the *maximum* in France, which limited the price of provisions, was enforced by all the terrors of a revolutionary system, and cannot be said to have failed from any defect in the execution of it. Unhappily for that country,

\* As an illustration of the frequent influence of statutes of this nature, I shall insert the opinion of the committee appointed to revise the laws of assize just before the recess. "In consequence of the provisions of the act of the 31st of George the Second, (intituled, "An act for the due making of bread, and to regulate the price and assize thereof, and to punish persons who shall adulterate meal, flour, or bread,") great confusions have arisen, and do exist: and amongst others, the market has been prevented from being supplied *in times of scarcity*, with a bread made of such flour as the law permitted to be imported for the purpose."

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it was executed too well. The distress of the people was aggravated by this ignorant and violent attempt of the Government, to disturb the natural course of commerce, which would have fixed the price best suited to meet the exigence: and when the whole stock of the country was nearly exhausted, they were driven to the necessity of an abolition of the measure, as the only refuge from absolute famine.

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## A P P E N D I X.

*On the probable effect of an Act of the Legislature, to enforce the use of a coarser sort of bread; and some considerations on the proposed plan for the sale of corn by weight.*

**T**HE propriety of substituting the general use of a coarser sort of bread, has been suggested by a number of persons; and several petitions have been voted for the purpose of obtaining an act of Parliament to this effect. Apprehensions are held out that the stock of the country will be exhausted before the end of the year, and a measure of this kind is said to be our only security against absolute famine. In the course of the preceding pages, I have endeavoured to shew, that no such calamity

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is to be apprehended, as the necessary reduction of the consumption is secured by the *early* advance of price.

This coarser sort of bread might indeed be sold cheaper without entrenching on our future provision, and if equally nutritious, the poorer people would be relieved by the substitution of it. In most parts of the country this substitution took place in the course of last summer, and has been continued ever since by the voluntary act of the people\*. In London and some other great towns, a very general prejudice exists against the use of it. The difference of price is not a sufficient compensation in the opinion of the inhabitants, for a deviation from the species of food to which they have been accustomed. A small quantity of the fine bread, is preferred to a somewhat larger quantity of the other. If the difference of price in the two sorts of bread were considerable, every individual, if left to himself,

\* Minutes of evidence before the Privy Council. Lord Sheffield's speech in the House of Commons already quoted.

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and unable to procure a sufficient quantity of the one, would hardly reject the relief of an additional supply from the other; or, at least, he would yield to the gradual pressure of circumstances, and provide that remedy for the grievance, which was best adapted to his situation. When left to his option, the inconvenience, from a decision either way, is imposed by himself, and he will probably submit with less reluctance, than when he considers it as imposed by the Legislature.

The impression which would be made by an act of this kind is at least doubtful. If the recommendation adopted by both Houses of Parliament, and most of the great corporations in the kingdom, should not produce a retrenchment of the consumption sufficiently considerable to reduce the price of bread, it will certainly have a powerful and important influence on the minds of the people. While the poorer classes are left to consult their habits and convenience, the higher have made a voluntary sacrifice, and proved their readiness to afford every possible alleviation of the calamity.

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The following is the opinion on the subject, which is given in the Third Report of the Committee appointed to take into consideration the present high price of corn.

“ The sacrifice of some degree of indulgence or of prejudice is one which, under the present circumstances, can be made, and ought to be made. Deeply however as they feel this impression, they are far from proposing any legislative measure to enforce a compliance with this suggestion; they well know that the people of this and of every other country are attached by habit to their accustomed species of food, and that however they may, by recommendation and example, be induced to make a partial change, yet any sudden and compulsory alteration might, perhaps, be more sensibly felt than the very grievance it was intended to remedy.”

In the Appendix to the Third Report of the same Committee, a plan is submitted to their consideration, “ for altering the present mode of selling wheat, by the substitution of weight, as the only just criterion of the quality of corn.” If this were really the case, there would be no necessity for a compulsory

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pulsory act; the mere suggestion of a criterion so simple and obvious, would be sufficient to ensure its reception. But the fact is otherwise. Weight is, no doubt, one of the criteria of the quality of corn, a very important one, but it is not the only one; colour, cleanliness, and a variety of other properties which are familiar to the eye of the dealer, all concur to form his estimate. A regulation of this kind would be extremely vexatious to him, and would mislead other persons wherever they should purchase. They are most likely to form a right judgment, when they adopt the same means with those who are most conversant in the business. Weight is so far from being considered in the market as the sole test of quality, that instances are continually occurring where wheat of a less weight is sold at a higher price, from being more productive in flour.

The Barbary wheat is heavier than the Dantzic wheat; the price of the Barbary wheat is at all times less; the one is now at 90 shillings the quarter, and the other at 110 shillings. Some Russian wheat from Archangel, weighing 55lb. a bushel, was lately

lately sold in the market at 60 shillings the quarter; and wheat from Dantzic, weighing only 56lb. at 80 shillings;—a difference of 20 shillings a quarter in the price, although only a difference of 1lb. in weight. This observation will equally apply to the wheats of our own growth. The Essex wheats are lighter than those of Cambridgeshire or Lincolnshire, but they are sold at a higher price in the market. I have been furnished with these and a variety of other instances from authority which enables me to give them with the fullest confidence. They are, I trust, sufficient to prove, that the returns of the market, if made in pursuance of the regulation proposed, would afford no proof of the value of the corn sold there. With respect to an opportunity of advancing the price, which these persons are supposed to have from the manner in which the returns are made at present, I have shewn in the course of the preceding pages, that an advance of price will never prove advantageous to the dealer, when it is not beneficial to the public.

When it is further stated, that frauds are committed by the persons concerned in the different

different branches of this trade, it is material to recollect, that an idea of the same kind prevailed in the year 1774. The bread was said to be adulterated. A series of experiments were then made by order of the House of Commons, and it was completely established, that no such practices were in existence\*. And as the millers and mealmen were not subjected to the laws of assize at that time, the public must have been secured from an adulteration of the flour, by the interest of these persons, and not by the interposition of the Legislature.

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I have been favoured with the following calculation from good authority, and shall insert it to prove, that the prohibition of the use of grain in the distilleries does not afford the public such considerable relief in the supply of *food*, as is in general supposed.

\* Report of a Committee of the House of Commons in 1774.

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The malt distillers consume annually from 160 to 200,000 quarters of corn, the chief of which is barley and malt.

With the refuse of which, with the assistance of a few peas and beans, they fatten

30,000 Hogs, at 25 each, is	750,000 ft. of meat.
1000 Bullocks 100 each, is	100,000 ditto.

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850,000 ft. of meat

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850,000 Stone at 4s. is	170,000	0	0
30,000 Hogs' offal, at 5s.	7500	0	0
1000 Bullocks hides, &c.	3000	0	0

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£. 180,500 0 0

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40,000 Quarters of grains fold annually to cow-keepers, worth 5s. per quarter, is £.10,000 0 0  
Produce in milk and meat - 190,500 0 0

The revenue paid by the distillers, the last season of their working, amounted to upwards of a million of money.

THE END.