PROPOSALS to GOVERNMENT,

For establishing a

System of Regulations,

RELATIVE TO THE

CORN TRADE,

&c. &c. &c.

PRICE TWO SHILLINGS.

4

PROPOSALS to GOVERNMENT,

FOR ESTABLISHING THAT

System of Regulations,

Most favorable to the keeping

THE PRICE OF CORN

At what it ought to bear;

FROM THE QUANTITY OF CORN GROWN ANNUALLY BEING ACCURATELY ASCERTAINED.

FOR THE BEST MODE OF

Giving such Assistance to the Cultivators

OF THE

WASTE LANDS,

As shall be safest to the Country, & most advantageous to them.

WITH

REFLECTIONS

On the Advantages and Disadvantages of

COUNTRY BANKS,

ALSO ON THE

MODE & EXPEDIENCY

OF

Bringing Gold into Circulation in this Country,

EQUALLY IN BULLION AS COIN.

"But once let us convince the People of the necessity of submitting for the common good, and take with them a fellowship in their sufferings, and we shall soon be possessed of their compliance in whatever Law we propose for such a purpose." MR. ADDINGTON'S SPEECH.

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1801.

PROPOSALS

TO

Government, for establishing Regulations

IN THE

CORN TRADE,

&c. &c.

THE means by which that proportion of physical happiness, which every class of society under the Government of this Country has a right to possess, as the equivalent for their honest industry, are become so difficult for that useful and valuable class the labourer to obtain, that it is the duty of every man to point out to Government those means which he thinks the most probable to alleviate the present, and prevent a similar misfortune in future. To effect that purpose, the following propositions are submitted to the Public.

By those, to whom it will appear an incontrovertible truth, that the surest, and least oppressive mode, of keeping grain, or any other merchandize, at the fair price which it ought to bear, without putting improper restrictions on the buyer or seller, is, by regulations and permanent laws, giving to each party the means, of an equal knowledge of the existing quantity of the commodity they are dealing in, these regulations cannot be considered but as wise. By the closet theorist, bewildered by Mr. Smith's book, stating that all trades should be equally free, even that comprising the subsistence of the people, the author will be charged with illiberality and a narrow mind: but the fact will, he fears, turn out, that a book so celebrated, and so full of instruction, as that certainly is, has yet done much mischief, and serves to prove, that to err is the characteristic of human nature.

Whether the plan now suggested deserves approbation, or contempt, will be decided by the remaining sheets.

The

The following are the regulations which the author proposes; to which is subjoined, an attempt to do away some objections already thrown out against this system.

That it shall be enacted by Parliament, that the growers of grain, and buyers of unthreshed grain, shall, on days suitable to the climate of the different parts of the united realm; that is to say, when, according to all probability, their harvests shall be finished; announce to Officers, to be named for that purpose, the quantity which they possess; and to enable the Officers to ascertain it, they shall be obliged to form their stacks of wheat, of dimensions, to be fixed by Law; and that those dimensions shall be larger than the dimensions of the stacks of other grain, for the purpose of better shewing the quantity of wheat grown. The sizes of the stacks of each other sort of grain, to be also fixed by Law. No wheat to be stacked in barns, as, even in Scotland,

 wheat

wheat stacked in the open air does not damage. The Corn-holder to have liberty to put all other sorts of grain in barns, or other buildings; but those buildings to be subject to the measurement of the proper Officer, for the purpose of ascertaining the number of square feet they may contain; and that the Officer named for that purpose, shall, as soon as possible, publish, in one or two of that County Papers, and from them shall be published in the Gazette, the number of square feet of each kind of grain grown in that district;—a heavy penalty to be affixed, or on oath administered, to enforce the true disclosure of the whole crop

Be it also enacted, that every possessor of unthreshed grain shall, by penalty to be inflicted for not so doing, be obliged to enter in a book, to be kept for that purpose, the grain he shall sell, with the purchaser's name; and that the said book be at all times open to the Officer appointed to measure the stacks, with power in the Bench of Justices, on the Officer's

Officer's representation of suspicion of fraud, or wilful neglect in making the proper entries, to examine the buyer and seller on oath, and, on proof of failure, to inflict some penalty; also, that the Officer shall, at every three, six, and nine months from the day the stacks were first measured, examine the book of sale, and remaining square feet, of the different kinds of grain, and publish the result of that examination as soon as possible, in the two County Papers, and from them it shall be transferred into the Gazette. Unwise as it is in every Country to multiply oaths, yet where it is allowed by Government, for the purpose of increasing the revenue, it surely may be done, especially when in an attempt to add to the happiness of the poor.

The first objection that will probably be made to these regulations is, the additional trouble they will throw on the great Farmers and Corn-dealers. The answer which I shall bring to that objection, will be, an extract from the present Chancellor

cellor of the Exchequer's speech, when Speaker of the House of Commons, in a Committee sitting on the means for the best relief of the poor. His words were,—"But once let us convince the people of "the necessity of submitting for the com-"mon good, and take with them a fellow-"ship in their sufferings, and we shall soon "be possessed of their compliance in "whatever law we propose for such a "purpose."

Certain it is, that no class of traders in any State, where the greater degree of happiness of that Country is to be the result, have any right to complain of additional labour in the management of their trade, when they can fully compensate themselves in the price of the commodity. To those who shall object, that the quantity of any commodity at market being known, will prevent the holder of that commodity from making a just and reasonable profit, I answer, that where a contest of price exists between two parties; the

the one party wealthy, having the absolute necessaries of life to sell; the other party absolutely without the necessaries of life, consequently obliged to purchase them; in that contest, which party will be the soonest compelled to comply with the demands of the other, it is needless for me to say.

The great advantage arising from this system of regulation would be, that by a comparison of the harvests of a few years, that question so long agitated, and so necessary to be known, for the better regulation of the Corn laws,—what is the total produce, and what that of what is deemed a good, a bad, and an indifferent year; likewise, what is the season most favourable to the crops of these Kingdoms, would be most clearly ascertained; for be the population and consumption what it may, the number of square feet of each kind of grain grown would shew the produce of the year; and the consumption of each three months being ascertained, would shew the

 better

better or worse yielding of the crop of that year; the real produce of the land being known, and compared with the rent paid for it, would enable the proprietor, perhaps, residing far distant, to find out the real value of his land,—a point much to be desired, as common Justice calls for a more proportionate division of the profits on land between the proprietor and renter; also, in all human probability, as the nearer is the rent to the true value of the land, the greater produce will the cultivator be obliged to raise on the land, and the greater advantage will, by that increase of produce, be brought to the Country in general.

It has been said in the House of Commons, that it was impracticable to ascertain the quantity of Corn grown in this Country, and unjust, and inquisitorial, to oblige the holder to declare on oath the quantity he possessed.

The writer of these sheets is at a loss for words strong enough to express his surprise

surprise at a declaration, that it was impracticable to ascertain the quantity of Corn grown annually in this Country, and that it was unjust and inquisitorial to call for a declaration on oath of the quantity possessed by any one.

Can it be unjust, and inquisitorial, for any class of the community to be put under those regulations that other classes do trade under, and have done from the first establishment of the Excise Laws? Men trade for profit. Perhaps as many and as great fortunes have been, and are daily raised from the trades under the Excise Laws, as by any other branches of trade carried on in this Country. The fortunes raised prove that those laws do not clog nor impede their trade, while the numbers daily entering into it, prove that men do not think Excise regulations any oppression, or that trades subject to those laws are more troublesome, or less reputable to carry on than others. Nor did that great financier, the late Chancellor of the Exchequer,

Exchequer, think the putting any branch of trade under the Excise Laws oppressive; for, in answer to a remark made in a debate in Parliament on one of his internal regulations, that it tended to the extension of the Excise Laws, his answer was,—"He "took that opportunity of declaring, that "whenever the revenue could be bettered "by an extension of those laws, and that "extension did not infringe on the legal "rights of the community, he should never "scruple to extend them."—In proof of the wisdom of that declaration, Sir John Child (page 5) has attributed the very flourishing state of the Dutch to the height of their Excise, which, he says, is certainly the most equal and indifferent tax in the world, and least prejudicial to any people, as might be made appear, were it the subject of this discourse.

Can there be a more urgent call, and a principle less deserving the name of oppression, than by an adoption of regulations, of a nature somewhat similar to the Excise,

Excise, to enable the poorer class of society to buy their food at a cheaper rate? Is it more inquisitorial, to oblige the holder of that which is absolutely necessary for the existence of his fellow-creature, to declare on oath his stock, than for the increase of the revenue, to oblige every trader on oath to declare his profits, and every individual his income? Under what appearance of justice, where the greater cheapness of food shall be at stake, has the holder of Corn a right to be exempt from those regulations to which the traders under the Excise Laws, for the purpose of augmenting the revenue, are subject? A healthy population is the source of revenue; and in every well-governed Country, with the Government the price of the food of the people must be one, if not the very first, consideration; the price of which must always be governed by the Commercial Laws and internal Regulations of the State. On that subject so important to the happiness of any Country, what trades shall be free, and what subject to restrictions, the error, which,

which, in the present day, mankind have fallen into, has arisen from want of discrimination in that most able writer, Mr. A. Smith, the author most attended to on Commercial regulations: his want of discrimination has been, from supposing that every trade ought to be perfectly free, and that even the food of man is an article as proper for a free trade as any other. The axiom most proper to regulate the trade of a Country is, that in every article in which the buyer is as free as the seller, in that, therefore, the trade should be perfectly free; but in that article which he cannot exist without, viz. food, he is not as free as the seller; that trade, therefore, should be subject to wise and permanent regulations, and none can be found so just, and free from oppression, as those which only give to the buyer, and seller, an equal and precise knowledge, of the existing quantity of the article they are dealing in, but leave both parties perfectly free agents.

The

The answer to the declaration, that it was impracticable to ascertain the quantity of the different sorts of grain grown in the United Kingdoms, is short and clear; for Corn is a commodity too bulky to be concealed, and stacks of Corn are as capable of measurement as any other article subject to the Excise regulations. The quantity of grain grown may then be ascertained; and if an oath is as binding on a farmer, and the breach of it as open to punishment as in any other member of the community, the quantity of grain grown may be fully and fairly laid open to Government, and the dealers in grain.

At the present moment, that question, Whether or not the quantity of grain grown in the United Kingdoms could be ascertained? appears to the writer positively decided in the affirmative; for if Government actually send persons into the Maritime Counties, to find out so precisely the quantity of existing grain, as to found the

the remuneration, on it, if it should be destroyed by the enemy, it is clear, that those measures used over the whole Kingdom, would sufficiently shew the whole quantity grown to Government, and the dealers in that article, as to prevent the public from paying a price for their food beyond what, from the existing quantity, they really ought to do.

To those who may say, that as, by the most accurate calculations, an equal surface of land, and of equal goodness in soil, under the plough, gives more towards the food of man and beast than under grass, and that the farmer, having both cultures within his reach, should he find one culture under painful regulations, while the other is free, will chuse the latter; and that the quantity of land under the plough, in this case, would then diminish, and that in pasture increase, more flesh meat would consequently then be raised, and less Corn,---I answer as follows:---

Navigation

Navigation and Commerce having made the world to be but as one market, and England, on an average, paying a greater price to her farmer for his Corn than other Countries by which she is surrounded, her Bread Corn need never be scarce or dear, but in a moment of general scarcity. It is remarked by writers on the prices of food, that in most Countries, in their peaceable state, meat generally bears double the price of bread; the natural deduction from those relative prices is, that one pound of meat is equal in nourishment to two pounds of bread; more flesh being raised, and the deficiency, if any, in the produce of Corn, supplied by an importation, at a cheaper rate than if grown at home, must furnish a greater mass of food, than if the same quantity of land remained under the plough: an increase of land put in grass, while we have neighbours that grow Corn cheaper than we do, money or manufactures to obtain it by purchase or barter, and ports to receive it, must absolutely ever tend to cheapen the food of the people.

people. In answer to the argument, that the purchase of Corn will drain the Country of its specie, if the fact be as the author believes there is no doubt it is, that the population is unequal to the full wants of the Country, for her Commerce and Husbandry; it follows, of course, that the trade in which each man is employed, should be that which gives the greatest proportion of improved value to the raw material. Corn is capable of little improved value; metals, cotton, &c. of much.

From the best information the author has been able to obtain, iron and wool, when exported, have acquired, by manufacture, seven or eight times their original value. The augmentation of the value in cotton is much greater; but he never could obtain any data proper to fix the ratio of increase. The goods which one pair of hands will manufacture, will bring more money into the Country than a man would send out, did he buy all the Corn he consumes. We see the exports, in 1799, amounted

amounted to 50 millions; we are told that 2,500,000 persons are the furnishers of that export; so that the work of each person is in value about 20*l.* per head. Suppose, as is also said, that each man consumes annually a quarter of wheat, worth 8*l.* did he buy the whole, 12*l.* is still the balance in favor of the Country buying Corn and selling Manufactures.

Ask the true Irish Patriot, who has the flourishing state of his Country at heart, whether he would wish to see that Country sell Linen, and buy Provisions, or buy Linen, and sell Provisions? Such is the real interest of this Country. The small States of Geneva and Holland are strong examples of the truth of this system; the soil of those Countries produced less towards the food of the people than any known Countries, and yet wealth was more general, and provisions as cheap, and as steady in price, as in other Countries; in Holland Bread most remarkably so.

 Whatever

Whatever discontent the regulation for obliging the farmers to declare their crops may occasion among the growers, (about 300,000, more or less) the comfort it would bring to 11,700,000 (more or less) consumers, from eating their bread cheaper, renders the discontent amongst the 300,000 no objection to passing this regulation.

It may here be observed, that the plausible maxim, that this Country should produce all the Corn she consumes, not to depend on other Countries for subsistence, sound as that maxim may appear, is void of truth, or good sense; for there is but one situation a Country could be in, to make that maxim wise, viz.---Did there exist a Country, without machinery to help the labour of man, so that his only resource was bodily labour; and still should that Country have a superiority in manufacture, *and also grow Corn cheaper, than in her rival Countries*,---in that case, and in that only, she should, what is called, depend on no other Country for her Corn.

But

But while Navigation exists, and money will buy Corn, that system is the wisest which brings the most money into the Country, since that Country which has money will ever have Corn; and if the exports exceed her imports, will never want the means of feeding her manufacturers, and of carrying on other trades. But should a new trade, to augment the food of that Country, be thought necessary, wisdom dictates the providing a capital, advantageous to the borrower, safe in every respect to the State, and equal to the carrying on that new trade.

It is held out by the Board of Agriculture, that this Country contains 2,600,000 acres of land capable of improvement, and a Bill is brought into Parliament, for the purpose of facilitating the culture of that land; but strange to tell, to that Bill is not annexed any pecuniary assistance whatever to facilitate that culture; although under circumstances that make the omission most wonderful, being at a

moment

moment when every man complains of the quantity of paper circulated by the Country Bankers, and fears from it, some shock to the credit of the Country.

Having named that class of traders, the author finds himself necessitated to enter largely into their situation in the Commerce of the Country.

The mode in which trade is carried on between different Nations, renders it absolutely necessary for that Country, whose trade increases, to form a medium suitable to the purpose of enabling the workman to execute his new orders.

Suppose his capital equal only to a trade of 10,000*l.* annually, the credit he gives to be twelve months, his profits 10 per cent. or 1000*l.* annually, the increase of his orders to be 2000*l.* annually, and that increase to continue for six years, his want of new capital would be 12,000*l.* but the total profits on his new trade being 1200*l.* would

would reduce his actual want of new capital to 10,800*l.* only. Let us suppose the whole trade of the Country (as it assuredly is) to be represented by the preceding case, that Country will, in six years, then, have gained 1200*l.* but will call for a new medium of 10,800*l.* to continue her increase of trade. The paper absolutely necessary for this purpose, will be more obvious than the real profits that have accrued to the Country, and an outcry will be made on its striking increase, though the 1200*l.* new capital could never have been obtained without the new-created paper; for no maxim is more true, than that it is impossible for any Country to extend her trade, except by a proportionate extension of that substitute, which her people agree to pass in their dealings together, in lieu of the precious metals.

From the preceding circumstance, and the distance at which the labours of this Country are carried on from the Capital and the Bank of England, arose that class

 of

of traders, called Country Bankers. The same help which they have given to the Manufacturers, they have also given to the Farmers, and by that assistance, having increased the quantity of the produce of the land brought to market, they, by so doing, have kept down in some degree the price of provisions, consequently have been of use, and are still a very necessary link in the chain of Commerce in this Country, but capable, like all great engines, of producing the greatest mischief.

There yet exists one other most powerful reason, for not restraining, by any precise regulations, the Country Banks, in the issuing their paper. Money, or its representative, like every other article, will bear a price in proportion to the quantity at market; every Country, as Sir John Child has shewn, having flourished, more or less, in proportion as the rate of interest was higher or lower in the State. The Government of this Country most certainly, though not possible to be done these eight

eight or ten years, from the excessive trade we will possess, will reduce the legal interest from five to four per cent. To effect that with less inconvenience to trade, the Country Bank paper will be a most powerful assistant. The present great trade will continue for two causes:—every trader keeps a stock on hand but in proportion to the security in the country he resides in. Europe having been in a disturbed state, traders have on hand very short stocks; that deficiency to their usual stock must then be added to the natural annual consumption of our customers. Secondly, the greatest part of the manufactures of this country being made by machinery, to erect which great capital is wanted; possessing also the trade, skill, industry, and capital we do, most difficult will it be for rival Countries to force from us any trade we now possess; and the more so, as a workman, by the help of machinery, and that division of labour, adopted in the manufactories of this Country, will earn considerably more daily, or weekly, than the difference in the

 expence

expence of living, in this Country, is to that of living in any other part of Europe; coal being here plentiful, while in France, wood for firing is both scarce and dear; England also possessing the soil the most productive of the two Countries. For in that most voluminous dispute between Mr. Necker and a Society in France, called the *Œconomists*, about the year 1776, relative to what were the wisest regulations for the Corn trade of that Country, there was but one point in which both parties agreed, viz. That the average produce of the Grain sown there was six for one; while our writers, the most credited, set the average produce of England at ten for one.

Wealth permitting men to follow their speculative opinions, another consideration on migration presents itself.—France having, by publications and conduct, spread through Europe the wildest ideas of liberty, but formed for herself a Government, whose power is vested more in the hands of one Magistrate, consequently

quently more resembling to absolute Monarchy than is England, from the proportion of power there confided to the King: the two Governments being so formed, it seems certain, those who may migrate from the Government they now live under, in search of one of a more Republican form, will go to England, and not to France.

Having proved, by the preceding statement, the very little probability there is of our manufacturers migrating, the following statement will equally prove that, though a migration of non-productive hands should happen, it would, in the present moment, be no prejudice to this Country. Suppose a family of six persons, consisting of a father, mother, and four children, living here on their income, without employ, to migrate from England to France, in hopes of living more cheaply, what would be the effect—on that Country they quit, and on that they go to? That they leave, being deficient in population, for

for the purpose of drawing the greatest advantage from its soil and manufactories.

While residing in England, they would at least consume treble the food that the same number of persons in a manufacturer's family would do, consequently take from the stock of food what would maintain eighteen of the labouring class, whose labour, as has been shewn, (page 17) at 20*l.* each, would produce 360*l.* in goods exported, and in the proportion of eighteen consumers to six, raise the price of provisions. But be the produce of the manufacturers more or less, this position will ever be true.

While the exports of a Country increase, the furnisher of that export is a more valuable member of that State than the consumer of the produce of the land only.

If the father sells his land at the usual price land bore, the Country, as to the

the price of land, is as it was previous to his migration. If land falls, and he sells his land at a lower price, improvements will increase, more food will be raised, and consequently be cheaper; but in the Country he goes to, he will only raise the price of food, without adding to its wealth. The preference the Americans give to our manufactures over those of France, prove they are better suited to man, while in his progress to ease and affluence. The family migrated from œconomy to France is, as to its expences, in the situation of the American, that is to say,—the less his subsistence costs him, the more he will have to expend in cloathing, and that will be in the manufactures of this Country. Our exports to France prove that, even in that Country, our manufactures are in great demand. The argument brought against this position will be, that the migrated family will be obliged to consume the manufactures of the Country they are gone to: the contrary is the fact, for necessity obliges them to use the cheapest. Their means

means of obtaining them shall now be enquired into.

The great facility with which the neighbouring nations will carry on a contraband trade with France, arises from two circumstances,---its local situation, and the character of that nation in the present moment.

The situation the most favorable to smuggling is where a Country has a river for a frontier: with the extent of the Rhine they have for frontier, and other nations working cheaper than they do, it will be impossible for France to re-establish her manufactures.

That channel which the Banks of the Rhine will be for contraband into France, the shores of the Mediterranean will be to the Italian States: for while our manufactures, from superior excellence, pay for the introducing by contraband, and we have Malta and Naples as deposits, no human

human power can hinder their introduction, by the Maltese speranaro and common feluccas; and that deposit that Nice was, before joined to France, for goods to be run into France, Genoa, or some other free port, will be, equally, till France takes possession of the Pais de Vaud, (which she most certainly will do). Geneva and the Lake, (bounded on one side by a Country without custom-houses, on the other by Savoy) are to her manufactures what are the Rhine and shores of the Mediterranean---a channel for contraband they cannot stop. Give but superiority to a manufacture, it will always find its way to consumers.

No regulations seem so great an infringement of what is now called liberty, as those necessary to protect home manufactures. The French newly possessing what they stile liberty, will not easily submit to those regulations absolutely necessary to re-establish their manufactures: the turn natural to a disbanded soldier, is sooner to become

become a smuggler, than husbandman or manufacturer. Under the old Government, such was the contraband trade in France, that the cloths made at Verviere, in the Low Countries, (a manufacture of about 10*s.* a yard) voluminous as is such an article, were smuggled to an excessive extent into Franche Comptè. The goods smuggled across the river at Pont Bonvoisin, that parted Savoy and France, was excessive, and probably one great reason for their uniting Savoy to France. For when Savoy formed a part of the King of Sardinia's Country, the civil and military establishment exceeded the revenues by 40,000*l.* annually. Savoy possessed but one manufacture, that of gauzes, of all sorts; the very lowest-priced woollens, used in winter, by the common people, were manufactured at Grenoble. The King of Sardinia established a manufacture of them at Chambery, but it did not succeed.

What were called transit duties, through Piedmont, were allowed to be paid

paid on all goods from Nice and Genoa, both free ports; these duties amounted to the very smallest sums; and those goods passing unopened, formed the contraband at Pont Bonvoisin.

Having touched upon the manufactures of France, the trade they are supposed to excel in,---the manufacture of silks, shall have some light thrown upon it. At the commencement of this war, Italy furnished itself with a very large proportion of her own consumption in common plain silks. Of the fancy goods, made from a mixture of silks and other articles, Saxony and Lower Germany furnished nearly 7-8ths of the goods sold at the fairs of Europe. The great fancy manufactures of Lyons were carried on more by Swiss and German capitals than French. Messrs. Gontard, of Frankfort, one or two very great houses at Mayentz, some rich and powerful Swiss houses, were the real furnishers of the capital employed in that trade. Recent events in France will induce those capitalists to bring the workmen

workmen more into their own neighbourhood. Though England and France have been the great and leading rivals in the war, yet in manufactures that will not be the case; England and Germany will be the first manufacturing Countries, and France be but the third, and that at a prodigious distance. France never yet furnished, at Frankfort or Leipzig fairs, cotton goods within 10 per cent. of Manchester.

The late Bill, which facilitates the culture of land yet waste, but making no provision of means to do it, will have the following effect:---It is stated, that 2,600,000 acres is the quantity capable of being put under culture, and 8*l.* per acre the least sum necessary to do it.---20,800,000*l.* is then the new fund wanted. A medium equal to that sum must be raised, or the land remain in its present state, and the Bill be useless; for, as it has already been said, no trade can be increased, but by a proportionate increase of medium, the same principle that created

ated Country Bankers, viz. their neighbourhood to those in want, added to that most powerful agent to them, that the paper they issue costs nothing but the stamp, and brings 5*l.* per cent. will inevitably, unless Government gives some assistance, cause the whole advance to be in Country Bank paper. The evils already experienced by rash issues of Country Bank paper, prove the probability of the event again happening: should it, the Government must heal the wound. Had they not better, then, prevent the evil? The question for Government to decide upon is,---'Will the paper credit of this Country stand on the firmest basis, under such a probable load of Country Bank paper; or on a sum lent by Government, under commissioners, sworn not to be interested in the engagements on which they advance the money appropriated, by Government, for the purpose of expediting the culture of the waste lands?'

The merchants of this Country, in a critical moment, received a large assistance, and every farthing of advance was repaid:—the proprietors of land in the West-Indies have, on their estates, had great and liberal assistance. Is not land here, though waste, as good a security as West-India property?—Is not the food of this Country as great an object for the assistance of Government, as any that can exist? Under the Income Tax, and the present expences of a family, what class of men, least of all perhaps the country gentlemen, (the largest proprietors of the waste lands,) have a spare capital, to engage in a new trade? But the farmer having skill, to him the proprietor will apply, and the Country Banker advance paper: but where he issues what costs him little, also knowing, from experience, Government must not, nay dare not, let him sink, will that discretion then be used, as was by the Commissioners, when the whole loan to the merchants was repaid, with 5000*l.* profit?

Having

Having shewn, that to render the Bill passed to encourage the culture of the waste lands effective, there exists an absolute necessity of raising a sum of twenty millions, a sum exceeding by eight the Bank paper in circulation at any period, it is unnecessary to dwell on the danger to the credit of this Country from such an issue of Country Bank paper; and it becomes necessary to enquire, if the Country does not possess some means more safe than the foregoing, to furnish the means to render effective this Bill.

On the use and abuse of Paper currency in a State, from the want of a sufficient quantity of the precious metals, and the greater facility there is in carrying on trade, by substituting paper for money, the following effects will invariably follow:—All Paper that is not issued for a period, equal to the bringing waste land into a productive state, tends more to the help of the speculative trader than the cultivator, therefore rather increases the price of pro-

visions

visions than the quantity. But such is the assistance that paper, at short periods, has, and does give, that the suppression of it might be of the most dangerous consequence to the trade and agriculture of the Country.

If the fact is, that paper currency is so interwoven with the trade of this Country, that it cannot safely be suppressed, the wisest mode is, that it shall be employed to the greatest advantage of the State: for, as true as is the assertion, that paper issued for short periods tends to raise the price of every thing, equally true is it, that paper issued for the necessary term, and express purpose of putting waste land under culture, must tend to lower the price of provisions, by increasing their quantity.

It is, therefore, recommended to Government, at the meeting of Parliament, to borrow five millions of money; that sum to be lent to such persons in the several

several Counties as can offer sufficient security for the same, in the following manner:—Commissioners to be appointed in each County, composed of those persons whom the Government shall think likely to be best acquainted with the faculties of the borrowers, and the value of the effects to be given as a security for the payment of the interest, and repayment of the capital. These gentlemen to be sworn not to be interested with those to whom they advance the money. Bonds, bearing 5 per cent. for sums, not less than 25*l.* and up to 250*l.* transferable by endorsement, to be given by the borrowers. Government to advance the first year's interest.

The interest due the following years, to be called for by those appointed to receive the poor's-rates, with power of distraining as for the poor's-rates. The second year's interest to be repaid by the borrowers with a first instalment of the capital, at the expiration of three years; and the total repayment to be settled, in periods as shall be

 judged

judged wisest by Government, in case of failure by the borrower in the payments of the money advanced; the State to have the powers only of a first mortgagee, but no extent or other preference in favour of Government to exist: and that it be recommended to the Commissioners, to obtain information, to be laid before Parliament, what farther sums will be wanted, and for what term the money should be lent, so as to be most advantageous to the borrower, and the State.

The only objection that can be made to this plan, seems to be, that the money laid out in the purchase of these bonds, would diminish the sums that would otherwise be invested in the funds, and they in consequence would bear a lower price. That the stocks should bear a high price, has ceased to be that unequalled advantage which it used to be considered, previous to the establishment of the fund for the reduction of the national debt, by buying up, by Commissioners, the public funds.

funds. Previous to that, there was one national object only, viz. as in proportion to the price a foreigner paid for his stock, was the proportion of the money he sent into the country, to that which he drew out for interest, the more he paid for his stock the better for the country; but now a new object is annexed to the price of the funds,—The lower they are, the quicker the whole debt is diminished.

The want of capital, and the dangerous state the paper credit of this Country may be reduced to, being equally ascertained, should the Government not interfere, by providing part of the medium wanted for the culture of the waste lands, proves the Country to be in such a situation, that no resource within the power of Government should be suffered to lie dormant, more particularly that of bringing into circulation the precious metals, equally in bullion as coin.

It is not given to man to form any system free from inconvenience; all he can do is, to form that most likely to answer best, at the moment, the intent of its formation: such was the coining bullion into money. But the real value of bullion changing, no human means can keep it in the form to which Government has given it an ideal value; therefore, that piece of gold called a Guinea, and passing for 21 shillings, when the bullion contained in its worth more than 21 shillings, will be melted, and return to bullion; but, improvidently, when so returned, bullion having no currency here, it is of no use, but to pay a foreign debt; and, as a medium of internal trade, is perfectly useless.

In the researches made by the author on the use of the precious metals in the early times, he finds the most ancient testimonies to be the following:—"Abraham, when he had bought the field of Ephron, for the burial of Sarah, for which it

it is not said that he *paid*, but *weighed* forty sheckels of silver, approved among merchants, which denoteth the fineness. And it is said, that the sons of Jacob brought back their silver, in the same weight, that they carried into Egypt. And Tobit lent unto Gabael the weight of ten talents; by which it is manifest they did not count their monies in pieces, as they did in succeeding ages, or by imaginary or abstracted sums, as we do. It were tedious to search the proofs of antiquity in this kind; but it is manifest that almost all the names of monies, both among the Hebrews and Greeks, were not properly the names of any *species* of money, but of several sorts of *weight;* as of sicle, mina, talent, and drachma. So likewise the original monies, both of the Romans, the Francks, and of the Monarchy of England, were then as to the livre, the pound, and the mark; and amongst the Romans, the ancient receivers were not called *numeratores*, [numberers] but *libri-pendes*, [weighers]: the names of monies being originally only the proportions

tions of weight, and the mark serving only for a proof of the pureness of the metal: there did succeed a form of money, wherein the impression did not only signify the fineness but the weight also. This, among the Romans, was called *moneta*, from whence our name of money is derived, *(à monendo)*. It is attributed to Servius Tullius to have been the first in Rome who stamped with an impression copper as money."—This relation is taken from Rice Vaughan's Treatise on Coin, printed in 1675, and is brought merely to prove the possibility of bullion being used as a currency.

That the precious metals, in a Country wanting medium to carry on an increasing trade, should be suffered in any shape to remain inactive, seems both improvident and impolitic. Men, in the early stages of commerce, felt only the want of coin, but they did not foresee, that by a progressive and more enlarged state of commerce, that the price of gold would so vary, as to make coining, which was at first a convenience,

a convenience, so change its effects, as to become a very great inconvenience, that of rendering gold of little use but in coin; nor have they put in use the best remedy for that evil. It is probable, the chief and leading reason of that error was, that men finding the great use of coin, they looked to the augmentation of that only, but without seeing the impossibility of their ever attaining their end, by the price of gold falling. The want of judgment in the rulers of those Countries who, by waiting for a fall in the price of gold, to make a new coinage, do not wisely form regulations in the bullion trade advantageous to the States they govern, by their improvident delays, fall precisely into the predicament of the simple peasant, so elegantly described by Horace:—

Rusticus expectat, dum defluat amnis; at ille,
Labitur et labetur in omne volubilis ævum.

The Clown suspensive stands until the stream run dry,
Yet flowing, it rolls on to all Eternity.

For

For the coin of a Country can only be augmented, without a heavy charge to the Government, when gold, in its state of bullion, is somewhat of less value than when in coin. The impossibility of the diminution of the price of gold is clear, from the following cause:—The extension of population, manufactures, and commerce, throughout the world, must absolutely tend to the increased want of that metal, and that increase of demand will be still more sensibly felt when wars prevent the arrival in Europe of the usual quantity produced by the mines; set by most authors at about six millions yearly: and from the variations of price consequent from any diminution of import, it is impossible for any Country to prevent her coin from being melted. All that any Government can do is, to give to gold an equal currency, as well in bullion as coin: for that purpose, it is recommended, that an Office shall be established at the Bank, where all bullion presented shall be assayed, and marked with its weight and fineness; to be deposited in that Office, and,

and, to prevent adulteration, not to be withdrawn but on proper security being given, that it was for exportation or coinage; and while remaining there, it shall be deemed a legal tender for foreign Bills of Exchange and Stock. That a Broker, to be sworn for that purpose, shall, every day, at one o'clock, put in the most public part of that Office the price of bullion of that day. Also, that the Directors of the Bank shall permit the merchants to keep with them a bullion account, with power of transfer to other accounts, of the whole or part, so that bullion may become to the Exchanges and Commerce of this Country what Bank Money was at Amsterdam. At Amsterdam, the merchant, who dealt in the Exchange business, placed in the bank a sum of money, which he could not withdraw, but had a power of transfer and sale; with this deposit, he bought his Bills of Exchange: the price it bore was in proportion, as Bank Money was wanted to carry on the Exchange business: the difference in price was what was called the *agio*,

agio, or difference in value, from post-day to post-day, of the money invested in that Bank,—a word probably derived from the French *agiotage*, a term used to express the dealing in Exchanges or Stocks.

The propriety of this measure will appear from the following chain of reasoning:—

Under the present regulations, gold in bullion sent here is in the following predicament: Unless bullion is at a price to allow of the Government coining new money, it is of no use but to manufacture, or to pay a foreign debt, and that only: if cheaper than Bills of Exchange, bullion then never can remain here; because, as no merchant can afford to let his capital lay idle, that part in bullion here must be in that predicament, unless he borrows upon it; but that he borrows will be in paper, consequently increases the paper in circulation, and brings on him a charge in proportion to the sum and term for which he borrows on the bullion. These

These two effects are directly contrary to the real prosperity of the Country; for the less sum in circulation in paper the safer will be the credit of the Country; and the less the charges are on the bullion, the more consequently will be sent here. Every species of merchandize will, at all times, be sent in the largest quantity to that Country where it finds the quickest sale, and under the smallest charges.

No Country can furnish a quicker or safer sale, than that produced by a merchandize being, from the moment of its arrival, as legal a tender in barter, as is the coin of that Country: into that situation bullion might be put in this. Gold is as yet, in no Country, in constant demand, but for one purpose, viz. ornament; and in every country, while retaining its form of bullion, is a dead capital: for the commercial countries of Europe having coined their money when gold was so much lower in price than at present, renders it, at its present price, useless in those Countries for

for the purpose of a new coinage. But if made here a legal tender for foreign bills and stocks, perhaps even as a general tender, it might not be unwise: but in so great an innovation much caution should be used, and that very good Italian proverb,

" Che va piano, va sano,"

" Slow and sure;"---but more elegantly expressed by Shakespeare, in the *Friar's* remark to *Romeo*,---" They that run too fast do often stumble;"

—should be closely attended to. Gold here might then be so employed as to give interest from the moment of its arrival; and till other nations of Europe adopted the same regulations, all bullion on its extraction from the mines would be sent here, as the cheapest place of deposit; and for this plain reason,---Traders always wish to have an opportunity of keeping their goods for the best market, and that on the cheapest terms. Now, as in this Country, bullion would give interest *by* keeping, and in others cost interest *for* keeping,

keeping, it might consequently be kept here for a market, more favorably to the holder, than in any other Country. This, therefore, would probably be the deposit of all the bullion in Europe: and as this system of putting the precious metals in a deposit requires the greatest confidence in the Government of the Country, years must elapse before France, or any of those Countries absolutely depending upon her, will be able to put the bullion trade of those Countries, with any success, on this footing:---possibly, not in our time.

It may appear, on the first view, that giving a nominal value to the current coin of a Country, above the real value of the precious metals contained in it, would be a remedy for the inconveniencies the coin of most Countries now labours under, from the rise in the present price of gold, to what it was when they coined; but the falsehood of that idea is easily proved.

Two positions in this discussion must constantly be attended to.---The first, that though a Country can make any coin current, they can never fix on it a permanent value; and for this plain reason,---it is made from gold and silver, which vary from day to day in their own value.---The second, that all barter between Countries, either in Commerce or Exchanges, is in proportion to the quantity of the precious metals contained in the coins the several Countries use in their barter, and not to the nominal value the Government of each Country has set on them.

We will now state the effect of giving a nominal value above the real to the gold coin of this Country.---We will suppose a guinea to be current here for 21*s.* though containing 10*s.* 6*d.* in gold only; the foreigner will then buy or make the guinea according to its real value, but pay it to the manufacturers at a value of 50 per cent. more than the real value. The

The Country would then lose 50 per cent. on her whole export; or, to preserve the debt really due to the Country, the manufacturer must raise his goods 50 per cent. What a confusion and evil would not then follow! The same foreigner buying into the Stocks, would be paid his interest in a coin, 50 per cent. above its real value; but as he would only be able to buy a Bill of Exchange in proportion to its real value, his 3*l.* interest would then only produce him 1*l.* 10*s.*; the three per cents. in foreign Countries would then fall in that proportion, or 50 per cent.

In the debasing of coin, be it 50, 5, or 1 per cent. the same modification of effect ever has followed in all Nations that have tried it, and, as long as men can cypher, ever will. In confirmation of this opinion, I shall quote Sir Josiah Child's preface, page 15:---" Portugal raised her money three times: at first, the price of 8 reals went for 400 rees, then for 480, nay, 520. We yet sold our commodities to them

them for as much silver as ever: for a hat that was usually sold to them for 4 pieces of 8, when each was worth 400 rees, making 1600, when the pieces of 8 were raised to 80, the same sort of hat was sold for 2000; *the merchant always selling by the intrinsic value, not the nominal.*"

That question so much agitated, Whether a small population, masters of the sea, wealthy, and manufacturers, could support their Country against a population more than double, with a most extensive Empire on the Continent,---decided in the affirmative, as it now happily is, by the Peace,---cannot but tranquillize every Englishman on the future state of his Country.

Whether a great Empire, exhausted in her finance, by the diminution of her manufactures, (the great source of the wealth and happiness of all Countries, and so very difficult to recover where once lost, from the present system in which they are conducted) will add to its present strength

strength and future permanency, by an extension of territory, whose people, most of them were scarcely ever taxed,---is not for the author to decide.---The fate of Europe, in the last ten years, must have taught every one how little future events are within the reach of human knowledge.

To that very important enquiry, natural to be made on a peace, Whether migrations will probably happen, from and to what Country?---already in some measure answered,---the author repeats, Should discontent arise from the different forms of Government, given since the present war, to many of the States of Europe, to that they before lived under, so as to occasion migrations, whether they would be to England, who faithfully paid the creditors of the State, or their agents, their interest without deduction when due; or to France, who, from every 100*l.* of interest due to her creditors deducted 66*l.* 13*s.* 4*d.* and whose manufactures are inferior in quality to those of England and Germany,

Germany, it is not difficult to decide:—for, be the migration that of the manufacturing class—as it is always for present employ they migrate—at this period, the different state of the manufactures in England and France shew they would here find the more constant employ, with the better pay. Be it of the wealthier class, the more settled state of this Government and Country, added to the good faith shewn to the public creditors during the war, will as certainly bring to this Country the wealthy discontented man as the poor and dissatisfied manufacturer.

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ERRATUM.—For "Sir *John* Child," wherever it may occur, READ "Sir *Josiah* Child."

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