

of the pockets of the people, more than a taxes. They seem to do this in all the ways in which it is possible to do it.

First, the levying of such taxes, even in the most judicious manner, requires of custom-house and excise-officers, whose perquisites are a real tax upon the people, nothing into the treasury of the state. However, it must be acknowledged, is not in Great Britain than in most other countries, which ended on the 5th of July 1775, of the different duties, under the management of the commissioners of excise in England, amounting to £5,507,308 : 18 : 8½, which was levied of little more than five and a half per cent. upon the gross produce, however, there must be paid away in bounties and drawbacks upon the exportation of exciseable goods, which will reduce the produce below five millions.* The levy of duty, and excise duty, but under a different system, is much more expensive. The neat revenue of Great Britain does not amount to two millions : it is levied at an expense of more than ten per cent. upon the salaries of officers and other incidentals of custom-house officers are more than double or triple those salaries. If the salaries and other incidents, therefore, amount to ten per cent. upon the neat revenue of Great Britain, the whole expense of levying that revenue, including salaries and perquisites together, to more than thirty per cent. The officers of excise are less corrupted than that of the customs, and of time has introduced and authorised charging upon malt the whole revenue sent levied by the different duties upon liquors, a saving, it is supposed, of more

* The neat produce of that year, after deducting allowances, amounted to £4,975,652 : 19 : 6.

expense of the excise. By a few sorts of goods, according to the excise laws, probably be made in the

on some occasion some obstruction to the branches of industry. The consumption, and consequently the quantity of domestic industry, comes to be employed in this manner the same kind which are made to gain some advantage in the quantity of domestic industry toward preparing them. In a foreign commodity in one particular branch, industry in almost every Birmingham manufacturer buys what he necessarily sells that which, or, what comes to the same, of which he buys it. That becomes of less value to him to work at it. The country pay for the surplus which they necessarily sell that with which, or, what becomes the price of which they have less encouragement to reduce the quantity of commodities taxed, if they are preparing those with which they are foreign commodities. more or less, the natural and turn it into a channel generally less advantageous, and run of its own accord.

afterwards of fourteen per cent. upon the value of whether moveable or immoveable property.

every time the property is sold, a tax requires a multitude of witnesses to guard the transportation of the province to another, but subjects, not only the dealers in those in all sorts, every merchant and shopkeeper, and examination of the greater part of a country is established, nothing can be produced of every part of the produce of every part of the country, require a multitude of revenue to the consumption of the alcavala, accordingly, the of the manufactures of Spain to it, likewise, the declaration posed not only upon the produce of the land.

In the kingdom of Naples, three per cent. upon the value of the property, subsequently upon that of all the lighter than the Spanish towns and parishes are allowed lieu of it. They levy this as they please, generally in a proportion to the interior commerce tax, therefore, is not near so

The uniform system of exceptions of no great consequence, different parts of the kingdom leaves the interior commerce and coasting trade, almost perfectly free, goods may be carried from the other, without requiring out being subject to the revenue officers. they are such as can give

the inland commerce of the country. twice, indeed, require certificates or you except coals, however, the rest are This freedom of interior commerce, uniformity of the system of taxation, is principal causes of the prosperity of every great country being necessarily the extensive market for the greater part of its own industry. If the same freedom of the same uniformity, could be and the plantations, both the grand and the prosperity of every part of the country, probably be still greater than at present. different revenue laws which take place in the provinces, require a multitude of revenue not only the frontiers of the kingdom, almost each particular province, in the importation of certain goods, the payment of certain duties, to the provinces are allowed to compound for tax; others are exempted from it almost all provinces are exempted from the exclusive which the farmers-general enjoy part of the kingdom. The aides, the excise in England, are very different provinces. Some provinces are exempted and pay a composition or equivalent. they take place, and are in farm, there are which do not extend beyond a particular district. The *traites*, which correspond to the kingdom into three great parts; subject to the tariff of 1664, which includes the five great farms, and under the interior provinces of the kingdom; subject to the tariff of 1667, the provinces reckoned foreign, and comprehended the greater part of the kingdom, and, thirdly, those provinces which are considered as foreign, or which, because they are commerce with foreign countries, are,

afterwards of fourteen per cent. and is at present of only six per cent. upon the sale of every sort of property, whether moveable or immoveable ; and it is repeated every time the property is sold.* The levying of this tax requires a multitude of revenue officers, sufficient to guard the transportation of goods, not only from one province to another, but from one shop to another. It subjects, not only the dealers in some sorts of goods, but those in all sorts, every farmer, every manufacturer, every merchant and shopkeeper, to the continual visits and examination of the tax-gatherers. Through the greater part of a country in which a tax of this kind is established, nothing can be produced for distant sale. The produce of every part of the country must be proportioned to the consumption of the neighbourhood. It is to the alcavala, accordingly, that Ustaritz imputes the ruin of the manufactures of Spain. He might have imputed to it, likewise, the declension of agriculture, it being imposed not only upon manufactures, but upon the rude produce of the land.

In the kingdom of Naples, there is a similar tax of three per cent. upon the value of all contracts, and consequently upon that of all contracts of sale. It is both lighter than the Spanish tax, and the greater part of towns and parishes are allowed to pay a composition in lieu of it. They levy this composition in what manner they please, generally in a way that gives no interruption to the interior commerce of that place. The Neapolitan tax, therefore, is not near so ruinous as the Spanish one.

The uniform system of taxation, which, with a few exceptions of no great consequence, takes place in all the different parts of the united kingdom of Great Britain, leaves the interior commerce of the country, the inland and coasting trade, almost entirely free. The inland trade is almost perfectly free ; and the greater part of goods may be carried from one end of the kingdom to the other, without requiring any permit or let pass, without being subject to question, visit, or examination, from the revenue officers. There are a few exceptions, but they are such as can give no interruption to any impor-

* *Memoires concernant les Droits, &c. tom i. p. 455.*

tant branch of the inland commerce of the country. Goods carried coastwise, indeed, require certificates or coast cockets. If you except coals, however, the rest are almost all duty free. This freedom of interior commerce, the effect of the uniformity of the system of taxation, is perhaps one of the principal causes of the prosperity of Great Britain ; every great country being necessarily the best and most extensive market for the greater part of the productions of its own industry. If the same freedom, in consequence of the same uniformity, could be extended to Ireland and the plantations, both the grandeur of the state, and the prosperity of every part of the empire, would probably be still greater than at present.

In France, the different revenue laws which take place in the different provinces, require a multitude of revenue officers to surround, not only the frontiers of the kingdom, but those of almost each particular province, in order either to prevent the importation of certain goods, or to subject it to the payment of certain duties, to the no small interruption of the interior commerce of the country. Some provinces are allowed to compound for the gabelle, or salt tax ; others are exempted from it altogether. Some provinces are exempted from the exclusive sale of tobacco, which the farmers-general enjoy through the greater part of the kingdom. The aides, which correspond to the excise in England, are very different in different provinces. Some provinces are exempted from them, and pay a composition or equivalent. In those in which they take place, and are in farm, there are many local duties which do not extend beyond a particular town or district. The *traites*, which correspond to our customs, divide the kingdom into three great parts ; first, the provinces subject to the tariff of 1664, which are called the provinces of the five great farms, and under which are comprehended Picardy, Normandy, and the greater part of the interior provinces of the kingdom ; secondly, the provinces subject to the tariff of 1667, which are called the provinces reckoned foreign, and under which are comprehended the greater part of the frontier provinces ; and, thirdly, those provinces which are said to be treated as foreign, or which, because they are allowed a free commerce with foreign countries, are,

afterwards of fourteen per cent. and is at present of six per cent. upon the sale of every sort of property, whether moveable or immoveable; and it is every time the property is sold.* The levying tax requires a multitude of revenue officers, to guard the transportation of goods, not only from one province to another, but from one shop to another subjects, not only the dealers in some sorts of goods, but those in all sorts, every farmer, every merchant and shopkeeper, to the constant inspection and examination of the tax-gatherers. In a greater part of a country in which a tax of this kind is established, nothing can be produced for export, and the produce of every part of the country must be consumed to the consumption of the neighbourhood. In the alcavala, accordingly, that Ustaritz in the manufactures of Spain. He might have said to it, likewise, the declension of agriculture is not only upon manufactures, but upon the produce of the land.

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The uniform system of taxation, which admits of no great consequence, taken in different parts of the united kingdom of Great Britain, leaves the interior commerce of the country and coasting trade, almost entirely free. The trade is almost perfectly free; and the goods may be carried from one end of the country to the other, without requiring any permit, and without being subject to question, visit, or examination by the revenue officers. There are a few exceptions, but they are such as can give no interruption to the commerce.

* Memoires concernant les Droits, &c. t. 1. p. 10.

the revenue of the crown is derived from eight different sources; the taille, the capitation, the two vingtiemes, the gabelles, the aides, the traites, the domaine, and the farm of tobacco. The five last are, in the greater part of the provinces, under farm. The three first are everywhere levied by an administration, under the immediate inspection and direction of government; and it is universally acknowledged that in proportion to what they take out of the pockets of the people, they bring more into the treasury of the prince than the other five, of which the administration is much more wasteful and expensive.

The finances of France seem, in their present state, to admit of three very obvious reformations. First, by abolishing the taille and the capitation, and by increasing the number of vingtiemes, so as to produce an additional revenue equal to the amount of those other taxes, the revenue of the crown might be preserved; the expense of collection might be much diminished; the vexation of the inferior ranks of people, which the taille and capitation occasion, might be entirely prevented; and the superior ranks might not be more burdened than the greater part of them are at present. The vingtieme, I have already observed, is a tax very nearly of the same kind with what is called the land tax of England. The

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CHAPTER III.

Public Debts.

the society which precedes the extension of manufactures, and the improvement of manufactures, which commerce and manufactures produce, are altogether unnecessary. I have said in the third book of this Inquiry, that the improvement of manufactures, which commerce and manufactures produce, are altogether unnecessary. I have said in the third book of this Inquiry, that the improvement of manufactures, which commerce and manufactures produce, are altogether unnecessary. I have said in the third book of this Inquiry, that the improvement of manufactures, which commerce and manufactures produce, are altogether unnecessary.

dency, has, in spite of its great frugality, been involved in such expensive wars as have obliged it to contract great debts. The singular countries of Holland and Zealand, besides, require a considerable expense even to preserve their existence, or to prevent their being swallowed up by the sea, which must have contributed to increase considerably the load of taxes in those two provinces. The republican form of government seems to be the principal support of the present grandeur of Holland. The owners of great capitals, the great mercantile families, have generally either some direct share, or some indirect influence, in the administration of that government. For the sake of the respect and authority which they derive from this situation, they are willing to live in a country where their capital, if they employ it themselves, will bring them less profit, and if they lend it to another, less interest; and where the very moderate revenue which they can draw from it will purchase less of the necessities and conveniences of life than in any other part of Europe. The residence of such wealthy people necessarily keeps alive, in spite of all disadvantages, a certain degree of industry in the country. Any public calamity which should destroy the republican form of government, which should throw the whole administration into the hands of nobles and of soldiers, which should annihilate altogether the importance of those wealthy merchants, would soon render it disagreeable to them to live in a country where they were no longer likely to be much respected. They would remove both their residence and their capital to some other country, and the industry and commerce of Holland would soon follow the capitals which supported them.

CHAPTER III.

Of Public Debts.

IN that rude state of society which precedes the extension of commerce and the improvement of manufactures, when those expensive luxuries, which commerce and manufactures can alone introduce, are altogether unknown ; the person who possesses a large revenue, I have endeavoured to show in the third book of this Inquiry, can spend or enjoy that revenue in no other way than by maintaining nearly as many people as it can maintain. A large revenue may at all times be said to consist in the command of a large quantity of the necessaries of life. In that rude state of things, it is commonly paid in a large quantity of those necessaries, in the materials of plain food and coarse clothing, in corn and cattle, in wool and raw hides. When neither commerce nor manufactures furnish any thing for which the owner can exchange the greater part of those materials which are over and above his own consumption, he can do nothing with the surplus, but feed and clothe nearly as many people as it will feed and clothe. A hospitality in which there is no luxury, and a liberality in which there is no ostentation, occasion, in this situation of things, the principal expenses of the rich and the great. But these I have likewise endeavoured to show, in the same book, are expenses by which people are not very apt to ruin themselves. There is not, perhaps, any selfish pleasure so frivolous, of which the pursuit has not sometimes ruined even sensible men. A passion for cock-fighting has ruined many. But the instances, I believe, are not very numerous, of people who have been ruined by a hospitality or liberality of this kind ; though the hospitality of luxury, and the liberality of ostentation, have ruined many. Among our feudal ancestors, the long time during which estates used to continue in the same family, sufficiently demonstrates the general disposition of people to live within their income. Though the rustic hospitality, constantly exercised by the great landholders,

dency, has, in spite of its great frugality, be
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 The owners of great capitals, the great m
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 indirect influence, in the administration
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 another, less interest; and where the
 revenue which they can draw from it w
 of the necessities and conveniences of
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Chap. III. THE TARTARS
and, can be employed in such a manner to
his tenants, and hospitality to his suitors, that
and hospitality very seldom lead to avarice and
vanity almost always does. All the suitors
of Europe, accordingly, it has already been said, in
treasures. Every Tartar chief, in the present day,
said to have one.

Europe, and
treasures. Every
said to have one.

In a commercial country, abounding with every
of expensive luxury, the sovereign, in the same manner
as almost all the great proprietors in his dominions,
naturally spends a great part of his revenue in purchas-
ing those luxuries. His own and the neighbouring coun-
tries supply him abundantly with all the costly trinkets
which compose the splendid, but insignificant pageantry
of a court. For the sake of an inferior pageantry of the
same kind, his nobles dismiss their retainers, make their
tenants independent, and become gradually themselves
as insignificant as the greater part of the wealthy burg-
ers in his dominions. The same frivolous passions which
influence their conduct influence him. How can it be
supposed that he should be the only rich man in his do-
minions who is insensible to pleasures of this kind? If
he does not, what he is very likely to do, spend upon
those pleasures so great a part of his revenue as to debili-
tate very much the defensive power of the state, it can-
not well be expected that he should not spend upon them
all that part of it which is over and above what is neces-
sary for supporting that defensive power. His ordinary
expense becomes equal to his ordinary revenue, and it is
well if he does not frequently exceed it. The amassing
of treasure can no longer be expected; and when extra-
ordinary exigencies require extraordinary expenses, he
must necessarily call upon his subjects for an extraordi-
nary aid. The present and the late king of Prussia are
the only great princes of Europe who, since the death of
Henry IV. of France, in 1610, are supposed to have
amassed any considerable treasure. The parsimony which
leads to accumulation has become almost as rare in re-
publican as in monarchical governments. The Italian
republics, the United Provinces of the Netherlands, are
all in debt. The canton of Berne is the single republic
in Europe which has amassed any considerable treasure.

...s were still further prolonged, as
to the first of August 1712, and
general mortgage or fund. The
£983,254 : 11 : 9½.

all (except the old subsidy which one moiety only was a duty upon the importation) had been taken off by the Act continued, as a fund for 1714, and were called *the sum borrow-*

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In Great Britain, the annual land and malt taxes are regularly anticipated every year, by virtue of a borrowing clause constantly inserted into the acts which impose them. The bank of England generally advances at an interest, which, since the revolution, has varied from eight to three per cent. the sums for which those taxes are granted, and receives payment as their produce gradually comes in. If there is a deficiency, which there always is, it is provided for in the supplies of the ensuing year. The only considerable branch of the public revenue which yet remains unmortgaged, is thus regularly spent before it comes in. Like an improvident spendthrift, whose pressing occasions will not allow him to wait for the regular payment of his revenue, the state is in the constant practice of borrowing of its own factors and agents, and of paying interest for the use of its own money.

In the reign of King William, and during a great part of that of Queen Anne, before we had become so familiar as we are now with the practice of perpetual funding, the greater part of the new taxes were imposed but for a short period of time (for four, five, six, or seven years only), and a great part of the grants of every year consisted in loans upon anticipations of the produce of those taxes. The produce being frequently insufficient for paying, within the limited term, the principal and interest of the money borrowed, deficiencies arose; to make good which, it became necessary to prolong the term.

In 1697, by the 8th of William III. c. 20, the deficiencies of several taxes were charged upon what was then called the first general mortgage or fund, consisting of a prolongation to the first of August 1706, of several different taxes, which would have expired within a shorter term, and of which the produce was accumulated into one general fund. The deficiencies charged upon this prolonged term amounted to £5,160,459, 14s. 9½d.

In 1701, those duties, with some others, were still further prolonged, for the like purposes, till the first of August 1710, and were called the second general mortgage or fund. The deficiencies charged upon it amounted to £2,055,999 : 7 : 11½.

In 1707, those duties were still further prolonged, as a fund for new loans, to the first of August 1712, and were called the third general mortgage or fund. The sum borrowed upon it was £983,254 : 11 : 9 $\frac{1}{4}$.

In 1708, those duties were all (except the old subsidy of tonnage and poundage, of which one moiety only was made a part of this fund, and a duty upon the importation of Scotch linen, which had been taken off by the articles of union) still further continued, as a fund for new loans, to the first of August 1714, and were called the fourth general mortgage or fund. The sum borrowed upon it was £925,176 : 9 : 2 $\frac{1}{4}$.

In 1709, those duties were all (except the old subsidy of tonnage and poundage, which was now left out of this fund altogether) still further continued, for the same purpose, to the first of August 1716, and were called the fifth general mortgage or fund. The sum borrowed upon it was £922,029, 6s.

In 1710, those duties were again prolonged to the 1st of August 1720, and were called the sixth general mortgage or fund. The sum borrowed upon it was £1,296,552 : 9 : 11 $\frac{3}{4}$.

In 1711, the same duties (which at this time were thus subject to four different anticipations), together with several others, were continued for ever, and made a fund for paying the interest of the capital of the South Sea company, which had that year advanced to government, for paying debts, and making good deficiencies, the sum of £9,177,967 : 15 : 4, the greatest loan which at that time had ever been made.

Before this period, the principal, so far as I have been able to observe, the only taxes which, in order to pay the interest of a debt, had been imposed for perpetuity, were those for paying the interest of the money which had been advanced to government by the bank and East India company, and of what it was expected would be advanced, but which was never advanced, by a projected land bank. The bank fund at this time amounted to £3,375,027 : 17 : 10 $\frac{1}{2}$, for which was paid an annuity or interest of £206,501 : 13 : 5. The East India fund amounted to £3,200,000, for which was paid an annuity or interest of £160,000 ; the bank fund being at six per cent. ; the East India fund at five per cent. interest.

In 1715, by the first of George I. c. 12, the different taxes which had been mortgaged for paying the bank annuity, together with several others, which by this act were likewise rendered perpetual, were accumulated into one common fund, called the aggregate fund, which was charged not only with the payments of the bank annuity, but with several other annuities and burdens of different kinds. This fund was afterwards augmented by the third of George I. c. 8, and by the fifth of George I. c. 3, and the different duties which were then added to it were likewise rendered perpetual.

In 1717, by the third of George I. c. 7, several other taxes were rendered perpetual, and accumulated into another common fund, called the general fund, for the payment of certain annuities, amounting, in the whole, to £723,849 : 6 : 10½.

In consequence of those different acts, the greater part of the taxes, which before had been anticipated only for a short term of years, were rendered perpetual, as a fund for paying, not the capital, but the interest only, of the money which had been borrowed upon them by different successive anticipations.

Had money never been raised but by anticipation, the course of a few years would have liberated the public revenue, without any other attention of government besides that of not overloading the fund, by charging it with more debt than it could pay within the limited term, and of not anticipating a second time before the expiration of the first anticipation. But the greater part of European governments have been incapable of those attentions. They have frequently overloaded the fund, even upon the first anticipation; and when this happened not to be the case, they have generally taken care to overload it, by anticipating a second and a third time before the expiration of the first anticipation. The fund becoming in this manner altogether insufficient for paying both principal and interest of the money borrowed upon it, it became necessary to charge it with the interest only, or a perpetual annuity equal to the interest; and such improvident anticipations necessarily gave birth to the more ruinous practice of perpetual funding. But though this practice necessarily puts off the liberation of the public revenue from a fixed period, to one so indefinite that it

is not very likely ever to arrive; yet, as a greater sum can, in all cases, be raised by this new practice than by the old one of anticipation, the former, when men have once become familiar with it, has, in the great exigencies of the state, been universally preferred to the latter. To relieve the present exigency, is always the object which principally interests those immediately concerned in the administration of public affairs. The future liberation of the public revenue they leave to the care of posterity.

During the reign of Queen Anne, the market rate of interest had fallen from six to five per cent.; and, in the twelfth year of her reign, five per cent. was declared to be the highest rate which could lawfully be taken for money borrowed upon private security. Soon after the greater part of the temporary taxes of Great Britain had been rendered perpetual, and distributed into the aggregate, South Sea, and general funds, the creditors of the public, like those of private persons, were induced to accept of five per cent. for the interest of their money, which occasioned a saving of one per cent. upon the capital of the greater part of the debts which had been thus funded for perpetuity, or of one-sixth of the greater part of the annuities which were paid out of the three great funds above mentioned. This saving left a considerable surplus in the produce of the different taxes which had been accumulated into those funds, over and above what was necessary for paying the annuities which were now charged upon them, and laid the foundation of what has since been called the sinking fund. In 1717, it amounted to £323,434 : 7 : 7½. In 1727, the interest of the greater part of the public debts was still further reduced to four per cent.; and, in 1753 and 1757, to three and a half and three per cent. which reductions still further augmented the sinking fund.

A sinking fund, though instituted for the payment of old, facilitates very much the contracting of new debts. It is a subsidiary fund, always at hand, to be mortgaged in aid of any other doubtful fund, upon which money is proposed to be raised in any exigency of the state. Whether the sinking fund of Great Britain has been more frequently applied to the one or to the other of those two purposes, will sufficiently appear by and by.

Besides those two methods of borrowing, by anticipations and by perpetual funding, there are two other methods, which hold a sort of middle place between them; these are, that of borrowing upon annuities for terms of years, and that of borrowing upon annuities for lives.

During the reigns of King William and Queen Anne, large sums were frequently borrowed upon annuities for terms of years, which were sometimes longer and sometimes shorter. In 1693, an act was passed for borrowing one million upon an annuity of fourteen per cent. or of £140,000 a year, for sixteen years. In 1691, an act was passed for borrowing a million upon annuities for lives, upon terms which, in the present times, would appear very advantageous; but the subscription was not filled up. In the following year, the deficiency was made good, by borrowing upon annuities for lives, at fourteen per cent. or at little more than seven years purchase. In 1695, the persons who had purchased those annuities were allowed to exchange them for others of ninety-six years, upon paying into the exchequer sixty-three pounds in the hundred; that is, the difference between fourteen per cent. for life, and fourteen per cent. for ninety-six years, was sold for sixty-three pounds, or for four and a half years' purchase. Such was the supposed instability of government, that even these terms procured few purchasers. In the reign of Queen Anne, money was, upon different occasions, borrowed both upon annuities for lives, and upon annuities for terms of thirty-two, of eighty-nine, of ninety-eight, and of ninety-nine years. In 1719, the proprietors of the annuities for thirty-two years were induced to accept, in lieu of them, South Sea stock to the amount of eleven and a half years' purchase of the annuities, together with an additional quantity of stock, equal to the arrears which happened then to be due upon them. In 1720, the greater part of the other annuities for terms of years, both long and short, were subscribed into the same fund. The long annuities, at that time, amounted to £666,821 : 8 : 3½ a year. On the 5th of January 1775, the remainder of them, or what was not subscribed at that time, amounted only to £136,453 12s. 8d.

During the two wars which began in 1739 and in 1755, little money was borrowed, either upon annuities for terms of years, or upon those for lives. An annuity for ninety-eight or ninety-nine years, however, is worth nearly as much money as a perpetuity, and should therefore, one might think, be a fund for borrowing nearly as much. But those who, in order to make family settlements, and to provide for remote futurity, buy into the public stocks, would not care to purchase into one of which the value was continually diminishing; and such people make a very considerable proportion, both of the proprietors and purchasers of stock. An annuity for a long term of years, therefore, though its intrinsic value may be very nearly the same with that of a perpetual annuity, will not find nearly the same number of purchasers. The subscribers to a new loan, who mean generally to sell their subscription as soon as possible, prefer greatly a perpetual annuity, redeemable by parliament, to an irredeemable annuity, for a long term of years, of only equal amount. The value of the former may be supposed always the same, or very nearly the same; and it makes, therefore, a more convenient transferable stock than the latter.

During the two last mentioned wars, annuities, either for terms of years or for lives, were seldom granted, but as premiums to the subscribers to a new loan, over and above the redeemable annuity or interest, upon the credit of which the loan was supposed to be made. They were granted, not as the proper fund upon which the money was borrowed, but as an additional encouragement to the lender.

Annuities for lives have occasionally been granted in two different ways; either upon separate lives, or upon lots of lives, which in French are called Tontines, from the name of their inventor. When annuities are granted upon separate lives, the death of every individual annuitant disburdens the public revenue, so far as it was affected by his annuity. When annuities are granted upon tontines, the liberation of the public revenue does not commence till the death of all the annuitants comprehended in one lot, which may sometimes consist of twenty or thirty persons, of whom the survivors succeed to the annuities of all those who die before them;

equal, to their ordinary revenue, when war comes, they are both unwilling and unable to increase their revenue in proportion to the increase of their expense. They are unwilling, for fear of offending the people, who, by so great and so sudden an increase of taxes, would soon be disgusted with the war: and they are unable, from not well knowing what taxes would be sufficient to produce the revenue wanted. The facility of borrowing delivers them from the embarrassment which this fear and inability would otherwise occasion. By means of borrowing, they are enabled, with a very moderate increase of taxes, to raise, from year to year, money sufficient for carrying on the war; and by the practice of perpetual funding, they are enabled, with the smallest possible increase of taxes, to raise annually the largest possible sum of money. In great empires, the people who live in the capital, and in the provinces remote from the scene of action, feel, many of them, scarce any inconveniency from the war, but enjoy, at their ease, the amusement of reading in the newspapers the exploits of their own fleets and armies. To them this amusement compensates the small difference between the taxes which they pay on account of the war, and those which they had been accustomed to pay in time of peace. They are commonly dissatisfied with the return of peace, which puts an end to their amusement, and to a thousand visionary hopes of conquest and national glory, from a longer continuance of the war.

The return of peace, indeed, seldom relieves them from the greater part of the taxes imposed during the war. These are mortgaged for the interest of the debt contracted, in order to carry it on. If, over and above paying the interest of this debt, and defraying the ordinary expense of government, the old revenue, together with the new taxes, produce some surplus revenue, it may perhaps be converted into a sinking fund for paying off the debt. But, in the first place, this sinking fund, even supposing it should be applied to no other purpose, is generally altogether inadequate for paying, in the course of any period, during which it can reasonably be expected that peace should continue, the whole debt contracted during the war; and, in the second place, this fund is almost always applied to other purposes.

The new taxes were imposed for the sole purpose of paying the interest of the money borrowed upon them. If they produce more, it is generally something which was neither intended nor expected, and is therefore seldom very considerable. Sinking funds have generally arisen, not so much from any surplus of the taxes which was over and above what was necessary for paying the interest or annuity originally charged upon them, as from a subsequent reduction of that interest; that of Holland, in 1655, and that of the Ecclesiastical State in 1685, were both formed in this manner. Hence the usual insufficiency of such funds.

During the most profound peace, various events occur, which require an extraordinary expense; and government finds it always more convenient to defray this expense by misapplying the sinking fund, than by imposing a new tax. Every new tax is immediately felt more or less by the people. It occasions always some murmur, and meets with some opposition. The more taxes may have been multiplied, the higher they may have been raised upon every different subject of taxation; the more loudly the people complain of every new tax, the more difficult it becomes, too, either to find out new subjects of taxation, or to raise much higher the taxes already imposed upon the old. A momentary suspension of the payment of debt is not immediately felt by the people, and occasions neither murmur nor complaint. To borrow of the sinking fund is always an obvious and easy expedient for getting out of the present difficulty. The more the public debts may have been accumulated, the more necessary it may have become to study to reduce them; the more dangerous, the more ruinous it may be to misapply any part of the sinking fund; the less likely is the public debt to be reduced to any considerable degree, the more likely, the more certainly, is the sinking fund to be misapplied towards defraying all the extraordinary expenses which occur in time of peace. When a nation is already overburdened with taxes, nothing but the necessities of a new war, nothing but either the animosity of national vengeance, or the anxiety for national security, can induce the people to submit, with tolerable patience, to a new tax. Hence the usual misapplication of the sinking fund.

equal, to their ordinary revenue, when we are both unwilling and unable to increase in proportion to the increase of their expenses. unwilling, for fear of offending the people, great and so sudden an increase of taxes disgusted with the war: and they are well knowing what taxes would be sufficient for the revenue wanted. The facility of borrowing from the embarrassment which the necessity would otherwise occasion. By means they are enabled, with a very moderate addition to raise, from year to year, money sufficient on the war; and by the practice of borrowing they are enabled, with the smallest addition to taxes, to raise annually the largest possible sum. In great empires, the people who live in the provinces remote from the seat of government, scarce any inconvenience enjoy, at their ease, the amusement of newspapers the exploits of their own country. To them this amusement compensates the difference between the taxes which they pay in time of war, and those which they had to pay in time of peace. They are content with the return of peace, which puts an end to the war, and to a thousand visions of conquest and national glory, from a long and tedious war.

The return of peace, indeed, seldom restores the greater part of the taxes imposed during the war. These are mortgaged for the interest of the debt, in order to carry it on. If, on the return of peace, the interest of this debt, and the expense of government, the old revenue, and the new taxes, produce some surplus, perhaps be converted into a sinking fund to pay off the debt. But, in the first place, this fund, supposing it should be applied to no other use, is generally altogether inadequate for payment of any period, during which it can reach the end of the debt. And that peace should continue, the debt is contracted during the war; and, in the end, the fund is almost always applied to other

The produce of French prizes
Compensation for French prisoners
What has been received from the sale of the naval stores

£30,449 13 9
670,000 0 0
95,500 0 0
Total, £1,455,949 13 9

If we add to this sum the balance of the Earl of Chatham's and Mr. Calcraft's accounts, and other army accounts of the same kind, together with what has been received from the bank, the East India Company, and the additional selling in the pound land tax; the whole must be a good deal more than five millions. The debt, therefore, which, since the peace, has been paid out of the savings from the ordinary revenue of the state, has not, one year with another, amounted to half a million a year. The sinking fund has, no doubt, been considerably augmented since the peace, by the debt which has been paid off by the reduction of the interest from five per cent. to three per cent. and by the annuities in lives which have fallen in; and, if peace were to continue a million, perhaps, might now be annually paid out of it towards the discharge of the debt. Another million, accordingly, we paid in the course of the war; but at the same time a large sum of debt was sold to the public, and we are now in possession of a sum of one hundred millions, which is probably to be converted into a sinking fund.

other. And when, in order to raise the greater part of merchants or is, all or the greater part of the em-uls, come to be continually exposed to vexatious visits of the tax-gatherers, we will soon be changed into an industry of the country will necessitate the removal of the capital which supports trade and manufactures will agriculture.

Of those two great sources of capital stock, from the persons in a good condition of every part in the good management of capital stock, to another set of public, who have no such part of the revenue arising in long run, occasion both the or removal of capital stock. No doubt, a general interest in agriculture, manufactures, and consequently in the good management of its capital stock, is necessary to prevent any general failure or, the produce of the different parts, sufficient to pay him the due to him. But a creditor, as such, has no interest in any particular portion of land, or any particular portion of the public, he has no interest in any portion: he has no interest in its care about it. Its ruin is not to him, and cannot diminish his property. The capital stock is gradually enfeebled every where. The Italian republics seem to have lost their independent existence, Venice, the only two remaining, seem to have lost their independent existence, Spain seems to have lost its independent existence, and (its situation is more than theirs) it has, in

part of the revenue of one set of the inhabitants which is transferred to another ; and the nation is not a farthing the poorer. This apology is founded altogether in the sophistry of the mercantile system ; and, after the long examination which I have already bestowed upon that system, it may, perhaps, be unnecessary to say any thing farther about it. It supposes, besides, that the whole public debt is owing to the inhabitants of the country, which happens not to be true ; the Dutch, as well as several other foreign nations, having a very considerable share in our public funds. But though the whole debt were owing to the inhabitants of the country, it would not, upon that account, be less pernicious.

Land and capital stock are the two original sources of all revenue, both private and public. Capital stock pays the wages of productive labour, whether employed in agriculture, manufactures, or commerce. The management of those two original sources of revenue belongs to two different sets of people ; the proprietors of land, and the owners or employers of capital stock.

The proprietor of land is interested, for the sake of his own revenue, to keep his estate in as good condition as he can, by building and repairing his tenants houses, by making and maintaining the necessary drains and inclosures, and all those other expensive improvements which it properly belongs to the landlord to make and maintain. But, by different land taxes, the revenue of the landlord may be so much diminished, and, by different duties upon the necessities and conveniences of life, that diminished revenue may be rendered of so little real value, that he may find himself altogether unable to make or maintain those expensive improvements. When the landlord, however, ceases to do his part, it is altogether impossible that the tenant should continue to do his. As the distress of the landlord increases, the agriculture of the country must necessarily decline.

When, by different taxes upon the necessities and conveniences of life, the owners and employers of capital stock find, that whatever revenue they derive from it, will not, in a particular country, purchase the same quantity of those necessities and conveniences which an equal revenue would in almost any other, they will be disposed

to remove to some other. And when, in order to raise those taxes, all or the greater part of merchants or manufacturers, that is, all or the greater part of the employers of great capitals, come to be continually exposed to the mortifying and vexatious visits of the tax-gatherers, this disposition to remove will soon be changed into an actual removing. The industry of the country will necessarily fall with the removal of the capital which supported it, and the ruin of trade and manufactures will follow the declension of agriculture.

To transfer from the owners of those two great sources of revenue, land and capital stock, from the persons immediately interested in the good condition of every particular portion of land, and in the good management of every particular portion of capital stock, to another set of persons (the creditors of the public, who have no such particular interest), the greater part of the revenue arising from either, must, in the long run, occasion both the neglect of land, and the waste or removal of capital stock. A creditor of the public has, no doubt, a general interest in the prosperity of the agriculture, manufactures, and commerce of the country; and consequently in the good condition of its lands, and in the good management of its capital stock. Should there be any general failure or declension in any of these things, the produce of the different taxes might no longer be sufficient to pay him the annuity or interest which is due to him. But a creditor of the public, considered merely as such, has no interest in the good condition of any particular portion of land, or in the good management of any particular portion of capital stock. As a creditor of the public, he has no knowledge of any such particular portion: he has no inspection of it: he can have no care about it. Its ruin may be in some cases unknown to him, and cannot directly affect him.

The practice of funding has gradually enfeebled every state which has adopted it. The Italian republics seem to have begun it. Genoa and Venice, the only two remaining which can pretend to an independent existence, have both been enfeebled by it. Spain seems to have learned the practice from the Italian republics, and (its taxes being probably less judicious than theirs) it has, in

part of the revenue of one set of the inhabitants which is transferred to another ; and the nation is not a farthing the poorer. This apology is founded altogether in the sophistry of the mercantile system ; and, after the long examination which I have already bestowed upon the system, it may, perhaps, be unnecessary to say any farther about it. It supposes, besides, that the public debt is owing to the inhabitants of the country, which happens not to be true ; the Dutch, as well as several other foreign nations, having a very considerable share in our public funds. But though the debt were owing to the inhabitants of the country, it would not, upon that account, be less pernicious.

Land and capital stock are the two original sources of all revenue, both private and public. Capital pays the wages of productive labour, whether in agriculture, manufactures, or commerce. The distribution of those two original sources of revenue is made between two different sets of people; the proprietors of land, and the owners or employers of capital stock.

The proprietor of land is interested, his own revenue, to keep his estate in as he can, by building and repairing his by making and maintaining the necessary closures, and all those other expenses which it properly belongs to the land maintain. But, by different land taxes the landlord may be so much diminished rent duties upon the necessities and that diminished revenue may be rendered value, that he may find himself altogether or maintain those expensive improvements the landlord, however, ceases to do his impossible that the tenant should correct the distress of the landlord increase the country must necessarily decline

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ix, a more equal tax upon the alterations in the present system, which have been mentioned, might, perhaps, without increasing the greater part of the people, but of it more equally upon the augmentation of revenue. However, could scarce flat-ation of this kind would be able hopes, either of liberation, or even of making in time of peace, as the further accumulation of war.

of taxation to all the inhabited by people

either of British or European extraction, a much greater augmentation of revenue might be expected. This, however, could scarce perhaps be done, consistently with the principles of the British constitution, without admitting into the British parliament, or, if you will, into the states-general of the British empire, a fair and equal representation of all those different provinces; that of each province bearing the same proportion to the produce of its taxes, as the representation of Great Britain might bear to the produce of the taxes levied upon Great Britain. The private interest of many powerful individuals, the confirmed prejudices of great bodies of people, seem, indeed, at present, to oppose to so great a change such obstacles as it may be very difficult, perhaps altogether impossible, to surmount. Without, however, pretending to determine whether such an union be practicable or impracticable, it may not perhaps be improper, in a speculative work of this kind, to consider how far the British system of taxation might be applicable to all the different provinces of the empire; what revenue might be expected from it, if so applied; and in what manner a general union of this kind might be likely to affect the happiness and prosperity of the different provinces comprehended within it. Such a speculation can at worst be regarded but as a new Utopia, less amusing certainly, but not more useless and chimerical than the old one.

The land-tax, the stamp-duties, and the different duties of customs and excise, constitute the four principal branches of the British taxes.

Ireland is certainly as able, and our American and West Indian plantations more able, to pay a land tax than Great Britain. Where the landlord is subject neither to tithe nor poors rate, he must certainly be more able to pay such a tax, than where he is subject to both those other burdens. The tithe, where there is no modus, and where it is levied in kind, diminishes more what would otherwise be the rent of the landlord, than a land tax which really amounted to five shillings in the pound. Such a tithe will be found, in most cases, to amount to more than a fourth part of the real rent of the land, or of what remains after replacing completely the capital of the farmer, together with his reasonable profit. If all

moduses, and all impropriations, were taken away, the complete church tithe of Great Britain and Ireland could not well be estimated at less than six or seven millions. If there was no tithe, either in Great Britain or Ireland, the landlords could afford to pay six or seven millions additional land tax, without being more burdened than a very great part of them are at present. America pays no tithe, and could therefore very well afford to pay a land tax. The lands in America and the West Indies, indeed, are in general not tenanted nor leased out to farmers. They could not, therefore, be assessed according to any rent roll. But neither were the lands of Great Britain, in the 4th of William and Mary, assessed according to any rent roll, but according to a very loose and inaccurate estimation. The lands in America might be assessed, either in the same manner, or according to an equitable valuation, in consequence of an accurate survey, like that which was lately made in the Milanese, and in the dominions of Austria, Prussia, and Sardinia.

Stamp duties, it is evident, might be levied without any variation, in all countries where the forms of law, process, and the deeds by which property, both real and personal, is transferred, are the same, or nearly the same.

The extension of the custom-house laws of Great Britain to Ireland and the plantations, provided it was accompanied, as in justice it ought to be, with an extension of the freedom of trade, would be in the highest degree advantageous to both. All the invidious restraints which at present oppress the trade of Ireland, the distinction between the enumerated and non-enumerated commodities of America, would be entirely at an end. The countries north of Cape Finisterre would be as open to every part of the produce of America, as those south of that Cape are to some parts of that produce at present. The trade between all the different parts of the British empire would, in consequence of this uniformity in the custom-house laws, be as free as the coasting trade of Great Britain is at present. The British empire would thus afford, within itself, an immense internal market for every part of the produce of all its different provinces. So great an extension of market would soon compensate, both to Ireland and the plantations, all that they could suffer from the increase of the duties of customs.

The excise is the only part of the British system of taxation, which would require to be varied in any respect, according as it was applied to the different provinces of the empire. It might be applied to Ireland without any variation; the produce and consumption of that kingdom being exactly of the same nature with those of Great Britain. In its application to America and the West Indies, of which the produce and consumption are so very different from those of Great Britain, some modification might be necessary, in the same manner as in its application to the cyder and beer counties of England.

A fermented liquor, for example, which is called beer, but which, as it is made of molasses, bears very little resemblance to our beer, makes a considerable part of the common drink of the people in America. This liquor, as it can be kept only for a few days, cannot, like our beer, be prepared and stored up for sale in great breweries; but every private family must brew it for their own use, in the same manner as they cook their victuals. But to subject every private family to the odious visits and examination of the tax-gatherers, in the same manner as we subject the keepers of alehouses and the brewers for public sale, would be altogether inconsistent with liberty. If, for the sake of equality, it was thought necessary to lay a tax upon this liquor, it might be taxed by taxing the material of which it is made, either at the place of manufacture, or, if the circumstances of the trade rendered such an excise improper, by laying a duty upon its importation into the colony in which it was to be consumed. Besides the duty of one penny a gallon imposed by the British Parliament upon the importation of molasses into America, there is a provincial tax of this kind upon their importation into Massachusetts's Bay, in ships belonging to any other colony, of eight pence the hogshead; and another upon their importation from the northern colonies into South Carolina, of fivepence the gallon. Or if neither of these methods was found convenient, each family might compound for its consumption of this liquor, either according to the number of persons of which it consisted, in the same manner as private families compound for the malt tax in England; or according to the different ages and sexes of those persons, in the same manner as several different taxes are levied

in Holland ; or, nearly as Sir Matthew Decker proposes, that all taxes upon consumable commodities should be levied in England. This mode of taxation, it has already been observed, when applied to objects of a speedy consumption, is not a very convenient one. It might be adopted, however, in cases where no better could be done.

Sugar, rum, and tobacco, are commodities which are nowhere necessities of life, which are become objects of almost universal consumption, and which are therefore extremely proper subjects of taxation. If an union with the colonies were to take place, those commodities might be taxed, either before they go out of the hands of the manufacturer or grower ; or, if this mode of taxation did not suit the circumstances of those persons, they might be deposited in public warehouses, both at the place of manufacture, and at all the different ports of the empire, to which they might afterwards be transported, to remain there, under the joint custody of the owner and the revenue officer, till such time as they should be delivered out, either to the consumer, to the merchant retailer for home consumption, or to the merchant exporter ; the tax not to be advanced till such delivery. When delivered out for exportation, to go duty free, upon proper security being given, that they should really be exported out of the empire. These are, perhaps, the principal commodities, with regard to which an union with the colonies might require some considerable change in the present system of British taxation.

What might be the amount of the revenue which this system of taxation, extended to all the different provinces of the empire, might produce, it must, no doubt, be altogether impossible to ascertain with tolerable exactness. By means of this system, there is annually levied in Great Britain, upon less than eight millions of people, more than ten millions of revenue. Ireland contains more than two millions of people, and, according to the accounts laid before the Congress, the twelve associated provinces of America contain more than three. Those accounts, however, may have been exaggerated, in order, perhaps, either to encourage their own people, or to intimidate those of this country ; and we shall suppose, therefore, that our North American and West Indian

colonies, taken together, contain no more than three millions ; or that the whole British empire, in Europe and America, contains no more than thirteen millions of inhabitants. If, upon less than eight millions of inhabitants, this system of taxation raises a revenue of more than ten millions sterling ; it ought, upon thirteen millions of inhabitants, to raise a revenue of more than sixteen millions two hundred and fifty thousand pounds sterling. From this revenue, supposing that this system could produce it, must be deducted the revenue usually raised in Ireland and the plantations, for defraying the expense of their respective civil governments. The expense of the civil and military establishment of Ireland, together with the interest of the public debt, amounts, at a medium of the two years which ended March 1775, to something less than seven hundred and fifty thousand pounds a year. By a very exact account of the revenue of the principal colonies of America and the West Indies, it amounted, before the commencement of the present disturbances, to one hundred and forty-one thousand eight hundred pounds. In this account, however, the revenue of Maryland, of North Carolina, and of all our late acquisitions, both upon the continent, and in the islands, is omitted ; which may, perhaps, make a difference of thirty or forty thousand pounds. For the sake of even numbers, therefore, let us suppose that the revenue necessary for supporting the civil government of Ireland and the plantations may amount to a million. There would remain, consequently, a revenue of fifteen millions two hundred and fifty thousand pounds, to be applied towards defraying the general expense of the empire, and towards paying the public debt. But if, from the present revenue of Great Britain, a million could in peaceable times be spared towards the payment of that debt, six millions two hundred and fifty thousand pounds could very well be spared from this improved revenue. This great sinking fund, too, might be augmented every year by the interest of the debt which had been discharged the year before ; and might in this manner increase so very rapidly as to be sufficient in a few years to discharge the whole debt, and thus to restore completely the at present debilitated and languishing vigour of the empire. In the mean time, the people might be relieved

from some of the most burdensome taxes ; from those which are imposed either upon the necessities of life, or upon the materials of manufacture. The labouring poor would thus be enabled to live better, to work cheaper, and to send their goods cheaper to market. The cheapness of their goods would increase the demand for them, and consequently for the labour of those who produced them. This increase in the demand for labour would both increase the numbers, and improve the circumstances of the labouring poor. Their consumption would increase, and, together with it, the revenue arising from all those articles of their consumption upon which the taxes might be allowed to remain.

The revenue arising from this system of taxation, however, might not immediately increase in proportion to the number of people who were subjected to it. Great indulgence would for some time be due to those provinces of the empire which were thus subjected to burdens to which they had not before been accustomed ; and even when the same taxes came to be levied everywhere as exactly as possible, they would not everywhere produce a revenue proportioned to the numbers of the people. In a poor country, the consumption of the principal commodities subject to the duties of customs and excise, is very small ; and in a thinly inhabited country, the opportunities of smuggling are very great. The consumption of malt liquors among the inferior ranks of people in Scotland is very small ; and the excise upon malt, beer, and ale, produces less there than in England, in proportion to the numbers of the people and the rate of the duties, which upon malt is different, on account of a supposed difference of quality. In these particular branches of the excise, there is not, I apprehend, much more smuggling in the one country than in the other. The duties upon the distillery, and the greater part of the duties of customs, in proportion to the numbers of people in the respective countries, produce less in Scotland than in England, not only on account of the smaller consumption of the taxed commodities, but of the much greater facility of smuggling. In Ireland, the inferior ranks of people are still poorer than in Scotland, and many parts of the country are almost as thinly inhabited. In Ireland, therefore, the consumption of the

ments and plantations ; in purchasing, not dead stock, but active and productive stock. The colony governments find it for their interest to supply the people with such a quantity of paper money as is fully sufficient, and generally more than sufficient, for transacting their domestic business. Some of those governments, that of Pennsylvania particularly, derive a revenue from lending this paper money to their subjects, at an interest of so much per cent. Others, like that of Massachusetts Bay, advance, upon extraordinary emergencies, a paper money of this kind for defraying the public expense ; and afterwards, when it suits the conveniency of the colony, redeem it at the depreciated value to which it gradually falls. In 1747,* that colony paid in this manner the greater part of its public debts, with the tenth part of the money for which its bills had been granted. It suits the conveniency of the planters, to save the expense of employing gold and silver money in their domestic transactions ; and it suits the conveniency of the colony governments, to supply them with a medium which, though attended with some very considerable disadvantages, enables them to save that expense. The redundancy of paper money necessarily banishes gold and silver from the domestic transactions of the colonies, for the same reason that it has banished those metals from the greater part of the domestic transactions in Scotland ; and in both countries, it is not the poverty, but the enterprising and projecting spirit of the people, their desire of employing all the stock which they can get, as active and productive stock, which has occasioned this redundancy of paper money.

In the exterior commerce which the different colonies carry on with Great Britain, gold and silver are more or less employed, exactly in proportion as they are more or less necessary. Where those metals are not necessary, they seldom appear. Where they are necessary, they are generally found.

In the commerce between Great Britain and the tobacco colonies, the British goods are generally advanced

* See Hutchinson's History of Massachusetts Bay, vol. ii. page 436, et seq.

to the colonists at a pretty long credit, and are afterwards paid for in tobacco, rated at a certain price. It is more convenient for the colonists to pay in tobacco than in gold and silver. It would be more convenient for any merchant to pay for the goods which his correspondents had sold to him, in some other sort of goods which he might happen to deal in, than in money. Such a merchant would have no occasion to keep any part of his stock by him unemployed, and in ready money, for answering occasional demands. He could have, at all times, a larger quantity of goods in his shop or warehouse, and he could deal to a greater extent. But it seldom happens to be convenient for all the correspondents of a merchant to receive payment for the goods which they sell to him, in goods of some other kind which he happens to deal in. The British merchants who trade to Virginia and Maryland, happen to be a particular set of correspondents, to whom it is more convenient to receive payment for the goods which they sell to those colonies in tobacco, than in gold and silver. They expect to make a profit by the sale of the tobacco; they could make none by that of the gold and silver. Gold and silver, therefore, very seldom appear in the commerce between Great Britain and the tobacco colonies. Maryland and Virginia have as little occasion for those metals in their foreign, as in their domestic commerce. They are said, accordingly, to have less gold and silver money than any other colonies in America. They are reckoned, however, as thriving, and consequently as rich, as any of their neighbours.

In the northern colonies, Pennsylvania, New York, New Jersey, the four governments of New England, &c. the value of their own produce which they export to Great Britain is not equal to that of the manufactures which they import for their own use, and for that of some of the other colonies to which they are the carriers. A balance, therefore, must be paid to the mother country in gold and silver, and this balance they generally find.

In the sugar colonies, the value of the produce annually exported to Great Britain is much greater than that of all the goods imported from thence. If the sugar and rum annually sent to the mother-country were paid for

those provinces in time of war, and of supporting any part of their civil or military establishments in time of peace; and endeavour to accommodate her future views and designs to the real mediocrity of her circumstances.

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