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T H E B U D G E T.

INSCRIBED TO THE MAN, WHO THINKS HIMSELF
MINISTER.

BY DAVID HARTLEY, ESQ.

*Emendare tuos quamvis FAUSTINE libellos
Non multæ poterunt, una litura potest.*

OBSERVE, that the administration has condescended, by an advertisement in the public papers, to explain the *Budget* to the meanest capacity; I suppose they are so proud of their performances, that they think the like was never done before; and to be sure the wonders of the *Budget* must needs make the ignorant stare, and admire the transcendent talents of the ministry, who have advertised such miracles. That the administration should submit to so humiliating a condescension, to catch at a little popular applause from the ignorant, is not surprising; when it is considered how very low they are fallen in the public esteem; but really they should at least have confined themselves within the bounds of truth. To say that they have paid off a great deal of the debt contracted in the late war, is a misrepresentation; that the establishment of the army is less than after the last peace, is not true; that the sinking fund has been increased 391,000*l.* by the smuggling cutters upon 1,400,000*lb.* of tea, is false, inconsistent, and impossible. Yet I should not think it fair to charge the administration upon news-paper intelligences, if the same doctrines had not been publicly and universally countenanced.

I shall follow the order of this ministerial advertisement, with a few notes upon the following articles, viz.

Debts paid off.

Establishment of the army.

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Establish-

Establishment of the navy.
 Encrease of the Customs from the smuggling cutters.
 The anticipation of the sinking fund.

This ministerial advertiser, to have dealt impartially, should have let us know that nothing has been done this year, during the administration of our very laborious chancellor of the exchequer, but what always comes of course in the routine of office, and was very successfully accomplished the last year, by a gentleman who never pretended to any great skill in finances. Army extraordinaries of the preceding year, dedommagements, deficiencies replaced to the sinking fund, deficiencies of the grants of the preceding year, together with deficiencies of land and malt, which are so pompously called debts contracted in the late unfortunate war, are all of them articles provided for as they arise, almost annually from the revolution, and particularly to a much greater amount the last year than the present. As to the navy debt, above a million and a half used always to be provided for, during the war, but the last year, it was all thrown upon the sinking fund, and by the present minister kept there this year.

But when the current expences between one year and another, are called by a name that never was thought of for them before, viz. debts, one would not prostitute a serious argument for an answer; the only reply they deserve is the argument *ad homines*, to tell them that even according to their own pretensions, they have not done so much as their neighbours. However, at all adventures we have a right to expect, that those who boast of having discharged a large portion of the unfortunate debt, will leave no debts or deficiencies, on account of the service of that very year when they make this boast; yet I fear the minister

ter (whoever he may be in October) will find the sinking fund half a million in arrear. We are sure he will have 800,000l. of exchequer bills issued in this session, to provide for next winter: and the minister in the year 1766 will have to discharge, the million advanced by the bank to the present minister, for the service of this miraculous year.

Our panegyrist has chosen but ill to ascribe such ridiculous pretensions of merit to his patron, while he has under this very head of debts paid off, left unnoticed the only truant ray of œconomy that has wandered from the exchequer. The army extraordinaries, verified and allowed this year, amounted to 987,434 l. 15s. 6d. 2-11ths. Now some other slovenly minister would have indiscreetly thrown in the odd 2-11ths of a farthing, to have made a round sum, without dreaming of this hair-breadth escape from bankruptcy; but happily for us, our vigilant administration, upon this emergency, summoned all hands aloft, and with astonishing labour, œconomy, expertness in fractions, and higgling with a *siquis* for 2-11ths of a farthing, have discharged an immense load of debt, and redeemed their country from bankruptcy. The saving of course goes to the sinking fund, which, upon the strength of it, is mortgaged for two millions.

When this great boasting is made of debts paid off, it only serves to remind us of what more able ministers have done, and thereby to make the pretensions of the present administration the more ridiculous. If a minister would acquire the merit of paying off the debt, it must be done either by improving the revenue, or by lessening the interest of the debt. Sir Robert Walpole improved the revenue in many branches, and would have done it in more; he settled the funds, and reduced interest, so as to get a sinking fund, which during his administration produced above 20,000,000l.

20,000,000 l. with part of this he reduced the national debt, and with the remainder he provided for such extra-services, as must otherwise have created new debts, or have kept the land-tax at four shillings in the pound. Mr. Pelham encreased the revenue by judicious regulations upon many branches, and added 600,000 l. a year to the sinking fund by the reduction of interest.

Now let us see what modern ministers have done; the stocks have fallen 10 *per cent.* under their administration; (though they rise upon every rumour of a change) so that there is no chance of any reduction; and the sinking fund was diminished 250,000 l. *per annum* the last year, which defect the minister of the present year has adopted, instead of applying a remedy; so that their handy work has been, to raise the rate of interest, and to impair the sinking fund, instead of raising the sinking fund and lowering interest. Oh! but they say, former ministers had a large scope, but every fund of improvement is exhausted now; I reply, that the same superiority of talents and labour, which set Sir Robert Walpole and Mr. Pelham above their personal rivals, in their own times, would have held in derision the little pride and vain boasting, of modern temporary ministers, who think to rival their fame. Besides, it is very apparent that modern ministers take a malicious delight in dwelling upon the public calamities and distress arising from the war, and insulting their country under them, in revenge for our having put the conduct of public measures into other hands than theirs; thinking that when the next war breaks out, we shall just have smarted enough for the glories that are past, to make us less refractory under their future ignominious administration.

As to the establishment of the army, that is not a question of pence and farthings, but a state question of

of security at home and dignity abroad; therefore I do not insist any farther upon the argument, that the expence of the army this year is 1,500,000 l. whereas upon the average of the late peace it was but 1,260,000 l. than to suggest that the minister has no right to say it is less. An over-proportion of officers to men upon the establishment, is certainly the true policy for a country which has concluded a peace hollow, and unlikely to be permanent. This doctrine I know is favourable to ministers; but those ministers who do not think this country to be in peril of another war, have no right to that argument; and therefore they stand convicted of approving it, because it enlarges their patronage with more commissions to bestow; especially such of them as have at any time shewn reluctance to a plan of advancing to each vacant commission from the half-pay; or have advised the dismissal of officers, without imputation upon their military conduct.

But much merit is claimed from the expence bestowed upon the navy by a great number of men employed in the smuggling cutters. Now I confess, to me it seems, that however constitutional a large marine may be, we run less risque by a more moderate provision there, because sailors dismissed from the public service do still continue sailors, in the merchant service, and are always ready at hand when a war breaks out. But let me ask, whether a little attention would not be well-bestowed upon our ships themselves, which, if left to decay, are not so easily recovered, as our sailors are from the merchant service? Perhaps it might be as well if the profits of the island of St. John, were to be applied to the repairs of ships (which I am told are going to decay in a lamentable manner) as soliciting it in a private grant.

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With regard to the smuggling cutters, I cannot allow them much merit as providing employment for failors, who would otherwise be employed in the merchant service, without any expence to the public, more especially as the smuggling service itself is liable to some discreditable suggestions; and for meritorious officers, it is equally to be considered that the service is not of the most honourable kind: But it is very plain, that the administration prefer the beneficial patronage of fifty smuggling cutters, for such officers who have great interest to procure them, while they have turned a deaf ear to the voice which said *Dante obolum Belisario*. A thousand lieutenants who solicited but 6d. a day additional to their half-pay, are, after all their prodigal services (for want of what is called interest) cast off, to languish in penury, and to hide their heads in thankless oblivion.

Quis talia fando

Myrmidonum, Dolopumve, aut duri miles Uliisfei,
Temperet a lacrymis?

Now let us consider how much the revenue has been encreased by these smuggling cutters. It is pretended that the customs have been encreased 391,000l. in the article of tea. This assertion is too ridiculous to deserve an answer, because it is notorious, that whatever the customs have produced this year more than the preceding, has arisen from a large quantity of wine sent hither upon the late invasion of Portugal, and a large quantity of sugar, sent home from those islands which were restored to the French in such a hurry. However, as this is an assertion calculated to mislead, it shall not go unanswered. In the first place, the whole produce of the customs upon tea, is but about 210,000l. a year, which is the duty upon about 4,000,000 pounds weight. Then I beg to know by what kind of arithmetic the treasury would persuade

persuade us, that the supposed addition of 1,400,000 pounds weight, would yield to the customs 391,000l. In the second place, the customs upon tea amount very nearly to one half of the excise upon tea, so that we may judge of the one by the other: the produce of the excise upon tea, as may be seen in the aggregate and general fund accounts, has been as follows:

	£.
Year ending October 1760	—459,446
1761	—460,668
1762	—444,170
1763	—478,458

Now the mighty matter is come out; the excise is higher by about 18,000l. than it was in the year 1760 and 1761; and therefore the encrease upon the customs is about half this, viz. 8,000 or 9,000l. for this year above the average.

I beg to compare this account with that of the customs upon tea, after the late peace in 1748, to shew what other ministers have done:

	£.
Year ending Midsummer 1748	— 93,850
1749	— 82,673
1750	—158,000
1751	—118,799
1752	—150,697
1753	—106,835
1754	—137,703

Let our temporary minister peruse this account, and then boast of his having encreased the revenue of the customs, to the amount of 9,000l. *per annum* by his favourite smuggling cutters.

In the next place I shall shew, that the customs have been encreased in those branches which include no duty upon tea, as upon the following.

Impost

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	1762	1763
Impost upon wines and vinegar	64,776	84,949
Impost upon wines 1745	55,874	67,410
Impost upon tobacco —	82,894	93,351
Impost of 1690 —	77,774	127,496
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	281,318	373,206

If upon so small a proportion of the customs, (at the same time including no duty upon sugar), there has been so great an increase, let us imagine, when the increase is computed upon the whole amount of the duties upon these articles, and upon sugar, what there will be left to attribute to the increased revenue of tea.—And after all, what is it but an insult upon the understandings of the uninformed, for the minister to claim any merit to his administration, because the customs have produced 400,000*l.* more in any one year than the preceding, than which nothing is more common. So gross an imposition cannot be treated with sufficient contempt, because it puts the ministry upon the footing of a notorious impostor. Here follows the account of the customs for four years as a specimen of their fluctuation :

Year ending Midsummer	1760	2,299,903
	1761	1,512,000
	1762	1,763,633
	1763	2,174,558

Now let them plead ignorance in those points where they have boasted of their knowledge, or confess themselves guilty of an intended imposition. I hope that I have now proved, that the increase of the customs does not arise from tea, that it is impossible it should; likewise, that I have pointed out the branches upon which the increase has arisen; and lastly, that the increase, such as it is, cannot at all be depended upon for being permanent, as it is nothing more than
according

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according to the usual fluctuation of the customs, and what might naturally be expected after two years that were below *par*.

If any thing can be more absurd or ridiculous than the assertion of this improvement of the customs by smuggling cutters, it is the application of it. The customs were casually increased 410,000*l.* between Midsummer, 1762, and Midsummer, 1763, therefore the minister with peculiar propriety charges 400,000*l.* extraordinary upon the growing produce of the sinking fund between October, 1763, and October, 1764, a year and a quarter after.—There is a ministerial syllogism for you!

I do not pique myself upon any great accuracy of style or elegant composition in these notes, because they are merely such as drop from my pen as I go on; but as to figures, estimates, averages, as any one might be inclined to put less confidence in them, if they were done extempore or in a hurry, I must therefore beg leave to say, that they have lain by me for some years, and consequently have been examined with accuracy and deliberation, otherwise I should not have thought of starting these sort of questions out of hand, more especially I should have kept clear of what I shall now consider for the next point, viz. Whether the sinking fund can be supposed to produce the sum that is charged upon it for this year? I mean to offer an argument upon this head to the Treasury-bench, and if they will forgive my disturbing their golden dreams, I wish they would rub their eyes and peruse the following estimate.

I shall take it for granted that some of them have heard, that the sinking fund consists of certain surplusses brought from the aggregate, south-sea, and general funds; of several consolidated duties, and of monies carried to this fund from the supplies of the
year.

year. I will state all these separately. The produce of the surplusses upon an average of six years ending October, 1763, amounts to 1,938,727l. after deducting 119,375l. of the land-tax of 1758, which was carried to the surplusses in October, 1760, and likewise deducting the spirit duties of the 33d George II. These last are to be deducted from the surplusses, because I shall take their estimate in the place where they stand now, viz. among the consolidated duties, else they would be twice told. The proof follows:

Total surplusses as they are stated in the accounts upon the table.	Spirit duties to be deducted, together with the land-tax 1758.	Nett surplusses.
1758—1,835,043		1,835,043
1759—1,831,260	132,812	1,831,260
1760—2,308,506	119,375 land-tax 1758	2,056,319
1761—2,301,527	327,336	1,974,191
1762—1,778,242	42,125	1,726,117
1763—2,209,434		2,209,434
<u>£. 12,254,012</u>	<u>621,648</u>	<u>11,632,364</u>
	Average produce of the surplusses	1,938,727

In the next place we must take the average of the consolidated duties upon a medium of six years.

Duty on wrought plate 1720	100
Stamps 1731	31,300
Surplus of the spirit duty 16 and 17 Geo. II.	24,200
Ditto on wines 1745	45,000
Ditto on glafs and spirituous liquors	24,900
Ditto on houses	115,300
Coach duty	54,000
Subsidy 1747	318,600
Duty on sweets	6,200
Plate licences	6,700
Surplus of the duties upon soap, paper and coals 1714	48,300
Ditto on coals 1719	24,800
Beer licences, cards, and plate by 29 Geo. II.	75,400
Salt	227,700
Carried over	<u>£. 1,002,500</u>

Brought over	£. 1,002,500
Stamps, wine licences, coals exported, and spirit licences 30 Geo. II.	100,100
Subsidy 1759	223,100
Spirit duties 24 Geo. II.	46,800
Ditto by 33 Geo. II.	299,500
Ditto by 2 Geo. III.	60,000
House duty 2 Geo. III.	29,100
Three-penny malt duty	330,000
Beer duty 1761	372,000
Total	<u>£. 2,463,100</u>

Estimate of the growing produce of the sinking fund from Oct. 1763 to Oct. 1764.

By surplusses	1,938,000
By consolidated duties	2,463,000
From the supplies	147,000
Total estimated produce	<u>£. 4,548,000</u>

The charges upon the sinking fund are

To pay consolidated annuities	645,556
To pay reduced annuities	540,994
To pay 4 per cent. annuities	814,234
To pay long annuities 1762, with charges	121,680
Three and half per cent. annuities 1756	53,342
South-sea annuities 1751	64,180
Life annuities 1757	35,212
Navy annuities	140,000
Three quarters of a year's annuity granted 1761	372,000
Deficiencies of funds estimated at	100,000
Money remaining unpaid for the service of 1763	67,823
Total	<u>£. 2,955,021</u>

These are the premises from which we may come to a clear state of the question, whether the sinking fund be anticipated for more than it will yield or not, for we have only to subtract the charges upon this fund, from the estimated produce of it, and the remainder will be the amount of the disposeable money within the year.

Total estimated produce	—————	£. 4,548,000
Total charge previous to the vote of 2,000,000 for 1764	—————	2,955,000

Disposeable money according to estimate between October 1763 and 1764	—————	1,593,000
Deficiency of the sinking fund at the end of the year according to estimate, being what its produce will fall short of the two millions charged upon it	—————	407,000

It appears then by this estimate *, that the probable deficiency of the sinking fund at the end of the year will

* I shall put all the explanatory remarks that occur to me relating to the above estimate promiscuously into one note. With regard then to the first branch, viz. surplusses, the average of them will be rather lower than I have stated, because the new customs and excises laid on during the war will impair their produce; and this will more particularly be the case with the civil list funds, the two great branches of which being an excise upon beer; and what is called the new subsidy, will doubtless be impaired by the subsidy of 1759, and the new beer duty of 1761. It must be observed that I have made no alteration in the estimate of the surplus of the aggregate fund, on account of the civil list revenues going thither since the death of the late king, because they carry as much additional charge upon that fund, as they do of revenue to it, or upon an average rather more; for it appears that the civil list funds upon an average of thirty-three years during the late king's reign produced but 793,400l. per annum, the sum total of their produce being 26,182,981l. as appears by a paper presented after the death of the late king.—As to the 119,000l. of the land-tax of 1758 deducted out of the surplusses, that

will be 400,000l. and this upon an average computation, which however is more than the administration can in strictness of argument claim in the case before us, because as the last year was above *par*, the rising year is likely to fall below; but as I do not mean to be captious, nor have any occasion to screw the argument as tight as it will bear, I make no account of this: on the contrary, wherever a fund has fallen re-

that requires no apology, for if the produce of the sinking fund is to depend upon such contingency, we are in a deplorable way; nothing like it ever happened before, nor is likely to happen again. As to the consolidated duties, I can say no more than that the chief of them are taken upon an average of six years, and such of them as have not been granted so long, I have taken upon the longest term that could be had. The duty upon houses granted in the year 1762 was expected, I know, to produce a great deal more than it has, but as the produce of it for the second year amounts but to 29,100l. I could not think myself justified to set it down for more, merely upon a vague estimate, and contrary to the experience of a second year's produce. The new beer duty of 1761 upon the average of the second and third years (the produce of a first year is so vague that it ought never to be taken into any estimate) in which it may be supposed to be got into something of a settled way of producing, has amounted to about 522,000l. per annum: now it has been a point of some difficulty with me to determine, what proportion of this I should set down for the produce of this duty between Christmas and October, which term includes two summer quarters, and consequently will not receive any thing like three-quarters of the whole produce of the duty: because the winter is the time for brewing, and the October quarter may very well be supposed to bring in a third part of the whole year's income. To settle this therefore as equitably as I could, I have allowed 372,000l. which is just between two-thirds and three-quarters, and corresponds exactly with the amount of three quarters of a year's annuity charged upon this fund, which will grow due between Christmas and October. I think there can be no exception to this, which seems to be fair on both sides, as well as supported by estimate. As to the estimate of deficiencies, which is set at 100,000l. I compute the probable deficiency of the duty upon officers and pensions at 50,000l. and the deficiency of the wine and cyder at 50,000l. more.

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markably below *par*, I have restored it to its usual average, as upon the three-penny malt duty, which I have set at its full average, according to the estimate of the annual malt duty, by which we may judge; and I have done this without setting any thing off from the account where the casual produce of any branch has been remarkably high. It must likewise be considered, that as these estimates go back to years previous to many of the new duties laid on during the war, the average of old duties from this time forward is more likely to fall than to continue as before; but I have made this whole estimate with a liberal hand, to take away any pretence from the ministry for retorting the accusation upon me, viz. that I have likewise made a fallacious estimate. For if I could have prevailed upon myself to have followed their own example, the deficiency would have come out double.

I must here point out a notable piece of ministerial craft with regard to the beer duty of 1761, as it will explain the motive for annexing it to the sinking fund from Christmas last. I have estimated the produce of this duty between Christmas and October at 372,000*l.* as I have charged it with three quarters of a year's annuity, viz. 372,000*l.* likewise, because so much will be due then; but it must be observed, that the pay-days of this annuity are Midsummer and Christmas; therefore between this time and October, there will be only one half-year's payment to be made, by which means the minister will apply the surplus produce of the duty above one half-year's payment, to the current service of this year, and leave the produce of the remaining quarter from October to Christmas, to be answerable for a half year's payment due at Christmas. And if the beer duty had not been carried to the sinking fund from Christmas last, so far from any chance of receiving the benefit of any surplus upon this duty to the amount of 124,000*l.* between this time

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time and October (which is a fallacy that the present minister hopes to avail himself of) that the probable surplus on the 5th of January, 1765, would amount to about 30,000 or 40,000*l.* but this would not have served the purpose of the present year. The amount of which piece of legerdemain is neither more or less than this. If the minister can but scramble through this winter by exhausting every temporary and deceitful expedient, he considers it as a matter of no concern to him, in what condition the revenue will be found in October, or what difficulties he may throw upon the shoulders of another man, provided he can shift them off from his own.

Now that we are upon the topic of the sinking fund, I will state my idea of it in a very few words. I shall hope to express myself in such a manner that a plain man may understand me; as to people in office, I despair; for, in general, they are so involved in technicalities, that they cannot see a thing, unless it be in a mist.

Total permanent revenue (excluding the land tax, and annual malt tax.)

Customs	—	2,000,000
Excises (exclusive of the annual malt duty	—	4,000,000
Stamps, house duty, salt, offices and pensions, post-office, beer licences, and other small branches	—	1,000,000
Total permanent revenue nett (exclusive of the land tax, and annual malt tax)*	—	£. 7,000,000
		<i>Charges</i>

* If any one would know the sum total raised within the year, he must add the nett produce of the land and malt to the perpetual duties, and then it will stand thus,

Charges upon the national revenue.

To the civil list	--	800,000	
To the interest of the funded national debt	—	4,548,835	
To the interest of the navy bills charged <i>pro tempore</i> upon the sinking fund	—	140,000	
To the interest of about 6,000,000l. of outstanding debts at the rate of 4 <i>per cent.</i> which must directly or eventually come out of the permanent revenue	—	240,000	
			Total charge -- 5,728,835

The total charge deducted from the total permanent revenue, leaves the total disposable money or sinking fund ———— £. 1,271,165

I have now gone through the topics, which I proposed originally to discuss; but I cannot conclude without a few remarks upon the general state of our affairs.

There is a degree of malice in the present ministry against their country that is beyond example. They forced themselves by violence and intrigue into the conduct of public affairs, at a time when I am sure the general voice of their country was loudly against them. They came in, to expose the pretended nakedness of their country, to an enemy who was at the last gasp. They vilified our advantages; they falsified our situation; they proclaimed our distress in the most exaggerated terms, when that very distress, compared with

By perpetual duties, as stated above	7,000,000	
Nett produce of land at 4s. and malt, about	2,450,000	
Total money raised within the year	—	£. 9,450,000

the real calamities of our enemies, was triumph.— Upon that fatal day, when this system of ministry came to the helm, was first promulged the desolation and debility of this country. Instead of shewing to our enemies the hopelessness of their situation, they gave them encouragement to expect an universal confusion here; minister lying in wait to perplex minister; brother to supplant brother; and the whole system of affairs thrown into a treacherous consternation. Advertisements went to the enemy, that, if they would hold their breath but a few hours, we would raise the clamour for peace here; instead of telling them, that we had at that moment the funds for two years to come*, (which at the pinch of a war is the point gained) and therefore that they could have nothing to hope for, but still to be beaten for two compleat years, by an enemy in the full career of victory. Neither could this prove a vain boast, for the faculties of this country were so far from being exhausted, that, at that hour, we were provided with funds for more money than all our previous successes had cost us: infomuch, that, on the 18th of December, 1760, the parliament having provided twelve millions for the next year, we still left another fund capable of producing twelve millions more, to be postponed for the service of a farther year, being thus superabundantly provided. In this height of glory did the evil genius of this country aim the fatal blow, which has reduced it to be faithless and friendless throughout the world.

But still our fate would not relent; left public credit should once more hold up its head, these ministers have held the same deadly hand over their country. They will do nothing themselves, they will not stir a finger

* *Viz.* The beer duty granted in December 1760, and the spirit duties, which had been granted the preceding session, but were postponed for the service of the year 1762.

to relieve us, they will stay till they have seized every beneficial patent and reversion, and we may be sure, that they will not alarm the country by any tax, however necessary it may be, or however easily it might have been carried by other ministers, whose credit stands high in their country. If they can riot in the public spoils for a few hours, they regard not the consequences, either of public bankruptcy from their neglect of the revenue in the proper season, or the discontents which they have bespoke against the next administration, who must either patiently submit to the bankruptcy of their country, or lay fresh taxes in cold blood. In short, this ministry act upon the principle of a set of sharpers, who have laid a bett that their country will expire of the wounds she has received in the late war, and therefore will not allow it the fair play to send for a surgeon.

Have not the ministry boasted that they would raise the stocks, by disappointing the schemes of those who expected to bring their money to a good market, and to profit by the public distress; yet the stocks have not risen since the minister has declared his intentions against borrowing: for who can avoid seeing that the evil is only put off till to-morrow. As long as there is so large a quantity of debt unprovided for, and which the minister declares he will not provide for, public credit will languish, while neither the vaunting of ministers nor their threats will afford any support. Has not the minister told the proprietors of navy-bills, that their not subscribing to the 4 per cent. annuities was faction? Has not the sharp vengeance of parliament been held out against them as *delinquents*? Have they not been threatened to be passed over in the course of payment, contrary to the express terms of their contract? Have we not heard this proposition enforced upon a distinction between the faith of parliament

liament, and the honour of parliament? Does not this distinction afford an encouraging prospect to public credit? I hope the faith of parliament and the honour of parliament will be for ever one; although we have experience, that the faith of parliament and the honour of ministers, are to each other as light and darkness. What meeting was that, which was called of the pretended proprietors of navy-bills, in January last? How many of them signed a petition to the treasury, relating to unsubscribed navy-bills, who were not actually in possession of any at that time? What is the great cause of resentment and threats, for the non-subscribers of navy-bills, made out before December, 1762? Plainly this, that the contractors, who, since that time, have taken their navy-bills of the *present* administration, might be brought forward in the course of payment, as a reward for all their obedience; while those who had made contracts with the former administration, were to feel the hand of tyranny and oppression. Yet, was not every one at liberty to chuse whether he would subscribe? Or, if these proprietors of navy-bills are to be compelled to subscribe, whether they will or no, why is not this principle extended to all the proprietors of the funds? Let the minister publish his edict, that, if they will not be contented to give up half their principal, they shall never be paid at all, either principal or interest. In God's name, if public faith is to be violated, let it not be done for a trifle: Be bold; sponge out half the debt, and annex the interest to the sinking fund.

Our ministers boast that they have raised the supplies this year without any additional tax. Now, other people see all this in a very different light; for the ministry have only postponed the necessary provisions, they have left near ten millions of outstanding debt,

debt, which, till it is funded, will infallibly depress all the other stocks; we see that it does so, as they are at this moment 15 per cent. below par, and this I call a tax upon all stock holders. Ask the monied interest, whether the present ministry has laid any tax? and they will tell you, that their property is worse by £. 20,000,000 than it would be if ministers would do their duty; and if this is not a tax, let the minister give his definition of taxing.

Then go to the landed interest, and enquire what merit the ministry are to claim with them. Their merit is this: that they will not exert themselves to provide for the necessities of the state by a plan of distributing the burthen, and therefore have thrown the whole upon the shoulders of the landed man; rather than stir themselves to effectuate any plan, by which the landed gentlemen might have to pay no more than their respective proportions, according to their way of living, they have transferred the whole upon the land, which from hence forward, can have no chance of paying less than four shillings in the pound. That the landed men may see how decided and hopeless their fate is, I shall state the current expence, and the annual provision that there is to support it.

The avowed peace establishment amounts to 3,500,000

The ways and means are,	
By land at 4s. and malt, which will yield net about	2,450,000
By the sinking fund, which, till some farther provision be made for the outstanding debt, will yield no more than about	1,270,000
Total annual provision for the current expence, during the time of peace, including the land tax at 4s.	£. 3,720,000
	The

The surplus being about £. 220,000 is to answer all contingent expences; such as an occasional subsidy, a fleet of observation, and a variety of incidental matters, which in the most peaceable times must occur: in the next place, it is to be applied to the payment of near ten millions of outstanding debt, which indeed half a century of undisturbed peace may possibly accomplish; and, at the end of this period, the land-tax may stand some chance of being reduced a few pence below four shillings in the pound. If the landed gentlemen are well pleased to take the whole burthen upon their own estates, (being a mortgage of a million per annum) instead of paying their share of any tax according to their domestic consumption, I hope they have at length met with a minister to their perfect content.

REMARKS ON THE BUDGET;

OR, A CANDID EXAMINATION OF THE FACTS AND ARGUMENTS OFFERED TO THE PUBLIC IN THAT PAMPHLET.

Peras duas;
Propriis repletam vitis, post Tergum dedit
Alienis ante pectus suspendit gravem. PHÆD.

BY THOMAS WHATELY, ESQ.
SECRETARY TO THE TREASURY.

WHEN I first heard of the pamphlet, intituled the Budget, and of the applause with which it had been received, I considered it as one of those anti-ministerial pieces that never fail of success in this country, in a time of peace, let the minister or his measures, be who, or what they will; and which for the most part, deserve very little the attention of a sober man, that has business of his own to mind, and who

who only wishes the prosperity of his country, without views of self-interest, or the desire of gratifying the malevolence of party.

But when upon a perusal of this artful performance, I found it to be an attack on public credit, by an author, who, while he charges the ministry with proclaiming our distress, is not ashamed of endeavouring to increase it, by most inaccurate, if not wilful misrepresentations; I could not but hope, these would be speedily pointed out, and when I was informed, from all quarters, of its mischievous effects; when I heard that the contents, and the pamphlet itself, had been circulated with diligence, not only in this country, but in Holland; and that a set of men in England gloried in their having convinced the Dutch, that it was better to make a two per cent. in their own country, than to lay out their money in the English funds; I thought it my duty, to make such observations as have occurred to me, and which I am persuaded, have occurred to every man, that does not choose to admit the truth of calculations, and conclusions, rather than be at the trouble of examining them.

And though perhaps I might safely undertake to confute all the charges the author has made against the administration, and might support their justification on facts, notorious to every one; though I am convinced, that their conduct will not suffer in the comparison an hundred years hence, with that of any of their predecessors. I shall take no other notice of them than as they are necessarily blended with my design, which is, to inquire how far our author's materials warrant the conclusion he has drawn to the detriment of public credit, and to throw in occasionally such lights, as public and undoubted materials have afforded me.

To

To pursue the method adopted by the *Budget*, I confess, I cannot for my life find out upon what pretence he would persuade us to believe, that a very large sum of * the unfortunate debt, contracted in the last war, has not been paid off out of the supplies of the current year: that every part of the 2,771,867*l.* 13*s.* 6*d.* is a debt, and a debt too contracted to our misfortune in the late war, is a fact, not to be denied; nor is it in fact denied by this author; but he is pleased to say, these are † *articles provided for as they arise*; doubtless if a debt be paid when it is liquidated, it may be said, to be provided for as it arises; but is it less a debt, or is the time of contracting it altered; the question is not whether these are *pompously* called debts, but whether they are *truly* so? Is there a single item comprised in the above sum, that probably would have existed a demand on the public, had we not been engaged in the late war, unless it be the deficiency of the land and malt? And even half the land-tax deficiency may properly be considered as a war deficiency; because the rate of that tax is a consequence of the late war. But as I confess deficiencies of funds and grants are ordinarily thrown upon the succeeding year; and as our author in effect, acknowledges he has no other objection to those items being called debts, but his *argument ad homines*, it may be necessary to examine how far that argument goes. Deficiencies in 1764, will certainly be left for payment in 1765, as they have been ever since the revolution; and though these deficiencies would not probably have amounted to 200,000*l.* but in consequence of the late war; at least we have the satisfaction to find 2,187,434*l.* 15*s.* 6*d.* of the war debt paid, exclusive of the sum advanced in consequence of addresses, and of all the deficiencies that can occur in time of peace.

* Budget, p. 299:

† P. 300.

But

But says our author, there is not enough of the debt paid: † 1,500,000*l.* used to be provided for the navy debt, now thrown and kept upon the sinking fund: I would ask, what was this provision but a fallacy, while the navy every year ran in debt almost twice as much as was provided to discharge the former debt? And who is to be blamed, those who incurred this debt, or those who have destined for the payment of it what is appropriated by it's nature for the payment of the public debt, and is, I trust, amply sufficient with care and œconomy to effect it.

That our army establishment is at first sight more than on an average of the late peace is not to be denied; but the number, and even expence of the army in Great Britain is evidently less; and if by the addition of an immense territory in North America, and a very valuable one in the West Indies, by an expence necessarily greater in half-pay and at Chelsea hospital, as well as by that constitutional increase of force the militia, the amount of the whole be swelled a little beyond former peace establishments, we have all the reason in the world to hope the burthen will be well compensated both in profit and security, and that it will grow lighter every day, besides the fair prospect we have of being disburthened of a very considerable part of that in the plantations, without losing any part of the profit resulting from our possessions there.

The additional number of officers is a very small expence to a nation that has a large half-pay list *; surely

† Budget, p. 300.

* In justification of this measure I might cite the opinion of a wise and honest, as well as eloquent member of the house of commons, who has declared his opinion, that the corps should have been smaller, and a number of officers entertained in pay greater still than they are; I mention this as an *argument ad homines*; for though

surely an annual sum of about forty or fifty thousand pounds is well employed in keeping six or seven hundred brave officers ready for actual service, and enabling us at a short warning to double our force, and thereby in procuring for us a security against a future war, that we can derive from nothing but a readiness to enter into it. Is a peace to be called * *hollow*, and deemed unlikely to be *permanent*, because it is thought wise to be prepared for war? Is any part of the army in time of peace kept up with any other view? I know of no other use it is of; I should think myself uncandid if I accused the author and his friends of deeming it fit for any other; but if sixteen thousand men can be made for this purpose nearly equal to thirty thousand, by a measure, which in our situation at the end of a war is practicable by an expence of about forty or fifty thousand pounds; can it be doubted a moment, that it is preferable to subsidizing at the expence of two or three hundred thousand pounds a year? And which is to be deemed a hollow peace, that which the author's friends think requires the support of such subsidies (to princes who have too frequently deserted us in time of actual war, or disabled themselves from performing their engagements, by preferring the objects of their own restless ambition) or one that requires no other than forty or fifty thousand pounds spent in keeping from retirement six or seven hundred gallant officers, accustomed for many years to beat our enemies.

But because I consider myself as an advocate for the public credit, and so much pains have been taken to decry it, under a pretext that we are at the eve of another war, after a short and hollow peace; I cannot

though I confess myself not disposed to acquiesce in all the opinions of this great man, the author and his friends will hardly dispute them.

* Budget, p. 303.

think

think I go out of my way, by stating how this matter appears to me upon the consideration of facts known to all mankind, without pretending to the knowledge of the secrets of princes, or of the biases their measures may receive from their own caprice, or that of their ministers. I pretend only to judge on the usual and ordinary incitements to peace and war. Secrets are out of my knowledge, and fortuitous events are out of the reach of prediction.

It seems a false notion, too readily admitted by people of every nation, that whatever its neighbours get they lose themselves; that all acquisitions and cessions of territory and trade, are acquisitions of power and strength; but surely this maxim is not true; and experience has a thousand times proved it utterly false.

Every acquisition of territory or trade, that puts a people in the power of another, is weakness in the former, and strength and security against war in the latter. It is in this light, that I see every cession by the peace to our late enemies.

The trade of the French and Spanish West Indies, is notoriously in our power, the moment war is declared; that trade long use has made so necessary to their internal prosperity, that the stopping it for a time, cannot but produce a great disorder in every part of their political œconomy. The fishery of the French is equally necessary to them, and more in our power, and both are a security in our hands, that we could not have had without restoring them, though the same use that has rendered both necessary, would furnish both people with expedients in lieu of them.

I do not therefore deny, that the almost total loss of this trade, and of the fishery, were among the causes that most distressed our late enemies, and induced

duced them to peace: On the contrary, I am therefore glad they were relieved from this distress, while it was in full force, and before they had yet discovered, they could do without them; they certainly can do without them, and France has never been so formidable to us since the establishment of her colonies, as she was before; since she changed a great part of her manufactories, which gave her a manifest superiority in wealth and population, and consequently in revenue, over every part of Europe, for a foreign trade, that has subjected her to the superiority of Britain, and has laid her open to wounds we could not have given her in any other quarter.

Surely, while we remain possessed of the indisputable superiority at sea, which we now have, and are likely to hold, every possession, disjoined by the sea from France and Spain, is a pledge for their good behaviour, because at least, liable to be rendered of less value, by a war with Great-Britain; and however desirable such possessions may be in the eyes of the mercantile people, and financiers of those kingdoms, they certainly render them relatively less powerful*.

* A minute examination of the history of the war, carried on between the United Provinces, and the crown of Spain, from the first sea expedition of the Count de la Marck, and the surprize of the Brille, to the treaty of Munster, will incline any impartial man to believe it to be much more than probable, that republic had never existed, at most had never been able long to resist the efforts of Spain, had it not been for the trade and distant possessions of that crown. I prefer this instance to an hundred I might make use of, because it is that of the most powerful prince, possessed of the best army, and commanded by the ablest officers in Europe, baffled by strength so remarkably *relative*, and that too, by those who had so lately been his own subjects. I cannot help adding an observation on the desire every state in Europe, especially those who are themselves the most formidable at sea, have to keep peace with the states of Barbary, only because they have no trade nor foreign possession.

In a word, what have France and Spain to gain by a war with us, and what have they to lose? They are little likely to make any conquests on us, in any part of the world, with fleets much inferior to that we have still on foot; they are likely to lose every thing they gained by the peace, should we think it worth our while to attempt the reconquest of them; and let it not be said, that the reconquest will cost us dear; we know enough of those places now, to have reason to believe, that the keeping possession of them would have cost us more, both of men and treasure, than their reconquest would do. We have, thank God, the same brave officers who reduced them, and whatever strength the Spaniards may have added at the Havannah, on the side of the Moro, I am assured, it is incapable of being rendered difficult to be taken on the town side.

But perhaps we may do better than attempt a reconquest, we may profit by the experience we have so dearly bought: we may at length have found out, that wars in these days are seldom terminated by conquest, and may conclude, that to obstruct and possess ourselves of the trade of the enemy, will be a more eligible, and infinitely more profitable method of carrying on the war, than to make conquests that ease the enemy of a burthen, which we then take on our own shoulders; and let it not be supposed, that the possession of the places we ceded by the late peace, is essentially necessary to those crowns; recent experience has shewn, that Spain can bring home its treasures, if not stopped by a superior force at sea, directly from the South Seas, and that nothing is more profitable in time of war, to the French possessors of plantations, in Martinique and Guadaloupe, than to have those islands protected by British garrisons, from the force of our own power, while nothing else can protect the trade of either people, from the superiority of our fleets; to which let me add, that the price of our stocks in a former Spanish war,

war, while it was carried on at sea only, furnishes us with reason to believe, that the nation will never be distressed by a war so carried on.

To preserve this superiority, the parliament has wisely provided for a sea force more respectable than usual in time of peace. Had such an establishment of the navy been preferred after the peace of Aix-la-Chapelle to one of half the number, we probably had never been forced into the late war, by the numberless violations of the peace preceding it, and which even commenced in America with it; nor should we have begun that war with the indelible disgrace of losing Minorca. I am sure no one who remembers the commencement of that war will pretend, *that seamen are always ready at hand when a war breaks out, or that we run no risque by a moderate provision for the sea service*; it is well known that seamen dismissed from the public service do not always still continue sailors in the merchants' service; on the contrary, many thousands are always lost by taking to the land employments from whence they came, by debauchery for want of employment, and by entering into the service of foreign princes; it is true, many thousands too find employment in the merchant service; but it is equally true, that they are not on an emergency to be come at; that the necessary practice of pressing is a tedious as well as odious resource, and that in the mean time our trade suffers doubly*, and the enemy if not superior at sea, are at least able to contend for a temporary and partial superiority at the beginning of a war, that frequently has prevented our putting a speedy end to it.

* Perhaps the loss our trade usually sustains from an enemy at the beginning of a war, is much less than it suffers from the consequences of a general impress of seamen, which not only deprives the merchant ships of the seamen forced into the king's service, but occasions almost all the rest to conceal themselves.

How much the revenue has been improved by the smuggling cutters, I will not take it on myself to say; that the produce of the customs in the last year has exceeded that of the preceding one by 391,000l. is not denied; nor can it be denied with candour, that probably great part of this increase has arisen from the wisdom of this measure, and the vigilance of the officers employed in it; and if the whole of this improvement is not to be carried to the account of the cutters on the head of customs, it is to be considered, that the utility of the cutters is not confined to the customs; many thousand pounds being added to the excise by a stop or obstruction to the smuggling trade; but as the public credit depends no ways on the refutation of this cavil, I shall spend no more time on it.

But the charge our author introduces with this cavil is of more importance, because every man concerned in the preservation of public credit, is alarmed, when he is told unreasonable and unusual liberties are taken in the application of the sinking fund, and much more, when it is insinuated, that the fund itself is in danger, and likely to be annihilated.

When the fundholders are given to understand, that they have no reason to believe their principal will ever be paid, and that their interest will be in peril the first war we are obliged to undertake, and that in short their security is become scanty, it is high time, for the sake of the public, and of the creditor, to search into the foundation on which this is thrown out, that we may foresee our misfortunes, and provide ourselves at least with patience to bear them. I well know there are many fundholders more able to do this than myself, but as they do not seem willing to undertake the task, I shall venture on an examination of what this ingenious author has advanced, and heartily wish to be set right if I err, either in the examination, or in what I shall add to it; if I am wrong, I write to be better informed,
and

and by being so, I shall attain my end, which is but to come to a true conclusion, for the use of myself and my readers.

Though I do not pretend to have had lying by me many years averages of the produce of duties granted two or three years ago, I have some materials, the authenticity of which will be, I believe, as little doubted, having been laid before the house of commons, where they are accessible to every body; perhaps too they are rather less liable to error, than the author's numerous averages, and these may throw some additional light on the subject of our enquiry.

But to make use first of his materials; the old surpluses, the consolidated duties, and the sum brought from the supplies of 1764, amount, as he has made up the total, to 4,548,000l. The actual charge on this sum, that will incur before the 10th of October next, is 2,831,021l. so that the sinking fund, if the author's averages and computations founded on them be right, will have paid by that day, the 2,000,000l. for which it is granted, within 283,021l.; this cannot be denied, whereas in former years, it has frequently not cleared the charge upon it, by sums abundantly larger; and particularly on the 10th of October, 1761, it was 965,160l. behind hand, and in the year preceding, no less than 1,499,561l. Is this true, or is it not? And if it be, why is the incurring the chance of such a deficiency imputed as a crime to the present minister, or insisted on as a symptom of danger to public credit?

But this is not the only crime imputed to him; that every one of his predecessors have been almost every year guilty of without accusation: was it that they gave fairer play to their adversaries, and laid themselves open on more important and solid subjects of blame? He is charged too with a piece of ministerial craft, in con-
Y 3
solidating

solidating the beer duty with the sinking fund, from Christmas last, a piece of craft practised by every minister in office, at the time of every consolidation, and unavoidable where the annuity charged on the fund, is payable at Christmas and Midsummer, from the course of making up the *sinking fund account* to the 10th of October, and must have been the same in effect, had the consolidation taken place from the 5th of April, or the 5th of July: for in that case the produce of this duty, between the 5th of July and 10th of October would necessarily have made part of the sinking fund on that day, because no charge would have incurred upon it; and yet after all, in case the deficiency should really prove to be 400,000l. whereas it is much more likely to be nothing at all, this is little more than one-fourth part of what we have seen it amount to in a late year.

But not to insist on this pretended unfair advantage, which if it be an advantage, it was impossible to strip the sinking fund of, and to quit for a moment our author's materials, for others I hope as good: It appears from the papers laid before the house of commons, that the disposeable money produced by the entire sinking fund, composed of all its parts at the respective times of laying those accounts before the house, has been in the year

	£.	s.	d.
1758—	1,924,900	9	10
1759—	1,689,097	2	2 $\frac{1}{4}$
1760—	2,411,072	0	0 $\frac{1}{4}$
1761—	2,296,801	5	1 $\frac{3}{4}$
1762—	1,922,312	3	8 $\frac{1}{4}$
1763—	1,984,244	4	6 $\frac{1}{4}$
	<hr/>		
	12,228,427	5	4 $\frac{1}{4}$

Which being reduced by a deduction of the land tax, 1758, the spirit duties arising before the annuities charged

charged on them commenced, and of the sum of 93,371l. 11s. remaining of the sinking fund, 1757, unappropriated and carried to the credit of 1758; there will remain the sum of 11,513,408l.

To which must be added the sum of half a year's interest of navy bills, and * deficiencies paid out of the sinking fund, 1763.

147,593

£. 11,661,001

And the above sum of 11,661,001l. being divided by six, will produce 1,943,500l. which is the true average produce of all the surplusses called *the sinking fund*, upon a period of the last six years, and which I must suppose it will produce in the course of the current year, as well as in every future year, unless some reason can be assigned for the difference †.

This

* It is necessary to restore this interest, and these deficiencies to the sinking fund, because the business here is to compute the average gross produce of the sinking fund after payment of the interest of that part of the funded debt that is charged upon the duties, the surplusses of which compose the sinking fund, and subject to the payment, as well of the temporary charge upon it, as of the debt and interest thereon, for which it stands a collateral security, both of which are from time to time replaced by parliament; for this gross produce, although so subject, is what is properly in parliamentary language called the sinking fund, and from this we shall afterwards deduct the certain, as well as casual charges.

† It does not appear to me on the most careful examination, that any funds incorporated with the sinking fund, since the first year of the above period, can lessen that fund, or give us any room to entertain fears of its being less for the future than the above average: on the contrary, there are many reasonable prospects of considerable additions to it; the author of the *Budget* allows the last duty on beer to produce 522,000l. per annum, the clear produce of the year to Midsummer last, was 526,000l. whereas the charge incurred on the sinking fund, by this consolidation, is but 496,000l. this adds at least 26,000l.

This sum of 1,943,500l. is properly the sinking fund, after payment of the interest of the whole funded debt, and will be the foundation of subsequent calculations, but to discover how much of it will be actually applicable to the discharge of 2,000,000l. charged upon the sinking fund of the present year, and what arrear we may from this calculation expect, will be left for the sinking fund of next year to pay; we are first to add from the supply of the year 147,593l. making the sum of 2,091,003l. from which we are to deduct what remained on the 10th of October, 1763, unpaid of the former charge of the sinking fund

	67,823
A year's interest of the navy annuities	139,342
Deficiencies of funds 1758 and 1763, computed at	100,000

£. 307,165

which being deducted leaves 1,783,928l. which will leave unpaid but 216,072l. and it will be further reduced by the pretended piece of ministerial craft to the sum of 92,072l. for this sum of 124,000l. it is admitted by our author, must be carried to the account of the sinking fund, and will not be wanted for, nor capable of being applied to any other use.

But this part of his subject the writer of the Budget does not dismiss, without another bugbear; we are terrified with a deficiency, he has the moderation not to bring to account, on the civil list; we are told this will probably reduce the aggregate fund 7000l. a year,

per annum to the sinking fund. The improvement of the regulation of franking was, I am informed, 1000l. the first week, at this rate we may expect a large addition to the post office revenue; it is uncandid to deny that great attention has been paid to the customs, and that improvements are to be expected on that branch, and there are near 100,000l. a year paid to annuitants for life, some of which drop in every year, and one of which, of 500l. a year, fell in a few months ago.

by

by its consolidation with it, and this conjecture is founded on an average taken through the whole reign of the late king; but in taking this average, no regard is had to the immense increase of every species of trade and business in this kingdom, charged with the duties that compose this revenue; this increase is manifest to every curious and candid enquirer; and tho' it be objected, that the reduction of some of these duties, by the effect of subsequent duties, both of excise and impost, may be reasonably feared, it is certain that those subsequent duties had not, at the death of his late majesty, yet counteracted the increase arising from our improved trade and inland consumption, for the produce of the ten last years of his late majesty's reign, were

In the year 1751	—	812,299	6	10 $\frac{3}{4}$
1752	—	791,405	16	2 $\frac{1}{4}$
1753	—	834,443	9	8 $\frac{1}{4}$
1754	—	831,810	0	7 $\frac{1}{2}$
1755	—	823,824	14	0 $\frac{1}{2}$
1756	—	852,702	11	9 $\frac{1}{4}$
1757	—	772,794	4	10 $\frac{1}{2}$
1758	—	810,404	7	9 $\frac{1}{4}$
1759	—	832,886	3	6 $\frac{1}{4}$
1760	—	876,988	5	9 $\frac{3}{4}$

In the whole £. 8,239,559 1 2 $\frac{1}{4}$

that is, in each year 823,955l. and this carries demonstration that the subsequent duties have not impaired this branch of revenue, but that on the contrary, an addition may be fairly expected to the sinking fund, from the acquisition of this revenue, independent of a multitude of improvements it will open the door to, and which were before excluded, by the separation of the civil list branches from the rest.

I am

I am next to consider, whether the future disposable money arising from the sinking fund, will be more or less than 1,271,165l. as our author has stated it, and to endeavour to come at the real state of the net income and out-goings of the public.

And first, from the materials he has furnished us with, as far as it is possible, with any regard to truth to build upon them.

The average produce of surplusses and consolidated duties is 4,029,727l., exclusive of the beer duty, 1761.

Thus
The surplusses of the old branches £. 1,938,727
New consolidated duties including 372,000l.
which he has added for the beer duty 1761 2,463,000

£. 4,401,727
Deduct the beer duty added by our author,
because I shall add the annual produce 372,000

4,029,727
And adding the entire annual produce he allows for the beer duty *communibus annis* 522,000

We have £. 4,551,727
for the gross produce of the sinking fund *communibus annis*, subject to the interest of what we may call the new stocks of consolidated annuities, which now, including the navy annuities, and annuities 1761, amount to 2,911,198l. Thus

Consolidated Annuities at 3 per cent. £. 645,556
Reduced ————— 540,994
Consolidated 4 per cents ————— 814,234
Long Annuities ————— 121,680
Three and a half per cent. 1756 53,342
South-Sea 1751 ————— 64,180

Carried over £. 2,239,986
Brought

Brought over £. 2,239,986
Life annuities 1757 ————— 35,212
Navy annuities ————— 140,000
Three per cent. and long annuities 1761 496,000
£. 2,911,198

Deduct £. 4,551,727
2,911,198

Remains 1,640,529

Which, supposing the aggregate fund neither gets nor loses by the civil list, is the net produce to be expected from the sinking fund from his own materials, subject only to the deficiency of the funds 1758 and 1763, which he has estimated at 100,000l. a year.

Of that part of the unfunded debt, which is not charged on the sinking fund, called by our author 6,000,000l. (and which perhaps is not far wide of the truth, except that near 1,000,000l. consisting of arrears of pay, some from the time of Queen Anne, will hardly ever be demanded, and may therefore be considered as reducing the debt to five millions) neither the residue of the German demands, nor the last six months of the navy bills, nor any part of those called non interest bills, nor of the seamens' pay, carry interest, so that the nation cannot be charged with more than the interest of 3,000,000l. *i. e.* of 1,000,000l. Exchequer bills, which are a security to the Bank 30,000
800,000l. issued to private persons at 4 per cent. 32,000

* There are about 1,500,000 navy and
Carried over £. 62,000

* This was wrote some months ago; since which time, the navy debt for bills registered in course must have increased; but as it has diminished as much on the head of seamens' pay, this circumstance makes no material difference, except that the interest payable by the public is somewhat increased, and if this small addition of weight be not removed before it is felt, I shall be ready to allow it in the account.

Brought

Brought over	£. 62,000
victualling bills beyond six months, of which at most 1,200,000l. on interest	48,000
Total	£. 110,000

Which though it be no charge upon the sinking fund, but must be paid out of the future supplies from year to year; yet to pursue our author's method, and because it is certain this interest until its principal be discharged, is a diminution of the public revenue, I shall, as he has done, deduct from the sinking fund, because as it must finally come out of some part of the public income, it is the same thing in the end, at what time the deduction is made,

	110,000
Add deficiency of funds 1758 and 1762	100,000
	10,000

deduct this from the above surplus of	1,640,529
	210,000

Leaves £. 1,430,529

which according to the author's own account is what may be expected for future disposable money applicable to pay part of the public debt, or to the current service, over and above what is replaced to the sinking fund every year.

But every stockholder, and I may say, every Englishman, is so much interested in the truth of this conclusion; and its consequences are so extensive and important, that I am desirous of establishing the credit of the sinking fund by such trials as may prove that I have not stated it here too high.

I have proved from papers laid before parliament that the average produce of the gross sinking fund for six years

years last has been 1,943,500l. subject to such charges as are however made good out of the supplies of the following year, i. e. the navy annuities and deficiencies of funds, of which the former being deducted

£. 1,943,500
140,000

leaves—1,803,500 From this deduct as above 210,000l. the residue is 1,593,500l.

*Money applicable either for the current service or to pay the unfunded, and afterwards the funded debt, and which we have reason to believe will be sufficient, not only to complete the sum of 2,000,000l. granted out of the sinking fund for the service of 1764, but with the land and malt, support the expence of an ordinary peace establishment; and besides, to discharge the residue of the *German* demands.

To give some further confirmation to this estimate, I have now before me an account of the net produce

* It is to follow our author, that I have at once deducted from the sinking fund these two sums of 100,000l. for the deficiencies of the funds, 58 and 61, and 110,000l. for the interest of that part of the unfunded debt, that is not charged on the sinking fund, because I think no error is so dangerous as those we may be led into by a reliance on this plausible writer, who is either very uncandid, or, as I hope, very inaccurate; the deduction of the interest of the unfunded debt, not a charge on the sinking fund, is, however, improper; so that the gross sinking fund, subject to charges, is 1,943,500l. the clear sinking fund, exclusive of what is constantly made good to it, out of the subsequent year, will be 1,704,158l. but I chuse to make use of the sum of 1,594,158l. in order to detect an inaccuracy in the Budget, of the utmost consequence; the author is pleased to say, that the avowed peace establishment is 3,600,000l. Does he seriously mean that the estimates, exclusive of deficiencies, will amount to this? if he does not, he is surely guilty of great inaccuracy; wilful or not, I leave the reader to judge, in adding the deficiencies and interest of the unfunded debt to the current service, and yet deducting them from the Ways and Means.

of

of the excise, actually paid into the exchequer, between
 5th of July 1763, and 5th July 1764, the amount, ex-
 clusive of the annual malt, has been £.4,191,731
 Customs estimated, as by the author, at 2,000,000
 Petty branches at - - - 1,000,000

7,191,731

Deduct civil list and interest of the debt 5,487,000

Remains—£.1,704,731

for future sinking fund, from whence, deducting the
 interest of the unfunded debt, which, though not pro-
 perly to be deducted from this fund, must certainly be
 paid out of some part of the revenue, there remains the
 sum of—1,594,731l.

Thus 1,704,731
 110,000

£.1,594,731

This confirmation, will, perhaps, put it out of doubt
 that we may safely estimate the future applicable money
 arising from the sinking fund, over and above the in-
 terest of the whole funded and unfunded debt, and
 clear of all deficiencies, and besides what is brought to
 the sinking fund from the supplies of the year, at about
 1,600,000l. without the danger of any considerable error;
 but as we have great reason to hope that the unfunded
 debt will not long remain a burthen on us; when that
 time comes, the clear disposeable money of the sinking
 fund will become over and above every annual charge
 on the revenue, at least 1,700,000l. exclusive of such
 improvements as may be reasonably hoped for, from
 the regulations of franking, the deaths of annuitants
 for life; the improvement of the customs, &c.

And after all, I sincerely believe, that even this sum
 is considerably too low; I am satisfied that I am short
 of the truth, exclusive of the future improvements of
 the

the public revenue that I have mentioned; the papers
 laid before parliament next session will determine how
 far I am right in my conjecture; and whose calcula-
 tions are most to be depended on for the state of the
 revenue of the nation, the author of the *Budget's*, or
 mine.

And now let us see what merit the ministry have with
 the landed interest; they have brought them to a pro-
 spect of a reduction of the land tax within a few years;
 a prospect out of sight, when the war continued; and in
 the mean time the landed man of sense knows that as
 his fate is not *hopeless*, so burthened as he is, his situa-
 tion is better than if an addition had been made to the
 excise or customs.

The wisest financiers have laid it down as a rule,
 that the land pays every tax: I think Mr. *Locke's* words
 are, "The trader will not pay them, the labouring
 man cannot, the landed man must." In short, it is
 demonstrable, that those who possess an income, that
 does not arise from labour, or ingenuity and skill, and
 which in its nature is not to be carried away, will di-
 rectly, or indirectly, suffer for every tax imposed; and
 if he fancies he has found out a method of transferring
 those taxes to another, if the burthen be considerable,
 'tis twenty to one, but that other runs away, and leaves
 the landed man to pay the tax, with less ability to
 bear it.

The ministry have then the merit with the landed
 interest of bringing into prospect that reduction, which
 a year or two more of war would have carried quite out
 of sight; and they the merit of making this reduction
 probable, without adding to the indirect load the land
 is already burthened with.

I am far from thinking this nation is incapable of
 bearing further taxes; it has certainly various resour-
 ces; but some of them may be hazardous, and all ought
 to

to be reserved for times when necessity requires them: it is ridiculous to argue, that new taxes should be laid now, because such were laid in the last war, and in that which preceded the peace of *Aix la Chapelle*; and it ill becomes the friends of them, who made that peace, which is only to be justified by the difficulty of raising money, to insist that many resources remained even at that time.

That the prospect of reducing the land-tax is not vain, will appear from hence.

The avowed ordinary peace establishment, exclusive of deficiencies, is about 2,900,000l.* and not 3,600,000l. and even this sum is subject to reductions, that it may be reasonably hoped will very shortly take place, and in a few years, amount to 2, or 300,000l.

A plan for a revenue, to be collected in the plantations, has been laid, and in part, put into execution; it is yet too early to say, what may probably be expected from this plan; but I have been assured, that when experience has enabled us to give a little more perfection to it, a large sum, perhaps 150,000l. a year may be produced by it: the half-pay estimate must diminish every day, and diminish the estimates of the current service; and in like manner the falling in of exchequer annuities, will yield a considerable yearly increase to the sinking fund: the expence of Chelsea

* Any one that will take the pains to examine the supplies of the last year will see that this sum is not mentioned at random, but that it is the full amount of the permanent establishment of the army and navy, even including the heavy estimates of *Chelsea* hospital and half-pay, together with the *Foundling Hospital*, *African* forts, and other estimates that are like to continue exclusive only of the occasional and incidental matters that are elsewhere considered, and of the deficiencies of funds, which the author of the Budget has deducted as I have from the funds themselves. And this I think cannot be deemed an unfair way of estimating what may be called an *ordinary peace* establishment.

hospital,

hospital, for the same reason, is a decreasing expence, never very great, but at the close of a war; and that of the *Foundling Hospital* will probably be greatly lessened the year after next, and be saved within two or three years afterwards; I might, therefore, without danger of being mistaken, compute the peace establishment, for future years, much below 2,900,000l.

In the mean time, the land and malt will produce net about	—	—	£. 2,450,000
The Sinking Fund nearly clear	—	—	1,600,000
			<hr/>
			4,050,000
Deduct an ordinary peace establishment			2,900,000
			<hr/>
			£. 1,150,000

This is of itself probably more than sufficient to pay the remainder of the German demands; and in four or five years, to discharge the whole unfunded debt*.

If an occasional subsidy, or a fleet of observation, or a variety of incidental matters, that must occur in the most peaceable times, should postpone the payment of any part of this outstanding debt, which is (exclusive of old arrears of pay, and the six months of navy bills, not come into course of payment) about 4,000,000l. and not 6,000,000l. it may be six, or it may be seven years, before the unfunded debt is cleared. I would not be understood to say such contingencies any more than the *Indian* war, are comprised in the sum of 2,900,000l. but it is to be considered that with an establishment of

* It is a material consideration for those who have so confidently reported that we are never to expect 3 per cents. at par again, that this sum of 1,150,000l. is not only greatly beyond what was applicable out of the sinking funds in the years 1749, 50, and 51, for the payment of the national debt, but is nearly equal to the gross sinking fund itself in those years; and yet 3 per cent. annuities were at par a little more or less throughout those years, notwithstanding the load of unsubscribed annuities to be provided for.

16,000 seamen, with our militia, and less attachment to the continent than we have heretofore unhappily had, these incidental matters are less likely to occur; and when they do, perhaps the alarm may cost us little; and if they do not, the unfunded debt is to be discharged sooner.

And here I might conclude my subject, as I think I have shewn that national credit stands on a much better foundation, and that the prospect of the public creditors is much more promising than has been represented by our author; who has exerted a great deal of ability and ingenuity, to lessen the one, and to alarm the others; but as public credit is certainly the better or the worse, for the reputation of the persons intrusted with the administration of public affairs, I cannot but congratulate the stockholders on the forced confession of our author, that the present administration is acceptable to the landed gentry of the kingdom*; he cannot conceal the spleen and concern this circumstance gives him, and they extort this confession from him, though it contains the fullest justification of those he takes so much pains to traduce. There may have been, and I believe have been, ministers in every country that have been able and honest, and have yet been unpopular among the proprietors of land; but I think the author can hardly point out an instance in any age, or any country, where the opinion of the proprietors of land was corrupted in favour of a weak or wicked ministry: for my own part, I shall always think that when power is placed in the hands approved by a majority of landed men of this, or any other country, it stands upon its right basis, and neither can, nor ought to be shaken;

* That neither the administration nor the peace are unacceptable to the trading part of mankind, I may infer from the memorable address on that occasion, signed by the greatest number of opulent merchants and traders that ever signified their approbation of any public measure,

the

the landed man ought to be, and generally is, by his education, most able to judge on the subject, and has no other bias than the good of his country, which his strongest interests prompt him to uphold, and when power is supported by property, the subjects have the only security the nature of government will admit of, for its due exercise, and the only security to be relied on. When power is separated from property, the constitution becomes corrupted, and every day approaches that dissolution, which events may procrastinate, but cannot long prevent.

When the question upon General Warrants was discussed in the House of Commons, General Conway divided against the minister (Mr. Grenville) upon it. This was in February 1764. In April 1764 (on the last day of the session) he was dismissed from his civil and military employments. This extraordinary dismissal gave rise to the two following pamphlets.

AN ADDRESS TO THE PUBLIC,
ON THE LATE DISMISSION OF A GENERAL OFFICER.

BY WILLIAM GUTHRIE, ESQ.

Equidem ego sic existimo omnes cruciatus minores quam facinora illorum esse, sed plerique mortales postrema meminere, & in hominibus impiis sceleris eorum obliti, de poenâ differunt.
SALLUST.

GENTLEMEN,

THE contents of this address were drawn up solely for your use, as soon therefore as they were finished I had no doubt with myself to whom they should be inscribed. I did not find myself disposed to write to any member of parliament, or any noble lord in retirement; nor would I adopt the hackneyed guise of a friend in town communicating his thoughts

to a gentleman in the country. Were one to judge from the inaccuracy indeed of some of these compositions, one should be tempted to conclude that they were designed for the private view of some partial friend; and, as such, corresponding well enough with the titles they assume, rather than for the strict consideration of the discerning public. I shall not pretend to any greater degree of correctness than any of my cotemporaries: I was willing only at my first outset, to give them as it were a pledge of my frankness and ingenuity, avowing openly, that I meant to submit my thoughts to their consideration; and therefore addressing myself to them directly.

The dismissal of a general officer from the service, is a transaction, I do not mean to call it, not cognizable at the tribunal of the public, but rather in itself of a private nature, affecting chiefly an individual, and reaching the *generality* very remotely, if at all, in any of its consequences. An unfashionable tenet I am well aware in these latitudinarian times, where every man with his self-given authority, readily pronounces his willing judgment, upon all matters indiscriminately, which he is scarce so patient to hear as he is eager to condemn. In the modish language of the day, this is styled our liberty; whereas, in truth, it is only the cloak of our maliciousness, and so widely are we mistaken, that an intemperance which ought deservedly to be reckoned the reproach even of a civilized people, is absurdly extolled as the peculiar glory of our land. The dismissal of a general officer, whether rightly or not, has however engaged somewhat of the public attention. Attempts have been made too, to render it the object of popular clamour; and though our memories would not suffer it to be called unprecedented, yet every other inflaming epithet has been laboriously given it, and insinuations lavishly thrown out, that this was only the beginning
of