ACC NO.-> ASOOO 778 SL 1789L

AN

INQUIRY

INTO THE

NATURE AND CAUSES

OF THE

WEALTH OF NATIONS.

BY

ADAM SMITH, LL.D.

AND F.R.S. OF LONDON AND EDINBURGH:
ONE OF THE COMMISSIONERS OF HIS MAJESTY'S CUSTOMS
IN SCOTLAND;

AND FORMERLY PROFESSOR OF MORAL PHILOSOPHY IN THE UNIVERSITY OF GLASGOW.

IN THREE VOLUMES.

VOL. III.

THE FIFTH EDITION.

LONDON:

Printed for A. STRAHAN; and T. CADELL, in the Strand.

MDCCLXXXIX.

1789



GL

AN

INQUIRY

INTO THE

NATURE AND CAUSES

OF THE

WEALTH OF NATIONS.

BY

ADAM SMITH, LL.D.

AND F.R.S. OF LONDON AND EDINBURGH:
ONE OF THE COMMISSIONERS OF HIS MAJESTY'S CUSTOMS
IN SCOTLAND;

AND FORMERLY PROFESSOR OF MORAL PHILOSOPHY
IN THE UNIVERSITY OF GLASGOW.

IN THREE VOLUMES.

VOL. III.

THE FIFTH EDITION.

LONDON:

Printed for A. STRAHAN; and T. CADELL, in the Strand.

MDCCLXXXIX.

. 1789



GL

Sh 330.1 Sm - I

-7 OCT 1966



(2



CONTENTS

OFTHE

THIRD VOLUME.

BOOK IV.

CHAP. IX.

OF the Agricultural Systems, or of those Systems of Political Economy, which represent the Produce of Land, as either the sole or the principal Source of the Revenue and Wealth of every Country

Page 1

BOOK V.

Of the Revenue of the Sovereign or Commonwealth.

CHAP. I.

Of the Expences of the Sovereign or Commonwealth 44

PART I. Of the Expence of Defence ibid.



GL

CONTENTS.

PART II. Of the Expence of Justice Page 7
PART III. Of the Expence of Public Works and Public Institutions — 92
ARTICLE 1st. Of the Public Works and In- flitutions for facilitating the Commerce of Society. 1st, For facilitating the general Commerce of the Society. 2dly, For facili- tating particular Branches of Commerce — 93
ARTICLE 2d. Of the Expence of the Institu- tions for the Education of Youth — 150
ARTICLE 3d. Of the Expence of the Institu- tions for the Instruction of People of all Ages 192
PART IV. Of the Expence of Supporting the Dignity of the Sovereign — 237
Conclusion of the Chapter – 238
CHAP. II.
Of the Sources of the general or public Reve- nue of the Society — 241
PART I. Of the Funds or Sources of Revenue which may peculiarly belong to the Sovereign or Commonwealth — ibid.
PART II. Of Taxes - 255
ARTICLE Ist. Taxes upon Rent; Taxes upon
the Rent of Land - 259



CONTENTS,

	7		
1		T	
v		14 H	

Taxes which are proportioned, not to the Rent, but to the Produce of Land — Page 274
Taxes upon the Rent of Houses - 280
ARTICLE 2d. Taxes upon Profit, or upon the Revenue arising from Stock — 292
Taxes upon the Profit of particular Employments 301
APPENDIX TO ARTICLES Ist and 2d. Taxes upon the Capital Value of Lands, Houses, and Stock — 311
ARTICLE 3d. Taxes upon the Wages of La- bour — 321
ARTICLE 4th. Taxes which, it is intended, should fall indifferently upon every different Species of Revenue — 327
Capitation Taxes ibid.
Taxes upon consumable Commodities — 331
CHAP. III.

394

Of public Debts



BOOK learning and ingenuity in France. It would not, furely, be worth while to examine at great length the errors of a fystem which never has done, and probably never will do any harm in any part of the world. I shall endeavour to explain, however, as distinctly as I can, the great outlines of this very ingenious fystem.

MR. COLBERT, the famous minister of Lewis XIV. was a man of probity, of great industry and knowledge of detail; of great experience and acuteness in the examination of public accounts, and of abilities, in short, every way fitted for introducing method and good order into the collection and expenditure of the public revenue. That minister had unfortunately embraced all the prejudices of the mercantile fystem, in its nature and effence a fystem of restraint and regulation, and fuch as could fcarce fail to be agreeable to a laborious and plodding man of bufinefs, who had been accustomed to regulate the different departments of public offices, and to establish the neceffary checks and controuls for confining each to its proper sphere. The industry and commerce of a great country he endeavoured to regulate upon the fame model as the departments of a public office; and instead of allowing every man to purfue his own interest his own way, upon the liberal plan of equality, liberty and justice, he bestowed upon certain branches of industry extraordinary privileges, while he laid others under as extraordinary restraints. He was not only disposed, like other European ministers, to encourage



encourage more the industry of the towns than CHAP. that of the country; but, in order to support the industry of the towns, he was willing even to depress and keep down that of the country. In order to render provisions cheap to the inhabitants of the towns, and thereby to encourage manufactures and foreign commerce, he prohibited altogether the exportation of corn, and thus excluded the inhabitants of the country from every foreign market for by far the most important part of the produce of their industry. This prohibition, joined to the restraints imposed by the ancient provincial laws of France upon the transportation of corn from one province to another, and to the arbitrary and degrading taxes which are levied upon the cultivators in almost all the provinces, discouraged and kept down the agriculture of that country very much below the state to which it would naturally have rifen in fo very fertile a foil and fo very happy a climate. This state of discouragement and depression was felt more or less in every different part of the country, and many different inquiries were fet on foot concerning the causes of it. One of those causes appeared to be the preference given, by the institutions of Mr. Colbert, to the industry of the towns above that of the country.

If the rod be bent too much one way, fays the proverb, in order to make it straight you must bend it as much the other. The French philosophers, who have proposed the system which represents agriculture as the sole source of the revenue and wealth of every country, feem to have

adopted





BOOK adopted this proverbial maxim; and as in the plan of Mr. Colbert the industry of the towns was certainly over-valued in comparison with that of the country; fo in their fystem it seems to be as certainly under-valued.

THE different orders of people who have ever been supposed to contribute in any respect towards the annual produce of the land and labour of the country, they divide into three classes. The first is the class of the proprietors of land. The fecond is the class of the cultivators, of farmers and country labourers, whom they honour with the peculiar appellation of the productive class. The third is the class of artificers, manufacturers and merchants, whom they endeayour to degrade by the humiliating appellation of the barren or unproductive class.

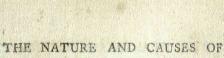
THE class of proprietors contributes to the annual produce by the expence which they may occafionally lay out upon the improvement of the land, upon the buildings, drains, enclosures and other ameliorations, which they may either make or maintain upon it, and by means of which the cultivators are enabled, with the fame capital, to raife a greater produce, and confequently to pay a greater rent. This advanced rent may be confidered as the interest or profit due to the proprietor upon the expence or capital which he thus employs in the improvement of his land. Such expences are in this fystem called ground expences (depenfes foncieres).

THE cultivators or farmers contribute to the annual produce by what are in this fystem called





the original and annual expences (depenfes pri- C H A P. mitives et depenses annuelles) which they lay out upon the cultivation of the land. The original expences confift in the inftruments of hufbandry, in the flock of cattle, in the feed, and in the maintenance of the farmer's family, fervants and cattle, during at least a great part of the first year of his occupancy, or till he can receive some return from the land. The annual expences confift in the feed, in the wear and tear of the instruments of husbandry, and in the annual maintenance of the farmer's fervants and cattle, and of his family too, fo far as any part of them can be confidered as fervants employed in cultivation. That part of the produce of the land which remains to him after paying the rent, ought to be fufficient, first, to replace to him within a reasonable time, at least during the term of his occupancy, the whole of his original expences, together with the ordinary profits of flock; and, fecondly, to replace to him annually the whole of his annual expences, together likewife with the ordinary profits of stock. Those two forts of expences are two capitals which the farmer employs in cultivation; and unless they are regularly restored to him, together with a reasonable profit, he cannot carry on his employment upon a level with other employments; but, from a regard to his own interest, must desert it as foon as possible, and feek some other. part of the produce of the land which is thus neceffary for enabling the farmer to continue his business, ought to be considered as a fund sacred





BOOK to cultivation, which if the landlord violates, he necessarily reduces the produce of his own land, and in a few years not only disables the farmer from paying this racked rent, but from paying the reasonable rent which he might otherwise have got for his land, The rent which properly belongs to the landlord, is no more than the neat produce which remains after paying in the completest manner all the necessary expences which must be previously laid out in order to raise the gross, or the whole produce. It is because the labour of the cultivators, over and above paying completely all those necessary expences, affords a neat produce of this kind, that this class of people are in this fystem peculiarly distinguished by the honourable appellation of the productive class. Their original and annual expences are for the fame reason called, in this system, productive expences, because, over and above replacing their own value, they occasion the annual reproduction of this neat produce.

THE ground expences, as they are called, or what the landlord lays out upon the improvement of his land, are in this system too honoured with the appellation of productive expences. Till the whole of those expences, together with the ordinary profits of stock, have been completely repaid to him by the advanced rent which he gets from his land, that advanced rent ought to be regarded as facred and inviolable, both by the church and by the king; ought to be subject neither to tithe nor to taxation. If it is otherwife, by discouraging the improvement of land,

the church discourages the future increase of her own tithes, and the king the future increase of his own taxes. As in a well-ordered state of things, therefore, those ground expences, over and above reproducing in the completest manner their own value, occasion likewise after a certain time a reproduction of a neat produce, they are in this system considered as productive expences.

THE ground expences of the landlord, however, together with the original and the annual expences of the farmer, are the only three forts of expences which in this fystem are considered as productive. All other expences and all other orders of people, even those who in the common apprehensions of men are regarded as the most productive, are in this account of things reprefented as altogether barren and unproductive.

ARTIFICERS and manufacturers, in particular, whose industry, in the common apprehensions of men, increases so much the value of the rude produce of land, are in this system represented as a class of people altogether barren and unproductive. Their labour, it is said, replaces only the stock which employs them, together with its ordinary profits. That stock consists in the materials, tools, and wages, advanced to them by their employer; and is the fund destined for their employer. Their employer, as he advances to them the stock of materials, tools and wages necessary for their employment, so he advances

B 4

to





BOOK to himfelf what is necessary for his own maintenance, and this maintenance he generally proportions to the profit which he expects to make by the price of their work. Unless its price repays to him the maintenance which he advances to himself, as well as the materials, tools and wages which he advances to his workmen, it evidently does not repay to him the whole expence which he lays out upon it. The profits of manufacturing stock, therefore, are not, like the rent of land, a neat produce which remains after completely repaying the whole expence which must be laid out in order to obtain them. The stock of the farmer yields him a profit as well as that of the master manufacturer; and it yields a rent likewise to another person, which that of the mafter manufacturer does not. The expence, therefore, laid out in employing and maintaining artificers and manufacturers, does no more than continue, if one may fay fo, the existence of its own value, and does not produce any new value. It is therefore altogether a barren and unproductive expence. The expence, on the contrary, laid out in employing farmers and country labourers, over and above continuing the existence of its own value, produces a new value, the rent of the landlord. It is therefore a productive expence.

MERCANTILE stock is equally barren and unproductive with manufacturing flock. It only continues the existence of its own value, without producing any new value. Its profits are only the repayment of the maintenance which its em-

plover





ployer advances to himself during the time that CHAP. he employs it, or till he receives the returns of it. They are only the repayment of a part of the expence which must be laid out in employing it.

THE labour of artificers and manufacturers never adds any thing to the value of the whole annual amount of the rude produce of the land. It adds indeed greatly to the value of fome particular parts of it. But the confumption which in the mean time it occasions of other parts, is precifely equal to the value which it adds to those parts; fo that the value of the whole amount is not, at any one moment of time, in the leaft. augmented by it. The person who works the lace of a pair of fine ruffles, for example, will fometimes raife the value of perhaps a pennyworth of flax to thirty pounds fterling. But though at first fight he appears thereby to multiply the value of a part of the rude produce about feven thousand and two hundred times, he in reality adds nothing to the value of the whole annual amount of the rude produce. The working of that lace costs him perhaps two years labour. The thirty pounds which he gets for it when it is finished, is no more than the repayment of the fublistence which he advances to himself during the two years that he is employed about it. The value which, by every day's, month's, or year's labour, he adds to the flax, does no more than replace the value of his own confumption during that day, month, or year. At no moment of time, therefore, does he add





BOOK any thing to the value of the whole annual amount of the rude produce of the land: the portion of that produce which he is continually confuming, being always equal to the value which he is continually producing. The extreme poverty of the greater part of the persons employed in this expensive, though trifling manufacture, may fatisfy us that the price of their work does not in ordinary cases exceed the value of their fubfiftence. It is otherwise with the work of farmers and country labourers. The rent of the landlord is a value, which, in ordinary cases, it is continually producing, over and above replacing, in the most complete manner, the whole confumption, the whole expence laid out upon the employment and maintenance both of the workmen and of their employer.

ARTIFICERS, manufacturers and merchants, can augment the revenue and wealth of their fociety, by parlimony only; or, as it is expressed in this fystem, by privation, that is, by depriving themfelves of a part of the funds destined for their own fubliftence. They annually reproduce nothing but those funds. Unless, therefore, they annually fave some part of them, unless they annually deprive themselves of the enjoyment of fome part of them, the revenue and wealth of their fociety can never be in the smallest degree augmented by means of their industry. Farmers and country labourers, on the contrary, may enjoy completely the whole funds deftined for their own fublistence, and yet augment at the fame



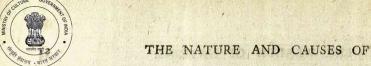
time the revenue and wealth of their fociety.





Over and above what is destined for their own CHAP. fublistence, their industry annually affords a neat produce, of which the augmentation necessarily augments the revenue and wealth of their fociety. Nations, therefore, which, like France or England, confift in a great measure of proprietors and cultivators, can be enriched by industry and enjoyment. Nations, on the contrary, which, like Holland and Hamburgh, are composed chiefly of merchants, artificers and manufacturers, can grow rich only through parfimony and privation, As the interest of nations so differently circumstanced, is very different, so is likewise the common character of the people. In those of the former kind, liberality, franknefs, and good fellowship, naturally make a part of that common character. In the latter, narrowness, meanness, and a felfish disposition, averse to all social pleasure and enjoyment.

The unproductive class, that of merchants, artificers and manufacturers, is maintained and employed altogether at the expence of the two other classes, of that of proprietors, and of that of cultivators. They furnish it both with the materials of its work and with the fund of its subsistence, with the corn and cattle which it confumes while it is employed about that work. The proprietors and cultivators finally pay both the wages of all the workmen of the unproductive class, and the profits of all their employers. Those workmen and their employers are properly the servants of the proprietors and cultivators. They are only servants who work without doors,





as menial fervants work within. Both the one and the other, however, are equally maintained at the expence of the fame mafters. The labour of both is equally unproductive. It adds nothing to the value of the fum total of the rude produce of the land. Instead of increasing the value of that sum total, it is a charge and expence which must be paid out of it.

THE unproductive class, however, is not only useful, but greatly useful to the other two classes. By means of the industry of merchants, artificers and manufacturers, the proprietors and cultivators can purchase both the foreign goods and the manufactured produce of their own country which they have occasion for, with the produce of a much finaller quantity of their own labour, than what they would be obliged to employ, if they were to attempt, in an aukward and unfkilful manner, either to import the one, or to make the other for their own use. By means of the unproductive class, the cultivators are delivered from many cares which would otherwise diffract their attention from the cultivation of land, The fuperiority of produce, which, in confequence of this undivided attention, they are enabled to raife, is fully fufficient to pay the whole expence which the maintenance and employment of the unproductive class costs either the proprietors, or themselves. The industry of merchants, artificers and manufacturers, though in its own nature altogether unproductive, yet contributes in this manner indirectly to increase the produce of the land. It increases the productive powers





powers of productive labour, by leaving it at CHAP. liberty to confine itself to its proper employment, the cultivation of land; and the plough goes frequently the easier and the better by means of the labour of the man whose business is most remote from the plough.

It can never be the interest of the proprietors and cultivators to restrain or to discourage in any respect the industry of merchants, artificers and manufacturers. The greater the liberty which this unproductive class enjoys, the greater will be the competition in all the different trades which compose it, and the cheaper will the other two classes be supplied, both with foreign goods and with the manufactured produce of their own country.

In can never be the interest of the unproductive class to oppress the other two classes. It is the surplus produce of the land, or what remains after deducting the maintenance, first, of the cultivators, and afterwards, of the proprietors, that maintains and employs the unproductive class. The greater this surplus, the greater must likewise be the maintenance and employment of that class. The establishment of perfect justice, of perfect liberty, and of perfect equality, is the very simple secret which most effectually secures the highest degree of prosperity to all the three classes.

The merchants, artificers and manufacturers of those mercantile states which, like Holland and Hamburgh, consist chiefly of this unproductive class, are in the same manner maintained





BOOK and employed altogether at the expence of the proprietors and cultivators of land. The only difference is, that those proprietors and cultivators are, the greater part of them, placed at a most inconvenient distance from the merchants, artificers and manufacturers whom they fupply with the materials of their work and the fund of their fublishence, are the inhabitants of other countries, and the subjects of other governments.

> Such mercantile states, however, are not only useful, but greatly useful to the inhabitants of those other countries. They fill up, in some measure, a very important void, and supply the place of the merchants, artificers and manufacturers, whom the inhabitants of those countries ought to find at home, but whom, from forme defect in their policy, they do not find at home.

> IT can never be the interest of those landed nations, if I may call them fo, to discourage or diftress the industry of such mercantile states, by imposing high duties upon their trade, or upon the commodities which they furnish. duties, by rendering those commodities dearer, could ferve only to fink the real value of the furplus produce of their own land, with which, or, what comes to the same thing, with the price of which, those commodities are purchased. Such duties could ferve only to discourage the increase of that furplus produce, and consequently the improvement and cultivation of their own land. The most effectual expedient, on the contrary, for raising the value of that surplus produce.





duce, for encouraging its increase, and conse- c H A P. quently the improvement and cultivation of their own land, would be to allow the most perfect freedom to the trade of all fuch mercantile nations.

This perfect freedom of trade would even be the most effectual expedient for supplying them, in due time, with all the artificers, manufacturers and merchants, whom they wanted at home, and for filling up in the properest and most advantageous manner that very important void which they felt there.

THE continual increase of the furplus produce of their land, would, in due time, create a greater capital than what could be employed with the ordinary rate of profit in the improvement and cultivation of land; and the furplus part of it would naturally turn itself to the employment of artificers and manufacturers at home. But those artificers and manufacturers, finding at home both the materials of their work and the fund of their subsistence, might immediately, even with much less art and skill, be able to work as cheap as the like artificers and manufacturers of fuch mercantile states, who had both to bring from a greater distance. Even though, from want of art and skill, they might not for fome time be able to work as cheap, yet, finding a market at home, they might be able to fell their work there as cheap as that of the artificers and manufacturers of fuch mercantile states, which could not be brought to that market but from fo great a distance; and as their art and skill improved.

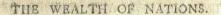




BOOK proved, they would foon be able to fell it cheaper. The artificers and manufacturers of fuch mercantile states, therefore, would immediately be rivalled in the market of those landed nations, and foon after underfold and justled out of it altogether. The cheapness of the manufactures of those landed nations, in consequence of the gradual improvements of art and skill, would, in due time, extend their fale beyond the home market, and carry them to many foreign markets, from which they would in the fame manner gradually justle out many of the manufactures of fuch mercantile nations.

This continual increase both of the rude and manufactured produce of those landed nations would in due time create a greater capital than could, with the ordinary rate of profit, be employed either in agriculture or in manufactures. The furplus of this capital would naturally turn itself to foreign trade, and be employed in exporting, to foreign countries, fuch parts of the rude and manufactured produce of its own country, as exceeded the demand of the home market. In the exportation of the produce of their own country, the merchants of a landed nation would have an advantage of the fame kind over those of mercantile nations, which its artificers and manufacturers had over the artificers and manufacturers of fuch nations; the advantage of finding at home that cargo, and those ftores and provisions, which the others were obliged to feek for at a distance. With inferior art and skill in navigation, therefore, they would







be able to fell that cargo as cheap in foreign mara C H A PV kets as the merchants of fuch mercantile nations; and with equal art and skill they would be able to fell it cheaper. They would foon, therefore, rival those mercantile nations in this branch of foreign trade, and in due time would justle them out of it altogether.

According to this liberal and generous lystem, therefore, the most advantageous method in which a landed nation can raise up artificers, manufacturers and merchants of its own, is to grant the most perfect freedom of trade to the artificers, manufacturers and merchants of all other nations. It thereby raifes the value of the furplus produce of its own land, of which the continual increase gradually establishes a fund, which in due time necessarily raises up all the artificers, manufacturers and merchants whom it has occasion for.

When a landed nation, on the contrary, oppresses either by high duties or by prohibitions the trade of foreign nations, it necessarily hurts its own interest in two different ways. First, by raifing the price of all foreign goods and of all forts of manufactures, it necessarily finks the real value of the furplus produce of its own land, with which, or, what comes to the fame thing, with the price of which, it purchases those foreign goods and manufactures. Secondly, by giving a fort of monopoly of the home market to its own merchants, artificers and manufacturers, it raifes the rate of mercantile and manufacturing profit in proportion to that of agricultural profit, and confe-Vol. III.





BOOK confequently either draws from agriculture a part of the capital which had before been employed in it, or hinders from going to it a part of what would otherwise have gone to it. This policy, therefore, discourages agriculture in two different ways; first, by finking the real value of its produce, and thereby lowering the rate of its profit; and, fecondly, by raifing the rate of profit in all other employments. Agriculture is rendered less advantageous, and trade and manufactures more advantageous than they otherwife would be; and every man is tempted by his own interest to turn, as much as he can, both his capital and his industry from the former to the latter employments.

Though, by this oppressive policy, a landed nation should be able to raise up artificers, manufacturers and merchants of its own, fomewhat fooner than it could do by the freedom of trade; a matter, however, which is not a little doubtful; yet it would raise them up, if one may fay fo, prematurely, and before it was perfectly ripe for them. By raising up too hastily one species of industry, it would depress another more valuable species of industry. By raising up too hastily a species of industry which only replaces the flock which employs it, together with the ordinary profit, it would deprefs a fpecies of industry which, over and above replacing that stock with its profit, affords likewife a neat produce, a free rent to the landlord. It would depress productive labour, by encouraging





raging too hastily that labour which is altogether C H A P. barren and unproductive.

In what manner, according to this fuftem, the fum total of the annual produce of the land is distributed among the three classes above mentioned, and in what manner the labour of the unproductive class does no more than replace the value of its own confumption, without increafing in any respect the value of that sum total, is represented by Mr. Quesnai, the very ingenious and profound author of this fystem, in fome arithmetical formularies. The first of these formularies, which by way of eminence he peculiarly diftinguishes by the name of the Œconomical Table, represents the manner in which he supposes this distribution takes place, in a state of the most perfect liberty, and therefore of the highest prosperity; in a state where the annual produce is fuch as to afford the greatest possible neat produce, and where each class enjoys its proper share of the whole annual produce. Some subsequent formularies represent the manner, in which, he supposes, this distribution is made in different states of restraint and regulation; in which, either the class of proprietors, or the barren and unproductive class, is more favoured than the class of cultivators, and in which, either the one or the other encroaches more or less upon the share which ought properly to belong to this productive class. Every fuch encroachment, every violation of that natural distribution, which the most perfect liberty would establish, must, according to this system, necessarily



BOOK necessarily degrade more or less, from one year to another, the value and fum total of the annual produce, and must necessarily occasion a gradual declention in the real wealth and revenue of the fociety: a declenfion of which the progress must be quicker or slower, according to the degree of this encroachment, according as that natural distribution, which the most perfect liberty would establish, is more or less violated. Those subsequent formularies represent the different degrees of declenfion, which, according to this fyftem, correspond to the different degrees in which this natural distribution of things is violated.

> Some speculative physicians seem to have imagined that the health of the human body could be preserved only by a certain precise regimen of diet and exercise, of which every, the smallest, violation necessarily occasioned some degree of disease or disorder proportioned to the degree of the violation. Experience, however, would feem to show, that the human body frequently preferves, to all appearance at least, the most perfect state of health under a vast variety of different regimens; even under some which are generally believed to be very far from being perfectly wholesome. But the healthful state of the human body, it would feem, contains in itself fome unknown principle of preservation, capable either of preventing or of correcting, in many respects, the bad effects even of a very faulty regimen. Mr. Quefnai, who was himfelf a phyfician, and a very speculative physician, seems to have



have entertained a notion of the same kind con- C H A P. cerning the political body, and to have imagined that it would thrive and prosper only under a certain precise regimen, the exact regimen of perfect liberty and perfect justice. He seems not to have confidered that in the political body, the natural effort which every man is continually making to better his own condition, is a principle of preservation capable of preventing and correcting, in many respects, the bad effects of a political economy, in some degree both partial and oppressive. Such a political œconomy, though it no doubt retards more or less, is not always capable of stopping altogether the natural. progress of a nation towards wealth and prosperity, and still less of making it go backwards. If a nation could not prosper without the enjoyment of perfect liberty and perfect justice, there is not in the world a nation which could ever have prospered. In the political body, however, the wifdom of nature has fortunately made ample provision for remedying many of the bad effects of the folly and injustice of man; in the same manner as it has done in the natural body, for remedying those of his sloth and intemperance.

THE capital error of this system, however, seems to lie in its representing the class of artificers, manufacturers and merchants, as altogether barren and unproductive. The following observations may ferve to show the impropriety of this reprefentation.

FIRST, this class, it is acknowledged, reproduces annually the value of its own annual confumption,



BOOK fumption, and continues, at least, the existence of the stock or capital which maintains and employs it. But upon this account alone the denomination of barren or unproductive should feem to be very improperly applied to it. We should not call a marriage barren or unproductive, though it produced only a fon and a daughter, to replace the father and mother, and though it did not increase the number of the human species, but only continued it as it was before. Farmers and country labourers, indeed, over and above the stock which maintains and employs them, reproduce annually a neat produce, a free rent to the landlord. As a marriage which affords three children is certainly more productive than one which affords only two; fo the labour of farmers and country labourers is certainly more productive than that of merchants, artificers and manufacturers. The fuperior produce of the one class, however, does not render the other barren or unproductive,

Secondry, it feems, upon this account, altogether improper to consider artificers, manufacturers and merchants, in the fame light as menial fervants. The labour of menial fervants does not continue the existence of the fund which maintains and employs them. Their maintenance and employment is altogether at the expence of their mafters, and the work which they perform is not of a nature to repay that expence, That work confifts in fervices which perifh generally in the very instant of their performance, and does not fix or realize itself in any vendible commodity





commodity which can replace the value of their chapters, wages and maintenance. The labour, on the contrary, of artificers, manufacturers and merchants, naturally does fix and realize itself in some such vendible commodity. It is upon this account that, in the chapter in which I treat of productive and unproductive labour, I have classed artificers, manufacturers and merchants, among the productive labourers, and menial servants among the barren or unproductive.

THIRDLY, it feems, upon every supposition, improper to fay, that the labour of artificers, manufacturers and merchants, does not increase the real revenue of the fociety. Though we should suppose, for example, as it seems to be fupposed in this fystem, that the value of the daily, monthly, and yearly confumption of this class was exactly equal to that of its daily, monthly, and yearly production; yet it would not from thence follow that its labour added nothing to the real revenue, to the real value of the annual produce of the land and labour of the fociety. An artificer, for example, who, in the first fix months after harvest, executes ten pounds worth of work, though he should in the fame time confume ten pounds worth of corn and other necessaries, yet really adds the value of ten pounds to the annual produce of the land and labour of the fociety. While he has been confuming a half yearly revenue of ten pounds worth of corn and other necessaries, he has produced an equal value of work capable of purchasing, either to himself or to some other person, an equal half yearly revenue. The value, therefore, of what

has





BOOK has been confumed and produced during thefe fix months is equal, not to ten, but to twenty pounds. It is possible, indeed, that no more than ten pounds worth of this value, may ever have existed at any one moment of time. But if the ten pounds worth of corn and other necesfaries, which were confumed by the artificer, had been confumed by a foldier or by a menial fervant, the value of that part of the annual produce which existed at the end of the fix months, would have been ten pounds less than it actually is in confequence of the labour of the artificer. Though the value of what the artificer produces, therefore, should not at any one moment of time be supposed greater than the value he consumes, yet at every moment of time the actually existing value of goods in the market is, in consequence of what he produces, greater than it otherwise would be

WHEN the patrons of this fystern affert, that the confumption of artificers, manufacturers and merchants, is equal to the value of what they produce, they probably mean no more than that their revenue, or the fund destined for their confumption, is equal to it. But if they had expressed themselves more accurately, and only afferted, that the revenue of this class was equal to the value of what they produced, it might readily have occurred to the reader, that what would naturally be faved out of this revenue, must necessarily increase more or less the realwealth of the fociety. In order, therefore, to make out fomething like an argument, it was necessary that they should express themselves as they





they have done; and this argument, even fup- C H A P. poling things actually were as it feems to prefume them to be, turns out to be a very inconclusive one.

FOURTHLY, farmers and country labourers can no more augment, without parfimony, the real revenue, the annual produce of the land and labour of their fociety, than artificers, manufacturers and merchants. The annual produce of the land and labour of any fociety can be augmented only in two ways; either, first, by some improvement in the productive powers of the useful labour actually maintained within it; or, fecondly, by fome increase in the quantity of that labour.

THE improvement in the productive powers of useful labour depend, first, upon the improvement in the ability of the workman; and, fecondly, upon that of the machinery with which he works. But the labour of artificers and manufacturers, as it is capable of being more fubdivided, and the labour of each workman reduced to a greater simplicity of operation, than that of farmers and country labourers, fo it is likewife capable of both these forts of improvement in a much higher degree *. In this respect, therefore, the class of cultivators can have no fort of advantage over that of artificers and manufacturers.

THE increase in the quantity of useful labour actually employed within any fociety, must de-

* See Book I. Chap. I.

pend





BOOK pend altogether upon the increase of the capital which employs it; and the increase of that capital again must be exactly equal to the amount of the favings from the revenue, either of the particular perfons who manage and direct the employment of that capital, or of some other perfons who lend it to them. If merchants, artificers and manufacturers are, as this fystem feems to suppose, naturally more inclined to parsimony and faving than proprietors and cultivators, they are, fo far, more likely to augment the quantity of useful labour employed within their fociety, and confequently to increase its real revenue, the annual produce of its land and labour.

FIFTHLY and laftly, though the revenue of the inhabitants of every country was supposed to confift altogether, as this fystem seems to suppofe, in the quantity of fublishence which their industry could procure to them; yet, even upon this supposition, the revenue of a trading and manufacturing country must, other things being equal, always be much greater than that of one without trade or manufactures. By means of trade and manufactures, a greater quantity of fublishence can be annually imported into a particular country than what its own lands, in the actual state of their cultivation, could afford, The inhabitants of a town, though they frequently poffess no lands of their own, yet draw to themselves by their industry such a quantity of the rude produce of the lands of other people as fupplies them, not only with the materials of their work, but with the fund of their subsistence.

What





What a town always is with regard to the CHAP. country in its neighbourhood, one independent flate or country may frequently be with regard to other independent states or countries. It is thus that Holland draws a great part of its fubfiftence from other countries; live cattle from Holftein and Tutland, and corn from almost all the different countries of Europe. A fmall quantity of manufactured produce purchases a great quantity of rude produce. A trading and manufacturing country, therefore, naturally purchases with a small part of its manufactured produce a great part of the rude produce of other countries; while, on the contrary, a country without trade and manufactures is generally obliged to purchase, at the expence of a great part of its rude produce, a very finall part of the manufactured produce of other countries. The one exports what can subsist and accommodate but a very few, and imports the fublishence and accommodation of a great number. The other exports the accommodation and fublishence of a great number, and imports that of a very few only. The inhabitants of the one must always enjoy a much greater quantity of fublishence than what their own lands, in the actual state of their cultivation, could afford. The inhabitants of

This fystem, however, with all its imperfections, is, perhaps, the nearest approximation to the truth that has yet been published upon the subject of political economy, and is upon that account

the other must always enjoy a much smaller

quantity.

well



BOOK well worth the confideration of every man who wishes to examine with attention the principles of that very important science. Though in reprefenting the labour which is employed upon land as the only productive labour, the notions which it inculcates are perhaps too narrow and confined; yet in representing the wealth of nations as confifting, not in the unconfumable riches of money, but in the confumable goods annually reproduced by the labour of the fociety; and in representing perfect liberty as the only effectual expedient for rendering this annual reproduction the greatest possible, its doctrine feems to be in every respect as just as it is generous and liberal. Its followers are very numerous; and as men are fond of paradoxes, and of appearing to underftand what furpaffes the comprehension of ordinary people, the paradox which it maintains, concerning the unproductive nature of manufacturing labour, has not perhaps contributed a little to increase the number of its admirers. They have for fome years past made a pretty confiderable fect, diftinguished in the French republic of letters by the name of, The Œconomists. Their works have certainly been of some fervice to their country; not only by bringing into general discussion, many subjects which had never been well examined before, but by influencing in fome measure the public administration in favour of agriculture. It has been in consequence of their representations, accordingly, that the agriculture of France has been delivered from feveral of the oppressions which it before





before laboured under. The term during which C H A P. fuch a leafe can be granted, as will be valid against every future purchaser or proprietor of the land, has been prolonged from nine to twenty+ feven years. The ancient provincial restraints upon the transportation of corn from one province of the kingdom to another, have been entirely taken away, and the liberty of exporting it to all foreign countries, has been established as the common law of the kingdom in all ordinary cases. This feet, in their works, which are very numerous, and which treat not only of what is properly called Political Œconomy, or of the nature and causes of the wealth of nations, but of every other branch of the system of civil government, all follow implicitly, and without any fenfible variation, the doctrine of Mr. Quefnai. There is upon this account little variety in the greater part of their works. The most distinct and best connected account of this doctrine is to be found in a little book written by Mr. Mercier de la Riviere, fometime Intendant of Martinico, intitled, The natural and effential Order of Political Societies. The admiration of this whole fect for their master, who was himself a man of the greatest modesty and simplicity, is not inferior to that of any of the ancient philosophers for the founders of their respective systems. "There have been, fince the world began," fays a very diligent and respectable author, the Marquis de Mirabeau, " three great inventions "which have principally given stability to po-" litical focieties, independent of many other in-" ventions





BOOK IV.

"ventions which have enriched and adorned them. The first, is the invention of writing, which alone gives human nature the power of transsmitting, without alteration, its laws, its contracts, its annals, and its discoveries. The fecond, is the invention of money, which binds together all the relations between civilized so-cieties. The third, is the Œconomical Table, the result of the other two, which completes them both by perfecting their object; the great discovery of our age, but of which our posterity will reap the benefit."

As the political economy of the nations of modern Europe, has been more favourable to manufactures and foreign trade, the industry of the towns, than to agriculture, the industry of the country; fo that of other nations has followed a different plan, and has been more favourable to agriculture than to manufactures and foreign trade.

The policy of China favours agriculture more than all other employments. In China, the condition of a labourer is faid to be as much superior to that of an artificer; as in most parts of Europe, that of an artificer is to that of a labourer. In China, the great ambition of every man is to get possession of some little bit of land, either in property or in lease; and leases are there said to be granted upon very moderate terms, and to be sufficiently secured to the lesses. The Chinese have little respect for foreign trade. Your beggarly commerce! was the language in which the Mandarins of Pekin used to talk to Mr.

De Lange,





De Lange, the Russian envoy, concerning it *. C HAP. Except with Japan, the Chinese carry on, themfelves, and in their own bottoms, little or no foreign trade; and it is only into one or two ports of their kingdom that they even admit the ships of foreign nations. Foreign trade, therefore, is, in China, every way confined within a much narrower circle than that to which it would naturally extend itself, if more freedom was allowed to it, either in their own ships, or in those of foreign nations.

MANUFACTURES, as in a finall bulk they frequently contain a great value, and can upon that account be transported at less expence from one country to another than most parts of rude produce, are, in almost all countries, the principal fupport of foreign trade. In countries, besides, less extensive and less favourably circumstanced for interior commerce than China, they generally require the support of foreign trade. Without an extensive foreign market, they could not well flourish, either in countries so moderately extenfive as to afford but a narrow home market; or in countries where the communication between one province and another was fo difficult, as to render it impossible for the goods of any particular place to enjoy the whole of that home marker which the country could afford. The perfection of manufacturing industry, it must be remembered, depends altogether upon the divifion of labour; and the degree to which the di-

^{*} See the Journal of Mr. De Lange in Bell's Travels, vol. ii. p. 258. 276. and 293.



vision



GL

BOOK vision of labour can be introduced into any manufacture, is necessarily regulated, it has already been shown, by the extent of the market. But the great extent of the empire of China, the vaft multitude of its inhabitants, the variety of climate, and consequently of productions in its different provinces, and the easy communication by means of water carriage between the greater part of them, render the home market of that country of fo great extent, as to be alone fufficient to fupport very great manufactures, and to admit of very confiderable fubdivisions of labour. The home market of China is, perhaps, in extent, not much inferior to the market of all the different countries of Europe put together. A more extensive foreign trade, however, which to this great home market added the foreign market of all the rest of the world; especially if any considerable part of this trade was carried on in Chinese ships; could scarce fail to increase very much the manufactures of China, and to improve very much the productive powers of its manufacturing industry. By a more extensive navigation, the Chinese would naturally learn the art of using and constructing themselves all the different machines made use of in other countries, as well as the other improvements of art and industry which are practifed in all the different parts of the world. Upon their present plan they have little opportunity of improving themselves by the example of any other nation; except that of the Japanese.

THE policy of ancient Egypt too, and that of the Gentoo government of Indostan, seem to have

favoured





favoured agriculture more than all other employ- C HAP.

BOTH in ancient Egypt and Indostan, the whole body of the people was divided into different casts or tribes, each of which was confined, from father to son, to a particular employment or class of employments. The son of a priest was necessarily a priest; the son of a soldier, a soldier; the son of a labourer, a labourer; the son of a weaver, a weaver; the son of a taylor, a taylor; &c. In both countries, the cast of the priests held the highest rank, and that of the soldiers the next; and in both countries, the cast of the farmers and labourers was superior to the casts of merchants and manufacturers.

THE government of both countries was particularly attentive to the interest of agriculture. The works conftructed by the ancient fovereigns of Egypt for the proper distribution of the waters of the Nile were famous in antiquity; and the ruined remains of some of them are still the admiration of travellers. Those of the same kind which were constructed by the ancient fovereigns of Indostan, for the proper distribution of the waters of the Ganges as well as of many other rivers, though they have been lefs celebrated, feem to have been equally great. Both countries, accordingly, though fubject occasionally to dearths, have been famous for their great fertility. Though both were extremely populous, yet, in years of moderate plenty, they were both able to export great quantities of grain to their neighbours.

.Vol. III. D THE





BOOK

THE ancient Egyptians had a superstitious aversion to the sea; and as the Gentoo religion does not permit its followers to light a fire, nor confequently to drefs any victuals upon the water, it in effect prohibits them from all diftant fea voyages. Both the Egyptians and Indians must have depended almost altogether upon the navigation of other nations for the exportation of their furplus produce; and this dependency, as it must have confined the market, so it must have discouraged the increase of this surplus produce. It must have discouraged too the increase of the manufactured produce more than that of the rude produce. Manufactures require a much more extensive market than the most important parts of the rude produce of the land. A fingle shoemaker will make more than three hundred pairs of shoes in the year; and his own family will not perhaps wear out fix pairs. Unless therefore he has the custom of at least fifty such families as his own, he cannot dispose of the whole produce of his own labour. The most numerous class of artificers will feldom, in a large country, make more than one in fifty or one in a hundred of the whole number of families contained in it. But in fuch large countries as France and England, the number of people emploved in agriculture has by fome authors been computed at a half, by others at a third, and by no author that I know of, at less than a fifth of the whole inhabitants of the country. But as the produce of the agriculture of both France and England is, the far greater part of it, confumed





fumed at home, each person employed in it must, CHAP. according to these computations, require little more than the custom of one, two, or, at most, of four such families as his own, in order to difpose of the whole produce of his own labour. Agriculture, therefore, can support itself under the discouragement of a confined market, much better than manufactures. In both ancient Egypt and Indostan, indeed, the confinement of the foreign market was in some measure compensated by the conveniency of many inland navigations, which opened, in the most advantageous manner, the whole extent of the home market to every part of the produce of every different district of those countries. The great extent of Indostan too rendered the home market of that country very great, and fufficient to support a great variety of manufactures. But the small extent of ancient Egypt, which was never equal to England, must at all times have rendered the home market of that country too narrow for supporting any great variety of manufactures. Bengal, accordingly, the province of Indostan which commonly exports the greatest quantity of rice, always been more remarkable exportation of a great variety of manufactures, than for that of its grain. Ancient Egypt, on the contrary, though it exported fome manufactures, fine linen in particular, as well as fome other goods, was always most distinguished for its great exportation of grain. It was long the granary of the Roman empire.

THE



BOOK THE fovereigns of China, of ancient Egypt, and of the different kingdoms into which Indostan has at different times been divided, have always derived the whole, or by far the most confiderable part, of their revenue from fome fort of land-tax or land-rent. This land-tax or landrent, like the tithe in Europe, confifted in a certain proportion, a fifth, it is faid, of the produce of the land, which was either delivered in kind, or paid in money, according to a certain valuation, and which therefore varied from year to year according to all the variations of the produce. It was natural therefore, that the fovereigns of those countries should be particularly attentive to the interests of agriculture, upon the prosperity or declension of which immediately depended the yearly increase or diminution of their own revenue.

> THE policy of the ancient republics of Greece, and that of Rome, though it honoured agriculture more than manufactures or foreign trade, yet feems rather to have discouraged the latter employments, than to have given any direct or intentional encouragement to the former. In several of the ancient states of Greece, foreign trade was prohibited altogether; and in feveral others the employments of artificers and manufacturers were confidered as hurtful to the strength and agility of the human body, as rendering it incapable of those habits which their military and gymnastic exercises endeavoured to form in it, and as thereby disqualifying it more



or less for undergoing the fatigues and encoun- C H A P. tering the dangers of war. Such occupations were confidered as fit only for flaves, and the free citizens of the state were prohibited from exercising them. Even in those states where no such prohibition took place, as in Rome and Athens, the great body of the people were in effect excluded from all the trades which are now commonly exercifed by the lower fort of the inhabitants of towns. Such trades were, at Athens and Rome, all occupied by the flaves of the rich, who exercised them for the benefit of their masters, whose wealth, power, and protection, made it almost impossible for a poor freeman to find a market for his work, when it came into competition with that of the flaves of the rich. Slaves, however, are very feldom inventive; and all the most important improvements, either in machinery, or in the arrangement and diffribution of work, which facilitate and abridge labour, have been the discoveries of freemen. Should a flave propose any improvement of this kind, his mafter would be very apt to confider the propofal as the fuggestion of laziness, and of a defire to fave his own labour at the mafter's expence. The poor flave, instead of reward, would probably meet with much abuse, perhaps with fome punishment. In the manufactures carried on by flaves, therefore, more labour must generally have been employed to execute the fame quantity of work, than in those carried on by freemen. The work of the former must, upon that account, generally have been dearer D than





BOOK than that of the latter. The Hungarian mines, it is remarked by Mr. Montesquieu, though not richer, have always been wrought with lefs expence, and therefore with more profit, than the Turkish mines in their neighbourhood. The Turkish mines are wrought by flaves; and the arms of those flaves are the only machines which the Turks have ever thought of employing. The Hungarian mines are wrought by freemen, who employ a great deal of machinery, by which they facilitate and abridge their own labour. From the very little that is known about the price of manufactures in the times of the Greeks and Romans, it would appear that those of the finer fort were excessively dear. Silk fold for its weight in gold. It was not, indeed, in those times a European manufacture; and as it was all brought from the East Indies, the distance of the carriage may in some measure account for the greatness of the price. The price, however, which a lady, it is faid, would fometimes pay for a piece of very fine linen, feems to have been equally extravagant; and as linen was always either an European, or, at fartheft, an Egyptian manusacture, this high price can be accounted for only by the great expence of the labour which must have been employed about it, and the expence of this labour again could arise from nothing but the awkwardness of the machinery which it made use of. The price of fine woollens too, though not quite fo extravagant, feems however to have been much above that of the present times. Some cloths, we are told by Pliny,





Pliny, dyed in a particular manner, cost a hundred C H A P. denarii, or three pounds fix shillings and eight pence the pound weight *. Others dyed in another manner cost a thousand denarii the pound weight, or thirty-three pounds fix shillings and eight pence. The Roman pound, it must be remembered, contained only twelve of our avoirdupois ounces. This high price, indeed, feems to have been principally owing to the dye. But had not the cloths themselves been much dearer than any which are made in the prefent times, fo very expensive a dye would not probably have been bestowed upon them. The disproportion would have been too great between the value of the accessory and that of the principal. The price mentioned by the fame + author of fome Triclinaria, a fort of woollen pillows or cushions made use of to lean upon as they reclined upon their couches at table, passes all credibility; some of them being faid to have cost more than thirty thousand, others more than three hundred thousand pounds. This high price too is not faid to have arisen from the dye. In the dress of the people of fashion of both sexes, there seems to have been much less variety, it is observed by Doctor Arbuthnot, in ancient than in modern times; and the very little variety which we find in that of the ancient statues confirms his observation. He infers from this, that their dress must upon the whole have been cheaper than ours: but the conclusion does not feem to follow. When the expence of fashion-

* Plin. 1. ix. c. 39. + Plin. 1. viii. c. 48.

able







BOOK IV. able dress is very great, the variety must be very finall. But when, by the improvements in the productive powers of manufacturing art and industry, the expence of any one dress comes to be very moderate, the variety will naturally be very great. The rich not being able to distinguish themselves by the expence of any one dress, will naturally endeavour to do so by the multitude and variety of their dresses.

THE greatest and most important branch of the commerce of every nation, it has already been obferved, is that which is carried on between the inhabitants of the town and those of the country. The inhabitants of the town draw from the country the rude produce which constitutes both the materials of their work and the fund of their fubfiftence; and they pay for this rude produce by fending back to the country a certain portion of it manufactured and prepared for immediate use. The trade which is carried on between these two different sets of people, confifts ultimately in a certain quantity of rude produce exchanged for a certain quantity of manufactured produce. The dearer the latter, therefore, the cheaper the former; and whatever tends in any country to raife the price of manufactured produce, tends to lower that of the rude produce of the land, and thereby to discourage agriculture. The smaller the quantity of manufactured produce which any given quantity of rude produce, or, what comes to the fame thing. which the price of any given quantity of rude produce is capable of purchasing, the smaller the exchangeable value of that given quantity

(46)





of rude produce; the smaller the encouragement C H A P. which either the landlord has to increase its quantity by improving, or the farmer by cultivating the land. Whatever, besides, tends to diminish in any country the number of artificers and manufacturers, tends to diminish the home market, the most important of all markets for the rude produce of the land, and thereby still further to discourage agriculture.

THOSE fystems, therefore, which preferring agriculture to all other employments, in order to promote it, impose restraints upon manufactures and foreign trade, act contrary to the very end which they propose, and indirectly discourage that very species of industry which they mean to promote. They are fo far, perhaps, more inconfiftent than even the mercantile fystem. That fystem, by encouraging manufactures and foreign trade more than agriculture, turns a certain portion of the capital of the fociety from supporting a more advantageous, to support a less advantageous species of industry. But still it really and in the end encourages that species of industry which it means to promote. Those agricultural fystems, on the contrary, really and in the end discourage their own favourite species of industry.

IT is thus that every fystem which endeavours, either, by extraordinary encouragements, to draw towards a particular species of industry a greater share of the capital of the society than what would naturally go to it; or, by extraordinary restraints, to force from a particular species of industry some





BOOK share of the capital which would otherwise be employed in it; is in reality subversive of the great purpose which it means to promote. It retards, inflead of accelerating, the progress of the fociety towards real wealth and greatness; and diminishes, instead of increasing, the real value of the annual produce of its land and labour.

ALL systems either of preference or of restraint. therefore, being thus completely taken away, the obvious and fimple fyftem of natural liberty effablishes itself of its own accord. Every man, as long as he does not violate the laws of justice, is left perfectly free to purfue his own interest his own way, and to bring both his industry and capital into competition with those of any other man, or order of men. The fovereign is completely discharged from a duty, in the attempting to perform which he must always be exposed to innumerable delufions, and for the proper performance of which no human wisdom or knowledge could ever be fufficient; the duty of fuperintending the industry of private people, and of directing it towards the employments most suitable to the interest of the society. According to the system of natural liberty, the fovereign has only three duties to attend to; three duties of great importance, indeed, but plain and intelligible to common understandings: first, the duty of protecting the society from the violence and invafion of other independent focieties; fecondly, the duty of protecting, as far as possible, every member of the fociety from the injuffice or oppression of every other member of it, or the duty of establishing





an exact administration of justice; and, thirdly, C H A P. the duty of erecting and maintaining certain public works and certain public institutions, which it can never be for the interest of any individual, or small number of individuals, to erect and maintain; because the profit could never repay the expence to any individual or small number of indi-

viduals, though it may frequently do much more

than repay it to a great fociety.

THE proper performance of those several duties of the fovereign necessarily supposes a certain expence; and this expence again necessarily requires a certain revenue to support it. In the following book, therefore, I shall endeavour to explain; first, what are the necessary expences of the sovereign or commonwealth; and which of those expences ought to be defrayed by the general contribution of the whole fociety; and which of them, by that of some particular part only, or of some particular members of the fociety: fecondly, what are the different methods in which the whole fociety may be made to contribute towards defraying the expences incumbent on the whole fociety, and what are the principal advantages and inconveniences of each of those methods: and, thirdly, what are the reasons and causes which have induced almost all modern governments to mortgage fome part of this revenue, or to contract debts, and what have been the effects of those debts upon the real wealth, the annual produce of the land and labour of the fociety. The following book, therefore, will naturally be divided into three chapters.

43





BOOK V.

the days of arcting and eminimization re-

Of the Revenue of the Sovereign or Commonwealth.

CHAP. I.

Of the Expences of the Sovereign or Commonwealth.

PART FIRST.

Of the Expence of Defence.

HE first duty of the sovereign, that of protecting the society from the violence and invasion of other independent societies, can be performed only by means of a military force. But the expence both of preparing this military force in time of peace, and of employing it in time of war, is very different in the different states of society, in the different periods of improvement.

Among nations of hunters, the lowest and rudest state of society, such as we find it among the native tribes of North America, every man is a warrior as well as a hunter. When he goes to war, either to defend his society, or to revenge the injuries which have been done to it by other societies, he maintains himself by his own labour,





in the fame manner as when he lives at home. C H A P. His fociety, for in this state of things there is properly neither fovereign nor commonwealth, is at no fort of expence, either to prepare him for the field, or to maintain him while he is in it.

Among nations of shepherds, a more advanced state of fociety, fuch as we find it among the Tartars and Arabs, every man is, in the fame manner, a warrior. Such nations have commonly no fixed habitation, but live, either in tents, or in a fort of covered waggons which are eafily transported from place to place. The whole tribe or nation changes its fituation according to the different feafons of the year, as well as according to other accidents. When its herds and flocks have confumed the forage of one part of the country, it removes to another, and from that to a third. In the dry feafon, it comes down to the banks of the rivers; in the '. wet feafon it retires to the upper country. When fuch a nation goes to war, the warriors will not trust their herds and flocks to the feeble defence of their old men, their women and children, and their old men, their women and children, will not be left behind without defence and without subsistence. The whole nation, besides, being accustomed to a wandering life, even in time of peace, eafily takes the field in time of war. Whether it marches as an army, or moves about as a company of herdsmen, the way of life is nearly the fame, though the object proposed by it be very different. They all go to war together, therefore, and every one does as well as he





BOOK he can. Among the Tartars, even the women have been frequently known to engage in battle. If they conquer, whatever belongs to the hostile tribe is the recompence of the victory. But if they are vanquished, all is lost, and not only their herds and flocks, but their women and children, become the booty of the conqueror. Even the greater part of those who survive the action are obliged to submit to him for the fake of immediate subsistence. The rest are commonly disfipated and dispersed in the defart.

THE ordinary life, the ordinary exercises of a Tartar or Arab, prepare him sufficiently for war. Running, wreftling, cudgel-playing, throwing the javelin, drawing the bow, &c. are the common pastimes of those who live in the open air, and are all of them the images of war. When a Tartar or Arab actually goes to war, he is maintained, by his own herds and flocks which he carries with him, in the same manner as in peace. His chief or fovereign, for those nations have all chiefs or fovereigns, is at no fort of expence in preparing him for the field; and when he is in it, the chance of plunder is the only pay which he either expects or requires.

An army of hunters can feldom exceed two or three hundred men. The precarious subfiftence which the chace affords could feldom allow a greater number to keep together for any confiderable time. An army of shepherds, on the contrary, may fometimes amount to two or three hundred thousand. As long as nothing stops their progress, as long as they can go on from





-one diffrict, of which they have confumed the CHAP forage, to another which is yet entire; there feems to be fcarce any limit to the number who can march on together. A nation of hunters can never be formidable to the civilized nations in their neighbourhood. A nation of shepherds may. Nothing can be more contemptible than an Indian war in North America. Nothing, on the contrary, can be more dreadful than a Tartar invasion has frequently been in Asia. The judgment of Thucydides, that both Europe and Asia could not resist the Scythians united, has been verified by the experience of all ages. The inhabitants of the extensive, but defenceless plains of Scythia or Tartary, have been frequently united under the dominion of the chief of some conquering horde or clan; and the havoc and devastation of Asia have always fignalized their union. The inhabitants of the inhospitable desarts of Arabia, the other great nation of shepherds, have never been united but once; under Mahomet and his immediate fucceffors. Their union, which was more the effect of religious enthusiasm than of conquest, was fignalized in the same manner. If the hunting nations of America should ever become shepherds, their neighbourhood would be much more dangerous to the European colonies than it is at present.

In a yet more advanced state of society, among those nations of husbandmen who have little foreign commerce, and no other manufactures but those coarse and houshold ones which almost





BOOK every private family prepares for its own use; every man, in the fame manner, either is a warrior, or eafily becomes fuch. They who live by agriculture generally pass the whole day in the open air, exposed to all the inclemencies of the feafons. The hardiness of their ordinary life prepares them for the fatigues of war, to some of which their necessary occupations bear a great analogy. The necessary occupation of a ditcher prepares him to work in the trenches, and to fortify a camp as well as to enclose a field. The ordinary pastimes of such husbandmen are the fame as those of shepherds, and are in the same manner the images of war. But as husbandmen have less leifure than shepherds, they are not so frequently employed in those pastimes. They are foldiers, but foldiers not quite fo much mafters of their exercise. Such as they are, however, it feldom costs the fovereign or commonwealth any expence to prepare them for the field.

AGRICULTURE, even in its rudest and lowest state, supposes a settlement; some fort of fixed habitation which cannot be abandoned without great loss. When a nation of mere husbandmen, therefore, goes to war, the whole people cannot take the field together. The old men, the women and children, at least, must remain at home to take care of the habitation. All the men of the military age, however, may take the field, and, in small nations of this kind, have frequently done fo. In every nation the men of the military age are supposed to amount to about a fourth or a fifth part of the whole body of the people.



people. If the campaign too should begin after C H A P. feed-time, and end before harvest, both the hufbandman and his principal labourers can be spared from the farm without much loss. He trusts that the work which must be done in the mean time can be well enough executed by the old men, the women and the children. He is not unwilling, therefore, to ferve without pay during a fhort campaign, and it frequently cofts the fovereign or commonwealth as little to maintain him in the field as to prepare him for it. The citizens of all the different states of ancient Greece feem to have ferved in this manner till after the fecond Persian war; and the people of Peloponesus till after the Peloponesian war. The Peloponefians, Thucydides observes, generally left the field in the furnmer, and returned home to reap the harvest. The Roman people under their kings, and during the first ages of the republic, ferved in the fame manner. It was not till the fiege of Veii, that they, who flaid at home, began to contribute fomething towards maintaining those who went to war. In the European monarchies, which were founded upon the ruins of the Roman empire, both before and for some time after the establishment of what is properly called the feudal law, the great lords, with all their immediate dependents, used to serve the crown at their own expence. In the field, in the fame manner as at home, they maintained themfelves by their own revenue, and not by any ftipend or pay which they received from the king upon that particular occasion.

Vol. III.







BOOK IN a more advanced state of society, two different causes contribute to render it altogether impossible that they, who take the field, should maintain themselves at their own expence. Those two causes are, the progress of manufactures, and the improvement in the art of war.

Though a husbandman should be employed in an expedition, provided it begins after feedtime and ends before harvest, the interruption of his business will not always occasion any confiderable diminution of his revenue. Without the intervention of his labour, nature does herfelf the greater part of the work which remains to be done. But the moment that an artificer, a finith, a carpenter, or a weaver, for example, quits his workhouse, the fole source of his revenue is completely dried up. Nature does nothing for him, he does all for himself. When he takes the field, therefore, in defence of the public, as he has no revenue to maintain himself. he must necessarily be maintained by the public. But in a country of which a great part of the inhabitants are artificers and manufacturers, a great part of the people who go to war must be drawn from those classes, and must therefore be maintained by the public as long as they are employed in its fervice.

When the art of war too has gradually grown up to be a very intricate and complicated science, when the event of war ceases to be determined, as in the first ages of fociety, by a single irregular skirmish or battle, but when the contest is generally foun out through feveral different campaigns,





paigns, each of which lasts during the greater C H A P. part of the year; it becomes universally necesfary that the public should maintain those who ferve the public in war, at least while they are employed in that service. Whatever in time of peace might be the ordinary occupation of those who go to war, fo very tedious and expensive a fervice would otherwise be by far too heavy a burden upon them. After the fecond Perfian war, accordingly, the armies of Athens feem to have been generally composed of mercenary troops; confifting, indeed, partly of citizens, but partly too of foreigners; and all of them equally hired and paid at the expence of the flate. From the time of the fiege of Veii, the armies of Rome received pay for their fervice during the time which they remained in the field. Under the feudal governments the military fervice both of the great lords and of their immediate dependents was, after a certain period, univerfally exchanged for a payment in money, which was employed to maintain those who served in their stead.

THE number of those who can go to war, in proportion to the whole number of the people, is necessarily much smaller in a civilized, than in a rude state of society. In a civilized society, as the foldiers are maintained altogether by the labour of those who are not foldiers, the number of the former can never exceed what the latter can maintain, over and above maintaining, in a manner fuitable to their respective stations, both themfelves and the other officers of government, and

E 2

law,





BOOK faw, whom they are obliged to maintain. In the little agrarian states of ancient Greece, a fourth or a fifth part of the whole body of the people confidered themselves as soldiers, and would sometimes, it is faid, take the field. Among the civilized nations of modern Europe, it is commonly computed, that not more than one hundredth part of the inhabitants of any country can be employed as foldiers, without ruin to the country which pays

the expence of their fervice.

THE expence of preparing the army for the field feems not to have become confiderable in any nation, till long after that of maintaining it in the field had devolved entirely upon the fovereign or commonwealth. In all the different republics of ancient Greece, to learn his military exercises, was a necessary part of education imposed by the state upon every free citizen. In every city there feems to have been a public field, in which, under the protection of the public magistrate, the young people were taught their different exercises by different masters. In this very fimple institution, consisted the whole expence which any Grecian state seems ever to have been at, in preparing its citizens for war. In ancient Rome the exercises of the Campus Martins answered the same purpose with those of the Gymnasium in ancient Greece. Under the feudal governments, the many public ordinances that the citizens of every diffrict should practife archery as well as feveral other military exercises, were intended for promoting the same purpose, but do not seem to have promoted it so well.





well. Either from want of interest in the officers centrusted with the execution of those ordinances, or from some other cause, they appear to have been universally neglected; and in the progress of all those governments, military exercises seem to have gone gradually into disuse among the great body of the people.

In the republics of ancient Greece and Rome, during the whole period of their existence, and under the seudal governments for a considerable time after their first establishment, the trade of a soldier was not a separate, distinct trade, which constituted the sole or principal occupation of a particular class of citizens. Every subject of the state, whatever might be the ordinary trade or occupation by which he gained his livelihood, considered himself, upon all ordinary occasions, as sit likewise to exercise the trade of a soldier, and upon many extraordinary occasions as bound to exercise it.

The art of war, however, as it is certainly the noblest of all arts, so in the progress of improvement it necessarily becomes one of the most complicated among them. The state of the mechanical, as well as of some other arts, with which it is necessarily connected, determines the degree of perfection to which it is capable of being carried at any particular time. But in order to carry it to this degree of perfection, it is necessary that it should become the sole or principal occupation of a particular class of citizens, and the division of labour is as necessary for the improvement of this, as of every other art. Into



OOK other arts the division of labour is naturally introduced by the prudence of individuals, who find that they promote their private interest better by confining themselves to a particular trade, than by exercifing a great number. But it is the wisdom of the state only which can render the trade of a foldier a particular trade separate and distinct from all others. A private citizen who, in time of profound peace, and without any particular encouragement from the public, should spend the greater part of his time in military exercifes, might, no doubt, both improve himfelf very much in them, and amuse himself very well; but he certainly would not promote his own interest. It is the wisdom of the state only which can render it for his interest to give up the greater part of his time to this peculiar occupation: and ftates have not always had this wifdom, even when their circumftances had become fuch, that the prefervation of their existence required that they should have it.

A SHEPHERD has a great deal of leifure; a huf-bandman, in the rude state of husbandry, has some; an artificer or manufacturer has none at all. The first may, without any loss, employ a great deal of his time in martial exercises; the second may employ some part of it; but the last cannot employ a single hour in them without some loss, and his attention to his own interest naturally leads him to neglect them altogether. Those improvements in husbandry too, which the progress of arts and manufactures necessarily introduces, leave the husbandman as little leifure





as the artificer. Military exercifes come to be as much neglected by the inhabitants of the country as by those of the town, and the great body of the people becomes altogether unwarlike. That wealth, at the same time, which always follows the improvements of agriculture and manufactures, and which in reality is no more than the accumulated produce of those improvements, provokes the invasion of all their neighbours. An industrious, and upon that account a wealthy nation, is of all nations the most likely to be attacked; and unless the state takes some new measures for the public desence, the natural habits of the people render them altogether incapable of desending themselves.

In these circumstances, there seem to be but two methods, by which the state can make any tolerable provision for the public desence.

It may either, first, by means of a very rigorous police, and in spite of the whole bent of the interest, genius and inclinations of the people, enforce the practice of military exercises, and oblige either all the citizens of the military age, or a certain number of them, to join in some measure the trade of a soldier to whatever other trade or profession they may happen to carry on.

OR, fecondly, by maintaining and employing a certain number of citizens in the conftant practice of military exercises, it may render the trade of a soldier a particular trade, separate and distinct from all others.

If the state has recourse to the first of those two expedients, its military force is said to confish

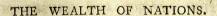




E OOK fift in a militia; if to the fecond, it is faid to confift in a franding army. The practice of military exercises is the sole or principal occupation of the foldiers of a standing army, and the maintenance or pay which the state affords them is the principal and ordinary fund of their fubfiftence. The practice of military exercises is only the occasional occupation of the foldiers of a militia, and they derive the principal and ordinary fund of their subsistence from some other occupation. In a militia, the character of the labourer, artificer, or tradefman, predominates over that of the foldier: in a standing army, that of the foldier predominates over every other character; and in this distinction seems to consist the effential difference between those two different species of military force.

MILITIAS have been of feveral different kinds. In some countries the citizens destined for defending the state, seem to have been exercised only, without being, if I may fay so, regimented; that is, without being divided into feparate and distinct bodies of troops, each of which performed its exercises under its own proper and permanent officers. In the republics of ancient Greece and Rome, each citizen, as long as he remained at home, feems to have practifed his exercises either separately and independently, or with fuch of his equals as he liked best; and not to have been attached to any particular body of troops till he was actually called upon to take the field. In other countries, the militia has not only been exercised, but regimented. In Eng-





land, in Switzerland, and, I believe, in every CHAP. other country of modern Europe, where any imperfect military force of this kind has been eftablished, every militia-man is, even in time of peace, attached to a particular body of troops, which performs its exercifes under its own proper and permanent officers.

BEFORE the invention of fire-arms, that army was fuperior in which the foldiers had, each individually, the greatest skill and dexterity in the use of their arms. Strength and agility of body were of the highest consequence, and commonly determined the fate of battles. But this skill and dexterity in the use of their arms, could be acquired only, in the fame manner as fencing is at prefent, by practifing, not in great bodies, but each man feparately, in a particular fchool, under a particular mafter, or with his own particular equals and companions. Since the invention of fire-arms, ftrength and agility of body, or even extraordinary dexterity and skill in the use of arms, though they are far from being of no consequence, are, however, of less consequence. The nature of the weapon, though it by no means puts the awkward upon a level with the skilful, puts him more nearly so than he ever was before. All the dexterity and skill, it is fupposed, which are necessary for using it, can be well enough acquired by practifing in great bodies.

REGULARITY, order, and prompt obedience to command, are qualities which, in modern armies, are of more importance towards determining the





BOOK fate of battles, than the dexterity and skill of the foldiers in the use of their arms. But the noise of fire-arms, the smoke, and the invisible death to which every man feels himself every moment exposed, as foon as he comes within . cannon-shot, and frequently a long time before the battle can be well faid to be engaged, must render it very difficult to maintain any confiderable degree of this regularity, order, and prompt obedience, even in the beginning of a modern battle. In an ancient battle there was no poile but what arose from the human voice; there was no fmoke, there was no invisible cause of wounds or death. Every man, till fome mortal weapon actually did approach him, faw clearly that no fuch weapon was near him. In these circumstances, and among troops who had some confidence in their own skill and dexterity in the use of their arms, it must have been a good deal less difficult to preferve fome degree of regularity and order, not only in the beginning, but through the whole progress of an ancient battle, and till one of the two armies was fairly defeated. But the habits of regularity, order, and prompt obedience to command, can be acquired only by troops which are exercifed in great bodies.

A MILITIA, however, in whatever manner it may be either disciplined or exercised, must always be much inferior to a well-disciplined and well-exercifed ftanding army.

THE foldiers, who are exercised only once a week, or once a month, can never be fo expert in the use of their arms, as those who are exer-





cifed every day, or every other day; and though this circumstance may not be of so much consequence in modern, as it was in ancient times, yet the acknowledged superiority of the Prussian troops, owing, it is said, very much to their superior expertness in their exercise, may satisfy us that it is, even at this day, of very considerable consequence.

THE foldiers, who are bound to obey their officer only once a week or once a month, and who are at all other times at liberty to manage their own affairs their own way, without being in any respect accountable to him, can never be under the same awe in his presence, can never have the fame disposition to ready obedience, with those whose whole life and conduct are every day directed by him, and who every day even rife and go to bed, or at least retire to their quarters, according to his orders. In what is called difcipline, or in the habit of ready obedience, a militia must always be still more inferior to a standing army, than it may formetimes be in what is called the manual exercise, or in the management and use of its arms. But in modern war the habit of ready and instant obedience is of much greater consequence than a considerable superiority in the management of arms.

THOSE militias which, like the Tartar or Arab militia, go to war under the fame chieftains whom they are accustomed to obey in peace, are by far the best. In respect for their officers, in the habit of ready obedience, they approach nearest to standing armies. The highland militia, when it

(65)





BOOK ferved under its own chieftains, had fome advantage of the same kind. As the highlanders. however, were not wandering, but stationary shepherds, as they had all a fixed habitation, and were not, in peaceable times, accustomed to follow their chieftain from place to place; fo in time of war they were less willing to follow him to any confiderable distance, or to continue for any long time in the field. When they had acquired any booty they were eager to return home, and his authority was feldom fufficient to detain them. In point of obedience they were always much inferior to what is reported of the Tartars and Arabs. As the highlanders too, from their stationary life, fpend less of their time in the open air, they were always less accustomed to military exercises, and were less expert in the use of their arms than the Tartars and Arabs are faid to be.

A MILITIA of any kind, it must be observed, however, which has ferved for feveral fucceffive campaigns in the field, becomes in every respect a standing army. The foldiers are every day exercifed in the use of their arms, and, being constantly under the command of their officers, are habituated to the fame prompt obedience which takes place in standing armies. What they were before they took the field, is of little import-They necessarily become in every respect a standing army, after they have passed a few campaigns in it. Should the war in America drag out through another campaign, the American militia may become in every respect a match for that standing army, of which the valour appeared,





peared, in the last war, at least not inferior to that C H A P. of the hardiest veterans of France and Spain.

This distinction being well understood, the history of all ages, it will be found, bears testimony to the irresistible superiority which a well-

regulated standing army has over a militia.

ONE of the first standing armies of which we have any diffinct account, in any well authenticated hiftory, is that of Philip of Macedon. His frequent wars with the Thracians, Illyrians, Theffalians, and fome of the Greek cities in the neighbourhood of Macedon, gradually formed his troops, which in the beginning were probably militia, to the exact discipline of a standing army. When he was at peace, which he was very feldom, and never for any long time together, he was careful not to disband that army. It vanquished and subdued, after a long and violent ftruggle, indeed, the gallant and well exercised militias of the principal republics of ancient Greece; and afterwards, with very little struggle, the effeminate and ill-exercifed militia of the great Persian empire. The fall of the Greek republics and of the Persian empire, was the effect of the irrefiftible superiority which a standing army has over every fort of militia. It is the first great revolution in the affairs of mankind, of which hiftory has preserved any distinct or circumstantial account.

THE fall of Carthage, and the consequent elevation of Rome, is the second. All the varieties in the fortune of those two samous republics may very well be accounted for from the same cause.

67)

FROM





BOOK FROM the end of the first to the beginning of the fecond Carthaginian war, the armies of Carthage were continually in the field, and employed under three great generals, who fucceeded one another in the command; Amilcar, his fon-inlaw Asdrubal, and his fon Annibal; first in chastifing their own rebellious flaves, afterwards in fubduing the revolted nations of Africa, and, lastly, in conquering the great kingdom of Spain. The army which Annibal led from Spain into Italy must necessarily, in those different wars, have been gradually formed to the exact discipline of a standing army. The Romans, in the mean time, though they had not been altogether at peace, yet they had not, during this period, been engaged in any war of very great confequence; and their military discipline, it is generally faid, was a good deal relaxed. The Roman armies which Annibal encountered at Trebia. Thrasymenus and Cannæ, were militia opposed to a standing army. This circumstance, it is probable, contributed more than any other to determine the fate of those battles.

> THE standing army which Annibal left behind him in Spain, had the like superiority over the militia which the Romans fent to oppose it, and in a few years, under the command of his brother, the younger Asdrubal, expelled them almost entirely from that country.

> Annibal was ill supplied from home. The Roman militia, being continually in the field, became in the progress of the war a well disciplined and well exercised standing army; and the superiority of Annibal grew every day less and

lefs.



lefs. Afdrubal judged it necessary to lead the characteristic of the affishance of his brother in Italy. In this march he is said to have been missed by his guides; and in a country which he did not know, was surprized and attacked by another standing army, in every respect equal or superior to his own, and was entirely defeated.

When Asdrubal had lest Spain, the great Scipio found nothing to oppose him but a militia inferior to his own. He conquered and subdued that militia, and, in the course of the war, his own militia necessarily became a well-disciplined and well-exercised shanding army. That standing army was afterwards carried to Africa, where it found nothing but a militia to oppose it. In order to defend Carthage it became necessary to recall the standing army of Annibal. The disheartened and frequently defeated African militia joined it, and, at the battle of Zama, composed the greater part of the troops of Annibal, The event of that day determined the sate of the two rival republics.

From the end of the second Carthaginian war till the fall of the Roman republic, the armies of Rome were in every respect standing armies. The standing army of Macedon made some resistance to their arms. In the height of their grandeur, it cost them two great wars, and three great battles, to subdue that little kingdom; of which the conquest would probably have been still more difficult, had it not been for the cowardice of its last king. The militias of all the ci-

vilized





BOOK vilized nations of the ancient world, of Greece, of Syria, and of Egypt, made but a feeble refiftance to the standing armies of Rome. The militias of fome barbarous nations defended themfelves much better. The Scythian or Tartar militia, which Mithridates drew from the countries north of the Euxine and Caspian seas, were the most formidable enemies whom the Romans had to encounter after the fecond Carthaginian The Parthian and German militias too were always respectable, and, upon several occafions, gained very confiderable advantages over the Roman armies. In general, however, and when the Roman armies were well commanded. they appear to have been very much fuperior; and if the Romans did not purfue the final conquest either of Parthia or Germany, it was probably because they judged, that it was not worth while to add those two barbarous countries to an empire which was already too large. The ancient Parthians appear to have been a nation of Scythian or Tartar extraction, and to have always retained a good deal of the manners of their ancestors. The ancient Germans were, like the Scythians or Tartars, a nation of wandering shepherds, who went to war under the same chiefs whom they were accustomed to follow in peace. Their militia was exactly of the fame kind with that of the Scythians or Tartars, from whom too they were probably descended.

Many different causes contributed to relax the discipline of the Roman armies. Its extreme feverity was, perhaps, one of those causes. In





the days of their grandeur, when no enemy ap- CHAP. peared capable of oppoling them, their heavy armour was laid aside as unnecessarily burdenforne, their laborious exercifes were neglected as unnecessarily toilsome. Under the Roman emperors befides, the standing armies of Rome, those particularly which guarded the German and Pannonian frontiers, became dangerous to their mafters, against whom they used frequently to set up their own generals. In order to render them less formidable, according to fome authors, Dioclefian, according to others, Constantine, first withdrew them from the frontier, where they had always before been encamped in great bodies, generally of two or three legions each, and difperfed them in imall bodies through the different provincial towns, from whence they were fcarce ever removed, but when it became necessary to repel an invation. Small bodies of foldiers quartered in trading and manufacturing towns, and feldom removed from those quarters, became themselves tradesmen, artificers, and manufacturers. The civil came to predominate over the military character; and the standing armies of Rome gradually degenerated into a corrupt, neglected, and undisciplined militia, incapable of refifting the attack of the German and Scythian militias, which foon afterwards invaded the western empire. It was only by hiring the militia of fome of those nations to oppose to that of others, that the emperors were for some time able to defend themselves. The fall of the western empire is the third great revolution in the affairs of mankind. VOL. III.





BOOK mankind, of which ancient history has preserved any distinct or circumstantial account. It was brought about by the irreliftible fuperiority which the militia of a barbarous, has over that of a civilized nation; which the militia of a nation of shepherds, has over that of a nation of husbandmen, artificers, and manufacturers. The victories which have been gained by militias have generally been, not over flanding armies, but over other militias in exercise and discipline inferior to themselves. Such were the victories which the Greek militia gained over that of the Persian empire; and fuch too were those which in later times the Swifs militia gained over that of the Austrians and Burgundians.

THE military force of the German and Scythian nations who established themselves upon the ruins of the western empire, continued for some time to be of the fame kind in their new fettlements, as it had been in their original country. It was a militia of shepherds and husbandmen, which, in time of war, took the field under the command of the fame chieftains whom it was accustomed to obey in peace. It was, therefore, tolerably well exercifed, and tolerably well disciplined. As arts and industry advanced, however, the authority of the chieftains gradually decayed, and the great body of the people had less time to spare for military exercises. Both the discipline and the exercise of the feudal militia, therefore, went gradually to ruin, and standing armies were gradually introduced to supply the place of it. When the expedient of a standing army, befides,





had once been adopted by one civilized nation, CHAP. it became necessary that all its neighbours should follow the example. They soon found that their safety depended upon their doing so, and that their own militia was altogether incapable of resisting the attack of such an army.

THE foldiers of a standing army, though they may never have feen an enemy, yet have frequently appeared to possess all the courage of veteran troops, and the very moment that they took the field to have been fit to face the hardiest and most experienced veterans. In 1756, when the Russian army marched into Poland, the valour of the Ruffian foldiers did not appear inferior to that of the Prussians, at that time supposed to be the hardiest and most experienced veterans in Europe. The Ruffian empire, however, had enjoyed a profound peace for near twenty years before, and could at that time have very few foldiers who had ever feen an enemy. When the Spanish war broke out in 1739, England had enjoyed a profound peace for about eight and twenty years. The valour of her foldiers, however, far from being corrupted by that long peace, was never more diffinguished than in the attempt

WHEN a civilized nation depends for its defence upon a militia, it is at all times exposed to

their valour.

upon Carthagena, the first unfortunate exploit of that unfortunate war. In a long peace the generals, perhaps, may sometimes forget their skill; but, where a well-regulated standing army has been kept up, the soldiers seem never to forget

be

F 2



ook be conquered by any barbarous nation which happens to be in its neighbourhood. The frequent conquefts of all the civilized countries in Asia by the Tartars, fufficiently demonstrates the natural fuperiority, which the militia of a barbarous, has over that of a civilized nation. A well-regulated standing army is superior to every militia. Such an army, as it can best be maintained by an opulent and civilized nation, fo it can alone defend fuch a nation against the invasion of a poor and barbarous neighbour. It is only by means of a flanding army, therefore, that the civilization of any country can be perpetuated, or even preferved for any confiderable time.

As it is only by means of a well-regulated standing army that a civilized country can be defended; fo it is only by means of it, that a barbarous country can be fuddenly and tolerably civilized. A flanding army eftablishes, with an irrefiftible force, the law of the fovereign through the remotest provinces of the empire, and maintains some degree of regular government in countries which could not otherwife admit of Whoever examines, with attention, the improvements which Peter the Great introduced into the Russian empire, will find that they almost all resolve themselves into the establishment of a well-regulated standing army. It is the instrument which executes and maintains all his other regulations. That degree of order and internal peace, which that empire has ever fince enjoyed, is altogether owing to the influence of that army.





MEN of republican principles have been jealous C H A P. of a standing army as dangerous to liberty. It certainly is so, wherever the interest of the general and that of the principal officers are not necessarily connected with the support of the constitution of the state. The standing army of Cæfar destroyed the Roman republic. The ftanding army of Cromwel turned the long parliament out of doors. But where the fovereign is himself the general, and the principal nobility and gentry of the country the chief officers of the army; where the military force is placed under the command of those who have the greatest interest in the support of the civil authority, because they have themselves the greatest fhare of that authority, a flanding army can never be dangerous to liberty. On the contrary, it may in some cases be favourable to liberty. The fecurity which it gives to the fovereign renders unnecessary that troublesome jealousy, which, in fome modern republics, feems to watch over the minutest actions, and to be at all times ready to diffurb the peace of every citizen. Where the fecurity of the magistrate, though supported by the principal people of the country, is endangered by every popular discontent; where a fmall tumult is capable of bringing about in a few hours a great revolution, the whole authority of government must be employed to suppress and punish every murmur and complaint against it. To a sovereign, on the contrary, who feels himself supported, not only by the natural ariftocracy of the country, but by a wellregulated



HOOK V.

regulated flanding army, the rudest, the most groundless, and the most licentious remonstrances can give little disturbance. He can safely pardon or neglect them, and his consciousness of his own superiority naturally disposes him to do so. That degree of liberty which approaches to licentiousness can be tolerated only in countries where the sovereign is secured by a well regulated standing army. It is in such countries only, that the public safety does not require, that the sovereign should be trusted with any discretionary power, for suppressing even the impertinent wantonness of this licentious liberty.

THE first duty of the sovereign, therefore, that of desending the society from the violence and injustice of other independent societies, grows gradually more and more expensive, as the society advances in civilization. The military force of the society, which originally cost the sovereign no expence either in time of peace or in time of war, must, in the progress of improvement, first be maintained by him in time of war, and afterwards even in time of peace.

THE great change introduced into the art of war by the invention of fire-arms, has enhanced fill further both the expence of exercifing and disciplining any particular number of soldiers in time of peace, and that of employing them in time of war. Both their arms and their ammunition are become more expensive. A musquet is a more expensive machine than a javelin or a bow and arrows; a cannon or a mortar, than a balista or a catapulta. The powder, which is

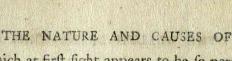




fpent in a modern review, is lost irrecoverably, CHAP. and occasions a very considerable expence. The javelins and arrows which were thrown or shot in an ancient one, could eafily be picked up again, and were befides of very little value. non and the mortar are, not only much dearer, but much heavier machines than the balista or catapulta, and require a greater expence, not only to prepare them for the field, but to carry them to it. As the superiority of the modern artillery too, over that of the ancients is very great; it has become much more difficult, and confequently much more expensive, to fortify a town fo as to refift, even for a few weeks, the attack of that fuperior artillery. In modern times many different causes contribute to render the defence of the fociety more expensive. The unavoidable effects of the natural progress of improvement have, in this respect, been a good deal enhanced by a great revolution in the art of war, to which a mere accident, the invention of gunpowder, feems to have given occasion.

In modern war the great expence of fire-arms gives an evident advantage to the nation which can best afford that expence; and consequently, to an opulent and civilized, over a poor and barbarous nation. In ancient times the opulent and civilized found it difficult to defend themselves against the poor and barbarous nations. In modern times the poor and barbarous find it difficult to defend themselves against the opulent and civilized. The invention of fire-arms, an inven-

tion



SL

tion which at first fight appears to be so pernicious, is certainly favourable both to the permanency and to the extension of civilization.

PART II.

Of the Expence of Justice.

HE fecond duty of the sovereign, that of protecting, as far as possible, every member of the society from the injustice or oppression of every other member of it, or the duty of establishing an exact administration of justice requires too very different degrees of expence in the different periods of society.

Among nations of hunters, as there is scarce any property, or at least none that exceeds the value of two or three days labour; fo there is feldom any established magistrate or any regular administration of justice. Men who have no property can injure one another only in their persons or reputations. But when one man kills, wounds, beats, or defames another, though he to whom the injury is done fuffers, he who does it receives no benefit. It is otherwife with the injuries to property. The benefit of the person who does the injury is often equal to the loss of him who fuffers it. Envy, malice, or refentment, are the only passions which can prompt one man to injure another in his person or reputation. But the greater part of men are not very frequently under the influence of those passions;





and the very worst men are so only occasionally, CHAP. As their gratification too, how agreeable foever it may be to certain characters, is not attended with any real or permanent advantage, it is in the greater part of men commonly restrained by prudential confiderations. Men may live together in fociety with fome tolerable degree of fecurity, though there is no civil magistrate to protect them from the injustice of those passions. But avarice and ambition in the rich, in the poor the hatred of labour and the love of present ease and enjoyment, are the passions which prompt to invade property, passions much more steady in their operation, and much more universal in their influence. Wherever there is great property, there is great inequality. For one very rich man, there must be at least five hundred poor, and the affluence of the few supposes the indigence of the many. The affluence of the rich excites the indignation of the poor, who are often both driven by want, and prompted by envy, to invade his possessions. It is only under the shelter of the civil magistrate that the owner of that valuable property, which is acquired by the labour of many years, or perhaps of many fuccessive generations, can sleep a single night in fecurity. He is at all times furrounded by unknown enemies, whom, though he never provoked, he can never appeale, and from whole injustice he can be protected only by the powerful arm of the civil magistrate continually held up to chastife it. The acquisition of valuable and extensive property, therefore, necessarily requires-



BOOK quires the establishment of civil government. Where there is no property, or at least none that exceeds the value of two or three days labour, civil government is not fo necessary.

> Civil government supposes a certain subordination. But as the necessity of civil government gradually grows up with the acquisition of valuable property, so the principal causes which naturally introduce fubordination gradually grow up with the growth of that valuable property.

> THE causes or circumstances which naturally introduce fubordination, or which naturally, and anrecedent to any civil institution, give some men fome fuperiority over the greater part of their brethren, feem to be four in number.

THE first of those causes or circumstances is the fuperiority of personal qualifications, of ftrength, beauty, and agility of body; wifdom, and virtue, of prudence, justice, forti-tude, and moderation of mind. The qualifications of the body, unless supported by those of the mind, can give little authority in any period of fociety. He is a very strong man, who, by mere strength of body, can force two weak ones to obey him. The qualifications of the mind can alone give very great authority. They are, however, invisible qualities; always disputable, and generally disputed. No fociety, whether barbarous or civilized, has ever found it convenient to fettle the rules of precedency of rank and fubordination, according to those invisible qualities; but according to fomething that is more plain and palpable.



SL 75

THE fecond of those causes or circumstances is C H A P. the superiority of age. An old man, provided his age is not so far advanced as to give suspicion of dotage, is every where more respected than a young man of equal rank, fortune, and abilities. Among nations of hunters, fuch as the native tribes of North America, age is the fole foundation of tank and precedency. Among them, father is the appellation of a fuperior; brother, of an equal; and fon, of an inferior. most opulent and civilized nations, age regulates rank among those who are in every other respect equal, and among whom, therefore, there is nothing elfe to regulate it. Among brothers and among fifters, the eldeft always takes place; and in the fuccession of the paternal estate every thing which cannot be divided, but must go entire to one perfon, fuch as a title of honour, is in most cases given to the eldest. Age is a plain and palpable quality which admits of no dispute.

The third of those causes or circumstances is the superiority of fortune. The authority of riches, however, though great in every age of society, is perhaps greatest in the rudest age of society which admits of any considerable inequality of fortune. A Tartar chief, the increase of whose herds and slocks is sufficient to maintain a thousand men, cannot well employ that increase in any other way than in maintaining a thousand men. The rude state of his society does not afford him any manufactured produce, any trinkers or baubles of any kind, for which he can exchange that part of his rude produce,

which





OOK which is over and above his own confumption. The thousand men whom he thus maintains, depending entirely upon him for their fubfiftence, must both obey his orders in war, and submit to his jurisdiction in peace. He is necessarily both their general and their judge, and his chieftainship is the necessary effect of the superiority of his fortune. In an opulent and civilized fociety, a man may possess a much greater fortune, and yet not be able to command a dozen of people. Though the produce of his estate may be fufficient to maintain, and may perhaps actually maintain, more than a thousand people, yet as those people pay for every thing which they get from him, as he gives fcarce any thing to any body but in exchange for an equivalent, there is fcarce any body who confiders himfelf as entirely dependent upon him, and his authority extends only over a few menial fervants. The authority of fortune, however, is very great even in an opulent and civilized fociety. That it is much greater than that, either of age, or of personal qualities, has been the constant complaint of every period of fociety which admitted of any confiderable inequality of fortune. The first period of fociety, that of hunters, admits of no fuch inequality. Universal poverty establishes their universal equality, and the superiority, either of age, or of personal qualities, are the feeble, but the fole foundations of authority and There is therefore little or no. fubordination. authority or subordination in this period of society. The fecond period of fociety, that of shepherds,





shepherds admits of very great inequalities of CHAP. fortune, and there is no period in which the superiority of fortune gives so great authority to those who possess it. There is no period accordingly in which authority and subordination are more perfectly established. The authority of an Arabian scherif is very great; that of a Tartar khan altogether despotical.

THE fourth of those causes or circumstances is the superiority of birth. Superiority of birth supposes an ancient superiority of fortune in the family of the person who claims it. All families are equally ancient; and the ancestors of the prince, though they may be better known, cannot well be more numerous than those of the beggar. Antiquity of family means every where the antiquity either of wealth, or of that greatness which is commonly either founded upon wealth, or accompanied with it. Upftart greatness is every where less respected than ancient greatness. The hatred of usurpers, the love of the family of an ancient monarch, are, in a great meafure, founded upon the contempt which men naturally have for the former, and upon their veneration for the latter. As a military officer fubmits without reluctance to the authority of a fuperior by whom he has always been commanded, but cannot bear that his inferior should be fet over his head; fo men eafily submit to a family to whom they and their ancestors have always fubmitted; but are fired with indignation when another family, in whom they had





OOK had never acknowledged any fuch superiority. affumes a dominion over them.

> THE distinction of birth, being subsequent to the inequality of fortune, can have no place in nations of hunters, among whom all men, being equal in fortune, must likewise be very nearly equal in birth. The fon of a wife and brave man may, indeed, even among them, be fomewhat more respected than a man of equal merit who has the misfortune to be the fon of a fool, or a coward. The difference, however, will not be very great; and there never was, I believe, a great family in the world whose illustration was entirely derived from the inheritance of wisdom and virtue.

> THE distinction of birth not only may, but always does take place among nations of shepherds. Such nations are always strangers to every fort of luxury, and great wealth can fcarce ever be diffipated among them by improvident profusion. There are no nations accordingly who abound more in families revered and honoured on account of their descent from a long race of great and illustrious ancestors; because there are no nations among whom wealth is likely to continue longer in the same families.

> BIRTH and fortune are evidently the two circumstances which principally set one man above another. They are the two great fources of perfonal diffinction, and are therefore the principal causes which naturally establish authority and fubordination among men. Among nations of **shepherds**





faepherds both those causes operate with their CHAP full force, The great shepherd or herdinan, respected on account of his great wealth, and of the great number of those who depend upon him for subliftence, and revered on account of the nobleness of his birth, and of the immemorial antiquity of his illustrious family, has a natural authority over all the inferior shepherds or herds. men of his horde or clan. He can command the united force of a greater number of people than any of them. His military power is greater than that of any of them. In time of war they are all of them naturally disposed to muster themselves under his banner, rather than under that of any other person, and his birth and fortune thus naturally procure to him fome fort of executive power. By commanding too the united force of a greater number of people than any of them, he is best able to compel any one of them who may have injured another to compensate the wrong. He is the person, therefore, to whom all those who are too weak to defend themselves naturally look up for protection. It is to him that they naturally complain of the injuries which they imagine have been done to them, and his interpolition in such cases is more easily submitted to, even by the person complained of, than that of any other person would be. His birth and fortune thus naturally procure him some fort of judicial authority.

IT is in the age of shepherds, in the second period of fociety, that the inequality of fortune first begins to take place, and introduces among

men





BOOK men a degree of authority and subordination which could not possibly exist before. It thereby introduces fome degree of that civil government which is indifpenfably necessary for its own prefervation: and it feems to do this naturally, and even independent of the confideration of that necessity. The consideration of that necessity comes no doubt afterwards to contribute very much to maintain and fecure that authority and fubordination. The rich, in particular, are necessarily interested to support that order of things, which can alone fecure them in the poffession of their own advantages. Men of inferior wealth combine to defend those of superior wealth in the possession of their property, in order that men of superior wealth may combine to defend them in the possession of theirs. All the inferior shepherds and herdsmen feel that the security of their own herds and flocks depends upon the fecurity of those of the great shepherd or herdsman; that the maintenance of their lesser authority depends upon that of his greater authority, and that upon their subordination to him depends his power of keeping their inferiors in fubordination to them. They conftitute a fort of little nobility, who feel themselves interested to defend the property and to supportthe authority of their own little fovereign, in order that he may be able to defend their property and to support their authority. Civil government, fo far as it is instituted for the security of property, is in reality instituted for the defence of the rich against the poor, or of those who





who have some property against those who have CHAP.

THE judicial authority of fuch a fovereign, however, far from being a cause of expence, was for a long time a fource of revenue to him. The persons who applied to him for justice were always willing to pay for it, and a prefent never failed to accompany a petition. After the authority of the fovereign too was thoroughly established, the perfon found guilty, over and above the satisfaction which he was obliged to make to the party, was likewife forced to pay an amercement to the fovereign. He had given trouble, he had diffurbed, he had broke the peace of his lord the king, and for those offences an amercement was thought due. In the Tartar governments of Asia, in the governments of Europe which were founded by the German and Scythian nations who overturned the Roman empire, the administration of justice was a confiderable fource of revenue, both to the fovereign, and to all the leffer chiefs or lords who exercifed under him any particular jurisdiction, either over fome particular tribe or clan, or over fome particular territory or district. Originally both the fovereign and the inferior chiefs used to exercise this jurisdiction in their own persons. Afterwards they univerfally found it convenient to delegate it to some substitute, bailiff, or judge. This substitute, however, was still obliged to account to his principal or constituent for the profits of the jurisdiction. Whoever reads the * instructions

Vol. III. G which

^{*} They are to be found in Tyrrel's History of England.







BOOK which were given to the judges of the circuit in the time of Henry II. will fee clearly that those judges were a fort of itinerant factors, fent round the country for the purpose of levying certain branches of the king's revenue. In those days the administration of justice, not only afforded a certain revenue to the fovereign, but to procure this revenue feems to have been one of the principal advantages which he proposed to obtain by the administration of justice.

> This scheme of making the administration of justice subservient to the purposes of revenue, could scarce fail to be productive of several very gross abuses. The person, who applied for justice with a large present in his hand, was likely to get fomething more than justice; while he, who applied for it with a fmall one, was likely to get something less. Justice too might frequently be delayed, in order that this present might be repeated. The amercement, besides, of the person complained of, might frequently fuggest a very strong reason for finding him in the wrong, even when he had not really been fo. That. fuch abuses were far from being uncommon, the ancient history of every country in Europe bears witness.

WHEN the fovereign or chief exercised his judicial authority in his own person, how much foever he might abuse it, it must have been scarce possible to get any redress; because there could feldom be any body powerful enough to call him to account. When he exercised it by a bailiff, indeed, redress might sometimes be had. If it





was for his own benefit only, that the bailiff had CHAP. been guilty of any act of injustice, the sovereign himself might not always be unwilling to punish him, or to oblige him to repair the wrong. But if it was for the benefit of his fovereign, if it was in order to make court to the person who appointed him and who might prefer him, that he had committed any act of oppression, redress would upon most occasions be as impossible as if the fovereign had committed it himself. In all barbarous governments, accordingly, in all those ancient governments of Europe in particular, which were founded upon the ruins of the Roman empire, the administration of justice appears for a long time to have been extremely corrupt; far from being quite equal and impartial even under the best monarchs, and altogether profligate under the worft.

Among nations of shepherds, where the fovereign or chief is only the greatest shepherd or herdsman of the horde or clan, he is maintained in the fame manner as any of his vaffals or fubjects, by the increase of his own herds or flocks. Among those nations of husbandmen who are but just come out of the shepherd state, and who are not much advanced beyond that state; fuch as the Greek tribes appear to have been about the time of the Trojan war, and our German and Scythian ancestors when they first settled upon the ruins of the western empire; the sovereign or chief is, in the fame manner, only the greatest landlord of the country, and is maintained, in the fame manner as any other landlord, by a G 2 revenue





BOOK revenue derived from his own private estate, or from what, in modern Europe, was called the demelne of the crown. His subjects, upon ordinary occasions, contribute nothing to his support, except when, in order to protect them from the oppression of some of their fellow-subjects, they stand in need of his authority. The prefents which they make him upon fuch occasions, constitute the whole ordinary revenue, the whole of the emoluments which, except perhaps upon some very extraordinary emergencies, he derives from his dominion over them. When Agamemnon, in Homer, offers to Achilles for his friend-Thip the fovereignty of feven Greek cities, the fole advantage which he mentions as likely to be derived from it, was, that the people would honour him with prefents. As long as fuch prefents, as long as the emoluments of justice, or what may be called the fees of court, constituted in this manner the whole ordinary revenue which the fovereign derived from his fovereignty, it could not well be expected, it could not even decently be proposed, that he should give them up altogether. It might, and it frequently was proposed, that he should regulate and ascertain them. But after they had been fo regulated and afcertained, how to hinder a person who was all-powerful from extending them beyond those regulations, was still very difficult, not to fay impossible. During the continuance of this state of things, therefore, the corruption of justice, naturally refulting from the arbitrary and uncertain nature of those presents, scarce admitted of any effectual remedy.





Bur when from different causes, chiefly from CHAP. the continually increasing expence of defending the nation against the invasion of other nations, the private estate of the sovereign had become altogether infufficient for defraying the expence of the fovereignty; and when it had become necessary that the people should, for their own fecurity, contribute towards this expence by taxes of different kinds, it feems to have been very commonly stipulated, that no present for the administration of justice should, under any pretence, be accepted either by the fovereign, or by his bailiffs and fubstitutes, the judges. Those prefents, it feems to have been supposed, could more easily be abolished altogether, than effectually regulated and afcertained. Fixed falaries were appointed to the judges, which were supposed to compensate to them the loss of whatever might have been their share of the ancient emoluments of justice; as the taxes more than compensated to the fovereign the loss of his. Justice was then said to be administered gratis.

JUSTICE, however, never was in reality administered gratis in any country. Lawyers and attornies, at least, must always be paid by the parties; and, if they were not, they would perform their duty still worse than they actually perform it. The fees annually paid to lawyers and attornies amount, in every court, to a much greater fum than the falaries of the judges. The circumstance of those salaries being paid by the crown, can no-where much diminish the necessary expence of a law-fuit. But it was not fo much





BOOK to diminish the expence, as to prevent the corruption of justice, that the judges were prohibited from receiving any prefent or fee from the parties.

> THE office of judge is in itself to very honourable, that men are willing to accept of it, though accompanied with very fmall emoluments. The inferior office of justice of peace, though attended with a good deal of trouble, and in most cases with no emoluments at all, is an object of ambition to the greater part of our country gentlemen. The falaries of all the different judges, high and low, together with the whole expence of the administration and execution of justice, even where it is not managed with very good economy, makes, in any civilized country, but a very inconfiderable part of the whole expence of government.

THE whole expence of justice too might easily be defraved by the fees of court; and, without exposing the administration of justice to any real hazard of corruption, the public revenue might thus be entirely discharged from a certain, though, perhaps, but a fmall incumbrance. It is difficult to regulate the fees of court effectually, where a person so powerful as the sovereign is to fhare in them, and to derive any confiderable part of his revenue from them. It is very eafy, where the judge is the principal person who can reap any benefit from them. The law can very eafily oblige the judge to respect the regulation, though it might not always be able to make the fovereign respect it. Where the fees of court are precifely regulated and afcertained,





where they are paid all at once, at a certain C H A P. period of every process, into the hands of a cashier or receiver, to be by him distributed in certain known proportions among the different judges after the process is decided, and not till it is decided, there feems to be no more danger of corruption than where such fees are prohibited altogether. Those fees, without occasioning any considerable increase in the expence of a lawfuit, might be rendered fully fufficient for defraying the whole expence of justice. By not being paid to the judges till the process was determined, they might be fome incitement to the diligence of the court in examining and deciding it. In courts which consisted of a considerable number of judges, by proportioning the share of each judge to the number of hours and days which he had employed in examining the process, either in the court or in a committee by order of the court, those fees might give some encouragement to the diligence of each particular judge. Public services are never better performed than when their reward comes only in consequence of their being performed, and is proportioned to the diligence employed in performing them. In the different parliaments of France, the fees of court (called Epicès and vacations) constitute the far greater part of the emoluments of the judges. After all deductions are made, the neat falary paid by the crown to a counfellor or judge in the parliament of Toulouse, in rank and dignity the fecond parliament of the kingdom, amounts only to a hundred and fifty livres, about

G 4

fix





BOOK fix pounds eleven shillings sterling a year. About feven years ago that fum was in the fame place the ordinary yearly wages of a common footman. The distribution of those Epices too is according to the diligence of the judges. A diligent judge gains a comfortable, though moderate, revenue by his office: An idle one gets little more than his falary. Those parliaments are perhaps, in many respects, not very convenient courts of justice; but they have never been accused; they feem never even to have been fuspected of corruption.

THE fees of court feem originally to have been the principal support of the different courts of justice in England. Each court endeavoured to draw to itself as much business as it could, and was, upon that account, willing to take cognizance of many fuits which were not originally intended to fall under its jurisdiction. The court of king's bench, instituted for the trial of criminal causes only, took cognizance of civil suits; the plaintiff pretending that the defendant, in not doing him justice, had been guilty of some trefpals or mildemeanor. The court of exchequer, instituted for the levying of the king's revenue, and for enforcing the payment of fuch debts only as were due to the king, took cognizance of all other contract debts; the plaintiff alleging that he could not pay the king, because the defendant would not pay him. In consequence of fuch fictions it came, in many eafes, to depend altogether upon the parties before what court they would chuse to have their cause tried; and each





each court endeavoured, by superior dispatch CHAP. and impartiality, to draw to itself as many causes as it could. The present admirable constitution of the courts of justice in England was, perhaps, originally in a great measure, formed by this emulation, which anciently took place between their respective judges; each judge endeavouring to give, in his own court, the speediest and most effectual remedy, which the law would admit, for every fort of injustice. Originally the courts of law gave damages only for breach of contract. The court of chancery, as a court of conscience, first took upon it to enforce the specific performance of agreements. When the breach of contract confifted in the non-payment of money, the damage fuftained could be compenfated in no other way than by ordering payment, which was equivalent to a specific performance of the agreement. In fuch cases, therefore, the remedy of the courts of law was fufficient. It was not fo in others. When the tenant fued his lord for having unjustly outed him of his lease, the damages which he recovered were by no means equivalent to the possession of the land. Such causes, therefore, for some time, went all to the court of chancery, to the no small loss of the courts of law. It was to draw back fuch caufes to themselves that the courts of law are said to have invented the artificial and fictitious writ of ejectment, the most effectual remedy for an unjust outer or dispossession of land.

A STAMP-DUTY upon the law proceedings of each particular court, to be levied by that court,

and





BOOK and applied towards the maintenance of the judges and other officers belonging to it, might, in the fame manner, afford a revenue fufficient for defraying the expence of the administration of justice, without bringing any burden upon the general revenue of the fociety. The judges indeed might, in this case, be under the temptation of multiplying unnecessarily the proceedings upon every cause, in order to increase, as much as posfible, the produce of fuch a ftamp-duty. It has been the custom in modern Europe to regulate, upon most occasions, the payment of the attornies and clerks of court, according to the number of pages which they had occasion to write; the court, however, requiring that each page fhould contain fo many lines, and each line fo many words. In order to increase their payment, the attornies and clerks have contrived to multiply words beyond all necessity, to the corruption of the law language of, I believe, every court of justice in Europe. A like temptation might perhaps occasion a like corruption in the form of law proceedings.

Bur whether the administration of justice be fo contrived as to defray its own expence, or whether the judges be maintained by fixed falaries paid to them from some other fund, it does not feem necessary that the person or persons entrusted with the executive power should be charged with the management of that fund, or with the payment of those falaries. That fund might arise from the rent of landed estates, the management of each eftate being entrusted to the

particular





particular court which was to be maintained by CHAP, it. That fund might arise even from the interest of a sum of money, the lending out of which might, in the same manner, be entrusted to the court which was to be maintained by it. A part, though indeed but a small part, of the salary of the judges of the court of session in Scotland, arises from the interest of a sum of money. The necessary instability of such a fund seems, however, to render it an improper one for the maintenance of an institution which ought to last for ever.

THE separation of the judicial from the executive power feems originally to have arisen from the increasing business of the society, in consequence of its increasing improvement. The administration of justice became fo laborious and fo complicated a duty as to require the undivided attention of the persons to whom it was The person entrusted with the exeentrusted. cutive power, not having leifure to attend to the decision of private causes himself, a deputy was appointed to decide them in his stead. In the progress of the Roman greatness, the conful was too much occupied with the political affairs of the state, to attend to the administration of justice. A prætor, therefore, was appointed to administer it in his stead. In the progress of the European monarchies which were founded upon the ruins of the Roman empire, the fovereigns and the great lords came univerfally to confider the administration of justice as an office, both too laborious and too ignoble for them to execute in their own persons. They universally, therefore,

97)





BOOK therefore, discharged themselves of it by appoint-

ing a deputy, bailiff, or judge.

WHEN the judicial is united to the executive power, it is fcarce possible that justice should not frequently be facrificed to, what is vulgarly called, The persons entrusted with the great interests of the state may, even without any corrupt views, fometimes imagine it necessary to facrifice to those interests the rights of a private man. But upon the impartial administration of justice depends the liberty of every individual, the fense which he has of his own security. In order to make every individual feel himself perfectly fecure in the possession of every right which belongs to him, it is not only necessary that the judicial should be separated from the executive power, but that it should be rendered as much as possible independent of that power. The judge should not be liable to be removed from his office according to the caprice of that power. The regular payment of his falary should not depend upon the good-will, or even upon the good œconomy of that power.

PART III.

Of the Expence of public Works and public Institutions.

THE third and last duty of the sovereign or commonwealth is that of erecting and maintaining those public institutions and those public works, which, though they may be in the highest degree advantageous to a great fociety, are, however,



ever, of fuch a nature, that the profit could never c HAP. repay the expence to any individual or finall number of individuals, and which it therefore cannot be expected that any individual or finall number of individuals should erect or maintain. The performance of this duty requires too very different degrees of expence in the different periods of fociety.

AFTER the public inflitutions and public works necessary for the defence of the fociety, and for the administration of justice, both of which have already been mentioned, the other works and institutions of this kind are chiefly those for facilitating the commerce of the fociety, and those for promoting the instruction of the people. The institutions for instruction are of two kinds; those for the education of the youth, and those for the instruction of people of all ages. The confideration of the manner in which the expence of those different forts of public works and inflitutions may be most properly defrayed, will divide this third part of the prefent chapter into three different articles.

ARTICLE I.

Of the public Works and Institutions for facilitating the Commerce of the Society.

And, first, of those which are necessary for facilitating Commerce in general.

THAT the erection and maintenance of the public works which facilitate the commerce of any country, fuch as good roads, bridges, navigable





BOOK gable canals, harbours, &c. must require very different degrees of expence in the different periods of fociety, is evident without any proof. The expence of making and maintaining the public roads of any country must evidently increase with the annual produce of the land and labour of that country, or with the quantity and weight of the goods which it becomes necessary to fetch and carry upon those roads. strength of a bridge must be suited to the number and weight of the carriages, which are likely to pass over it. The depth and the supply of water for a navigable canal must be proportioned to the number and tunnage of the lighters, which are likely to carry goods upon it; the extent of a harbour to the number of the shipping which are likely to take shelter in it.

IT does not feem necessary that the expence of those public works should be defrayed from that public revenue, as it is commonly called, of which the collection and application are in most countries affigned to the executive power. The greater part of fuch public works may eafily be fo managed, as to afford a particular revenue fufficient for defraying their own expence, without bringing any burden upon the general revenue of the fociety.

A HIGHWAY, a bridge, a navigable canal, for example, may in most cases be both made and maintained by a fmall toll upon the carriages which make use of them: a harbour, by a moderate port-duty upon the tunnage of the shipping which load or unload in it. The coinage,

another





many countries, not only defrays its own expence, but affords a small revenue or seignorage to the sovereign. The post-office, another institution for the same purpose, over and above defraying its own expence, affords in almost all countries a very considerable revenue to the sovereign.

WHEN the carriages which pass over a highway or a bridge, and the lighters which fail upon a navigable canal, pay toll in proportion to their weight or their tunnage, they pay for the maintenance of those public works exactly in proportion to the wear and tear which they occasion of them. It feems scarce possible to invent a more equitable way of maintaining fuch works. This tax or toll too, though it is advanced by the carrier, is finally paid by the consumer, to whom it must always be charged in the price of the goods. As the expence of carriage, however, is very much reduced by means of fuch public works, the goods, notwithstanding the toll, come cheaper to the confumer than they could otherwise have done; their price not being fo much raifed by the toll, as it is lowered by the cheapness of the carriage. The person who finally pays this tax, therefore, gains by the application, more than he loses by the payment of it. His payment is exactly in proportion to his gain. It is in reality no more than a part of that gain which he is obliged to give up in order to get the rest. It seems impossible to imagine a more equitable method of raising a tax.

WHEN



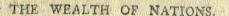


BOOK WHEN the toll upon carriages of luxury, upon coaches, post-chaises, &c. is made somewhat higher in proportion to their weight, than upon carriages of necessary use, such as carts, waggons, &c. the indolence and vanity of the rich is made to contribute in a very eafy manner to the relief of the poor, by rendering cheaper the transportation of heavy goods to all the different parts of the country.

WHEN high roads, bridges, canals, &c. are in this manner made and supported by the commerce which is carried on by means of them, they can be made only where that commerce requires them, and confequently where it is proper to make them. Their expence too, their grandeur and magnificence, must be suited to what that commerce can afford to pay. They must be made consequently as it is proper to make them. A magnificent high road cannot be made through a defart country where there is little or no commerce, or merely because it happens to lead to the country villa of the intendant of the province, or to that of some great lord to whom the intendant finds it convenient to make his court. A great bridge cannot be thrown over a river at a place where nobody passes, or merely to embellish the view from the windows of a neighbouring palace: things which fometimes happen, in countries where works of this kind are carried on by any other revenue than that which they themselves are capable of affording.

In feveral different parts of Europe the toll or lock-duty upon a canal is the property of private persons, whose private interest obliges





them to keep up the canal. If it is not kept in CHAP. tolerable order, the navigation necessarily ceases altogether, and along with it the whole profit which they can make by the tolls. If those tolls were put under the management of commiffioners, who had themselves no interest in them, they might be less attentive to the maintenance of the works which produced them. The canal of Languedoc cost the king of France and the province upwards of thirteen millions of livres, which (at twenty-eight livres the mark of filver, the value of French money in the end of the last century) amounted to upwards of nine hundred thousand pounds sterling. When that great work was finished, the most likely method, it was found, of keeping it in conftant repair was to make a present of the tolls to Riquet the engineer, who planned and conducted the work. Those tollsconstitute at present a very large estate to the different branches of the family of that gentleman, who have, therefore, a great interest to keep the work in constant repair. But had those tolls been put under the management of commissioners, who had no fuch interest, they might perhaps have been diffipated in ornamental and unnecessary expences, while the most effential parts of the work were allowed to go to ruin.

THE tolls for the maintenance of a high road, cannot with any fafety be made the property of private persons. A high road, though entirely neglected, does not become altogether impaffable, though a canal does. The proprietors of the tolls upon a high road, therefore, might neglect Vol. III. altoge-





BOOK altogether the repair of the road, and yet continue to levy very nearly the fame tolls. It is proper, therefore, that the tolls for the maintenance of fuch a work should be put under the management of commissioners or trustees.

In Great Britain, the abuses which the trustees have committed in the management of those tolls, have in many cases been very justly complained of. At many turnpikes, it has been faid, the money levied is more than double of what is neceffary for executing, in the completest manner, the work which is often executed in a very flovenly manner, and fometimes not executed at all. The fystem of repairing the high roads by tolls of this kind, it must be observed, is not of very long standing. We should not wonder, therefore, if it has not yet been brought to that degree of perfection of which it feems capable. If mean and improper perfons are frequently appointed trustees; and if proper courts of inspection and account have not yet been established for controlling their conduct, and for reducing the tolls to what is barely fufficient for executing the work to be done by them; the recency of the institution both accounts and apologizes for those defects, of which, by the wisdom of parliament, the greater part may in due time be gradually remedied.

THE money levied at the different turnpikes, in-Great Britain is supposed to exceed so much what is necessary for repairing the roads, that the favings, which, with proper economy, might be made from it, have been confidered, even by fome ministers.





ministers, as a very great resource which might c H A P. at some time or another be applied to the exigencies of the state. Government, it has been faid, by taking the management of the turnpikes into its own hands, and by employing the foldiers, who would work for a very finall addition to their pay, could keep the roads in good order at a much less expence than it can be done by trustees, who have no other workmen to employ, but fuch as derive their whole subsistence from their wages. A great revenue, half a million, perhaps *, it has been pretended, might in this manner be gained without laying any new burden upon the people; and the turnpike roads might be made to contribute to the general expence of the state, in the same manner as the post-office does at present.

THAT a confiderable revenue might be gained in this manner, I have no doubt, though probably not near so much, as the projectors of this plan have supposed. The plan itself, however, seems

liable to several very important objections.

FIRST, if the tolls which are levied at the turnpikes should ever be considered as one of the resources for supplying the exigencies of the state, they would certainly be augmented as those exigencies were supposed to require. According to the policy of Great Britain, therefore, they

* Since publishing the two first editions of this book, I have got good reasons to believe that all the turnpike tolls levied in Great Britain do not produce a neat revenue that amounts to half a million; a sum which, under the management of Government, would not be sufficient to keep in repair sive of the principal roads in the kingdom.

H 2 would



BOOK would probably be augmented very fast. The facility with which a great revenue could be drawn from them, would probably encourage administration to recur very frequently to this resource. Though it may, perhaps, be more than doubtful. whether half a million could by any economy be faved out of the present tolls, it can scarce be doubted but that a million might be faved out of them, if they were doubled; and perhaps two millions, if they were tripled *. This great revenue too might be levied without the appointment of a fingle new officer to collect and receive it. But the turnpike tolls being continually augmented in this manner, instead of facilitating the inland commerce of the country, as at prefent, would foon become a very great incumbrance upon it. The expence of transporting all heavy goods from one part of the country to another would foon be fo much increased, the market for all fuch goods, confequently, would foon be fo much narrowed, that their production would be in a great medfure discouraged, and the most important branches of the domestic industry of the country annihilated altogether.

Secondly, a tax upon carriages in proportion to their weight, though a very equal tax when applied to the fole purpose of repairing the roads, is a very unequal one, when applied to any other purpose, or to supply the common exigencies of the flate. When it is applied to the fole purpose above mentioned, each carriage is

[#] I have now good reasons to believe that all these conjectural fums are by much too large.





supposed to, pay exactly for the wear and tear CHAP. which that carriage occasions of the roads. But when it is applied to any other purpose, each carriage is supposed to pay for more than that wear and tear, and contributes to the fupply of fome other exigency of the state. But as the turnpike toll raifes the price of goods in proportion to their weight, and not to their value, it is chiefly paid by the confumers of coarfe and bulky, not by those of precious and light commodities. Whatever exigency of the state therefore this tax might be intended to fupply, that exigency would be chiefly supplied at the expence of the poor, not of the rich; at the expence of those who are least able to supply it, not of those who are most able.

THIRDLY, if government should at any time neglect the reparation of the high roads, it would be still more difficult, than it is at present, to compel the proper application of any part of the turnpike tolls. A large revenue might thus be levied upon the people, without any part of it being applied to the only purpose to which a revenue levied in this manner ought ever to be applied. If the meanness and poverty of the trustees of turnpike roads render it sometimes difficult at present to oblige them to repair their wrong; their wealth and greatness would render it ten times more fo in the case which is here supposed.

In France, the funds destined for the reparation of the high roads are under the immediate direction of the executive power. Those funds H 3 confift.





BOOK confift, partly in a certain number of days labour which the country people are in most parts of Europe obliged to give to the reparation of the highways; and partly in fuch a portion of the general revenue of the state as the king chuses to

spare from his other expences.

By the ancient law of France, as well as by that of most other parts of Europe, the labour of the country people was under the direction of a local or provincial magistracy, which had no immediate dependency upon the king's council. But by the present practice both the labour of the country people, and whatever other fund the king may chuse to affign for the reparation of the high roads in any particular province or generality, are entirely under the management of the intendant; an officer who is appointed and removed by the king's council, who receives his orders from it, and is in constant correspondence with it. In the progress of despotism the authority of the executive power gradually absorbs that of every other power in the state, and affumes to itself the management of every branch of revenue which is deflined for any public purpose. In France, however, the great post-roads, the roads which make the communication between the principal towns of the kingdom, are in general kept in good order; and in some provinces are even a good deal superior to the greater part of the turnpike roads of England. But what we call the cross-roads, that is, the far greater part of the roads in the country, are entirely neglected, and are in many places absolutely



lutely impassable for any heavy carriage. In C H A some places it is even dangerous to travel on c horfeback, and mules are the only conveyance which can fafely be trufted. The proud minifter of an oftentatious court may frequently take pleasure in executing a work of splendour and magnificence, fuch as a great highway, which is frequently feen by the principal nobility, whose applauses not only flatter his vanity, but even contribute to support his interest at court. But to execute a great number of little works, in which nothing that can be done can make any great appearance, or excite the smallest degree of admiration in any traveller, and which, in short, have nothing to recommend them but their extreme utility, is a bufinefs which appears in every respect too mean and paultry to merit the attention of fo great a magistrate. Under fuch an administration, therefore, such works are almost always entirely neglected.

In China, and in feveral other governments of Asia, the executive power charges itself both with the reparation of the high roads, and with the maintenance of the navigable canals. In the inftructions which are given to the governor of each province, those objects, it is faid, are constantly recommended to him, and the judgment which the court forms of his conduct is very much regulated by the attention which he appears to have paid to this part of his instructions. This branch of public police accordingly is faid to be very much attended to in all those countries, but particularly in China, where the high

H 4





BOOK high roads, and still more the navigable canals, it is pretended, exceed very much every thing of the fame kind which is known in Europe. accounts of those works, however, which have been transmitted to Europe, have generally been drawn up by weak and wondering travellers; frequently by flupid and lying missionaries. If they had been examined by more intelligent eyes, and if the accounts of them had been reported by more faithful witnesses, they would not, perhaps, appear to be fo wonderful. The account which Bernier gives of fome works of this kind in Indostan, falls very much short of what had been reported of them by other travellers, more disposed to the marvellous than he was. It may too, perhaps, be in those countries, as it is in France, where the great roads, the great communications which are likely to be the fubjects of conversation at the court and in the capital, are attended to, and all the rest neglected. In China, besides, in Indostan, and in several other governments of Afia, the revenue of the fovereign arifes almost altogether from a land-tax or land-rent, which rifes or falls with the rife and fall of the annual produce of the land. The great interest of the fovereign, therefore, his revenue, is in fuch countries necessarily and immediately connected with the cultivation of the land, with the greatness of its produce, and with the value of its produce. But in order to render that produce both as great and as valuable as possible, it is necessary to procure to it as extenfive a market as possible, and consequently to establish

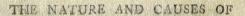




establish the freest, the easiest, and the least ex- CHAP. pensive communication between all the different parts of the country; which can be done only by means of the best roads and the best navigable canals. But the revenue of the fovereign does not, in any part of Europe, arise chiefly from a land-tax or land-rent. In all the great king--doms of Europe, perhaps, the greater part of it may ultimately depend upon the produce of the land: But that dependency is neither fo immediate, nor so evident. In Europe, therefore, the fovereign does not feel himself so directly called upon to promote the increase, both in quantity and value, of the produce of the land, or, by maintaining good roads and canals, to provide the most extensive market for that produce. Though it should be true, therefore, what I apprehend is not a little doubtful, that in some parts of Asia this department of the public police is very properly managed by the executive power, there is not the least probability that, during the prefent state of things, it could be tolerably managed by that power in any part of Europe.

EVEN those public works which are of fuch a nature that they cannot afford any revenue for maintaining themselves, but of which the conveniency is nearly confined to fome particular place or diffrict, are always better maintained by a local or provincial revenue, under the management of a local and provincial administration, than by the general revenue of the state, of which the executive power must always have the ma-

nagement.







OOK nagement. Were the streets of London to be lighted and paved at the expence of the treasury, is there any probability that they would be fo well lighted and paved as they are at prefent, or even at fo finall an expence? The expence, befides, instead of being raised by a local tax upon the inhabitants of each particular street, parish, or district in London, would, in this case, be defrayed out of the general revenue of the state, and would confequently be raifed by a tax upon all the inhabitants of the kingdom, of whom the greater part derive no fort of benefit from the lighting and paving of the freets of London.

THE abuses which sometimes creep into the local and provincial administration of a local and provincial revenue, how enormous foever they may appear, are in reality, however, almost always very trifling, in comparison of those which commonly take place in the administration and expenditure of the revenue of a great empire. They are, besides, much more easily corrected. Under the local or provincial administration of the justices of the peace in Great Britain, the fix days labour which the country people are obliged to give to the reparation of the highways, is not always perhaps very judiciously applied, but it is scarce ever exacted with any circumstance of cruelty or oppression. In France, under the administration of the intendants, the application is not always more judicious, and the exaction is frequently the most cruel and oppressive. Such Corvées, as they are called, make one of the principal inftruments of tyranny by which those officers





officers chastise any parish or communeauté which c HAP. has had the missortune to fall under their displeasure.

Of the Public Works and Institutions which are necessary for facilitating particular Branches of Commerce.

THE object of the public works and inflitutions above mentioned is to facilitate commerce in general. But in order to facilitate fome particular branches of it, particular inflitutions are necessary, which again require a particular and

extraordinary expence.

Some particular branches of commerce, which are carried on with barbarous and uncivilized nations, require extraordinary protection. ordinary flore or counting-house could give little fecurity to the goods of the merchants who trade to the western coast of Africa. To defend them from the harbarous natives, it is necessary that the place where they are deposited, should be, in some measure, fortified. The disorders in the government of Indoftan have been fupposed to render a like precaution necessary even among that mild and gentle people; and it was under pretence of securing their persons and property from violence, that both the English and French East India Companies were allowed to erect the first forts which they possessed in that country. Among other nations, whose vigorous government will fuffer no strangers to possess any



200 K any fortified place within their territory, it may be necessary to maintain some ambassador, minister, or conful, who may both decide, according to their own customs, the differences arising among his own countrymen; and, in their disputes with the natives, may, by means of his public character, interfere with more authority, and afford them a more powerful protection, than they could expect from any private man. interests of commerce have frequently made it necessary to maintain ministers in foreign countries, where the purpofes, either of war or alliance, would not have required any. The commerce of the Turkey Company first occasioned the establishment of an ordinary ambassador at Constantinople. The first English embassies to Russia arose altogether from commercial interests. The constant interference which those interests necessarily occasioned between the subjects of the different states of Europe, has probably introduced the custom of keeping, in all neighbouring countries, ambassadors or ministers constantly resident even in the time of peace. This custom, unknown to ancient times, feems not to be older than the end of the fifteenth or beginning of the fixteenth century; that is, than the time when commerce first began to extend itself to the greater part of the nations of Europe, and when they first began to attend to its interests.

It feems not unreasonable, that the extraordinary expence, which the protection of any particular branch of commerce may occasion, should be defrayed by a moderate tax upon that particular IO



particular branch; by a moderate fine, for example, CHAP. to be paid by the traders when they first enter into it, or, what is more equal, by a particular duty of fo much per cent, upon the goods which they either import into, or export out of, the particular countries with which it is carried on. The protection of trade in general, from pirates and freebooters, is faid to have given occasion to the first institution of the duties of customs. But, if it was thought reasonable to lay a general tax upon trade. in order to defray the expence of protecting trade in general, it should seem equally reasonable to lay a particular tax upon a particular branch of trade, in order to defray the extraordinary expence

of protecting that branch.

THE protection of trade in general has always been confidered as effential to the defence of the commonwealth, and, upon that account, a neceffary part of the duty of the executive power. The collection and application of the general duties of customs, therefore, have always been left to that power. But the protection of any particular branch of trade is a part of the general protection of trade; a part, therefore, of the duty of that power; and if nations always acted confiftently, the particular duties levied for the purposes of fuch particular protection, should always have been left equally to its disposal. But in this respect, as well as in many others, nations have not always acted confiftently; and in the greater part of the commercial states of Europe, particular companies of merchants have had the address to persuade the legislature to entrust to





BOOK them the performance of this part of the duty of the fovereign, together with all the powers which are necessarily connected with it.

THESE companies, though they may, perhaps, have been useful for the first introduction of some branches of commerce, by making, at their own expence, an experiment which the state might not think it prudent to make, have in the longrun proved, univerfally, either burdensome or useless, and have either mismanaged or confined the trade.

WHEN those companies do not trade upon a joint flock, but are obliged to admit any person, properly qualified, upon paying a certain fine, and agreeing to fubmit to the regulations of the company, each member trading upon his own flock, and at his own risk, they are called regulated companies. When they trade upon a joint stock, each member sharing in the common profit or loss in proportion to his share in this flock, they are called joint flock companies. companies, whether regulated or joint stock, fometimes have, and fometimes have not, exclusive privileges.

REGULATED companies resemble, in every respect, the corporations of trades, so common in the cities and towns of all the different countries of Europe; and are a fort of enlarged monopolies of the fame kind. As no inhabitant of a town can exercise an incorporated trade, without first obtaining his freedom in the corporation, fo in most cases no subject of the state can lawfully carry on any branch of foreign trade, for 5

which



which a regulated company is established, with- C H A P. out first becoming a member of that company. The monopoly is more or less strict according as the terms of admission are more or less difficult; and according as the directors of the company have more or less authority, or have it more or less in their power to manage in such a manner as to confine the greater part of the trade to themselves and their particular friends. In the most ancient regulated companies the privileges of apprenticeship were the same as in other corporations; and entitled the person who had served his time to a member of the company, to become himself a member, either without paying any fine, or upon paying a much finaller one than what was exacted of other people. The ufual corporation spirit, wherever the law does not restrain it, prevails in all regulated companies. When they have been allowed to act according to their natural genius, they have always, in order to confine the competition to as fmall a number of perfons as possible, endeavoured to subject the trade to many burdensome regulations. When the law has restrained them from doing this, they have become altogether useless and infignificant.

THE regulated companies for foreign commerce, which at present subsist in Great Britain, are, the ancient merchant adventurers company, now commonly called the Hamburgh Company, the Russia Company, the Eastland Company, the Turkey Company, and the African Com-

pany.

THE





BOOK V.

THE terms of admission into the Hamburgh Company, are now faid to be quite eafy; and the directors either have it not in their power to fubject the trade to any burdensome restraint or regulations, or, at least, have not of late exercifed that power. It has not always been fo. About the middle of the last century, the fine for admission was fifty, and at one time one hundred pounds, and the conduct of the company was faid to be extremely oppressive. In 1643, in 1645, and in 1661, the clothiers and free traders of the West of England complained of them to parliament, as of monopolifts who confined the trade and oppressed the manufactures of the country. Though those complaints produced no act of parliament, they had probably intimidated the company fo far, as to oblige them to reform their conduct. Since that time, at leaft, there have been no complaints against them. By the 10th and 11th of William III. c. 6. the fine for admission into the Russian Company was reduced to five pounds; and by the 25th of Charles II. c. 7. that for admission into the Eastland Company, to forty shillings, while, at the fame time, Sweden, Denmark and Norway, all the countries on the north fide of the Baltic. were exempted from their exclusive charter. The conduct of those companies had probably given occasion to those two acts of parliament. Before that time, Sir Josiah Child had reprefented both these and the Hamburgh Company as extremely oppressive, and imputed to their bad management the low state of the trade, which





we at that time carried on to the countries compre- C H A P. hended within their respective charters. But though fuch companies may not, in the prefent times, be very oppressive, they are certainly altogether useless. To be merely useless, indeed, is perhaps the highest eulogy which can ever justly be bestowed upon a regulated company; and all the three companies above mentioned feem, in their prefent state, to deferve this eulogy.

THE fine for admission into the Turkey Company, was formerly twenty-five pounds for all persons under twenty-fix years of age, and fifty pounds for all persons above that age. Nobody but mere merchants could be admitted; a refriction which excluded all shop-keepers and retailers. By a bye-law, no British manufactures could be exported to Turkey but in the general ships of the company; and as those ships failed always from the port of London, this restriction confined the trade to that expensive port, and the traders, to those who lived in London and in its neighbourhood. By another bye-law, no person living within twenty miles of London, and not free of the city, could be admitted a member; another reftriction, which, joined to the foregoing, necessarily excluded all but the freemen of London. As the time for the loading and failing of those general ships depended altogether upon the directors, they could eafily fill them with their own goods and those of their particular friends, to the exclusion of others, who, they might pretend, had made their proposals too late. In this state of things, therefore, VOL. III.





BOOK fore, this company was in every respect a strict and oppressive monopoly. Those abuses gave occasion to the act of the 26th of George II. c. 18. reducing the fine for admission to twenty pounds for all persons, without any distinction of ages, or any restriction, either to mere merchants, or to the freemen of London; and granting to all fuch perfons the liberty of exporting, from all the ports of Great Britain to any port in Turkey, all British goods of which the exportation was not prohibited; and of importing from thence all Turkish goods, of which the importation was not prohibited, upon paying both the general duties of customs, and the particular duties affeffed for defraying the necessary expences of the company; and fubmitting, at the fame time, to the lawful authority of the British ambassador and consuls resident in Turkey. and to the bye-laws of the company duly enacted. To prevent any oppression by those byelaws, it was by the same act ordained, that if any feven members of the company conceived themselves aggrieved by any bye-law which should be enacted after the passing of this act, they might appeal to the Board of Trade and Plantations (to the authority of which, a committee of the privy council has now fucceeded), provided fuch appeal was brought within twelve months after the bye-law was enacted; and that if any feven members conceived themselves aggrieved by any bye-law which had been enacted before the passing of this act, they might bring a like appeal, provided it was within twelve months





months after the day on which this act was to C H A take place. The experience of one year, however, may not always be fufficient to discover to all the members of a great company the pernicious tendency of a particular bye-law; and if feveral of them should afterwards discover it; neither the Board of Trade, nor the committee of council, can afford them any redress. The object, besides, of the greater part of the bye-laws of all regulated companies, as well as of all other corporations, is not fo much to oppress those who are already members, as to discourage others from becoming fo; which may be done, not only by a high fine, but by many other contrivances. The constant view of such companies is always to raife the rate of their own profit as high as they can; to keep the market, both for the goods which they export, and for those which they import, as much understocked as they can: which can be done only by restraining the competition, or by discouraging new adventurers from entering into the trade. A fine even of twenty pounds, besides, though it may not, perhaps, be fufficient to discourage any man from entering into the Turkey trade, with an intention to continue in it, may be enough to discourage a speculative merchant from hazarding a single adventure in it. In all trades, the regular established traders, even though not incorporated, naturally combine to raife profits, which are noway fo likely to be kept, at all times, down to their proper level, as by the occasional competition of speculative adventurers. The Turkey I 2 trade,



BOOK trade, though in some measure laid open by this act of parliament, is faill confidered by many people as very far from being altogether free. The Turkey Company contribute to maintain an ambaffador and two or three confuls, who, like other public ministers, ought to be maintained altogether by the state, and the trade laid open to all his majesty's subjects. The different taxes levied by the company, for this and other corporation purposes, might afford a revenue much more than fufficient to enable the state to maintain such minifters.

REGULATED companies, it was observed by Sir Joliah Child, though they had frequently supported public ministers, had never maintained any forts or garrisons in the countries to which they traded; whereas joint flock companies frequently had. And in reality the former feem to be much more unfit for this fort of fervice than the latter. First, the directors of a regulated company have no particular interest in the prosperity of the general trade of the company, for the fake of which, fuch forts and garrifons are maintained. The decay of that general trade may even frequently contribute to the advantage of their own private trade; as by diminishing the number of their competitors, it may enable them both to buy cheaper, and to fell dearer. The directors of a joint flock company, on the contrary, having only their share in the profits which are made upon the common flock committed to their management, have no private trade of their own, of which the interest can be feparated



SL 117

separated from that of the general trade of the CHAP. company. Their private interest is connected with the prosperity of the general trade of the company; and with the maintenance of the forts and garrifons which are necessary for its defence. They are more likely, therefore, to have that continual and careful attention which that maintenance necessarily requires. Secondly, The directors of a joint stock company have always the management of a large capital, the joint flock of the company, a part of which they may frequently employ, with propriety, in building, repairing, and maintaining fuch necessary forts and garrifons. But the directors of a regulated company, having the management of no common capital, have no other fund to employ in this way, but the cafual revenue arifing from the admission fines, and from the corporation duties, imposed upon the trade of the company. Though they had the same interest, therefore, to attend to the maintenance of fuch forts and garrifons, they can feldom have the fame ability to render that attention effectual. The maintenance of a public minister requiring scarce any attention, and but a moderate and limited expence, is a business much more suitable both to the temper and abilities of a regulated company.

Long after the time of Sir Josiah Child, however, in 1750, a regulated company was established, the present company of merchants trading to Africa, which was expressly charged at first with the maintenance of all the British forts and garrisons that lie between Cape Blanc and

1 3

the





BOOK the Cape of Good Hope, and afterwards with that of those only which lie between Cape Rouge and the Cape of Good Hope. The act which establishes this company (the 23d of George II. c. 31.) feems to have had two distinct objects in view; first, to restrain effectually the oppressive and monopolizing fpirit which is natural to the directors of a regulated company; and fecondly, to force them, as much as possible, to give an attention, which is not natural to them, towards the maintenance of

forts and garrifons.

For the first of these purposes, the fine for admission is limited to forty shillings. The company is prohibited from trading in their corporate capacity, or upon a joint stock; from borrowing money upon common feal, or from laying any restraints upon the trade which may be carried on freely from all places, and by all persons being British subjects, and paying the fine. The government is in a committee of nine persons who meet at London, but who are chosen annually by the freemen of the company at London, Briftol and Liverpool; three from each place. No committee-man can be continued in office for more than three years together. Any committeeman might be removed by the Board of Trade and Plantations; now by a committee of council, after being heard in his own defence. The committee are forbid to export negroes from Africa, or to import any African goods into Great Britain. But as they are charged with the maintenance of forts and garrisons, they may, for that purpofe, export from Great Britain to Africa, goods



SL

goods and stores of different kinds. Out of the C H A P. monies which they shall receive from the company, they are allowed a fum not exceeding eight hundred pounds for the falaries of their clerks and agents at London, Bristol and Liverpool, the house-rent of their office at London, and all other expences of management, commission and agency in England. What remains of this fum, after defraying these different expences, they may divide among themselves, as compensation for their trouble, in what manner they think proper, By this constitution, it might have been expected, that the spirit of monopoly would have been effectually restrained, and the first of these purposes fufficiently answered. It would feem, however, that it had not. Though by the 4th of George III. c. 20. the fort of Senegal, with all its dependencies, had been vested in the company of merchants trading to Africa, yet in the year following (by the 5th of George III. c. 44.), not only Senegal and its dependencies, but the whole coast from the port of Sallee, in fouth Barbary, to Cape Rouge, was exempted from the jurisdiction of that company, was vested in the crown, and the trade to it declared free to all his majesty's subjects. The company had been suspected of restraining the trade, and of establishing some fort of improper monopoly. It is not, however, very eafy to conceive how, under the regulations of the 23d George II. they could do fo, In the printed debates of the House of Commons, not always the most authentic records of truth, I observe, however, that they have been accufed



BOOK cused of this. The members of the committee of nine being all merchants, and the governors and factors in their different forts and fettlements being all dependent upon them, it is not unlikely that the latter might have given peculiar attention to the confignments and commissions of the former, which would establish a real mo-

nopoly.

For the fecond of these purposes, the maintenance of the forts and garrifons, an annual fum has been allotted to them by parliament, generally about 13,000%. For the proper application of this fum, the committee is obliged to account annually to the Curlitor Baron of Exchequer; which account is afterwards to be laid before parliament. But parliament, which gives fo little attention to the application of millions, is not likely to give much to that of 13,000 %. a-year; and the Cursitor Baron of Exchequer, from his profession and education, is not likely to be profoundly skilled in the proper expence of forts and garrisons. The captains of his majesty's navy, indeed, or any other commissioned officers, appointed by the Board of Admiralty, may enquire into the condition of the forts and garrifons, and report their observations to that board. But that board feems to have no direct jurisdiction over the committee, nor any authority to correct those whose conduct it may thus enquire into; and the captains of his majesty's navy, befides, are not supposed to be always deeply learned in the science of fortification. Removal from an office, which can be enjoyed only for



for the term of three years, and of which the CHAP. lawful emoluments, even during that term, are fo very fmall, feems to be the utmost punishment to which any committee-man is liable, for any fault, except direct malversation, or embezzlement, either of the public money, or of that of the company; and the fear of that punishment can never be a motive of fufficient weight to force a continual and careful attention to a business, to which he has no other interest to attend. The committee are accused of having fent out bricks and stones from England for the reparation of Cape Coast Castle on the coast of Guinea, a business for which parliament had feveral times granted an extraordinary fum of money. These bricks and stones too, which had thus been fent upon fo long a voyage, were faid to have been of fo bad a quality, that it was necessary to rebuild from the foundation the walls which had been repaired with them. The forts and garrisons which lie north of Cape Rouge, are not only maintained at the expence of the state, but are under the immediate government of the executive power; and why those which lie fouth of that Cape, and which too are, in part at least, maintained at the expence of the state, should be under a different government, it seems not very eafy even to imagine a good reason. The protection of the Mediterranean trade was the original purpose or pretence of the garrisons of Gibraltar and Minorca, and the maintenance and government of those garrisons has always been, very properly, committed, not to the Turkey Company,





BOOK Company, but to the executive power. In the extent of its dominion confifts, in a great meafure, the pride and dignity of that power; and it is not very likely to fail in attention to what is necessary for the defence of that dominion. The garrifons at Gibraltar and Minorca, accordingly, have never been neglected; though Minorca has been twice taken, and is now probably loft for ever, that disaster was never even imputed to any neglect in the executive power. I would not, however, be understood to infinuate, that either of those expensive garrisons was ever, even in the fmallest degree, necessary for the purpose for which they were originally difmembered from the Spanish monarchy. That difmemberment, perhaps, never ferved any other real purpose than to alienate from England her natural ally the King of Spain, and to unite the two principal branches of the house of Bourbon in a much ftricter and more permanent alliance than the ties of blood could ever have united them.

> Joint flock companies, established either by royal charter or by act of parliament, differ in feveral refpects, not only from regulated companies, but from private copartneries.

> FIRST, In a private copartnery, no partner, without the confent of the company, can tranffer his share to another person, or introduce a new member into the company. Each member, however, may, upon proper warning, withdraw from the copartnery, and demand payment from them of his share of the common stock. joint flock company, on the contrary, no member





ean demand payment of his share from the company; but each member can, without their confent, transfer his share to another person, and thereby introduce a new member. The value of a share in a joint stock is always the price which it will bring in the market; and this may be either greater or less, in any proportion, than the sum which its owner stands credited for in the

SECONDLY, In a private copartnery, each partner is bound for the debts contracted by the company to the whole extent of his fortune. In a joint flock company, on the contrary, each partner is

stock of the company.

bound only to the extent of his share. THE trade of a joint flock company is always managed by a court of directors. This court, indeed, is frequently subject, in many respects, to the controul of a general court of proprietors. But the greater part of those proprietors seldom pretend to understand any thing of the business of the company; and when the spirit of faction happens not to prevail among them, give themfelves no trouble about it, but receive contentedly fuch half yearly or yearly dividend, as the directors think proper to make to them. This total exemption from trouble and from rifk, beyond a limited fum, encourages many people to become adventurers in joint stock companies, who would, upon no account, hazard their fortunes in any private copartnery. Such companies, therefore, commonly draw to themselves much greater flocks than any private copartnery can boall of. The trading flock of the South Sea Company,





BOOK Company, at one time, amounted to upwards of thirty-three millions eight hundred thousand pounds. The divided capital of the Bank of England amounts, at prefent, to ten millions feven hundred and eighty thousand pounds. The directors of fuch companies, however, being the managers rather of other people's money than of their own, it cannot well be expected, that they should watch over it with the same anxious vigilance with which the partners in a private copartnery frequently watch over their own. Like the stewards of a rich man, they are apt to confider attention to fmall matters as not for their master's honour, and very easily give themselves a dispensation from having it. Negligence and profusion, therefore, must always prevail, more or less, in the management of the affairs of such a company. It is upon this account that joint flock companies for foreign trade have feldom been able to maintain the competition against private adventurers. They have, accordingly, very feldom fucceeded without an exclusive privilege; and frequently have not succeeded with Without an exclusive privilege they have commonly mifmanaged the trade. With an exclusive privilege they have both mismanaged and confined it.

THE Royal African Company, the predeceffors of the present African Company, had an exclufive privilege by charter; but as that charter had not been confirmed by act of parliament, the trade, in consequence of the declaration of rights, was, foon after the revolution, laid open



GL

Company are, as to their legal rights, in the fame fituation as the Royal African Company. Their exclusive charter has not been confirmed by act of parliament. The South Sea Company, as long as they continued to be a trading company, had an exclusive privilege confirmed by act of parliament; as have likewife the prefent

United Company of Merchants trading to the

East Indies.

THE Royal African Company foon found that they could not maintain the competition against private adventurers, whom, notwithstanding the declaration of rights, they continued for fome time to call interlopers, and to perfecute as fuch. In 1698, however, the private adventurers were subjected to a duty of ten per cent, upon almost all the different branches of their trade, to be employed by the company in the maintenance of their forts and garrifons. But, notwithstanding this heavy tax, the company were still unable to maintain the competition. Their stock and credit gradually declined. In 1712, their debts had become fo great, that a particular act of parliament was thought necessary, both for their fecurity and for that of their creditors. It was enacted, that the resolution of two-thirds of these creditors in number and value, should bind the reft, both with regard to the time which should be allowed to the company for the payment of their debts; and with regard to any other agreement which it might be thought proper to make with them concerning those debts. In 1730,

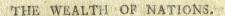




BOOK their affairs were in so great disorder, that they were altogether incapable of maintaining their forts and garrifons, the fole purpose and pretext of their inflitution. From that year, till their final diffolution, the parliament judged it neceffary to allow the annual fum of ten thousand pounds for that purpose. In 1732, after having been for many years losers by the trade of carrying negroes to the West Indies, they at last refolved to give it up altogether; to fell to the private traders to America the negroes which they purchased upon the coast; and to employ their fervants in a trade to the inland parts of Africa for gold dust, elephants teeth, dying drugs, &c. But their fuccess in this more confined trade was not greater than in their former extensive one. Their affairs continued to go gradually to decline, till at last, being in every respect a bankrupt company, they were dissolved by act of parliament, and their forts and garrisons vested in the present regulated company of merchants trading to Africa. Before the erection of the Royal African Company, there had been three other joint stock companies successively established, one after another, for the African trade. They were all equally unfuccessful. They all, however, had exclusive charters, which, though not confirmed by act of parliament, were in those days supposed to convey a real exclusive privilege.

THE Hudson's Bay Company, before their misfortunes in the late war, had been much more fortunate than the Royal African Company. Their





necessary expence is much smaller. The whole CHAP. number of people whom they maintain in their different fettlements and habitations, which they have honoured with the name of forts, is faid not to exceed a hundred and twenty persons. This number, however, is sufficient to prepare beforehand the cargo of furs and other goods necessary for loading their ships, which, on account of the ice, can feldom remain above fix or eight weeks in those seas. This advantage of having a cargo ready prepared, could not for feveral years be acquired by private adventurers, and without it there feems to be no possibility of trading to Hudfon's Bay. The moderate capital of the company, which, it is faid, does not exceed one hundred and ten thousand pounds, may belides be fufficient to enable them to engross the whole, or almost the whole, trade and furplus produce of the miferable, though extensive country, comprehended within their charter. No private adventurers, accordingly, have ever attempted to trade to that country in competition with them. This company, therefore, have always enjoyed an exclusive trade in fact, though they may have no right to it in law. Over and above all this, the moderate capital of this company is faid to be divided among a very small number of proprietors. But a joint stock company, confisting of a finall number of proprietors, with a moderate capital, approaches very nearly to the nature of a private copartnery, and may be capable of nearly the same degree of vigilance and attention. It is not to be wondered at, therefore, if, in





BOOK in consequence of these different advantages, the Hudson's Bay Company had, before the late war, been able to carry on their trade with a confiderable degree of fuccess. It does not seem probable, however, that their profits ever approached to what the late Mr. Dobbs imagined them. A much more fober and judicious writer, Mr. Anderson, author of The Historical and Chronological Deduction of Commerce, very juftly obferves, that upon examining the accounts which Mr. Dobbs himself has given for several years together, of their exports and imports, and upon making proper allowances for their extraordinary risk and expence, it does not appear that their profits deserve to be envied, or that they can much, if at all, exceed the ordinary profits of trade.

> THE South Sea Company never had any forts or garrifons to maintain, and therefore were entirely exempted from one great expence, to which other joint stock companies for foreign trade are fubject. But they had an immense capital divided among an immense number of proprietors. It was naturally to be expected, therefore, that folly, negligence, and profusion should prevail in the whole management of their affairs. knavery and extravagance of their stock-jobbing projects are fufficiently known, and the explication of them would be foreign to the present Their mercantile projects were not much better conducted. The first trade which they engaged in was that of fupplying the Spanish West Indies with negroes, of which (in confequence





fequence of what was called the Affiento contract e HAP. granted them by the treaty of Utrecht) they had the exclusive privilege. But as it was not expected that much profit could be made by this trade, both the Portugueze and French companies, who had enjoyed it upon the fame terms before them, having been ruined by it, they were allowed, as compensation, to send annually a ship of a certain burden to trade directly to the Spanish West Indies. Of the ten voyages which this annual ship was allowed to make, they are faid to have gained confiderably by one, that of the Royal Caroline in 1731, and to have been lofers, more or lefs, by almost all the rest. Their ill fuccess was imputed, by their factors and agents, to the extortion and oppression of the Spanish government; but was, perhaps, prin-

cipally owing to the profusion and depredations of those very factors and agents; some of whom are said to have acquired great fortunes even in one year. In 1734, the company petitioned the king, that they might be allowed to dispose of the trade and tunnage of their annual ship, on account of the little profit which they made by it, and to accept of such equivalent as they could ob-

In 1724, this company had undertaken the whale-fishery. Of this, indeed, they had no monopoly; but as long as they carried it on, no other British subjects appear to have engaged in it. Of the eight voyages which their ships made to Greenland, they were gainers by one, and losers by all the rest. After their eighth and last voyage, when they had sold their ships, Vol. III.





BOOK stores, and utenfils, they found that their whole lofs, upon this branch, capital and interest included, amounted to upwards of two hundred and thirty-feven thousand pounds.

In 1722, this company petitioned the parliament to be allowed to divide their immense capital of more than thirty-three millions eight hundred thousand pounds, the whole of which had been lent to government, into two equal parts: The one half, or upwards of fixteen millions nine hundred thousand pounds, to be put upon the fame footing with other government annuities, and not to be subject to the debts contracted, or losses incurred, by the directors of the company, in the profecution of their mercantile projects; the other half to remain, as before, a trading stock, and to be subject to those debts and loffes. The petition was too reasonable not to be granted. In 1733, they again petitioned the parliament, that three-fourths of their trading flock might be turned into annuity flock, and only one-fourth remain as trading stock, or exposed to the hazards arising from the bad management of their directors. Both their annuity and trading stocks had, by this time, been reduced more than two millions each, by feveral different payments from government; fo that this fourth amounted only to 3,662,7841. 8s. 6d. In 1748, all the demands of the company upon the king of Spain, in consequence of the Affiento contract, were, by the treaty of Aix-la-Chapelle, given up for what was supposed an equivalent. An end was put to their trade with the Spanish West Indies, the remainder of their trading flock





Rock was turned into an annuity stock, and the CHAP. company ceased in every respect to be a trading company.

IT ought to be observed, that in the trade which the South Sea Company carried on by means of their annual ship, the only trade by which it ever was expected that they could make any confiderable profit, they were not without competitors, either in the foreign or in the home market. At Carthagena, Porto Bello, and La Vera Cruz, they had to encounter the competition of the Spanish merchants, who brought from Cadiz, to those markets, European goods, of the fame kind with the outward cargo of their ship; and in England they had to encounter that of the English merchants, who imported from Cadiz goods of the Spanish West Indies, of the same kind with the inward cargo. The goods both of the Spanish and English merchants, indeed, were, perhaps, subject to higher duties. But the loss occasioned by the negligence, profusion, and malversation of the fervants of the company, had probably been a tax much heavier than all those duties. joint stock company should be able to carry on fuccessfully any branch of foreign trade, when private adventurers can come into any fort of open and fair competition with them, feems contrary to all experience.

THE old English East India Company was established in 1600, by a charter from Queen Elizabeth. In the first twelve voyages which they fitted out for India, they appear to have traded as a regulated company, with separate stocks, though

only K 2





BOOK only in the general ships of the company. In 1612, they united into a joint flock. Their charter was exclusive, and though not confirmed by act of parliament, was in those days supposed to convey a real exclusive privilege. For many years, therefore, they were not much difturbed by interlopers. Their capital, which never exceeded feven hundred and forty-four thousand pounds, and of which fifty pounds was a share, was not so exorbitant, nor their dealings so extensive, as to afford either a pretext for grofs negligence and profusion, or a cover to gross malversation. Notwithstanding some extraordinary losses, occasioned partly by the malice of the Dutch East India Company, and partly by other accidents, they carried on for many years a fuccessful trade. But in process of time, when the principles of liberty were better understood, it became every day more and more doubtful how far a royal charter, not confirmed by act of parliament, could convey an exclusive privilege. Upon this question the decisions of the courts of justice were not uniform, but varied with the authority of government and the humours of the times. Interlopers multiplied upon them; and towards the end of the reign of Charles II. through the whole of that of James II. and during a part of that of William III. reduced them to great diffress. In 1698, a proposal was made to parliament of advancing two millions to government at eight per cent. provided the fubscribers were erected into a new East India Company with exclusive privileges. The old East India Company offered feven hundred thousand pounds,





pounds, nearly the amount of their capital, at four C H A P.

per cent. upon the fame conditions. But fuch was at that time the state of public credit, that it was more convenient for government to borrow two millions at eight per cent. than feven hundred thousand pounds at four. The proposal of the new fubscribers was accepted, and a new East India Company established in consequence. The old East India Company, however, had a right to continue their trade till 1701. They had, at the same time, in the name of their treasurer, subfcribed, very artfully, three hundred and fifteen thousand pounds into the stock of the new. By a negligence in the expression of the act of parliament, which vested the East India trade in the subfcribers to this loan of two millions, it did not appear evident that they were all obliged to unite into a joint stock. A few private traders, whose fubscriptions amounted only to seven thousand two hundred pounds, infifted upon the privilege of trading feparately upon their own stocks and at their own rifk. The old East India Company had a right to a separate trade upon their old stock till 1701; and they had likewife, both before and after that period, a right, like that of other private traders, to a separate trade upon the three hundred and fifteen thousand pounds, which they had fubfcribed into the flock of the new company. The competition of the two companies with the private traders, and with one another, is faid to have well nigh ruined both. Upon a fubsequent occasion, in 1730, when a proposal was made to parliament for putting the trade under





BOOK the management of a regulated company, and thereby laying it in some measure open, the East India Company, in opposition to this proposal, represented in very strong terms, what had been, at this time, the miserable effects, as they thought them, of this competition. In India, they faid, it raised the price of goods so high, that they were not worth the buying; and in England, by overstocking the market, it funk their price so low, that no profit could be made by them. That by a more plentiful fupply, to the great advantage and conveniency of the public, it must have reduced, very much, the price of India goods in the English marker, cannot well be doubted; but that it should have raifed very much their price in the Indian market, feems not very probable, as all the extraordinary demand which that competition could occasion, must have been but as a drop of water in the immense ocean of Indian commerce. The increase of demand, besides, though in the beginning it may fometimes raise the price of goods, never fails to lower it in the long run. It encourages production, and thereby increases the competition of the producers, who, in order to underfell one another, have recourfe to new divisions of labour and new improvements of art, which might never otherwise have been thought of. The miserable effects of which the company complained, were the cheapness of confumption and the encouragement given to production, precifely the two effects which it is the great bufiness of political æconomy to promote. The competition, however, of which they gave this doleful



doleful account, had not been allowed to be of CHAP. long continuance. In 1702, the two companies were, in some measure, united by an indenture tripartite, to which the queen was the third party; and in 1708, they were, by act of parliament, perfectly confolidated into one company by their present name of The United Company of Merchants trading to the East Indies. Into this act it was thought worth while to infert a clause, allowing the separate traders to continue their trade till Michaelmas 1711, but at the same time empowering the directors, upon three years notice, to redeem their little capital of feven thousand two hundred pounds, and thereby to convert the whole flock of the company into a joint flock. By the same act, the capital of the company, in consequence of a new loan to government, was augmented from two millions to three millions two hundred thousand pounds. In 1743, the company advanced another million to government. But this million being raised, not by a call upon the proprietors, but by felling annuities and contracting bond-debts, it did not augment the flock upon which the proprietors could claim a dividend. It augmented, however, their trading ftock, it being equally liable with the other three millions two hundred thousand pounds to the loffes fuftained, and debts contracted, by the company in profecution of their mercantile projects. From 1708, or at least from 1711, this company, being delivered from all competitors, and fully established in the monopoly of the English commerce to the East Indies, carried on a fuccessful trade, and from their profits made annually





BOOK annally a moderate dividend to their proprietors. During the French war which began in 1741, the ambition of Mr. Dupleix, the French governor of Pondicherry, involved them in the wars of the Carnatic, and in the politics of the Indian princes. After many fignal fuccesses, and equally fignal losses, they at last lost Madras, at that time their principal fettlement in India. It was restored to them by the treaty of Aix-la-Chapelle; and about this time the fpirit of war and conquest seems to have taken possession of their servants in India, and never fince to have left them. During the French war which began in 1755, their arms partook of the general good fortune of those of Great Britain. They defended Madras, took Pondicherry, recovered Calcutta, and acquired the revenues of a rich and extensive territory, amounting, it was then faid, to upwards of three millions a-year. They remained for feveral years in quiet possession of this revenue: But in 1767, administration laid claim to their territorial acquisitions, and the revenue arising from them, as of right belonging to the crown; and the company, in compensation for this claim, agreed to pay to government four hundred thousand pounds a-year. They had before this gradually augmented their dividend from about fix to ten per cent.; that is, upon their capital of three millions two hundred thousand pounds, they had increased it by a hundred and twenty-eight thousand pounds, or had raifed it from one hundred and ninety-two thoufand, to three hundred and twenty thousand pounds a-year. They were attempting about



SL 137

this time to raise it still further, to twelve and a CHAP. half per cent. which would have made their annual payments to their proprietors equal to what they had agreed to pay annually to government, or to four hundred thousand pounds a-year. But during the two years in which their agreement with government was to take place, they were restrained from any further increase of dividend by two fuccessive acts of parliament, of which the object was to enable them to make a speedier progress in the payment of their debts, which were at this time estimated at upwards of fix or feven millions sterling. In 1769, they renewed their agreement with government for five years more, and ftipulated, that during the course of that period they should be allowed gradually to increase their dividend to twelve and a half per cent.; never increasing it, however, more than one per cent. in one year. This increase of dividend, therefore, when it had rifen to its utmost height, could augment their annual payments, to their proprietors and government together, but by fix hundred and eight thousand pounds, beyond what they had been before their late territorial acquisitions. What the gross revenue of those territorial acquisitions was supposed to amount to, has already been mentioned; and by an account brought by the Cruttenden East Indiaman in 1768, the nett revenue, clear of all deductions and military charges, was stated at two millions forty-eight thousand seven hundred and forty-feven pounds. They were faid at the fame time to poffess another revenue, arising partly from lands, but chiefly from the customs established

(143)







BOOK established at their different settlements, amounting to four hundred and thirty-nine thousand pounds. The profits of their trade too, according to the evidence of their chairman before the House of Commons, amounted at this time to at least four hundred thousand pounds a-year; according to that of their accomptant, to at least five hundred thousand; according to the lowest account, at least equal to the highest dividend that was to be paid to their proprietors. So great a revenue might certainly have afforded an augmentation of fix hundred and eight thousand pounds in their annual payments; and at the fame time have left a large finking fund fufficient for the speedy reduction of their debts. In 1773, however, their debts, instead of being reduced, were augmented by an arrear to the treafury in the payment of the four hundred thousand pounds, by another to the custom-house for duties unpaid, by a large debt to the bank for money borrowed, and by a fourth for bills drawn upon them from India, and wantonly accepted, to the amount of upwards of twelve hundred thousand pounds. The distress which these accumulated claims brought upon them, obliged them not only to reduce all at once their dividend to fix per cent. but to throw themselves upon the mercy of government, and to supplicate, first, a release from the further payment of the stipulated four hundred thousand pounds a-year; and, secondly, a loan of fourteen hundred thousand, to save them from immediate bankruptcy. The great increase of their fortune had, it feems, only ferved to furnish their servants with a pretext for greater profusion,





fusion, and a cover for greater malversation, than e HAP. in proportion even to that increase of fortune, The conduct of their fervants in India, and the general state of their affairs both in India and in Europe, became the fubject of a parliamentary inquiry; in confequence of which feveral very important alterations were made in the constitution of their government, both at home and abroad In India their principal fettlements of Madras, Bombay, and Calcutta, which had before been altogether independent of one another, were fubjected to a governor-general, affifted by a council of four affelfors, parliament affurning to itself the first nomination of this governor and council who were to relide at Calcutta; that city having now become, what Madras was before, the most important of the English settlements in India. The court of the mayor of Calcutta, originally instituted for the trial of mercantile causes, which arose in the city and neighbourhood, had gradually extended its jurifdiction with the extension of the empire. It was now reduced and confined to the original purpose of its inftitution. Instead of it a new supreme court of judicature was established, consisting of a chief justice and three judges to be appointed by the crown. In Europe, the qualification necessary to entitle a proprietor to vote at their general courts was raifed, from five hundred pounds, the original price of a share in the stock of the company, to a thousand pounds. In order to vote upon this qualification too, it was declared necessary that he should have possessed it, if acquired by his own purchase, and not by inheritance, for at leaft:





BOOK least one year, instead of fix months, the term requifite before. The court of twenty-four directors had before been chosen annually; but it was now enacted that each director should, for the future, be chosen for four years; fix of them, however, to go out of office by rotation every year, and not to be capable of being re-chosen at the election of the fix new directors for the enfuing year. In confequence of these alterations, the courts, both of the proprietors and directors, it was expected, would be likely to act with more dignity and steadiness than they had usually done before. But it seems impossible, by any alterations, to render those courts, in any respect, fit to govern, or even to share in the government of a great empire; because the greater part of their members must always have too little interest in the prosperity of that empire, to give any ferious attention to what may promote it. Frequently a man of great, fometimes even a man of small fortune, is willing to purchase a thousand pounds share in India stock, merely for the influence which he expects to acquire by a vote in the court of proprietors. It gives him a share, though not in the plunder, yet in the appointment of the plunderers of India; the court of directors, though they make that appointment, being necessarily more or less under the influence of the proprietors, who not only elect those directors, but sometimes over-rule the appointments of their fervants in India. Provided he can enjoy this influence for a few years, and thereby provide for a certain number of his friends, he frequently cares little about the dividend;



vidend; or even about the value of the flock C H A P upon which his vote is founded. About the prosperity of the great empire, in the government of which that vote gives him a fhare, he feldom cares at all. No other fovereigns ever were, or, from the nature of things, ever could be, so perfectly indifferent about the happiness or mifery of their fubjects, the improvement or waste of their dominions, the glory or disgrace of their administration; as, from irrefistible moral causes, the greater part of the proprietors of fuch a mercantile company are, and necessarily must be. This indifference too was more likely to be increased than diminished by some of the new regulations which were made in confequence of the parliamentary inquiry. By a refolution of the House of Commons, for example, it was declared, that when the fourteen hundred thousand pounds lent to the company by government should be paid, and their bond-debts be reduced to fifteen hundred thousand pounds, they might then, and not till then, divide eight per cent. upon their capital; and that whatever remained of their revenues and neat profits at home, should be divided into four parts; three of them to be paid into the exchequer for the use of the public, and the fourth to be referved as a fund, either for the further reduction of their bond-debts, or for the discharge of other contingent exigencies, which the company might labour under. But if the company were bad flewards, and bad fovereigns, when the whole of their nett revenue and profits belonged to themselves, and were at their own disposal, they were furely not likely to be better,

when





BOOK when three-fourths of them were to belong to other people, and the other fourth, though to be laid out for the benefit of the company, yet to be fo, under the inspection, and with the approbation, of other people.

IT might be more agreeable to the company that their own fervants and dependants should have either the pleafure of wasting, or the profit of embezzling whatever furplus might remain, after paying the proposed dividend of eight per cent., than that it should come into the hands of a fet of people with whom those resolutions could fcarce fail to fet them, in some measure, at variance. The interest of those fervants and dependants might fo far predominate in the court of proprietors, as fometimes to dispose it to support the authors of depredations which had been committed, in direct violation of its own authority. With the majority of proprietors, the support even of the authority of their own court might fometimes be a matter of less consequence, than the support of those who had set that authority at defiance.

THE regulations of 1773, accordingly, did not put an end to the diforders of the company's government in India. Notwithstanding that, during a momentary fit of good conduct, they had at one time collected, into the treasury of Calcutta, more than three millions sterling; notwithstanding that they had afterwards extended, either their dominion, or their depredations over a vast accession of some of the richest and most fertile countries in India; all was wasted and destroyed. They found themselves altogether un-

prepared





Ali; and, in consequence of those disorders, the company is now (1784) in greater distress than ever; and, in order to prevent immediate bank-ruptcy, is once more reduced to supplicate the affistance of government. Different plans have been proposed by the different parties in parliament, for the better management of its affairs. And all those plans seem to agree in supposing, what was indeed always abundantly evident, that it is altogether unfit to govern its territorial possessions. Even the company itself seems to be convinced of its own incapacity so far, and seems, upon that account, willing to give them up to government.

With the right of possessing forts and garrifons in distant and barbarous countries, is necesfarily connected the right of making peace and war in those countries. The joint stock companies which have had the one right, have constantly exercised the other, and have frequently had it expressly conferred upon them. How unjustly, how capriciously, how cruelly they have commonly exercised it, is too well known from recent experience.

When a company of merchants undertake, at their own rifk and expence, to establish a new trade with some remote and barbarous nation, it may not be unreasonable to incorporate them into a joint stock company, and to grant them, in case of their success, a monopoly of the trade for a certain number of years. It is the easiest and most natural way in which the state can recompense them for hazarding a dangerous and ex-

penfive





BOOK

THE only trades which it feems possible for a joint stock company to carry on successfully, without an exclusive privilege, are those, of which all the operations are capable of being reduced to what is called a routine, or to fuch a uniformity of method as admits of little or no variation. Of this kind is, first, the banking trade; fecondly, the trade of infurance from fire, and from fea risk and capture in time of war; thirdly, the trade of making and maintaining a navigable cut or canal; and, fourthly, the fimilar trade of bring-

ing water for the supply of a great city.

Though the principles of the banking trade may appear somewhat abstruse, the practice is capable of being reduced to strict rules. To depart upon any occasion from those rules, in confequence of some flattering speculation of extraordinary gain, is almost always extremely dangerous, and frequently fatal to the banking company which attempts it. But the constitution of joint stock companies renders them in general more tenacious of established rules than any private copartnery. Such companies, therefore, feem extremely well fitted for this trade. The principal banking companies in Europe, accordingly, are joint stock companies, many of which manage their trade very fuccessfully without any exclusive privilege. The Bank of England has no other exclusive privilege, except that no other banking company in England shall confift of more than fix persons. The two banks of Edinburgh are joint stock companies without any exclusive privilege.





THE value of the rifk, either from fire, or from CHAP. lofs by fea, or by capture, though it cannot, perhaps, be calculated very exactly, admits, however, of fuch a groß estimation as renders it, in fome degree, reducible to ftrict rule and method. The trade of infurance, therefore, may be carried on fuccessfully by a joint stock company, without any exclusive privilege. Neither the London Affurance, nor the Royal Exchange Affurance companies, have any fuch privilege.

WHEN a navigable cut or canal has been once made, the management of it becomes quite fimple and easy, and it is reducible to strict rule and method. Even the making of it is fo, as it may be contracted for with undertakers at fo much a mile, and fo much a lock. The fame thing may be faid of a canal, an aqueduct, or a great pipe for bringing water to supply a great city. Such undertakings, therefore, may be, and accordingly frequently are, very fuccessfully managed by joint flock companies without any exclusive privilege.

To establish a joint stock company, however, for any undertaking, merely because such a company might be capable of managing it fuccessfully; or to exempt a particular set of dealers from some of the general laws which take place with regard to all their neighbours, merely because they might be capable of thriving if they had fuch an exemption, would certainly not be reasonable. To render such an establishment perfectly reasonable, with the circumstance of being reducible to strict rule and method, two other circumstances ought to concur. First, is





BOOK ought to appear with the clearest evidence, that the undertaking is of greater and more general utility than the greater part of common trades; and fecondly, that it requires a greater capital than can eafily be collected into a private copartnery. If a moderate capital were sufficient, the great utility of the undertaking would not be a fufficient reason for establishing a joint stock company; because, in this case, the demand for what it was to produce, would readily and eafily be supplied by private adventurers. In the four trades above mentioned, both those circumstances concur.

> THE great and general utility of the banking trade when prudently managed, has been fully explained in the fecond book of this inquiry. But a public bank which is to support public credit, and upon particular emergencies to advance to government the whole produce of a tax, to the amount, perhaps, of feveral millions, a year or two before it comes in, requires a greater capital than can eafily be collected into any private copartnery.

> THE trade of infurance gives great fecurity to the fortunes of private people, and by dividing among a great many that loss which would ruin an individual, makes it fall light and eafy upon the whole fociety. In order to give this fecurity, however, it is necessary that the infurers should have a very large capital. Before the eftablishment of the two joint stock companies for infurance in London, a list, it is faid, was laid before the attorney-general, of one hundred and fifty private infurers who had failed in the course of a few years.





THAT navigable cuts and canals, and the works C HAP. which are fometimes necessary for supplying a great city with water, are of great and general utility; while at the fame time they frequently require a greater expence than fuits the fortunes of private

people, is fufficiently obvious.

EXCEPT the four trades above mentioned, I have not been able to recollect any other in which all the three circumstances, requisite for rendering reasonable the establishment of a joint stock company, concur. The English copper company of London, the lead finelting company, the glass grinding company, have not even the pretext of any great or fingular utility in the object which they purfue; nor does the pursuit of that object feem to require any expence unfuitable to the fortunes of many private men. Whether the trade which those companies carry on, is reducible to fuch strict rule and method as to render it fit for the management of a joint flock company, or whether they have any reason to boast of their extraordinary profits, I do The mine-adventurers not pretend to know. company has been long ago bankrupt. A share in the stock of the British Linen Company of Edinburgh fells, at prefent, very much below par, though less so than it did some years ago. The joint stock companies, which are established for the public-spirited purpose of promoting some particular manufacture, over and above managing their own affairs ill, to the diminution of the general flock of the fociety, can in other respects fcarce ever fail to do more harm than good. Notwithstanding the most upright intentions, the unavoid-





A O O K unavoidable partiality of their directors to particular branches of the manufacture, of which the undertakers mislead and impose upon them, is a real discouragement to the rest, and necessarily breaks, more or less, that natural proportion which would otherwise establish itself between judicious industry and profit, and which, to the general industry of the country, is of all encouragements the greatest and the most effectual.

ARTICLE II.

Of the Expence of the Institutions for the Education of Youth.

THE inflitutions for the education of the youth may, in the fame manner, furnish a revenue fufficient for defraying their own expence. The fee or honorary which the fcholar pays to the mafter naturally conftitutes a revenue of this kind.

Even where the reward of the mafter does not arise altogether from this natural revenue, it still is not necessary that it should be derived from that general revenue of the fociety, of which the collection and application are, in most countries, affigned to the executive power. Through the greater part of Europe, accordingly, the endowment of schools and colleges makes either no charge upon that general revenue, or but a very finall one. It every where arifes chiefly from fome local or provincial revenue, from the rent of some landed estate, or from the interest of some sum of money allotted and put under the management of trustees for this particular purpole, fometimes by the fovereign himfelf, and fometimes by fome private donor.



HAVE





HAVE those public endowments contributed in general to promote the end of their institution? Have they contributed to encourage the diligence, and to improve the abilities of the teachers? Have they directed the course of education towards objects more useful, both to the individual and to the public, than those to which it would naturally have gone of its own accord? It should not seem very difficult to give at least a probable answer to each of those questions.

In every profession, the exertion of the greater part of those who exercise it, is always in proportion to the necessity they are under of making This necessity is greatest with that exertion. those to whom the emoluments of their profesfion are the only fource from which they expect their fortune, or even their ordinary revenue and subsistence. In order to acquire this fortune, or even to get this subsistence, they must, in the course of a year, execute a certain quantity of work of a known value; and, where the competition is free, the rivalship of competitors, who are all endeavouring to justle one another out of employment, obliges every man to endeavour to execute his work with a certain degree of exactnefs. The greatness of the objects which are to be acquired by fuccess in some particular profesfions may, no doubt, fometimes animate the exertion of a few men of extraordinary spirit and ambition. Great objects, however, are evidently not necessary in order to occasion the greatest exertions. Rivalship and emulation render excellency, even in mean professions, an object of ambition.



ook bition, and frequently occasion the very greatest exertions. Great objects, on the contrary, alone and unsupported by the necessity of application, have feldom been sufficient to occasion any confiderable exertion. In England, fuccess in the profession of the law leads to some very great objects of ambition; and yet how few men, born to easy fortunes, have ever in this country been eminent in that profession?

> THE endowments of fchools and colleges have necessarily diminished more or less the necessity of application in the teachers. Their sublistence, fo far as it arises from their falaries, is evidently derived from a fund altogether independent of their fuccess and reputation in their particular

professions.

In some universities the falary makes but a part, and frequently but a finall part of the emoluments of the teacher, of which the greater part arises from the honoraries or fees of his pupils. The necessity of application, though always more or less diminished, is not in this case entirely taken away. Reputation in his profession is still of fome importance to him, and he still has some dependency upon the affection, gratitude, and favourable report of those who have attended upon his instructions; and these favourable sentiments he is likely to gain in no way fo well as by deferving them, that is, by the abilities and diligence with which he discharges every part of his duty.

In other univerfities the teacher is prohibited from receiving any honorary or fee from his pu-





pils, and his falary conflitutes the whole of the CHAP. revenue which he derives from his office. His interest is, in this case, set as directly in opposition to his duty as it is possible to set it. It is the interest of every man to live as much at his ease as he can; and if his emoluments are to be precifely the fame, whether he does, or does not perform some very laborious duty, it is certainly his interest, at least as interest is vulgarly underflood, either to neglect it altogether, or, if he is fubject to some authority which will not suffer him to do this, to perform it in as careless and slovenly a manner as that authority will permit. If he is naturally active and a lover of labour, it is his interest to employ that activity in any way, from which he can derive fome advantage, rather than in the performance of his duty, from which he can derive none.

If the authority to which he is subject resides in the body corporate, the college, or university, of which he himself is a member, and in which the greater part of the other members are, like himself, persons who either are, or ought to be teachers; they are likely to make a common cause, to be all very indulgent to one another, and every man to consent that his neighbour may neglect his duty, provided he himself is allowed to neglect his own. In the university of Oxford, the greater part of the public professors have, for these many years, given up altogether even the pretence of teaching.

If the authority to which he is subject resides, not so much in the body corporate of which he





BOOK is a member, as in some other extraneous persons. in the bishop of the diocese for example; in the governor of the province; or, perhaps, in fome minister of state; it is not indeed in this case very likely that he will be fuffered to neglect his duty altogether. All that fuch fuperiors, however, can force him to do, is to attend upon his pupils a certain number of hours, that is, to give a certain number of lectures in the week or in the year. What those lectures shall be, must still depend upon the diligence of the teacher; and that diligence is likely to be proportioned to the motives which he has for exerting it. An extraneous jurifdiction of this kind, befides, is liable to be exereifed both ignorantly and capriciously. nature it is arbitrary and discretionary, and the persons who exercise it, neither attending upon the lectures of the teacher themselves, nor perhaps understanding the sciences which it is his business to teach, are feldom capable of exercifing it with judgment. From the infolence of office too they are frequently indifferent how they exercise it, and are very apt to cenfure or deprive him of his office wantonly, and without any just cause. The perfon subject to such jurisdiction is necessarily degraded by it, and, instead of being one of the most respectable, is rendered one of the meanest and most contemptible persons in the society. It is by powerful protection only that he can effectually guard himself against the bad usage to which he is at all times exposed; and this protection he is most likely to gain, not by ability



this kind.

THE WEALTH OF NATIONS.



or diligence in his profession, but by obsequious- CHAP. ness to the will of his superiors, and by being ready, at all times, to facrifice to that will the rights, the interest, and the honour of the body corporate of which he is a member. Whoever has attended for any confiderable time to the adminiftration of a French university, must have had occasion to remark the effects which naturally re-

WHATEVER forces a certain number of students to any college or university, independent of the merit or reputation of the teachers, tends more or less to diminish the necessity of that merit or reputation.

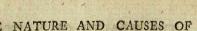
fult from an arbitrary and extraneous jurisdiction of

THE privileges of graduates in arts, in law, physic and divinity, when they can be obtained only by refiding a certain number of years in certain universities, necessarily force a certain number of students to such universities, independent of the merit or reputation of the teachers. The privileges of graduates are a fort of statutes of apprenticeship, which have contributed to the improvement of education, just as the other statutes of apprenticeship have to that of arts and manufactures.

THE charitable foundations of scholarships, exhibitions, burfaries, &cc. neceffarily attach a certain number of students to certain colleges, independent altogether of the merit of those particular colleges. Were the students upon fuch charitable foundations left free to chuse what







BOOK what college they liked best, such liberty might perhaps contribute to excite fome emulation among different colleges. A regulation, on the contrary, which prohibited even the independent members of every particular college from leaving it, and going to any other, without leave first asked and obtained of that which they meant to abandon, would tend very much to extinguish that emulation.

Is in each college the tutor or teacher, who was to instruct each student in all arts and sciences. should not be voluntarily chosen by the student, but appointed by the head of the college; and if, in case of neglect, inability, or bad usage, the student should not be allowed to change him for another, without leave first asked and obtained; fuch a regulation would not only tend very much to extinguish all emulation among the different tutors of the fame college, but to diminish very much in all of them the necessity of diligence and of attention to their respective pupils. Such teachers, though very well paid by their students, might be as much disposed to neglect them, as those who are not paid by them at all, or who have no other recompence but their falary.

IF the teacher happens to be a man of fense, it must be an unpleasant thing to him to be conscious, while he is lecturing his students, that he is either speaking or reading nonsense, or what is very little better than nonsense. It must too be unpleasant to him to observe that the greater part of his students desert his lectures; or perhaps attend upon them with plain enough marks





of neglect, contempt, and derifion. If he is c HAP.

obliged, therefore, to give a certain number of lectures, these motives alone, without any other interest, might dispose him to take some pains to give tolerably good ones. Several different expedients, however, may be fallen upon, which will effectually blunt the edge of all those incitements to diligence. The teacher, instead of explaining to his pupils himself the science in which he proposes to instruct them, may read fome book upon it; and if this book is written in a foreign and dead language, by interpreting it to them into their own; or, what would give him still less trouble, by making them interpret it to him, and by now and then making an occasional remark upon it, he may flatter himself that he is giving a lecture. The flightest degree of knowledge and application will enable him to do this, without expoling himfelf to contempt or derifion, or faying any thing that is really foolish, abfurd, or ridiculous. The discipline of the college, at the same time, may enable him to force all his pupils to the most regular attendance upon this fham-lecture, and to maintain the most decent and respectful behaviour during the whole time of the performance.

THE discipline of colleges and universities is in general contrived, not for the benefit of the students, but for the interest, or more properly speaking, for the ease of the masters. Its object is, in all cases, to maintain the authority of the mafter, and whether he neglects or performs his duty, to oblige the students in all cases to be-

have

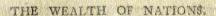




BOOK have to him as if he performed it with the greatest diligence and ability. It feems to prefume perfect wisdom and virtue in the one order, and the greatest weakness and folly in the other. Where the masters, however, really perform their duty, there are no examples, I believe, that the greater part of the students ever neglect theirs. No discipline is ever requisite to force attendance upon lectures which are really worth the attending, as is well known wherever any fuch lectures are given. Force and restraint may, no doubt, be in some degree requisite in order to oblige children, or very young boys, to attend to those parts of education which it is thought necessary for them to acquire during that early period of life; but after twelve or thirteen years of age, provided the mafter does his duty, force or restraint can scarce ever be necessary to carry on any part of education. Such is the generofity of the greater part of young men, that, fo far from being disposed to neglect or despise the instructions of their master, provided he shows some serious intention of being of use to them, they are generally inclined to pardon a great deal of incorrectness in the performance of his duty, and fometimes even to conceal from the public a good deal of gross negligence.

THOSE parts of education, it is to be observed, for the teaching of which there are no public inflitutions, are generally the best taught. When a young man goes to a fencing or a dancing school, he does not indeed always learn to fence or to dance very well; but he feldom fails of learning to fence





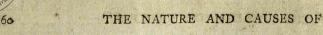
or to dance. The good effects of the riding CHAP. school are not commonly so evident. The expence of a riding school is so great, that in most places it is a public institution. The three most essential parts of literary education, to read, write, and account, it still continues to be more common to acquire in private than in public schools; and it very feldom happens that any body fails of acquiring them to the degree in which it is necessary to acquire them.

In England the public schools are much less corrupted than the universities. In the schools the youth are taught, or at least may be taught, Greek and Latin; that is, every thing which the masters pretend to teach, or which, it is expected, they should teach. In the universities the youth neither are taught, nor always can find any proper means of being taught, the sciences, which it is the business of those incorporated bodies to teach. The reward of the schoolmaster in most cases depends principally, in some cases almost entirely, upon the fees or honoraries of his scholars. Schools have no exclusive privileges. In order to obtain the honours of graduation, it is not necessary that a perfon should bring a certificate of his having studied a certain number of years at a public school. If upon examination he appears to understand what is taught there, no questions are asked about the place where he learnt it.

The parts of education which are commonly taught in universities, it may, perhaps, be faid are not very well taught. But had it not been for those institutions they would not have been

commonly





BOOK commonly taught at all, and both the individual and the public would have fuffered a good deal from the want of those important parts of education.

The present universities of Europe were originally, the greater part of them, ecclesiastical corporations; instituted for the education of churchmen. They were founded by the authority of the pope, and were so entirely under his immediate protection, that their members, whether masters or students, had all of them what was then called the benefit of clergy, that is, were exempted from the civil jurisdiction of the countries in which their respective universities were situated, and were amenable only to the ecclesiastical tribunals. What was taught in the greater part of those universities was suitable to the end of their institution, either theology, or something that was merely preparatory to theology.

When christianity was first established by law, a corrupted Latin had become the common language of all the western parts of Europe. The service of the church accordingly, and the translation of the Bible which was read in churches, were both in that corrupted Latin; that is, in the common language of the country. After the irruption of the barbarous nations who overturned the Roman empire, Latin gradually ceased to be the language of any part of Europe. But the reverence of the people naturally preserves the established forms and ceremonies of religion, long after the circumstances which first introduced and rendered them reasonable are no more. Though

(166)





Latin, therefore, was no longer understood any chap. where by the great body of the people, the whole fervice of the church still continued to be performed in that language. Two different languages were thus established in Europe, in the same manner as in ancient Egypt; a language of the priests, and a language of the people; a sacred and a profane; a learned and an unlearned language. But it was necessary that the priests

should understand something of that sacred and learned language in which they were to officiate; and the study of the Latin language therefore made, from the beginning, an essential part of university

education.

Ir was not to with that either of the Greek, or of the Hebrew language. The infallible decrees of the church had pronounced the Latin translation of the Bible; commonly called the Latin Vulgate, to have been equally diffated by divine inspiration, and therefore of equal authority with the Greek and Hebrew originals. The knowledge of those two languages, therefore, not being indispensably requisite to a churchman, the fludy of them did not for a long time make a necessary part of the common course of university education. There are fome Spanish universities, I am affired, in which the study of the Greek: language has never yet made any part of that course. The first reformers found the Greek text of the new testament, and even the Hebrew text of the old, more favourable to their opinions, than the vulgate translation, which, as might naturally be supposed, had been gradually ac-Vol. III. com-





BOOK commodated to support the doctrines of the catholic church. They fet themselves, therefore, to expose the many errors of that translation. which the Roman catholic clergy were thus put under the necessity of defending or explaining. But this could not well be done without some knowledge of the original languages, of which the study was therefore gradually introduced into the greater part of universities; both of those which embraced, and of those which rejected, the doctrines of the reformation. The Greek language was connected with every part of that claffical learning, which, though at first principally cultivated by catholics and Italians, happened to come into fashion much about the same time that the doctrines of the reformation were fet on foot. In the greater part of universities, therefore, that language was taught previous to the study of philosophy, and as soon as the student had made some progress in the Latin. The Hebrew language having no connection with claffical learning, and, except the holy fcriptures, being the language of not a fingle book in any efteem, the study of it did not commonly commence till after that of philosophy, and when the fludent had entered upon the fludy of theology.

ORIGINALLY the first rudiments both of the Greek and Latin languages were taught in univerfities, and in some universities they still continue to be fo. In others it is expected that the student should have previously acquired at least the rudiments of one or both of those languages, of which





the study continues to make every where a very CHAP. confiderable part of univerfity education.

THE ancient Greek philosophy was divided into three great branches; physics, or natural philofophy; ethics, or moral philosophy; and logic. This general division seems perfectly agreeable to

the nature of things.

THE great phenomena of nature, the revolutions of the heavenly bodies, eclipses, comets; thunder, lightning, and other extraordinary meteors; the generation, the life, growth, and diffolution of plants and animals; are objects which, as they necessarily excite the wonder, so they naturally call forth the curiofity, of mankind to enquire into their causes. Superstition first attempted to fatisfy this curiofity, by referring all those wonderful appearances to the immediate agency of the gods. Philosophy afterwards endeavoured to account for them, from more familiar causes, or from such as mankind were better acquainted with, than the agency of the gods. As those great phenomena are the first objects of human curiofity, fo the science which pretends to explain them must naturally have been the first branch of philosophy that was cultivated. The first philosophers, accordingly, of whom history has preferved any account, appear to have been natural philosophers.

In every age and country of the world men must have attended to the characters, designs, and actions of one another, and many reputable rules and maxims for the conduct of human life,

M 2

must



BOOK must have been laid down and approved of by common confent. As foon as writing came into fashion, wife men, or those who fancied themfelves fuch, would naturally endeavour to increase the number of those established and respected maxims, and to express their own sense of what was either proper or improper conduct, fometimes in the more artificial form of apologues, like what are called the fables of Æsop; and sometimes in the more fimple one of apophthegms, or wife fayings, like the Proverbs of Solomon, the verfes of Theognis and Phocyllides, and some part of the works of Hefiod. They might continue in this manner for a long time merely to multiply the number of those maxims of prudence and morality, without even attempting to arrange them in any very diffinct or methodical order, much less to connect them together by one or more general principles, from which they were all deducible, like effects from their natural causes. The beauty of a systematical arrangement of different observations connected by a few common principles, was first seen in the rude effays of those ancient times towards a system of natural philosophy. Something of the same kind was afterwards attempted in morals. The maxims of common life were arranged in forme methodical order, and connected together by a few common principles, in the fame manner as they had attempted to arrange and connect the phenomena of The science which pretends to investigate and explain those connecting principles, is what is properly called moral philosophy.

DIFFERENT





SL 165

DIFFERENT authors gave different systems both C H A P. of natural and moral philosophy. But the arguments by which they supported those different fystems, far from being always demonstrations, were frequently at best but very slender probabilities, and fometimes mere fophisms, which had no other foundation but the inaccuracy and ambiguity of common language. Speculative fyftems have in all ages of the world been adopted for reasons too frivolous to have determined the judgment of any man of common sense, in a matter of the fmallest pecuniary interest. Gross sophistry has scarce ever had any influence upon the opinions of mankind, except in matters of philosophy and speculation; and in these it has frequently had the greatest. The patrons of each fystem of natural and moral philosophy naturally endeavoured to expose the weakness of the arguments adduced to support the systems which were opposite to their own. In examining those arguments, they were necessarily led to consider the difference between a probable and a demonstrative argument, between a fallacious and a conclusive one; and Logic, or the science of the general principles of good and bad reasoning, necessarily arose out of the observations which a scrutiny of this kind gave occasion to. Though in its origin, posterior both to physics and to ethics, it was commonly taught, not indeed in all, but in the greater part of the ancient schools of philosophy, previously to either of those sciences. The student, it seems to have been thought, ought to understand well the difference between





BOOK between good and bad reasoning, before he was led to reason upon subjects of so great importance.

> This ancient division of philosophy into three parts was in the greater part of the universities of Europe, changed for another into five.

In the ancient philosophy, whatever was taught concerning the nature either of the human mind or of the Deity, made a part of the system of physics. Those beings, in whatever their effence might be supposed to consist, were parts of the great fystem of the universe, and parts too productive of the most important effects. Whatever human reason could either conclude, or conjecture, concerning them, made, as it were, two chapters, though no doubt two very important ones, of the fcience which pretended to give an account of the origin and revolutions of the great fustem of the universe. But in the universities of Europe, where philosophy was taught only as fubservient to theology, it was natural to dwell longer upon these two chapters than upon any other of the science. They were gradually more and more extended, and were divided into many inferior chapters, till at last the doctrine of spirits. of which fo little can be known, came to take up as much room in the fystem of philosophy as the doctrine of bodies, of which so much can be known. The doctrines concerning those two fubiects were confidered as making two diffinct. fciences. What are called Metaphysics or Pneumatics were fet in opposition to Physics, and were cultivated not only as the more fublime,

but,



but, for the purposes of a particular profession, CHAP. as the more useful seience of the two. The proper fubject of experiment and observation, a subject in which a careful attention is capable of making fo many ufeful discoveries, was almost entirely neglected. The fubject in which, after a few very fimple and almost obvious truths, the most careful attention can discover nothing but obscurity and uncertainty, and can confequently produce nothing but fubtleties and fophisms, was greatly cultivated.

When those two sciences had thus been set in opposition to one another, the comparison between them naturally gave birth to a third, to what was called Ontology, or the science which treated of the qualities and attributes which were common to both the subjects of the other two sciences. But if subtleties and sophisms composed the greater part of the Metaphysics or Pneumatics of the schools, they composed the whole of this cobweb science of Ontology, which was likewise fometimes called Metaphyfics.

WHEREIN confifted the happiness and perfection of a man, confidered not only as an individual, but as the member of a family, of a state, and of the great fociety of mankind, was the object which the ancient moral philosophy proposed to investigate. In that philosophy the duties of human life were treated of as subservient to the happiness and perfection of human life. But when moral, as well as natural philosophy, came to be taught only as subservient to theology, the duties of human life were treated of as chiefly

M 4

fubser-



B O, O K subservient to the happiness of a life to come. In the ancient philosophy the perfection of virtue was represented as necessarily productive, to the person who possessed it, of the most perfect happiness in this life. In the modern philosophy it was frequently reprefented as generally, or rather as almost always inconsistent with any degree of happiness in this life; and heaven was to be earned only by penance and mortification, by the aufterities and abasement of a monk; not by the liberal, generous, and spirited conduct of a man. Casuistry and an afcetic morality made up, in most cases, the greater part of the moral philosophy of the schools. By far the most important of all the different branches of philosophy, became in this manner by far the most corrupted.

> Such, therefore, was the common course of philosophical education in the greater part of the univerfities in Europe. Logic was taught first: Ontology came in the fecond place: Pneumatology, comprehending the doctrine concerning the nature of the human foul and of the Deity, in the third: In the fourth followed a debased system of moral philosophy, which was considered as immediately connected with the doctrines of Pneumatology, with the immortality of the human foul, and with the rewards and punishments which, from the justice of the Deity, were to be expected in a life to come: A fhort and superficial system of Physics ufually concluded the course.

> THE alterations which the universities of Europe thus introduced into the ancient course of philosophy, were all meant for the education of ecclefiaftics,





ecclefiaftics, and to render it a more proper in- C H A P. troduction to the fludy of theology. But the additional quantity of fubtlety and fophistry; the casualtry and the ascetic morality which those alterations introduced into it, certainly did not render it more proper for the education of gentlemen or men of the world, or more likely either to improve the understanding, or to mend the heart.

This course of philosophy is what still continues to be taught in the greater part of the universities of Europe; with more or less diligence, according as the constitution of each particular university happens to render diligence more or less necessary to the teachers. In some of the richest and best endowed universities, the tutors content themselves with teaching a few unconnected shreds and parcels of this corrupted course; and even these they commonly teach very negli-

gently and superficially.

The improvements which, in modern times, have been made in feveral different branches of philosophy, have not, the greater part of them, been made in universities; though some no doubt have. The greater part of universities have not even been very forward to adopt those improvements, after they were made; and several of those learned societies have chosen to remain, for a long time, the sanctuaries in which exploded systems and obsolete prejudices found shelter and protection, after they had been hunted out of every other corner of the world. In general, the richest and best endowed universities have been





BOOK been the flowest in adopting those improvements. and the most averse to permit any considerable change in the established plan of education. Those improvements were more eafily introduced into fome of the poorer universities, in which the teachers, depending upon their reputation for the greater part of their fubfiftence, were obliged to pay more attention to the current opinions of the world.

But though the public schools and universities of Europe were originally intended only for the education of a particular profession, that of churchmen; and though they were not always very diligent in inftructing their pupils even in the fciences which were supposed necessary for that profession, yet they gradually drew to themfelves the education of almost all other people, particularly of almost all gentlemen and men of fortune. No better method, it feems, could be fallen upon of fpending, with any advantage, the long interval between infancy and that period of life at which men begin to apply in good earnest to the real business of the world, the business which is to employ them during the remainder of their days. The greater part of what is taught in schools and universities, however, does not feem to be the most proper preparation for that bufinefs.

In England, it becomes every day more and more the cuftom to fend young people to travel in foreign countries immediately upon their leaving school, and without sending them to any univerfity. Our young people, it is faid, generally return





77 1

return home much improved by their travels. A CHAP. young man who goes abroad at feventeen or eighteen, and returns home at one and twenty, returns three or four years older than he was when he went abroad; and at that age it is very difficult not to improve a good deal in three or four years. In the course of his travels, he generally acquires fome knowledge of one or two foreign languages; a knowledge, however, which is feldom fufficient to enable him either to fpeak or write them with propriety. In other respects, he commonly returns home more conceited, more unprincipled, more diffipated, and more incapable of any ferious application either to fludy or to business, than he could well have become in fo short a time, had he lived at home. By travelling to very young, by spending in the most frivolous diffipation the most precious years of his life, at a distance from the inspection and controul of his parents and relations, every ufeful habit, which the earlier parts of his education might have had some tendency to form in him, instead of being rivetted and confirmed, is almost necessarily either weakened or effaced. Nothing but the discredit into which the universities are allowing themselves to fall, could ever have brought into repute fo very abfurd a practice as that of travelling at this early period of life. By fending his fon abroad, a father delivers himself, at least for some time, from so disagreeable an object as that of a fon unemployed, neglected, and going to ruin before his eyes,



BOOK de

Such have been the effects of some of the modern institutions for education.

DIFFERENT plans and different inflitutions for education feem to have taken place in other ages and nations.

In the republics of ancient Greece, every free citizen was instructed, under the direction of the public magistrate, in gymnastic exercises and in music. By gymnastic exercises it was intended to harden his body, to sharpen his courage, and to prepare him for the fatigues and dangers of war; and as the Greek militia was, by all accounts, one of the best that ever was in the world, this part of their public education must have answered completely the purpose for which it was intended. By the other part, music, it was proposed, at least by the philosophers and historians who have given us an account of those institutions, to humanize the mind, to foften the temper, and to dispose it for performing all the social and moral duties both of public and private life.

In ancient Rome the exercises of the Campus Martius answered the same purpose as those of the Gymnazium in ancient Greece, and they seem to have answered it equally well. But among the Romans there was nothing which corresponded to the musical education of the Greeks. The morals of the Romans, however, both in private and public life, seem to have been, not only equal, but, upon the whole, a good deal superior to those of the Greeks. That they were superior in private life, we have the express testimony of Polybius and of Dionysius of Halicarnassus, two authors



authors well acquainted with both nations; and c PAP. the whole tenor of the Greek and Roman history bears witness to the superiority of the public morals of the Romans. The good temper and moderation of contending factions feems to be the most essential circumstance in the public morals of a free people. But the factions of the Greeks were almost always violent and fanguinary; whereas, till the time of the Gracchi, no blood had ever been shed in any Roman faction; and from the time of the Gracchi the Roman republic may be confidered as in reality diffolved. Notwithstanding, therefore, the very respectable authority of Plato, Ariftotle, and Polybius, and notwithstanding the very ingenious reasons by which Mr. Montesquieu endeavours to support that authority, it feems probable that the mufical education of the Greeks had no great effect in mending their morals, fince, without any fuch education, those of the Romans were upon the whole fuperior. The respect of those ancient fages for the institutions of their ancestors, had probably disposed them to find much political wifdom in what was, perhaps, merely an ancient custom, continued, without interruption, from the earliest period of those societies, to the times in which they had arrived at a confiderable degree of refinement. Music and dancing are the great amusements of almost all barbarous nations, and the great accomplishments which are supposed to fit any man for entertaining his fociety. It is fo at this day among the negroes on the coast of Africa. It was so among the ancient





BOOK ancient Celtes, among the ancient Scandinavians, and, as we may learn from Homer, among the ancient Greeks in the times preceding the Trojan war. When the Greek tribes had formed themselves into little republics, it was natural that the study of those accomplishments should, for a long time, make a part of the public and common education of the people.

THE masters who instructed the young people either in music or in military exercises, do not feem to have been paid, or even appointed by the state, either in Rome or even in Athens, the Greek republic of whose laws and customs we are the best informed. The state required that every free citizen should fit himself for defending it in war, and should, upon that account, learn his military exercises. But it left him to learn them of fuch masters as he could find, and it seems to have advanced nothing for this purpose, but a public field or place of exercise, in which he should practife and perform them.

In the early ages both of the Greek and Roman republics, the other parts of education feem to have confifted in learning to read, write, and account according to the arithmetic of the times. These accomplishments the richer citizens feem frequently to have acquired at home, by the affiftance of fome domestic pedagogue, who was generally, either a flave, or a freed-man; and the poorer citizens, in the schools of such masters as made a trade of teaching for hire. Such parts of education, however, were abandoned altogether to the care of the parents or guardians





guardians of each individual. It does not appear CHAP. that the state ever assumed any inspection or direction of them. By a law of Solon, indeed, the children were acquitted from maintaining shofe parents in their old age, who had neglected to instruct them in some profitable trade or bufiness.

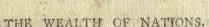
In the progress of refinement, when philosophy and rhetoric came into fashion, the better fort of people used to send their children to the schools of philosophers and rhetoricians, in order to be instructed in these fashionable sciences. But those schools were not supported by the public. They were for a long time barely tolerated by it. The demand for philosophy and rhetoric was for a long time fo fmall, that the first professed teachers of either could not find constant employment in any one city, but were obliged to fravel about from place to place. In this manner lived Zeno of Elea, Protagoras, Gorgias, Hippias, and many others. As the demand increased, the schools both of philosophy and rhetoric became stationary; first in Athens, and afterwards in feveral other cities. The state, however, feems never to have encouraged them further than by affigning to some of them a particular place to teach in, which was fometimes done too by private donors. The state seems to have affigned the Academy to Plato, the Lyceum to Aristotle, and the Portico to Zeno of Citta, the founder of the Stoics. But Epicurus bequeathed his gardens to his own school. Till about the time of Marcus Antoninus, however, no teacher ap-

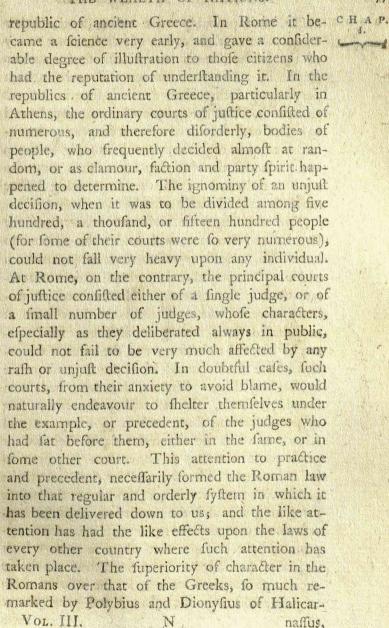




BOOK pears to have had any falary from the publica or to have had any other emoluments, but what arose from the honoraries or sees of his scholars. The bounty which that philosophical emperor, as we learn from Lucian, bestowed upon one of the teachers of philosophy, probably lasted no longer than his own life. There was nothing equivalent to the privileges of graduation, and to have attended any of those schools was not necessary, in order to be permitted to practife any particular trade or profession. If the opinion of their own utility could not draw scholars to them, the law neither forced any body to go to them, nor rewarded any body for having gone to them. The teachers had no jurisdiction over their pupils, nor any other authority besides that natural authority, which superior virtue and abilities never fail to procure from young people towards those who are entrusted with any part of their education.

> AT Rome, the study of the civil law made a part of the education, not of the greater part of the citizens, but of some particular families. The young people, however, who wished to acquire knowledge in the law, had no public school to go to, and had no other method of studying it, than by frequenting the company of fuch of their relations and friends, as were fupposed to understand it. It is perhaps worth while to remark, that though the laws of the twelve tables were, many of them, copied from those of fome ancient Greek republics, yet law never feems to have grown up to be a science in any republic DESIG







nassus, was probably more owing to the better constitution of their courts of justice, than to any of the circumstances to which those authors The Romans are faid to have been ascribe it. particularly diftinguished for their superior respect to an oath. But the people who were accustomed to make oath only before fome diligent and wellinformed court of justice, would naturally be much more attentive to what they fwore, than they who were accustomed to do the same thing before

mobbish and disorderly assemblies.

THE abilities, both civil and military, of the Greeks and Romans, will readily be allowed to have been, at least, equal to those of any modern nation. Our prejudice is perhaps rather to overrate them. But except in what related to military exercises, the state seems to have been at no pains to form those great abilities: for I cannot be induced to believe, that the musical education of the Greeks could be of much consequence in forming them. Mafters, however, had been found, it feems, for instructing the better fort of people among those nations in every art and science in which the circumstances of their society rendered it necessary or convenient for them to be instructed. The demand for such instruction produced, what it always produces, the talent for giving it; and the emulation which an unrestrained competition never fails to excite, appears to have brought that talent to a very high degree of perfection. In the attention which the ancient philosophers excited, in the empire which they acquired over the opinions and principles of their



their auditors, in the faculty which they possessed c H A P. of giving a certain tone and character to the conduct and conversation of those auditors; they appear to have been much fuperior to any modern teachers. In modern times, the diligence of public teachers is more or less corrupted by the circumstances, which render them more or less independent of their fuccess and reputation in their particular professions. Their falaries too put the private teacher, who would pretend to come into competition with them, in the fame state with a merchant who attempts to trade without a bounty, in competition with those who trade with a confiderable one. If he fells his goods at nearly the fame price, he cannot have the same profit, and poverty and beggary at least, if not bankruptcy and ruin, will infallibly be his lot. If he attempts to fell them much dearer, he is likely to have fo few customers that his circumstances will not be much mended. The privileges of graduation, besides, are in many countries necessary, or at least extremely convenient to most men of learned professions; that is, to the far greater part of those who have occasion for a learned education. But those privileges can be obtained only by attending the lectures of the public teachers. The most careful attendance upon the ablest instructions of any private teacher, cannot always give any title to demand them. It is from these different causes that the private teacher of any of the sciences which are commonly taught in universities, is in N 2 modern





BOOK modern times generally confidered as in the very lowest order of men of letters. A man of real abilities can fcarce find out a more humiliating or a more unprofitable employment to turn them to. The endowments of schools and colleges have, in this manner, not only corrupted the diligence of public teachers, but have rendered it almost impossible to have any good private ones.

> WERE there no public inflitutions for education, no fystem, no science would be taught for which there was not fome demand; or which the circumstances of the times did not render it either necessary, or convenient, or at least fashionable, to learn. A private teacher could never find his account in teaching, either an exploded and antiquated fystem of a science acknowledged to be useful, or a science universally believed to be a mere useless and pedantic heap of sophistry and nonfense. Such systems, such sciences, can sublist no where, but in those incorporated societies for education whose prosperity and revenue are in a great measure independent of their reputation, and altogether independent of their industry. Were there no public inftitutions for education, a gentleman, after going through, with application and abilities, the most complete course of education which the circumstances of the times were supposed to afford, could not come into the world completely ignorant of every thing which is the common subject of conversation among gentlemen and men of the world.



THERE are no public inflitutions for the educa- C H A P. tion of women, and there is accordingly nothing useless, absurd, or fantastical in the common course of their education. They are taught what their parents or guardians judge it necessary or useful for them to learn; and they are taught nothing else. Every part of their education tends evidently to some useful purpose; either to improve the natural attractions of their person, or to form their mind to referve, to modesty, to chastity, and to economy; to render them both likely to become the mistresses of a family, and to behave properly when they have become fuch. In every part of her life a woman feels fome conveniency or advantage from every part of her education. It feldom happens that a man, in any part of his life, derives any conveniency or advantage from fome of the most laborious and troublesome parts of his education.

OUGHT the public, therefore, to give no attention, it may be asked, to the education of the people? Or if it ought to give any, what are the different parts of education which it ought to attend to in the different orders of the people? and in what manner ought it to attend to them?

In some cases the state of the society necessarily places the greater part of individuals in such situations as naturally form in them, without any attention of government, almost all the abilities and virtues which that state requires, or perhaps can admit of. In other cases the state of the society does not place the greater part of individuals in such situations, and some attention of

N 3

govern-





BOOK government is necessary in order to prevent the almost entire corruption and degeneracy of the

great body of the people.

In the progress of the division of labour, the employment of the far greater part of those who live by labour, that is, of the great body of the people, comes to be confined to a few very simple operations; frequently to one or two. But the understandings of the greater part of men are necessarily formed by their ordinary employments. The man whose whole life is spent in performing a few fimple operations, of which the effects too are, perhaps, always the fame, or very nearly the fame, has no occasion to exert his understanding, or to exercise his invention in finding out expedients for removing difficulties which never occur. He naturally loses, therefore, the habit of fuch exertion, and generally becomes as ftupid and ignorant as it is possible for a human creature to become. The torpor of his mind renders him, not only incapable of relishing or bearing a part in any rational conversation, but of conceiving any generous, noble, or tender fentiment, and confequently of forming any just judgment concerning many even of the ordinary duties of private life. Of the great and extensive interests of his country he is altogether incapable of judging; and unless very particular pains have been taken to render him otherwise, he is equally incapable of defending his country in war. The uniformity of his stationary life naturally corrupts the courage of his mind, and makes him regard with abhorrence the irregular, uncertain,





uncertain, and adventurous life of a foldier. It corrupts even the activity of his body, and renders him incapable of exerting his strength with vigour and perseverance, in any other employment than that to which he has been bred. His dexterity at his own particular trade seems, in this manner, to be acquired at the expence of his intellectual, social, and martial virtues. But in every improved and civilized society this is the state into which the labouring poor, that is, the great body of the people, must necessarily fall, unless government takes some pains to prevent it.

IT is otherwise in the barbarous societies, as they are commonly called, of hunters, of shepherds, and even of husbandmen in that rude state of husbandry which precedes the improvement of manufactures, and the extension of foreign commerce. In fuch focieties the varied occupations of every man oblige every man to exert his capacity, and to invent expedients for removing difficulties which are continually occurring. Invention is kept alive, and the mind is not fuffered to fall into that drowfy flupidity, which, in a civilized fociety, feems to benumb the understanding of almost all the inferior ranks of people. In those barbarous societies, as they are called, every man, it has already been observed, is a warrior. Every man too is in some measure a statesman, and can form a tolerable judgment concerning the interest of the society, and the conduct of those who govern it. How far their chiefs are good judges in peace, or good leaders in war, is obvious to the observation of almost every single

(189)

man





BOOK

man among them. In fuch a fociety indeed, no man can well acquire that improved and refined understanding, which a few men sometimes possess in a more civilized state. Though in a rude fociety there is a good deal of variety in the occupations of every individual, there is not a great deal in those of the whole fociety. Every man does, or is capable of doing, almost every thing which any other man does, or is capable of doing. Every man has a confiderable degree of knowledge, ingenuity, and invention; but fcarce any man has a great degree. The degree, however, which is commonly possessed, is generally fufficient for conducting the whole fimple business of the society. In a civilized state, on the contrary, though there is little variety in the occupations of the greater part of individuals, there is an almost infinite variety in those of the whole fociety. These varied occupations present an almost infinite variety of objects to the contemplation of those few, who, being attached to no particular occupation themselves, have leifure and inclination to examine the occupations of other people. The contemplation of fo great a variety of objects necessarily exercises their minds in endless comparisons and combinations, and renders their understandings, in an extraordinary degree, both acute and comprehensive. Unless those few, however, happen to be placed in some very particular fituations, their great abilities, though honourable to themselves, may contribute very little to the good government or happiness of their fociety. Notwithstanding the great abilities





lities of those few, all the nobler parts of the CHAP. human character may be, in a great measure, obliterated and extinguished in the great body of the people.

THE education of the common people requires, perhaps, in a civilized and commercial fociety, the attention of the public more than that of people of some rank and fortune. People of fome rank and fortune are generally eighteen or nineteen years of age before they enter uponthat particular bufinefs, profession, or trade, by which they propose to distinguish themselves in the world. They have before that full time to acquire, or at least to fit themselves for afterwards acquiring, every accomplishment which can recommend them to the public effeem, or render them worthy of it. Their parents or guardians are generally fufficiently anxious that they should be so accomplished, and are, in most cases, willing enough to lay out the expence which is necessary for that purpose. If they are not always properly educated, it is feldom from the want of expence laid out upon their education; but from the improper application of that expence. It is feldom from the want of masters; but from the negligence and incapacity of the masters who are to be had, and from the difficulty, or rather from the impossibility which there is, in the present state of things, of finding any better. The employments too in which people of some rank or fortune spend the greater part of their lives, are not, like those of the common people, simple and uniform. They are almost





BOOK almost all of them extremely complicated, and fuch as exercise the head more than the hands. The understandings of those who are engaged in fuch employments can feldom grow torpid for want of exercise. The employments of people of fome rank and fortune, besides, are seldom such as harafs them from morning to night. They generally have a good deal of leifure, during which they may perfect themselves in every branch either of useful or ornamental knowledge of which they may have laid the foundation, or for which they may have acquired fome tafte in the earlier part of life.

IT is otherwise with the common people. They have little time to spare for education. Their parents can scarce afford to maintain them even in infancy. As foon as they are able to work, they must apply to some trade by which they can earn their fublistence. That trade too is generally fo simple and uniform as to give little exercife to the understanding; while, at the same time, their labour is both fo constant and fo fevere, that it leaves them little leifure and less inclination to apply to, or even to think of any thing elfe.

Bur though the common people cannot, in any civilized fociety, be fo well instructed as people of fome rank and fortune, the most effential parts of education, however, to read, write, and account; can be acquired at fo early a period of life, that the greater part even of those who are to be bred to the lowest occupations, have time to acquire them before they can be employed 13



employed in those occupations. For a very small C H A P. expence the public can facilitate, can encourage, and can even impose upon almost the whole body of the people, the necessity of acquiring those most effential parts of education.

THE public can facilitate this acquifition by establishing in every parish or district a little school, where children may be taught for a reward fo moderate, that even a common labourer may afford it; the master being partly, but not wholly paid by the public; because, if he was wholly, or even principally paid by it, he would foon learn to neglect his business. In Scotland the establishment of such parish schools has taught almost the whole common people to read, and a very great proportion of them to write and account. In England the establishment of charity schools has had an effect of the same kind, though not fo univerfally, because the establishment is not fo universal. If in those little schools the books, by which the children are taught to read, were a little more instructive than they commonly are; and if, instead of a little smattering of Latin, which the children of the common people are fometimes taught there, and which can scarce ever be of any use to them; they were instructed in the elementary parts of geometry and mechanics, the literary education of this rank of people would perhaps be as complete as it can be. There is fcarce a common trade which does not afford fome opportunities of applying to it the principles of geometry and mechanics, and which would not therefore gradually exercise and im-







BOOK prove the common people in those principles, the necessary introduction to the most sublime as well as to the most useful sciences.

THE public can encourage the acquisition of those most effential parts of education by giving finall premiums, and little badges of diffinction, to the children of the common people who excel in them .-

THE public can impose upon almost the whole body of the people the necessity of acquiring those most effential parts of education, by obliging every man to undergo an examination or probation in them before he can obtain the freedom in any corporation, or be allowed to fet up any trade

either in a village or town corporate.

IT was in this manner, by facilitating the acquisition of their military and gymnastic exercifes, by encouraging it, and even by imposing upon the whole body of the people the necessity of learning those exercises, that the Greek and Roman republics maintained the martial spirit of their respective citizens. They facilitated the acquifition of those exercises by appointing a certain place for learning and practifing them, and by granting to certain masters the privilege of teaching in that place. Those masters do not appear to have had either falaries or exclusive privileges of any kind. Their reward confifted altogether in what they got from their scholars; and a citizen who had-learnt his exercises in the public Gymnafia, had no fort of legal advantage over one who had learnt them privately, provided the latter had learnt them equally well. Thole





Those republics encouraged the acquisition of c H A P. those exercises, by bestowing little premiums and badges of distinction upon those who excelled in them. To have gained a prize in the Olympic, Isthmian or Nemæan games gave illustration, not only to the person who gained it, but to his whole family and kindred. The obligation which every citizen was under to serve a certain number of years, if called upon, in the armies of the republic, sufficiently imposed the necessity of learning those exercises without which he could not be fit for that service.

THAT in the progress of improvement the practice of military exercises, unless government takes proper pains to support it, goes gradually to decay, and, together with it, the martial spirit of the great body of the people, the example of modern Europe fufficiently demonstrates. But the fecurity of every fociety must always depend, more or less, upon the martial spirit of the great body of the people. In the present times, indeed, that martial spirit alone, and unsupported by a well-disciplined standing army, would not, perhaps, be fufficient for the defence and fecurity of any fociety. But where every citizen had the foirit of a foldier, a finaller standing army would furely be requifite. That fpirit, besides, would necessarily diminish very much the dangers to liberty, whether real or imaginary, which are commonly apprehended from a flanding army. As it would very much facilitate the operations of that army against a foreign invader, so it would obstruct them as much if unfortunately





BOOK they should ever be directed against the constitution

THE ancient institutions of Greece and Rome feem to have been much more effectual, for maintaining the martial spirit of the great body of the people, than the establishment of what are called the militias of modern times. They were much more fimple. When they were once eftablished, they executed themselves, and it required little or no attention from government to maintain them in the most perfect vigour. Whereas to maintain, even in tolerable execution, the complex regulations of any modern militia, requires the continual and painful attention of government, without which they are constantly falling into total neglect and difuse. The influence, besides, of the ancient institutions was much more universal. By means of them the whole body of the people was completely instructed in the use of arms. Whereas it is but a very small part of them who can ever be so instructed by the regulations of any modern militia; except, perhaps, that of Switzerland. But a coward, a man incapable either of defending or of revenging himself, evidently wants one of the most essential parts of the character of a man. He is as much mutilated and deformed in his mind as another is in his body, who is either deprived of fome of its most effential members, or has lost the use of them. He is evidently the more wretched and miserable of the two; because happiness and misery, which reside altogether in the mind, must necessarily depend more upon the healthful or unhealth-

196



SL

unhealthful, the mutilated or entire state of the CHAP. mind, than upon that of the body. Even though the martial spirit of the people were of no use towards the defence of the fociety, yet to prevent that fort of mental mutilation, deformity, and wretchedness, which cowardice necessarily involves in it, from spreading themselves through the great body of the people, would still deserve the most serious attention of government; in the fame manner as it would deferve its most ferious attention to prevent a leprofy or any other loathsome and offensive disease, though neither mortal nor dangerous, from spreading itself among them; though, perhaps, no other public good might refult from fuch attention besides the prevention of fo great a public evil.

THE same thing may be said of the gross ignorance and ftupidity which, in a civilized fociety, feem fo frequently to benumb the understandings of all the inferior ranks of people. A man without the proper use of the intellectual faculties of a man, is, if possible, more contemptible than even a coward, and feems to be mutilated and deformed in a still more essential part of the character of human nature. Though the state was to derive no advantage from the instruction of the inferior ranks of people, it would ftill deserve its attention that they should not be altogether uninstructed. The state, however, derives no inconfiderable advantage from their instruction. The more they are instructed, the less liable they are to the delusions of enthusiasim and superstition, which, among ignorant nations,

frequently

(197)





BOOK frequently occasion the most dreadful disorders. An instructed and intelligent people besides, are always more decent and orderly than an ignorant and stupid one. They feel themselves, each individually, more respectable, and more likely to obtain the respect of their lawful superiors, and they are therefore more disposed to respect those fuperiors. They are more disposed to examine, and more capable of feeing through, the interested complaints of faction and fedition, and they are, upon that account, less apt to be misled into any wanton or unnecessary opposition to the meafures of government. In free countries, where the fafety of government depends very much upon the favourable judgment which the people may form of its conduct, it must furely be of the highest importance that they should not be disposed to judge rashly or capriciously concerning it.

ARTICLE III.

Of the Expence of the Institutions for the Instruction of People of all Ages.

THE inflitutions for the inftruction of people of all ages are chiefly those for religious instruction. This is a species of instruction of which the object is not fo much to render the people good citizens in this world, as to prepare them for another and a better world in a life to come. The teachers of the doctrine which contains this instruction, in the same manner as other teachers, may either depend altogether for their fublift-



ence upon the voluntary contributions of their CHAP. hearers; or they may derive it from fome other fund to which the law of their country may entitle them; fuch as a landed effare, a tythe or land tax, an established salary or stipend. Their exertion, their zeal and industry, are likely to be much greater in the former fituation than in the latter. In this respect the teachers of new religions have always had a confiderable advantage in attacking those ancient and established fystems of which the clergy, reposing themselves upon their benefices, had neglected to keep up the fervour of faith and devotion in the great body of the people; and having given themfelves up to indolence, were become altogether incapable of making any vigorous exertion in defence even of their own establishment. The clergy of an established and well-endowed religion frequently become men of learning and elegance, who possess all the virtues of gentlemen, or which can recommend them to the esteem of gentlemen; but they are apt gradually to lofe the qualities, both good and bad, which gave them authority and influence with the inferior ranks of people, and which had perhaps been the original causes of the success and establishment of their religion. Such a clergy, when attacked by a fet of popular and bold, though perhaps stupid and ignorant enthusiasts, feel themselves as perfectly defenceless as the indolent, effeminate, and full-fed nations of the fouthern parts of Asia, when they were invaded by the active, hardy, and hungry Tartars of the North. Vol. III. Such





BOOK Such a clergy, upon fuch an emergency, have commonly no other resource than to call upon the civil magistrate to persecute, destroy, or drive out their adversaries, as disturbers of the public peace. It was thus that the Roman catholic clergy called upon the civil magistrate to persecute the protestants; and the church of England, to persecute the diffenters; and that in general every religious fect, when it has once enjoyed for a century or two the fecurity of a legal establishment, has found itself incapable of making any vigorous defence against any new fect which chose to attack its doctrine or discipline. Upon fuch occasions the advantage in point of learning and good writing may fometimes be on the fide of the established church. But the arts of popularity, all the arts of gaining profelytes, are constantly on the side of its adversaries. In England those arts have been long neglected by the well-endowed clergy of the established church, and are at present chiefly cultivated by the diffenters and by the methodifts. The independent provisions, however, which in many places have been made for diffenting teachers, by means of voluntary fubfcriptions, of trust rights, and other evasions of the law, feem very much to have abated the zeal and activity of those teachers. They have many of them become very learned, ingenious, and respectable men; but they have in general ceased to be very popular preachers. The methodifts, without half the learning of the diffenters, are much more in vogue.

200





In the church of Rome, the industry and zeal C H A P. of the inferior clergy are kept more alive by the powerful motive of felf-interest, than perhaps in any established protestant church. The parochial clergy derive, many of them, a very confiderable part of their subfishence from the voluntary oblations of the people; a fource of revenue which confession gives them many opportunities of improving. The mendicant orders derive their whole subsistence from such oblations. It is with them, as with the huffars and light infantry of some armies; no plunder, no pay. The parochial clergy are like those teachers whose reward depends partly upon their falary, and partly upon the fees or honoraries which they get from their pupils; and these must always depend more or less upon their industry and reputation. The mendicant orders are like those teachers whose fubfistence depends altogether upon their industry. They are obliged, therefore, to use every art which can animate the devotion of the common people. The establishment of the two great mendicant orders of St. Dominic and St. Francis, it is observed by Machiavel, revived, in the thirteenth and fourteenth centuries, the languishing faith and devotion of the catholic church. In Roman catholic countries the spirit of devotion is supported altogether by the monks and by the poorer parochial clergy. The great dignitaries of the church, with all the accomplishments of gentlemen and men of the world, and fometimes with those men of learning, are careful enough to maintain the necessary disci-

pline







BOOK pline over their inferiors, but seldom give themfelves any trouble about the inftruction of the

people.

" Most of the arts and professions in a state," fays by far the most illustrious philosopher and historian of the present age, " are of such a na-" ture, that, while they promote the interests of " the fociety, they are also useful or agreeable to " fome individuals; and in that case, the con-" ftant rule of the magistrate, except, perhaps, " on the first introduction of any art, is, to leave " the profession to itself, and trust its encouragement to the individuals who reap the benefit of it. The artizans, finding their profits to rife by the favour of their customers, increase, as " much as possible, their skill and industry; and ce as matters are not diffurbed by any injudicious " tampering, the commodity is always fure to " be at all times nearly proportioned to the deec mand:

" But there are also some callings, which, "though useful and even necessary in a state, " bring no advantage or pleafure to any indivi-" dual, and the supreme power is obliged to alter its conduct with regard to the retainers of those " professions. It must give them public encou-" ragement in order to their fublishence; and it "must provide against that negligence to which " they will naturally be fubject, either by annex-"ing particular honours to the profession, by " establishing a long subordination of ranks and " a strict dependance, or by some other expe-" dient. The persons employed in the finances, ce fleets,



SI

"fleets, and magistracy, are instances of this or- C H A P.
"der of men.

"IT may naturally be thought, at first sight, that the ecclesiastics belong to the first class, and that their encouragement, as well as that of lawyers and physicians, may safely be entrusted to the liberality of individuals, who are attached to their doctrines, and who find benefit or confolation from their spiritual ministry and affistance. Their industry and vigilance will, no doubt, be whetted by such an additional motive; and their skill in the profession, as well as their address in governing the minds of the people, must receive daily increase, from their increasing practice, study, and attention.

" But if we confider the matter more closely, " we shall find, that this interested diligence of the clergy is what every wife legislator will " fludy to prevent; because, in every religion " except the true, it is highly pernicious, and it " has even a natural tendency to pervert the true, " by infufing into it a strong mixture of supersti-"tion, folly, and delufion. Each ghoftly prac-" titioner, in order to render himself more pre-" cious and facred in the eyes of his retainers, " will inspire them with the most violent abhorrence of all other fects, and continually en-"deavour, by fome novelty, to excite the lan-" guid devotion of his audience. No regard " will be-paid to truth, morals, or decency in " the doctrines inculcated. Every tenet will be " adopted that best suits the disorderly affections ee of



BOOK " of the human frame. Customers will be drawn " to each conventicle by new industry and address " in practifing on the passions and credulity of " the populace. And in the end, the civil ma-" giftrate will find, that he has dearly paid for " his pretended frugality, in faving a fixed efta-" blishment for the priests; and that in reality the " most decent and advantageous composition, " which he can make with the fpiritual guides. " is to bribe their indolence, by affigning stated " falaries to their profession, and rendering it fuof perfluous for them to be farther active, than " merely to prevent their flock from straying in guest of new pastures. And in this manner ecclefiaftical establishments, though commonly " they arose at first from religious views, prove in the end advantageous to the political inte-" refts of fociety."

BUT whatever may have been the good or bad effects of the independent provision of the clergy; it has, perhaps, been very feldom bestowed upon them from any view to those effects. Times of violent religious controversy have generally been times of equally violent political faction. Upon fuch occasions, each political party has either found it, or imagined it, for its interest, to league itself with fome one or other of the contending religious fects. But this could be done only by adpoting, or at least by favouring, the tenets of that particular fect. The fect which had the good fortune to be leagued with the conquering party, necessarily shared in the victory of its ally, by whose favour and protection it was soon enabled





abled in some degree to silence and subdue all C H A P. its adversaries. Those adversaries had generally leagued themselves with the enemies of the conquering party, and were therefore the enemies of that party. The clergy of this particular fect having thus become complete mafters of the field, and their influence and authority with the great body of the people being in its highest vigour, they were powerful enough to over-awe the chiefs and leaders of their own party, and to oblige the civil magistrate to respect their opinions and inclinations. Their first demand was generally, that he should silence and subdue all their adverfaries; and their fecond, that he should bestow an independent provision on themselves. As they had generally contributed a good deal to the victory, it feemed not unreasonable that they should have some share in the spoil. They were weary, besides, of humouring the people, and of depending upon their caprice for a fublistence. In making this demand therefore they confulted their own eafe and comfort, without troubling themselves about the effect which it might have in future times upon the influence and authority of their order. The civil magistrate, who could comply with this demand only by giving them fomething which he would have chosen much rather to take, or to keep to himfelf, was feldom . very forward to grant it. Necessity, however, always forced him to fubmit at last, though frequently not till after many delays, evafions, and affected excuses

But if politics had never called in the aid of religion, had the conquering party never adopted

1205

the





BOOK the tenets of one fect more than those of another, when it had gained the victory, it would probably have dealt equally and impartially with all the different feets, and have allowed every man to chuse his own priest and his own religion as he thought proper. There would in this cafe, no doubt, have been a great multitude of religious fects. Almost every different congregation might probably have made a little feet by itself, or have entertained some peculiar tenets of its own. Each teacher would no doubt have felt himself under the necessity of making the utmost exertion, and of using every art both to preserve and to increase the number of his disciples. But as every other teacher would have felt himfelf under the fame necessity, the success of no one teacher, or fect of teachers, could have been very great. The interested and active zeal of religious teachers can be dangerous and troublesome only where there is, either but one fect tolerated in the fociety, or where the whole of a large fociety is divided into two or three great fects; the teachers of each acting by concert, and under a regular discipline and subordination. But that zeal must be altogether innocent where the fociety is divided into two or three hundred, or perhaps into as many thousand fmall fects, of which no one could be confiderable enough to difturb the public tranquillity. The teachers of each feet, feeing themselves furrounded on all fides with more adverfaries than friends, would be obliged to learn that candour and moderation which is fo feldom to be found among the teachers of those great fects, whose tenets.



tenets, being, supported by the civil magistrate, C H A P. are held in veneration by almost all the inhabitants of extensive kingdoms and empires, and who therefore fee nothing round them but followers, disciples, and humble admirers. teachers of each little fect, finding themselves almost alone, would be obliged to respect those of almost every other sect, and the concessions which they would mutually find it both convenient and agreeable to make to one another, might in time probably reduce the doctrine of the greater part of them to that pure and rational religion, free from every mixture of abfurdity, imposture, or fanaticism, such as wise men have in all ages of the world wished to see established; but such as positive law has perhaps never yet established, and probably never will establish in any country: because, with regard to religion, positive law always has been, and probably always will be, more or less influenced by popular fuperstition and enthusiasm. This plan of ecclefiaftical government, or more properly of no ecclefiaftical government, was what the fect called Independents, a fect no doubt of very wild enthusiasts, proposed to establish in England towards the end of the civil war. If it had been established, though of a very unphilosophical origin, it would probably by this time have been productive of the most philosophical good temper and moderation with regard to every fort of religious principle. It has been established in Penfylvania, where, though the Quakers happen to be the most numerous, the law in reality fa-

vours







BOOK yours no one feet more than another, and it is there faid to have been productive of this philo-

fophical good temper and moderation.

Bur though this equality of treatment should not be productive of this good temper and moderation in all, or even in the greater part of the religious fects of a particular country; yet provided those sects were sufficiently numerous, and each of them consequently too small to disturb the public tranquillity, the excessive zeal of each for its particular teners could not well be productive of any very hurtful effects, but, on the contrary, of feveral good ones: and if the government was perfectly decided both to let them all alone, and to oblige them all to let alone one another, there is little danger that they would not of their own accord fubdivide themfelves fast enough, so as soon to become sufficiently numerous.

In every civilized fociety, in every fociety where the diffinction of ranks has once been completely established, there have been always two different schemes or systems of morality current at the fame time; of which the one may be called the strict or austere; the other the liberal, or, if you will, the loofe fystem. The former is generally admired and revered by the common people: the latter is commonly more effeemed and adopted by what are called people of fashion. The degree of disapprobation with which we ought to mark the vices of levity, the vices which are apt to arise from great prosperity, and from the excess of gaiety and good humour, seems to

constitute





constitute the principal distinction between those C H A P. two opposite schemes or systems. In the liberal or loofe fyftem, luxury, wanton and even diforderly mirth, the pursuit of pleasure to some degree of intemperance, the breach of chaftity, at least in one of the two sexes, &c. provided they are not accompanied with gross indecency, and do not lead to falshood or injustice, are generally treated with a good deal of indulgence, and are eafily either excused or pardoned altogether. In the auftere fystem, on the contrary, those excesses are regarded with the utmost abhorrence and detellation. The vices of levity are always ruinous to the common people, and a fingle week's thoughtleffness and diffipation is often fufficient to undo a poor workman for ever, and to drive him through despair upon committing the most enormous crimes. The wifer and better fort of the common people, therefore, have always the utmost abhorrence and detestation of fuch excesses, which their experience tells them are so immediately fatal to people of their condition. The diforder and extravagance of several years, on the contrary, will not always ruin a man of fashion, and people of that rank are very apt to confider the power of indulging in some degree of excess as one of the advantages of their fortune, and the liberty of doing fo without cenfure or reproach, as one of the privileges which belong to their flation. In people of their own station, therefore, they regard fuch excesses with but a small degree of disapprobation, and censure them either very flightly or not at all.

ALMOST





204



THE NATURE AND CAUSES OF

BOOK

Almost all religious fects have begun among the common people, from whom they have generally drawn their earlieft, as well as their most numerous profelytes. The auftere fystem of morality has, accordingly, been adopted by those fects almost constantly, or with very few exceptions; for there have been fome. It was the fystem by which they could best recommend themselves to that order of people to whom they first proposed their plan of reformation upon what had been before established. Many of them, perhaps the greater part of them, have even endeavoured to gain credit by refining upon this austere system, and by carrying it to some degree of folly and extravagance; and this exceffive rigour has frequently recommended them more than any thing else to the respect and veneration of the common people.

A MAN of rank and fortune is by his station the diffinguished member of a great society, who attend to every part of his conduct, and who thereby oblige him to attend to every part of it himself. His authority and consideration depend very much upon the respect which this fociety bears to him. He dare not do any thing which would difgrace or difcredit him in it, and he is obliged to a very firict observation of that species of morals, whether liberal or auftere, which the general confent of this fociety prescribes to perfons of his rank and fortune. A man of low cordition, on the contrary, is far from being a diftinguished member of any great fociety. While he remains in a country village his conduct may be

attended



attended to, and he may be obliged to attend to it C H A P. himself. In this situation, and in this situation only, he may have what is called a character to lofe. But as foon as he comes into a great city, he is funk in obscurity and darkness. His conduct is observed and attended to by nobody, and he is therefore very likely to neglect it himfelf, and to abandon himfelf to every fort of low profligacy and vice. He never emerges so effectually from this obscurity, his conduct never excites fo much the attention of any respectable society, as by his becoming the member of a small religious sect. He from that moment acquires a degree of confideration which he never had before. All his brother fectaries are, for the credit of the fect, interested to observe his conduct. and if he gives occasion to any scandal, if he deviates very much from those austere morals which they almost always require of one another, to punish him by what is always a very severe punishment, even where no civil effects attend it, expulfion or excommunication from the fect. In little religious fects, accordingly, the morals of the common people have been almost always remarkably regular and orderly; generally much more fo than in the established church. The morals of those little fects, indeed, have frequently been rather difagreeably rigorous and unfocial.

THERE are two very easy and effectual remedies, however, by whose joint operation the state might, without violence, correct whatever was unfocial or difagreeably rigorous in the morals of all the little fects into which the country was

divided.

THE





BOOK THE first of those remedies is the study of fcience and philosophy, which the state might render almost universal among all people of middling or more than middling rank and fortune; not by giving falaries to teachers in order to make them negligent and idle, but by inflituting fome fort of probation, even in the higher and more difficult sciences, to be undergone by every perfon before he was permitted to exercise any liberal profession, or before he could be received as a candidate for any honourable office of trust or profit. If the flate imposed upon this order of men the necessity of learning, it would have no occasion to give itself any trouble about providing them with proper teachers. They would foon find better teachers for themselves than any whom the state could provide for them. Science is the great antidote to the poison of enthusiasm and fuperstition; and where all the fuperior ranks of people were fecured from it, the inferior ranks could not be much exposed to it.

THE fecond of those remedies is the frequency and gaiety of public diversions. The state, by encouraging, that is by giving entire liberty to all those who for their own interest would attempt, without fcadal or indecency, and divert the people by painting, poetry, music, dancing; by all forts of dramatic representations and exhibitions, would eafily diffipate, in the greater part of them, that melancholy and gloomy humour which is almost always the nurse of popular superstition and enthusiasim. Public diversions have always been the objects of dread





and hatred, to all the fanatical promoters of those CHAP. popular frenzies. The gaiety and good humour which those diversions inspire were altogether inconfishent with that temper of mind, which was fittest for their purpose, or which they could best work upon. Dramatic representations besides, frequently exposing their artifices to public ridicule, and fometimes even to public execration, were upon that account, more than all other divertions, the objects of their peculiar abhorrence.

In a country where the law favoured the teachers of no one religion more than those of another, it would not be necessary that any of them should have any particular or immediate dependency upon the fovereign or executive power; or that he should have any thing to do, either in appointing, or in difiniffing them from their offices. In fuch a fituation he would have no occasion to give himfelf any concern about them, further than to keep the peace among them, in the fame manner as among the rest of his subjects; that is, to hinder them from perfecuting, abusing, or oppressing one another. But it is quite otherwise in countries where there is an established or governing religion. The fovereign can in this case never be secure, unless he has the means of influencing in a considerable degree the greater part of the teachers of that religion.

THE clergy of every established church constitute a great incorporation. They can act in concert, and purfue their interest upon one plan and with one spirit, as much as if they were under





BOOK the direction of one man; and they are frequently too under fuch direction. Their interest as an incorporated body is never the same with that of the fovereign, and is formetimes directly opposite to it. Their great interest is to maintain their authority with the people; and this authority depends upon the supposed certainty and importance of the whole doctrine which they inculcate, and upon the supposed necessity of adopting every part of it with the most implicit faith, in order to avoid eternal mifery. Should the fovereign have the imprudence to appear either to deride or doubt himself of the most trifling part of their doctrine, or from humanity attempt to protect those who did either the one or the other, the punctilious honour of a clergy who have no fort of dependency upon him, is immediately provoked to profcribe him as a profane person, and to employ all the terrors of religion in order to oblige the people to transfer their allegiance to fome more orthodox and obedient prince. Should he oppose any of their pretensions or usurpations, the danger is equally great. The princes who have dared in this manner to rebel against the church, over and above this crime of rebellion, have generally been charged too with the additional crime of herefy, notwithstanding their folemn protestations of their faith and humble fubmission to every tenet which she thought proper to prescribe to them. But the authority of religion is superior to every other authority. The fears which it fuggefts conquer all other fears. When the authorised teachers of religion

214





figion propagate through the great body of the CHAP. people doctrines subversive of the authority of the fovereign, it is by violence only, or by the force of a ftanding army, that he can maintain his authority. Even a flanding army cannot in this case give him any lasting security; because if the foldiers are not foreigners, which can feldom be the case, but drawn from the great body of the people, which must almost always be the case, they are likely to be foon corrupted by those very doctrines. The revolutions which the turbulence of the Greek clergy was continually occasioning at Constantinople, as long as the eastern empire fublished; the convulsions which, during the course of several centuries, the turbulence of the Roman clergy was continually occasioning in every part of Europe, sufficiently demonstrate how precarious and infecure must always be the fituation of the fovereign who has no proper means of influencing the clergy of the established and governing religion of his country.

ARTICLES of faith, as well as all other fpiritual matters, it is evident enough, are not within the proper department of a temporal fovereign, who, though he may be very well qualified for protecting, is feldom supposed to be so for infructing the people. With regard to fuch matters, therefore, his authority can feldom be fufficient to counterbalance the united authority of the clergy of the established church. The public tranquillity, however, and his own fecurity, may frequently depend upon the doctrines which they may think proper to propagate concerning fuch Vol. III. matters.





BOOK matters. As he can feldom directly oppose their decision, therefore, with proper weight and authority, it is necessary that he should be able to influence it; and he can influence it only by the fears and expectations which he may excite in the greater part of the individuals of the order. Those fears and expectations may confift in the fear of deprivation or other punishment, and in the expectation of further preferment.

In all Christian churches the benefices of the clergy are a fort of freeholds which they enjoy, not during pleafure, but during life, or good behaviour. If they held them by a more precarious tenure, and were liable to be turned out upon every flight disobligation either of the fovereign or of his ministers, it would perhaps be impossible for them to maintain their authority with the people, who would then confider them as mercenary dependents upon the court, in the fincerity of whose instructions they could no longer have any confidence. But should the fovereign attempt irregularly, and by violence, to deprive any number of clergymen of their freeholds, on account, perhaps, of their having propagated, with more than ordinary zeal, fome factious or feditious doctrine, he would only render, by fuch perfecution, both them and their doctrine ten times more popular, and therefore ten times more troublesome and dangerous than they had been before. Fear is in almost all cases a wretched instrument of government, and ought in particular never to be employed against any order of men who have the smallest pretensions to inde.



independency. To attempt to terrify them, ferves CHAP. only to irritate their bad humour, and to confirm them in an opposition which more gentle usage perhaps might eafily induce them, either to foften, or to lay afide altogether. The violence which the French government usually employed in order to oblige all their parliaments, or fovereign courts of justice, to enregister any unpopular edict, very feldom fucceeded. The means commonly emploved, however, the imprisonment of all the refractory members, one would think were forcible enough. The princes of the house of Stewart fometimes employed the like means in order to influence fome of the members of the parliament of England; and they generally found them equally intractable. The parliament of England is now managed in another manner; and a very small experiment, which the duke of Choifeul made about twelve years ago upon the parliament of Paris, demonstrated sufficiently that all the parliaments of France might have been managed still more easily in the same manner: That experiment was not purfued. For though management and perfuafion are always the eafieft and the fafest instruments of government, as force and violence are the worst and the most dangerous, yet fuch, it feems, is the natural infolence of man, that he almost always disdains to use the good instrument, except when he cannot or dare not use the bad one. The French government could and durst use force, and therefore disdained to use management and persuasion. But there is no order of men, it appears, I believe, from the





BOOK the experience of all ages, upon whom it is fo dangerous, or rather fo perfectly ruinous, to employ force and violence, as upon the respected clergy of any established church. The rights, the privileges, the perfonal liberty of every individual ecclefiaftic, who is upon good terms with his own order, are, even in the most despotic governments, more respected than those of any other person of nearly equal rank and fortune. It is fo in every gradation of despotism, from that of the gentle and mild government of Paris, to that of the violent and furious government of Conflantinople. But though this order of men can scarce ever be forced, they may be managed as eafily as any other; and the fecurity of the fovereign, as well as the public tranquillity, feems to depend very much upon the means which he has of managing them; and those means seem to confift altogether in the preferment which he has to bestow upon them.

In the ancient constitution of the Christian church, the bishop of each diocese was elected by the joint votes of the clergy and of the people of the episcopal city. The people did not long retain their right of election; and while they did retain it, they almost always acted under the influence of the clergy, who in fuch spiritual matters appeared to be their natural guides. The clergy, however, foon grew weary of the trouble of managing them, and found it easier to elect their own bishops themselves. The abbot, in the fame manner, was elected by the monks of the monaftery, at least in the greater part of abbacies.



All the inferior ecclefiastical benefices compre- CHAP. hended within the diocese were collated by the bishop, who bestowed them upon such ecclesiastics as he thought proper. All church preferments were in this manner in the disposal of the church. The fovereign, though he might have fome indirect influence in those elections, and though it was fometimes usual to ask both his consent to elect, and his approbation of the election, yet had no direct or fufficient means of managing the clergy. The ambition of every clergyman naturally led him to pay court, not fo much to his fovereign, as to his own order, from which only he could expect preferment.

THROUGH the greater part of Europe the Pope gradually drew to himself first the collation of almost all bishoprics and abbacies, or of what were called Confiftorial benefices, and afterwards, by various machinations and pretences, of the greater part of inferior benefices comprehended within each diocese; little more being left to the bishop than what was barely necessary to give him a decent authority with his own clergy. By this arrangement the condition of the fovereign was still worse than it had been before. The clergy of all the different countries of Europe were thus formed into a fort of spiritual army, dispersed in different quarters, indeed, but of which all the movements and operations could now be directed by one head, and conducted upon one uniform plan. The clergy of each particular country might be confidered as a particular detachment of that army, of which the opera-





BOOK operations could eafily be supported and seconded by all the other detachments quartered in the different countries round about. Each detachment was not only independent of the fovereign of the country in which it was quartered, and by which it was maintained, but dependent upon a foreign fovereign, who could at any time turn its arms against the fovereign of that particular country, and support them by the arms of all the other detachments.

THOSE arms were the most formidable that can well be imagined. In the ancient state of Europe, before the establishment of arts and manufactures, the wealth of the clergy gave them the fame fort of influence over the common people, which that of the great barons gave them over their refpective vaffals, tenants, and retainers. In the great landed estates, which the mistaken piety both of princes and private persons had bestowed upon the church, jurifdictions were established of the same kind with those of the great barons; and for the same reason. In those great landed estates, the clergy, or their bailiffs, could easily keep the peace without the support or affistance either of the king or of any other person; and neither the king nor any other person could keep the peace there without the support and affishance of the clergy. The jurifdictions of the clergy, therefore, in their particular baronies or manors, were equally independent, and equally exclusive of the authority of the king's courts, as those of the great temporal lords. The tenants of the clergy were, like those of the great barons, almost all





all tenants at will, entirely dependent upon their CHAP. immediate lords, and therefore liable to be called out at pleasure, in order to fight in any quarrel in which the clergy might think proper to engage them. Over and above the rents of those estates, the clergy possessed, in the tythes, a very large portion of the rents of all the other eftates in every kingdom of Europe. The revenues arifing from both those species of rents were, the greater part of them, paid in kind, in corn, wine, cattle, poultry, &c. The quantity exceeded greatly what the clergy could themselves consume; and there were neither arts nor manufactures for the produce of which they could exchange the furplus. The clergy could derive advantage from this immense furplus in no other way than by employing it, as the great barons employed the like furplus of their revenues, in the most profuse hospitality, and in the most extensive charity, Both the hospitality and the charity of the ancient clergy, accordingly, are faid to have been very great. They not only maintained almost the whole poor of every kingdom, but many knights and gentlemen had frequently no other means of fubfiftence than by travelling about from monaflery to monastery, under pretence of devotion, but in reality to enjoy the hospitality of the clergy. The retainers of fome particular prelates were often as numerous as those of the greatest laylords; and the retainers of all the clergy taken together were, perhaps, more numerous than those of all the lay-lords. There was always

(22)

much more union among the clergy than among

the





B o of k the lay-lords. The former were under a regular discipline and subordination to the papal autho-The latter were under no regular discipline or fubordination, but almost always equally jealous of one another, and of the king. Though the tenants and retainers of the clergy, therefore, had both together been less numerous than those of the great lay-lords, and their tenants were probably much less numerous, yet their union would have rendered them more formidable. The hospitality and charity of the clergy too, not only gave them the command of a great temporal force, but increased very much the weight of their spiritual weapons. Those virtues procured them the highest respect and veneration among all the inferior ranks of people, of whom many were conflantly, and almost all occasionally, fed by them. Every thing belonging or related to fo popular an order, its possessions, its privileges, its doctrines, necessarily appeared facred in the eyes of the common people, and every violation of them, whether real or pretended, the highest act of facrilegious wickedness and profanencis. In this state of things, if the fovereign frequently found it difficult to refift the confederacy of a few of the great nobility, we cannot wonder that he should find it still more fo to refift the united force of the clergy of his own dominions, supported by that of the clergy of all the neighbouring dominions. In fuch circumstances the wonder is, not that he was sometimes obliged to yield, but that he ever was able to relift.



THE





THE privileges of the clergy in those ancient C H A P. times (which to us who live in the present times appear the most absurd), their total exemption from the fecular jurisdiction, for example, or what in England was called the benefit of clergy; were the natural or rather the necessary confequences of this ftate of things. How dangerous must it have been for the sovereign to attempt to punish a clergyman for any crime whatever, if his own order were disposed to protect him, and to represent either the proof as insufficient for convicting fo holy a man, or the punishment as too fevere to be inflicted upon one whose person had been rendered facred by religion? The fovereign could, in fuch circumstances, do no better than leave him to be tried by the ecclefiaftical courts, who, for the honour of their own order, were interested to restrain, as much as possible, every member of it from committing enormous crimes, or even from giving occasion to fuch gross scandal as might disgust the minds of the people.

In the state in which things were through the greater part of Europe during the tenth, eleventh, twelfth, and thirteenth centuries, and for fome time both before and after that period, the constitution of the church of Rome may be confidered as the most formidable combination that ever was formed against the authority and security of civil government, as well as against the liberty, reason, and happiness of mankind, which can flourish only where civil government is able to protect them. In that constitution the groffest

delufions





BOOK delufions of fuperstition were supported in such a manner by the private interests of so great a number of people as put them out of all danger from any affault of human reason: because though human reason might perhaps have been able to unveil, even to the eyes of the common people, fome of the delufions of fuperstition; it could never have diffolved the ties of private interest. Had this constitution been attacked by no other enemies but the feeble efforts of human reason, it must have endured for ever. But that immense and well-built fabric, which all the wifdom and virtue of man could never have shaken, much lefs have overturned, was by the natural course of things, first weakened, and afterwards in part destroyed, and is now likely, in the course of a few centuries more, perhaps, to crumble into ruins altogether.

THE gradual improvements of arts, manufactures, and commerce, the fame causes which destroyed the power of the great barons, destroyed in the fame manner, through the greater part of Europe, the whole temporal power of the clergy. In the produce of arts, manufactures, and commerce, the clergy, like the great barons, found fomething for which they could exchange their rude produce, and thereby discovered the means of fpending their whole revenues upon their own persons, without giving any considerable share of them to other people. Their charity became gradually less extensive, their hospitality less liberal or less profuse. Their retainers became confequently lefs numerous, and by degrees

dwindled





dwindled away altogether. The clergy too, like C HAP. the great barons, wished to get a better ren from their landed estates, in order to spend it, in the fame manner, upon the gratification of their own private vanity and folly. But this increase of rent could be got only by granting leases to their tenants, who thereby became in a great measure independent of them. The ties of interest, which bound the inferior ranks of people to the clergy, were in this manner gradually broken and diffolved. They were even broken and dissolved fooner than those which bound the same ranks of people to the great barons: because the benefices of the church being, the greater part of them, much imaller than the estates of the great barons, the possessor of each benefice was much fooner able to fpend the whole of its revenue upon his own person. During the greater part of the fourteenth and fifteenth centuries the power of the great barons was, through the greater part of Europe, in full vigour. But the temporal power of the clergy, the absolute command which they had once had over the great body of the people, was very much decayed. The power of the church was by that time very nearly reduced through the greater part of Europe to what arose from her spiritual authority; and even that spiritual authority was much weakened when it ceased to be supported by the charity and hospitality of the clergy. The inferior ranks of people ho longer looked upon that order, as they had done before, as the comforters of their diffress, and the relievers of their indigence. On the contrary, 9

225





BOOK contrary, they were provoked and difgusted by the vanity, luxury, and expence of the richer clergy, who appeared to fpend upon their own pleasures what had always before been regarded

as the patrimony of the poor.

In this fituation of things, the fovereigns in the different states of Europe endeavoured to recover the influence which they had once had in the disposal of the great benefices of the church, by procuring to the deans and chapters of each diocese the restoration of their ancient right of electing the bishop, and to the monks of each abbacy that of electing the abbot. The re-establishing of this ancient order was the object of feveral statutes enacted in England during the course of the fourteenth century, particularly of what is called the statute of provisors; and of the Pragmatic fanction established in France in the fifteenth century. In order to render the election valid, it was necessary that the fovereign should both confent to it before-hand, and afterwards approve of the person elected; and though the election was still supposed to be free, he had, however, all the indirect means which his fituation necessarily afforded him, of influencing the clergy in his own dominions. Other regulations of a fimilar tendency were established in other parts of Europe. But the power of the pope in the collation of the great benefices of the church feems, before the reformation, to have been nowhere fo effectually and fo univerfally reftrained as in France and England. The Concordat afterwards, in the fixteenth century, gave to the kings



kings of France the absolute right of presenting CHAP. to all the great, or what are called the confiforial benefices of the Gallican church.

SINCE the establishment of the Pragmatic fanction and of the Concordat, the clergy of France have in general shown less respect to the decrees of the papal court than the clergy of any other catholic country. In all the disputes which their fovereign has had with the pope, they have almost constantly taken party with the former. This independency of the clergy of France upon the court of Rome, feems to be principally founded upon the Pragmatic fanction and the Concordat. In the earlier periods of the monarchy, the clergy of France appear to have been as much devoted to the pope as those of any other country. When Robert, the fecond prince of the Capetian race, was most unjustly excommunicated by the court of Rome, his own fervants. it is faid, threw the victuals which came from his table to the dogs, and refused to taste any thing themselves which had been polluted by the contact of a person in his situation. They were taught to do fo, it may very fafely be prefumed, by the clergy of his own dominions.

THE claim of collating to the great benefices of the church, a claim in defence of which the court of Rome had frequently shaken, and sometimes overturned the thrones of fome of the greatest sovereigns in Christendom, was in this manner either restrained or modified, or given up altogether, in many different parts of Europe, even before the time of the reformation. As the

clergy





BOOK clergy had now less influence over the people, for the state had more influence over the clergy. The clergy therefore had both less power and less inclination to diffurb the flate

THE authority of the church of Rome was in this state of declension, when the disputes which gave birth to the reformation, began in Germany, and foon fpread themselves through every part of Europe. The new doctrines were every where received with a high degree of popular favour. They were propagated with all that enthusiastic zeal which commonly animates the spirit of party, when it attacks established authority. The teachers of those doctrines, though perhaps in other respects not more learned than many of the divines who defended the established church. feem in general to have been better acquainted with ecclefiaftical history, and with the origin and progress of that system of opinions upon which the authority of the church was established, and they had thereby fome advantage in almost every dispute. The austerity of their manners gave them authority with the common people, who contrasted the strict regularity of their conduct with the diforderly lives of the greater part of their own clergy. They possessed too in a much higher degree than their adversaries, all the arts of popularity and of gaining profelytes, arts which the lofty and dignified fons of the church had long neglected, as being to them in a great measure useless. The reason of the new doctrines recommended them to fome, their novelty to many; the hatred and contempt of the established clergy



clergy to a still greater number; but the zealous, CHAP. passionate, and fanatical, though frequently coarse and ruftic, eloquence with which they were almost every where inculcated, recommended them to by far the greatest number.

THE fuccess of the new doctrines was almost every where fo great, that the princes who at that time happened to be on bad terms with the court of Rome, were by means of them eafily enabled, in their own dominions, to overturn the church, which, having loft the respect and veneration of the inferior ranks of people, could make fcarce any reliftance. The court of Rome had difobliged fome of the fmaller princes in the northern parts of Germany, whom it had probably confidered as too infignificant to be worth the managing. They univerfally, therefore, established the reformation in their own dominions. The tyranny of Christiern II. and of Troll archbishop of Upfal, enabled Guftavus Vafa to expel them both from Sweden. The pope favoured the tyrant and the archbishop, and Gustavus Vasa found no difficulty in establishing the reformation in Sweden. Christiern II. was afterwards deposed from the throne of Denmark, where his conduct had rendered him as odious as in Sweden. The pope, however, was full disposed to favour him, and Frederic of Holftein, who had mounted the throne in his flead, revenged himfelf by following the example of Gustavus Vaia. The magistrates of Berne and Zurich, who had no particular quarrel with the pope, established with great eafe the reformation in their respective cantons,





BOOK cantons, where just before some of the clergy had, by an imposture somewhat groffer than ordinary, rendered the whole order both odious and contemptible.

In this critical fituation of its affairs, the papal court was at fufficient pains to cultivate the friendship of the powerful sovereigns of France and Spain, of whom the latter was at that time emperor of Germany. With their affiftance it was enabled, though not without great difficulty and much bloodshed, either to suppress altogether, or to obstruct very much the progress of the reformation in their dominions. It was well enough inclined too to be complaifant to the king of England. But from the circumstances of the times, it could not be fo without giving offence to a still greater fovereign, Charles V. king of Spain and emperor of Germany. Henry VIII. accordingly, though he did not embrace himself the greater part of the doctrines of the reformation, was yet enabled, by their general prevalence, to suppress all the monasteries, and to abolish the authority of the church of Rome in his dominions. That he should go so far, though he went no further, gave some satisfaction to the patrons of the reformation, who having got poffession of the government in the reign of his fon and fucceffor, completed without any difficulty the work which Henry VIII. had begun.

In some countries, as in Scotland, where the government was weak, unpopular, and not very firmly established, the reformation was strong enough to overturn, not only the church, but the





the state likewise for attempting to support the C H A P. church.

Among the followers of the reformation, difperfed in all the different countries of Europe. there was no general tribunal, which, like that of the court of Rome, or an œcumenical council, could fettle all disputes among them, and with irrefiftible authority prescribe to all of them the precise limits of orthodoxy. When the followers of the reformation in one country, therefore, happened to differ from their brethren in another. as they had no common judge to appeal to, the difpute could never be decided; and many fuch disputes arose among them. Those concerning the government of the church, and the right of conferring ecclefiaftical benefices, were perhaps the most interesting to the peace and welfare of civil fociety. They gave birth accordingly to the two principal parties or fects among the followers of the reformation, the Lutheran and Calvinistic fects, the only fects among them, of which the doctrine and discipline have ever yet been established by law in any part of Europe.

The followers of Luther, together with what is called the church of England, preserved more or less of the episcopal government, established subordination among the clergy, gave the sovereign the disposal of all the bishoprics, and other consistorial benefices within his dominions, and thereby rendered him the real head of the church; and without depriving the bishop of the right of collating to the smaller benefices within his diocese, they, even to those benefices, not Vol. III.





BOOK only admitted, but favoured the right of presentation both in the fovereign and in all other laypatrons. This fystem of church government was from the beginning favourable to peace and good order, and to submission to the civil sovereign. It has never, accordingly, been the occasion of any tumult or civil commotion in any country in which it has once been established. The church of England in particular has always valued herfelf, with great reason, upon the unexceptionable loyalty of her principles. Under fuch a government the clergy naturally endeavour to recommend themselves to the sovereign, to the court, and to the nobility and gentry of the country, by whose influence they chiefly expect to obtain preferment. They pay court to those patrons, fometimes, no doubt, by the vilest flattery and affentation, but frequently too by cultivating all those arts which best deserve, and which are therefore most likely to gain them the esteem of people of rank and fortune; by their knowledge in all the different branches of useful and ornamental learning, by the decent liberality of their manners, by the focial good humour of their conversation, and by their avowed contempt of those absurd and hypocritical austerities which fanatics inculcate and pretend to practife, in order to draw upon themselves the veneration, and upon the greater part of men of rank and fortune, who avow that they do not practife them, the abhorrence of the common people. Such a clergy, however, while they pay their court in this manner to the higher ranks of life, are very





apt to neglect altogether the means of maintaining CHAP. their influence and authority with the lower. They are liftened to, efteemed and respected by their fuperiors; but before their inferiors they are frequently incapable of defending, effectually and to the conviction of fuch hearers, their own fober and moderate doctrines against the most ignorant enthufiast who chuses to attack them.

THE followers of Zuinglius, or more properly those of Calvin, on the contrary, bestowed upon the people of each parish, whenever the church became vacant, the right of electing their own pastor; and established at the same time the most perfect equality among the clergy. The former part of this inflitution, as long as it remained in vigour, feems to have been productive of nothing but diforder and confusion, and to have tended equally to corrupt the morals both of the clergy and of the people. The latter part feems never to have had any effects but what were perfectly agreeable.

As long as the people of each parish preserved the right of electing their own pastors, they acted almost always under the influence of the clergy, and generally of the most factious and fanatical of the order. The clergy, in order to preserve their influence in those popular elections, became, or affected to become, many of them, fanatics themselves, encouraged fanaticism among the people, and gave the preference almost always to the most fanatical candidate. So small a matter as the appointment of a parish priest occasioned almost always a violent contest, not

only





BOOK only in one parish, but in all the neighbouring parishes, who feldom failed to take part in the quarrel. When the parish happened to be situated in a great city, it divided all the inhabitants into two parties; and when that city happened either to constitute itself a little republic, or to be the head and capital of a little republic, as is the case with many of the considerable cities in Switzerland and Holland, every paltry difpute of this kind, over and above exasperating the animolity of all their other factions, threatened to leave behind it both a new schism in the church, and a new faction in the state. In those fmall republics, therefore, the magistrate very foon found it necessary, for the fake of preserving the public peace, to assume to himself the right of presenting to all vacant benefices. In Scotland, the most extensive country in which this prefbyterian form of church government has ever been established, the rights of patronage were in effect abolished by the act which established presbytery in the beginning of the reign of William III. That act at least put it in the power of certain classes of people in each parish, to purchase, for a very small price, the right of electing their own paftor. The constitution which this act established was allowed to subfist for about two and twenty years, but was abolished by the 10th of queen Anne, ch. 12. on account of the confusions and disorders which this more popular mode of election had almost every where occasioned. In so extensive a country as Scotland, however, a tumult in a remote parish was





not fo likely to give disturbance to government, C H A P. as in a smaller state. The 10th of queen Anne restored the rights of patronage. But though in Scotland the law gives the benefice without any exception to the person presented by the patron; yet the church requires fometimes (for she has not in this respect been very uniform in her decisions) a certain concurrence of the people, before the will confer upon the presentee what is called the cure of fouls, or the ecclefiaftical jurisdiction in the parish. She fometimes at least, from an affected concern for the peace of the parish, delays the settlement till this concurrence can be procured. The private tampering of some of the neighbouring clergy, fometimes to procure, but more frequently to prevent this concurrence, and the popular arts which they cultivate in order to enable them upon fuch occasions to tamper more effectually, are perhaps the causes which principally keep up whatever remains of the old fanatical spirit, either in the clergy or in the people of Scotland.

The equality which the prefbyterian form of church government establishes among the clergy, consists, first, in the equality of authority or ecclesiastical jurisdiction; and, secondly, in the equality of benefice. In all prefbyterian churches the equality of authority is perfect: that of benefice is not so. The difference, however, between one benefice and another, is seldom so considerable as commonly to tempt the possessor even of the small one to pay court to his patron, by the vile arts of flattery and assentation, in order



BOOK order to get a better. In all the presbyterian churches, where the rights of patronage are thoroughly established, it is by nobler and better arts that the established clergy in general endeayour to gain the favour of their fuperiors; by their learning, by the irreproachable regularity of their life, and by the faithful and diligent discharge of their duty. Their patrons even frequently complain of the independency of their spirit, which they are apt to construe into ingratitude for past favours, but which at worst, perhaps, is seldom any more than that indifference which naturally arifes from the consciousness that no further favours of the kind are ever to be expected. There is fcarce perhaps to be found any where in Europe a more learned, decent, independent, and respectable fet of men, than the greater part of the prefbyterian clergy of Holland, Geneva, Switzerland, and Scotland.

WHERE the church benefices are all nearly equal, none of them can be very great, and this mediocrity of benefice, though it may no doubt be carried too far, has, however, fome very agreeable effects. Nothing but the most exemplary morals can give dignity to a man of small fortune. The vices of levity and vanity necessarily render him ridiculous, and are, besides, almost as ruinous to him as they are to the common people. In his own conduct, therefore, he is obliged to follow that fystem of morals which the common people respect the most. He gains their esteem and affection by that plan of life which his own interest and situation would lead him to follow.





The common people look upon him with that CHAP. kindness with which we naturally regard one who approaches fomewhat to our own condition, but who, we think, ought to be in a higher. Their kindness naturally provokes his kindness. He becomes careful to instruct them, and attentive to affift and relieve them. He does not even despise the prejudices of people who are disposed to be fo favourable to him, and never treats them with those contemptuous and arrogant airs which we fo often meet with in the proud dignitaries of opulent and well-endowed churches. The prefbyterian clergy, accordingly, have more influence over the minds of the common people than perhaps the clergy of any other established church. It is accordingly in prefbyterian countries only that we ever find the common people converted, without perfecution, completely, and almost to a

In countries where church benefices are the greater part of them very moderate, a chair in a univerfity is generally a better establishment than a church benefice. The universities have, in this case, the picking and chusing of their members from all the churchmen of the country, who, in every country, constitute by far the most numerous class of men of letters. Where church benefices, on the contrary, are many of them very considerable, the church naturally draws from the universities the greater part of their eminent men of letters; who generally find some patron who does himself honour by procuring them church preferment. In the former situation we

man, to the established church.

are



BOOK are likely to find the universities filled with the most eminent men of letters that are to be found in the country. In the latter we are likely to find few eminent men among them, and those few among the youngest members of the society, who are likely too to be drained away from it, before they can have acquired experience and knowledge enough to be of much use to it. It is observed by Mr. de Voltaire, that father Porrée, a jefuit of no great eminence in the republic of letters, was the only professor they had ever had in France whose works were worth the reading, In a country which has produced fo many eminent men of letters, it must appear somewhat singular, that scarce one of them should have been a professor in a university. The famous Gassendi was, in the beginning of his life, a professor in the university of Aix. Upon the first dawning of his genius, it was represented to him, that by going into the church he could easily find a much more quiet and comfortable subsistence, as well as a better fituation for pursuing his studies; and he immediately followed the advice. The obfervation of Mr. de Voltaire may be applied, I believe, not only to France, but to all other Roman catholic countries. We very rarely find, in any of them, an eminent man of letters who is a professor in a university, except, perhaps, in the professions of law and physic; professions from which the church is not fo likely to draw them. After the church of Rome, that of England is by far the richest and best endowed church in Christendom, In England, accordingly,





ingly, the church is continually draining the charmonic universities of all their best and ablest members; and an old college tutor, who is known and distinguished in Europe as an eminent man of letters, is as rarely to be found there as in any Roman catholic country. In Geneva, on the contrary, in the protestant cantons of Switzerland, in the protestant countries of Germany, in Holland, in Scotland, in Sweden, and Denmark, the most eminent men of letters whom those countries have produced, have, not all indeed, but the far greater part of them, been professor in universities. In these countries the universities are continually draining the church of all its most eminent men of letters.

IT may, perhaps, be worth while to remark, that, if we except the poets, a few orators, and a few historians, the far greater part of the other eminent men of letters, both of Greece and Rome, appear to have been either public or private teachers; generally either of philosophy or of rhetoric. This remark will be found to hold true from the days of Lyfias and Isocrates, of Plato and Aristotle, down to those of Plutarch and Epictetus, of Suetonius and Quintilian. To impose upon any man the necessity of teaching, year after year, any particular branch of science, seems, in reality, to be the most effectual method for rendering him completely mafter of it himself. By being obliged to go every year over the fame ground, if he is good for any thing, he necessarily becomes, in a few years, well acquainted with every part of it; and



BOOK if upon any particular point he should form too hasty an opinion one year, when he comes in the course of his lectures to re-consider the same subject the year thereafter, he is very likely to correct it. As to be a teacher of science is certainly the natural employment of a mere man of letters; fo is it likewife, perhaps, the education which is most likely to render him a man of folid learning and knowledge. The mediocrity of church benefices naturally tends to draw the greater part of men of letters, in the country where it takes place, to the employment in which they can be the most useful to the public, and, at the fame time, to give them the best education, perhaps, they are capable of receiving. It tends to render their learning both as folid as possible; and as useful as possible.

THE revenue of every established church, such parts of it excepted as may arise from particular lands or manors, is a branch, it ought to be observed, of the general revenue of the state, which is thus diverted to a purpose very different from the defence of the state. The tythe, for example, is a real land-tax, which puts it out of the power of the proprietors of land to contribute fo largely towards the defence of the state as they otherwise might be able to do. The rent of land, however, is, according to fome, the fole fund, and according to others, the principal fund, from which, in all great monarchies, the exigencies of the state must be ultimately Supplied. The more of this fund that is given to the church, the less, it is evident, can be

spared





spared to the state. It may be laid down as a CH A P. certain maxim, that, all other things being fupposed equal, the richer the church, the poorer must necessarily be, either the fovereign on the one hand, or the people on the other; and, in all cases, the less able must the state be to defend itself. In several protestant countries, particularly in all the protestant cantons of Switzerland, the revenue which anciently belonged to the Roman catholic church, the tythes and church lands, has been found a fund fufficient, not only to afford competent falaries to the eftablished clergy, but to defray, with little or no addition, all the other expences of the state. The magistrates of the powerful canton of Berne, in particular, have accumulated out of the favings from this fund a very large furn, supposed to amount to feveral millions, part of which is deposited in a public treasure, and part is placed at interest in what are called the public funds of the different indebted nations of Europe; chiefly in those of France and Great Britain. What may be the amount of the whole expence which the church, either of Berne, or of any other protestant canton, costs the state, I do not pretend to know. By a very exact account it appears, that, in 1755, the whole revenue of the clergy of the church of Scotland, including their glebe or church lands, and the rent of their manses or dwelling-houses, estimated according

venue

to a reasonable valuation, amounted only to 68,5141. 1s. 5d. 73. This very moderate re-



BOOK venue affords a decent subsistence to nine hundred and forty-four ministers. The whole expence of the church, including what is occasionally laid out for the building and reparation of churches, and of the manses of ministers, cannot well be supposed to exceed eighty or eighty-five thousand pounds a-year. The most opulent church in Christendom does not maintain better the uniformity of faith, the fervour of devotion. the spirit of order, regularity, and austere morals in the great body of the people, than this very poorly endowed church of Scotland. All the good effects, both civil and religious, which an established church can be supposed to produce, are produced by it as completely as by any other. The greater part of the protestant churches of Switzerland, which in general are not better endowed than the church of Scotland, produce those effects in a still higher degree. In the greater part of the protestant cantons, there is not a fingle person to be found who does not profess himself to be of the established church. If he professes himself to be of any other, indeed, the law obliges him to leave the canton. But so severe, or rather indeed so oppressive a law, could never have been executed in such free countries, had not the diligence of the clergy before-hand converted to the established church the whole body of the people, with the exception of, perhaps, a few individuals only. In fome parts of Switzerland, accordingly, where, from the accidental union of a protestant and Roman





Roman catholic country, the conversion has not C H A P. been so complete, both religions are not only tolerated but established by law.

THE proper performance of every fervice feems to require that its pay or recompence should be, as exactly as possible, proportioned to the nature of the service. If any service is very much under-paid, it is very apt to fuffer by the meanness and incapacity of the greater part of those who are employed in it. If it is very much over-paid, it is apt to fuffer, perhaps, still more by their negligence and idleness. man of a large revenue, whatever may be his profession, thinks he ought to live like other men of large revenues; and to spend a great part of his time in festivity, in vanity, and in dissipation. But in a clergyman this train of life not only confumes the time which ought to be employed in the duties of his function, but in the eyes of the common people destroys almost entirely that fanctity of character which can alone enable him to perform those duties with proper weight and authority.

PART IV.

Of the Expence of supporting the Dignity of the Sovereign.

OVER and above the expences necessary for enabling the sovereign to perform his several duties, a certain expence is requisite for the support of his dignity. This expence varies both





BOOK both with the different periods of improvement, and with the different forms of government.

In an opulent and improved fociety, where all the different orders of people are growing every day more expensive in their houses, in their furniture, in their tables, in their dress, and in their equipage; it cannot well be expected that the sovereign should alone hold out against the fashion. He naturally, therefore, or rather necessarily becomes more expensive in all those different articles too. His dignity even seems to require that he should become so.

As in point of dignity, a monarch is more raised above his subjects than the chief magistrate of any republic is ever supposed to be above his fellow-citizens; so a greater expence is necessary for supporting that higher dignity. We naturally expect more splendor in the court of a king, than in the mansion-house of a doge or burgo-master.

Conclusion.

THE expence of defending the fociety, and that of supporting the dignity of the chief magistrate, are both laid out for the general benefit of the whole society. It is reasonable, therefore, that they should be defrayed by the general contribution of the whole society, all the different members contributing, as nearly as possible, in proportion to their respective abilities.

THE expence of the administration of justice too, may, no doubt, be considered as laid out for the benefit of the whole society. There is no

impro-







impropriety, therefore, in its being defrayed by CHAP. the general contribution of the whole fociety. The persons, however, who give occasion to this expence are those who, by their injustice in one way or another, make it necessary to seek redress or protection from the courts of juffice. The perfons again most immediately benefited by this expence, are those whom the courts of justice either restore to their rights, or maintain in their rights. The expence of the administration of justice, therefore, may very properly be defrayed by the particular contribution of one or other, or both of those two different sets of persons, according as different occasions may require, that is, by the fees of court. It cannot be necessary to have recourse to the general contribution of the whole fociety, except for the conviction of those criminals who have not themselves any estate or fund sufficient for paying those fees.

THOSE local or provincial expences of which the benefit is local or provincial (what is laid out, for example, upon the police of a particular cown or diffrict) ought to be defrayed by a local or provincial revenue, and ought to be no burden upon the general revenue of the fociety. It is unjust that the whole society should contribute towards an expence of which the benefit is confined to a part of the fociety.

THE expence of maintaining good roads and communications is, no doubt, beneficial to the whole fociety, and may, therefore, without any injustice, be defrayed by the general contribu-





BOOK tion of the whole fociety. This expence, how ever, is most immediately and directly beneficial to those who travel or carry goods from one place to another, and to those who consume such goods. The turnpike tolls in England, and the duties called peages in other countries, lay it altogether upon those two different sets of people, and thereby discharge the general revenue of the fociety from a very confiderable burden.

THE expence of the institutions for education and religious instruction, is likewife, no doubt, beneficial to the whole fociety, and may, therefore, without injustice, be defrayed by the general contribution of the whole fociety. This expence, however, might perhaps with equal propriety, and even with fome advantage, be defrayed altogether by those who receive the immediate benefit of fuch education and inftruction, or by the voluntary contribution of those who think they have occasion for either the one or the other.

WHEN the inflitutions or public works which are beneficial to the whole fociety, either cannot be maintained altogether, or are not maintained altogether by the contribution of fuch particular members of the fociety as are most immediately benefited by them, the deficiency must in most cases be made up by the general contribution of the whole fociety. The general revenue of the fociety, over and above defraying the expence of defending the fociety, and of supporting the dignity of the chief magistrate, must make up for the





the deficiency of many particular branches of CHAP. revenue. The fources of this general or public revenue, I shall endeavour to explain in the following chapter.

CHAP. II.

Of the Sources of the general or public Revenue of the Society.

THE revenue which must defray, not only the expence of defending the fociety and of supporting the dignity of the chief magistrate, but all the other necessary expences of government, for which the constitution of the state has not provided any particular revenue, may be drawn, either, first, from some fund which peculiarly belongs to the fovereign or commonwealth, and which is independent of the revenue of the people; or, fecondly, from the revenue of the people.

PART I.

Of the Funds or Sources of Revenue which may peculiarly belong to the Sovereign or Commonwealth.

THE funds or fources of revenue which may peculiarly belong to the fovereign or commonwealth must consist, either in stock, or in land.

VOL. III.

THE







BOOK V.

THE fovereign, like any other owner of stock, may derive a revenue from it, either by employing it himself, or by lending it. His revenue is in the one case profit, in the other interest.

The revenue of a Tartar or Arabian chief confifts in profit. It arises principally from the milk and increase of his own herds and flocks, of which he himself superintends the management, and is the principal shepherd or herdsman of his own horde or tribe. It is, however, in this earliest and rudest state of civil government only that profit has ever made the principal part of the public revenue of a monarchical state.

SMALL republics have fometimes derived a confiderable revenue from the profit of mercantile projects. The republic of Hamburgh is faid to do fo from the profits of a public wine cellar and apothecary's fhop *. The flate cannot be very great of which the fovereign has leifure to carry on the trade of a wine merchant or apothecary. The profit of a public bank has been a fource of revenue to more confiderable flates. It has been fo not only to Hamburgh, but to

* See Memoires concernant les Droits & Impositions en Europe; tome i, page 73. This work was compiled by the order of the court for the use of a commission employed for some years past in considering the proper means for reforming the sinances of France. The account of the French taxes, which takes up three volumes in quarto, may be regarded as perfectly authentic. That of those of other European nations was compiled from such informations as the French ministers at the different courts could procure. It is much shorter, and probably not quite so exact as that of the French taxes.

(248)

Venice





Venice and Amsterdam. A revenue of this kind C H A P. has even by fome people been thought not below the attention of fo great an empire as that of Great Britain. Reckoning the ordinary dividend of the bank of England at five and a half per cent, and its capital at ten millions seven hundred and eighty thousand pounds, the neat annual profit, after paying the expence of management, must amount, it is faid, to five hundred and ninety-two thousand nine hundred Government, it is pretended, could borrow this capital at three per cent. interest, and by taking the management of the bank into its own hands, might make a clear profit of two hundred and fixty-nine thousand five hundred pounds a year. The orderly, vigilant, and parfimonious administration of fuch aristocracies as those of Venice and Amsterdam, is extremely proper, it appears from experience, for the management of a mercantile project of this kind. But whether fuch a government as that of England; which, whatever may be its virtues, has never been famous for good œconomy; which, in time of peace, has generally conducted itself with the slothful and negligent profusion that is perhaps natural to monarchies; and in time of war has constantly acted with all the thoughtless extravagance that democracies are apt to fall into; could be fafely trufted with the management of fuch a project, must at least be a good deal more doubtful.

THE post office is properly a mercantile project. The government advances the expence of R 2 establish-



BOOK establishing the different offices, and of buying or hiring the necessary horses or carriages, and is repaid with a large profit by the duties upon what is carried. It is perhaps the only mercantile project which has been successfully managed by, I believe, every fort of government. The capital to be advanced is not very confiderable. There is no mystery in the business. The returns are not only certain, but immediate.

PRINCES, however, have frequently engaged in many other mercantile projects, and have been willing, like private perfons, to mend their fortunes by becoming adventurers in the common branches of trade. They have scarce ever fucceeded. The profusion with which the affairs of princes are always managed, renders it almost impossible that they should. The agents of a prince regard the wealth of their mafter as inexhaustible; are careless at what price they buy; are careless at what price they sell; are careless at what expence they transport his goods from one place to another. Those agents frequently live with the profusion of princes, and fornetimes too, in spite of that profusion, and by a proper method of making up their accounts, acquire the fortunes of princes. It was thus, as we are told by Machiavel, that the agents of Lorenzo of Medicis, not a prince of mean abilities, carried on his trade. The republic of Florence was several times obliged to pay the debt into which their extravagance had involved him. He found it convenient, accordingly, to give up the business of merchant, the business





to which his family had originally owed their CHAP. fortune, and in the latter part of his life to employ both what remained of that fortune, and the revenue of the state of which he had the difpofal, in projects and expences more fuitable to his station.

No two characters feem more inconfiftent than those of trader and sovereign. If the trading spirit of the English East India company renders them very bad fovereigns; the spirit of sovereignty feems to have rendered them equally bad traders. While they were traders only, they managed their trade fuccefsfully, and were able to pay from their profits a moderate dividend to the proprietors of their stock. Since they became fovereigns, with a revenue which, it is faid, was originally more than three millions sterling, they have been obliged to beg the extraordinary affiftance of government in order to avoid immediate bankruptcy. In their former fituation, their fervants in India confidered themselves as the clerks of merchants: in their prefent fituation, those fervants confider themselves as the ministers of sovereigns.

A STATE may fometimes derive some part of its public revenue from the interest of money, as well as from the profits of stock. If it has amassed a treasure, it may lend a part of that treasure, either to foreign states, or to its own subjects.

THE canton of Berne derives a confiderable revenue by lending a part of its treasure to foreign states; that is, by placing it in the public funds of the different indebted nations of Eu-

rope,





BOOK rope, chiefly in those of France and England. The fecurity of this revenue must depend, first, upon the fecurity of the funds in which it is placed, or upon the good faith of the government which has the management of them; and, secondly, upon the certainty or probability of the continuance of peace with the debtor nation. In the case of a war, the very first act of hostility, on the part of the debtor nation, might be the forfeiture of the funds of its creditor. This policy of lending money to foreign states is, so far as I know, peculiar to the canton of Berne.

> THE city of Hamburgh * has established a fort of public pawn-shop, which lends money to the subjects of the state upon pledges at fix per cent. interest. This pawn-shop or Lombard, as it is called, affords a revenue, it is pretended, to the state of a hundred and fifty thousand crowns, which, at four-and-fixpence the crown, amounts

to 33,750 1. sterling.

THE government of Pensylvania, without amassing any treasure, invented a method of lending, not money indeed, but what is equivalent to money, to its subjects. By advancing to private people, at interest, and upon land security to double the value, paper bills of credit to be redeemed fifteen years after their date, and in the mean time made transferrable from hand to hand like bank notes, and declared by act of affembly to be a legal tender in all payments from one inhabitant of the province to another, it

^{*} See Memoires concernant les Droits & Impositions en Europe; tome i. p. 73.



raifed a moderate revenue, which went a con- C H A P. fiderable way towards defraying an annual expence of about 4,500 l. the whole ordinary expence of that frugal and orderly government. The fuccess of an expedient of this kind must have depended upon three different circumstances; first, upon the demand for some other instrument of commerce, besides gold and silver money; or upon the demand for fuch a quantity of confumable flock, as could not be had without fending abroad the greater part of their gold and filver money, in order to purchase it; fecondly, upon the good credit of the government which made use of this expedient; and, thirdly, upon the moderation with which it was used, the whole value of the paper bills of credit never exceeding that of the gold and filver money which would have been necessary for carrying on their circulation, had there been no paper bills of credit. The fame expedient was upon different occasions adopted by several other American colonies: but, from want of this moderation. it produced, in the greater part of them, much more disorder than conveniency.

THE unstable and perishable nature of stock and credit, however, render them unfit to be trusted to, as the principal funds of that sure, steady and permanent revenue, which can alone give fecurity and dignity to government. The government of no great nation, that was advanced beyond the shepherd state, seems ever to have derived the greater part of its public revenue from fuch fources.

LAND





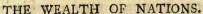
BOOK LAND is a fund of a more ftable and permanent nature; and the rent of public lands, accordingly, has been the principal fource of the public revenue of many a great nation that was much advanced beyond the shepherd state. From the produce or rent of the public lands, the ancient republics of Greece and Italy derived, for a long time, the greater part of that revenue which defrayed the necessary expences of the commonwealth. The rent of the crown lands constituted for a long time the greater part of the revenue of the ancient fovereigns of Europe.

WAR and the preparation for war, are the two circumstances which in modern times occafion the greater part of the necessary expence of all great states. But in the ancient republics of Greece and Italy every citizen was a foldier, who both ferved and prepared himfelf for fervice at his own expence. Neither of those two circumstances, therefore, could occasion any very confiderable expence to the state. The rent of a very moderate landed eftate might be fully fufficient for defraying all the other necessary expences of government.

In the ancient monarchies of Europe, the manners and customs of the times sufficiently prepared the great body of the people for war; and when they took the field, they were, by the condition of their feudal tenures, to be maintained, either at their own expence, or at that of their immediate lords, without bringing any new charge upon the fovereign. The other ex-

pences





pences of government were, the greater part of C H A P.

them, very moderate. The administration of justice, it has been shown, instead of being a cause of expence, was a source of revenue. The labour of the country people, for three days before and for three days after harvest, was thought a fund fufficient for making and maintaining all the bridges, highways, and other public works which the commerce of the country was fupposed to require. In those days the principal expence of the fovereign feems to have confifted in the maintenance of his own family and houshold. The officers of his houshold, accordingly, were then the great officers of state. The lord treasurer received his rents. The lord fleward and lord chamberlain looked after the expence of his family. The care of his stables was committed to the lord constable and the lord marshal. His houses were all built in the form of castles, and seem to have been the principal fortreffes which he poffeffed. The keepers of those houses or castles might be considered as a fort of military governors. They feem to have been the only military officers whom it was neceffary to maintain in time of peace. In these circumstances the rent of a great landed estate might, upon ordinary occasions, very well defray all the necessary expences of government.

In the present state of the greater part of the civilized monarchies of Europe, the rent of all the lands in the country, managed as they probably would be if they all belonged to one proprietor, would scarce perhaps amount to the or-

dinary





BOOK dinary revenue which they levy upon the people even in peaceable times. The ordinary revenue of Great Britain, for example, including not only what is necessary for defraying the current expence of the year, but for paying the interest of the public debts, and for finking a part of the capital of those debts, amounts to upwards of ten millions a year. But the land tax, at four shillings in the pound, falls short of two millions a year. This land tax, as it is called, however, is supposed to be one-fifth, not only of the rent of all the land, but of that of all the houses, and of the interest of all the capital stock of Great Britain, that part of it only excepted which is either lent to the public, or employed as farming stock in the cultivation of land. A very confiderable part of the produce of this tax arises from the rent of houses, and the interest of capital flock. The land-tax of the city of London, for example, at four shillings in the pound, amounts to 123,399 l. 6 s. 7 d. That of the city of Westminster, to 63,092 l. 1 s. 5 d. That of the palaces of Whitehall and St. James's, to 30,7541. 6s. 3d. A certain proportion of the land tax is in the fame manner affeffed upon all the other cities and towns coporate in the kingdom, and arifes almost altogether, either from the rent of houses, or from what is supposed to be the interest of trading and capital stock. According to the estimation, therefore, by which Great Britain is rated to the land-tax, the whole mass of revenue arising from the rent of all the lands, from that of all the houses, and from the interest





interest of all the capital stock, that part of it C H A P. only excepted which is either lent to the public, or employed in the cultivation of land, does not exceed ten millions sterling a year, the ordinary revenue which government levies upon the people even in peaceable times. The effimation by which Great Britain is rated to the land-tax is, no doubt, taking the whole kingdom at an average, very much below the real value; though in feveral particular counties and diffricts it is faid to be nearly equal to that value. The rent of the lands alone, exclusive of that of houses, and of the interest of stock, has by many people been estimated at twenty millions, an estimation made in a great measure at random, and which, I apprehend, is as likely to be above as below the truth. But if the lands of Great Britain, in the present state of their cultivation, do not afford a rent of more than twenty millions a year, they could not well afford the half, most probably not the fourth part of that rent, if they all belonged to a fingle proprietor, and were put under the negligent, expensive, and oppressive management of his factors and agents. The crown lands of Great Britain do not at present afford the fourth part of the rent, which could probably be drawn from them if they were the property of private persons. If the crown lands were more extensive, it is probable they would be still worse managed.

THE revenue which the great body of the people derives from land is in proportion, not



BOOK to the rent, but to the produce of the land. The whole annual produce of the land of every country, if we except what is referved for feed, is either annually confumed by the great body of the people, or exchanged for fomething elfe that is confumed by them. Whatever keeps down the produce of the land below what it would otherwise rise to, keeps down the revenue of the great body of the people, still more than it does that of the proprietors of land. The rent of land, that portion of the produce which belongs to the proprietors, is fcarce anywhere in Great Britain supposed to be more than a third part of the whole produce. If the land, which in one state of cultivation affords a rent of ten millions sterling a year, would in another afford a rent of twenty millions; the rent being, in both cases, supposed a third part of the produce; the revenue of the proprietors would be less than it otherwise might be by ten millions a year only; but the revenue of the great body of the people would be less than it otherwise might be by thirty millions a year, deducting only what would be necessary for feed. population of the country would be less by the number of people which thirty millions a year, deducting always the feed, could maintain, according to the particular mode of living and expence which might take place in the different ranks of men among whom the remainder was diffributed.

Though there is not at present, in Europe, any civilized state of any kind which derives the

258

greater



greater part of its public revenue from the rent C HAP. of lands which are the property of the state; yet, in all the great monarchies of Europe, there are still many large tracts of land which belong to the crown. They are generally forest; and fometimes forest where, after travelling several miles, you will scarce find a single tree; a mere wafte and loss of country in respect both of produce and population. In every great monarchy of Europe the fale of the crown lands would produce a very large fum of money, which, if applied to the payment of the public debts, would deliver from mortgage a much greater revenue than any which those lands have ever afforded to the crown. In countries where lands, improved and cultivated very highly, and vielding at the time of fale as great a rent as can eafily be got from them, commonly fell at thirty years purchase; the unimproved, uncultivated, and low-rented crown lands might well be expected to fell at forty, fifty, or fixty years purchase. The crown might immediately enjoy the revenue which this great price would redeem from mortgage. In the course of a few years it would probably enjoy another revenue. When the crown lands had become private property, they would, in the course of a few years, become well-improved and well-cultivated. The increase of their produce would increase the population of the country, by augmenting the revenue and confumption of the people. But the revenue which the crown derives from the duties of customs and excise, would necessarily increase





BOOK increase with the revenue and confumption of

The revenue which, in any civilized monarchy, the crown derives from the crown lands, though it appears to cost nothing to individuals, in reality costs more to the society than perhaps any other equal revenue which the crown enjoys. It would, in all cases, be for the interest of the society to replace this revenue to the crown by some other equal revenue, and to divide the lands among the people, which could not well be done better, perhaps, than by exposing them to public sale.

LANDS, for the purposes of pleasure and magnificence, parks, gardens, public walks, &c. possessions which are every where considered as causes of expence, not as sources of revenue, seem to be the only lands which, in a great and civilized monarchy, ought to belong to the crown.

Public stock and public lands, therefore, the two sources of revenue which may peculiarly belong to the sovereign or commonwealth, being both improper and insufficient funds for defraying the necessary expence of any great and civilized state; it remains that this expence must, the greater part of it, be defrayed by taxes of one kind or another; the people contributing a part of their own private revenue in order to make up a public tevenue to the sovereign or commonwealth.





CHAP.

PART II.

Of Taxes.

THE private revenue of individuals, it has been shewn in the first book of this Inquiry. arifes ultimately from three different fources: Rent, Profit, and Wages. Every tax must finally be paid from some one or other of those three different forts of revenue, or from all of them indifferently. I shall endeavour to give the best account I can, first, of those taxes which, it is intended, should fall upon rent; secondly, of those which, it is intended, should fall upon profit; thirdly, of those which, it is intended, should fall upon wages; and, fourthly, of those which, it is intended, should fall indifferently upon all those three different sources of private revenue. The particular confideration of each of these four different forts of taxes will divide the fecond part of the present chapter into four articles, three of which will require feveral other fubdivisions. Many of those taxes, it will appear from the following review, are not finally paid from the fund, or fource of revenue, upon which it was intended they should fall.

Before I enter upon the examination of particular taxes, it is necessary to premise the four following maxims with regard to taxes in general.

I. The subjects of every state ought to contribute towards the support of the government, as nearly as possible, in proportion to their respective abilities; that is, in proportion to the

revenue





BOOK revenue which they respectively enjoy under the protection of the tlate. The expence of government to the individuals of a great nation, is like the expence of management to the joint tenants of a great effate, who are all obliged to contribute in proportion to their respective interests in the estate. In the observation or neglect of this maxim confifts, what is called the equality or inequality of taxation. Every tax, it must be observed once for all, which falls finally upon one only of the three forts of revenue above mentioned, is necessarily unequal, in fo far as it does not affect the other two. In the following examination of different taxes I shall feldom take much further notice of this fort of inequality, but shall, in most cases, confine my observations to that inequality which is occasioned by a particular tax falling unequally even upon that particular fort of private revenue which is affected

II. THE tax which each individual is bound to pay ought to be certain, and not arbitrary. The time of payment, the manner of payment, the quantity to be paid, ought all to be clear and plain to the contributor, and to every other perfon. Where it is otherwise, every person subject to the tax is put more or less in the power of the tax-gatherer, who can either aggravate the tax upon any obnoxious contributor, or extort, by the terror of fuch aggravation, some present or perquifite to himfelf. The uncertainty of taxation encourages the infolence and favours the corruption of an order of men who are naturally un-

popular,



SL 257

popular, even where they are neither infolent nor C H A P. corrupt. The certainty of what each individual ought to pay is, in taxation, a matter of fo great importance, that a very confiderable degree of inequality, it appears, I believe, from the experience of all nations, is not near fo great an evil as a very finall degree of uncertainty.

III. Every tax ought to be levied at the time, or in the manner, in which it is most likely to be convenient for the contributor to pay it. A tax upon the rent of land or of houses, payable at the same term at which such rents are usually paid, is levied at the time when it is most likely to be convenient for the contributor to pay; or, when he is most likely to have wherewithal to pay. Taxes upon such consumable goods as are articles

of luxury, are all finally paid by the confumer, and generally in a manner that is very convenient for him. He pays them by little and little, as he has occasion to buy the goods. As he is at liberty too, either to buy, or not to buy, as he pleases, it must be his own fault if he ever suffers

any confiderable inconveniency from such taxes.

IV. Every tax ought to be so contrived as both to take out and to keep out of the pockets of the people as little as possible, over and above what it brings into the public treasury of the state. A tax may either take out or keep out of the pockets of the people a great deal more than it brings into the public treasury, in the sour following ways. First, the levying of it may require a great number of officers, whose salaries may eat up the greater part of the produce of the

(2.63)

tax,

Vol. III.





BOOK tax, and whose perquisites may impose another additional tax upon the people. Secondly, it may obstruct the industry of the people, and difcourage them from applying to certain branches of bufiness which might give maintenance and employment to great multitudes. While it obliges the people to pay, it may thus diminish, or perhaps deftroy, some of the funds which might enable them more easily to do fo. Thirdly, by the forfeitures and other penalties which those unfortunate individuals incur who attempt unfuccessfully to evade the tax, it may frequently ruin them, and thereby put an end to the benefit which the community might have received from the employment of their capitals. An injudicious tax offers a great temptation to imuggling. But the penalties of fmuggling must rife in proportion to the temptation. The law, contrary to all the ordinary principles of justice, first creates the temptation, and then punishes those who yield to it; and it commonly enhances the punishment too in proportion to the very circumstance which ought certainly to alleviate it, the temptation to commit the crime *. Fourthly, by fubjecting the people to the frequent vifits and the odious examination of the tax-gatherers, it may expose them to much unnecessary trouble, vexation, and oppression; and though vexation is not, strictly speaking, expence, it is certainly equivalent to the expence at which every man would be willing to redeem himself from it. It is in some one or other of these four different ways that taxes

^{*} See Sketches of the History of Man, page 474. & seq.





people than they are beneficial to the fovereign.

The evident justice and utility of the foregoing maxims have recommended them more or
less to the attention of all nations. All nations
have endeavoured, to the best of their judgment,
to render their taxes as equal as they could contrive; as certain, as convenient to the contributor, both in the time and in the mode of payment, and in proportion to the revenue which
they brought to the prince, as little burdensome
to the people. The following short review of some
of the principal taxes which have taken place in
different ages and countries will show, that the
endeavours of all nations have not in this respect
been equally successful.

ARTICLE I.

Taxes upon Rent. Taxes upon the Rent of Land.

A Tax upon the rent of land may either be imposed according to a certain canon, every district being valued at a certain rent, which valuation is not afterwards to be altered; or it may be imposed in such a manner as to vary with every variation in the real rent of the land, and to rise or fall with the improvement or declension of its cultivation.

A LAND-TAX which, like that of Great Britain, is afferfed upon each diffrict according to a certain invariable canon, though it should be equal at the time of its first establishment, necessarily becomes unequal in process of time, according

(263)

+0







to the unequal degrees of improvement or neglect in the cultivation of the different parts of the country. In England, the valuation according to which the different counties and parishes were affested to the land-tax by the 4th of William and Mary, was very unequal even at its first establishment. This tax, therefore, so far offends against the first of the four maxims above-mentioned. It is perfectly agreeable to the other three. It is perfectly certain. The time of payment for the tax, being the fame as that for the rent, is as convenient as it can be to the contributor. Though the landlord is in all cases the real contributor, the tax is commonly advanced by the tenant, to whom the landlord is obliged to allow it in the payment of the rent. This tax is levied by a much fmaller number of officers than any other which affords nearly the fame revenue. As the tax upon each district does not rife with the rife of the rent, the fovereign does not share in the profits of the landlord's improve-Those improvements fometimes contribute, indeed, to the discharge of the other landlords of the diftrict. But the aggravation of the tax, which this may fometimes occasion upon a particular estate, is always so very small, that it never can discourage those improvements, nor keep down the produce of the land below what it would otherwise rise to. As it has no tendency to diminish the quantity, it can have none to raife the price of that produce. It does not obstruct the industry of the people. It subjects the landlord to no other inconveniency besides the unavoidable one of paying the tax.





THE advantage, however, which the landlord C H A P. has derived from the invariable constancy of the valuation by which all the lands of Great Britain are rated to the land-tax, has been principally owing to fome circumstances altogether extraneous to the nature of the tax.

Ir has been owing in part to the great profperity of almost every part of the country, the rents of almost all the estates of Great Britain having, fince the time when this valuation was first established, been continually rising, and scarce any of them having fallen. The landlords, therefore, have almost all gained the difference between the tax which they would have paid, according to the present rent of their estates, and that which they actually pay according to the ancient valuation. Had the flate of the country been different. had rents been gradually falling in confequence of the decleniion of cultivation, the landlords would almost all have lost this difference. In the state of things which has happened to take place since the revolution, the conftancy of the valuation has been advantageous to the landlord and hurtful to the fovereign. In a different state of things it might have been advantageous to the fovereign and hurtful to the landlord.

As the tax is made payable in money, fo the valuation of the land is expressed in money. Since the establishment of this valuation the value of filver has been pretty uniform, and there has been no alteration in the standard of the coin either as to weight or fineness. Had filver risen confiderably in its value, as it feems to have done





BOOK in the course of the two centuries which preceded the discovery of the mines of America, the constancy of the valuation might have proved very oppressive to the landlord. Had filver fallen confiderably in its value, as it certainly did for about a century at least after the discovery of those mines, the same constancy of valuation would have reduced very much this branch of the revenue of the fovereign. Had any confiderable alteration been made in the standard of the money, either by finking the fame quantity of filver to a lower denomination, or by raifing it to a higher; had an ounce of filver, for example, instead of being coined into five shillings and twopence, been coined, either into pieces which bore fo low a denomination as two shillings and feven-pence, or into pieces which bore so high a one as ten shillings and four-pence, it would in the one case have hurt the revenue of the proprietor, in the other that of the fovereign.

In circumstances, therefore, somewhat different from those which have actually taken place, this conftancy of valuation might have been a very great inconveniency, either to the contributors, or to the commonwealth. In the courfe of ages fuch circumstances, however, must, at some time or other, happen. though empires, like all the other works of men, have all hitherto proved mortal, yet every empire aims at immortality. Every constitution, therefore, which it is meant should be as permanent as the empire itself, ought to be convenient, not in certain circumstances only, but in all circum-

flances;





flances; or ought to be fuited, not to those cir- C H A P. cumftances which are transitory, occasional, or c accidental, but to those which are necessary and therefore always the fame.

A TAX upon the rent of land which varies with every variation of the rent, or which rifes and falls according to the improvement or neglect of cultivation, is recommended by that feet of men of letters in France, who call themselves the œconomists, as the most equitable of all taxes. All taxes, they pretend, fall ultimately upon the rent of land, and ought therefore to be imposed equally upon the fund which must finally pay them. That all taxes ought to fall as equally as possible upon the fund which must finally pay them, is certainly true. But without entering into the difagreeable discussion of the metaphyfical arguments by which they support their very ingenious theory, it will fufficiently appear, from the following review, what are the taxes which fall finally upon the rent of the land, and what are those which fall finally upon some other fund.

In the Venetian territory all the arable lands which are given in leafe to farmers are taxed at a tenth of the rent *. The leafes are recorded in a public register which is kept by the officers of revenue in each province or district. When the proprietor cultivates his own lands, they are valued according to an equitable estimation, and he is allowed a deduction of one-fifth of the tax. so that for such lands he pays only eight instead of ten per cent. of the supposed rent.

A LAND-

^{*} Memoires concernant les Droits, p. 240, 241.



GL

THE NATURE AND CAUSES OF

воок

A LAND-TAX of this kind is certainly more equal than the land-tax of England. It might not, perhaps, be altogether fo certain, and the affeffment of the tax might frequently occasion a good deal more trouble to the landlord. It might too be a good deal more expensive in the levying.

Such a fystern of administration, however, might perhaps be contrived as would, in a great measure, both prevent this uncertainty and moderate this expence.

The landlord and tenant, for example, might jointly be obliged to record their lease in a public register. Proper penalties might be enacted against concealing or misrepresenting any of the conditions; and if part of those penalties were to be paid to either of the two parties who informed against and convicted the other of such concealment or misrepresentation; it would established the public revenue. All the conditions of the lease might be sufficiently known from such a record.

Some landlords, instead of raising the rent, take a fine for the renewal of the lease. This practice is in most cases the expedient of a spend-thrift, who for a sum of ready money sells a suture revenue of much greater value. It is in most cases, therefore, hurtful to the landlord. It is frequently hurtful to the tenant, and it is always hurtful to the community. It frequently takes from the tenant so great a part of his capital, and thereby diminishes so much his ability to cultivate the land, that he finds it





more difficult to pay a small rent than it would char. otherwise have been to pay a great one. Whatever diminishes his ability to cultivate, necessarily keeps down, below what it would otherwise have been, the most important part of the revenue of the community. By rendering the tax upon such sines a good deal heavier than upon the ordinary rent, this hurtful practice might be discouraged, to the no small advantage of all the different parties concerned, of the landlord, of the tenant, of the sovereign, and of the whole community.

Some leases prescribe to the tenant a certain mode of cultivation, and a certain succession of crops during the whole continuance of the lease. This condition, which is generally the effect of the landlord's conceit of his own superior knowledge (a conceit in most cases very ill founded), ought always to be considered as an additional rent; as a rent in service instead of a rent in money. In order to discourage the practice, which is generally a foolish one, this species of rent might be valued rather high, and consequently taxed somewhat higher than common money rents.

Some landlords, instead of a rent in money, require a rent in kind, in corn, cattle, poultry, wine, oil, &c. others again require a rent in service. Such rents are always more hurtful to the tenant than beneficial to the landlord. They either take more or keep more out of the pocket of the former, than they put into that of the latter. In every country where they take place, the





BOOK the tenants are poor and beggarly, pretty much according to the degree in which they take place. By valuing, in the fame manner, fuch rents rather high, and confequently taxing them fomewhat higher than common money rents, a practice which is hurtful to the whole community might perhaps be fufficiently discouraged.

> WHEN the landlord chose to occupy himself a part of his own lands, the rent might be valued according to an equitable arbitration of the farmers and landlords in the neighbourhood, and a moderate abatement of the tax might be granted to him, in the fame manner as in the Venetian territory; provided the rent of the lands which he occupied did not exceed a certain fum. It is of importance that the landlord should be encouraged to cultivate a part of his own land. His capital is generally greater than that of the tenant, and with less skill he can frequently raise a greater produce. The landlord can afford to try experiments, and is generally disposed to do so. His unsuccessful experiments occasion only a moderate loss to himself. His fuccessful ones contribute to the improvement and better cultivation of the whole country. It might be of importance, however, that the abatement of the tax should encourage him to cultivate to a certain extent only. If the landlords should, the greater part of them, be tempted to farm the whole of their own lands, the country (instead of fober and industrious tenants, who are bound by their own interest to cultivate as well as their capital and skill will allow



allow them) would be filled with idle and pro- CHAP. fligate bailiffs, whose abusive management would foon degrade the 'cultivation, and reduce the annual produce of the land, to the diminution, not only of the revenue of their mafters, but of the most important part of that of the whole society.

Such a fystem of administration might, perhaps, free a tax of this kind from any degree of uncertainty which could occasion either oppresfion or inconveniency to the contributor; and might at the same time serve to introduce into the common management of land fuch a plan or policy, as might contribute a good deal to the general improvement and good cultivation of the country.

THE expence of levying a land-tax, which varied with every variation of the rent, would no doubt be formewhat greater than that of levying one which was always rated according to a fixed valuation. Some additional expence would necessarily be incurred both by the different register offices which it would be proper to establish in the different diffricts of the country, and by the different valuations which might occasionally be made of the lands which the proprietor chose to occupy himself. The expence of all this, however, might be very moderate, and much below what is incurred in the levying of many other taxes, which afford a very inconfiderable revenue in comparison of what might eafily be drawn from a tax of this kind.

THE





BOOK THE discouragement which a variable land-tax of this kind might give to the improvement of land, feems to be the most important objection which can be made to it. The landlord would certainly be less disposed to improve, when the sovereign, who contributed nothing to the expence, was to share in the profit of the improvement. Even this objection might perhaps be obviated by allowing the landlord, before he began his improvement, to ascertain, in conjunction with the officers of revenue, the actual value of his lands, according to the equitable arbitration of a certain number of landlords and farmers in the neighbourhood, equally chosen by both parties; and by rating him according to this valuation for fuch a number of years, as might be fully fufficient for his complete indemnification. To draw the attention of the fovereign towards the improvement of the land, from a regard to the increase of his own revenue, is one of the principal advantages proposed by this species of land tax. The term, therefore, allowed for the indemnification of the landlord, ought not to be a great deal longer than what was necessary for that purpose; lest the remoteness of the interest should discourage too much this attention. It had better, however, be formewhat too long than in any respect too short. No incitement to the attention of the fovereign can ever counterbalance the smallest discouragement to that of the landlord. The attention of the fovereign can be at best but a very general and vague confideration of what is likely to contribute





bute to the better cultivation of the greater part C H A P. of his dominions. The attention of the landlord is a particular and minute confideration of what is likely to be the most advantageous application of every inch of ground upon his estate. principal attention of the fovereign ought to be to encourage, by every means in his power, the attention both of the landlord and of the farmer: by allowing both to purfue their own interest in their own way, and according to their own judgment; by giving to both the most perfect feeurity that they shall enjoy the full recompence of their own industry; and by procuring to both the most extensive market for every part of their produce, in confequence of establishing the easiest and fafest communications both by land and by water, through every part of his own dominions, as well as the most unbounded freedom of exportation to the dominions of all other princes.

Is by such a system of administration a tax of this kind could be so managed as to give, not only no discouragement, but, on the contrary, some encouragement to the improvement of land, it does not appear likely to occasion any other inconveniency to the landlord, except always the unavoidable one of being obliged to pay the tax.

In all the variations of the state of the society, in the improvement and in the declension of agriculture; in all the variations in the value of silver, and in all those in the standard of the coin, a tax of this kind would, of its own accord and without any attention of government, readily





BOOK fuit itself to the actual situation of things, and would be equally just and equitable in all those different changes. It would, therefore, be much more proper to be established as a perpetual and unalterable regulation, or as what is called a fundamental law of the commonwealth, than any tax which was always to be levied according to a certain valuation.

> Some states, instead of the simple and obvious expedient of a register of leases, have had recourse to the laborious and expensive one of an actual furvey and valuation of all the lands in the country. They have fuspected, probably, that the leffor and leffee, in order to defraud the public revenue, might combine to conceal the real terms of the leafe. Doomfday-book feems to have been the refult of a very accurate furvey of this kind.

In the ancient dominions of the king of Prussia, the land-tax is affested according to an actual furvey and valuation, which is reviewed and altered from time to time *. According to that valuation, the lay proprietors pay from twenty to twenty-five per cent. of their revenue. Ecclefiaftics from forty to forty-five per cent. The furvey and valuation of Silefia was made by order of the present king; it is said with great accuracy. According to that valuation, the lands belonging to the bishop of Breslaw are taxed at twenty-five per cent. of their rent. The

other

^{*} Memoires concernant les Droits, &c. tome i. p. 114, 115, 116, &c.





other revenues of the ecclefiaftics of both religions, at fifty per cent. The commanderies of
the Teutonic order, and of that of Malta, at
forty per cent. Lands held by a noble tenure,
at thirty-eight and one third per cent. Lands
held by a base tenure, at thirty-five and onethird per cent.

The survey and valuation of Bohemia is said to have been the work of more than a hundred years. It was not perfected till after the peace of 1748, by the orders of the present empress queen*. The survey of the dutchy of Milan, which was begun in the time of Charles VI., was not perfected till after 1760. It is esteemed one of the most accurate that has ever been made. The survey of Savoy and Piedmont was executed under the orders of the late king of Sardinia†.

In the dominions of the king of Prussia the revenue of the church is taxed much higher than that of lay proprietors. The revenue of the church is, the greater part of it, a burden upon the rent of land. It seldom happens that any part of it is applied towards the improvement of land; or is so employed as to contribute in any respect towards increasing the revenue of the great body of the people. His Prussian majesty had probably, upon that account, thought it reasonable, that it should contribute a good deal more towards relieving the exigencies

^{*} Memoires concernant les Droits, &c. tome i. p. 83, 84.

[†] Id. p. 280, &c. also p. 287, &c. to 316.



GL

THE NATURE AND CAUSES OF

church are exempted from all taxes. In others they are taxed more lightly than other lands. In the dutchy of Milan, the lands which the church possessed before 1575, are rated to the tax at a third only of their value.

In Silefia, lands held by a noble tenure are taxed three per cent. higher than those held by a base tenure. The honours and privileges of different kinds annexed to the former, his Pruffian majesty had probably imagined, would sufficiently compensate to the proprietor a small aggravation of the tax; while at the same time the humiliating inferiority of the latter would be in fome measure alleviated by being taxed fomewhat more lightly. In other countries, the fystem of taxation, instead of alleviating, aggravates this inequality. In the dominions of the king of Sardinia, and in those provinces of France which are subject to what is called the real or predial taille, the tax falls altogether upon the lands held by a base tenure. Those held by a noble one are exempted.

A LAND-TAX affessed according to a general furvey and valuation, how equal soever it may be at first, must, in the course of a very moderate period of time, become unequal. To prevent its becoming so would require the continual and painful attention of government to all the variations in the state and produce of every different farm in the country. The governments of Prussia, of Bohemia, of Sardinia, and of the dutchy of Milan, actually exert an attention of this



long continuance, and which, if it is continued, will probably in the long-run occasion much more



this kind; an attention fo unfuitable to the na- C H o.P. ture of government, that it is not likely to be of

trouble and vexation than it can possibly bring relief to the contributors. In 1666, the generality of Montauban was affeffed to the Real or predial tallie according. it is faid, to a very exact furvey and valuation *. By 1727, this affeffment had become altogether unequal. In order to remedy this inconveniency. government has found no better expedient than to impose upon the whole generality an additional tax of a hundred and twenty thousand livres. This additional tax is rated upon all the different diffricts subject to the tallie according to the old affertment. But it is levied only upon those which in the actual state of things are by that affertment under-taxed, and it is applied to the relief of those which by the fame affesiment are over-taxed. Two districts, for example, one of which ought in the actual state of things to be taxed at nine hundred, the other at eleven hundred livres, are by the old affeffment both taxed at a thousand livres. Both these districts are by the additional tax rated at eleven hundred livres each. But this additional tax is levied only upon the district under-charged, and it is applied altogether to the relief of that over-charged, which confequently pays only nine hundred livres.

The government neither gains nor loses by the additional tax, which is applied altogether to re-

Memoires concernant les Droits, &c. tome ii. p. 139, &c.
Vol. III. T medy





BOOK medy the inequalities arifing from the old affestment. The application is pretty much regulated according to the discretion of the intendant of the generality, and must, therefore, be in a great meafure arbitrary.

> Taxes which are proportioned, not to the Rent, but to the Produce of Land.

> TAXES upon the produce of land are in reality taxes upon the rent; and though they may be originally advanced by the farmer, are finally paid by the landlord. When a-certain portion of the produce is to be paid away for a tax, the farmer computes, as well as he can, what the value of this portion is, one year with another, likely to amount to, and he makes a proportionable abatement in the rent which he agrees to pay to the landlord. There is no farmer who does not compute beforehand what the church tythe, which is a land-tax of this kind, is, one year with another, likely to amount to.

> THE tythe, and every other land-tax of this kind, under the appearance of perfect equality, are very unequal taxes; a certain portion of the produce being, in different fituations, equivalent to a very different portion of the rent. In some very rich lands the produce is fo great, that the one half of it is fully fufficient to replace to the farmer his capital employed in cultivation, together with the ordinary profits of farming stock in the neighbourhood. The other half, or, what comes to the fame thing, the value of the other half, he could afford to pay as rent to the landlord,



pound.

THE WEALTH OF NATIONS.

lord, if there was no tythe. But if a tenth of CHAP. the produce is taken from him in the way of _ tythe, he must require an abatement of the fifth part of his rent, otherwise he cannot get back his capital with the ordinary profit. In this cafe the rent of the landlord, instead of amounting to a half, or five-tenths of the whole produce, will amount only to four-tenths of it. In poorer lands, on the contrary, the produce is fometimes fo small, and the expence of cultivation so great, that it requires four-fifths of the whole produce to replace to the farmer his capital with the ordinary profit. In this case, though there was no tythe, the rent of the landlord could amount to no more than one-fifth or two-tenths of the whole produce. But if the farmer pays one-tenth of the produce in the way of tythe, he must require an equal abatement of the rent of the landlord, which will thus be reduced to one-tenth only of the whole produce. Upon the rent of rich lands, the tythe may fometimes be a tax of no more than one-fifth part, or four shillings in the pound; whereas upon that of poorer lands, it may fometimes be a tax of one-half, or of ten shillings in the

THE tythe, as it is frequently a very unequal tax upon the rent, so it is always a great discouragement both to the improvements of the landlord and to the cultivation of the farmer. The one cannot venture to make the most important, which are generally the most expensive improvements; nor the other to raise the most valuable, which are generally too the most expensive crops;

2

when



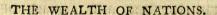
BOOK when the church, which lays out no part of the expence, is to share so very largely in the profit. The cultivation of madder was for a long time confined by the tythe to the United Provinces, which, being presbyterian countries, and upon that account exempted from this destructive tax, enjoyed a fort of monopoly of that useful dying drug against the rest of Europe. The late attempts to introduce the culture of this plant into England, have been made only in confequence of the statute which enacted that five shillings an acre should be received in lieu of all manner of tythe upon madder.

As through the greater part of Europe, the church, fo in many different countries of Afia, the state, is principally supported by a land-tax, proportioned, not to the rent, but to the produce of the land. In China, the principal revenue of the fovereign confifts in a tenth part of the produce of all the lands of the empire. This tenth part, however, is estimated so very moderately, that, in many provinces, it is faid not to exceed a thirtieth part of the ordinary produce. The land tax or land-rent which used to be paid to the Mahometan government of Bengal, before that country fell into the hands of the English East India company, is faid to have amounted to about a fifth part of the produce. The land-tax of ancient Egypt is faid likewise to have amounted to a fifth part.

IN Asia, this fort of land-tax is said to interest the fovereign in the improvement and cultivation of land. The fovereigns of China, those

of





277 H A P.

of Bengal while under the Mahometan govern- CHAP. ment, and those of ancient Egypt, are faid accordingly to have been extremely attentive to the making and maintaining of good roads and navigable canals, in order to increase, as much as possible, both the quantity and value of every part of the produce of the land, by procuring to every part of it the most extensive market which their own dominions could afford. The tythe of the church is divided into fuch fmall portions, that no one of its proprietors can have any interest of this kind. The parson of a parish could never find his account in making a road or canal to a distant part of the country, in order to extend the market for the produce of his own particular parish. Such taxes, when destined for the maintenance of the state, have some advantages which may ferve in some measure to balance their inconveniency. When destined for the maintenance of the church, they are attended with nothing but inconveniency.

Taxes upon the produce of land may be levied, either in kind; or, according to a certain valuation, in money.

THE parson of a parish, or a gentleman of small fortune who lives upon his estate, may sometimes, perhaps, find some advantage in receiving, the one his tythe, and the other his rent, in kind. The quantity to be collected, and the district within which it is to be collected, are so small, that they both can oversee, with their own eyes, the collection and disposal of every part of what is due to them. A gentleman of great for-

 Γ 3

tune,





BOOK.

tune, who lived in the capital, would be in danger of fuffering much by the neglect, and more by the fraud of his factors and agents, if the rents of an estate in a distant province were to be paid to him in this manner. The lofs of the fovereign, from the abuse and depredation of his tax-gatherers, would necessarily be much greater. The fervants of the most careless private person are, perhaps, more under the eye of their mafter than those of the most careful prince; and a public revenue, which was paid in kind, would fuffer so much from the milmanagement of the collectors, that a very fmall part of what was levied upon the people would ever arrive at the treasury of the prince. Some part of the public revenue of China, however, is faid to be paid in this manner. The Mandarins and other taxgatherers will, no doubt, find their advantage in continuing the practice of a payment which is fo much more liable to abuse than any payment in money.

A TAX upon the produce of land which is levied in money, may be levied either according to a valuation which varies with all the variations of the market price; or according to a fixed valuation, a bushel of wheat, for example, being always valued at one and the same money price, whatever may be the state of the market. The produce of a tax levied in the former way, will vary only according to the variations in the real produce of the land according to the improvement or neglect of cultivation. The produce of a tax levied in the latter way will vary,

not only according to the variations in the produce of the land, but according to both those in the value of the precious metals, and those in the quantity of those metals which is at different times contained in coin of the same denomination. The produce of the former will always bear the same proportion to the value of the real produce of the land. The produce of the latter may, at different times, bear very different proportions to that value.

WHEN, instead either of a certain portion of the produce of land, or of the price of a certain portion, a certain fum of money is to be paid in full compensation for all tax or tythe; the tax becomes, in this case, exactly of the same nature with the land-tax of England. It neither rifes nor falls with the rent of the land. It neither encourages nor discourages improvement. tythe in the greater part of those parishes which pay what is called a modus in lieu of all other tythe, is a tax of this kind. During the Mahometan government of Bengal, instead of the payment in kind of the fifth part of the produce, a modus, and, it is faid, a very moderate one, was established in the greater part of the districts or zemindaries of the country. Some of the fervants of the East India company, under pretence of restoring the public revenue to its proper value, have, in fome provinces, exchanged this modus for a payment in kind. Under their management this change is likely both to difcourage cultivation, and to give new opportunities for abuse in the collection of the public revenue,





BOOK venue, which has fallen very much below what it was faid to have been, when it first fell under the management of the company. The fervants of the company may, perhaps, have profited by this change, but at the expence, it is probable, both of their mafters and of the country.

Taxes upon the Rent of Houses.

THE rent of a house may be diffinguished into two parts, of which the one may very properly be called the Building rent; the other is commonly called the Ground rent.

THE building rent is the interest or profit of the capital expended in building the house. In order to put the trade of a builder upon a level with other trades, it is necessary that this rent should be sufficient, first, to pay him the farne interest which he would have got for his capital if he had lent it upon good fecurity; and, fecondly, to keep the house in constant repair, or, what comes to the fame thing, to replace, within a certain term of years, the capital which had been employed in building it. The building rent, or the ordinary profit of building, is, therefore, every where regulated by the ordinary interest of money. Where the market rate of interest is four per cent. the rent of a house which, over and above paying the ground rent, affords fix, or fix and a half per cent, upon the whole expence of building, may perhaps afford a fufficient profit to the builder. Where the market rate of interest is five per cent., it may perhaps require seven or seven and a half per cent.



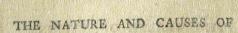


in proportion to the interest of money, the trade C H A P. of the builder affords at any time a much greater profit than this, it will soon draw so much capital from other trades as will reduce the profit to its proper level. If it affords at any time much less than this, other trades will soon draw so much capital from it as will again raise that profit.

WHATEVER part of the whole rent of a house is over and above what is sufficient for affording this reasonable profit, naturally goes to the ground-rent; and where the owner of the ground and the owner of the building are two different persons, is, in most cases, completely paid to the former. This furplus rent is the price which the inhabitant of the house pays for some real or supposed advantage of the situation. In country houses, at a distance from any great town, where there is plenty of ground to chuse upon, the ground rent is scarce any thing, or no more than what the ground which the house stands upon would pay if employed in agriculture. In country villas in the neighbourhood of some great town, it is fometimes a good deal higher, and the peculiar conveniency or beauty of fituation is there frequently very well paid for. Ground rents are generally highest in the capital, and in those particular parts of it where there happens to be the greatest demand for houses, whatever be the reason of that demand, whether for trade and buliness, for pleasure and society, or for mere vanity and fashion. All wand , stork and que aver

A TAX upon house-rent, payable by the tenant and proportioned to the whole rent of each house, could







BOOK could not, for any confiderable time at least, affect the building rent. If the builder did not get his reasonable profit, he would be obliged to quit the trade; which, by raifing the demand for building, would in a fhort time bring back his profit to its proper level with that of other trades. Neither would fuch a tax fall altogether upon the ground-rent; but it would divide itself in fuch a manner as to fall, partly upon the inhabitant of the house, and partly upon the owner

of the ground.

LET us suppose, for example, that a particular person judges that he can afford for house-rent an expence of fixty pounds a year; and let us suppose too that a tax of four shillings in the pound, or of one-fifth, payable by the inhabitant, is laid upon house-rent. A house of fixty pounds rent will in this case cost him seventytwo pounds a year, which is twelve pounds more than he thinks he can afford. He will, therefore, content himself with a worse house, or a house of fifty pounds rent, which, with the additional ten pounds that he must pay for the tax, will make up the fum of fixty pounds a year, the expence which he judges he can afford; and in order to pay the tax he will give up a part of the additional conveniency which he might have had from a house of ten pounds a year more rent. He will give up, I fay, a part of this additional conveniency; for he will feldom be obliged to give up the whole, but will, in confequence of the tax, get a better house for fifty pounds a year, than he could have got if there had been no.





no tax. For as a tax of this kind, by taking C H A P. away this particular competitor, must diminish the competition for houses of fixty pounds rent. fo it must likewise diminish it for those of sister pounds rent, and in the same manner for those of all other rents, except the lowest rent, for which it would for some time increase the competition. But the rents of every class of houses for which the competition was diminished, would necessarily be more or less reduced. As no part of this reduction, however, could, for any confiderable time at least, affect the building rent; the whole of it must in the long-run necessarily fall upon the ground-rent. The final payment of this tax, therefore, would fall, partly upon the inhabitant of the house, who, in order to pay his share, would be obliged to give up a part of his conveniency; and partly upon the owner of the ground, who, in order to pay his share, would be obliged to give up a part of his revenue. In what proportion this final payment would be divided between them, it is not perhaps very eafy to ascertain. The division would probably be very different in different circumstances, and a tax of this kind might, according to those different circumflances, affect very unequally both the inhabitant of the house and the owner of the ground.

THE inequality with which a tax of this kind might fall upon the owners of different groundrents, would arise altogether from the accidental inequality of this division. But the inequality with which it might fall upon the inhabitants of different houses would arise, not only from this,

but



BOOK but from another cause. The proportion of the expence of house-rent to the whole expence of living, is different in the different degrees of fortune. It is perhaps highest in the highest degree, and it diminishes gradually through the inferior degrees, for as in general to be lowest in the lowest degree. The necessaries of life occafrom the great expence of the poor. They find it difficult to get food, and the greater part of their little revenue is spent in getting it. The luxuries and vanities of life occasion the principal expence of the rich; and a magnificent house embellishes and fets off to the best advantage all the other luxuries and vanities which they possess. A tax upon house-rents, therefore, would in general fall heaviest upon the rich; and in this fort of inequality there would not, perhaps, be any thing very unreafonable. It is not very unreafonable that the rich should contribute to the public expence, not only in proportion to their revenue, but fomething more than in that proportion. The species out of arthur grows an extensi

> THE rent of houses, though it in some respects resembles the rent of land, is in one respect effentially different from it. The rent of land is paid for the use of a productive subject. land which pays it produces it. The rent of houses is paid for the use of an unproductive fubject. Neither the house nor the ground which it stands upon produce any thing. The person who pays the rent, therefore, must draw it from fome other fource of revenue, distinct from and independent of this subject. A tax upon the



SL

rent of houses; so far as it falls upon the inha- CHAP. bitants, must be drawn from the same source as the rent itself, and must be paid from their revenue, whether derived from the wages of labour, the profits of flock, or the rent of land. So far as it falls upon the inhabitants, it is one of those taxes which fall, not upon one only, but indifferently upon all the three different fourges of revenue; and is in every respect of the same nature as a tax upon any other fort of confumable commodities. In general there is not, perhaps, any one article of expence or confumption by which the liberality or narrowness of a man's whole expence can be better judged of, than by his house-rent. A proportional tax upon this particular article of expence might, perhaps, produce a more confiderable revenue than any which has hitherto been drawn from it in any part of Europe. If the tax indeed was very high, the greater part of people would endeavour to evade it, as much as they could, by contenting themselves with smaller houses, and by turning the greater part of their expence into fome other channel.

With sufficient accuracy, by a policy of the same kind with that which would be necessary for ascertaining the ordinary rent of land. Houses not inhabited ought to pay no tax. A tax upon them would fall altogether upon the proprietor, who would thus be taxed for a subject which, afforded him neither conveniency nor revenue. Houses inhabited by the proprietor ought





BOOK ought to be rated, not according to the expence which they might have cost in building, but according to the rent which an equitable arbitration might judge them likely to bring, if leafed to a tenant. If rated according to the expence which they may have cost in building, a tax of three or four shillings in the pound, joined with other taxes, would ruin almost all the rich and great families of this, and, I believe, of every other civilized country. Whoever will examine, with attention, the different town and country houses of some of the richest and greatest families in this country, will find that, at the rate of only fix and a half, or feven per cent. upon the original expence of building, their house-rent is nearly equal to the whole neat rent of their estates. It is the accumulated expence of feveral fucceffive generations, laid out upon objects of great beauty and magnificence, indeed; but, in proportion to what they cost, of very fmall exchangeable value *.

GROUND-RENTS are a still more proper subject of taxation than the rent of houses. A tax upon ground-rents would not raife the rents of houses. It would fall altogether upon the owner of the ground-rent, who acts always as a monopolift, and exacts the greatest rent which can be got for the use of his ground. More or less can be got for it according as the competitors happen to be richer or poorer, or can afford to gratify their

^{*} Since the first publication of this book, a tax nearly upon the above-mentioned principles has been imposed.





SL 287

fancy for a particular foot of ground at a greater C H A P. or finaller expence. In every country the greatest number of rich competitors is in the capital, and it is there accordingly that the highest ground-rents are always to be found. As the wealth of those competitors would in no respect be increased by a tax upon ground-rents, they would not probably be disposed to pay more for the use of the ground. Whether the tax was to be advanced by the inhabitant, or by the owner of the ground, would be of little importance. The more the inhabitant was obliged to pay for the tax, the less he would incline to pay for the ground; fo that the final payment of the tax would fall altogether upon the owner of the ground-rent. The ground-rents of uninhabited

houses ought to pay no tax.

Both ground-rents and the ordinary rent of land are a species of revenue which the owner, in many cases, enjoys without any care or attention of his own. Though a part of this revenue should be taken from him in order to destray the expences of the state, no discouragement will thereby be given to any fort of industry. The annual produce of the land and labour of the society, the real wealth and revenue of the great body of the people, might be the same after such a tax as before. Ground-rents, and the ordinary rent of land, are, therefore, perhaps, the species of revenue which can best bear to have a peculiar

tax imposed upon them.

GROUND-RENTS seem, in this respect, a more proper subject of peculiar taxation than even the ordinary





BOOK ordinary rent of land. The ordinary rent of land is, in many cases, owing partly at least to the attention and good management of the landlord. A very heavy tax might discourage too much this attention and good management. Ground-rents, To far as they exceed the ordinary rent of land, are altogether owing to the good government of the fovereign, which, by protecting the industry either of the whole people, or of the inhabitants of fome particular place, enables them to pay fo much more than its real value for the ground which they build their houses upon; or to make to its owner fo much more than compensation for the loss which he might fustain by this use of it. Nothing can be more reasonable than that a fund which owes its existence to the good government of the flate, should be taxed peculiarly, or should contribute something more than the greater part of other funds, towards the support of that

THOUGH, in many different countries of Europe, taxes have been imposed upon the rent of houses, I do not know of any in which groundrents have been considered as a separate subject of taxation. The contrivers of taxes have, probably, found some difficulty in ascertaining what part of the rent ought to be considered as groundrent, and what part ought to be considered as building-rent. It should not, however, seem very difficult to distinguish those two parts of the rent from one another.

government, vas moditivistains

In Great Britain the rent of houses is supposed to be taxed in the same proportion as the rent





of land, by what is called the annual land-tax. CHAP. The valuation, according to which each different parish and district is affested to this tax, is always the fame. It was originally extremely unequal, and it still continues to be fo. Through the greater part of the kingdom this tax falls still more lightly upon the rent of houses than upon that of land. In fome few districts only, which were originally rated high, and in which the rents of houses have fallen considerably, the landtax of three or four shillings in the pound, is faid to amount to an equal proportion of the real rent of houses. Untenanted houses, though by law fubiect to the tax, are, in most districts, exempted from it by the favour of the affeffors; and this exemption fometimes occasions fome little variation in the rate of particular houses, though that of the diffrict is always the fame. Improvements of rent, by new buildings, repairs, &c.; go to the discharge of the district, which occasions still further variations in the rate of particular houses.

In the province of Holland * every house is taxed at two and a half per cent. of its value, without any regard either to the rent which it actually pays, or to the circumstance of its being tenanted or untenanted. There feems to be a hardship in obliging the proprietor to pay a tax for an untenanted house, from which he can derive no revenue, especially so very heavy a tax. In Holland, where the market rate of interest

* Memoires concernant les Droits, &cc. p. 223.

Vol. III.

does







per cent. upon the whole value of the house, must, in most cases, amount to more than a third of the building-rent, perhaps of the whole rent. The valuation, indeed, according to which the houses are rated, though very unequal, is faid to be always below the real value. When a house is rebuilt, improved or enlarged, there is a new valuation, and the tax is rated accordingly.

The contrivers of the several taxes which in England have, at different times, been imposed upon houses, seem to have imagined that there was some great difficulty in ascertaining, with tolerable exactness, what was the real rent of every house. They have regulated their taxes, therefore, according to some more obvious circumstance, such as they had probably imagined would, in most cases, bear some proportion to the rent.

The first tax of this kind was hearth-money; or a tax of two shillings upon every hearth. In order to ascertain how many hearths were in the house, it was necessary that the tax-gatherer should enter every room in it. This odious yist rendered the tax odious. Soon after the revolution, therefore, it was abolished as a badge of slavery.

THE next tax of this kind was, a tax of two shillings upon every dwelling house inhabited. A house with ten windows to pay four shillings more. A house with twenty windows and upwards to pay eight shillings. This tax was afterwards.





afterwards so far altered, that houses with twenty windows, and with less than thirty, were ordered to pay ten shillings, and those with thirty windows and upwards to pay twenty shillings. The number of windows can, in most cases, be counted from the outside, and, in all cases, without entering every room in the house. The visit of the tax-gatherer, therefore, was less offensive in this tax than in the hearth-money.

This tax was afterwards repealed, and in the room of it was established the window-tax, which has undergone too several alterations and augmentations. The window-tax, as it stands at present (January, 1775), over and above the duty of three shillings upon every house in England, and of one shilling upon every house in Scotland, lays a duty upon every window, which, in England, augments gradually from two-pence, the lowest rate, upon houses with not more than seven windows; to two shillings, the highest rate, upon houses with twenty-sive windows and upwards.

The principal objection to all fuch taxes is their inequality, an inequality of the worst kind, as they must frequently fall much heavier upon the poor than upon the rich. A house of ten pounds rent in a country town may sometimes have more windows than a house of five hundred pounds rent in London; and though the inhabitant of the former is likely to be a much poorer man than that of the latter, yet so far as his contribution is regulated by the window-tax, he must contribute more to the support

(297)

of





BOOK V. of the state. Such taxes are, therefore, directly contrary to the first of the four maxims above mentioned. They do not seem to offend much against any of the other three.

THE natural tendency of the window-tax, and of all other taxes upon houses, is to lower rents. The more a man pays for the tax, the less, it is evident, he can afford to pay for the rent. Since the imposition of the window-tax, however, the rents of houses have upon the whole risen, more or less, in almost every town and village of Great Britain, with which I am acquainted. Such has been almost every where the increase of the demand for houses, that it has raifed the rents more than the window-tax could fink them; one of the many proofs of the great prosperity of the country, and of the increafing revenue of its inhabitants. Had it not been for the tax, rents would probably have rifen My higher.

ARTICLE II.

Taxes upon Profit, or upon the Revenue arifing from Stock.

THE revenue or profit arising from stock naturally divides itself into two parts; that which pays the interest, and which belongs to the owner of the stock; and that surplus part which is over and above what is necessary for paying the interest.

This latter part of profit is evidently a fubject not taxable directly. It is the compen-

fation,



fation, and in most cases it is no more than a C H A P. very moderate compensation, for the risk and trouble of employing the stock. The employer must have this compensation, otherwise he cannot, confiftently with his own interest, continue the employment. If he was taxed directly, therefore, in proportion to the whole profit, he would be obliged either to raise the rate of his profit, or to charge the tax upon the interest of money; that is, to pay less interest. If he raised the rate of his profit in proportion to the tax, the whole tax, though it might be advanced by him, would be finally paid by one or other of two different fets of people, according to the different ways in which he might employ the flock of which he had the management. If he employed it as a farming stock in the cultivation of land, he could raise the rate of his profit only by retaining a greater portion, or, what comes to the fame thing, the price of a greater portion of the produce of the land; and as this could be done only by a reduction of rent, the final payment of the tax would fall upon the landlord. If he employed it as a mercantile or manufacturing stock, he could raise the rate of his profit only by raifing the price of his goods; in which case the final payment of the tax would fall altogether upon the confumers of those goods. If he did not raise the rate of his profit, he would be obliged to charge the whole tax upon that part of it which was allotted for the interest of money. He could afford less interest for whatever stock he borrowed, and the whole weight XIII



BOOK weight of the tax would in this case fall ultimately upon the interest of money. So far as he could not relieve himself from the tax in the one way, he would be obliged to relieve himself in the other.

> THE interest of money seems at first sight a fubject equally capable of being taxed directly as the rent of land. Like the rent of land, it is a neat produce which remains after completely compensating the whole risk and trouble of employing the flock. As a tax upon the rent of land cannot raise rents; because the neat produce which remains after replacing the stock of the farmer, together with his reasonable profit, cannot be greater after the tax than before it: fo, for the same reason, a tax upon the interest of money could not raise the rate of interest; the quantity of stock or money in the country, like the quantity of land, being fupposed to remain the same after the tax as before it. The ordinary rate of profit, it has been fhewn in the first book, is every where regulated by the quantity of flock to be employed in proportion to the quantity of the employment, or of the business which must be done by it. But the quantity of the employment, or of the business to be done by stock, could neither be increased nor diminished by any tax upon the interest of money. If the quantity of the stock to be employed therefore, was neither increafed nor diminished by it, the ordinary rate of profit would necessarily remain the same. But the portion of this profit necessary for compensating the rifk



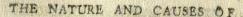


rifk and trouble of the employer, would likewise c H A P. remain the same; that rifk and trouble being in no respect altered. The residue, therefore, that portion which belongs to the owner of the stock, and which pays the interest of money, would necessarily remain the same too. At first sight, therefore, the interest of money seems to be a subject as sit to be taxed directly as the rent of land.

THERE are, however, two different circumflances which render the interest of money a much less proper subject of direct taxation than the rent of land.

FIRST, the quantity and value of the land which any man possesses can never be a secret, and can always be afcertained with great exactness. But the whole amount of the capital stock which he possesses is almost always a secret, and can fcarce ever be afcertained with tolerable exactness. It is liable, besides, to almost continual variations. A year feldom passes away, frequently not a month, fometimes scarce a fingle day, in which it does not rife or fall more or less. An inquisition into every man's private circumstances, and an inquisition which, in order to accommodate the tax to them, watched over all the fluctuations of his fortune, would be a fource of fuch continual and endless vexation as no people could support.

SECONDLY, land is a fubject which cannot be removed, whereas stock easily may. The proprietor of land is necessarily a citizen of the particular country in which his estate lies. The U 4 proprietor



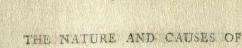
proprietor of stock is properly a citizen of the world, and is not necessarily attached to any particular country. He would be apt to abandon the country in which he was exposed to a vexatious inquisition, in order to be assessed to a burdenfome tax, and would remove his flock to forme other country where he could either carry on his bufiness, or enjoy his fortune more at his eafe. By removing his ftock he would put an end to all the industry which it had maintained in the country which he left, Stock cultivates land; stock employs labour. A tax which tended to drive away stock from any particular country, would fo far tend to dry up every fource of revenue, both to the fovereign and to the fociety. Not only the profits of stock, but the rent of land and the wages of labour, would necessarily be more or less diminished by its removal.

The nations, accordingly, who have artempted to tax the revenue arising from stock, instead of any severe inquisition of this kind, have been obliged to content themselves with some very loose, and, therefore, more or less arbitrary estimation. The extreme inequality and uncertainty of a tax assessed in this manner, can be compensated only by its extreme moderation, in consequence of which every man finds himself rated so very much below his real revenue, that he gives himself little disturbance though his neighbour should be rated somewhat lower.

By what is called the land-tax in England, it was intended that flock should be taxed in the same proportion as land. When the tax upon



upon land was at four shillings in the pound, CHAP. or at one-fifth of the supposed rent, it was intended that stock should be taxed at one-fifth of the supposed interest. When the present annual land-tax was first imposed, the legal rate of interest was fix per cent. Every hundred pounds flock, accordingly, was fupposed to be taxed at twenty-four shillings, the fifth part of fix pounds. Since the legal rate of interest has been reduced to five per cent. every hundred pounds flock is supposed to be taxed at twenty shillings only. The fum to be raifed, by what is called the land-tax, was divided between the country and the principal towns. The greater part of it was laid upon the country; and of what was laid upon the towns, the greater part was affessed upon the houses. What remained to be affessed upon the flock or trade of the towns (for the flock upon the land was not meant to be taxed) was very much below the real value of that stock or trade. Whatever inequalities, therefore, there might be in the original affessment, gave little disturbance. Every parish and district still continues to be rated for its land, its houses, and its stock, according to the original assessment; and the almost universal prosperity of the country, which in most places has raised very much the value of all these, has rendered those inequalities of still less importance now. The rate too upon each diffrict continuing always the fame, the uncertainty of this tax, fo far as it might be affeffed upon the stock of any individual,





BOOK vidual, has been very much diminished, as well as rendered of much less consequence. If the greater part of the lands of England are not rated to the land-tax at half their actual value. the greater part of the flock of England is, perhaps, scarce rated at the fiftieth part of its actual In some towns the whole land-tax is affeffed upon houses; as in Westminster, where flock and trade are free. It is otherwise in Lon-

In all countries a fevere inquisition into the circumstances of private persons has been carefully avoided.

AT Hamburgh * every inhabitant is obliged to pay to the state, one-fourth per cent. of all that he possesses; and as the wealth of the people of Hamburgh confifts principally in stock, this tax may be confidered as a tax upon flock. Every man affeffes himfelf, and, in the prefence of the magistrate, puts annually into the public coffer a certain fum of money, which he declares upon oath to be one-fourth per cent. of all that he possesses, but without declaring what it amounts to, or being liable to any examination upon that fubject. This tax is generally fupposed to be paid with great fidelity. In a small republic, where the people have entire confidence in their magistrates, are convinced of the nevelfity of the tax for the support of the state, and believe that it will be faithfully applied to that purpofe, fuch confcientious and voluntary payment

^{*} Memoires concernant les Droits, tome i. p. 74.









fornetimes be expected. It is not peculiar to the CHAY.

THE canton of Underwald in Switzerland is frequently ravaged by ftorms and inundations, and it is thereby exposed to extraordinary expences. Upon fuch occasions the people affemble, and every one is faid to declare with the greatest frankness what he is worth, in order to be taxed accordingly. At Zurich the law orders, that, in cases of necessity, every one should be taxed in proportion to his revenue; the amount of which. he is obliged to declare upon oath. They have no fuspicion, it is faid, that any of their fellowcitizens will deceive them. At Bafil the principal revenue of the state arises from a small custom upon goods exported. All the citizens make oath that they will pay every three months all the taxes imposed by the law. All merchants and even all inn-keepers are trufted with keeping themselves the account of the goods which they fell either within or without the territory. At the end of every three months they fend this account to the treasurer, with the amount of the tax computed at the bottom of it. It is not suspected that the revenue suffers by this confidence *.

To oblige every citizen to declare publicly upon oath the amount of his fortune, must not, it seems, in those Swiss cantons, be reckoned a hardship. At Hamburgh it would be reckoned the greatest. Merchants engaged in the hazardous

Memoires concernant les Droits, tome i. p. 163. 166. 171.

projects





BOOK projects of trade, all tremble at the thoughts of being obliged at all times to expose the real state of their circumstances. The ruin of their credit and the miscarriage of their projects, they foresee, would too often be the consequence. A fober and parfimonious people, who are strangers to all such projects, do not feel that they have occasion for any fuch concealment. A harden of the Bandership

In Holland, foon after the exaltation of the late prince of Orange to the stadtholdership, a tax of two per cent. or the fiftieth penny, as it was called, was imposed upon the whole subflance of every citizen. Every citizen affeffed himself and paid his tax in the same manner as at Hamburgh; and it was in general supposed to have been paid with great fidelity. The people had at that time the greatest affection for their new government, which they had just established by a general infurrection. The tax was to be paid but once; in order to relieve the state in a particular exigency. It was, indeed, too heavy to be permanent. In a country where the market rate of interest seldom exceeds three per cent., a tax of two per cent. amounts to thirteen shillings and fourpence in the pound upon the highest neat revenue which is commonly drawn from flock. It is a tax which very few people could pay without encroaching more or less upon their capitals. In a particular exigency the people may, from great public zeal, make a great effort, and give up even a part of their capital, in order to relieve the state. But it is impossible that they should continue to do fo for any confiderable





ruin them so completely as to render them altogether incapable of supporting the state.

The tax upon stock imposed by the land-tax bill in England, though it is proportioned to the capital, is not intended to diminish or take away any part of that capital. It is meant only to be a tax upon the interest of money proportioned to that upon the rent of land; so that when the latter is at four shillings in the pound, the former may be at four shillings in the pound too. The tax at Hamburgh, and the still more moderate taxes of Underwald and Zurich, are meant, in the same manner, to be taxes, not upon the capital, but upon the interest or neat revenue of stock. That of Hol-

Taxes upon the Profit of particular Employments.

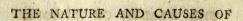
land was meant to be a tax upon the capital.

IN some countries extraordinary taxes are imposed upon the profits of stock; sometimes when employed in particular branches of trade, and sometimes when employed in agriculture.

Or the former kind are in England the tax upon hawkers and pedlars, that upon hackney coaches and chairs, and that which the keepers of ale-houses pay for a licence to retail ale and spirituous liquors. During the late war, another tax of the same kind was proposed upon shops. The war having been undertaken, it was said, in defence of the trade of the country, the merchants, who were to profit by it, ought to contribute towards the support of it.

(307)

A TAK,







A TAX, however, upon the profits of stock employed in any particular branch of trade, can never fall finally upon the dealers (who must in all ordinary cases have their reasonable profit, and, where the competition is free, can seldom have more than that profit), but always upon the consumers, who must be obliged to pay in the price of the goods the tax which the dealer advances; and generally with some overcharge.

A TAX of this kind when it is proportioned to the trade of the dealer, is finally paid by the confumer. and occasions no oppression to the dealer. When it is not fo proportioned, but is the fame upon all dealers, though in this case too it is finally paid by the confumer, yet it favours the great, and occafions fome oppression to the small dealer. The tax of five shillings a week upon every hackney coach, and that of ten shillings a year upon every hackney chair, fo far as it is advanced by the different keepers of fuch coaches and chairs, is exactly enough proportioned to the extent of their respective dealings. It neither favours the great, nor oppresses the smaller dealer. The tax of twenty shillings a year for a licence to fell ale; of focty shillings for a licence to fell spirituous liquors; and of forty shillings more for a licence to sell wine, being the fame upon all retailers, must necessarily give fome advantage to the great, and occasion fome oppression to the small dealers. The former must find it more easy to get back the tax in the price of their goods than the latter. The mode. ration of the tax, however, renders this inequality of less importance, and it may to many people



people appear not improper to give fome dif- c H A P. couragement to the multiplication of little alehouses. The tax upon shops, it was intended, should be the same upon all shops. It could not well have been otherwife. It would have been imposible to proportion with tolerable exactness the tax upon a shop to the extent of the trade carried on in it, without fuch an inquisition as would have been altogether infupportable in a free country. If the tax had been confiderable, it would have oppressed the small, and forced almost the whole retail trade into the hands of the great dealers. The competition of the former being taken away, the latter would have enjoyed a monopoly of the trade; and like all other monopolifts would foon have combined to raife their profits much beyond what was necessary for the payment of the tax. The final payment, instead of falling upon the shopkeeper, would have fallen upon the confumer, with a confiderable overcharge to the profit of the shopkeeper. For these reasons, the project of a tax upon shops was laid aside, and in the room of it was substituted the fublidy 1759.

WHAT in France is called the personal taille is, perhaps, the most important tax upon the profits of stock employed in agriculture that is levied in any part of Europe.

In the diforderly state of Europe during the prevalence of the feudal government, the fovereign was obliged to content himself with taxing those who were too weak to refuse to pay taxes. The great lords, though willing to affift

him





BOOK him upon particular emergencies, refused to fubject themselves to any constant tax, and he was not strong enough to force them. The occupiers of land all over Europe were, the greater part of them, originally bond-men. Through the greater part of Europe they were gradually emancipated. Some of them acquired the property of landed estates which they held by some base or ignoble tenure, sometimes under the king, and fometimes under fome other great lord, like the ancient copy-holders of England. Others, without acquiring the property, obtained leafes for terms of years, of the lands which they occupied under their lord, and thus became less dependent upon him. The great lords feem to have beheld the degree of prosperity and independency which this inferior order of men had thus come to enjoy, with a malignant and contemptuous indignation, and willingly confented that the fovereign should tax them. In fome countries this tax was confined to the lands which were held in property by an ignoble tenure; and, in this case, the taille was said to be real. The land-tax established by the late king of Sardinia, and the taille in the provinces of Languedoc, Provence, Dauphiné, and Brittany: in the generality of Montauban, and in the elections of Agen and Condom, as well as in some other districts of France, are taxes upon lands held in property by an ignoble tenure. In other countries the tax was laid upon the supposed profits of all those who held in farm or lease lands belonging to other people, whatever might be the tenure



SL 3°5

by which the proprietor held them; and in this CHAP. case the taille was said to be personal. In the greater part of those provinces of France, which are called the Countries of Elections, the taille is of this kind. The real taille, as it is imposed only upon a part of the lands of the country, is necessarily an unequal, but it is not always an arbitrary tax, though it is so upon some occasions. The personal taille, as it is intended to be proportioned to the profits of a certain class of people, which can only be guessed at, is necessarily both arbitrary and unequal.

In France the personal taille at present (1775) annually imposed upon the twenty generalities, called the Countries of Elections, amounts to 40,107,239 livres, 16 fous *. The proportion in which this fum is affeffed upon those different provinces, varies from year to year, according to the reports which are made to the king's council concerning the goodness or badness of the crops, as well as other circumstances, which may either increase or diminish their respective abilities to pay. Each generality is divided into a certain number of elections, and the proportion in which the fum imposed upon the whole generality is divided among those different elections, varies likewise from year to year, according to the reports made to the council concerning their respective abilities. It seems impossible that the council, with the best intentions, can ever pro-

Vol. III.

X

portion ;

^{*} Memoires concernant les Droits, &c. tome ii. p. 17.





BOOK

portion with tolerable exactness, either of those two affeffments to the real abilities of the province or district upon which they are respectively Ignorance and misinformation must always, more or lefs, miflead the most upright The proportion which each parish ought to support of what is affeffed upon the whole election, and that which each individual ought to support of what is affessed upon his particular parish, are both in the same manner varied, from year to year, according as circumstances are supposed to require. These circumflances are judged of, in the one case, by the officers of the election; in the other by those of the parish; and both the one and the other are, more or less, under the direction and influence of the intendant. Not only ignorance and misinformation, but friendship, party animosity, and private refentment, are faid frequently to mislead fuch affesfors. No man subject to such a tax, it is evident, can ever be certain, before he is affeffed, of what he is to pay. He cannot even be certain after he is affeffed. If any person has been taxed who ought to have been exempted; or if any person has been taxed beyond his proportion, though both must pay in the mean time, vet if they complain, and make good their complaints, the whole parish is reimposed next year in order to reimburse them. If any of the contributors become bankrupt or infolvent, the collector is obliged to advance his tax, and the whole parish is reimposed next year in order to reimburfe the collector. If the collector himself should



should become bankrupt, the parish which elects him must answer for his conduct to the receivergeneral of the election. But, as it might be troublesome for the receiver to prosecute the whole parish, he takes at his choice five or six of the richest contributors, and obliges them to make good what had been lost by the insolvency of the collector. The parish is afterwards reimposed in order to reimburse those five or six. Such reimpositions are always over and above the taille of the particular year in which they are laid on.

WHEN a tax is imposed upon the profits of stock in a particular branch of trade, the traders are all careful to bring no more goods to market than what they can fell at a price sufficient to reimburse them for advancing the tax. Some of them withdraw a part of their stocks from the trade, and the market is more sparingly supplied than before. The price of the goods rifes, and the final payment of the tax falls upon the confumer. But when a tax is imposed upon the profits of stock employed in agriculture, it is not the interest of the farmers to withdraw any part of their stock from that employment. Each farmer occupies a certain quantity of land, for which he pays rent. For the proper cultivation of this land a certain quantity of stock is necesfary; and by withdrawing any part of this neceffary quantity, the farmer is not likely to be more able to pay either the rent or the tax. In order to pay the tax, it can never be his interest to diminish the quantity of his produce, nor con-X 2 fequently





BOOK fequently to supply the market more sparingly than before. The tax, therefore, will never enable him to raise the price of his produce, so as to reimburse himself by throwing the final payment upon the confumer. The farmer, however, must have his reasonable profit as well as every other dealer, otherwise he must give up the trade. After the imposition of a tax of this kind, he can get this reasonable profit only by paying less rent to the landlord. The more he is obliged to pay in the way of tax, the lefs he can afford to pay in the way of rent. A tax of this kind imposed during the currency of a lease may, no doubt, diffress or ruin the farmer. Upon the renewal of the leafe it must always fall upon the landlord.

In the countries where the personal taille takes place, the farmer is commonly affeffed in proportion to the flock which he appears to employ in cultivation. He is, upon this account, frequently afraid to have a good team of horses or oxen, but endeavours to cultivate with the meaneft and most wretched instruments of husbandry that he can. Such is his diffrust in the justice of his affectors, that he counterfeits poverty, and wishes to appear scarce able to pay any thing for fear of being obliged to pay too much. By this miserable policy he does not, perhaps, always confult his own interest in the most effectual manner; and he probably lofes more by the diminution of his produce than he faves by that of his tax. Though, in consequence of this wretched cultivation the market is, no doubt, formewhat worfe





worse supplied; yet the small rise of price which this may occasion, as it is not likely even to indemnify the farmer for the diminution of his produce, it is still less likely to enable him to pay more rent to the landlord. The public, the farmer, the landlord, all suffer more or less by this degraded cultivation. That the personal taille tends, in many different ways, to discourage cultivation, and consequently to dry up the principal source of the wealth of every great country, I have already had occasion to observe in the third book of this Inquiry.

What are called poll-taxes in the fouthern provinces of North America, and in the West Indian islands, annual taxes of so much a head upon every negroe, are properly taxes upon the profits of a certain species of stock employed in agriculture. As the planters are, the greater part of them, both farmers and landlords, the final payment of the tax falls upon them in their quality of landlords without any retribution.

Taxes of so much a head upon the bondmen employed in cultivation, seem anciently to have been common all over Europe. There subsists at present a tax of this kind in the empire of Russia. It is probably upon this account that poll-taxes of all kinds have often been represented as badges of slavery. Every tax, however, is to the person who pays it a badge, not of slavery, but of liberty. It denotes that he is subject to government, indeed, but that, as he has some property, he cannot himself be the property of a master. A poll-tax upon slaves is X 3 altogether





B o o k altogether different from a poll-tax upon freemen. The latter is paid by the persons upon whom it is imposed; the former by a different fet of persons. The latter is either altogether arbitrary or altogether unequal, and in most cases is both the one and the other; the former, though in some respects unequal, different flaves being of different values, is in no respect arbitrary. Every mafter who knows the number of his own flaves, knows exactly what he has to pay. Those different taxes, however, being called by the same name, have been considered as of the fame nature.

> THE taxes which in Holland are imposed upon men and maid fervants, are taxes, not upon flock, but upon expence; and fo far resemble the taxes upon confumable commodities. The tax of a guinea a head for every man fervant, which has lately been imposed in Great Britain, is of the fame kind. It falls heaviest upon the middling rank. A man of two hundred a year may keep a fingle man fervant. A man of ten thousand a year will not keep fifty. It does not affect the poor.

> Taxes upon the profits of stock in particular employments can never affect the interest of money. Nobody will lend his money for less interest to those who exercise the taxed, than to those who exercise the untaxed employments. Taxes upon the revenue arifing from stock in all employments, where the government attempts to levy them with any degree of exactness, will, in many cases, fall upon the interest of money.

> > The





The Vingtieme, or twentieth penny, in France, CHAI is a tax of the same kind with what is called the land-tax in England, and is affeffed, in the fame manner, upon the revenue arifing from land, houses, and stock. So far as it affects stock it is affeffed, though not with great rigour, yet with much more exactness than that part of the landtax of England which is imposed upon the same fund. It, in many cases, falls altogether upon the interest of money. Money is frequently funk in France upon what are called Contracts for the constitution of a rent; that is, perpetual annuities redeemable at any time by the debtor upon repayment of the fum originally advanced, but of which this redemption is not exigible by the creditor except in particular cases. Vingtieme feems not to have raifed the rate of those annuities, though it is exactly levied upon them all.

APPENDIX to ARTICLES I. and II.

Taxes upon the capital Value of Land, Houses, and Stock.

WHILE property remains in the possession of the same person, whatever permanent taxes may have been imposed upon it, they have never been intended to diminish or take away any part of its capital value, but only some part of the revenue arising from it. But when property changes hands, when it is transmitted either from the dead to the living, or from the living to the X 4 living,





BOOK living, fuch taxes have frequently been imposed upon it as necessarily take away some part of its capital value.

THE transference of all forts of property from the dead to the living, and that of immoveable property, of lands and houses, from the living to the living, are transactions which are in their nature either public and notorious, or fuch as cannot be long concealed. Such transactions, therefore, may be taxed directly. The transference of flock, or moveable property, from the living to the living, by the lending of money, is frequently a fecret transaction, and may always be made fo. It cannot eafily, therefore, be taxed directly. It has been taxed indirectly in two different ways; first, by requiring that the deed, containing the obligation to repay, fhould be written upon paper or parchment which had paid a certain stamp-duty, otherwife not to be valid; fecondly, by requiring, under the like penalty of invalidity, that it should be recorded either in a public or fecret register, and by imposing certain duties upon such registration. Stamp-duties and duties of registration have frequently been imposed likewise upon the deeds transferring property of all kinds from the dead to the living, and upon those transferring immoveable property from the living to the living, transactions which might easily have been taxed directly.

THE Vicefima Hereditatum, the twentieth penny of inheritances, imposed by Augustus upon the ancient Romans, was a tax upon the transference





transference of property from the dead to the C H A P. living. Dion Caffius*, the author who writes concerning it the leaft indiffinctly, fays, that it was imposed upon all fuccessions, legacies, and donations, in case of death, except upon those to the nearest relations, and to the poor.

Or the fame kind is the Dutch tax upon fuccessions +. Collateral successions are taxed, according to the degree of relation, from five to thirty per cent, upon the whole value of the fuccession. Testamentary donations, or legacies to collaterals, are subject to the like duties. Those from husband to wife, or from wife to husband, to the fiftieth penny. The Luctuosa Hereditas, the mournful fuccession of ascendents to descendents, to the twentieth penny only. Direct fuccessions, or those of descendents to ascendents, pay no tax. The death of a father, to fuch of his children as live in the same house with him, is feldom attended with any increase, and frequently with a confiderable diminution of revenue; by the loss of his industry, of his office, or of some life-rent estate, of which he may have been in possession. That tax would be cruel and oppressive which aggravated their loss by taking

from them any part of his fuccession. It may, however, fometimes be otherwise with those children who, in the language of the Roman

^{*} Lib. 55. See also Burman de Vectigalibus Pop. Rom. cap. xi. and Bouchaud de l'impôt du vingtieme sur les successions.

[†] See Memoires concernant les Droîts, &c. tome i. p. 225.





BOOK law, are faid to be emancipated; in that of the Scotch law, to be foris-familiated; that is, who have received their portion, have got families of their own, and are supported by funds separate and independent of those of their father. Whatever part of his fuccession might come to fuch children, would be a real addition to their fortune, and might therefore, perhaps, without more inconveniency than what attends all duties of this kind, be liable to forme tax.

THE casualties of the feudal law were taxes upon the transference of land, both from the dead to the living, and from the living to the living. In ancient times they constituted in every part of Europe one of the principal branches of the revenue of the crown.

THE heir of every immediate vaffal of the crown paid a certain duty, generally a year's rent, upon receiving the investiture of the estate. If the heir was a minor, the whole rents of the estate, during the continuance of the minority, devolved to the fuperior without any other charge, besides the maintenance of the minor, and the payment of the widow's dower, when there happened to be a dowager upon the land. When the minor came to be of age, another tax, called Relief, was still due to the superior, which generally amounted likewise to a year's rent. A long minority, which in the prefent times fo frequently disburdens a great estate of all its incumbrances, and reftores the family to their ancient splendour, could in those times have no fuch effect. The waste, and not the difincumbrance





brance of the estate, was the common effect of a CHAP.

By the feudal law the vaffal could not alienate without the confent of his fuperior, who generally extorted a fine or composition for granting it. This fine, which was at first arbitrary, came in many countries to he regulated at a certain portion of the price of the land. In fome countries, where the greater part of the other feudal customs have gone into difuse, this tax upon the alienation of land flill continues to make a very confiderable branch of the revenue of the fovereign. In the canton of Berne it is fo high as a fixth part of the price of all noble fiefs; and a tenth part of that of all ignoble ones *. In the canton of Lucerne the tax upon the fale of lands is not universal, and takes place only in cerrain districts. But if any person sells his land, in order to remove out of the territory, he pays ten per cent. upon the whole price of the fale +. Taxes of the fame kind upon the fale either of all lands, or of lands held by certain tenures, take place in many other countries, and make a more or less considerable branch of the revenue of the fovereign.

Such transactions may be taxed indirectly, by means either of stamp-duties, or of duties upon registration; and those duties either may or may not be proportioned to the value of the subject which is transferred.

^{*} Memoires concernant les Droits, &c. tome i. p. 154-+ Id. p. 157.



BOOK IN Great Britain the stamp-duties are higher or lower, not fo much according to the value of the property transferred (an eighteen penny or half crown stamp being sufficient upon a bond for the largest sum of money) as according to the nature of the deed. The highest do not exceed fix pounds upon every sheet of paper, or skin of parchment; and these high duties fall chiefly upon grants from the crown, and upon certain law proceedings, without any regard to the value of the fubject. There are in Great Britain no duties on the registration of deeds or writings, except the fees of the officers who keep the register; and these are feldom more than a reasonable recompence for their labour. The crown derives no revenue from them.

> In Holland * there are both stamp-duties and duties upon registration; which in some cases are, and in some are not proportioned to the value of the property transferred. All testaments must be written upon stamped paper of which the price is proportioned to the property disposed of, so that there are stamps which cost from three pence, or three stivers a sheet, to three hundred florins, equal to about twentyfeven pounds ten shillings of our money. If the stamp is of an inferior price to what the testator ought to have made use of, his succession is This is over and above all their confiscated. other taxes on fuccession. Except bills of ex-

change,

^{*} Memoires concernant les Droits, &c. tome i. p. 223, 224, 225.

change, and some other mercantile bills, all CHAP. other deeds, bonds, and contracts, are subject to a stamp-duty. This duty, however, does not rife in proportion to the value of the subject. All fales of land and of houses, and all mortgages upon either, must be registered, and, upon registration, pay a duty to the state of two and a half per cent. upon the amount of the price or of the mortgage. This duty is extended to the fale of all ships and vessels of more than two tons burthen, whether decked or undecked. These, it seems, are confidered as a fort of houses upon the water. The fale of moveables, when it is ordered by a court of justice, is subject to the like duty of two and a half per cent.

In France there are both stamp-duties and duties upon registration. The former are considered as a branch of the aides or excise, and in the provinces where those duties take place, are levied by the excife officers. The latter are confidered as a branch of the domain of the crown, and are levied by a

different fet of officers.

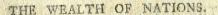
Those modes of taxation, by stamp-duties and by duties upon registration, are of very modern invention. In the course of little more than a century, however, stamp-duties have, in Europe, become almost universal, and duties upon registration extremely common. There is no art which one government fooner learns of another, than that of draining money from the pockets of the people.

Taxes upon the transference of property from the dead to the living, fall finally as well as im-

mediately



BOOK mediately upon the person to whom the property is transferred. Taxes upon the fale of land fall altogether upon the feller. The feller is almost always under the necessity of felling, and must, therefore, take fuch a price as he can get. The buyer is scarce ever under the necessity of buying, and will, therefore, only give such a price as he likes. He confiders what the land will cost him in tax and price together. The more he is obliged to pay in the way of tax, the lefs he will be disposed to give in the way of price. Such taxes, therefore, fall almost always upon a necessitous person, and must, therefore, be frequently very cruel and oppressive. Taxes upon the fale of new-built houses, where the building is fold without the ground, fall generally upon the buyer, because the builder must generally have his profit; otherwise he must give up the trade. If he advances the tax, therefore, the buyer must generally repay it to him. Taxes upon the fale of old houses, for the same reason as those upon the fale of land, fall generally upon the feller; whom in most cases either conveniency or necessity obliges to fell. The number of new-built houses that are annually brought to market, is more or less regulated by the demand. Unless the demand is such as to afford the builder his profit, after paying all expences, The number of he will build no more houses. old houses which happen at any time to come to market is regulated by accidents of which the greater part have no relation to the demand. Two or three great bankruptcies in a mercantile





town, will bring many houses to fale, which must C HAP. be fold for what can be got for them. Taxes upon the fale of ground rents fall altogether upon the feller; for the fame reason as those upon the sale of land. Stamp-duties, and duties upon the registration of bonds and contracts for borrowed money, fall altogether upon the borrower, and, in fact, are always paid by him. Duties of the same kind upon law proceedings fall upon the fuitors. They reduce to both the capital value of the fubject in dispute. The more it costs to acquire any property, the less must be the neat value of it when acquired.

ALL taxes upon the transference of property of every kind, fo far as they diminish the capital value of that property, tend to diminish the funds destined for the maintenance of productive labour. They are all more or less unthrifty taxes that increase the revenue of the sovereign, which seldom maintains any but unproductive labourers; at the expence of the capital of the people, which main-

tains none but productive. Such taxes, even when they are proportioned to the value of the property transferred, are still unequal; the frequency of transference not being always equal in property of equal value. When they are not proportioned to this value, which is the case with the greater part of the stampduties, and duties of registration, they are still more fo. They are in no respect arbitrary, but are or may be in all cases perfectly clear and certain. Though they iometimes fall upon the person who is not very able to pay; the time of payment





BOOK payment is in most cases sufficiently convenient for him. When the payment becomes due, he must in most cases have the money to pay. They are levied at very little expence, and in general subject the contributors to no other inconveniency befides always the unavoidable one of paying the tax.

In France the stamp-duties are not much complained of. Those of registration, which they call the Contrôle, are. They give occafion, it is pretended, to much extortion in the officers of the farmers-general who collect the tax, which is in a great measure arbitrary and In the greater part of the libels which have been written against the present fystem of finances in France, the abuses of the Contrôle make a principal article. Uncertainty, however, does not feem to be necessarily inherent in the nature of fuch taxes. If the popular complaints are well founded, the abuse must arise, not fo much from the nature of the tax, as from the want of precision and distinctness in the words of the edicts or laws which impose it.

THE registration of mortgages, and in general of all rights upon immoveable property, as it gives great fecurity both to creditors and purchasers, is extremely advantageous to the public. That of the greater part of deeds of other kinds is frequently inconvenient and even dangerous to individuals, without any advantage to the public. All registers which, it is acknowledged, ought to be kept fecret, ought certainly never to exist. The credit of individuals ought certainly never to depend upon fo very flender a fecurity

326

221



OUTUNE OOVERHAME

officers of revenue. But where the fees of registration have been made a fource of revenue to the fovereign, register offices have commonly been multiplied without end, both for the deeds which ought to be registered, and for those which ought not. In France there are several different forts of secret registers. This abuse, though not perhaps a necessary, it must be acknowledged, is a very natural effect of such taxes.

Such flamp-duties as those in England upon cards and dice, upon news-papers and periodical pamphlets, &c. are properly taxes upon confumption; the final payment falls upon the perfons who use or consume such commodities. Such stamp-duties as those upon licences to retail ale, wine, and spirituous liquors, though intended, perhaps, to fall upon the profits of the retailers, are likewise finally paid by the confumers of those liquors. Such taxes, though called by the same name, and levied by the same officers and in the same manner with the stamp-duties above mentioned upon the transference of property, are however of a quite different nature, and fall upon quite different funds.

ARTICLE III.

Taxes upon the Wages of Labour.

THE wages of the inferior classes of workmen, I have endeavoured to show in the first book, are every where necessarily regulated by Vol. III.





BOOK two different circumstances; the demand for labour, and the ordinary or average price of provisions. The demand for labour, according as it happens to be either increasing, stationary, or declining; or to require an increasing, stationary, or declining population, regulates the fubfiftence of the labourer, and determines in what degree it shall be, either liberal, moderate, or fcanty. The ordinary or average price of provisions determines the quantity of money which must be paid to the workman in order to enable him, one year with another, to purchase this liberal, moderate, or fcanty fubfiftence. While the demand for labour and the price of provisions, therefore, remain the fame, a direct tax upon the wages of labour can have no other effect than to raise them somewhat higher than the tax. Let us suppose, for example, that in a particular place the demand for labour and the price of provisions were such, as to render ten shillings a week the ordinary wages of labour; and that a tax of one-fifth, or four shillings in the pound, was imposed upon wages. If the demand for labour and the price of provisions remained the fame, it would fill be necessary that the labourer should in that place earn such a subsistence as could be bought only for ten shillings a week, or that after paying the tax he should have ten shillings a week free wages. But in order to leave him fuch free wages after paying fuch a tax, the price of labour must in that place soon rise, not to twelve shillings a week only, but to twelve and fixpence; that is, in order to enable him to pay

F





pay a tax of one-fifth, his wages must necessarily C H A P. foon rife, not one-fifth part only, but one-fourth.

Whatever was the proportion of the tax, the wages of labour must in all cases rise, not only in that proportion, but in a higher proportion.

If the tax, for example, was one-tenth, the wages of labour must necessarily soon rise, not one-tenth part only, but one-eighth.

A DIRECT tax upon the wages of labour, therefore, though the labourer might perhaps pay it out of his hand, could not properly be faid to be even advanced by him; at least if the demand for labour and the average price of provifions remained the same after the tax as before it. In all fuch cases, not only the tax, but something more than the tax, would in reality be advanced by the person who immediately employed him. The final payment would in different cases fall upon different persons. The rife which fuch a tax might occasion in the wages of manufacturing labour would be advanced by the mafter manufacturer, who would both be entitled and obliged to charge it, with a profit, upon the price of his goods. The final payment of this rife of wages, therefore, together with the additional profit of the mafter manufacturer, would fall upon the confumer. The rife which fuch a tax might occasion in the wages of country labour would be advanced by the farmer, who, in order to maintain the fame number of labourers as before, would be obliged to employ a greater capital. In order to get back this greater capital, together with the ordinary profits of



BOOK of stock, it would be necessary that he should retain a larger portion, or what comes to the fame thing, the price of a larger portion, of the produce of the land, and confequently that he should pay less rent to the landlord. The final payment of this rife of wages, therefore, would in this cafe fall upon the landlord, together with the additional profit of the farmer who had advanced it. In all cases a direct tax upon the wages of labour must, in the long-run, occasion both a greater reduction in the rent of land, and a greater rife in the price of manufactured goods, than would have followed from the proper affestment of a fum equal to the produce of the tax, partly upon the rent of land, and partly upon confumable commodities.

If direct taxes upon the wages of labour have not always occasioned a proportionable rise in those wages, it is because they have generally occasioned a considerable fall in the demand for labour. The declension of industry, the decrease of employment for the poor, the diminution of the annual produce of the land and labour of the country, have generally been the effects of such taxes. In consequence of them, however, the price of labour must always be higher than it otherwise would have been in the actual state of the demand: and this enhancement of price, together with the profit of those who advance it, must always be finally paid by the landlords and consumers.

A TAX upon the wages of country labour does not raise the price of the rude produce of land in proportion to the tax; for the same reason that a







tax upon the farmer's profit does not raise that C HAP.

price in that proportion.

ABSURD and destructive as such taxes are, however, they take place in many countries. In France that part of the taille which is charged upon the industry of workmen and day-labourers in country villages, is properly a tax of this kind. Their wages are computed according to the common rate of the district in which they refide, and that they may be as little liable as possible to any over-charge, their yearly gains are estimated at no more than two hundred working days in the year *. The tax of each individual is varied from year to year according to different circumstances, of which the collector or the commissary, whom the intendant appoints to affift him, are the judges. In Bohemia, in consequence of the alteration in the system of finances which was begun in 1748, a very heavy tax is imposed upon the industry of artificers. They are divided into four classes. The highest elass pay a hundred florins a year; which, at two-and-twenty-pence halfpenny a florin, amounts to 91. 7s. 6d. The second class are taxed at feventy; the third at fifty; and the fourth, comprehending artificers in villages, and the lowest class of those in towns, at twenty-five florins +.

THE recompence of ingenious artists and of men of liberal professions, I have endeavoured to show in the first book, necessarily keeps a certain proportion to the emoluments of inserior

Y 3

trades.

^{*} Memoires concernant les Droits, &c. tom. ii, p. 108.

⁺ Id. tom. iii. p. 87.



GL

could have no other effect than to raise it somewhat higher than in proportion to the tax. If it did not rise in this manner, the ingenious arts and the liberal professions, being no longer upon a level with other trades, would be so much deferted that they would soon return to that level.

THE emoluments of offices are not, like those of trades and professions, regulated by the free competition of the market, and do not, therefore, always bear a just proportion to what the nature of the employment requires. They are, perhaps, in most countries, higher than it requires; the persons who have the administration of government being generally disposed to reward both themselves and their immediate dependents rather more than enough. The emoluments of offices, therefore, can in most cases very well bear to be taxed. The persons, befides, who enjoy public offices, especially the more lucrative, are in all countries the objects of general envy; and a tax upon their emoluments, even though it should be somewhat higher than upon any other fort of revenue, is always a very popular tax. In England, for example, when by the land-tax every other fort of revenue was supposed to be affested at four shillings in the pound, it was very popular to lay a real tax of five shillings and fixpence in the pound upon the falaries of offices which exceeded a hundred pounds a year; the penfions of the younger branches of the royal family, the pay of the officers of the army and navy, and a





few others less obnoxious to envy excepted. C HAP. There are in England no other direct taxes upon the wages of labour.

ARTICLE IV.

Taxes which, it is intended, should fall indifferently upon every different Species of Revenue.

THE taxes which, it is intended, should fall indifferently upon every different species of revenue, are capitation taxes, and taxes upon consumable commodities. These must be paid indifferently from whatever revenue the contributors may posses; from the rent of their land, from the profits of their stock, or from the wages of their labour.

Capitation Taxes.

CAPITATION taxes, if it is attempted to proportion them to the fortune or revenue of each contributor, become altogether arbitrary. The state of a man's fortune varies from day to day, and without an inquisition more intolerable than any tax, and renewed at least once every year, can only be guessed at. His assessment, therefore, must in most cases depend upon the good or bad humour of his assessment, and must, therefore, be altogether arbitrary and uncertain.

CAPITATION taxes, if they are proportioned not to the supposed fortune, but to the rank of each contributor, become altogether unequal;



BOOK the degrees of fortune being frequently unequal in the fame degree of rank.

Such taxes, therefore, if it is attempted to render them equal, become altogether arbitrary and uncertain; and if it is attempted to render them certain and not arbitrary, become altogether unequal. Let the tax be light or heavy, uncertainty is always a great grievance. In a light tax a confiderable degree of inequality may be fupported; in a heavy one it is altogether intolerable.

In the different poll-taxes which took place in England during the reign of William III. the contributors were, the greater part of them, affeffed according to the degree of their rank; as dukes, marquisses, earls, viscounts, barons, esquires, gentlemen, the eldest and youngest fons of peers, &c. All shopkeepers and tradesmen worth more than three hundred pounds, that is, the better fort of them, were fubject to the same affessment; how great soever might be the difference in their fortunes. Their rank was more considered than their fortune. Several of those who in the first poll-tax were rated according to their fupposed fortune, were afterwards rated according to their rank. Serjeants, attornies, and proctors at law, who in the first poll-tax were affeffed at three shillings in the pound of their supposed income, were afterwards affeffed as gentlemen. In the affeffment of a tax which was not very heavy, a confiderable degree of inequality had been found less insupportable than any degree of uncertainty.



SI

In the capitation which has been levied in CHAP. France without any interruption fince the beginning of the present century, the highest orders of people are rated according to their rank by an invariable tariff; the lower orders of people, according to what is supposed to be their fortune, by an affessment which varies from year to year. The officers of the king's court, the judges and other officers in the fuperior courts of justice, the officers of the troops, &c. are affessed in the first manner. The inferior ranks of people in the provinces are affeffed in the fecond. In France the great eafily fubmit to a confiderable degree of inequality in a tax which, fo far as it affects them, is not a very heavy one; but could not brook the arbitrary affeffment of an intendant. The inferior ranks of people must, in that country, suffer patiently the usage which their superiors think proper to give them.

In England the different poll-taxes never produced the fum which had been expected from them, or which, it was supposed, they might have produced, had they been exactly levied. In France the capitation always produces the sum expected from it. The mild government of England, when it affessed the different ranks of people to the poll-tax, contented itself with what that affessment happened to produce; and required no compensation for the loss which the state might sustain either by those who could not pay, or by those who would not pay (for there were many such), and who, by the indulgent execution





BOOK execution of the law, were not forced to pay. The more severe government of France affesses upon each generality a certain fum, which the intendant must find as he can. If any province complains of being affelfed too high, it may, in the affeffment of next year, obtain an abatement proportioned to the over-charge of the year before. But it must pay in the mean time. The intendant, in order to be fure of finding the furn affeffed upon his generality, was impowered to affess it in a larger sum, that the failure or inability of some of the contributors might be compensated by the over-charge of the rest; and till 1765, the fixation of this furplus afferiment was left altogether to his discretion. In that year indeed the council assumed this power to itself. In the capitation of the provinces, it is observed by the perfectly well-informed author of the Memoirs upon the impositions in France, the proportion which falls upon the nobility, and upon those whose privileges exempt them from the taille, is the least considerable. The largest falls upon those subject to the taille, who are affeffed to the capitation at fo much a pound of what they pay to that other tax.

CAPITATION taxes, fo far as they are levied upon the lower ranks of people, are direct taxes upon the wages of labour, and are attended with all the inconveniencies of fuch taxes.

Capitation taxes are levied at little expence; and, where they are rigorously exacted, afford a very sure revenue to the state. It is upon this account that in countries were the ease, com-

fort,



fort, and security of the inferior ranks of people C H A P. are little attended to, capitation taxes are very common. It is in general, however, but a small part of the public revenue, which, in a great empire, has ever been drawn from such taxes; and the greatest sum which they have ever afforded, might always have been found in some other way much more convenient to the people.

Taxes upon consumable Commodities.

THE impossibility of taxing the people, in proportion to their revenue, by any capitation, feems to have given occasion to the invention of taxes upon consumable commodities. The state not knowing how to tax, directly and proportionably, the revenue of its subjects, endeavours to tax it indirectly by taxing their expence, which, it is supposed, will in most cases be nearly in proportion to their revenue. Their expence is taxed by taxing the consumable commodities upon which it is laid out.

CONSUMABLE commodities are either necessa-

By necessaries I understand, not only the commodities which are indispensably necessary for the support of life, but whatever the custom of the country renders it indecent for creditable people, even of the lowest order, to be without. A linen shirt, for example, is, strictly speaking, not a necessary of life. The Greeks and Romans lived,



GL

BOOK lived, I suppose, very comfortably, though they had no linen. But in the present times, through the greater part of Europe, a creditable daylabourer would be ashamed to appear in public without a linen shirt, the want of which would be supposed to denote that disgraceful degree of poverty, which, it is prefumed, no body can well fall into without extreme bad conduct. Custom, in the same manner, has rendered leather shoes a necessary of life in England. The poorest creditable person of either sex would be ashamed to appear in public without them. In Scotland, custom has rendered them a neceffary of life to the lowest order of men; but not to the fame order of women, who may, without any discredit, walk about bare-footed. In France, they are necessaries neither to men nor to women; the lowest rank of both sexes appearing there publicly, without any discredit, fometimes in wooden shoes, and sometimes barefooted. Under necessaries therefore, I comprehend, not only those things which nature, but those things which the established rules of decency have rendered necessary to the lowest rank of people. All other things I call luxuries; without meaning by this appellation, to throw the smallest degree of reproach upon the temperate use of them. Beer and ale, for example, in Great Britain, and wine, even in the wine countries, I call luxuries. A man of any rank may, without any reproach, abstain totally from tafting fuch liquors. Nature does not





not render them necessary for the support of life; CHAP. and custom nowhere renders it indecent to live without them.

As the wages of labour are every where regulated, partly by the demand for it, and partly by the average price of the necessary articles of subfistence; whatever raises this average price must necessarily raise those wages, so that the labourer may still be able to purchase that quantity of those necessary articles which the state of the demand for labour, whether increasing, stationary, or declining, requires that he should have *. A tax upon those articles necessarily raifes their price fomewhat higher than the amount of the tax, because the dealer, who advances the tax, must generally get it back with a profit. Such a tax must, therefore, occasion a rife in the wages of labour proportionable to this rife of price.

It is thus that a tax upon the necessaries of life, operates exactly in the same manner as a direct tax upon the wages of labour. The labourer, though he may pay it out of his hand, cannot, for any considerable time at least, be properly said even to advance it. It must always in the long-run be advanced to him by his immediate employer in the advanced rate of his wages. His employer, if he is a manufacturer, will charge upon the price of his goods this rife of wages, together with a profit; so that the final payment of the tax, together with this over-charge, will fall upon the consumer. If his employer is a

* See Book I. Chap. 8.







BOOK farmer, the final payment, together with a like over-charge, will fall upon the rent of the land-lord.

IT is otherwise with taxes upon what I call luxuries; even upon those of the poor. The rise in the price of the taxed commodities, will not necessarily occasion any rife in the wages of labour. A tax upon tobacco, for example, though a luxury of the poor as well as of the rich, will not raise wages. Though it is taxed in England at three times, and in France at fifteen times its original price, those high duties feem to have no effect upon the wages of labour. The fame thing may be faid of the taxes upon tea and fugar; which in England and Holland have become luxuries of the lowest ranks of people; and of those upon chocolate, which in Spain is faid to have become fo. The different taxes which in Great Britain have in the course of the present century been imposed upon spirituous liquors, are not supposed to have had any effect upon the wages of labour. The rife in the price of porter, occasioned by an additional tax of three shillings upon the barrel of strong beer, has not raised the wages of common labour in London. These were about eighteen pence and twenty-pence a day before the tax, and they are not more now.

THE high price of fuch commodities does not necessarily diminish the ability of the inferior ranks of people to bring up families. Upon the sober and industrious poor, taxes upon such commodities act as sumptuary laws, and dispose them either to moderate, or to refrain altogether from

the



the use of superfluities which they can no longer CHAP. eafily afford. Their ability to bring up families, in confequence of this forced frugality, instead of being diminished, is frequently, perhaps, increafed by the tax. It is the fober and industrious poor who generally bring up the most numerous families, and who principally fupply the demand for ufeful labour. All the poor indeed are not fober and industrious, and the diffolute and diforderly might continue to indulge themfelves in the use of such commodities after this rife of price in the same manner as before; without regarding the diffress which this indulgence might bring upon their families. Such diforderly persons, however, seldom rear up numerous families; their children generally perifhing from neglect, mismanagement, and the fcantiness or unwholesomeness of their food. If by the strength of their constitution they survive the hardships to which the bad conduct of their parents exposes them; yet the example of that bad conduct commonly corrupts their morals; fo that, inftead of being useful to fociety by their industry, they become public nuisances by their vices and diforders. Though the advanced price of the luxuries of the poor, therefore, might increase somewhat the diffress of such disorderly families, and thereby diminish somewhat their ability to bring up children; it would not probably diminish much the useful population of the country.

Any rife in the average price of necessaries, unless it is compensated by a proportionable rise in the wages of labour, must necessarily diminish







BOOK more or less the ability of the poor to bring up numerous families, and confequently to fupply the demand for useful labour; whatever may be the state of that demand, whether increasing, stationary, or declining; or fuch as requires in increafing, flationary, or declining population.

> Taxes upon luxuries have no tendency to raife the price of any other commodities except that of the commodities taxed. Taxes upon necesfaries, by raifing the wages of labour, necessarily tend to raise the price of all manufactures, and confequently to diminish the extent of their sale and confumption. Taxes upon luxuries are finally paid by the confumers of the commodities taxed, without any retribution. They fall indifferently upon every species of revenue, the wages of labour, the profits of stock, and the rent of land. Taxes upon necessaries, fo far as they affect the labouring poor, are finally paid, partly by landlords in the diminished rent of their lands, and partly by rich confumers, whether landlords or others, in the advanced price of manufactured goods; and always with a confiderable over-charge. The advanced price of fuch manufactures as are real necessaries of life, and are deftined for the confumption of the poor, of coarse woollens, for example, must be compensated to the poor by a farther advancement of their wages. The middling and fuperior ranks of people, if they understood their own interest, ought always to oppose all taxes upon the necessaries of life, as well as all direct taxes upon the wages of labour. The final pay-

ment





ment of both the one and the other falls alto- C HAP. gether upon themselves, and always with a confiderable over-charge. They fall heaviest upon the landlords, who always pay in a double capacity; in that of landlords, by the reduction of their rent; and in that of rich confumers, by the increase of their expence. The observation of Sir Matthew Decker, that certain taxes are, in the price of certain goods, fometimes repeated and accumulated four or five times, is perfectly just with regard to taxes upon the necessaries of life. In the price of leather, for example, you must pay, not only for the tax upon the leather of your own shoes, but for a part of that upon those of the shoe-maker and the tanner. You must pay too for the tax upon the salt, upon the foap, and upon the candles which those workmen confume while employed in your fervice, and for the tax upon the leather, which the faltmaker, the foap-maker, and the candle-maker confume while employed in their fervice.

In Great Britain, the principal taxes upon the necessaries of life are those upon the four commodities just now mentioned, falt, leather,

foap, and candles.

SALT is a very ancient and a very universal fubject of taxation. It was taxed among the Romans, and it is fo at prefent in, I believe, every part of Europe. The quantity annually confumed by any individual is so small, and may be purchased so gradually, that nobody, it feems to have been thought, could feel very sensibly even a pretty heavy tax upon it. It is Vol. III. in



in England taxed at three shillings and fourpence a bushel; about three times the original price of the commodity. In fome other countries the tax is still higher. Leather is a real necessary of life. The use of linen renders soap fuch. In countries where the winter nights are long, candles are a necessary instrument of trade. Leather and foap are in Great Britain taxed at three halfpence a pound; candles at a penny; taxes which, upon the original price of leather, may amount to about eight or ten per cent.; upon that of foap to about twenty or five and twenty per cent.; and upon that of candles to about fourteen or fifteen per cent.; taxes which. though lighter than that upon falt, are still very heavy. As all those four commodities are real necessaries of life, fuch heavy taxes upon them must increase somewhat the expence of the sober

In a country where the winters are fo cold as in Great Britain, fuel is, during that feafon, in the strictest sense of the word, a necessary of life, not only for the purpose of dressing victuals, but for the comfortable subsistence of many different forts of workmen who work within doors; and coals are the cheapest of all fuel. The price of fuel has fo important an influence upon that of labour, that all over Great Britain manufactures have confined themselves principally to the coal countries; other parts of the country, on account of the high price of this necessary article, not being able to work fo cheap. In fome manufactures.

and industrious poor, and must confequently

raise more or less the wages of their labour.



factures, besides, coal is a necessary instrument C H A P. of trade; as in those of glass, iron, and all other metals. If a bounty could in any case be reafonable, it might perhaps be fo upon the transportation of coals from those parts of the country in which they abound, to those in which they are wanted. But the legislature, instead of a bounty, has imposed a tax of three shillings and three-pence a ton upon coal carried coastways; which upon most forts of coal is more than fixty per cent. of the original price at the coal-pit. Coals carried either by land or by inland navigation pay no duty. Where they are naturally cheap, they are confumed duty free: where they are naturally dear, they are loaded with a heavy duty.

Such taxes, though they raise the price of fublistence, and confequently the wages of labour, yet they afford a confiderable revenue to government, which it might not be easy to find in any other way. There may, therefore, be good reasons for continuing them. The bounty upon the exportation of corn, fo far as it tends in the actual state of tillage to raise the price of that necessary article, produces all the like bad effects; and instead of affording any revenue. frequently occasions a very great expence to government. The high duties upon the importation of foreign corn, which in years of moderate plenty amount to a prohibition; and the absolute prohibition of the importation either of live cattle or of falt provisions, which takes place in the ordinary state of the law, and which,

Z 2

on





for a limited time with regard to Ireland and the British plantations, have all the bad effects of taxes upon the necessaries of life, and produce no revenue to government. Nothing seems necessary for the repeal of such regulations, but to convince the public of the futility of that system in consequence of which they have been established.

Taxes upon the necessaries of life are much higher in many other countries than in Great Britain. Duties upon flour and meal when ground at the mill, and upon bread when baked at the oven, take place in many countries. In Holland the money price of the bread confumed in towns is supposed to be doubled by means of fuch taxes. In lieu of a part of them, the people who live in the country pay every year fo much a head, according to the fort of bread they are supposed to confume. Those who confume wheaten bread, pay three guilders fifteen stivers; about fix shillings and ninepence halfpenny. These, and some other taxes of the same kind. by raifing the price of labour, are faid to have ruined the greater part of the manufactures of Holland *. Similar taxes, though not quite fo heavy, take place in the Milanese, in the states of Genoa, in the dutchy of Modena, in the dutchies of Parma, Placentia, and Guaftalla, and in the ecclefiaftical state. A French + author

⁺ Le Reformateur.



^{*} Memoires concernant les Droits, &c. p. 210, 211.



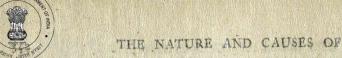
of fome note has proposed to reform the finances c HAP. of his country, by substituting in the room of the greater part of other taxes, this most ruinous of all taxes. There is nothing so absurd, says Cicero, which has not sometimes been afferted by some philosophers.

Taxes upon butchers meat are still more common than those upon bread. It may indeed be doubted whether butchers meat is any where a necessary of life. Grain and other vegetables, with the help of milk, cheese, and butter, or oil, where butter is not to be had, it is known from experience, can, without any butchers meat, afford the most plentiful, the most wholesome, the most nourishing, and the most invigorating diet. Decency no where requires that any man should eat butchers meat, as it in most places requires that he should wear a linen shirt or a pair of leather shoes.

Consumable commodities, whether necessaries or luxuries, may be taxed in two different ways. The confumer may either pay an annual fum on account of his using or consuming goods of a certain kind; or the goods may be taxed while they remain in the hands of the dealer, and before they are delivered to the consumer. The consumable goods which last a considerable time before they are consumed altogether, are most properly taxed in the one way. Those of which the consumption is either immediate or more speedy, in the other. The coach-tax and plate-tax are examples of the former method

347

of





воок of imposing: the greater part of the other duties of excise and customs, of the latter.

A COACH may, with good management, last ten or twelve years. It might be taxed, once for all, before it comes out of the hands of the coach-maker. But it is certainly more convenient for the buyer to pay four pounds a year for the privilege of keeping a coach, than to pay all at once forty or forty-eight pounds additional price to the coach-maker; or a fum equivalent to what the tax is likely to cost him during the time he uses the same coach. A fervice of plate, in the fame manner, may laft more than a century. It is certainly easier for the confumer to pay five shillings a year for every hundred ounces of plate, near one per cent. of the value, than to redeem this long annuity at five and twenty or thirty years purchase, which would enhance the price at least five and twenty or thirty per cent. The different taxes which affect houses are certainly more conveniently paid by moderate annual payments, than by a heavy tax of equal value upon the first building or fale of the house.

It was the well-known proposal of Sir Matthew Decker, that all commodities, even those of which the consumption is either immediate or very speedy, should be taxed in this manner; the dealer advancing nothing, but the consumer paying a certain annual sum for the licence to consume certain goods. The object of his scheme was to promote all the different branches of





of foreign trade, particularly the carrying trade, C HAP. by taking away all duties upon importation and exportation, and thereby enabling the merchant to employ his whole capital and credit in the purchase of goods and the freight of ships, no part of either being diverted towards the advancing of taxes. The project, however, of taxing, in this manner, goods of immediate or speedy confumption, feems liable to the four following very important objections. First, the tax would be more unequal, or not fo well proportioned to the expence and confumption of the different contributors, as in the way in which it is commonly imposed. The taxes upon ale, wine, and spirituous liquors, which are advanced by the dealers, are finally paid by the different confumers exactly in proportion to their respective confumption. But if the tax were to be paid by purchasing a licence to drink those liquors, the fober would, in proportion to his confumption, be taxed much more heavily than the drunken confumer. A family which exercised great hospitality would be taxed much more lightly than one who entertained fewer guests. Secondly, this mode of taxation, by paying for an annual, half-yearly, or quarterly licence to confume certain goods, would diminish very much one of the principal conveniences of taxes upon goods of fpeedy confumption; the piece-meal payment. In the price of three-pence halfpenny, which is at prefent paid for a pot of porter, the different taxes upon malt, hops, and beer, together with the extaordinary profit which the Z 4 brewer



GL

THE NATURE AND CAUSES OF

BOOK brewer charges for having advanced them, may perhaps amount to about three halfpence. If a workman can conveniently spare those three halfpence, he buys a pot of porter. If he cannot, he contents himself with a pint, and, as a penny faved is a penny got, he thus gains a farthing by his temperance. He pays the tax piecemeal, as he can afford to pay it, and when he can afford to pay it; and every ast of payment is perfectly voluntary, and what he can avoid if he chuses to do fo. Thirdly, such taxes would operate less as fumptuary laws. When the licence was once purchased, whether the purchaser drunk much or drunk little, his tax would be the fame. Fourthly, if a workman were to pay all at once, by yearly, half-yearly, or quarterly payments, a tax equal to what he at present pays, with little or no inconveniency, upon all the different pots and pints of porter which he drinks in any fuch period of time, the fum might frequently diffress him very much. This mode of taxation, therefore, it feems evident, could never, without the most grievousoppression, produce a revenue nearly equal to what is derived from the present mode without any oppression. In several countries, however, commodities of an immediate or very speedy confumption are taxed in this manner. In Holland, people pay fo much a head for a licence to drink tea. I have already mentioned a tax upon bread, which, so far as it is confumed in farmhouses and country villages, is there levied in the fame manner.

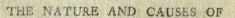




SL

THE duties of excise are imposed chiefly upon goods of home produce destined for home confumption. They are imposed only upon a few forts of goods of the most general use. There can never be any doubt either concerning the goods which are subject to those duties, or concerning the particular duty which each species of goods is subject to. They fall almost altogether upon what I call luxuries, excepting always the four duties above mentioned, upon salvays the four duties, and, perhaps, that upon green glass,

THE duties of customs are much more ancient than those of excise. They seem to have been called cuftoms, as denoting cuftomary payments which had been in use from time immemorial. They appear to have been originally confidered as taxes upon the profits of merchants. During the barbarous times of feudal anarchy, merchants, like all the other inhabitants of burghs, were confidered as little better than emancipated bondmen, whose persons were despised, and whose gains were envied. The great nobility, who had confented that the king should tallage the profits of their own tenants, were not unwilling that he should tallage likewise those of an order of men whom it was much less their interest to protect. In those ignorant times, it was not understood, that the profits of merchants are a fubject not taxable directly; or that the final payment of all fuch taxes must fall, with a confiderable over-charge, upon the confumers.





GL

upon more unfavourably than those of English merchants. It was natural, therefore, than those of the former should be taxed more heavily than those of the latter. This distinction between the duties upon aliens and those upon English merchants, which was begun from ignorance, has been continued from the spirit of monopoly, or in order to give our own merchants an advantage both in the home and in the foreign marker.

WITH this distinction, the ancient duties of customs were imposed equally upon all forts of goods, necessaries as well as luxuries, goods exported as well as goods imported. Why should the dealers in one fort of goods, it seems to have been thought, be more favoured than those in another? or why should the merchant exporter be more favoured than the merchant importer?

The ancient customs were divided into three branches. The first, and perhaps the most ancient of all those duties, was that upon wool and leather. It seems to have been chiefly or altogether an exportation duty. When the woollen manufacture came to be established in England, lest the king should lose any part of his customs upon wool by the exportation of woollen cloths, a like duty was imposed upon them. The other two branches were, first, a duty upon wine, which, being imposed at so much a ton, was called a tonnage; and, secondly, a duty upon all other goods, which, being imposed at so much

much a pound of their supposed value, was called CHAP. a poundage. In the forty-seventh year of Edward III. a duty of fixpence in the pound was imposed upon all goods exported and imported, except wools, wool-fells, leather, and wines, which were subject to particular duties. In the fourteenth of Richard II. this duty was raifed to one shilling in the pound; but three years afterwards, it was again reduced to fixpence. It was raifed to eight-pence in the fecond year of Henry IV.; and in the fourth year of the fame prince, to one shilling. From this time to the ninth year of William III. this duty continued at one shilling in the pound. The duties of tonnage and poundage were generally granted to the king by one and the fame act of parliament, and were called the Subfidy of Tonnage and Poundage. The fubfidy of poundage having continued for fo long a time at one shilling in the pound, or at five per cent.; a fubfidy came, in the language of the customs, to denote a general duty of this kind of five per cent. This fubfidy, which is now called the Old Subfidy, still continues to be levied according to the book of rates established in the twelfth of Charles II. The method of afcertaining, by a book of rates, the value of goods fubject to this duty, is faid to be older than the time of James I. The new fublidy imposed by the ninth and tenth of William III., was an additional five per cent, upon the greater part of goods. The one-third and the two-third fubfidy made up between them another five per cent.





The subsidy of 1747 made a fourth five per cent. upon the greater part of goods; and that of 1759, a fifth upon some particular forts of goods. Besides those sive subsidies, a great variety of other duties have occasionally been imposed upon particular forts of goods, in order sometimes to relieve the exigencies of the state, and sometimes to regulate the trade of the country, according to the principles of the mercantile system.

tyitem.

THAT fystem has come gradually more and more into fashion. The old subsidy was imposed indifferently upon exportation as well as importation. The four subsequent subsidies, well as the other duties which have fince been occasionally imposed upon particular forts of goods, have, with a few exceptions, been laid altogether upon importation. The greater part of the ancient duties which had been imposed upon the exportation of the goods of home produce and manufacture, have either been lightened or taken away altogether. In most cases they have been taken away. Bounties have even been given upon the exportation of some of them. Drawbacks too, fometimes of the whole, and, in most cases, of a part of the duties which are paid upon the importation of foreign goods, have been granted upon their exportation. Only half the duties imposed by the old fubfidy upon importation are drawn back upon exportation: but the whole of those imposed by the latter fubfidies and other imposts are, upon the





the greater part of goods, drawn back in the C H A fame manner. This growing favour of exportation, and discouragement of importation, have fuffered only a few exceptions, which chiefly concern the materials of fome manufactures. These, our merchants and manufacturers are willing should come as cheap as possible to themselves, and as dear as possible to their rivals and competitors in other countries. Foreign materials are, upon this account, fometimes allowed to be imported duty free; Spanish wool, for example, flax, and raw linen yarn. The exportation of the materials of home produce. and of those which are the particular produce of our colonies, has fometimes been prohibited, and fometimes fubjected to higher duties. The exportation of English wool has been prohibited. That of beaver skins, of beaver wool, and of gum Senega, has been subjected to higher duties; Great Britain, by the conquest of Canada and Senegal, having got almost the monopoly of those commodities.

That the mercantile fystem has not been very favourable to the revenue of the great body of the people, to the annual produce of the land and labour of the country, I have endeavoured to shew in the fourth book of this Inquiry. It seems not to have been more favourable to the revenue of the sovereign; so far at least as that revenue depends upon the duties of customs.

In consequence of that system, the importation of several forts of goods has been prohibited altogether. This prohibition has in some cases entirely







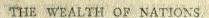
diminished the importation of those commodities, by reducing the importers to the necessity of simuggling. It has entirely prevented the importation of foreign woollens; and it has very much diminished that of foreign silks and velvets. In both cases it has entirely annihilated the revenue of customs which might have been levied upon such importation.

The high duties which have been imposed upon the importation of many different forts of foreign goods, in order to discourage their confumption in Great Britain, have in many cases served only to encourage smuggling; and in all cases have reduced the revenue of the customs below what more moderate duties would have afforded. The saying of Dr. Swift, that in the arithmetic of the customs two and two, instead of making sour, make sometimes only one, holds perfectly true with regard to such heavy duties, which never could have been imposed, had not the mercantile system taught us, in many cases, to employ taxation as an instrument, not of revenue, but of monopoly.

THE bounties which are fometimes given upon the exportation of home produce and manufactures, and the drawbacks which are paid upon the re-exportation of the greater part of foreign goods, have given occasion to many frauds, and to a species of sinuggling more destructive of the public revenue than any other. In order to obtain the bounty or drawback, the goods, it is well known, are sometimes

shipped

(356)



SL

shipped and sent to sea; but soon afterwards c H a P. clandestinely relanded in some other part of the country. The defalcation of the revenue of customs occasioned by bouncies and drawbacks. of which a great part are obtained fraudulently, is very great. The gross produce of the customs in the year which ended on the 5th of January 1755, amounted to 5,068,0001. The bounties which were paid out of this revenue. though in that year there was no bounty upon corn, amounted to 167,800%. The drawbacks which were paid upon debentures and certificates, to 2,156,800%. Bounties and drawbacks together, amounted to 2,324,600%. In confequence of these deductions the revenue of the cultoms amounted only to 2,743,400 l.: from which, deducting 287,900%, for the expence of management in falaries and other incidents, the neat revenue of the cuftoms for that year comes out to be 2,455,500 l. The expence of management amounts in this manner to between five and fix per cent. upon the gross revenue of the customs, and to fomething more than ten per cent. upon what remains of that revenue, after deducting what is paid away in bounties and drawbacks.

Heavy duties being imposed upon almost all goods imported, our merchant importers smuggle as much, and make entry of as little as they can. Our merchant exporters, on the contrary, make entry of more than they export; sometimes out of vanity, and to pass for great dealers in goods which pay no duty; and sometimes to gain a bounty

(357)





quence of these different frauds, appear upon the customhouse books greatly to overbalance our imports; to the unspeakable comfort of those politicians who measure the national prosperity by what they call the balance of trade.

All goods imported, unless particularly exempted, and fuch exemptions are not very numerous, are liable to some duties of customs. If any goods are imported not mentioned in the book of rates, they are taxed at 4s. 9 d. for every twenty shillings value, according to the oath of the importer, that is, nearly at five fubfidies, or five poundage duties. The book of rates is extremely comprehensive, and enumerates a great variety of articles, many of them little used, and therefore not well known. It is upon this account frequently uncertain under what article a particular fort of goods ought to be classed, and consequently what duty they ought to pay. Mistakes with regard to this fometimes ruin the customhouse officer, and frequently occasion much trouble, expence, vexation to the importer. In point of perspicuity, precision, and distinctness, therefore, the duties of customs are much inferior to those of excise.

In order that the greater part of the members of any fociety should contribute to the public revenue in proportion to their respective expence, it does not seem necessary that every single article of that expence should be taxed. The revenue, which is levied by the duties of excise,





is supposed to fall as equally upon the contri- C HAP. butors as that which is levied by the duties of cuftoms; and the duties of excise are imposed upon a few articles only of the most general use and confumption. It has been the opinion of many people, that, by proper management, the duties of customs might likewise, without any loss to the public revenue, and with great advantage to foreign trade, be confined to a few articles only.

THE foreign articles, of the most general use and confumption in Great Britain, feem at prefent to confift chiefly in foreign wines and brandies; in some of the productions of America and the West Indies, sugar, rum, tobacco, cocoanuts; &c. and in some of those of the East Indies, tea, coffee, china-ware, fpiceries of all kinds. feveral forts of piece-goods, &c. Thefe different articles afford, perhaps, at prefent, the greater part of the revenue which is drawn from the duties of customs. The taxes which at prefent fublist upon foreign manufactures, if you except those upon the few contained in the foregoing enumeration, have the greater part of them been imposed for the purpose, not of revenue, but of monopoly, or to give our own merchants an advantage in the home market. By removing all prohibitions, and by fubjecting all foreign manufactures to fuch moderate taxes, as it was found from experience afforded upon each article the greatest revenue to the public, our own workmen might still have a considerable advantage in the home market, and many ar-Vol. III. ticles,



BOOK ticles, some of which at present afford no revenue to government, and others a very inconfiderable one, might afford a very great one.

HIGH taxes, fometimes by diminishing the confumption of the taxed commodities, and fometimes by encouraging fmuggling, frequently afford a fmaller revenue to government than might be drawn from more moderate what taxes.

WHEN the diminution of revenue is the effect of the diminution of confumption, there can be but one remedy, and that is the lowering of the tax.

WHEN the diminution of the revenue is the effect of the encouragement given to fmuggling, it may perhaps be remedied in two ways; either by diminishing the temptation to smuggle, or by increasing the difficulty of fmuggling. temptation to fmuggle can be diminished only by the lowering of the tax; and the difficulty of fmuggling can be increased only by establishing that fystem of administration which is most proper for preventing it.

THE excise laws, it appears, I believe, from experience, obstruct and embarrass the operations of the fmuggler much more effectually than those of the customs. By introducing into the customs a system of administration as similar to that of the excise as the nature of the different duties will admit, the difficulty of fmuggling might be very much increased. This alteration, it has been supposed by many people, might very eafily be brought about.



THE importer of commodities liable to any CHAP. duties of customs, it has been faid, might at his option be allowed either to carry them to his own private warehouse, or to lodge them in a warehouse provided either at his own expence or at that of the public, but under the key of the customhouse officer, and never to be opened but in his presence. If the merchant carried them to his own private warehouse, the duties to be immediately paid, and never afterwards to be drawn back; and that warehouse to be at all times subject to the visit and examination of the customhouse officer, in order to ascertain how far the quantity contained in it corresponded with that for which the duty had been paid. If he carried them to the public warehouse, no duty to be paid till they were taken out for home confumption. If taken out for exportation, to be duty-free; proper fecurity being always given that they should be so exported. The dealers in those particular commodities, either by wholefale or retail, to be at all times subject to the visit and examination of the customhouse officer; and to be obliged to justify by proper certificates the payment of the duty upon the whole quantity contained in their shops or warehouses. What are called the excise-duties upon rum imported are at present levied in this manner, and the fame fystem of administration might perhaps be extended to all duties upon goods imported; provided always that those duties were, like the duties of excise, confined to a few forts of goods of the most general use and con-Aa2 fumption.





BOOK fumption. If they were extended to almost all forts of goods, as at present, public warehouses of fufficient extent could not eafily be provided, and goods of a very delicate nature, or of which the prefervation required much care and attention, could not fafely be trufted by the merchant in any warehouse but his own,

> If by fuch a fystem of administration smuggling, to any confiderable extent, could be prevented even under pretty high duties; and if every duty was occasionally either heightened or lowered according as it was most likely, either the one way or the other, to afford the greatest revenue to the state; taxation being always employed as an instrument of revenue and never of monopoly; it feems not improbable that a revenue, at least equal to the present neat revenue of the customs, might be drawn from duties upon the importation of only a few forts of goods of the most general use and confumption; and that the duties of customs might thus be brought to the fame degree of simplicity, certainty, and precifion, as those of excise. What the revenue at prefent loses, by drawbacks upon the re-exportation of foreign goods which are afterwards relanded and confumed at home, would under this system. be faved altogether. If to this faving, which would alone be very confiderable, were added the abolition of all bounties upon the exportation of home-produce; in all cases in which those bounties were not in reality drawbacks of fome duties of excise which had before been advanced; it cannot well be doubted but that the neat revenue





of customs might, after an alteration of this kind, C H A P. be fully equal to what it had ever been before.

IF by fuch a change of fystem the public revenue fuffered no lofs, the trade and manufactures of the country would certainly gain a very confiderable advantage. The trade in the commodities not taxed, by far the greatest number, would be perfectly free, and might be carried on to and from all parts of the world with every possible advantage. Among those commodities would be comprehended all the necessaries of life, and all the materials of manufacture. So far as the free importation of the necessaries of life reduced their average money price in the home market, it would reduce the money price of labour, but without reducing in any respect its real recompence. The value of money is in proportion to the quantity of the necessaries of life which it will purchase. That of the necessaries of life is altogether independent of the quantity of money which can be had for them. The reduction in the money price of labour would necessarily be attended with a proportionable one in that of all home-manufactures, which would thereby gain fome advantage in all foreign markets. The price of some manufactures would be reduced in a still greater proportion by the free importation of the raw materials. If raw filk could be imported from China and Indostan duty-free, the filk manufacturers in England could greatly underiell those of both France and Italy. There would be no occasion to prohibit the importation of foreign filks and velvets. The cheapness





BOOK of their goods would fecure to our own workmen, not only the possession of the home, but a very great command of the foreign market, Even the trade in the commodities taxed would be carried on with much more advantage than at present. If those commodities were delivered out of the public warehouse for foreign exportation, being in this case exempted from all taxes, the trade in them would be perfectly free. The carrying trade in all forts of goods would under this fystem enjoy every possible advantage. If those commodities were delivered out for homeconfumption, the importer not being obliged to advance the tax till he had an opportunity of felling his goods, either to fome dealer, or to fome confumer, he could always afford to fell them cheaper than if he had been obliged to advance it at the moment of importation. Under the fame taxes, the foreign trade of confumption even in the taxed commodities, might in this manner be carried on with much more advantage than it can at present.

IT was the object of the famous excise scheme of Sir Robert Walpole to establish, with regard to wine and tobacco, a system not very unlike that which is here proposed. But though the bill which was then brought into parliament, comprehended those two commodities only; it was generally supposed to be meant as an introduction to a more extensive scheme of the fame kind. Faction, combined with the interest of fmuggling merchants, raifed fo violent, though fo unjust, a clamour against that bill, that the

minister





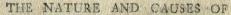
minister thought proper to drop it; and from a CHAP. dread of exciting a clamour of the same kind, none of his successors have dared to resume the project.

The duties upon foreign luxuries imported for home-confumption, though they fometimes fall upon the poor, fall principally upon people of middling or more than middling fortune. Such are, for example, the duties upon foreign wines, upon coffee, chocolate, tea, fugar, &c.

The duties upon the cheaper luxuries of home-produce destined for home-consumption, fall pretty equally upon people of all ranks in proportion to their respective expense. The poor pay the duties upon malt, hops, beer, and ale, upon their own consumption: The rich, upon both their own consumption and that of their servants.

THE whole confumption of the inferior ranks of people, or of those below the middling rank, it must be observed, is in every country much greater, not only in quantity, but in value, than that of the middling and of those above the middling rank. The whole expence of the inferior is much greater than that of the superior ranks. In the first place, almost the whole capital of every country is annually distributed among the inferior ranks of people, as the wages of productive labour. Secondly, a great part of the revenue arising from both the rent of land and the profits of stock, is annually distributed among the same rank, in the wages and maintenance of menial fervants, and other unproductive labourers. Thirdly, some part of the profits

Aa4 of





BOOK of stock belongs to the same rank, as a revenue arifing from the employment of their small capitals. The amount of the profits annually made by fmall shopkeepers, tradefmen, and retailers of all kinds, is every where very confiderable, and makes a very confiderable portion of the annual produce. Fourthly, and laftly, fome part even of the rent of land belongs to the fame rank; a confiderable part to those who are fornewhat below the middling rank, and a fmall part even to the lowest rank; common labourers fometimes possessing in property an acre or two of land. Though the expence of those inferior ranks of people, therefore, taking them individually, is very small, yet the whole mass of it, taking them collectively, amounts always to by much the largest portion of the whole expence of the fociety; what remains, of the annual produce of the land and labour of the country for the confumption of the fuperior ranks, being always much lefs, not only in quantity but in value. The taxes upon expence, therefore, which fall chiefly upon that of the superior ranks of people, upon the fmaller portion of the annual produce, are likely to be much less productive than either those which fall indifferently upon the expence of all ranks, or even those which fall chiefly upon that of the inferior ranks; than either those which fall indifferently upon the whole annual produce, or those which fall chiefly upon the larger portion of it. The excise upon the materials and manufacture of home-made fermented and fpirituous liquors is accordingly,





of all the different taxes upon expence, by far CHAP, the most productive; and this branch of the excise falls very much, perhaps principally, upon the expence of the common people. In the year which ended on the 5th of July 1775, the gross produce of this branch of the excise amounted to 3,341,837 l. 9 s. 9 d.

IT must always be remembered, however, that it is the luxurious and not the necessary expence of the inferior ranks of people that ought ever to be taxed. The final payment of any tax upon their necessary expence would fall altogether upon the fuperior ranks of people; upon the smaller portion of the annual produce, and not upon the greater. Such a tax must in all cases either raise the wages of labour, or lessen the demand for it. It could not raise the wages of labour, without throwing the final payment of the tax upon the superior ranks of people. It could not leffen the demand for labour, without leffening the annual produce of the land and labour of the country, the fund from which all taxes must be finally paid. Whatever might be the state to which a tax of this kind reduced the demand for labour, it must always raise wages higher than they otherwise would be in that state; and the final payment of this enhancement of wages must in all cases fall upon the superior ranks of people.

FERMENTED liquors brewed, and spirituous liquors distilled, not for sale, but for private use, are not in Great Britain liable to any duties of excise. This exemption, of which the object is to save private samilies from the odious visit and

examination

367

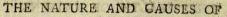


burdens of which they at present complain the CHAP. most; while at the same time the revenue might be confiderably augmented.

THE objections of Dr. Davenant to this alteration in the prefent fystem of excise duties, seem to be without foundation. Those objections are, that the tax, instead of dividing itself as at prefent pretty equally upon the profit of the maltfter, upon that of the brewer, and upon that of the retailer, would, fo far as it affected profit, fall altogether upon that of the maltster; that the maltster could not so easily get back the amount of the tax in the advanced price of his malt, as the brewer and retailer in the advanced price of their liquor; and that so heavy a tax upon malt might reduce the rent and profit of barley land.

No tax can ever reduce, for any confiderable time, the rate of profit in any particular trade, which must always keep its level with other trades in the neighbourhood. The prefent duties upon malt, beer, and ale, do not affect the profits of the dealers in those commodities, who all get back the tax with an additional profit, in the enhanced price of their goods. A tax indeed may render the goods upon which it is imposed fo dear as to diminish the consumption of them. But the confumption of malt is in malt liquors; and a tax of eighteen shillings upon the quarter of malt could not well render those liquors dearer than the different taxes, amounting to twenty-four or twenty-five shillings, do at prefent. Those liquors, on the contrary, would probably become cheaper, and the confumption





BOOK of them would be more likely to increase than to

IT is not very easy to understand why it should be more difficult for the maltster to get back eighteen shillings in the advanced price of his malt, than it is at present for the brewer to get back twenty-four or twenty-five, fometimes thirty shillings, in that of his liquor. maltster, indeed, instead of a tax of fix shillings, would be obliged to advance one of eighteen shillings upon every quarter of malt. But the brewer is at prefent obliged to advance a tax of twenty-four or twenty-five, fometimes thirty fhillings upon every quarter of malt which he brews. It could not be more inconvenient for the maltster to advance a lighter tax, than it is at present for the brewer to advance a heavier one. The maltster doth not always keep in his granaries a flock of malt which it will require a longer time to dispose of, than the stock of beer and ale which the brewer frequently keeps in his The former, therefore, may frequently get the returns of his money as foon as the latter. But whatever inconveniency might arife to the maltster from being obliged to advance a heavier tax, it could eafily be remedied by granting him a few months longer credit than is at prefent commonly given to the brewer.

NOTHING could reduce the rent and profit of barley land which did not reduce the demand for barley. But a change of fystem, which reduced the duties upon a quarter of malt brewed into beer and ale from twenty-four and twenty-five shillings to eighteen shillings, would be



GL

more likely to increase than diminish that de- c H A r. mand. The rent and profit of barley land, befides, must always be nearly equal to those of other equally fertile and equally well cultivated land. If they were less, some part of the barley land would foon be turned to fome other purpose; and if they were greater, more land would foon be turned to the raifing of barley. When the ordinary price of any particular produce of land is at what may be called a monopoly price, a tax upon it necessarily reduces the rent and profit of the land which grows it. A tax upon the produce of those precious vineyards, of which the wine falls fo much fhort of the effectual demand, that its price is always above the natural proportion to that of the produce of other equally fertile and equally well cultivated land, would necessarily reduce the rent and profit of those vineyards. The price of the wines being already the highest that could be got for the quantity commonly fent to market, it could not be raifed higher without diminish. ing that quantity; and the quantity could not be diminished without still greater loss, because the lands could not be turned to any other equally valuable produce. The whole weight of the tax, therefore, would fall upon the rent and profit; properly upon the rent of the vineyard. When it has been proposed to lay any new tax upon fugar, our fugar planters have frequently complained that the whole weight of fuch taxes fell, not upon the confumer, but upon the producer; they never having been able to . Vol. III. Bb raise



BOOK raife the price of their fugar after the tax, higher than it was before. The price had, it feems, before the tax been a monopoly price; and the argument adduced to flew that fugar was an improper subject of taxation, demonstrated, perhaps, that it was a proper one; the gains of monopolists, whenever they can be come at, being certainly of all fubjects the most proper. But the ordinary price of barley has never been a monopoly price; and the rent and profit of barley land have never been above their natural proportion to those of other equally fertile and equally well cultivated land. The different taxes which have been imposed upon malt, beer, and ale, have never lowered the price of barley; have never reduced the rent and profit of barley land. The price of malt to the brewer has conflantly rifen in proportion to the taxes imposed upon it; and those taxes, together with the different duties upon beer and ale, have constantly either raised the price, or what comes to the fame thing, reduced the quality of those commodities to the consumer. The final payment of those taxes has fallen constantly upon the confumer, and not upon the producer.

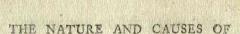
> THE only people likely to fuffer by the change of fystem here proposed, are those who brew for their own private use. But the exemption, which this fuperior rank of people at prefent enjoy, from very heavy taxes which are paid by the poor labourer and artificer, is furely most unjust and unequal, and ought to be taken away,





even though this change was never to take place. C H A P. It has probably been the interest of this superior order of people, however, which has hitherto prevented a change of system that could not well fail both to increase the revenue and to relieve the people.

Besides fuch duties as those of customs and excise above-mentioned, there are several others which affect the price of goods more unequally and more indirectly. Of this kind are the duties which in French are called Péages, which in old Saxon times were called Duties of Passage, and which feem to have been originally established for the same purpose as our turnpike tolls, or the tolls upon our canals and navigable rivers, for the maintenance of the road or of the navigation. Those duties, when applied to such purposes, are most properly imposed according to the bulk or weight of the goods. As they were originally local and provincial duties, applicable to local and provincial purpofes, the administration of them was in most cases entrusted to the particular town, parish, or lordship, in which they were levied; fuch communities being in fome way or other supposed to be accountable for the application. The fovereign, who is altogether unaccountable, has in many countries affumed to himself the administration of those duties; and though he has in most cases enhanced very much the duty, he has in many entirely neglected the application. If the turnpike tolls of Great Britain should ever become one of the refources of government, we may B b 2 learn,



GL

what would probably be the confequence. Such tolls are no doubt finally paid by the confumer; but the confumer is not taxed in proportion to his expence when he pays, not according to the value, but according to the bulk or weight of what he confumes. When fuch duties are imposed, not according to the bulk or weight, but according to the sulk or weight, but according to the sulk or weight, but according to the sulk or weight, but according to the supposed value of the goods, they become properly a fort of inland customs or excises, which obstruct very much the most important of all branches of commerce, the interior commerce of the country.

In fome fmall ftates duties fimilar to those paffage duties are imposed upon goods carried across the territory, either by land or by water, from one foreign country to another. These are in fome countries called transit-duties. Some of the little Italian flates, which are fituated upon the Po, and the rivers which run into it, derive fome revenue from duties of this kind, which are paid altogether by foreigners, and which, perhaps, are the only duties that one state can impose upon the subjects of another, without obstructing in any respect the industry or commerce of its own. The most important transitduty in the world is that levied by the king of Denmark upon all merchant ships which pass through the Sound.

Such taxes upon luxuries as the greater part of the duties of cultoms and excise, though they all fall indifferently upon every different species of revenue, and are paid finally, or without any retribution.

379



retribution, by whoever confumes the commo- CHAP. dities upon which they are imposed, yet they do . not always fall equally or proportionably upon the revenue of every individual. As every man's humour regulates the degree of his confumption, every man contributes rather according to his humour than in proportion to his revenue; the profuse contribute more, the parsimonious less, than their proper proportion. During the minority of a man of great fortune, he contributes commonly very little, by his confumption, towards the support of that state from whose protection he derives a great revenue. Those who live in another country contribute nothing, by their confumption, towards the support of the government of that country, in which is fituated the fource of their revenue. If in this latter country there should be no land-tax, nor any considerable duty upon the transference either of moveable or of immoveable property, as is the case in Ireland, such absentees may derive a great revenue from the protection of a government to the support of which they do not contribute a fingle shilling. This inequality is likely to be greatest in a country of which the government is in some respects subordinate and dependent upon that of some other. The people who posfess the most extensive property in the dependent, will in this case generally chuse to live in the governing country. Ireland is precifely in this fituation, and we cannot therefore wonder that the proposal of a tax upon absentees should be fo very popular in that country. It might, perhaps,





BOOK perhaps, be a little difficult to ascertain either what fort, or what degree of absence would subject a man to be taxed as an abfentee, or at what precife time the tax should either begin or end. If you except, however, this very peculiar figuation, any inequality in the contribution of individuals, which can arife from fuch taxes, is much more than compensated by the very circumstance which occasions that inequality; the circumflance that every man's contribution is altogether voluntary; it being altogether in his power either to confume or not to confume the commodity taxed. Where fuch taxes, therefore, are properly affeffed and upon proper commodities, they are paid with lefs grumbling than any other. When they are advanced by the merchant or manufacturer, the confumer, who finally pays them, foon comes to confound them with the price of the commodities, and almost forgets that he pays any tax.

Such taxes are or may be perfectly certain, or may be affeffed fo as to leave no doubt concerning either what ought to be paid, or when it ought to be paid; concerning either the quantity or the time of payment. Whatever uncertainty there may fometimes be, either in the duties of customs in Great Britain, or in other duties of the fame kind in other countries, it cannot arise from the nature of those duties, but from the inaccurate or unskilful manner in which the law that imposes them is expressed.

Taxes upon luxuries generally are, and always may be, paid piece-meal, or in proportion



SI.

as the contributors have occasion to purchase the CHAP. goods upon which they are imposed. In the time and mode of payment they are, or may be, of all taxes the most convenient. Upon the whole, such taxes, therefore, are, perhaps, as agreeable to the three first of the sour general maxims concerning taxation, as any other. They offend in every respect against the fourth.

Such taxes, in proportion to what they bring into the public treasury of the state, always take out or keep out of the pockets of the people more than almost any other taxes. They seem to do this in all the four different ways in which it is possible to do it.

FIRST, the levying of fuch taxes, even when imposed in the most judicious manner, requires a great number of customhouse and excise officers, whose falaries and perquisites are a real tax upon the people, which brings nothing into the treasury of the state. This expence, however, it must be acknowledged, is more moderate. in Great Britain than in most other countries. In the year which ended on the fifth of July 1775, the gross produce of the different duties, under the management of the commissioners of excise in England, amounted to 5,507,308 l. 18 s. 8 4 d. which was levied at an expence of little more than five and a half per cent. From this groß produce, however, there must be deducted what was paid away in bounties and drawbacks upon the exportation of exciseable goods, which will reduce the neat produce below five B b 4 millions.





BOOK millions *. The levying of the falt duty, an excise duty, but under a different management, is much more expensive. The neat revenue of the customs does not amount to two millions and a half, which is levied at an expence of more than ten per cent. in the falaries of officers, and other incidents. But the perquifites of customhouse officers are every where much greater than their falaries; at fome ports more than double or triple those salaries. If the falaries of officers, and other incidents, therefore, amount to more than ten per cent. upon the neat revenue of the customs; the whole expence of levying that revenue may amount, in falaries and perquifites together, to more than twenty or thirty per cent. The officers of excise receive few or no perquifites: and the administration of that branch of the revenue being of more recent establishment, is in general less corrupted than that of the customs, into which length of time has introduced and authorifed many abuses. By charging upon malt the whole revenue which is at present levied by the different duties upon malt and malt liquors, a faving, it is supposed, of more than fifty thousand pounds might be made in the annual expence of the excise. By confining the duties of cultoms to a few forts of goods, and by levying those duties according to the excise laws, a much greater saving might

^{*} The neat produce of that year, after deducting all expenses and allowances, amounted to 4,975,6521. 195. 6d. probably







probably be made in the annual expence of the C H A P. customs.

SECONDLY, fuch taxes necessarily occasion fome obstruction or discouragement to certain branches of industry. As they always raise the price of the commodity taxed, they fo far difcourage its confumption, and confequently its production. If it is a commodity of home growth or manufacture, less labour comes to be employed in raising and producing it. If it is a foreign commodity of which the tax increases in this manner the price, the commodities of the fame kind which are made at home may thereby, indeed, gain fome advantage in the home market, and a greater quantity of domeftic industry may thereby be turned toward preparing them. But though this rife of price in a foreign commodity may encourage domestic industry in one particular branch, it necessarily discourages that industry in almost every other. The dearer the Birmingham manufacturer buys his foreign wine, the cheaper he necessarily fells that part of his hardware with which, or, what comes to the fame thing, with the price of which he buys it. That part of his hardware, therefore, becomes of less value to him, and he has less encouragement to work at it. The dearer the confumers in one country pay for the furplus produce of another, the cheaper they necessarily sell that part of their own furplus produce with which, or, what comes to the same thing, with the price of which they buy it. That part of their own furplus produce becomes



less encouragement to increase its quantity. All taxes upon confumable commodities, therefore, tend to reduce the quantity of productive labour below what it otherwise would be, either in preparing the commodities taxed, if they are home commodities; or in preparing those with which they are purchased, if they are foreign commodities. Such taxes too always alter, more or less, the natural direction of national industry, and turn it into a channel always different from, and generally less advantageous than that in which

it would have run of its own accord.

THIRDLY, the hope of evading fuch taxes by fmuggling gives frequent occasion to forfeitures and other penalties, which entirely ruin the fmuggler; a person who, though no doubt highly blameable for violating the laws of his country, is frequently incapable of violating those of natural juffice, and would have been, in every refpect, an excellent citizen, had not the laws of his country made that a crime which nature never meant to be fo. In those corrupted governments where there is at leaft a general fufpicion of much unnecessary expence, and great misapplication of the public revenue, the laws which guard it are little respected. Not many people are fcrupulous about fmuggling, when, without perjury, they can find any easy and safe opportunity of doing fo. To pretend to have any fcruple about buying fmuggled goods, though a manifest encouragement to the violation of the revenue laws, and to the perjury which almost always





GL

always attends it, would in most countries be C H A P. regarded as one of those pedantic pieces of hypocrify which, instead of gaining credit with any body, ferve only to expose the person who affects to practife them, to the fulpicion of being a greater knave than most of his neighbours. By this indulgence of the public, the fmuggler is often encouraged to continue a trade which he is thus taught to confider as in some measure innocent; and when the feverity of the revenue laws is ready to fall upon him, he is frequently disposed to defend with violence, what he has been accustomed to regard as his just property. From being at first, perhaps, rather imprudent than criminal, he at last too often becomes one of the hardiest and most determined violators of the laws of fociety. By the ruin of the fmuggler, his capital, which had before been employed in maintaining productive labour, is absorbed either in the revenue of the state or in that of the revenue-officer, and is employed in maintaining unproductive, to the diminution of the general capital of the fociety, and of the useful industry which it might otherwise have maintained.

FOURTHLY, fuch taxes, by subjecting at least the dealers in the taxed commodities to the frequent visits and odious examination of the tax-gatherers, expose them sometimes, no doubt, to some degree of oppression, and always to much trouble and vexation; and though vexation, as has already been said, is not strictly speaking





BOOK speaking expence, it is certainly equivalent to , the expence at which every man would be willing to redeem himself from it. The laws of excise, though more effectual for the purpose for which they were instituted, are, in this respect, more vexatious than those of the customs. When a merchant has imported goods subject to certain duties of customs, when he has paid those duties, and lodged the goods in his warehouse, he is not in most cases liable to any further trouble or vexation from the customhouse officer. It is otherwise with goods subject to duties of excise. The dealers have no respite from the continual visits and examination of the excise officers. The duties of excise are, upon this account, more unpopular than those of the custom's; and so are the officers who levy them. Those officers, it is pretended, though in general, perhaps, they do their duty fully as well as those of the customs; yet, as that duty obliges them to be frequently very troublesome to some of their neighbours, commonly contract a certain hardness of character which the others frequently have not. This observation, however, may very probably be the mere fuggestion of fraudulent dealers, whose smuggling is either prevented or detected by their diligence.

THE inconveniencies, however, which are, perhaps, in some degree inseparable from taxes upon consumable commodities, fall as light upon the people of Great Britain as upon those of any other country of which the government is nearly

GL

bourhood. 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 fimilar tax of three per cent. upon the value of all contracts, and confequently upon that of all contracts of fale. 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 the place. The Neapolitan tax, therefore, is not near so ruinous as the Spanish one.

The uniform fystem 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 important branch of the inland commerce of the country. Goods carried coastwise, indeed, require certifi-

cates



SL

cates or coast-cockets. If you except coals, c H A P. 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 furround, 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 falt-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 aids, 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





humber of the revenue officers must be multi- CHAP.
plied, in order to guard the frontiers of those different provinces and districts, which are subject to such different systems of taxation.

Over and above the general reftraints arifing from this complicated fystem of revenue laws, the commerce of wine, after corn perhaps the most important production of France, is in the greater part of the provinces subject to particular restraints, arising from the favour which has been shewn to the vineyards of particular provinces and districts, above those of others. The provinces most famous for their wines, it will be found, I believe, are those in which the trade in that article is subject to the sewest restraints of

this kind. The extensive market which such provinces enjoy, encourages good management both in the cultivation of their vineyards, and in the subsequent preparation of their wines.

SUCH various and complicated revenue laws are not peculiar to France. The little dutchy of Milan is divided into fix provinces, in each of which there is a different fystem of taxation with regard to several different sorts of consumable goods. The still smaller territories of the duke of Parma are divided into three or four, each of which has, in the same manner, a system of its own. Under such absurd management, nothing, but the great sertility of the soil and happiness of the climate, could preserve such countries from soon relapsing into the lowest state of poverty and barbarism.

Vol. III.

Cc

TAXES





SL 337

other circumstance which restrains the competi- C H A P. tion still further. The very sew, who are in condition to become competitors, find it more for their interest to combine together; to become copartners instead of competitors, and when the farm is set up to auction, to offer no rent, but what is much below the real value. In countries where the public revenues are in farm, the farmers are generally the most opulent people. Their wealth would alone excite the public indignation, and the vanity which almost always accompanies such upstart fortunes, the soolish oftentation with which they commonly display that wealth, excites that indignation still more.

THE farmers of the public revenue never find the laws too fevere, which punish any attempt to evade the payment of a tax. They have no bowels for the contributors, who are not their fubjects, and whose universal bankruptcy, if it should happen the day after their farm is expired, would not much affect their interest. In the greatest exigencies of the state, when the anxiety of the fovereign for the exact payment of his revenue is necessarily the greatest, they seldom fail to complain that without laws more rigorous than those which actually take place, it will be impossible for them to pay even the usual rent. In those moments of public distress their demands cannot be disputed. The revenue laws, therefore, become gradually more and more fevere. The most fanguinary are always to be found in countries where the greater part of the public revenue is in farm. The mildest, in countries C C 2





BOOK countries where it is levied under the immediate inspection of the sovereign. Even a bad sovereign feels more compassion for his people than can ever be expected from the farmers of his revenue. He knows that the permanent grandeur of his family depends upon the prosperity of his people, and he will never knowingly ruin that prosperity for the sake of any momentary interest of his own. It is otherwise with the farmers of his revenue, whose grandeur may frequently be the effect of the ruin, and not of the prosperity of his people.

A TAX is sometimes, not only farmed for a certain rent, but the farmer has, besides, the monopoly of the commodity taxed. In France, the duties upon tobacco and falt are levied in this manner. In fuch cases the farmer, instead of one, levies two exorbitant profits upon the people; the profit of the farmer, and the still more exorbitant one of the monopolist. Tobacco being a luxury, every man is allowed to buy or not to buy as he chuses. But salt being a necesfary, every man is obliged to buy of the farmer a certain quantity of it; because, if he did not buy this quantity of the farmer, he would, it is prefumed, buy it of fome fmuggler. The taxes upon both commodities are exorbitant. temptation to imuggle confequently is to many people irrefiftible, while at the same time the rigour of the law, and the vigilance of the farmer's officers, render the yielding to that temptation almost certainly ruinous. The finuggling of falt and tobacco fends every year feveral hundred



GL 389

hundred people to the gallies, besides a very con- c H A P. fiderable number whom it fends to the gibbet. Those taxes levied in this manner yield a very confiderable revenue to government. In 1767, the farm of tobacco was let for twenty-two millions five hundred and forty-one thousand two hundred and feventy-eight livres a year. That of falt, for thirty-fix millions four hundred and ninety-two thousand four hundred and four livres. The farm in both cases was to commence in 1768, and to last for fix years. Those who confider the blood of the people as nothing in comparison with the revenue of the prince, may perhaps approve of this method of levying taxes. Similar taxes and monopolies of falt and tobacco have been established in many other countries; particularly in the Austrian and Prussian dominions, and in the greater part of the states of Italy.

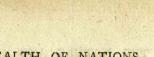
In France, the greater part of the actual revenue of the crown is derived from eight different fources; the taille, the capitation, the two vingtiemes, the gabelles, the aides, the traites, the domaine, and the farm of tobacco. The five last are, in the greater part of the provinces, under farm. The three first are every where 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.

C c 3





BOOK THE finances of France feem, in their present state, to admit of three very obvious reformations. First, by abolishing the taille and the capitation, and by encreasing the number of vingtiemes; To as to produce an additional revenue equal to the amount of those other taxes. the revenue of the crown might be preferved; the expence 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 fuperior 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 burden of the taille, it is acknowledged, falls finally upon the proprietors of land; · and as the greater part of the capitation is affeffed upon those who are subject to the taille at so much a pound of that other tax, the final payment of the greater part of it must likewise fall upon the same order of people. Though the number of the vingtiemes, therefore, was increased so as to produce an additional revenue equal to the amount of both those taxes, the superior ranks of people might not be more burdened than they are at prefent. Many individuals no doubt would, on account of the great inequalities with which the taille is commonly affelfed upon the estates and tenants of different individuals. The interest and opposition of such favoured subjects are the obstacles most likely to prevent this or any other reformation of the fame



GL

THE WEALTH OF NATIONS.

fame kind. Secondly, by rendering the gabelle, C H A P. the aides, the traites, the taxes upon tobacco, all the different customs and excises, uniform in all the different parts of the kingdom, those taxes might be levied at much less expence, and the interior commerce of the kingdom might be rendered as free as that of England. Thirdly, and lastly, by subjecting all those taxes to an administration under the immediate inspection and direction of government, the exorbitant profits of the farmers general might be added to the revenue of the state. The opposition arising from the private interest of individuals, is likely to be as effectual for preventing the two last as the first mentioned scheme of reformation.

THE French system of taxation seems, in every respect, inferior to the British. In Great Britain ten millions sterling are annually levied upon less than eight millions of people, without its being possible to fay that any particular order is oppressed. From the collections of the Abbé Expilly, and the observations of the author of the Essay upon the legislation and commerce of corn, it appears probable, that France, including the provinces of Lorraine and Bar, contains about twenty-three or twenty-four millions of people; three times the number perhaps contained in Great Britain. The foil and climate of France are better than those of Great Britain. The country has been much longer in a flate of improvement and cultivation, and is, upon that account, better flocked with all those things which it requires a long time to raife up and ac-Cc4 cumulate, L THIT

(396)

391

BOOK cumulate, fuch as great towns, and convenient and well-built houses, both in town and country. With these advantages, it might be expected that in France a revenue of thirty millions might be levied for the support of the state, with as little inconveniency as a revenue of ten millions is in Great Britain. In 1765 and 1766, the whole revenue paid into the treasury of France, according to the best, though, I acknowledge, very imperfect, accounts which I could get of it, ufually run between 308 and 325 millions of livres; that is, it did not amount to fifteen millions sterling; not the half of what might have been expected, had the people contributed in the fame proportion to their numbers as the people of Great Britain. The people of France, however, it is generally acknowledged, are much more oppressed by taxes than the people of Great Britain. France, however, is certainly the great empire in Europe which, after that of Great Britain, enjoys the mildest and most indulgent government.

In Holland the heavy taxes upon the necessaries of life have ruined, it is said, their principal manufactures, and are likely to discourage gradually even their sisheries and their trade in ship-building. The taxes upon the necessaries of life are inconsiderable in Great Britain, and no manufacture has hitherto been ruined by them. The British taxes which bear hardest on manufactures are some duties upon the importation of raw materials, particularly upon that of raw silk. The revenue of the states general



SL

general and of the different cities, however, is C HAP. faid to amount to more than five millions two hundred and fifty thousand pounds sterling; and as the inhabitants of the United Provinces cannot well be supposed to amount to more than a third part of those of Great Britain, they must, in proportion to their number, be much more heavily taxed.

AFTER all the proper subjects of taxation have been exhaufted, if the exigencies of the state still continue to require new taxes, they must be imposed upon improper ones. The taxes upon the necessaries of life, therefore, may be no impeachment of the wisdom of that republic, which, in order to acquire and to maintain its independency, has, in spite of its great frugality, been involved in fuch expensive wars as have obliged it to contract great debts. The fingular countries of Holland and Zealand, befides, require a confiderable expence 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 feems to be the principal fupport of the present grandeur of Holland. The owners of great capitals, the great mercantile families, have generally either fome direct share, or some indirect influence, in the administration of that government. For the fake of the respect and authority which they derive from this fituation, they are willing to live in a country where their capital, if they employ it themselves, will bring them



· HITT HOW 394

BOOK 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 necessaries and conveniences of life than in any other part of Europe. The refidence of fuch wealthy people necessarily keeps alive, in fpite 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 adminiftration into the hands of nobles and of foldiers, which should annihilate altogether the importance of those wealthy merchants, would foon render it difagreeable to them to live in a country where they were no longer likely to be much respected. They would remove both their refidence and their capital to fome other country, and the industry and commerce of Holland would foon follow the capitals which supported them.

CHAP. III.

Of public Debts.

In that rude flate of fociety 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



GL

the third book of this Inquiry, can fpend or en- c H A P. joy 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 faid to confift 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 confumption, he can do nothing with the furplus 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 oftentation, occasion, in this fituation of things, the principal expences of the rich and the great. But these, I have likewise endeavoured to show in the fame book, are expences by which people are not very apt to ruin themselves. There is not, perhaps, any felfish pleasure so frivolous, of which the pursuit has not formetimes ruined even fenfible 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 oftentation 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







BOOK to live within their income. Though the rustic hospitality, constantly exercised by the great land-holders, may not, to us in the present times, feem confiftent with that order, which we are apt to confider as inseparably connected with good œconomy, yet we must certainly allow them to have been at least so far frugal as not commonly to have spent their whole income. A part of their wool and raw hides they had generally an opportunity of felling for money. Some part of this money, perhaps, they spent in purchasing the few objects of vanity and luxury, with which the circumftances of the times could furnish them; but some part of it they seem commonly to have hoarded. They could not well indeed do any thing else but hoard whatever money they faved. To trade was difgraceful to a gentleman, and to lend money at interest, which at that time was confidered as usury and prohibited by law, would have been still more fo. In those times of violence and disorder, besides, it was convenient to have a hoard of money at hand, that in case they should be driven from their own home, they might have fomething of known value to carry with them to fome place of fafety. The fame violence, which made it convenient to hoard, made it equally convenient to conceal the hoard. The frequency of treasure-trove, or of treasure found of which no owner was known, fufficiently demonstrates the frequency in those times both of hoarding and of concealing the hoard. Treasure-trove was then considered as an important branch of the revenue of the fovereign,

(401)





vereign. All the treasure-trove of the kingdom CHAP. would fcarce perhaps in the prefent times make an important branch of the revenue of a private gentleman of a good estate.

THE same disposition to save and to hoard prevailed in the fovereign, as well as in the fubjects. Among nations to whom commerce and manufactures are little known, the fovereign, it has already been observed in the fourth book, is in a fituation which naturally disposes him to the parfimony requifite for accumulation. In that fituation the expence even of a fovereign cannot be directed by that vanity which delights in the gaudy finery of a court. The ignorance of the times affords but few of the trinkets in which that finery confifts. Standing armies are not then necessary, fo that the expence even of a fovereign, like that of any other great lord, can be employed in scarce any thing but bounty to his tenants, and hospitality to his retainers. But bounty and hospitality very seldom lead to extravagance; though vanity almost always does. All the ancient fovereigns of Europe accordingly, it has already been observed, had treasures. Every Tartar chief in the present times is faid to have one.

In a commercial country abounding with every fort of expensive luxury, the sovereign, in the fame manner as almost all the great proprietors in his dominions, naturally spends a great part of his revenue in purchasing those luxuries. His own and the neighbouring countries fupply him abundantly with all the costly trinkets which compose





B O O K compose the splendid, but insignificant pageantry of a court. For the fake of an inferior pageantry of the fame kind, his nobles difmifs their remake their tenants independent, and become gradually themselves as infignificant as the greater part of the wealthy burghers in his dominions. The fame frivolous passions, which influence their conduct, influence his. How can it be supposed that he should be the only rich man in his dominions who is infensible to pleafures of this kind? If he does not, what he is very likely to do, fpend upon those pleasures so great a part of his revenue as to debilitate very much the defensive power of the state, it cannot well be expected that he should not spend upon them all that part of it which is over and above what is necessary for supporting that defensive power. His ordinary expence becomes equal to his ordinary revenue, and it is well if it does not frequently exceed it. The amassing of treasure can no longer be expected, and when extraordinary exigencies require extraordinary expences, he must necessarily call upon his subjects for an extraordinary aid. The present and the late king of Prussia are the only great princes of Europe, who, fince the death of Henry IV. of France in 1610, are supposed to have amassed any confiderable treasure. The parfimony which leads to accumulation has become almost as rare in republican as in monarchical governments. The Italian republics, the United Provinces of the Netherlands, are all in debt. The canton of Berne is the fingle republic in Europe which has



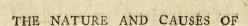
SI

has amassed any considerable treasure. The other c HAR. Swiss republics have not. The taste for some fort of pageantry, for splendid buildings, at least, and other public ornaments, frequently prevails as much in the apparently sober senate-house of a little republic, as in the dissipated court of the greatest king.

THE want of parsimony in time of peace, imposes the necessity of contracting debt in time of war. When war comes, there is no money in the treasury but what is necessary for carrying on the ordinary expence of the peace establishment. In war an establishment of three or four times that expence becomes necessary for the defence of the state, and consequently a revenue three or four times greater than the peace revenue. Suppoling that the lovereign should have, what he scarce ever has, the immediate means of augmenting his revenue in proportion to the augmentation of his expence, yet still the produce of the taxes, from which this increase of revenue must be drawn, will not begin to come into the treasury till perhaps ten or twelve months after they are imposed. But the moment in which war begins, or rather the moment in which it appears likely to begin, the army must be augmented, the fleet must be fitted out, the garrisoned towns must be put into a posture of defence; that army, that fleet, those garrifoned towns must be furnished with arms, ammunition, and provifions. An immediate and great expence must be incurred in that moment of immediate danger; which will not wait for the gradual and flow re-



turns





BOOK turns of the new taxes. In this exigency government can have no other resource but in borrowing.

THE same commercial state of society which, by the operation of moral causes, brings government in this manner into the necessity of borrowing, produces in the subjects both an ability and an inclination to lend. If it commonly brings along with it the necessity of borrowing, it likewise brings with it the facility of doing so.

A COUNTRY abounding with merchants and manufacturers, necessarily abounds with a fet of people through whose hands not only their own capitals, but the capitals of all those who either lend them money, or trust them with goods, pass as frequently, or more frequently, than the revenue of a private man, who, without trade or business, lives upon his income, passes through his hands. The revenue of fuch a man can regularly pass through his hands only once in a year. But the whole amount of the capital and credit of a merchant, who deals in a trade of which the returns are very quick, may fometimes pass through his hands two, three, or four times in a year. A country abounding with merchants and manufacturers, therefore, necessarily abounds with a fet of people who have it at all times in their power to advance, if they chuse to do fo, a very large fum of money to government. Hence the ability in the subjects of a commercial flate to lend.

COMMERCE and manufactures can feldom flourish long in any state which does not enjoy a regular administration of justice, in which the people

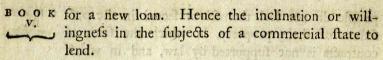
405





people do not feel themselves secure in the post CHAP. fession of their property, in which the faith of contracts is not supported by law, and in which the authority of the state is not supposed to be regularly employed in enforcing the payment of debts from all those who are able to pay. Commerce and manufactures, in fhort, can feldom flourish in any state in which there is not a certain degree of confidence in the justice of government. The fame confidence which disposes great merchants and manufacturers, upon ordinary occasions, to trust their property to the protection of a particular government; disposes them, upon extraordinary occasions, to trust that government with the use of their property. By lending money to government, they do not even for a moment diminish their ability to carry on their trade and manufactures. On the contrary, they commonly augment it. The necessities of the flate render government upon most occasions willing to borrow upon terms extremely advantageous to the lender. The fecurity which it grants to the original creditor, is made transferable to any other creditor, and, from the universal confidence in the justice of the state, generally fells in the market for more than was originally paid for it. The merchant or monied man makes money by lending money to government, and instead of diminishing, increases his trading capital. He generally confiders it as a favour, therefore, when the administration admits him to a fhare in the first subscription for Vol. III. Dd





THE government of such a state is very apt to repose itself upon this ability and willingness of its subjects to lend it their money on extraordinary occasions. It foresees the facility of borrowing, and therefore dispenses itself from the duty of saving.

In a rude state of society there are no great mercantile or manufacturing capitals. The individuals, who hoard whatever money they can save, and who conceal their hoard, do so from a distrust of the justice of government, from a fear that if it was known that they had a hoard, and where that hoard was to be found, they would quickly be plundered. In such a state of things sew people would be able, and no body would be willing, to lend their money to government on extraordinary exigencies. The sovereign feels that he must provide for such exigencies by saving, because he foresees the absolute impossibility of borrowing. This foresight increases still further his natural disposition to save.

The progress of the enormous debts which at present oppress, and will in the long-run probably ruin, all the great nations of Europe, has been pretty uniform. Nations, like private men, have generally begun to borrow upon what may be called personal credit, without assigning or mortgaging any particular fund for the payment of the debt; and when this resource has failed







failed them, they have gone on to borrow upon CHAP. affignments or mortgages of particular funds.

WHAT is called the unfunded debt of Great Britain, is contracted in the former of those two ways. It confifts partly in a debt which bears, or is supposed to bear, no interest, and which refembles the debts that a private man contracts upon account; and partly in a debt which bears interest, and which resembles what a private man contracts upon his bill or promiffory note. The debts which are due either for extraordinary fervices, or for fervices either not provided for, or not paid at the time when they are performed; part of the extraordinaries of the army, navy, and ordnance, the arrears of fubfidies to foreign princes, those of feamen's wages, &c. usually constitute a debt of the first kind. Navy and Exchequer bills, which are issued fometimes in payment of a part of fuch debts and fometimes for other purposes, constitute a debt of the fecond kind; Exchequer bills bearing interest from the day on which they are iffued, and navy bills fix months after they are iffued. The bank of England, either by voluntarily discounting those bills at their current value, or by agreeing with government for certain confiderations to circulate Exchequer bills, that is, to receive them at par, paying the interest which happens to be due upon them, keeps up their value and facilitates their circulation, and thereby frequently enables government to contract a very large debt of this kind. In France, where there is no bank, the ftate bills (billets d'état *) have

Dd 2

fometimes

^{*} See Examen des Reflexions politiques far les Finances.





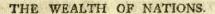
BOOK formetimes fold at fixty and feventy per cent. discount. During the great re-coinage in king William's time, when the bank of England thought proper to put a ftop to its usual transactions, Exchequer bills and tallies are faid to have fold from twenty-five to fixty per cent. discount; owing partly, no doubt, to the supposed instability of the new government established by the Revolution, but partly too to the want of the

fupport of the bank of England.

WHEN this resource is exhausted, and it becomes necessary, in order to raise money, to asfign or mortgage fome particular branch of the public revenue for the payment of the debt, government has upon different occasions done this in two different ways. Sometimes it has made this affignment or mortgage for a short period of time only, a year, or a few years, for example; and fometimes for perpetuity. In the one case, the fund was supposed sufficient to pay, within the limited time, both principal and interest of the money borrowed. In the other, it was fupposed sufficient to pay the interest only, or a perpetual annuity equivalent to the interest, government being at liberty to redeem at any time this annuity, upon paying back the principal fum borrowed. When money was raifed in the one way, it was faid to be raifed by anticipation; when in the other, by perpetual funding, or, more shortly, by funding,

In Great Britain the annual land and malt taxes are regularly anticipated every year, by virtue of a borrowing clause constantly inserted

into



CONTRACTOR OF WORLD

into the acts which impose them. The bank of CHAP. England generally advances at an interest, which fince the Revolution has varied from eight to three per cent, the fums 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 confiderable 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 feveral taxes were charged upon what was then called the first general mortgage or fund, consisting of a prolongation to the first D d 3

D d 3



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 5,160,459l. 14s. 94d.

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 desciencies charged upon it amounted to

2,055,999l. 7s. 111d.

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 983,2541. 115. 94d.

In 1708, those duties were all (except the old fubfidy 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 925,1761. 9s. 214d.

In 1709, those duties were all (except the old subsidy of tonnage and poundage, which was now lest out of this fund altogether) still surther 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 922,0291. 6s. od.







In 1710, those duties were again prolonged to the first of August, 1720, and were called the fixth general mortgage or fund. The sum borrowed upon it was 1,296,552l, 95. 113d.

IN 1711, the fame 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 9,177,967l. 15s. 4d.; 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 3,375,027l. 17s. 10½d. for which was paid an annuity or interest of 206,501l. 13s. 5d. The East India fund amounted to 3,200,000l. for which was paid an annuity or interest of 160,000l.; the bank fund being at six per cent., the East India fund at sive 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 D d 4

(4/2)



OK fund called The Aggregate Fund, which was charged, not only with the payments of the bank annuity, but with feveral 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 likewife rendered perpetual.

In 1717, by the third of George I. c. 7. feveral 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

724,8491.6s. 101d.

In consequence of those different acts, the greater part of the taxes which before had been anticipated only for a fhort 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 fucceffive anticipations.

HAD money never been raifed 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 fecond 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



the case, they have generally taken care to over- C H A P. load it, by anticipating a fecond and a third time before the expiration of the first anticipation. The fund becoming in this manner altogether infufficient 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 fuch unprovident 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 fo indefinite that it is not very likely ever to arrive; yet as a greater fum can in all cases be raised by this new practice than by the old one of anticipations, the former, when men have once become familiar with it. has in the great exigencies of the flate been univerfally preferred to the latter. To relieve the prefent exigency is always the object which principally interests those immediately concerned in the administration of public affairs. 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 fix 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 fecurity. Soon after the greater part of the temporary taxes of Great Britain had been rendered perpetual, and diffributed into the Aggregate, South Sea, and

General

414





BOOK 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 faving of one per cent. upon the capital of the greater part of the debts . which had been thus funded for perpetuity, or of one-fixth of the greater part of the annuities which were paid out of the three great funds above mentioned. This faving left a confiderable furplus 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 fince been called the Sinking Fund. In 1717, it amounted to 323,434l. 7s. 71d. 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 finking fund.

A SINKING fund, though inflituted 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 finking fund of Great Britain has been more frequently applied to the one or to the other of those two purposes, will sufficiently ap-

pear by and by.

Besides those two methods of borrowing, by anticipations and by perpetual funding, there are



are two other methods, which hold a fort of middle CHAP. 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 fums were frequently borrowed upon annuities for terms of years, which were fometimes longer and fometimes shorter. In 1693, an act was passed for borrowing one million upon an annuity of fourteen per cent., or of 140,000l. a year, for fixteen years. In 1691, an act was paffed for borrowing a million upon annuities for lives, upon terms which in the present times would appear very advantageous. But the fubscription 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 feven years purchase. In 1695, the persons who had purchased those annuities were allowed to exchange them for others of ninety-fix years, upon paying into the Exchequer fixty-three pounds in the hundred; that is, the difference between fourteen per cent. for life, and fourteen per cent. for ninety-fix years, was fold for fixty-three pounds, or for four and a half years purchase. Such was the supposed inflability 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 thirtytwo, of eighty-nine, of ninety-eight, and of ninety-nine years. In 1719, the proprietors of the





BOOK the annuities for thirty-two years were induced to accept in lieu of them South Sea flock 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 fhort were fubscribed into the same fund. The long annuities at that time amounted to 666,8211. 8s. 33d. a year. On the 4th of January, 1775, the remainder of them, or what was not subscribed at that time, amounted only 10 136,4431. 125. 84.

During the two wars which begon 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 fettlements, and to provide for remote futurity, buy into the public flocks, would not care to purchase into one of which the value was continually diminishing; and such people make a very confiderable 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 fubscribers to a new loan, who mean generally to fell their fubscription as foon as possible,

prefer





prefer greatly a perpetual annuity redeemable by c H A P. 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 flock than the latter.

During the two last mentioned wars, annuities, either for terms of years or for lives, were feldom granted but as premiums to the fubfcribers 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 feparate lives, or upon lots of lives, which in French are called Tontines, from the name of their inventor. When annuities are granted upon feparate lives, the death of every individual annuitant difburthens the public revenue fo 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 fornetimes confift of twenty or thirty persons, of whom the survivors fucceed to the annuities of all those who die before them; the last survivor succeeding to the annuities of the whole lot. Upon the fame revenue more money can always be raifed by ton-

tines







BOOK tines than by annuities for separate lives. An annuity, with a right of furvivorship, is really worth more than an equal annuity for a feparate life, and from the confidence which every man naturally has in his own good fortune, the principle upon which is founded the fuccess of all lotteries, fuch an annuity generally fells for formething more than it is worth. In countries where it is usual for government to raise money by granting annuities, tontines are upon this account generally preferred to annuities for feparate lives. The expedient which will raife most money, is almost always preferred to that which is likely to bring about in the speediest manner the liberation of the public revenue.

In France a much greater proportion of the public debts confifts in annuities for lives than in England. According to a memoir prefented by the parliament of Bourdeaux to the king in 1764, the whole public debt of France is estimated at twenty-four hundred millions of livres; of which the capital for which annuities for lives had been granted, is supposed to amount to three hundred millions, the eighth part of the whole The annuities themselves are public debt. computed to amount to thirty millions a year, the fourth part of one hundred and twenty millions, the supposed interest of that whole debt. These estimations, I know very well, are not exact, but having been presented by so very respectable a body as approximations to the truth, they may, I apprehend, be confidered as fuch. It is not the different degrees of anxiety

in





in the two governments of France and England e H A P. for the liberation of the public revenue, which occasions this difference in their respective modes of borrowing. It arises altogether from the different views and interests of the lenders.

In England, the feat of government being in the greatest mercantile city in the world, the merchants are generally the people who advance money to government. By advancing it they do not mean to diminish, but, on the contrary, to increase their mercantile capitals; and unless they expected to fell with some profit their share in the fubscription for a new loan, they never would subscribe. But if by advancing their money they were to purchase, instead of perpetual annuities, annuities for lives only, whether their own or those of other people, they would not always be so likely to fell them with a profit. Annuities upon their own lives they would always fell with lofs; because no man will give for an annuity upon the life of another, whose age and flate of health are nearly the same with his own, the fame price which he would give for one upon his own. An annuity upon the life of a third person, indeed, is, no doubt, of equal value to the buyer and the feller; but its real value begins to diminish from the moment it is granted, and continues to do fo more and more as long as it subsists. It can never, therefore, make so convenient a transferable stock as a perpetual annuity, of which the real value may be supposed always the same, or very nearly the fame.





BOOK IN France, the feat of government not being in a great mercantile city, merchants do not make fo great a proportion of the people who advance money to government. The people concerned in the finances, the farmers general, the receivers of the taxes which are not in farm. the court bankers, &c. make the greater part of those who advance their money in all public exigencies. Such people are commonly men of mean birth, but of great wealth, and frequently of great pride. They are too proud to marry their equals, and women of quality difdain to marry them. They frequently refolve, therefore, to live bachelors, and having neither any families of their own, nor much regard for those of their relations, whom they are not always very fond of acknowledging, they defire only to live in fplendour during their own time, and are not unwilling that their fortune should end with themfelves. The number of rich people, besides, who are either averse to marry, or whose condition of life renders it either improper or inconvenient for them to do fo, is much greater in France than in England. To fuch people, who have little or no care for posterity, nothing can be more convenient than to exchange their capital for a revenue, which is to last just as long, and no longer than they wish it to do.

THE ordinary expence of the greater part of modern governments in time of peace being equal or nearly 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 expence. They are un- C HAP. willing, for fear of offending the people, who by fo great and fo fudden an increase of taxes, would foon be difgufted with the war; and they are unable, from not well knowing what taxes would be fufficient 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 fmallest 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 eafe, 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 diffatisfied 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, feldom relieves them from the greater part of the taxes imposed during the war. These are mortaged for the Vol. III. E e interest







BOOK 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 expence of government, the old revenue, together with the new taxes, produce fome furplus revenue, it may perhaps be converted into a finking fund for paying off the debt. But, in the first place, this finking fund, even fuppofing 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 fecond place, this fund is almost always applied to other purpofes.

THE new taxes were imposed for the fole purpose of paying the interest of the money borrowed upon them. If they produce more, it is generally fomething which was neither intended nor expected, and is therefore feldom very confiderable. Sinking funds have generally arisen, not fo much from any furplus 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 infufficiency of fuch funds.

During the most profound peace, various events occur which require an extraordinary expence, and government finds it always more convenient to defray this expence by mifapplying





the finking fund than by imposing a new tax. CHAP. Every new tax is immediately felt more or less by the people. It occasions always some murmur, and meets with fome opposition. more taxes may have been multiplied, the higher they may have been raised upon every different fubject 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 raife much higher the taxes already imposed upon the old. A momentary fuspension of the payment of debt is not immediately felt by the people, and occasions neither murmur nor complaint. To borrow of the finking fund is always an obvious and eafy 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 fludy to reduce them, the more dangerous, the more ruinous it may be to misapply any part of the finking fund; the less likely is the public debt to be reduced to any confiderable degree, the more likely, the more certainly is the finking fund to be misapplied towards defraying all the extraordinary expences which occur in time of peace. When a nation is already overburdened with taxes, nothing but the neceffities of a new war, nothing but either the animosity of national vengeance, or the anxiety for national fecurity, can induce the people to fubmit, with tolerable patience, to a new tax. Hence the usual misapplication of the sinking fund.





BOOK In Great Britain, from the time that we had first recourse to the ruinous expedient of perpetual funding, the reduction of the public debt in time of peace, has never borne any proportion to its accumulation in time of war. It was in the war which began in 1688, and was concluded by the treaty of Ryfwick in 1697, that the foundation of the present enormous debt of Great Britain was first laid.

> On the 31st of December 1697, the public debts of Great Britain, funded and unfunded, amounted to 21,515,742 l. 13 s. 8; d. A great part of those debts had been contracted upon short anticipations, and some part upon annuities for lives; fo that before the 31st of December 1701, in lefs than four years, there had partly been paid off, and partly reverted to the public, the fum of 5,121,041 l. 12 s. 0 d.; a greater reduction of the public debt than has ever fince been brought about in fo short a period of time. The remaining debt, therefore, amounted only to 16,394,701 l. 13. 7 d.

In the war which began in 1702, and which was concluded by the treaty of Utrecht, the public debts were still more accumulated. On the 31st of December 1714, they amounted to 53,681,0761. 5s. 6 1 d. The subscription into the South Sea fund of the short and long annuities increased the capital of the public debts, fo that on the 31st of December 1722, it amounted to 55,282,978 l. 1 s. 35 d. The reduction of the debt began in 1723, and went on so slowly that, on the 31st of December 1739, during





during seventeen years of profound peace, the C H A P. whole fum paid off was no more than 8,328,354 l. 17s. $11\frac{3}{17}d$. the capital of the public-debt at that time amounting to 46,954,623 *l.* 3 s. $4\frac{7}{12}$ d.

THE Spanish war, which began in 1739, and the French war which foon followed it, occasioned a further increase of the debt, which, on the 31st of December 1748, after the war had been concluded by the treaty of Aix la Chapelle, amounted to 78,293,3131. 1s. $10\frac{3}{4}d$. The most profound peace of seventeen years continuance had taken no more than 8,328,354 l. 17 s. $11\frac{3}{12}$ d. from it. A war of less than nine years continuance added 31,338,689 l. 18 s. 6 d. to it *.

During the administration of Mr. Pelham. the interest of the public debt was reduced, or at least measures were taken for reducing it, from four to three per cent.; the finking fund was increased, and some part of the public debt was paid off. In 1755, before the breaking out of the late war, the funded debt of Great Britain amounted to 72,289,6731. On the 5th of January 1763, at the conclusion of the peace, the funded debt amounted to 122,603,336 1. 8 s. The unfunded debt has been stated at 2 d. 13,927,589 l. 2 s. 2 d. But the expence occafioned by the war did not end with the conclusion of the peace; so that though, on the 5th of January 1764, the funded debt was increased (partly by a new loan, and partly by funding a part of the unfunded debt) to 129,586,789 l.

alcogethe



^{*} See James Postlethwaite's history of the public revenue. Ee 3



BOOK 105. 13 d. there still remained (according to the very well informed author of the Confiderations on the trade and finances of Great Britain) an unfunded debt which was brought to account in that and the following year, of 9,975,017 l. 12 s. 215 d. In 1764, therefore, the public debt of Great Britain, funded and unfunded together, amounted, according to this author, to 139,516,807 l. 2 s. 4 d. The annuities for lives too, which had been granted as premiums to the fubscribers to the new loans in 1757, estimated at fourteen years purchase, were valued at 472,500 /; and the annuities for long terms of years, granted as premiums likewife, in 1761 and 1762, estimated at 272 years purchase, were valued at 6,826,875 l. During a peace of about feven years continuance, the prudent and truly patriot administration of Mr. Pelham, was not able to pay off an old debt of fix millions. During a war of nearly the fame continuance, a new debt of more than feventy-five millions was contracted

On the 5th of January 1775, the funded debt of Great Britain amounted to 124,996,086 1. 1 s. 6 d. The unfunded, exclusive of a large civil list debt, to 4,150,236 l. 3 s. 112 d. Both together, to 129,146,322 l. 5 s. 6 d. According to this account the whole debt paid off during eleven years profound peace amounted only to 10,415,474 l. 16 s. 93 d. Even this fmall reduction of debt, however, has not been all made from the favings out of the ordinary revenue of the state. Several extraneous sums, altogether





altogether independent of that ordinary revenue, have contributed towards it. Amongst these we may reckon an additional shilling in the pound land tax for three years; the two millions received from the East India company, as indemnification for their territorial acquisitions; and the one hundred and ten thousand pounds received from the bank for the renewal of their charter. To these must be added several other sums which, as they arose out of the late war, ought perhaps to be considered as deductions from the expences of it. The principal are,

I. s. d.

The produce of Fench prizes 690,449 18 9

Composition for French prisoners 670,000 0 0

What has been received from the fale of the ceded islands 95,500 0 0

Total, 1,455,949 18 9

If we add to this fum the balance of the earl of Chatham's and Mr. Calcraft's accounts, and other army favings of the fame kind, together with what has been received from the bank, the East India company, and the additional shilling in the pound land tax; the whole must be a good deal more than five millions. The debt. therefore, which fince the peace has been paid out of the favings from the ordinary revenue of the state, has not, one year with another, amounted to half a million a year. The finking fund has, no doubt, been confiderably augmented fince the peace, by the debt which has been paid Ee 4 off,



o o K off, by the reduction of the redeemable four per cents, to three per cents., and by the annuities for lives which have fallen in, and, if peace were to continue, a million, perhaps, might now be annually spared out of it towards the discharge of the debt. Another million, accordingly, was paid in the course of last year; but, at the same time, a large civil lift debt was left unpaid, and we are now involved in a new war which, in its progress, may prove as expensive as any of our former wars *. The new debt which will probably be contracted before the end of the next campaign, may perhaps be nearly equal to all the old debt which has been paid off from the favings out of the ordinary revenue of the state. It would be altogether chimerical, therefore, to expect that the public debt should ever be completely discharged by any savings which are likely to be made from that ordinary revenue as it stands at prefent.

> THE public funds of the different indebted nations of Europe, particularly those of England, have by one author been represented as the accumulation of a great capital superadded to the other capital of the country, by means of which its trade is extended, its manufactures multiplied, and its lands cultivated and im-

^{*} It has proved more expensive than any of our former wars; and has involved us in an additional debt of more than one hundred millions. During a profound peace of eleven years, little more than ten millions of debt was paid; during a war of feven years, more than one hundred millions was contracted.



proved





proved much beyond what they could have been CHAP. by means of that other capital only. He does not consider that the capital which the first creditors of the public advanced to government, was, from the moment in which they advanced it, a certain portion of the annual produce turned away from ferving in the function of a capital, to ferve in that of a revenue; from maintaining productive labourers to maintain unproductive ones, and to be spent and wasted, generally in the course of the year, without even the hope of any future reproduction. In return for the capital which they advanced they obtained, indeed, an annuity in the public funds in most cases of more than equal value. This annuity, no doubt, replaced to them their capital, and enabled them to carry on their trade and business to the same or perhaps to a greater extent than before; that is, they were enabled either to borrow of other people a new capital upon the credit of this annuity, or by felling it to get from other people a new capital of their own, equal or superior to that which they had advanced to government. This new capital, however, which they in this manner either bought or borrowed of other people, must have existed in the country before, and must have been employed as all capitals are, in maintaining productive labour. When it came into the hands of those who had advanced their money to government, though it was in some respects a new capital to them, it was not fo to the country; but was only a capital withdrawn from certain employ-

(430)



ook employments in order to be turned towards others. Though it replaced to them what they had advanced to government, it did not replace it to the country. Had they not advanced this capital to government, there would have been in the country two capitals, two portions of the annual produce, instead of one, employed in maintaining productive labour.

When for defraying the expence of government a revenue is raifed within the year from the produce of free or unmortgaged taxes, a certain portion of the revenue of private people is only turned away from maintaining one species of unproductive labour, towards maintaining another. Some part of what they pay in those taxes might no doubt have been accumulated into capital, and confequently employed in maintaining productive labour; but the greater part would probably have been spent and confequently employed in maintaining unproductive labour. The public expence, however, when defrayed in this manner, no doubt hinders more or less the further accumulation of new capital; but it does not necessarily occasion the destruction of any actually existing capital.

When the public expence is defrayed by funding, it is defrayed by the annual deftruction of fome capital which had before existed in the country; by the perversion of some portion of the annual produce which had before been destined for the maintenance of productive labour, towards that of unproductive labour. As in this case, however, the taxes are lighter than they





they would have been, had a revenue fufficient C H A P. for defraying the fame expence been raifed within the year; the private revenue of individuals is necessarily less burdened, and consequently their ability to fave and accumulate fome part of that revenue into capital is a good deal less impaired. If the method of funding destroy more old capital, it at the same time hinders less the accumulation or acquisition of new capital, than that of defraying the public expence by a revenue raifed within the year. Under the fystem of funding, the frugality and industry of private people can more eafily repair the breaches which the waite and extravagance of government may occasionally make in the general capital of the fociety.

It is only during the continuance of war, however, that the fystem of funding has this advantage over the other fystem. Were the expence of war to be defrayed always by a revenue raifed within the year, the taxes from which that extraordinary revenue was drawn would last no longer than the war. The ability of private people to accumulate, though less during the war, would have been greater during the peace than under the fystem of funding. War would not necessarily have occasioned the destruction of any old capitals, and peace would have occasioned the accumulation of many more new. Wars would in general be more speedily concluded, and less wantonly undertaken. The people feeling, during the continuance of the war, the complete burden of it, would foon grow weary of it, and

(432)





BOOK and government, in order to humour them, would not be under the necessity of carrying it on longer than it was necessary to do fo. The forefight of the heavy and unavoidable burdens of war would hinder the people from wantonly calling for it when there was no real or folid interest to fight for. The feafons during which the ability of private people to accumulate was fomewhat impaired, would occur more rarely, and be of shorter continuance. Those on the contrary, during which that ability was in the highest vigour, would be of much longer duration than they can well be under the fystem of funding.

WHEN funding, besides, has made a certain progress, the multiplication of taxes which it brings along with it fometimes impairs as much the ability of private people to accumulate even in time of peace, as the other system would in time of war. The peace revenue of Great Britain amounts at present to more than ten millions a year. If free and unmortgaged, it might be fufficient, with proper management and without contracting a shilling of new debt, to carry on the most vigorous war. The private revenue of the inhabitants of Great Britain is at prefent as much encumbered in time of peace, their ability to accumulate it as much impaired as it would have been in the time of the most expensive war, had the pernicious fystem of funding never been adopted.

In the payment of the interest of the public debt, it has been faid, it is the right hand which pays the left. The money does not go out of





the country. It is only a part of the revenue of C H A P. one fet of the inhabitants which is transferred to another; and the nation is not a farthing the poorer. This apology is founded altogether in the fophiftry of the mercantile fystem, and after the long examination which I have already bestowed upon that system, it may perhaps be unnecessary to fay any thing further 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 confiderable 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 flock are the two original fources of all revenue both private and public. Capital flock 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 flock.

THE proprietor of land is interested for the fake 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 enclosures, and all those other expensive improvements which it properly belongs to the landlord to make and maintain. But by different land-taxes the re-

venue





BOOK venue of the landlord may be fo much diminished; and by different duties upon the necesfaries and conveniences of life, that diminished revenue may be rendered of fo 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 diffress of the landlord increases, the agriculture of the country must neceffarily decline.

WHEN, by different taxes upon the necessaries 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 neceffaries 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 and 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 removal. 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 declenfion of agriculture.

To transfer from the owners of those two great fources of revenue, land and capital stock, from the persons immediately interested in the good

condition





condition of every particular portion of land, e H A P. and in the good management of every particular portion of capital flock, to another fet of persons (the creditors of the public, who have no fuch particular interest), the greater part of the revenue arifing from either, must, in the long-run, occasion both the neglect of land, and the waste or removal of capital flock. A creditor of the public has no doubt a general interest in the prosperity of the agriculture, manufactures, and commerce of the country; and confequently in the good condition of its lands, and in the good management of its capital flock. Should there be any general failure or declention in any of these things, the produce of the different taxes might no longer be fufficient to pay him the annuity or interest which is due to him. But a creditor of the public, confidered merely as fuch, has no interest in the good condition of any parcicular portion of land, or in the good management of any particular portion of capital flock. As a creditor of the public he has no knowledge of any fuch particular portion. He has no infpection of it. He can have no care about it. Its ruin may in some cases be unknown to him, and cannot directly affect him.

THE practice of funding has gradually enfeebled every flate which has adopted it. The Italian republics feem 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 feems to have learned the practice from the Italian republics,

and



BOOK and (its taxes being probably less judicious than theirs) it has, in proportion to its natural ftrength. been still more enfeebled. The debts of Spain are of very old flanding. It was deeply in debt before the end of the fixteenth century, about a hundred years before England owed a shilling. France, notwithstanding all its natural resources, languishes under an oppressive load of the same kind. The republic of the United Provinces is as much enfeebled by its debts as either Genoa or Venice. Is it likely that in Great Britain alone a practice, which has brought either weakness or defolation into every other country, should prove altogether innocent?

THE system of taxation established in those different countries, it may be faid, is inferior to that of England. I believe it is fo. But it ought to be remembered, that when the wifest government has exhausted all the proper subjects of taxation, it must, in cases of urgent neceffity, have recourse to improper ones. The wife republic of Holland has upon fome occafions been obliged to have recourse to taxes as inconvenient as the greater part of those of Spain. Another war begun before any confiderable liberation of the public revenue had been brought about, and growing in its progress as expensive as the last war, may, from irresistible necessity, render the British system of taxation as oppressive as that of Holland, or even as that of Spain. To the honour of our present system of taxation, indeed, it has hitherto given fo little embarraffment to industry, that, during the courfe



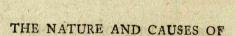


course even of the most expensive wars, the fru- C H A F. gality and good conduct of individuals feem to have been able, by faving and accumulation, to repair all the breaches which the waste and extravagance of government had made in the general capital of the fociety. At the conclusion of the late war, the most expensive that Great Britain ever waged, her agriculture was as flourishing, her manufacturers as numerous and as fully employed, and her commerce as extensive, as they had ever been before. The capital, therefore, which supported all those different branches of industry, must have been equal to what it had ever been before. Since the peace, agriculture has been still further improved, the rents of houses have rifen in every town and village of the country, a proof of the increasing wealth and revenue of the people; and the annual amount of the greater part of the old taxes, of the principal branches of the excise and customs in particular, has been continually increafing, an equally clear proof of an increasing confumption, and confequently of an increasing produce, which could alone support that confumption. Great Britain feems to fupport with eafe, a burden which, half a century ago, nobody believed her capable of supporting. us not, however, upon this account rashly conclude that she is capable of supporting any burden; nor even be too confident that she could support, without great distress, a burden a little greater than what has already been laid upon her.

VOL. III.



WHEN



BOOK WHEN national debts have once been accumulated to a certain degree, there is scarce, I believe, a fingle inftance of their having been fairly and completely paid. The liberation of the public revenue, if it has ever been brought about at all, has always been brought about by a bankruptcy; fometimes by an avowed one, but always by a real one, though frequently by a pretended payment.

THE raising of the denomination of the coin has been the most usual expedient by which a real public bankruptcy has been difguifed under the appearance of a pretended payment. If a fixpence, for example, should either by act of parliament or royal proclamation be raifed to the denomination of a shilling, and twenty fixpences to that of a pound sterling; the person who under the old denomination had borrowed twenty shillings, or near four ounces of silver, would, under the new, pay with twenty fixpences, or with fomething lefs than two ounces. A national debt of about a hundred and twentyeight millions, nearly the capital of the funded and unfunded debt of Great Britain, might in this manner be paid with about fixty-four millions of our present money. It would indeed be a pretended payment only, and the creditors of the public would really be defrauded of ten shillings in the pound of what was due to them. The calamity too would extend much further than to the creditors of the public, and those of every private person would suffer a proportionable loss; and this without any advantage, but



SL

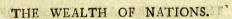
in most cases with a great additional loss, to the C HAP. creditors of the public. If the creditors of the public indeed were generally much in debt to other people, they might in fome measure compenfate their lofs by paying their creditors in the fame coin in which the public had paid them. But in most countries the creditors of the public are, the greater part of them, wealthy people, who stand more in the relation of creditors than in that of debtors towards the rest of their fellow-citizens. A pretended payment of this kind, therefore, inflead of alleviating, aggravates in most cases the loss of the creditors of the public; and without any advantage to the public, extends the calamity to a great number of other innocent people. It occasions a general and most pernicious subversion of the fortunes of private people; enriching in most cases the idle and profuse debtor at the expence of the industrious and frugal creditor, and transporting a great part of the national capital from the hands which were likely to increase and improve it, to those which are likely to diffipate and destroy it. When it becomes necessary for a state to declare itself bankrupt, in the same manner as when it becomes necessary for an individual to do fo, a fair, open, and avowed bankruptcy is always the measure which is both least dishonourable to the debtor, and least hurtful to the creditor. The honour of a state is surely very poorly provided for, when, in order to cover the diferace of a real bankruptcy, it has recourse to a juggling trick of this kind, fo easily feen Ff 2 through,





B O O K through, and at the same time so extremely per-

Almost all states, however, ancient as well as modern, when reduced to this necessity, have, upon some occasions, played this very juggling trick. The Romans, at the end of the first Punic war, reduced the As, the coin or denomination by which they computed the value of all their other coins, from containing twelve ounces of copper to contain only two ounces: that is, they raifed two ounces of copper to a denomination which had always before expressed the value of twelve ounces. The republic was, in this manner, enabled to pay the great debts which it had contracted with the fixth part of what it really owed. So fudden and fo great a bankruptcy, we should in the present times be apt to imagine, must have occasioned a very violent popular clamour. It does not appear to have occasioned any. The law which enacted it was, like all other laws relating to the coin, introduced and carried through the affembly of the people by a tribune, and was probably a very popular law. In Rome, as in all the other ancient republics, the poor people were constantly in debt to the rich and the great, who, in order to fecure their votes at the annual elections, used to lend them money at exorbitant intereft, which, being never paid, foon accumulated into a fum too great either for the debtor to pay, or for any body else to pay for him. The debtor, for fear of a very severe execution, was obliged, without any further gratuity, to vote for





for the candidate whom the creditor recom- C HAP. mended. In spite of all the laws against bribery and corruption, the bounty of the candidates, together with the occasional distributions of corn, which were ordered by the fenate, were the principal funds from which, during the latter times of the Roman republic, the poorer citizens derived their subfistence. To deliver themselves from this subjection to their creditors, the poorer citizens were continually calling out either for an entire abolition of debts, or for what they called New Tables; that is, for a law which should entitle them to a complete acquittance, upon paying only a certain proportion of their accumulated debts. The law which reduced the coin of all denominations to a fixth part of its former value, as it enabled them to pay their debts with a fixth part of what they really owed, was equivalent to the most advantageous new tables. In order to fatisfy the people, the rich and the great were, upon feveral different occafions, obliged to confent to laws both for abolishing debts, and for introducing new tables; and they probably were induced to confent to this law, partly for the fame reason, and partly that, by liberating the public revenue, they might restore vigour to that government of which they themselves had the principal direction. An operation of this kind would at once reduce a debt of a hundred and twenty-eight millions to twenty-one millions three hundred and thirty-three thousand three hundred and thirty-three pounds fix shillings and eight-Ff3 pence.





the As was still further reduced, first, from two ounces of copper to one ounce; and afterwards from one ounce to half an ounce; that is, to the twenty-fourth part of its original value. By combining the three Roman operations into one, a debt of a hundred and twenty-eight millions of our present money, might in this manner be reduced all at once to a debt of five millions three hundred and thirty-three thousand three hundred and thirty-three pounds fix shillings and eightpence. Even the enormous debt of Great Britain migt in this manner soon be paid.

By means of fuch expedients the coin of, I believe, all nations has been gradually reduced more and more below its original value, and the fame nominal fum has been gradually brought to contain a fmaller and a fmaller quantity of filver.

Nations have fometimes, for the same purpose, adulterated the standard of their coin; that is, have mixed a greater quantity of alloy in it. If in the pound weight of our silver coin, for example, instead of eighteen penny-weight, according to the present standard, there was mixed eight ounces of alloy; a pound sterling, or twenty shillings of such coin, would be worth little more than six shillings and eight-pence of our present money. The quantity of silver contained in six shillings and eight-pence of our present money, would thus be raised very nearly to the denomination of a pound sterling. The adulteration of the standard has exactly the same effect with what the French call an augmentation,







or a direct raising of the denomination of the C HAP.

An augmentation, or a direct raising of the denomination of the coin, always is, and from its nature must be, an open and avowed operation. By means of it pieces of a smaller weight and bulk are called by the same name which had before been given to pieces of a greater weight and bulk. The adulteration of the standard, on the contrary, has generally been a concealed operation. By means of it pieces were issued from the mint of the fame denominations, and, as nearly as could be contrived, of the fame weight, bulk, and appearance, with pieces which had been current before of much greater value. When king John of France*, in order to pay his debts, adulterated his coin, all the officers of his mint were fworn to fecrecy. Both operations are unjust. But a simple augmentation is an injuffice of open violence; whereas an adulteration is an injustice of treacherous fraud. This latter operation, therefore, as foon as it has been difcovered, and it could never be concealed very long, has always excited much greater indignation than the former. The coin after any confiderable augmentation has very feldom been brought back to its former weight; but after the greatest adulterations it has almost always been brought back to its former fineness. It has scarce ever happened that the fury and indignation of the people could otherwise be appealed.

^{*} See Du Cange Glossary, voce Moneta; the Benedictine edition.





BOOK IN the end of the reign of Henry VIII. and in the beginning of that of Edward VI. the English coin was not only raifed in its denomination, but adulterated in its flandard. The like frauds were practifed in Scotland during the minority of James VI. They have occasionally been practifed in most other countries.

> THAT the public revenue of Great Britain can never be completely liberated, or even that any confiderable progress can ever be made towards that liberation, while the furplus of that revenue, or what is over and above defraying the annual expence of the peace establishment, is fo very fmall, it feems altogether in vain to expect. That liberation, it is evident, can never be brought about without either fome very confiderable augmentation of the public revenue, or fome equally confiderable reduction of the public expence.

A MORE equal land tax, a more equal tax upon the rent of houses, and such alterations in the prefent fystem of customs and excise as those which have been mentioned in the foregoing chapter, might, perhaps, without increasing the burden of the greater part of the people, but only diffributing the weight of it more equally upon the whole, produce a confiderable augmentation of revenue. The most sanguine projector, however, could scarce flatter himself that any augmentation of this kind would be fuch as could give any reafonable hopes, either of liberating the public revenue altogether, or even of making fuch progrefs towards that liberation in time of peace, as

either





either to prevent or to compensate the further C HAP. accumulation of the public debt in the next war.

By extending the British fystem of taxation to all the different provinces of the empire inhabited by people of either British or European extraction, a much greater augmentation of revenue might be expected. This, however, could fcarce, perhaps, be done, confiftently 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 feem, indeed, at prefent, to oppose to fo great a change fuch obstacles as it may be very difficult, perhaps altogether impossible, to furmount. Without, however, pretending to determine whether fuch a union be practicable or impracticable, it may not, perhaps, be improper, in a speculative work of this kind, to confider 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



BOOK 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 modufes and all impropriations were taken away, the complete church tithe of Great Britain and Ireland could not well be estimated at less than fix or seven millions. If there was no tithe either in Great Britain or Ireland, the landlords could afford to pay fix or feven millions additional land-rax, 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 affeffed a paracording to any rent-roll. But neither were the lands of Great Britain, in the 4th of William and Mary, affeffed according to any rent-roll, but according to a very loofe and inaccurate effimation. The lands in America might be affeffed

mation. The lands in America might be affeffed either in the fame manner, or according to an equitable valuation in confequence of an accurate furvey, like that which was lately made in the Milanefe, and in the dominions of Austria, Prus-

sia, 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 prefent 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 fouth of that Cape are to fome parts of that produce at present. The trade between all the different parts of the British empire would, in confequence of this uniformity in the custom-house laws, be as free as the coasting trade of Great Britain is at present. The British empire

(446)



mense 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 melasses, 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

(447)



SI.

with liberty. If for the fake of equality it was o HAP. 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 circumftances of the trade rendered fuch an excise improper, by laying a duty upon its importation into the colony in which it was to be confumed. Befides the duty of one penny a gallon imposed by the British parliament upon the importation of melasses into America; there is a provincial tax of this kind upon their importation into Massachusets 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 five-pence the gallon. Or if neither of thefe methods was found convenient, each family might compound for its confumption of this liquor, either according to the number of perfons of which it confifted, in the fame manner as private families compound for the malt-tax in England; or according to the different ages and fexes of those persons, in the same manner as feveral different taxes are levied in Holland; or nearly as Sir Matthew Decker proposes that all taxes upon confumable 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 no where necessaries of life, which are become

BOOK become objects of almost universal consumption, and which are therefore extremely proper subjects of taxation. If a 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 fuit 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 fuch time as they should be delivered out either to the confumer, to the merchant retailer for home-confumption, or to the merchant exporter, the tax not to be advanced till fuch delivery. When delivered out for exportation, to go duty free; upon proper fecurity being given that they should really be exported out of the empire. These are perhaps the principal commodities with regard to which a union with the colonies might require fome confiderable change in the prefent fystem of British taxation.

WHAT might be the amount of the revenue which this fystem of taxation extended to all the different provinces of the empire might produce, it must, no doubt, be altogether impossible to afcertain with tolerable exactness. By means of this fystem there is annually levied in Great Britain, upon less than eight millions of people, more than ten millions of revenue. contains more than two millions of people, and according





according to the accounts laid before the congress, C H A P. the twelve affociated 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 fystem of taxation raises a revenue of more than ten millions sterling; it ought upon thirteen millions of inhabitants to raife a revenue of more than fixteen 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 expence of their respective civil governments. The expence 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 fomething less than seven hundred and fifty thoufand 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 a hundred and forty-one thousand eight hundred pounds. In this account, however, the revenue of Maryland, of North Carolina,

and





BOOK 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 fake 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 confequently a revenue of fifteen millions two hundred and fifty thousand pounds, to be applied towards defraying the general expence 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, fix millions two hundred and fifty thousand pounds could very well be fpared from this improved revenue. This great finking 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 fufficient in a few years to discharge the whole debt, and thus to restore completely the at prefent 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 necessaries of life, or upon the materials of manufacture. The labouring poor would thus be enabled to live better, to work cheaper, and to fend their goods cheaper to market. The cheapness of their goods would increase the demand for them, and confequently for the labour of those



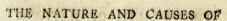


demand for labour, would both increase the numbers and improve the circumstances of the labouring poor. Their consumption would increase, and together with it the revenue arising from all those articles of their consumption upon which the taxes might be allowed to remain.

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 burthens to which they had not before been accustomed, and even when the fame taxes came to be levied every where as exactly as possible, they would not every where produce a revenue proportioned to the numbers of the people. In a poor country the confumption of the principal commodities fubject to the duties of customs and excise is very fmall; and in a thinly inhabited country the opportunities of frauggling are very great. The confumption 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 fupposed difference of quality. In these particular branches of the excise, there is not, I apprehend, much more fmuggling in the one country than in the other. The duties upon the distillery, and the greater part of the duties of customs, in Gg pro-VOL. III.







BOOK proportion to the numbers of people in the respective countries, produce less in Scotland than in England, not only on account of the smaller confumption 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 confumption of the taxed commodities might, in proportion to the number of the people, be still less than in Scotland, and the facility of fmuggling nearly the fame. In America and the West Indies the white people even of the lowest rank are in much better circumstances than those of the same rank in England, and their confumption of all the luxuries in which they usually include themselves is probably much greater. The blacks, indeed, who make the greater part of the inhabitants both of the fouthern colonies upon the continent and of the West India islands, as they are in a state of slavery, are, no doubt, in a worfe condition than the poorest people either in Scotland or Ireland. We must not, however, upon that account, imagine that they are worse fed, or that their confumption of articles which might be subjected to moderate duties, is less than that even of the lower ranks of people in England. In order that they may work well, it is the interest of their mafter that they should be fed well and kept in good heart, in the fame manner as it is his interest that his working cattle should be so. The blacks accordingly have almost every where their allowance

453





allowance of rum and of melaffes or foruce beer, C H A P. in the same manner as the white servants; and this allowance would not probably be withdrawn, though those articles should be subjected to moderate duties. The confumption of the taxed commodities, therefore, in proportion to the number of inhabitants, would probably be as great in America and the West Indies as in any part of the British empire. The opportunities of fmuggling, indeed, would be much greater; America, in proportion to the extent of the country, being much more thinly inhabited than either Scotland or Ireland. If the revenue, however, which is at prefent raifed by the different duties upon malt and malt liquors, were to be levied by a fingle duty upon malt, the opportunity of fmuggling in the most important branch of the excise would be almost entirely taken away: and if the duties of customs, instead of being imposed upon almost all the different articles of importation, were confined to a few of the most general use and confumption, and if the levying of those duties were subjected to the excise laws, the opportunity of fmuggling, though not for entirely taken away, would be very much diminished. In consequence of those two, apparently, very fimple and eafy alterations, the duties of customs and excise might probably produce a revenue as great in proportion to the confumption of the most thinly inhabited province, as they do at present in proportion to that of the most populous.

THE





BOOK

THE Americans, it has been faid indeed, have no gold or filver money; the interior commerce of the country being carried on by a paper currency, and the gold and filver which occasionally come among them being all fent to Great Britain in return for the commodities which they receive from us. But without gold and filver, it is added, there is no possibility of paying taxes. We already get all the gold and filver which they have. How is it possible to draw from them what they have not?

The present scarcity of gold and silver money in America is not the effect of the poverty of that country, or of the inability of the people there to purchase those metals. In a country where the wages of labour are so much higher, and the price of provisions so much lower than in England, the greater part of the people must surely have wherewithal to purchase a greater quantity, if it were either necessary or convenient for them to do so. The scarcity of those metals therefore, must be the effect of choice, and not of necessity.

It is for transacting either domestic or foreign business, that gold and filver money is either necessary or convenient.

The domestic business of every country, it has been shewn in the second book of this Inquiry, may, at least in peaceable times, be transacted by means of a paper currency, with nearly the same degree of conveniency as by gold and silver money. It is convenient for the Americans, who could always employ with profit



profit in the improvement of their lands a greater C H A P. stock than they can easily get, to save as much as possible the expence of so costly an instrument of commerce as gold and filver, and rather to employ that part of their furplus produce which would be necessary for purchasing those metals, in purchasing the instruments of trade, the materials of clothing, feveral parts of household furniture, and the iron work necessary for building and extending their fettlements and plantations; in purchasing, not dead stock, but active and productive flock. The colony governments find it for their interest to supply the people with fuch a quantity of paper-money as is fully fufficient and generally more than fufficient 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 fo much per cent. Others, like that of Massachusett's Bay, advance upon extraordinary emergencies a paper-money of this kind for defraying the public expence, and afterwards, when it fuits 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 fuits the conveniency of the planters to fave the expence of employing gold and filver money in their domestic trans-

* See Hutchinson's Hist. of Massachusett's Bay, Vol. II. page 436, & feq.

actions;





GL

BOOK V.

actions; and it fuits 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 filver 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 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 filver. It would be more convenient for any merchant to pay for the goods which his correspondents had fold to him in some other fort of goods which he might happen to deal in, than in money. Such a merchant would have no oc-

cafion





casion to keep any part of his stock by him un- C HAP. employed, and in ready money, for answering occasional demands. He could have, at times, a larger quantity of goods in his shop or warehouse, and he could deal to a greater extent. But it feldom happens to be convenient for all the correspondents of a merchant to receive payment for the goods which they fell 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 fet of correspondents, to whom it is more convenient to receive payment for the goods which they fell to those colonies in tobacco than in gold and filver. They expect to make a profit by the fale of the tobacco. They could make none by that of the gold and filver. Gold and filver, therefore, very feldom 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 faid, accordingly, to have less gold and filver money than any other colonies in America. They are reckoned, however, as thriving, and confequently 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 car-

riers.







BOOK riers. A balance therefore must be paid to the mother country in gold and filver, and this balance they generally find.

> In the fugar 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 fugar and rum annually fent to the mother country were paid for in those colonies, Great Britain would be obliged to fend out every year a very large balance in money, and the trade to the West Indies would, by a certain fpecies of politicians, be confidered as extremely difadvantageous. But it fo happens, that many of the principal proprietors of the fugar plantations reside in Great Britain. Their rents are remitted to them in fugar and rum, the produce of their estates. The fugar and rum which the West India merchants purchase in those colonies upon their own account, are not equal in value to the goods which they annually fell there. A balance therefore must necessarily be paid to them in gold and filver, and this balance too is generally found.

THE difficulty and irregularity of payment from the different colonies to Great Britain, have not been at all in proportion to the greatness or fmallness of the balances which were respectively due from them. Payments have in general been more regular from the northern than from the tobacco colonies, though the former have generally paid a pretty large balance in money; while the latter have either paid no balance, or a much

fmaller





fmaller one. The difficulty of getting payment C H A P. from our different fugar colonies has been greater or less in proportion, not so much to the extent of the balances respectively due from them, as to the quantity of uncultivated land which they contained; that is, to the greater or fmaller temptation which the planters have been under of over-trading, or of undertaking the fettlement and plantation of greater quantities of waste land than fuited the extent of their capitals. The returns from the great island of Jamaica, where there is still much uncultivated land, have, upon this account, been in general more irregular and uncertain, than those from the smaller islands of Barbadoes, Antigua, and St. Christophers, which have for these many years been completely cultivated, and have, upon that account, afforded less field for the speculations of the planter. The new acquisitions of Grenada. Tobago, St. Vincents, and Dominica, have opened a new field for speculations of this kind; and the returns from those islands have of late been as irregular and uncertain as those from the

IT is not, therefore, the poverty of the colonies which occasions, in the greater part of them, the present scarcity of gold and silver money. Their great demand for active and productive flock makes it convenient for them to have as little dead stock as possible; and disposes them upon that account to content themselves with a cheaper, though less commodious instrument of commerce than gold and filver. They are thereby

460

great island of Jamaica.



BOOK thereby enabled to convert the value of that gold and filver into the inftruments of trade, into the materials of clothing, into household furniture, and into the iron work necessary for building and extending their fettlements and plantations. In those branches of business which cannot be transacted without gold and filver money, it appears, that they can always find the necessary quantity of those metals; and if they frequently do not find it, their failure is generally the effect, not of their necessary poverty, but of their unnecessary and excessive enterprise. It is not because they are poor that their payments are irregular and uncertain; but because they are too eager to become excessively rich. Though all that part of the produce of the colony taxes, which was over and above what was necessary for defraying the expence of their own civil and military establishments, were to be remitted to Great Britain in gold and filver, the colonies have abundantly wherewithal to purchase the requifite quantity of those metals. They would in this case be obliged, indeed, to exchange a part of their furplus produce, with which they now purchase active and productive stock; for dead flock. In transacting their domestic business they would be obliged to employ a costly instead of a cheap instrument of commerce; and the expence of purchasing this costly instrument might damp formewhat the vivacity and ardour of their excessive enterprise in the improvement of land. It might not, however, be necessary to remit any part of the American revenue in gold

and





and filver. It might be remitted in bills drawn upon and accepted by particular merchants or companies in Great Britain, to whom a part of the furplus produce of America had been configned, who would pay into the treasury the American revenue in money, after having themfelves received the value of it in goods; and the whole bufiness might frequently be transacted without exporting a single ounce of gold or filver from America.

IT is not contrary to justice that both Ireland and America should contribute towards the difcharge of the public debt of Great Britain. That debt has been contracted in support of the government established by the Revolution, a government to which the protestants of Ireland owe, not only the whole authority which they at present enjoy in their own country, but every fecurity which they possess for their liberty, their property, and their religion; a government to which several of the colonies of America owe their present charters, and consequently their present constitution, and to which all the colonies of America owe the liberty, fecurity, and property which they have ever fince enjoyed. That public debt has been contracted in the defence, not of Great Britain alone, but of all the different provinces of the empire; the immense debt contracted in the late war in particular, and a great part of that contracted in the war before, were both properly contracted in defence of America.







BOOK By a union with Great Britain, Ireland would gain, besides the freedom of trade, other advantages much more important, and which would much more than compensate any increase of taxes that might accompany that union. By the union with England, the middling and inferior ranks of people in Scotland gained a complete deliverance from the power of an aristocracy which had always before oppressed them. By an union with Great Britain, the greater part of the people of all ranks in Ireland would gain an equally complete deliverance from a much more oppreffive aristocracy; an aristocracy not founded, like that of Scotland, in the natural and respectable distinctions of birth and fortune: but in the most odious of all distinctions, those of religious and political prejudices; distinctions which, more than any other, animate both the insolence of the oppressors and the hatred and indignation of the oppressed, and which commonly render the inhabitants of the same country more hostile to one another than those of different countries ever are. Without a union with Great Britain, the inhabitants of Ireland are not likely for many ages to confider themselves as one people.

> No oppressive aristocracy has ever prevailed in the colonies. Even they, however, would, in point of happiness and tranquillity, gain considerably by a union with Great Britain. It would, at least, deliver them from those rancorous and virulent factions which are inseparable from





fmall democracies, and which have so frequently CHAP. divided the affections of their people, and difturbed the tranquillity of their governments, in their form to nearly democratical. In the case of a total feparation from Great Britain, which, unless prevented by a union of this kind, feems very likely to take place, those factions would be ten times more virulent than ever. Before the commencement of the present disturbances, the coercive power of the mother-country had always been able to restrain those factions from breaking out into any thing worse than gross brutality and infult. If that coercive power were entirely taken away, they would probably foon break out into open violence and bloodshed. In all great countries which are united under one uniform government, the spirit of party commonly prevails less in the remote provinces than in the centre of the empire. The distance of those provinces from the capital, from the principal feat of the great scramble of faction and ambition, makes them enter less into the views of any of the contending parties, and renders them more indifferent and impartial spectators of the conduct of all. The spirit of party prevails less in Scotland than in England. In the case of a union it would probably prevail less in Ireland than in Scotland, and the colonies would probably foon enjoy a degree of concord and unanimity at present unknown in any part of the British empire. Both Ireland and the colonies, indeed, would be subjected to heavier taxes than any which they at present

pay.





BOOK pay. In consequence, however, of a diligent and faithful application of the public revenue towards the discharge of the national debt, the greater part of those taxes might not be of long continuance, and the public revenue of Great Britain might foon be reduced to what was neceffary for maintaining a moderate peace establishment.

THE territorial acquifitions of the East India company, the undoubted right of the crown, that is, of the state and people of Great Britain, might be rendered another fource of revenue more abundant, perhaps, than all those already mentioned. Those countries are represented as more fertile, more extensive; and, in proportion to their extent, much richer and more populous than Great Britain. In order to draw a great revenue from them, it would not probably be necessary to introduce any new system of taxation into countries which are already fufficiently and more than fufficiently taxed. It might, perhaps, be more proper to lighten, than to aggravate, the burden of those unfortunate countries. and to endeavour to draw a revenue from them. not by imposing new taxes, but by preventing the embezzlement and misapplication of the greater part of those which they already pay.

Ir it should be found impracticable for Great Britain to draw any confiderable augmentation of revenue from any of the refources above mentioned; the only resource which can remain to her is a diminution of her expence. In the mode of collecting, and in that of expending the pub-





lic revenue; though in both there may be ffill CHAP. room for improvement; Great Britain feems to be at least as ceconomical as any of her neighbours. The military establishment which she maintains for her own defence in time of peace. is more moderate than that of any European state which can pretend to rival her either in wealth or in power. None of those articles, therefore, feem to admit of any confiderable reduction of expence. The expence of the peace establishment of the colonies was, before the commencement of the present disturbances, very confiderable, and is an expence which may, and if no revenue can be drawn from them, ought certainly to be faved altogether. This constant expence in time of peace, though very great, is infignificant in comparison with what the defence of the colonies has cost us in time of war. The last war, which was undertaken altogether on account of the colonies, cost Great Britain, it has already been observed, upwards of ninety millions. The Spanish war of 1739 was principally undertaken on their account; in which, and in the French war that was the confequence of it, Great Britain spent upwards of forty millions, a great part of which ought justly to be charged to the colonies. In those two wars the colonies cost Great Britain much more than double the fum which the national debt amounted to before the commencement of the first of them. Had it not been for those wars that debt might. and probably would by this time, have been completely paid; and had it not been for the colonies, 2

(465) A



BOOK colonies, the former of those wars might not, and the latter certainly would not have been undertaken. It was because the colonies were supposed to be provinces of the British empire, that this expence was laid out upon them. But countries which contribute neither revenue nor military force towards the support of the empire, cannot be confidered as provinces. They may perhaps be confidered as appendages, as a fort of splendid and showy equipage of the empire. But if the empire can no longer support the expence of keeping up this equipage, it ought certainly to lay it down; and if it cannot raise its revenue in proportion to its expence, it ought, at least, to accommodate its expence to its revenue. If the colonies, notwithstanding their refusal to submit to British taxes, are still to be considered as provinces of the British empire, their defence in some future war may cost Great Britain as great an expence as it ever has done in any former war. The rulers of Great Britain have, for more than a century past, amused the people with the imagination that they possessed a great empire on the west side of the Atlantic. This empire, however, has hitherto existed in imagination only. It has hitherto been, not an empire, but the project of an empire; not a gold mine, but the project of a gold mine; a project which has cost, which continues to cost, and which, if purfued in the fame way as it has been hitherto, is likely to cost, immense expence, without being likely to bring any profit; for the effects of the monopoly of the colony trade, it

has





has been shewn, are, to the great body of the C HAP. people, mere loss instead of profit. It is furely now time that our rulers should either realize this golden dream, in which they have been indulging themselves, perhaps, as well as the people; or, that they should awake from it themfelves, and endeavour to awaken the people. If the project cannot be completed, it ought to be given up. If any of the provinces of the British empire cannot be made to contribute towards the support of the whole empire, it is furely time that Great Britain should free herself from the expence of defending 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 defigns to the real mediocrity of her circumflances.

> Hh (467)



H

N. B. The Roman Numerals refer to the Volume, and the Figures to the Page.

ABSENTEE tax, the propriety of, confidered, with reference to Ireland, iii. 373.

Accounts of money, in modern Europe, all kept, and the value of goods computed, in filver, i. 58.

Actors, public, paid for the contempt attending their profession, i. 163. Africa, cause assigned for the barbarous state of the interior parts of

that continent, i. 32.

African company, establishment and constitution of, iii. 117. Receive an annual allowance from parliament for forts and garrifons, 120. The company not under sufficient controll, ibid. History of the Royal African company, 124. Decline of, 125. Rife of the prefent company, 126.

Age, the foundation of rank and precedency in rude as well as civi-

lized focieties, iii. 75.

Aggregate fund, in the British finances, explained, iii. 408.

Agio of the bank of Amsterdam explained, ii. 218. Of the bank of Hamburgh, 220. The agio at Amsterdam, how kept at a medium

rate, 231.

Agriculture, the labour of, does not admit of such subdivisions as manufactures, i. 9. This impossibility of separation, prevents agriculture from improving equally with manufactures, 10. Natural state of, in a new colony, 140. Requires more knowledge and experience than most mechanical professions, and yet is carried on without any restrictions, 196. The terms of rent how adjusted between landlord and tenant, 223. Is extended by good roads and navigable canals, 228. Under what circumstances pasture land is more valuable than arable, 232. Gardening not a very gainful employment, 237. Vines the most profitable article of culture, 239. Estimates of profit from projects, very fallacious, 240. Cattle and tillage mutually improve each other, 344. Remarks on that of Hh 2 Scotland,



INDEX.



Scotland, 346. Remarks on that of North America, 349. Poultry a profitable article in husbandry, 352. Hogs, 354. Dairy, 355. Evidences of land being completely improved, 358. The extension of cultivation as it raises the price of animal food, reduces that

of vegetables, 382.

Agriculture, by whom and how practifed under feudal government, ii. 8. Its operations not fo much intended to increase, as to direct, the fertility of nature, 52. Has been the cause of the prosperity of the British colonies in America, 57. The prosits of, exaggerated by projectors, 71. On equal terms, is naturally preferred to trade, 76. Artificers necessary to the carrying it on, 77. Was not attended to by the Northern destroyers of the Roman empire, 81. The ancient policy of Europe unfavourable to, 98. Was promoted by the commerce and manufactures of towns, 130. The wealth arising from, more solid and durable, than that which proceeds from commerce, 137. Is not encouraged by the bounty on the exportation of corn, 267. Why the proper business of new companies, 432.

The present agricultural system of political economy adopted in France, described, iii. 4. Is discouraged by restrictions and prohibitions in trade, 17. Is favoured beyond manufactures, in China, 30. And in Indostan, 33. Does not require so extensive a market as manufactures, 35. To check manufactures, in order to promote agriculture, false policy, 41. Landlords ought

to be encouraged to cultivate part of their own land, 266.

Alcavala, the tax in Spain fo called, explained and confidered, iii. 381. The ruin of the Spanish manufactures attributed to this tax, 382.

Alchouses, the number of, not the efficient cause of drunkenness, ii.

50. 241.

Allodial rights, mistaken for feudal rights, ii. 122. The introduction of the feudal law tended to moderate the authority of the allodial lords, 124.

Ambaffadors, the first motive of their appointment, iii. 108.

America, why labour is dearer in North America than in England, i. 105. Great increase of population there, 106. Common rate of interest there, 140. Is a new market for the produce of its own silver mines, 316. The first accounts of the two empires of Peru and Mexico, greatly exaggerated, 317. Improving state of the Spanish colonies, 318. Account of the paper currency of the British colonies, 493.

Caufe of the rapid profperity of the British colonies there, ii. 57. Why manufactures for distant fale have never been established there, 78. Its speedy improvement owing to assistance from foreign capitals, 80. The purchase and improvement of uncultivated land, the most prositable employment of capitals, 132. Commercial alterations produced by the discovery of, 169. But two civilized nations found on the whole continent, 170. The wealth



INDEX.

SL

of the North American colonies increased, though the balance of trade continued against them, 251. Madeira wine, how introduced there, 257. Historical review of the European settlements in, 348. Of Spain, 362. Of Holland, 367. Of France, 368. Of Britain, 370. Ecclesiastical government in the several European colonies, 374. Fish a principal article of trade from North America to Spain, Portugal, and the Mediterranean, 380. Naval stores to Britain, 382. Little credit due to the policy of Europe from the success of the colonies, 397. The discovery and colonization of, how far advantageous to Europe, 400. And to America, 458. The colonies in, governed by a spirit of monopoly, 467. The interest of the consumer in Britain sacrificed to that of the producer, by the system of colonization, 517.

America, plan for extending the British system of taxation over all the provinces of, iii. 442. The question how the Americans could pay taxes without specie, considered, 452. Ought in justice to contribute to discharge the public debt of Great Britain, 459. Expediency of their union with Britain, 460. The British empire

there, a mere project, 464.

Amsterdam, agio of the bank of, explained, ii. 218. Occasion of its establishment, 220. Advantages attending payments there, 221. Rate demanded for keeping money there, 223. Prices at which bullion and coin are received, 225, Note. This bank, the great warehouse of Europe for bullion, 228. Demands upon, how made and answered, 229. The agio of, how kept at a medium rate, 231. The treasure of, whether all preserved in its repositories, ibid. The amount of its treasure only to be conjectured, 233. Fees paid to the bank for transacting business, ibid.

Annuities for terms of years, and for lives, in the British sinances,

historical account of, iii. 411.

Apothecaries, the profit on their drugs unjustly stigmatized as exorbi-

tant, i. 171.

Apprenticeship, the nature and intention of this bond servitude explained, i. 155. The limitations imposed on various trades, as to the number of apprentices, 184. The statute of apprenticeship in England, 186. Apprenticeships in France and Scotland, 187. General remarks on the tendency and operation of long apprenticeships, 188.

The statute of, ought to be repealed, ii. 205.

Arabs, their manner of supporting war, iii. 45.

Army, three different ways by which a nation may maintain one in a

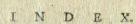
distant country, ii. 157.

Standing, distinction between and a militia, iii. 56. Historical review of, 61. The Macedonian army, ibid. Carthaginian army, 62. Roman army, 63. Is alone able to perpetuate the civilization of a country, 68. Is the speediest engine for civilizing a barbarous country, ibid. Under what circumstances dangerous to, and under what favourable to, liberty, 69.

Hh 3

Artificers,







Artificers, prohibited by law from going to foreign countries, ii. 513. Refiding abroad, and not returning on notice, exposed to outlawry, 514. See Manufactures.

Afdrubal, his army greatly improved by discipline, iii. 62. How de-

feated, 63.

· GOVERNMENT OF

Affembly, houses of, in the British colonies, the constitutional freedom of, shewn, ii. 391.
Afficute contract, iii. 129.

Affize of bread and ale, remarks on that statute, i. 279. 286.

Augustus, emperor, emancipates the slaves of Vedius Pollio, for his cruelty, ii. 396.

B

Balance of annual produce and confumption explained, ii. 250. May be in favour of a nation, when the balance of trade is against it, 251. Balance of trade, no certain criterion to determine on which fide it turns between two countries, ii. 212. The current doctrine of, on which most regulations of trade are founded, abfurd, 235. If even, by the exchange of their native commodities, both fides may be

gainers, 236. How the balance would fland, if native commodities on one fide, were paid with foreign commodities on the other, 237. How the balance stands when commodities are purchased with gold and filver, 239. The ruin of countries often predicted from

the doctrine of an unfavourable balance of trade, 249.

Banks, great increase of trade in Scotland, fince the establishment of them in the principal towns, i. 442. Their usual course of businels, 444. Confequences of their isluing too much paper, 449. Necessary caution for some time observed by them with regard to giving credit to their customers, 456. Limits of the advances they may prudently make to traders, 460. How injured by the practice of drawing and redrawing bills, 467. History of the Ayr bank, 471. History of the bank of England, 479. The nature and public advantage of banks confidered, 483. Bankers might carry on their bufiness with less paper, 488. Effects of the optional clauses in the Scots notes, 492.

- Origin of their establishment, ii. 220. Bank money explained, 221. Of England, the conduct of, in regard to the

coinage, 337.

-- Joint stock companies why well adapted to the trade of banking, iii. 146. 148. A doubtful question whether the government of Great Britain is equal to the management of the Bank to profit, 243.

Bankers, the credit of their notes how established, i. 434. The na-

ture of the banking bufine's explained, 435- 444-

---- The multiplication and competition of bankers under proper regulation, of fervice to public credit, 498.

Baretti,



Baretti, Mr. his account of the quantity of Portugal gold fent weekly

to England, ii. 328.

Barons, feudal, their power contracted, by the grant of municipal privileges, ii. 105. Their extensive authority, 121. How they loft their authority over their vassals, 125. And the power to disturb their country, 129.

Barter, the exchange of one commodity for another, the propensity to, of extensive operation, and peculiar to man, i. 20. Is not fufficient to carry on the mutual intercourse of mankind, 33.

See Commerce.

Batavia, causes of the prosperity of the Dutch settlement there,

Beaver skins, review of the policy used in the trade for, ii. 511.

· Beef, cheaper now in London than in the reign of James I. i. 235. Compared with the prices of wheat at the corresponding times, 236. Benefices, ecclefiastical, the tenure of, why rendered secure, iii. 210. The power of collating to, how taken from the Pope, in England and France, 220. General equality of, among the Presbyterians, 229. Good effects of this equality, 230.

Bengal, to what circumstance its early improvement in agriculture and manufactures was owing, i. 31. Present miserable state of the country, 110. Remarks on the high rates of interest there, 143. - Oppressive conduct of the English there to suit their trade in

opium, ii. 477.

why more remarkable for the exportation of manufactures than of grain, iii. 35.

Berne, brief history of the republic of, ii. 108.

- Establishment of the reformation there, iii. 223. Application of the revenue of the Catholic clergy, 235. Derives a revenue

from the interest of its treasure, 245.

Bills of Exchange, punctuality in the payment of, how secured,
i. 464. The pernicious practice of drawing and redrawing explained, 465. The arts made use of to disguise this mutual traffic in bills, 469.

Birth, superiority of, how it confers respect and authority, iii. 77. Bishops, the ancient mode of electing them, and how altered, iii. 212.

Body, natural and political, analogy between, iii. 20.

Bohemia, account of the tax there on the industry of artificers, iii. 225. Bounty on the exportation of corn, the tendency of this measure ex-

amined, i. 303.

Bounties, why given in commerce, ii. 174. On exportation, the policy of granting them confidered, 261. On the exportation This bounty imposes two taxes on the people, of corn, 263. 266. Evil tendency of this bounty, 274. The bounty only beneficial to the exporter and importer, 276. Motives of the country gentlemen in granting the bounty, ibid. A trade which requires a bounty, necessarily a losing trade, 279. Tonnage bounties to the fisheries considered, 281. Account of the white-herring fish-Hh 4 ery,



INDEX.



ery, 287. Remarks on other bounties, 288. A review of the principles on which they are generally granted, 489. Those granted on American produce founded on mistaken policy, 493. How they affect the confumer, 516.

Bourdeaux, why a town of great trade, ii. 10.

Brazil, grew to be a powerful colony under neglect, ii. 364. The Dutch invaders expelled by the Portugueze colonifis, 365. Computed number of inhabitants there, ibid. The trade of the principal provinces oppressed by the Portugueze, 376.

Bread, its relative value with butcher's meat compared, i. 230. 235.
Brewery, reasons for transferring the taxes on, to the malt, iii. 363.

Bridges, how to be erected and maintained, iii, 94.

Britain, Great, evidences that labour is sufficiently paid for there, i. 111. The price of provisions nearly the same in most places, 112. Great variations in the price of labour, 113. Vegetables imported from Flanders in the last century, 118. Historical account of the alterations interest of money has undergone, 135. Double interest

deemed a reasonable mercantile profit, 148.

- In what respects the carrying trade is advantageous Appears to enjoy more of the carrying trade of Europe, than it really has, 69. Is the only country of Europe in which the obligation of purveyance is abolished, 96. Its funds for the support of foreign wars inquired into, 159. Why never likely to be much affected by the free importation of Irish cattle, 187. Nor falt provisions, 189. Could be little affected by the importation of foreign corn, ibid. The policy of the commercial restraints on the trade with France examined, 211. The trade with France might be more advantageous to each country than that with any other, 247. Why one of the richest countries in Europe, while Spain and Portugal are among the poorest, 320. Review of her American colonies. 370. The trade of her colonies, how regulated, 378. Distinction between enumerated and non-enumerated commodities, explained, Restrains manufactures in America, 385. Indulgences granted to the colonies, 388. Conflitutional freedom of her colony government, 391. The fugar colonies of, worfe governed than those of France, 394. Disadvantages resulting from retaining the exclusive trade of tobacco with Maryland and Virginia, 407. The navigation act has increased the colony trade, at the expence of many other branches of foreign trade, 411. The advantage of the colony trade estimated, 417. A gradual relaxation of the exclufive trade, recommended, 426. Events which have concurred to prevent the ill effects of the loss of the colony trade, 427. The natural good effects of the colony trade, more than counterbalance the bad effects of the monopoly, 431. To maintain a monopoly, the principal end of the dominion assumed over the colonies, 441. Has derived nothing but lofs from this dominion, 443. Is perhaps the only state which has only increased its expences by extending its empire, 451. The conflictation of, would have been completed by admitting of American reprefentation, 456. Review of the administration

(m)



INDEX.



nistration of the East India Company, 480. The interest of the consumer facrificed to that of the producer in raising an empire in

America, 517.

Britain, Great, the annual revenue of, compared with its annual rents and interest of capital stock, iii. 250. The land tax of, confidered, 259. Tythes, 274. Window tax, 290. Stamp duties, 316. 321. Poll taxes in the reign of William III. 328. The uniformity of taxation in, favourable to internal trade, 382. The fystem of taxation in, compared with that in France, 391. Account of the unfunded debt of, 403. Funded debt, 404. Aggregate and general funds, 408. Sinking fund, 410. Annuities for terms of years and for lives, 411. Perpetual annuities the best transferrable flock, 415. The reduction of the public debts during peace, bears no proportion to their accumulation during war, 420. The trade with the tobacco colonies, how carried on, without the intervention of specie, 454. The trade with the sugar colonies explained, 456. Ireland and America ought in justice to contribute toward the discharge of her public debts, 459. How the territorial acquisitions of the East India company might be rendered a fource of revenue, 462. If no fuch affiltance can be obtained, her only resource pointed out, ibid.

Bullion, the money of the great mercantile republic, ii. 162. See

Gold and Silver.

Burghs, free, the origin of, ii. 102. To what circumflances they owed their corporate jurisdictions, 104. Why admitted to fend representatives to parliament, 138. Are allowed to protect refugees from the country, 109.

Burn, Dr. his observations on the laws relating to the settlements of

the poor, i. 213. 217.

Butchers meat, no where a necessary of life, iii. 341.

C

Calvinists, origin of that sect, iii. 225. Their principles of church government, 227.

Cameron, Mr. of Lochiel, exercised, within thirty years since, a cri-

minal jurisdiction over his own tenants, ii. 123.

Canada, the French colony there, long under the government of an exclusive company, ii. 368. But improved speedily after the disso-

lution of the company, 369.

Canals, navigable, the advantages of, i. 229. How to be made and maintained, iii. 94. That of Languedoc, the support of, how secured, 97. May be successfully managed by joint stock companies, 147.

Cantillon, Mr. remarks on his account of the earnings of the labour-

ing poor, 102.

Cape of Good Hope, causes of the prosperity of the Dutch settlement there, ii. 474.

Capital,





Capital, in trade, explained, and how employed, i. 411. Diffinguished into circulating and fixed capitals, 412. Characteristic of fixed capitals, 416. The feveral kinds of fixed capitals specified, ibid. Characteristic of circulating capitals, and the feveral kinds of, 417. Fixed capitals supported by those which are circulating, 418. Circulating capitals how supported, 419. Intention of a fixed capital, 423. The expence of maintaining the fixed and circulating capitals illustrated, 427. Money, as an article of circulating capital, confidered, 428. Money, no measure of capital, 433. What quantity of industry any capital can employ, 440. Capitals, how far they

may be extended by paper credit, 460. - Must always be replaced with profit by the annual produce of land and labour, ii. 5. The proportion between capital and revenue, regulates the proportion between industry and idleness, 12. How it is increased or diminished, 13. National evidences of the increase of, 23. In what instances private expences contribute to enlarge the national capital, 28. The increase of, reduces profits by competition, 38. The different ways of employing a capital, 46. How replaced to the different claffes of traders, 50. That employed in agriculture puts into motion a greater quantity of productive labour, than any equal capital employed in manufactures, 53. That of a manufacturer should reside within the country, 55. The operation of capitals employed in agriculture, manufactures, and foreign trade, compared, 56. The prosperity of a country depends on the due proportion of its capital applied to these three grand objects, 59. Different returns of capitals employed in foreign trade, 63. Is rather employed on agriculture than in trade and manufactures, on equal terms, 76. Is rather employed in manufactures than in foreign trade, 79. The natural progress of the employment of, 80. Acquired by trade, is very precarious until realized by the cultivation and improvement of land, 136. The employment of, in the different species of trade, how determined, 178.

Capitation taxes, the nature of, confidered, iii. 327. In England,

328. In France, 329.

Carriage, land and water, compared, i. 28. Water carriage contributes to improve arts and industry, in all countries where it can be used, 29. 228. 323.

Land, how facilitated and reduced in price, by public

works, iii. 95.

Carrying trade, the nature and operation of, examined, ii. 64. Is the fymptom, but not the cause, of national wealth, and hence points out the two richest countries in Europe, 69. Trades may appear to be carrying trades, which are not so, ibid. The disadvantages of, to individuals, 178. The Dutch, how excluded from being the carriers to Great Britain, 193. Drawbacks of duties originally granted for the encouragement of, 258.

Carthaginian army, its superiority over the Roman army, accounted

for, iii. 62.

Cattle, and corn, their value compared, in the different stages of agriculture, i. 230. The price of, reduced by artificial grasses, 234.

10



GL

To what height the price of cattle may rife in an improving country, 344. The raifing a flock of, necessary for the supply of manure to farms, 345. Cattle must bear a good price to be well fed, 346. The price of, rifes in Scotland in consequence of the union with England, 348. Great multiplication of European cattle in America, 349. Are killed in some countries, merely for the fake of the hides and tallow, 361. The market for these articles more extensive than for the carcase, 362. This market sometimes brought nearer home by the establishment of manufactures, ibid. How the extension of cultivation raises the price of animal food, 382. Is perhaps the only commodity more expensive to transport by sea than by land, ii. 187. Great Britain never likely to be much affected by the free importation of Irish cattle, ibid.

Certificates, parish, the laws relating to, with observations on them,

i. 216.

Child, Sir Josiah, his observation on trading companies, iii. 116. Children, riches unsavourable to the production, and extreme poverty to the raising, of them, i. 120. The mortality still greater among

those maintained by charity, 121.

China, to what the early improvement in arts and industry there was owing, 1.31. Concurrent testimonies of the misery of the lower ranks of the Chinese, 108. Is not however a declining country, 109. High rate of interest of money there, 145. The price of labour there, lower than in the greater part of Europe, 322. Great state assumed by the grandees, 323. Silver the most profitable article to send thither, ibid. The proportional value of gold to silver, how rated there, 331. The value of gold and silver much higher there than in any part of Europe, 376.

Agriculture favoured there, beyond manufactures, iii. 30.
Foreign trade not favoured there, 31. Extension of the home-market, 32. Great attention paid to the roads there, 103. In what the principal revenue of the sovereign confils, 276. The

revenue of, partly raifed in kind, 278.

Church, the richer the church, the poorer the flate, iii. 235. Amount of the revenue of the church of Scotland, 236. The revenue of the church heavier taxed in Prussia, than lay proprietors, 271. The nature and effect of tythes considered, 274.

Circulation, the dangerous practice of raising money by, explained, i. 465. In traffic, the two different branches of, confider-

ed, 48;.

Cities, circumstances which contributed to their opulence, ii. 110.

Those of Italy the first that rose to consequence, 111. The commerce and manufactures of, have occasioned the improvement and cultivation of the country, 130.

Clergy, a supply of, provided for, by public and private foundations for their education, i. 202. Curates worse paid than many me-

chanics, 203.

Of an established religion, why unfuccessful against the teachers of a new religion, iii. 193. Why they perfecute their adversaries,







194. The zeal of the inferior clergy of the church of Rome, how kept alive, 195. Utility of ecclefiaftical establishments, 198. How connected with the civil magistrate, 199. Unsafe for the civil magistrate to differ with them, 207. Must be managed without violence, 210. Of the church of Rome, one great army cantoned over Europe, 213. Their power similar to that of the temporal barons, during the seudal monkish ages, 214. How the power of the Romish clergy declined, 218. Evils attending allowing parishes to elect their own ministers, 227.

Cloathing, more plentiful than food, in uncultivated countries, i. 252.

The materials for, the first articles rude nations have to offer, 253.

Coal, must generally be cheaper than wood to gain the preference for

fuel, i. 259. The price of, how reduced, 261.

- The exportation of, subjected to a duty higher than the prime cost of, at the pit, ii. 512. The cheapest of all fuel, 338. The

tax on, abfurdly regulated, 339.

Coal mines, their different degrees of fertility, i. 258. When fertile, are fometimes unprofitable by fituation, 259. The proportion of rent generally paid for, 262. The machinery necessary to, expensive, 413.

Coal trade from Newcastle to London, employs more shipping than

all the other carrying trade of England, ii. 66.

Goehin China, remarks on the principal articles of cultivation there,

1. 244.

Coin, stamped, the origin and peculiar advantages of, in commerce, i. 38. The different species of, in different ages and countries, 39. Causes of the alterations in the value of, 40. 47. 50. How the standard coin of different nations came to be of different metals, 57. A reform in the English coinage suggested, 67. Silver, consequences attending the debasement of, 304. Coinage of France and Britain, examined, 215. Why coin is privately melted down, 333. The mint chiesly employed to keep up the quantity thus diminished, 334. A duty to pay the coinage would preferve money from being melted or counterfeited, 335. Standard of the gold coin in France, 336. How a seignorage on coin would operate, ibid. A tax upon coinage is advanced by every body, and sinally paid by nobody, 340. A revenue lost, by government defraying the expence of coinage, ibid. Amount of the annual coinage before the late reformation of the gold coin, 341. The law for the encouragement of, founded on prejudice, 342.

--- Confequences of raising the denomination, as an expedient to facilitate payment of public debts, iii. 434. Adulteration of, 439. Colbert, M. the policy of his commercial regulations disputed, ii. 200.

iii. 3. His character, iii. 2.

Colleges, cause of the depreciation of their money rents inquired into, i. 51. The endowments of, from whence they generally arise, iii. 150. Whether they have in general answered the purposes of their institution, 151. These endowments have diminished the necessity of application in the teachers, 152. The privileges of graduates

I N D E X



duates by refidence, and charitable foundation of scholarships, injurious to collegiate education, 155. Discipline of, 157. Colliers and coal-heavers, their high earnings accounted for, i. 159.

Colonies, new, the natural progress of, i. 140.

- Modern, the commercial advantages derived from them, ii. 175. Ancient, on what principles founded, 343. Ancient Grecian colonies not retained under subjection to the parent states, 344. Diffinction between the Roman and Greek colonies, 346. Circumstances that led to the establishment of European colonies in the East Indies and America, 347. The East Indies discovered by Vasco de Gama, 348. The West Indies discovered by Columbus, 349. Gold the object of the first Spanish enterprises there, 354-And of those of all other European nations, 357. Causes of the prosperity of new colonies, 358. Rapid progress of the ancient Greek colonies, 360. The Roman colonies slow in improvement, 361. The remoteness of America and the West Indies, greatly in favour of the European colonies there, 362. Review of the British American colonies, 370. Expence of the civil establishments in British America, 373. Ecclesiastical government, 374. General view of the restraints laid upon the trade of the European colonies. The trade of the British colonies, how regulated, 377. The 375. The trade of the British colonies, how regulated, 377. The different kinds of non-enumerated commodities specified, 378. Enumerated commodities, 382. Restraints upon their manufactures, 385. Indulgences granted them by Britain, 388. Were free in every other respect except as to their foreign trade, 391. Little credit due to the policy of Europe from the success of the colonies. Throve by the diforder and injustice of the European governments, 398. Have contributed to augment the industry of all the countries of Europe, 401. Exclusive privileges of trade, a dead weight upon all these exertions both in Europe and America, 403. Have in general been a fource of expence instead of revenue to their mother countries, 405. Have only benefited their mother countries by the exclusive trade carried on with them, 406. Confequences of the navigation act, 409. The advantage of the colony trade to Britain estimated, 417. A gradual relaxation of the exclusive commerce recommended, 426. Events which have prevented Britain from fenfibly feeling the lofs of the colony trade, 427. The effects of the colony trade, and the monopoly of that trade, diffinguished, 429. To maintain a monopoly, the principal end of the dominion Great Britain affumes over the colonies, 441. Amount of the ordinary peace establishment of, ibid. The two late wars Britain sustained, colony wars, to support a monopoly, 442. Two modes by which they might be taxed, 446. Their affemblies not likely to tax them, ibid. Taxes by parliamentary requisition, as little likely to be raised, 448. Representatives of, might be admitted into the British parliament with good effect, 453. Answer to objections against American representation, 456. The interest of the confumer in Britain, facrificed to that of the producer, in raising an empire in America, 517. Columbus.





Columbus, the motive that led to his discovery of America, ii. 343: Why he gave the name of Indies to the islands he discovered, 349: His triumphal exhibition of their productions, 352.

Columella, his instruction for fencing a kitchen-garden, i. 238. Ad-

vises the planting of vineyards, 239.

Commerce, the different common standards or mediums made use of to facilitate the exchange of commodities, in the early stages of, i. 34.

Origin of money, 35. Definition of the term value, 42.

Treaties of, though advantageous to the merchants and manufacturers of the favoured country, necessarily disadvantageous to those of the favouring country, ii. 324. Translation of the commercial treaty between England and Portugal concluded in 1703, by Mr. Methuen, 325. Restraints laid upon the European colonies in America, 375. The present splendour of the mercantile system, owing to the discovery and colonization of America, 459. Review of the plan by which it proposes to enrich a country, 485. The interest of the consumer constantly sacrificed to that of the producer, 515. See Agriculture, Banks, Capital, Manusactures, Merchant, Money, Stock, Trade, &c.

Commodities, the barter of, infufficient for the mutual supply of the wants of mankind, i. 33. Metals found to be the best medium to facilitate the exchange of, 35. Labour an invariable standard for the value of, 48. Real and nominal prices of, distinguished, 49. The component parts of the prices of, explained and illustrated, 75. The natural, and market prices of, distinguished, and how regulated, 82. The ordinary proportion between the value of any two commodities, not necessarily the same as between the quantities of them commonly in the market, 331. The price of rude produce, how affected by the advance of wealth and improvement, 340.

Foreign, are primarily purchased with the produce of domestic industry, ii. 61. When advantageously exported in a rude state, even by a foreign capital, 79. The quantity of, in every country, naturally regulated by the demand, 148. Wealth in goods, and in money, compared, 153. Exportation of, to a proper market, always attended with more profit than that of gold and silver, 161. The natural advantages of countries in particular productions, sometimes not possible to struggle against, 185.

Company, mercantile, incapable of confulting their true interests when they become fovereigns, ii. 479. An exclusive company, a public

nuisance, 485.

— Trading, how first formed, iii. 109. Regulated, and joint stock companies, distinguished, ibid. 110. Regulated companies in Great Britain, specified, 111. Are useless, 113. The constant view of such companies, 115. Forts and garrisons, why never maintained by regulated companies, 116. The nature of joint stock companies explained, 122. 143. A monopoly necessary of enable a joint stock company to carry on a foreign trade, 144. What kind of joint stock companies need no exclusive privileges, 146. Joint stock companies, why well adapted to the trade of banking, 146. The trade

(480)





the

trade of infurance may be carried on fuccefsfully by a flock company, 147. Also inland navigations, and the supply of water to a great city, ibid. Ill success of joint stock companies in other undertakings, 149.

Competition, the effect of, in the purchase of commodities, i. 84-

Among the venders, 86. 143.

Concordat, in France, its object, iii. 220.

Congress, American, its firength owing to the important characters it confers on the members of it, ii. 454-

Conversion price, in the payment of rents in Scotland, explained,

i. 284.

Copper, the standard measure of value among the ancient Romans,

i. 57. Is no legal tender in England, 59.

Cari, the largest quadruped on the island of St. Domingo, described,

11. 350.

Corn, the raising of, in different countries, not subject to the same degree of rivalihip as manufactures, i. 11. Is the best standard for referved rents, \$1. The price of, how regulated, \$3. The price of, the best standard for comparing the different values of particular commodities at different times and places, 56. The three component parts in the price of, 75. Is dearer in Scotland than in England, 114. Its value compared with that of butchers meat, in the different periods of agriculture, 230. 236. Compared with filver, 277. Circumftances in a historical view of the prices of corn, that have milled writers in treating of the value of filver at different periods, 284. Is always a more accurate measure of value, than any other commodity, 293. Why dearer in great towns than in the country, 297. Why dearer in some rich commercial countries, as Holland and Genoa, 298. Rofe in its nominal price on the discovery of the American mines, 300. And in confequence of the civil war under king Charles I. 30z. And in confequence of the bounty on the exportation of, 303. Tendency of the bounty examined, 30%. Chronological table of the prices of, 398.

- The least profitable article of growth in the British West Indian colonies, ii. 89. The reffraints formerly laid upon the trade of, unfavourable to the cultivation of land, 98. The free importation of, could little affect the farmers of Great Britain, 189. licy of the bounty on the exportation of, examined, 263. The reduction in the price of corn, not produced by the bounty, 264. Tillage not encouraged by the bounty, 267. The money price of, regulates that of all other home-made commodities, 268. Illustration, 271. Ill effects of the bounty, 274. Motives of the _country gentlemen in granting the bounty, 276. The natural value of corn not to be altered by altering the money price, 278. The four feveral branches of the corn trade specified, 291. The inland dealer, for his own interest will not raise the price of corn higher than the scarcity of the season requires, ibid. Corn a commodity



GI

the least liable to be monopolized, 293. The inland dealers in corn too numerous and dispersed to form a general combination, 294. Dearths never artificial, but when government interferes improperly to prevent them, 295. The freedom of the corn trade, the best fecurity against a famine, 297. Old English statute to prohibit the corn trade, 298. Confequences of farmers being forced to become corn dealers, 300. The use of corn dealers to the farmers, 305. The prohibitory flatute against the corn trade softened, 306. But still under the influence of popular prejudices, 307. The average quantity of corn imported and exported, compared with the confumption and annual produce, 309. Tendency of a free importation of corn, 311. The home market the most important one for corn, ibid. Duties payable on the importation of grain, before 13 Geo. III. 312, Note. The impropriety of the flatute 22 Car. II. for regulating the importation of wheat, confessed by the suspension of its execution, by temporary statutes, 313. The home-market indirectly supplied by the exportation of corn, ibid. How a liberal fystem of free exportation and importation, among all nations, would operate, 316. The laws concerning corn, fimilar to those relating to religion, 318. The home market supplied by the carrying trade. ibid. The fystem of laws connected with the establishment of the bounty, undeferving of praise, 319. Remarks on the statute 13 Geo. III. 321.

Corporations, tendency of the exclusive privileges of, on trade, i. 93. 184. By what authority erected, 191. The advantages corporations derive from the furrounding country, 193. Check the operations of competition, 198. Their internal regulations, combinations against the public, 200. Are injurious, even to the members of them, 201. The laws of, obstruct the free circulation

of labour, from one employment to another, 211.

The origin of, ii. 103. Are exempted by their privileges from the power of the feudal barons, 105. The European East India companies disadvantageous to the eastern commerce, 171. The exclusive privileges of corporations ought to be destroyed, 205.

Cottagers, in Scotland, their fituation described, i. 179. Are cheap manufacturers of stockings, 181. The diminution of, in England, considered, 354.

Coward, character of, iii. 190.

Credit. See Paper-money.

Cruzades to the Holy Land, favourable to the revival of commerce, ii. 111.

Currency of states, remarks on, ii. 219.

Customs, the motives and tendency of drawbacks from the duties of, ii. 252. The revenue of the customs increased by draw-

backs, 259.

- Occasion of first imposing the duties of, iii. 109. Origin of those duties, 345. Three ancient branches of, 346. Drawbacks of, 348. Are regulated according to the mercantile system, 349. Frauds

(482)



Frauds practifed to obtain drawbacks and bounties, 350. The duties of, in many instances uncertain, 352. Improvement of, suggested, 353. Computation of the expence of collecting them, 376.

D

Dairy, the business of, generally carried on as a save-all, i. 355. Circumstances which impede or promote the attention to it, 356. English and Scotch dairies, 357.

Danube, the navigation of that river why of little use to the interior

parts of the country from whence it flows, i. 32.

Davenant, Dr. his objections to the transferring the duties on beer to

the malt, confidered, iii. 367.

Dearths, never caused by combinations among the dealers in corn, but by some general calamity, ii. 295. The free exercise of the corn trade the best palliative against the inconveniences of a dearth, 306. Corn dealers the best friends to the people at such

feasons, 308.

Debts, public, the origin of, traced, iii. 397. Are accelerated by the expences attending war, 399. Account of the unfunded debt of Great Britain, 403. The funded debt, 404. Aggregate and general funds, 408. Sinking fund, 410. 418. Annuities for terms of years, and for lives, 411. The reduction of, during peace, bears no proportion to its accumulation during war, 420. The plea of the interest being no burden to the nation, considered, 428. Are feldom fairly paid when accumulated to a certain degree, 434. Might easily be discharged, by extending the British system of taxation over all the provinces of the empire, 441. Ireland and America ought to contribute to discharge the public debts of British

Decker, Sir Matthew, his observation on the accumulation of taxes, iii. 337. His proposal for transferring all taxes to the consumer,

by annual payments, confidered, 342.

Demand, though the increase of, may at first raise the price of goods,

it never fails to reduce it afterward, iii. 134.

Denmark, account of the fettlements of, in the West Indies, ii. 367.

Diamonds, the mines of, not always worth working for, i. 270.

Discipline, the great importance of, in war, iii. 59. Instances, 61, &c.

Diversions, public, their political use, iii. 206.

Domingo, St. mistaken by Columbus for a part of the East Indies, ii. 349. Its principal productions, 350. The natives soon stripped of all their gold, 353. Historical view of the French colony there, 369.

Doomfday book, the intention of that compilation, iii. 270. Dorians, ancient, where the colonies of, fettled, ii. 343.

Dramatic exhibitions, the political use of, iii. 206.

Drawbacks,

483

SULTURE GOVERNMENT OF NO.

INDEX.



Drawbacks, in commerce, explained, ii. 174. The motives to, and tendency of, explained, ii. 252. On wines, currants, and wrought filks, 253. On tobacco and fugar, 254. On wines, particularly confidered, 255. Were originally granted to encourage the carrying trade, 258. The revenue of the customs increased by them, 259. Drawbacks allowed in favour of the colonies, 389.

Drugs, regulations of their importation and exportation, ii. 508. Drunkenness, the motive to this vice enquired into, ii. 242.

Dutch, their fettlements in America flow in improvement because under the government of an exclusive company, ii. 367. Their East India trade checked by monopoly, 469. Measures taken by, to secure the monopoly of the spice trade, 476. See Holland.

E

East India, representation of the miserable state of the provinces of, under the English government there, i. 110. Historical view of the European trade with those countries, 319. Rice countries more populous and rich than corn countries, 321. The real price of labour lower in China and Indostan, than in the greater part of Europe, 322. Gold and silver the most profitable commodities to carry thither, 323. The proportional value of gold to silver, how rated there, 330.

great extension of foreign commerce by the discovery of a passage to, round the Cape of Good Hope, ii. 170. Historical review of the intercourse with, 171. Effect of the annual exportation of silver to, from Europe, 172. The trade with, chiefly carried on by exclusive companies, 467. Tendency of their monopolies, 468.

Company, a monopoly against the very nation in which it is erected, ii. 467. The operation of such a company in a poor, and in a rich country, compared, 469. That country whose capital is not large enough to tend to such a distant trade ought not to engage in it, 473. The mercantile habits of trading companies render them incapable of consulting their true interests when they become sovereigns, 479. The genius of the administration of the English company, 480. Subordinate practices of their agents and clerks, 481. The bad conduct of agents in India owing to their situation, 484. Such an exclusive company a nuisance in every respect, 485.

brief review of their history, iii. 131. Their privileges invaded, 132. A rival company formed, 133. The two companies united, 135. Are infected by the spirit of war and conquest, 136. Agreements between the company and government, ibid. Interference of government in their territorial administration, 139. And in the direction at home, ibid. Why unsit to govern a great empire, 140. Their sovereign and commercial characters incompatible, 245. How the territorial acquisitions of, might be rendered a

fource of revenue, 462.

Edinburgh,



Edinburgh, its present share of trade owing to the removal of the court and parliament, ii. 12.

Education, the principal cause of the various talents observable in dif-

ferent men, i. 241

those parts of, for which there are no public institutions, generally the best taught, iii. 153. In universities a view of, 168. Of travelling for, 171. Course of, in the republics of ancient Greece, 172. In ancient Rome, ibid. The ancient teachers superior to those in modern times, 179. Public institutions injurious to good education, 180. Inquiry how far the public ought to attend to the education of the people, 181. The different opportunities of education in the different ranks of the people, 185. The advantages of a proper attention in the state to the education of the people, 191.

Egypi, the first country in which agriculture and manufactures appear to have been cultivated, i. 30. Agriculture was greatly favoured there, iii. 32. Was long the granary of the Roman em-

pire, 35.

Ejectment, action of, in England, when invented, and its operation,

ii. 93.

Employments, the advantages and disadvantages of the different kinds of, in the same neighbourhood, continually tend to equality, i. 151.

The differences or inequalities among, specified, 152. The constancy or precariousness of, influences the rate of wages, 157.

England, the dates of its several species of coinage, silver, gold, and copper, i. 58. Why labour is cheaper there, than in North America, 105. The rate of population in both countries compared, 106.

the produce and labour of, have gradually increased from the earliest accounts in history, while writers are representing the country as rapidly declining, ii. 24. Enumeration of obstructions and calamities which the prosperity of the country has surmounted, 25. Circumstances that favour commerce and manufactures, 133. Laws in favour of agriculture, 134. Why formerly unable to carry on foreign wars of long duration, 165. Why the commerce with France has been subjected to so many discouragements, 247. Foundation of the enmity between these countries, 249. Translation of the commercial treaty concluded in 1703, with Portugal, 325. Inquiry into the value of the trade with Portugal, 328. Might procure gold without the Portugal trade, 329. Consequences of securing the colony trade by the navigation act, 409.

Engrossing. See Forestalling.

Entails, the law of, prevents the division of land by alienation, ii. 82.

Intention of, 84.

Europe, general review of the several nations of, as to their improvement fince the discovery of America, i. 316. The two richest countries in, enjoy the greatest shares of the carrying trade, ii. 69. Inquiry into the advantages derived by, from the discovery and colonization of America, 400. The particular advantages derived by each colonizing country, 404. And by others which have no colonies, 460.

Exchange,





Exchange, the operation of, in the commercial intercourse of different countries, ii. 144. The course of, an uncertain criterion of the balance of trade between two countries, 213. Is generally in favour of those countries which pay in bank money, against those which

pay in common currency, 234.

Excise, the principal objects of, iii. 345. The duties of, more clear and distinct than the customs, 352. Affects only a few articles of the most general consumption, 353. The excise scheme of Sir Robert Walpole defended, 358. The excise upon home-made fermented and spirituous liquors, the most productive, 360. Expence of levying excise duties computed, 375. The laws of, more vexatious than those of the customs, 380.

Exercise, military, alteration in, produced by the invention of fire

arms, iii. 57.

Expences, private, how they influence the national capital, ii. 28. The

advantage of bestowing them on durable commodities, 30.

Export trade, the principles of, explained, ii. 67. When rude produce may be advantageously exported, even by a foreign capital, 79. Why encouraged by European nations, ii. 173. By what means promoted, 174. The motives to, and tendency of, drawbacks of duties, 252. The grant of bounties on, considered, 261. Exportation of the materials of manufactures, review of the restraints and prohibitions of, ii. 494.

Faith, articles of, how regulated by the civil magistrate, iii. 208.

Families feldom remain on large estates for many generations in commercial countries, ii. 129.

Famine. See Dearth.

Farmers of land, the several articles that compose their gain, distinguished, i. 80. Require more knowledge and experience than the generality of manufacturers, 196. In what their capitals confist, 413.

their capitals, ii. 52. Artificers necessary to them, 77. Their separation better in England than in any other part of Europe, 93. Labour under great disadvantages everywhere, 97. Origin of long leases of farms, 128. Are a class of men least subject to the wretched spirit of monopoly, 191. Were forced, by old statutes, to become the only dealers in corn, 300. Could not sell corn cheaper than any other corn merchant, 301. Could seldom sell it so cheap, 302. The culture of land obstructed by this division of their capitals, 304. The use of corn dealers to the farmers, 305.

cording to the French agricultural fyshem of political occonomy,

111. 4

Fendal government, miferable state of the occurrers of land under, ii. 7. Trade and interest of money under, 9. Feudal chiefs, their powers

486)



power, 82. Slaves, their fituation, 87. Tenures of land, 90. Taxation, 96. Original poverty and fervile state of the tradefmen in towns, 100. Immunities feldom granted but for valuable confiderations, 101. Origin of free burghs, 102. The power of the barons reduced by municipal privileges, 105. The cause and effect of ancient hospitality, 119. Extensive power of the ancient barons, 121. Was not established in England until the Norman conquest, 123. Was filently subverted by manufactures and commerce, 125.

Feudal wars, how supported, iii. 49. Military exercises not well attended to, under, 52. Standing armies gradually introduced to fupply the place of the feudal militia, 66. Account of the cafualties or taxes under, 314: Revenues under, how enjoyed by the great

landholders, 395.

Fiars, public, in Scotland, the nature of the institution explained, i. 284.

Fines for the renewal of leases, the motive for exacting them, and

their tendency, iii. 264.

Fire arms, alteration in the art of war, effected by the invention of, iii. 57. 71. The invention of, favourable to the extension of civilization, 72.

Fish, the component parts of the price of, explained, i, 77. The multiplication of, at market, by human industry, both limited and uncertain, i. 370. How an increase of demand raises the price of fish, 371.

Fisheries, observations on the tonnage bounties granted to, ii. 281. To the herring fishery, 282. The boat fishery rained by this

bounty, 285.

Flanders, the ancient commercial prosperity of, perpetuated by the folid improvements of agriculture, ii. 137.

Flax, the component parts of the price of, explained, i, 76. Fleetwood, bishop, remarks on his Chronicon Pretiosum, i. 285.

289. Flour, the component parts of the price of, explained, i. 76.

Food, will always purchase as much labour as it can maintain on the spot, i. 227. Bread and butchers' meat compared, 230. 235. Is the original fource of every other production, 257. The abundance of, constitutes the principal part of the riches of the world, and gives the principal value to many other kinds of riches, 272.

Forestalling and engrossing, the popular fear of, like the suspicions of witchcraft, ii. 309.

Forts, when necessary for the protection of commerce, iii. 107. France, fluctuations in the legal rate of interest for money there, during the course of the present century, i. 137. Remarks on the trade and riches of, 138. The nature of apprenticeships there, 187. The propriety of restraining the planting of vineyards, examined, i. 240. Variations in the price of grain there, 282.

money price of labour has funk gradually with the money price of corn, 313. Foundation of the Mississippi scheme, 478. 113





France, little trade or industry to be found in the parliament towns of, ii. 10. Description of the class of farmers called metayers, 90. Laws relating to the tenure of land, 95. Services formerly exacted beside rent, ibid. The taille, what, and its operation in checking the cultivation of land, 96. Origin of the magistrates and councils of cities, 107. No direct legal encouragement given to agriculture, 135. Ill policy of M. Colbert's commercial regulations, 200. French goods heavily taxed in Great Britain, 200. The commercial intercourse between France and England now chiefly carried on by fmugglers, 210. The policy of the commercial restraints between France and Britain, considered, 211. State of the coinage there, 217. Why the commerce with England has been subjected to discouragements, 247. Foundation of the enmity between these countries, 249. Remarks concerning the seignorage on coin, 335. Standard of the gold coin there, 336. The trade of the French colonies, how regulated, 378. The government of the colonies conducted with moderation, 393. The fugar colonies of, better governed than those of Britain, 394. The kingdom of, how taxed, 449. The members of the league fought more in defence of their own importance, than for any other cause, 455. -- the present agricultural system of political economy adopted by philosophers there, described, iii. 4. Under what direction the funds for the repair of the roads are placed, 101. General state of the roads, 102. The universities badly governed, 155, Remarks on the management of the parliaments of, 211. Measures taken in, to reduce the power of the elergy, 220. Account of the mode of rectifying the inequalities of the predial taille in the generality of Montauban, 273. The perfonal taille explained, 303. The inequalities in, how remedied, 306. How the perfonal taille discourages cultivation, 308. The Vingtieme, 311. Stamp duties and the controle, 317. 320. The capitation tax, how rated, 329. Restraints upon the interior trade of the country by the local variety of the revenue laws, 383. The duties on tobacco and falt, how levied, 388. The different fources of revenue in, 389. How the finances of, might be reformed, 390. The French fystem of taxation compared with that in Britain, 391. The nature of tontines explained, 413. Estimate of the whole national debt of, 414. Frugality, generally a predominating principle in human nature, ii. 19.

Fuller's earth, the exportation of, why prohibited, ii. 505.

Funds, British, brief historical view of, iii. 403. Operation of, politically confidered, 424. The practice of funding has gradually enfeebled every flate that has adopted it, 431.

Fur trade, the first principles of, i. 253.

Gama, Vasco de, the first European who discovered a naval track to the East Indies, 348.

Gardening ,

I N D E



Gardening, the gains from, distinguished into the component parts, Not a profitable employment, 237.

See Stones.

General fund, in the British sinances, explained, iii. 408.

Genoa, why corn is dear in the territory of, i. 298.

Glafgow, the trade of, doubled in fifteen years, by erecting banks there, i. 442. Why a city of greater trade than Edinburgh,

Gold, not the standard of value in England, i. 59. Its value measured by filver, 60. Reformation of the gold coin, 61. Mint price of gold in England, 62. The working the mines of, in Peru, very, unprofitable, 267. Qualities for which this metal is valued, 269. The proportional value of, to filver, how rated before and after the discovery of the American mines, 330. Is cheaper in the Spanish market than filver, 333. Great quantities of, remitted annually from Portugal to England, ii. 327. Why little of it remains in

England, 329. Is always to be had for its value, 330.

Gold and filver, the prices of, how affected by the increase of the quantity of the metals, i. 294. Are commodities that naturally feek the best market, 295. Are metals of the least value among the poorest nations, 297. The increase in the quantity of, by means of wealth and improvement, has no tendency to diminish their value, The annual confumption of these metals very considerable, Annual importation of, into Spain and Portugal, 325. Are not likely to multiply beyond the demand, 328. The durability of, the cause of the steadiness of their price, 329. On what circumfrances the quantity of, in every particular country, depends, 372. The low value of these metals in a country, no evidence of its

wealth, nor their high value of its poverty, 377.

if not employed at home, will be fent abroad notwith standing all prohibitions, ii. 17. The reason why European nations have studied to accumulate these metals, 141. Commercial arguments in favour of their exportation, 142. Thefe, and all other commodities, are mutually the prices of each other, 148. The quantity of, in every country, regulated by the effectual demand, 149. Why the prices of these metals do not fluctuate so much as those of other commodities, 150. To preferve a due quantity of, in a country, no proper object of attention for the government, 151. The accumulated gold and filver in a country distinguished into three parts, 158. A great quantity of bullion alternately exported and imported for the purposes of foreign trade, 162. Annual amount of these metals imported into Spain and Portugal, 163. The importation of, not the principal benefit derived from foreign trade, 167. The value of, how affected by the discovery of the American mines, 168. And by the passage round the Cape of Good Hope to the East Indies, 170. Effect of the annual exportation of filver to the East Indies, 172. The commercial means pursued to increase the quantity of these metals in a country, 173. 209. Bullion how received and paid at the bank of Amsterdam, 223. At what prices, 225, Ii 4

I N D E X.

225, Note. A trading country without mines, not likely to be exhausted by an annual exportation of these metals, 240. The value of, in Spain and Portugal, depreciated by refraining the exportation of them, 271. Are not imported for the purposes of plate or coin, but for foreign trade, 331. The fearch after mines of, the most ruinous of all projects, 354. Are valuable, because scarce, and difficult to be procured, 355.

Gorgias, evidence of the wealth he acquired by teaching, i. 208.

Government, civil, indispensably necessary for the security of private property, iii. 73. Subordination in fociety by what means introduced, 74. Inequality of fortune introduces civil government for its prefervation, 80. The administration of justice, a source of revenue in early times, 81. Why government ought not to have the management of turnpikes, 99. Nor of other public works, 105. Want of parfimony during peace, imposes a necessity of contracting debts to carry on a war, 399. Must support a regular administration of justice to cause manufactures and commerce to flourish, 400. Origin of a national debt, 401. Progression of public debts, 402. War, why generally agreeable to the people, 417.

Governors, political, the greatest spendthrifts in society, ii. 27.

Graffes, artificial, tend to reduce the price of butchers' meat, i. 234. Graziers, subject to monopolies obtained by manufacturers to their

prejudice, ii. 506.

· GOVERNMENT OF

Greece, foreign trade promoted in several of the ancient states of, iii. 36. Military exercises, a part of general education, 52. Soldiers not a diffinct profession in, 53. Course of education in the republics of, 172. The morals of the Greeks inferior to those of the Romans, ibid. Schools of the philosophers and rhetoricians, 175. Law no science among the Greeks, 176. Courts of justice, 177. The martial spirit of the people how supported, 188.

Greek colonies, how diffinguished from Roman colonies, ii. 346.

Rapid progrefs of these colonies, 360.

Greek language, how introduced as a part of university education, iii. 162. Philosophy, the three great branches of, 163.

Ground rents, great variations of, according to fituation, iii. 281.

Are a more proper subject of taxation than houses, 286.

Gum senega, review of the regulations imposed on the trade for, ii. 509.

Gunpowder, great revolution effected in the art of war by the invention of, iii. 57.71. This invention favourable to the extenfion of civilization, 72.

Gustavus Vasa, how enabled to establish the reformation in Sweden,

111. 223.

H

Hanfeatic league, causes that rendered it formidable, ii. 107. Why no vestige remains of the wealth of the Hans towns, 136.

Hamburgh,

N D E X.



Hamburgh, agio of the bank of, explained, ii. 220. Sources of the revenue of that city, 242. 246. The inhabitants of, how taxed to the state, 298.

-- Company, fome account of, iii. 112. Hearth money, why abolished in England, iii. 290.

Henry VIII. of England, prepares the way for the reformation by

shutting out the authority of the Pope, iii. 224.

Herring buss bounty, remarks on, ii. 281. Fraudulent claims of the bounty, 284. The boat fishery the most natural and profitable, 285. Account of the British white-herring fishery, 287. Account of the buffes fitted out in Scotland, the amount of their cargoes, and the bounties on them, 519.

Hides, the produce of rude countries, commonly carried to a diftant market, i. 360. Price of, in England three centuries ago, 365. Salted hides inferior to fresh ones, 366. The price of, how affected by circumstances in cultivated and in uncultivated

countries, 368.

Highlands of Scotland, interessing remarks on the population of, i. 120. Military character of the Highlanders, iii. 60.

Hobbes, Mr. remarks on his definition of wealth, i. 45.

Hogs, circumstances which render their slesh cheap or dear, i. 354. Holland, observations on the riches and trade of the republic of, i. 139. Not to follow some business, unfashionable there, 147. Cause of

the dearness of corn there, 298.

enjoys the greatest share in the carrying trade of Europe, ii. 60. How the Dutch were excluded from being the carriers to Great Britain, 193. Is a country that prospers under the heaviest taxation, 199. Account of the bank of Amsterdam, 220. republic derives even its subsistence from foreign trade, 250.

tax paid on houses there, iii. 289. Account of the tax upon fuccessions, 313. Stamp duties, 316. High amount of taxes in, 340. 392. Its prosperity depends on the republican form of

government, 393.

Honoraries from pupils to teachers in colleges, tendency of, to quicken their diligence, iii. 152.

Hose, in the time of Edward IV. how made, i. 389. Hospitality, ancient, the cause and effect of, ii. 119. iii. 395.

House, different acceptations of the term in England, and some other countries, i. 182. Houses confidered as part of the national stock,

414. Houses produce no revenue, 415.

- the rent of, distinguished into two parts, iii. 280. Operation of a tax upon house rent, payable by the tenant, 281. rent the best test of the tenant's circumstances, 285. regulation of a tax on, ibid. How taxed in Holland, 289. money, 290. Window tax, -ibid.

Hudson's bay company, the nature of their establishment and trade, iii. 126. Their profits not fo high as has been reported, 128.

Hunters, war how supported by a nation of, iii. 44. Cannot be very numerous, 46. No established administration of justice needful







among them, 72. Age the fole foundation of rank and precedency among, 73. No confiderable inequality of fortune, or subordination to be found among them, 76. No hereditary honours in such a society, 78.

Husbandmen, war how supported by a nation of, iii. 47.

Husbandry. See Agriculture.

1

Janaica, the returns of trade from that island, why irregular, iii. 457-Idleness unfashionable in Holland, i. 147.

Jewels. See Stones.

Importation, why restraints have been imposed on, with the two kinds of, ii. 173. How restrained to secure a monopoly of the homemarket to domestic industry, 176. The true policy of these restraints doubtful, 177. The free importation of foreign manufactures more dangerous than that of raw materials, 187. How far it may be proper to continue the free importation of certain foreign goods, 199. How far it may be proper to restore the free importation of goods, after it has been interrupted, 202. Of the materials of manufacture, review of the legal encouragements given to, 486.

Independents, the principles of that feet explained, iii. 201.

Indies. See East and West.

Indoftan, the feveral classes of people there kept distinct, iii. 33.

The natives of, how prevented from undertaking long fea voy-

ages, 34.

Industry, the different kinds of, seldom dealt impartially with by any nation, i. 4. The species of, frequently local, 26. Naturally suited to the demand, 87. Is increased by the liberal reward of labour, 124. How affected by seasons of plenty and scarcity, 126. Is more advantageously exerted in towns than in the country, 194. The average produce of, always suited to the average consumption, 292. Is promoted by the circulation of paper money, 438.

Three requifites to putting industry in motion, 450.

how the general character of nations is estimated by, ii. 9. And idleness, the proportion between, how regulated, 12. Is employed for substitute, before it extends to conveniences and luxury, 75. Whether the general industry of a society is promoted by commercial restraints on importation, 177. Private interest naturally points to that employment most advantageous to the society, 178. But without intending or knowing it, 181. Legal regulations of private industry, dangerous assumptions of power, 182. Domestic industry ought not to be employed on what can be purchased cheaper from abroad, 183. Of the society, can augment only in proportion as its capital augments, 184. When it may be necessary to impose some burden upon foreign industry, to favour that at home, 192. The free exercise of industry ought to be allowed to all, 205.

(492)



The natural effort of every individual to better his condition, will, if unreftrained, result in the prosperity of the society, 319.

Insurance, from fire, and sea risks, the nature and profits of, examined, i. 165. The trade of insurance may be successfully carried on by a joint stock company, iii. 147, 148.

Interest, landed, monied, and trading, diffinguished, ii. 35.

for the use of money, the soundation of that allowance explained, i. 79. Historical view of the alterations of, in England, and other countries, 135. Remarks on the high rates of, in Bengal, 143. And in China, 145. May be raised by defective laws, independent on the influence of wealth or poverty, ibid. The lowest ordinary rate of, must somewhat more than compensate occasional losses, 146. The common relative proportion between interest and mercantile profits inquired into, 148.

was not lowered in confequence of the discovery of the American mines, ii. 39. How the legal rate of, ought to be fixed, 43. Confequences of its being fixed too high or too low, 44. The market rate of, regulates the price of land, 45. Whether a

proper object of taxation, iii. 294.

Ireland, why never likely to furnish cattle to the prejudice of Great Britain, ii. 187. The proposed absence tax there considered, iii. 373. Ought in justice to contribute toward the discharge of the public debt of Great Britain, 459. Expediency of a union with Great Britain, 460.

Isocrates, the handsome income he made by teaching, i. 207.

Italy, the only great country in Europe, which has been cultivated and improved in every part by means of its foreign commerce, ii. 135.

Was originally colonized by the Dorians, 343.

Jurifdictions, territorial, did not originate in the feudal law, ii. 122.

Justice, the administration of, a duty of the sovereign, iii. 72. In early times a source of revenue to him, 81. The making justice subservient to the revenue, a source of great abuses, 82. Is never administered gratis, 85. The whole administration of, but an inconsiderable part of the expence of government, 86. How the whole expence of justice might be defrayed from the sees of court, ibid. The interference of the jurisdictions of the several English courts of law, accounted for, 88. Law language, how corrupted, 90. The judicial and executive power, why divided, 91. By whom the expence of the administration of, ought to be borne, 238.

K

Kalm, the Swedish traveller, his account of the husbandry of the British colonies in North America, i. 349.

Kelp, a rent demanded for the rocks on which it grows, i. 224.

King, under feudal inflitutions, no more than the greatest baron in the nation, ii, 122. Was unable to restrain the violence of his barons, 124.

King,





King, treasure trove an important branch of revenue to, iii. 396. His situation how favourable for the accumulating treasure, 397. In a commercial country, naturally spends his revenue in luxuries, ibid. Is hence driven to call upon his subjects for extraordinary aids, 398.

King, Mr. his account of the average price of wheat, i. 306.
Kings and their ministers, the greatest spendthrifts in a country,

ii. 27.

L

Labour, the fund which originally supplies every nation with its annual confumption, i. 1. How the proportion between labour and confumption is regulated, ibid. The different kinds of industry seldom dealt impartially with by any nation, 4. The division of labour confidered, 6. This division increases the quantity of work, 11. Instances in illustration, 17. From what principle the division of labour originates, 19. The divisibility of, governed by the market, 26. Labour the real measure of the exchangeable value of commodities, 44. Different kinds of, not eafily estimated by immediate comparison, 45. Is compared by the intermediate standard of money, 46. Is an invariable standard for the value of commodities, 48. Has a real and a nominal price, 49. The quantity of labour employed on different objects, the only rule for exchanging them in the rude stages of society, 70. Difference between the wages of labour and profits on stock, in manufactures, 72. The whole labour of a country never exerted, 81. Is in every instance fuited to the demand, 87. The effect of extraordinary calls for, 89. The deductions made from the produce of labour employed upon land, 98. Why dearer in North America than in England, 105. Is cheap in countries that are stationary, 107. The demand for, would continually decrease in a declining country, 109. The province of Bengal cited as an instance, 110. Is not badly paid for in Great Britain, 111. An increasing demand for, favourable to population, 121. That of freemen cheaper to the employers than that of flaves, 122. The money price of, how regulated, 130. Is liberally rewarded in new colonies, 140. Common labour and skilful labour distinguished, 155. The free circulation of, from one employment to another, obstructed by corporation laws, 211, The unequal prices of, in different places, probably owing to the law of fettlements, 218. Can always procure subfiftence on the spot where it is purchased, 227. The money price of, in different countries, how governed, 297. Is set into motion by stock employed for profit, 396. The division of, depends on the accumulation of stock, 408. Machines to facilitate labour advantageous to fociety, 426.

productive and unproductive, distinguished, ii. 1. Various orders of men specified, whose labour is unproductive, 3. Unproductive



dustive labourers all maintained by revenue, 5. The price of, how raifed by the increase of the national capital, 38. Its price, though nominally raised, may continue the same, 41. Is liberally rewarded in new colonies, 358.

Labour of artificers and manufacturers, never adds any value to the whole amount of the rude produce of the land, according to the French agricultural fystem of political economy, iii. 9. This doctrine them to be erroneous, 23. The productive powers of

labour, how to be improved, 25.

Labourers, useful and productive, every where proportioned to the capital flock on which they are employed, i. 3. Share the produce of their labour, in most cases, with the owners of the stock on which they are employed, 74. Their wages a continued subject of contest between them and their masters, 99. Are seldom successful in their outrageous combinations, 101. The fufficiency of their earnings, z point not easily determined, 102. Their wages sometimes raised by increase of work, 103. Their demands limited by the funds destined for payment, 104. Are continually wanted in North America, 107. Miferable condition of those in China, 108. Are not ill paid in Great Britain, 111. If able to maintain their families in dear years, they must be at their ease in plentiful scasons, 112. A proof furnished in the complaints of their luxury, 119. Why worse paid than artificers, 156. Their interests strictly connected with the interests of the fociety, 395. Labour the only source of their revenue, 410. Effects of a life of labour on the understand-

ings of the poor, iii. 182. Land, the demand of rent for, how founded, i. 74. The rent paid, enters into the price of the greater part of all commodities, 75. Generally produces more food than will maintain the labour necessary to bring it to market, 227. Good roads, and navigable canals, equalize difference of fituation, 228. That employed in raising food for men or cattle, regulates the rent of all other cultivated land, 237. 247. Can clothe and lodge more than it can feed, while uncultivated, and the contrary when improved, 252. The culture of land producing food, creates a demand for the produce of other lands, 272. Produces by agriculture a much greater quantity of vegetable, than of animal food, 293. The full improvement of, requires a stock of cattle to supply manure, 345. Cause and effect of the diminution of cottagers, 354. Signs of the land being completely improved, 358. The whole annual produce, or the price of it, naturally divides itself into rent, wages, and profits of stock, 304. - the usual price of, depends on the common rate of interest for money, ii. 44. The profits of cultivation exaggerated by projectors, The cultivation of, naturally preferred to trade and manufactures, on equal terms, 76. Artificers necessary to the cultivation of, 77. Was all appropriated, though not cultivated, by the northern destroyers of the Roman empire, 81. Origin of the law of primogeniture under the feudal government, 82. Entails, 84.

(495)

Obstacles to the improvement of land under feudal propietors, 86.

Feudal



Feudal tenures, 90. Feudal taxation, 96. The improvement of land checked in France by the taille, *ibid*. Occupiers of, labour under great disadvantages, 97. Origin of long leases of, 128. Small proprietors, the best improvers of, 131. Small purchasers of, cannot hope to raise fortunes by cultivation, 132. Tenures of, in

the British American colonies, 370.

Land, is the most permanent source of revenue, iii. 248. The rent of a whole country, not equal to the ordinary levy upon the people, 249. The revenue from, proportioned, not to the rent, but to the produce, 252. Reasons for selling the crown lands, 253. The land tax of Great Britain considered, 259. An improved land-tax suggested, 264. A land tax, however equally rated by a general survey, will soon become unequal, 272. Tythes a very unequal tax, 274. Tythes discourage improvement, 275.

Landholders, why frequently inattentive to their own particular interells, i. 394. How they contribute to the annual production of the land, according to the French agricultural fystem of political economy, iii. 4. Should be encouraged to cultivate a part of their

own land, 266.

Latin language, how it became an effential part of university educa-

tion, iii. 161.

Law, the language of, how corrupted, iii. 90. Did not improve into a fcience in ancient Greece, 176. Remarks on the courts of justice in Greece and Rome, 177.

Law, Mr. account of his banking scheme for the improvement of

Scotland, i. 478.

Lawyers, why amply rewarded for their labour, i. 160. Great amount of their fees, iii. 85.

Leafes, the various usual conditions of, iii. 264.

Leather, restrictions on the exportation of unmanusactured, ii. 506.

Lectures in universities, frequently improper for instruction, iii.
156.

Levity, the vices of, ruinous to the common people, and therefore

feverely cenfured by them, iii. 203.

Liberty, three duties only necessary for a sovereign to attend to, for supporting a system of, iii. 42.

Lima, computed number of inhabitants in that city, ii. 363.

Linen manufacture, narrow policy of the master manufacturers in, ii. 487.

Literature, the rewards of, reduced by competition, i. 206. Was more profitable in ancient Greece, 207. The cheapness of literary education an advantage to the public, 209.

Loans of money, the nature of, analysed, ii. 35. The extensive ope-

ration of, 36.

Lacke, Mr. remarks on his opinion of the difference between the market and mint prices of filver bullion, i. 64. His account of the cause of lowering the rates of interest for money, examined, ii. 39. His distinction between money and moveable goods, 140.

Lodgings,



I N D E X.



Ladgings, cheaper in London, than in any other capital city in Europe, i. 182.

Logic, the origin and employment of, iii. 165.

Lotteries, the true nature of, and the causes of their success, explained, i. 164.

Luck, instances of the universal reliance mankind have on it, i. 164.

Lutherans, origin and principles of that feet, iii. 225.

Luxuries, diffinguished from necessaries, iii. 331. Operation of taxes on, 334. The good and bad properties of taxes on, 374.

M

Macedon, Philip of, the superiority that discipline gave his army over those of his enemies, iii. 61.

Machines for facilitating mechanical operations, how invented and improved, i. 14. Are advantageous to every fociety, 426.

Madder, the cultivation of, long confined to Holland, by English tythes, iii. 276.

Madeira wine, how introduced into North America and Britain, ii.

Mall, reasons for transferring the duty on brewing to, iii. 363. Difillery, how to prevent smuggling in, 366.

Manufactures, the great advantage resulting from a division of labour in, i. 7. Instances in illustration, 17. Why profits increase in the higher stages of, 76. Of what parts the gains of manufactures confilty 80. The private advantage of fecrets in manufactures, of. Peculiar advantages of foil and fituation, ibid. Monopolies, 92. Corporation privileges, 93. The deductions made from labour employed on manufactures, 99. Inquiry how far they are affected by feafons of plenty and fearcity, 128. Are not fo materially affected by circumitances in the country where they are carried on, as in the places where they are confumed, 129. New manufactures generally give higher wages than old ones, 176. Are more profitably carried on in towns than in the open country, 194. By what means the prices of, are reduced, while the fociety continues improving, 384. Instances in hard ware, 385. Instances in the woollen manufacture, 386. What fixed capitals are required to carry on particular manufactures, 412.

for distant sale, why not established in North America, ii. 78. Why manufactures are preferred to foreign trade, for the employment of a capital, 79. Motives to the establishment of manufactures for distant sale, 112. How shifted from one country to another, 113. Natural circumstances which contribute to the establishment of them, 114. Their effect on the government and manners of a country, 119. The independence of artisans explained, 126. May flourish amidst the ruin of a country, and begin to decay on the return of its prosperity, 164. Inquiry how far manners of a country of the prosperity of the country of the





nusactures might be affected by a freedom of trade, 202. Those thrown out of one business can transfer their industry to collateral employments, 205. A spirit of combination among them to support monopolies, 206. Manusacturers prohibited by old statutes from keeping a shop, or selling their own goods by retail, 300. The use of wholesale dealers to manusacturers, 304. British restraints on manusactures in North America, 385. The exportation of in-

struments in, prohibited, 512.

Manufacturers, an unproductive class of the people, according to the French agricultural system of political economy, iii. 7. The error of this doctrine shewn, 21. How manufacturers augment the revenue of a country, 26. Why the principal support of foreign trade, 31. Require a more extensive market than rude produce of the land, 34. Were exercised by slaves in ancient Greece, 37. High prices of, in Greece and at Rome, 38. Fasse policy to check manufactures in order to promote agriculture, 41. In Great Britain why principally fixed in the coal countries, 338.

Manure, the supply of, in most places depends on the stock of cattle

raised, i. 345.

Maritime countries, why the first that are civilized and improved,

i. 28.

Martial spirit, how supported in the ancient republics of Greece and Rome, iii. 188. The want of it now supplied by standing armies, 189. The establishment of a militia little able to support it, 190.

Mediterranean sea peculiarly favourable for the first attempts in na-

vigation, i. 30.

Meggens, Mr. his account of the annual importation of gold and filver into Spain and Portugal, i. 325. His relative proportion of each, 331.

Mercantile system explained, iii. 348.

Mercenary troops, origin and reason of, iii. 50. The numbers of,

how limited, 51.

Merchants, their judgments more to be depended on respecting the interests of their particular branches of trade, than with regard to the public interest, i. 397. Their capitals altogether circulating, 412. Their dealings extended by the aid of bankers notes, 446. 456. Customs of, first established to supply the want of laws, and afterward admitted as laws, 464. The manner of negociating bills of exchange explained, ibid. The pernicious tendency of drawing and redrawing, 465.

in what method their capitals are employed, ii. 48. Their capitals dispersed and unfixed, 54. The principles of foreign trade examined, 67. Are the best of improvers, when they turn country gentlemen, 118. Their preference among the different species of trade, how determined, 178. Are actuated by a narrow spirit of monopoly, 224. The several branches of the corn trade

(498)



E X.



Wade specified and considered, 201. The government of a company of, the worst a country can be under, 367. Of London not

good æconomists, 439.

Merchants, an unproductive class of men, according to the present agricultural fystem of political economy in France, iii. 11. The quick return of mercantile capitals enables merchants to advance money to government, 400. Their capitals increased by lending money to the ftate, 401.

Mercier, de la Riviere, M. character of his natural and effential order

of political focieties, iii. 29.

Metals, why the best medium of commerce, i. 35. Origin of stamped coins, 37. Why different metals became the standard of value among different nations, 57. The durability of, the cause of the steadiness of their price, 329. On what the quantity of precious metals in every particular country depends, 372.

reftraints upon the exportation of, ii. 507. Metaphyfics, the science of, explained, iii. 166.

Metayers, description of the class of farmers so called in France 11. 90.

Methodifts, the teachers among, why popular preachers, iii. 104. Methuen, Mr. translation of the commercial treaty concluded by him between England and Portugal, ii. 325.

Mexico was a less civilized country than Peru, when first visited by the

Spaniards, i. 317.

--- present populousness of the capital city, ii. 363. Low state of arts at the first discovery of that empire, ibid.

Militia, why allowed to be formed in cities, and its formidable na-

ture, ii. 107.

- the origin and nature of, explained, iii. 55. How diffinguilhed from the regular standing army, 56. Must always be inferior to a flanding army, 58. A few campaigns of fervice may make a militia equal to a standing army, 60. Instances, 61.

Milk, a most perithable commodity, how manufactured for store,

Mills, wind and water, their late introduction into England, i. 390. Compa-Mines, distinguished by their fertility or barrenness, i. 258. Comparison between those of coal and those of metals, 262. The competition between, extends to all parts of the world, 263. The working of, a lottery, 266. Diamond mines not always worth working, 270. Tax paid to the king of Spain from the Peruvian mines, 314. The discovery of mines not dependent on human skill or industry,

- in Hungary, why worked at less expense than the neighbour-

ing ones in Turkey, iii. 38.

Mining, projects of, uncertain and ruinous, and unfit for legal encouragement, ii. 354.

Mirabeau, Marquis de, his character of the occonomical table, iii. 30. Missifippi scheme in France, the real foundation of, i. 478.

Modus for tythe, a relief to the farmer, iii. 279.

VOL. III.

Moneys



Money, the origin of, traced, i. 35. Is the representative of labour, 44. The value of, greatly depreciated by the discovery of the American mines, 47. How different metals became the standard money of different nations, 57. The only part of the circulating capital of a society, of which the maintenance can diminish their neat revenue, 428. Makes no part of the revenue of a society, 429. The term money, in common acceptation, of ambiguous meaning, 430. The circulating money in society, no measure of its revenue, 432. Paper money, 434. The effect of paper on the circulation of cash, 436. Inquiry into the proportion the circulating money of any country bears to the annual produce circulated by it, 441. Paper can never exceed the value of the cash, of which it supplies the place, in any country, 448. The pernicious practice

of raising money by circulation explained, 465.

the true cause of its exportation, ii. 17. Loans of, the principles of, analysed, 33. Monied interest, distinguished from the landed and trading interest, 35. Inquiry into the real causes of the reduction of interest, 39. Money and wealth synonymous terms in popular language, 139. And moveable goods compared, 140. The accumulation of, studied by the European nations, 142. The mercantile arguments for liberty to export gold and silver, ibid. The validity of these arguments examined, 145. Money and goods mutually the price of each other, 148. Over-trading causes complaints of the scarcity of money, 152. Why more easy to buy goods with money, than to buy money with goods, 153. Inquiry into the circulating quantity of, in Great Britain, 160. Effect of the discovery of the American mines on the value of, 168. Money and wealth different things, 172. Bank money explained, 220. See Coins, Gold, and Silver.

Monopolies in trade or manufactures, the tendency of, i. 92. Are ene-

mies to good management, 229.

Countries which have colonies, obliged to share their advantages with many other countries, 462. The chief engine in the mercantile system, 466. How monopolies derange the natural distribution of the stock of the society, 468. Are supported by unjust and cruel laws, 494.

of a temporary nature, how far justifiable, iii. 143. Perpetual monopolies injurious to the people at large, 144.

Montauban, the inequalities in the predial tallie in that generality, how

monefquieu, reasons given by him for the high rates of interest among all Mahometan nations, i. 146.

- examination of his idea of the cause of lowering the

rate of interest of money, ii. 39.

Morality, two different fystems of, in every civilized society, iii. 202.

The principal points of distinction between them, 203. The sies of obligation in each system, 204. Why the morals of the common people are more regular in sectaries than under the established church, 205. The excesses of, how to be corrected, 206.

Morellet,



I N D E X.



Morellet, M. his account of joint flock companies, defective, iii. 145. Mun, Mr. his illustration of the operation of money exported for commercial purpofes, ii. 143. Music, why a part of the ancient Grecian education, iii. 172. And

dancing, great amusements among barbarous nations, 173.

Nations, sometimes driven to inhuman customs, by poverty, i. z. The number of useful and productive labourers in, always proportioned to the capital flock on which they are employed, 3. The feveral forts of industry, feldom dealt impartially by, 4. Maritime a nations, why the first improved, 28.

- how ruined by a neglect of public economy, ii. 20. Evidences of the increase of a national capital, 23. How the expences

of individuals may increase the national capital, 28.

Navigation, inland, a great means of improving a country in arts and industry, i. 31. The advantages of, 229.

may be fuccefsfully managed by joint stock compa-

nies, iii. 147. - act of England, the principal dispositions of, ii. 192. Motives that dictated this law, 194. Its political and commercial tendency, 195. Its consequences, so far as it affected the colony trade with England, 409. Diminished the foreign trade with Eu-

rope, 411. Has kept up high profits in the British trade, 413. Subjects Britain to a difadvantage in every branch of trade of which she has not the monopoly, 414.

Necessaries distinguished from luxuries, iii. 331. Operation of taxes

on, 333. Principal necessaries taxed, 337.

Negro flaves, why not much employed in raising corn in the English colonies, ii. 89. Why more numerous on fugar, than on tobacco plantations, 90.

Nile, river, the cause of the early improvement of agriculture and

manufactures in Egypt, 31.

Oats, bread made of, not so suitable to the human constitution, as that made of wheat, i. 251. Oeconomists, sect of, in France, their political tenets, iii. 4. Ontology, the science of, explained, iii. 167. Oxford, the professorships there, finecures, iii. 153.

Paper money, the credit of, how established, i. 434. The operation of paper money explained, 435. Its effect on the circulation of cash, Kk 2



cash, 436. Promotes industry, 438. Operation of the several banking companies established in Scotland, 442. Can never exceed the value of the gold and silver, of which it supplies the place, in any country, 448. Consequences of too much paper being issued, 449. The practice of drawing and redrawing explained, with its permicious effects, 464. The advantages and disadvantages of paper credit stated, 483. Ill effects of notes issued for small sums, 487. Suppressing small notes, renders money more plentiful, 488. The currency of, does not affect the prices of goods, 490. Account of the paper currency in North America, 493.

Paper money, expedient of the government of Pennsylvania to raife money, iii. 246. Why convenient for the domestic purposes of

the North Americans, 452.

Paris enjoys little more trade than is necessary for the consumption of its inhabitants, ii. 11.

Parish ministers, evils attending vesting the election of, in the people,

111. 227.

Parsimony is the immediate cause of the increase of capitals, ii. 13. Promotes industry, 14. Frugal men public benefactors, 18.

is the only means by which artificers and manufacturers can add to the revenue and wealth of fociety, according to the French agricultural fystem of political economy, iii. 10.

Pasture land, under what circumstances more profitable than arable land, i. 232. Why it ought to be inclosed, 234.

Patronage, the right of, why established in Scotland, iii. 228.

-Pay, military, origin and reason of, iii. 50.

Pennfylvania, account of the paper currency there, i. 495. Good confequences of the government there having no religious establishment, iii. 201. Derive a revenue from their paper currency, 453.

People, how divided into productive and unproductive classes, according to the present French system of agricultural political occonomy, iii. 4. The unproductive class, greatly useful to the others, 12. The great body of, how rendered unwarlike, 55. The different opportunities of education in the different ranks of, 185. The inferior ranks of, the greatest consumers, 358. The luxurious expences of these ranks ought only to be taxed, 361.

Perfecution for religious opinions, the true cause of, iii. 194.

Peru, the discovery of the filver mines in, occasioned those in Europe to be in a great measure abandoned, i. 263. These mines yield but small profit to the proprietors, 264. Tax paid to the king of Spain from these mines, 314. The early accounts of the splendor and state of arts in this country, greatly exaggerated, 317. Present state of, under the Spanish government, 318. The working of the mines there become gradually more expensive, 335.

probably more populous now, than at any former period, 364.

Philosophy, natural, the origin and objects of, iii. 163. Moral, the nature of, explained, 164. Logic, the origin and employment

of, 165.



Physicians,





Physicians, why amply rewarded for their labour, i. 160.

Physics, the ancient system of, explained, iii. 166.

Pinmaking, the extraordinary advantage of a division of labour in this

Plate of private families, the melting it down to supply state exigencies, an infignificant resource, ii. 159. New plate is chiefly made from old, 333.

Ploughmen, their knowledge more extensive than the generality of

mechanics, i. 197.

Pneumatics, the science of, explained, iii. 166.

Polare, M. his account of the agriculture of Cochin China, i. 244. Poland, a country still kept in poverty by the feudal system of its government, i. 376.

Political economy, the two distinct objects, and two different systems

of, ii. 138.

the present agricultural system of, adopted by French philosophers, described, iii. 1. Classes of the people who contribute to the annual produce of the land, 4. How proprietors contribute, ibid. How cultivators contribute, 5. Artificers and manufacturers, unproductive, 7. The unproductive classes maintained by the others, 11. Bad tendency of restrictions and prohibitions in trade, 17. How this system is delineated by M. Quesnai, 19. The bad effects of an injudicious political economy, how corrected, 21. The capital error in this system pointed out, ibid.

Poll taxes, origin of, under the feudal government, ii. 101.

why effeemed badges of flavery, iii. 309. The nature

of, confidered, 327.

Poor, history of the laws made for the provision of, in England, i. 212.

Pope of Rome, the great power formerly assumed by, iii. 213. His power how reduced, 218. Rapid progress of the reformation, 222.

Population, riches and extreme poverty equally unfavourable to, i. 120.

Is limited by the means of subsistence, 121. 255.

Porter, the proportion of malt used in the brewing of, iii. 363.

Portugal, the cultivation of the country not advanced by its commerce, ii. 135. The value of gold and filver there, depreciated by prohibiting their exportation, 271. Translation of the commercial treaty concluded in 1703 with England, 325. A large share of the Portugal gold sent annually to England, 327. Motives that led to the discovery of a passage to the East round the Cape of Good Hope, 347. Lost its manufactures by acquiring rich and fertile colonies, 432.

Post-office, a mercantile project well calculated for being managed by

a government, iii. 243.

Potatoes, remarks on, as an article of food, i. 249. Culture, and great produce of, 250. The difficulty of preserving them the great obstacle to cultivating them for general diet, 251.

Poverty fometimes urges nations to inhuman customs, i. 2. Is no check to the production of children, 119. But very unfavourable

to raising them, 120.

Poultry.



Kk 3

I N DEEX.



Poultry, the cause of their cheapness, i. 352. Is a more important article of rural economy in France than in England, 353.

Pragmatic function in France, the object of, iii. 220. Is followed by

the concordat, ibid.

Preferments, ecclefiastical, the means by which a national clergy ought to be managed by the civil magistrate, iii, 210. Alterations in the mode of electing to them, 212. 220.

Presbyterian church government, the nature of, described, iii. 229.

Character of the clergy of, 230. 236.

Prices, real and nominal, of commodities diffinguished, i. 49. Money price of goods explained, 70. Rent for land enters into the price of the greater part of all commodities, 75. The component parts of the prices of goods explained, ibid. Natural and market prices diffinguished, and how governed, 82. 132. Though raised at first by an increase of demand, are always reduced by it in the refult, iii. 134.

Primogeniture, origin and motive of the law of succession by, under the feudal government, ii. 82. Is contrary to the real interests of

families, 84.

Princes, why not well calculated to manage mercantile projects for the

fake of a revenue, iii. 244.

Prodigality, the natural tendency of, both to the individual and to the public, ii. 13. Prodigal men enemies to their country, 18.

Produce of land and labour, the fource of all revenue, ii. 4. The va-

lue of, how to be increased, 22.

Professors in universities, circumstances which determine their merit,

ш. 231.

Profit, the various articles of gain that pass under the common idea of, i. 80. An average rate of, in all countries, 82. Averages of, extremely difficult to ascertain, 134. Interest of money the best standard of, 135. The diminution of, a natural consequence of prosperity, 139. Clear and gross profit, distinguished, 146. The nature of the highest ordinary rate of, defined, 147. Double interest, deemed in Great Britain a reasonable mercantile profit, 148. In thriving countries, low profit may compensate the high wages of labour, 149. The operation of high profits and high wages, compared, ibid. Compensates inconveniences and disgrace, 154. Of stock, how assected, 170. Large profits must be made from small capitals, 172. Why goods are cheaper in the metropolis than in country villages, 173. Great fortunes more frequently made by trade in large towns than in small ones, 174. Is naturally low in rich, and high in poor countries, 396.

how that of the different classes of traders is raised, ii. 50. Private, the sole motive of employing capitals in any branch of business, 70. When raised by monopolies, encourage luxury, 437.

Projects, unsuccessful, in arts, injurious to a country, ii. 19.

Property, passions which prompt mankind to the invasion of, iii. 73.

Civil government necessary for the production of, ibid. Wealth a fource of authority, 75. 79.

Provisions,



Provisions, how far the variations in the price of, affect labour and industry, i. 112. 126. 130. Whether cheaper in the metropolis, or in country villages, 173. The prices of, better regulated by competition than by law, 222. A rife in the prices of, must be uniform, to shew that it proceeds from a depreciation of the value of filver, 379.

Provisors, object of the statute of, in England, iii. 220.

Prussia, mode of assessing the land-tax there, iii. 270.

Public works and institutions, how to be maintained, iii. 92. Equity of tolls for passage over roads, bridges, and canals, 95. Why government ought not to have the management of turnpikes, 99.

Nor of other public works, 105.
Purveyance, a fervice still exacted in most parts of Europe, ii. 96.

Q

Quakers of Pennfylvania, inference from their resolution to emancipate all their negro slaves, ii. 83. Quesnai, M. view of his agricultural system of political economy, iii. 19. His doctrine generally subscribed to, 29. Quito, populousness of that city, ii. 363.

R

Reformation, rapid progress of the doctrines of, in Germany, iii. 222. In Sweden and Switzerland, 223. In England and Scotland, 224. Origin of the Lutheran and Calvinistic sects, 225.

Regulated companies. See Companies.

Religion, the object of instruction in, iii. 192. Advantage the teachers of a new religion enjoy over those of one that is established, 193. Origin of persecution for heretical opinions, 194. How the zeal of the inserior clergy of the church of Rome is kept alive, 195. Utility of ecclesiastical establishments, 198. How united with the

civil power, 199.

Rent, referved, ought not to confift of money, i. 50. But of corn, 51. Of land, constitutes a third part of the price of most kinds of goods, i. 75. An average rate of, in all countries, and how regulated, 82. Makes the first deduction from the produce of labour employed upon land, 98. The terms of, how adjusted between landlord and tenant, 223. Is sometimes demanded for what is altogether incapable of human improvement, 224. Is paid for, and produced by, land in almost all situations, 227. The general proportion paid for coal mines, 262. And metal mines, 264. Mines of precious stones frequently yield no rent, 270. How paid in ancient times, 284. Is raised, either directly or indirectly, by every improvement in the circumstances of society, 392. Gross and neat rent distinguished, 424.

(305)

Rent,



Rent, how raised and paid under seudal government, ii. 8. Present average proportion of, compared with the produce of the land, ibid, of houses distinguished into two parts, iii. 280. Difference between rent of houses, and rent of land, 284. Rent of a house the best estimate of a tenant's circumstances, '285.

Recainers, under the feudal system of government, described, ii. 119. How the connexion between them and their lords was broken, 125; Revenue, the original fources of, pointed out, i. 78. Of a country, of what it confifts, 424. The near revenue of a fociety diminished by supporting a circulating stock of money, 428. Money no part of revenue, 429. Is not to be computed in money, but in

what money will purchase, 431.

how produced, and how appropriated, in the first instance, ii. 4. Produce of land, ibid. Produce of manufactures, 5. Must always replace capital, ibid. The proportion between revenue and capital, regulates the proportion between idleness and industry, 12. Both the favings and the spendings of, annually consumed, 14. Of every fociety, equal to the exchangeable value of the whole produce of its industry, 181. Of the customs, increased by draw-

backs, 259.

why government ought not to take the management of turnpikes, to derive a revenue from them, iii, 99. Public works of a local nature, always better maintained by provincial revenues, than by the general revenue of the state, 105. The abuses in provincial revenues triffing, when compared with those in the revenue of a great empire, 106. The greater the revenue of the church, the smaller must be that of the state, 234. The revenue of the state ought to be raifed proportionably from the whole fociety, 238. Local expences ought to be defrayed by a local revenue, 239. Inquiry into the fources of public revenue, 241. Of the republic of Hamburgh, 242. 246. Whether the government of Britain could undertake the management of the Bank, to derive a revenue from it, 243. The postoffice a mercantile project well calculated for being managed by government, ibid. Princes not well qualified to improve their fortunes by trade, 244. The English East India company good traders before they became fovereigns, but each character now spoils the other, 245. Expedient of the government of Pennsylvania to raise money, 246. Rent of land the most permanent fund, 248. Feudal revenues, 249. Great Britain, 250. Revenue from land proportioned, not to the rent, but to the produce, 252. Reasons for felling the crown lands, 253. An improved land-tax fuggested, 264. The nature and effect of tythes explained, 274. Why a revenue cannot be raised in kind, 278. When raised in money, how affected by different modes of valuation, ibid. A proportionable tax on houses, the best source of revenue, 285. Remedies for the diminution of, according to their causes, 354. Bad effects of farming out public revenues, 386. The different fources of revenue in France, 389. How expended, in the rude state of society, 394.

Rice, a very productive article of cultivation, i. 248. Requires a foil unfit







unfit for raising any other kind of food, 249. Rice countries more

populous than corn countries, 321.

Riches, the chief enjoyment of, confifts in the parade of, i. 269. Rifk, instances of the inattention mankind pay to it, i. 165.

Roads, good, the public advantages of, i. 229.

how to be made and maintained, iii. 94. The maintenance of, why improper to be trufted to private interest, 97. General

state of, in France, 102. In China, 103.

Romans, why copper became the standard of value among them, i, 57. The extravagant prices paid by them for certain luxuries for the table, accounted for, 341. The value of filver higher among them

than at the present time, ibid.

- the republic of, founded on a division of land among the citizens, ii. 344. The agrarian law only executed upon one or two occasions, 345. How the citizens who had no land, subsisted, ibid. Distinction between the Roman and Greek colonies, 346. The improvement of the former flower than that of the latter, 361. Origin of the focial war, 452. The republic ruined by extending the privilege of Roman citizens to the greater part of the inhabit-

ants of Italy, 456.

when contributions were first raised to maintain those who went to the wars, iii. 49. Soldiers not a diffinct profession there, 53. Improvement of the Roman armies by discipline, 63. How that discipline was loft, 64. The fall of the Western empire, how effected, 66. Remarks on the education of the ancient Romans, 172. Their morals superior to those of the Greeks, 173. State of law and forms of justice, 176. The martial spirit of the people, how supported, 188. Great reductions of the coin practifed by, at particular exigencies, 436.

Rome, modern, how the zeal of the inferior clergy of, is kept alive, iii. 195. The clergy of, one great spiritual army dispersed in different quarters over Europe, 213. Their power during the feudal monkish ages similar to that of the temporal barons, 214. Their

power how reduced, 218.

Rouen, why a town of great trade, ii. 10.

Ruddiman, Mr. remarks on his account of the ancient price of wheat in Scotland, i. 287.

Russia was civilized under Peter I. by a standing army, iii. 68.

Sailors, why no fenfible inconvenience felt by the great numbers dif-

banded at the close of a war, ii. 204.

Salt, account of foreign falt imported into Scotland, and of Scots falt delivered duty free, for the fishery, ii. Append. Is an object of heavy taxation every where, iii. 337. The collection of the duty on, expensive, 376.

Sardinia, the land-tax how affeffed there, iii. 272.

Saxon



I - N - D E - X

SL

Suxon lords, their authority and jurisdiction as great before the conquest as those of the Normans were afterward, ii. 122.

Schools, parochial, observations on, iii. 187.

GOVERNMENTOS

Science is the great antidote to the poison of enthusiasin and superstition, iii. 206.

Scipio, his Spanish militia, rendered superior to the Carthaginian mi-

litia by discipline and service, iii. 63.

Scotland, compared with England, as to the prices of labour and provisions, i. 114. Remarks on the population of the Highlands, 120. The market rate of interest, higher than the legal rate, 137. The fituation of cottagers there, described, 179. Apprenticeships and corporations, 187. The common people of, why neither fo strong nor fo handsome as the same class in England, 251. Cause of the frequent emigrations from, 297. Progress of agriculture there before the union with England, 346. Prefent obstructions to better husbandry, 348. The price of wool reduced by the union, 369. Operation of the feveral banking companies established there, 442. Amount of the circulating money there before the union, Amount of the prefent circulating cash, 444. Course of dealings in the Scots bank, ibid. Difficulties occasioned by these banks iffuing too much paper, 452. Necessary caution for some time observed by the banks in giving credit to their customers, with the good effects of it, 456. The scheme of drawing and redrawing adopted by traders, 463. Its pernicious tendency explained, 465. History of the Ayr bank, 471. Mr. Law's scheme to improve the country, 478. The prices of goods in, not altered by paper currency, 490. Effect of the optional clauses in their notes, 492.

cause of the speedy establishment of the reformation there, iii. 224. The disorders attending popular elections of the clergy there, occasion the right of patronage to be established, 228.

Amount of the whole revenue of the clergy, 235.

Sea fervice and military fervice by land compared, 1. 167.

Selfs in religion, the more numerous, the better for fociety, iii. 200. Why they generally profess the austere system of morality, 204. Self-love the governing principle in the intercourse of human society,

Servants, menial, distinguished from hired workmen, ii. 1. The various orders of men, who rank in the former class, in reference to their labours, 3.

their labour unproductive, iii. 22.

Settlements of the poor, brief review of the English laws relating to, i. 212. The removals of the poor, a violation of natural liberty, 219.

the law of, ought to be repealed, ii. 205.

Sheep, frequently killed in Spain, for the fake of the fleece and the

tallow, i. 361.

- fevere laws against the exportation of them and their wool, ii. 494.

Shepherds, war how supported by a nation of, iii. 45. Inequality of fortune among, the source of great authority, 77. Birth and family







mily highly honoured in nations of shepherds, 78. Inequality of fortune first began to take place in the age of shepherds, 79. And introduced civil government, 80.

Shetland, how rents are estimated and paid there, i. 224.

Silk manufacture, how transferred from Lucca to Venice, ii. 114. Silver, the first standard coinage of the northern subverters of the Roman empire, i. 58. Its proportional value to gold regulated by law, 50. Is the measure of the value of gold, 60. Mint price of filver in England, 63. Inquiry into the difference between the mint and market prices of bullion, 64. How to preserve the filver coin from being melted down for profit, 66. The mines of, in Europe, why generally abandoned, 263. Evidences of the small profit they yield to proprietors in Peru, 264. Qualities for which this metal is valued, 269. The most abundant mines of, would add little to the wealth of the world, 271. But the increase in the quantity of, would depreciate its own value, 275. Circumstances that might counteract this effect, ibid. Historical view of the variations in the value of, during the four last centuries, 276. Remarks on its rife in value compared with corn, 282. Circumstances that have milled writers in reviewing the value of filver, 284. Corn the best flandard for judging of the real value of filver, 293. The price of, how affected by the increase of quantity, 294. The value of, sunk by the difforery of the American mines, 300. When the reduction of its value from this cause appears to have been completed, 301. Tax paid from the Peruvian mines to the king of Spain, 314. The value of filver kept up by an extension of the market, 315. Is the most profitable commodity that can be fent to China, 323. The value of, how proportioned to that of gold, before and after the discovery of the American mines, 330. The quantity commonly in the market in proportion to that of gold, probably greater than their relative values indicate, 332. The value of, probably rifing, and why, 336. The opinion of a depreciation of its value, not well founded, 380.

the real value of, degraded by the bounty on the exportation of

corn, ii. 268.

Sinking fund in the British finances, explained, iii. 410. Is inadequate to the discharge of former debts, and almost wholly applied to other

purposes, 418. Motives to the misapplication of it, 419.

Countries where this order of men fill remains, 88. Why the fervice of flaves is preferred to that of free men, 89. Their labour why unprofitable, 90. Caufes of the abolishing of flavery throughout the greater part of Europe, 91. Receive more protection from the magnificate in an arbitrary government, than in one that is free, 395.

why employed in manufactures by the ancient Grecians, iii. 36.

Why no improvements are to be expected from them, 37.

Smuggling, a tempting, but generally a ruinous employment, i. 170.

Smuggling



SL

Smuggling encouraged by high duties, iii. 350. Remedies against, 354. The crime of, morally considered, 378.

Society, human, the first principles of, i. 21.

Soldiers, remarks on their motives for engaging in the military line.
i. 167. Comparison between the land and sea service, ibid.

- why no fensible inconvenience felt by the disbanding of great

numbers after a war is over, ii. 204.

reason of their first serving for pay, iii. 50. How they became a distinct class of the people, 55. How distinguished from the militia, 56. Alteration in their exercise produced by the invention of fire-arms, 57.

South Sea company, amazing capital once enjoyed by, iii. 124. Mercantile and stock-jobbing projects of, 128. Assiento contract, 129. Whale fishery, ibid. The capital of, turned into annuity stock,

130. 407.

Sovereign and trader, inconfistent characters, iii. 245.

Sovereign, three duties only, necessary for him to attend to, for supporting a system of natural liberty, iii. 42. How he is to protect the society from external violence, 44. 70. And the members of it, from the injustice and oppression of each other, 72. And to maintain public works and institutions, 92.

Spain, one of the poorest countries in Europe, notwithstanding its

rich mines, i. 377.

its commerce has produced no confiderable manufactures for distant sale, and the greater part of the country remains uncultivated, ii. 135. Spanish mode of estimating their American discoveries, 140. The value of gold and filver there, depreciated by laying a tax on the exportation of them, 271. Agriculture and manufactures there, discouraged by the redundancy of gold and filver, 272. Natural confequences that would refult from taking away this tax, 273. The real and pretended motives of the court of Castile for taking possession of the countries discovered by Columbus, 352. The tax on gold and filver, how reduced, 353. Gold, the object of all the enterprises to the new world, 354. The colonies of, less populous than those of any other European nation, 363. Afferted an exclusive claim to all America, until the miscarriage of their invincible armada, 366. Policy of the trade with the colonies, 377. American establishments of, effected by private adventurers, who received little beyond permission from the government, 398. Lost its manufactures by acquiring rich and fertile colonies, 432. alcavala tax there explained, 381. The ruin of the Spanish manufactures attributed to it, 382.

Speculation, a distinct employment in improved fociety, i. 16. Specu-

lative merchants described, 175.

Stage, public performers on, paid for the contempt attending their profession, i. 163.

the political use of dramatic representations, iii. 206. Stamp duties in England and Holland, remarks on, iii. 316. 321. Steel-bow tenants in Scotland, what, ii. 92.

Stock



Stock, the profits raised on, in manufactures, explained, i. 72. In trade, an increase of, raises wages, and diminishes profit, 133. Must be larger in a great town than in a country village, 136. Natural consequences of a deficiency of stock in new colonies, 140. The profits on, little affected by the easiness or difficulty of learning a trade, 156. But by the risk, or disagreeableness of the business, 170. Stock employed for profit, sets into motion the greater part of affectal labour, 406. No accumulation of, necessary in the rude state of society, 407. The accumulation of, necessary to the division of labour, 408. Stock distinguished into two parts, 411. The general stock of a country or society, explained, 414. Houses, ibid. Improved land, 416. Personal abilities, 417. Money and provisions, ibid. Raw materials and manufactured goods, 418. Stock of individuals, how employed, 421. Is frequently buried or concealed, in arbitrary countries, 422.

the profits on, decrease, in proportion as the quantity increases, ii. 9. On what principles stock is lent and borrowed at interest, 33. That of every society divided among different employments, in the proportion most agreeable to the public interest, by the private views of individuals, 466. The natural distribution of, deranged by monopolizing systems, 468. Every derangement of, injurious to

the fociety, 470.

mercantile, is barren and unproductive, according to the French agricultural fystem of political economy, iii. 8. How far the revenue from, is an object of taxation, 292. A tax on, intended under the land tax, 296.

Stockings, why cheaply manufactured in Scotland, i. 181. When first

introduced into England, 389.

Stone quarries, their value depends on fituation, i. 254. 274.

Stones, precious, of no use but for ornament, and how the price of, is regulated, i. 270. The most abundant mines of, would add little to the wealth of the world, 271.

Subordination, how introduced into fociety, iii. 74. Perfonal qualifications, ibid. Age and fortune, 75. Birth, 77. Birth and for-

tune two great fources of personal distinction, 78.

Subfidy, old, in the English customs, the drawbacks upon, ii. 253. Origin and import of the term, iii. 347.

Sugar, a very profitable article of cultivation, i. 243. ii. 89.

Drawbacks on the exportation of, from England, ii. 254.
Might be cultivated by the drill plough, instead of all hand labour by slaves, 394.

- a proper subject for taxation, as an article fold at a monopoly

price, iii. 370.

Sumpenary laws superfluous restraints on the common people, ii. 27.

Surinam, present state of the Dutch colony there, ii. 367.

Switzerland, establishment of the reformation in Berne and Zurich, iii. 223. The clergy there zealous and industrious, 236. Taxes how paid there, 299. 315.

Taille,



I N D E X.



the believe authors and the way &

T

Taille, in France, the nature of that tax, and its operation, explained,

ii. 96. iii. 303.

Talents, natural, not so various in different men as is supposed, i. 23. Tartars, their manner of conducting war, iii. 45. Their invasions dreadful, 47.

Tavernier, his account of the diamond mines of Golconda and Visia-

pour, i. 270.

Taxes, the origin of, under the feudal government, ii. 101. - the fources from whence they must arise, iii. 255. Unequal taxes, 256. Ought to be clear and certain, ibid. Ought to be levied at the times most convenient for payment, 257. Ought to take as little as possible out of the pockets of the people, more than is brought into the public treasury, ibid. How they may be made more burdensome to the people than beneficial to the sovereign, ibid. The land-tax of Great Britain, 259. Land tax at Venice, 263. Improvements suggested for a land-tax, 264. Mode of affesting the land-tax in Prussia, 270. Tythes a very unequal tax, and a discouragement to improvement, 274. Operation of tax on house rent, payable by the tenant, 281. A proportionable tax on houses, the best source of revenue, 285. How far the revenue from stock is a proper object of taxation, 292. Whether interest of money is proper for taxation, 294. How taxes are paid at Hamburgh, 298. In Switzerland, 299. Taxes upon particular employments, 301. Poll taxes, 309. Taxes, badges of liberty, ibid. Taxes upon the transfer of property, 312. Stamp duties, 316. On whom the feveral kinds of taxes principally fall, 317. Taxes upon the wages of labour, 321. Capitations, 327. Taxes upon consumable commodities, 331. Upon necessaries, 333. Upon luxuries, 334. Principal necessaries taxed, 337. Absurdities in taxation, 339. Different parts of Europe very highly taxed, 340. Two different methods of taxing confumable commodities, 341. Sir Matthew Decker's scheme of taxation considered, 342. Excise and customs, 345. Taxation fometimes not an instrument of revenue, but of monopoly, 350. Improvements of the customs fuggested, 353. Taxes paid in the price of a commodity little adverted to, 374. On luxuries, the good and bad properties of, ibid. Bad effects of farming them out, 386. How the finances of France might be reformed, 390. French and English systems of taxation compared, 391. New taxes always generate discontent, 419. How far the British system of taxation might be applicable to all the different provinces of the empire, 441. Such a plan might speedily discharge the national debt, 448.

Tea, great importation and confumption of that drug in Britain, i. 320. Teachers in universities, tendency of endowments to diminish their application, iii. 152. The jurisdictions to which they are subject, little calculated to quicken their diligence, 153. Are frequently obliged to gain protection by fervility, 154. Defects in their establishments, 156. Teachers among the ancient Greeks and Romans, superior to those of modern times, 179. Circumstances which draw good ones to, or drain them from, the universities, 231. Their employment naturally renders them eminent in letters, 233.

Tenures, feudal, general observations on, ii. 7. Described, 82.

Thealogy, monkish, the complexion of, iii. 168.

Tin, average rent of the mines of, in Cornwall, i. 264. Yield a greater profit to the proprietors than the filver mines of Peru, 265. Regulations under which tin-mines are worked, 266.

Tobacco, the culture of, why reftrained in Europe, i. 245. Not fo

profitable an article of cultivation in the Well Indies as sugar, 246.

the amount and course of the British trade with, explained,
ii. 68. The whole duty upon, drawn back on exportation, 254.
Consequences of the exclusive trade Britain enjoys with Maryland and Virginia in this article, 407.

Folls, for passage over roads, bridges, and navigable canals, the equity of, shewn, iii. 95. Upon carriages of luxury, ought to be higher than upon carriages of utility, 96. The management of turnpikes often an object of just complaint, 98. Why government ought

not to have the management of turnpikes, 99. 371.

Tonnage and poundage, origin of those duties, iii. 346.

Tomine in the French finances, what, with the derivation of the name, iii. 413.

Toulouse, falary paid to a counsellor or judge in the parliament of,

iii. 87.

The spirit of combination prevalent among manufacturers, 195.200.

The spirit of combination prevalent among manufacturers, 195.200.

according to what circumstances the general character of the inhabitants, as to industry, is formed, ii. 10. The reciprocal nature of the trade between them and the country, explained, 73. Subsist on the surplus produce of the country, 75. How first formed, 77. Are continual fairs, ibid. The original poverty and servile state of the inhabitants of, 100. Their early exemptions and privileges, how obtained, 101. The inhabitants of, obtained liberty much earlier than the occupiers of land in the country, 102. Origin of free burghs, ibid. Origin of corporations, 103. Why allowed to form militia, 107. How the increase and riches of commercial towns contributed to the improvement of the countries to which they belonged, 117.

Trade, double interest deemed a reasonable mercantile profit in, i. 148.

four general classes of, equally necessary to, and dependent on, each other, ii. 46. Wholesale, three different serts of, 59. The different returns of home and foreign trade, 61. The nature and operation of the carrying trade examined, 64. The principles of foreign trade examined, 67. The trade between town and country explained, 73. Original poverty and service state of the inhabitants of towns, under seudal government, 100. Exemptions and privileges



INDE



privileges granted to them, 101. Extension of commerce by rude nations felling their own raw produce for the manufactures of more civilized countries, 111. Its falutary effects on the government and manners of a country, 119. Subverted the feudal authority, 125. The independence of tradefmen and artifans, explained, 127. The capitals acquired by, very precarious, until fome part has been realized by the cultivation and improvement of land, 136. Overtrading, the cause of complaints of the scarcity of money, 152. The importation of gold and filver not the principal benefit derived from foreign trade, 167. Effect produced in trade and manufactures by the discovery of America, 169. And by the discovery of a pasfage to the East Indies round the Cape of Good Hope, 170. Error of commercial writers in estimating national wealth by gold and filver, 172. Inquiry into the cause and effect of restraints upon trade, 173. Individuals, by pursuing their own interest, unknowingly promote that of the public, 181. Legal regulations of trade, unfafe, 182. Retaliatory regulations between nations, 200. Measures for laying trade open, ought to be carried into execution flowly, 207. Policy of the restraints on trade between France and Britain considered, 211. No certain criterion to determine on which fide the balance of trade between two countries turns, 212. Most of the regulations of, founded on a mistaken doctrine of the balance of trade, 235. Is generally founded on narrow principles of policy, 243. Drawbacks of duties, 252. The dealer who employs his whole flock in one fingle branch of business, has an advantage of the same kind with the workman who employs his whole labour on a fingle operation, 302. Consequences of drawing it from a number of small channels into one great channel, 424. Colony trade, and the monopoly of that trade, distinguished, 429. The interest of the consumer conflantly facrificed to that of the producer, 515.

Trade, advantages attending a perfect freedom of, to landed nations, according to the present agricultural system of political ceconomy in France, iii. 15. Origin of foreign trade, 16. Consequences of high duties and prohibitions, in landed nations, 17. 19. How trade augments the revenue of a country, 26. Nature of the trading intercourse between the inhabitants of towns and those of the coun-

try, 40.

Trades, cause and effect of the separation of, i. 9. Origin of, 22.

Transit duties explained, iii. 372.

Travelling for education, fummary view of the effects of, iii. 171.

Treasures, why formerly accumulated by princes, ii. 166.

Treasure trove, the term explained, i. 422. Why an important branch of revenue under the ancient feudal governments, iii. 396. Turkey company, thort historical view of, iii. 113.

Turnpikes, See Tolls.

Tythes, why an unequal tax, iii. 274. The levying of, a great difcouragement to improvements, 275. The fixing a modus for, a relief to the farmer, 279.



V

Value, the term defined, i. 42.

Vedius Pollio, his cruelty to his flaves checked by the Roman emperor Augustus, which could not have been done under the republican form of government, ii. 396.

Venice, origin of the filk manufacture in that city, ii. 113. Traded in East India goods before the sea track round the Cape of Good

Hope was discovered, 347.

- Nature of the land-tax in that republic, iii. 263.

Venison, the price of, in Britain, does not compensate the expense of a deer park, i. 251.

Vicefina hæreditatum among the ancient Romans, the nature of, ex-

plained, iii. 312.

Villages, how first formed, ii. 77.

Villenage, probable cause of the wearing out of that tenure in Eu-

rope, ii. 91.

Vineyard, the most profitable part of agriculture, both among the ancients and moderns, i. 239. Great advantages derived from peeu-

liarities of foil in, 242.

Universities, the emoluments of the teachers in, how far calculated to promote their diligence, iii. 152. The professors at Oxford have mostly given up teaching, 153. Those in France subject to incompetent jurisdictions, 155. The privileges of graduates improperly obtained, ibid. Abuse of lectureships, 156. The discipline of, seldom calculated for the benefit of the students, 157. Are, in England, more corrupted than the public schools, 159. Original foundation of, 160. How Latin became an essential article in academical education, 161. How the study of the Greek language was introduced, 162. The three great branches of the Greek philosophy, 163. Are now divided into sive branches, 166. The monkish course of education in, 168. Have not been very ready to adopt improvements, 169. Are not well calculated to prepare men for the world, 170. How filled with good professors, or drained of them, 231. Where the worst and best professors are generally to be met with, 232. See Colleges and Teachers.

W

Wages of labour how fettled between masters and workmen, i. 99. The workmen generally obliged to comply with the terms of their employers, 100. The opposition of workmen outrageous, and seldom successful, 101. Circumstances which operate to raise wages, 103. The extent of wages limited by the funds from which they arise, 104. Why higher in North America, than in England, 105. Are low in countries that are stationary, 107. Not oppressively low in Great Britain, 111. A distinction made here between the wages in summer and in winter, ibid. If sufficient in dear years, they must be ample in seasons of plenty, 112. Different rates of, in different Vol. III.



INDEX.



places, 113. Liberal wages encourage industry and propagation, 124. An advance of, necessarily raises the price of many commodities, 132. An average of, not easily ascertained, 134. The operation of high wages and high profits compared, 149. Causes of the variations of, in different employments, 152. Are generally higher in new, than in old trades, 176. 210. Legal regulations of, destroy industry and ingenuity, 220.

Wages, natural effect of a direct tax upon, iii. 322.

Walpole, Sir Robert, his excise scheme defended, iii. 358.

Wants of mankind, how supplied through the operation of labour, i.

33. How extended, in proportion to their supply, i. 256. The

far greater part of them supplied from the produce of other men's labour, 407.

Wars, foreign, the funds for the maintenance of, in the present century, have little dependence on the quantity of gold and silver in a nation, ii. 159.

- How supported by a nation of hunters, iii. 44. By a nation of shepherds, 45. By a nation of husbandmen, 47. Men of military age, what proportion they bear to the whole fociety, 48. Feudal wars, how supported, 49. Causes which in the advanced state of fociety rendered it impossible for those who took the field, to maintain themselves, 50. How the art of war became a distinct profession, Distinction between the militia and regular forces, 56. Alteration in the art of war produced by the invention of fire-arms, 57. 70. Importance of discipline, 59. Macedonian army, 61. Carthaginian army, 62. Roman army, 63. Feudal armies, 66. well-regulated standing army, the only defence of a civilized country, and the only means for speedily civilizing a barbarous country, The want of parfimony during peace, impofes on states the necessity of contracting debts to carry on war, 399. 416. Why war is agreeable to those who live secure from the immediate calamities of it, 417. Advantages of raising the supplies for, within the year, 427.

Watch movements, great reduction in the prices of, owing to mechanical improvements, i. 385.

Wealth and money, fynonimous terms, in popular language, ii. 139.
172. Spanish and Tartarian estimate of, compared, 140.

The great authority conferred by the possession of, iii. 75. Weswers, the profits of, why necessarily greater than those of spinners,

West Indies, discovered by Columbus, ii. 349. How they obtained this name, ibid. The original native productions of, 350. The thirst of gold the object of all the Spanish enterprises there, 354. And of those of every other European nation, 357. The remoteness of, greatly in favour of the European colonies there, 362. The sugar colonies of France better governed than those of Britain, 394. Wheat. See Corn.

Window tax in Britain, how rated, iii. 290. Tends to reduce house-

(516)

OUTURE GOIENMENT OF WOR

INDEX.



Windfor market, chronological table of the prices of corn at, i. 403. Wine, the cheapness of, would be a cause of sobriety, ii. 242. The carrying trade in, encouraged by English statutes, 255.

Wood, the price of, rifes in proportion as a country is cultivated, i. 259. The growth of young trees prevented by cattle, 260. When the planting of trees becomes a profitable employment, ibid.

Wool, the produce of rude countries, commonly carried to a diffant market, i. 360. The price of, in England, has fallen confiderably fince the time of Edward III. 363. Causes of this diminution in price, 364. The price of, confiderably reduced in Scotland, by the union with England, 369.

Severity of the laws against the exportation of, ii. 495. Reftraints upon the inland commerce of, 497. Restraints upon the coasting trade of, 498. Pleas on which these restraints are founded, 499. The price of wool depressed by these regulations, 500. The exportation of, ought to be allowed, subject to a duty, 504.

Woollen cloth, the present prices of, compared with those at the close of the fifteenth century, i. 386. Three mechanical improvements

introduced in the manufacture of, 389.

FINIS.





Published by the same Author,

THE

THEORY OF MORAL SENTIMENTS:

An Essay towards an Analysis of the Principles by which Men naturally judge concerning the Conduct and Character first of their Neighbours, and afterwards of themselves.

TO WHICH IS ADDED,

A DISSERTATION on the Origin of Language,
The Fourth Edition. Price 6s.





B O O K S

Are printed for A. STRAHAN; and T. CADELL, in the Strand.

179 i.

HISTORY, VOYAGES, and TRAVELS.

THE History of England, from the Invasion of Julius Casar to the Revolution. A new Edition, printed on fine paper, with many Corrections and Additions; and a complete Index, 8 vols, Royal Paper, 4to. with fine Impressions of the Plates, 81, 185.6d.

* * Another Edition on small Paper, 41. 10s.

+++ Another Edition in 8 vols. 8vo. illustrated with

Plates, 21. 16s.

The History of England from the Revolution to the Death of George II. designed as a continuation of Mr. Hume's History; illustrated with Plates. By T. Smollett, 5 vols. 8vo. 11. 15s.

The History of Great Britain, from the Restoration to the Accession of the House of Hanover. By James Macpherson, Esq; the 2d Edition; 2 vols, with a Head

of the Author. 21. 5s.

Original Papers: containing the Secret History of Great Britain, from the Restoration to the Accession of the House of Hanover: To which are prefixed, Extracts from the Life of James II. as written by himself; pub-

lished from the Originals; 2 vols. 21. 5s.

The History of Scotland, during the Reign of Queen Mary and of King James VI. till his Accession to the Crown of England; with a Review of the Scottish History previous to that period; and an Appendix, containing Original Papers, 2 vols. 4to. By William Robertson, D. D. 5th Edition, 11. 10s.

* * Another Edition in 2 vols 8vo. 14s.

The History of the Reign of the Emperor Charles V. with a View of the Progress of Society in Europe, from the Subversion of the Roman Empire to the Beginning of the fixteenth Century. By William Robertson, D. D. Embellished with 4 Plates, elegantly engraved: 3 vols. 31. 3s.

*** Another Edition in 4 vols. 8vo. 11. 4s.





BOOKS printed for T. CADELL. The History of America, Vols I. and II. By William Robertson, D. D. Illustrated with Maps. 21. 25.

* * Another Edition in 3 vol. 8vo. 18s.

The History of Greece, By William Mitford, Efgs

Vols I. and II. 11. 19s. in boards.

* * The two Volumes include the History of Greece from the earliest Accounts to the End of the Peloponnefian War, and it is intended to continue the History till the Reduction of Achaia into a Province of the Ro-

man Empire.

The History of Antient Greece, its Colonies, and Conquests; from the earliest Accounts till the Division of the Macedonian Empire in the East, including the History of Literature, Philosophy, and the Fine Aris. By John Gillies, L. L. D. F. R. S. adorned with a Head of the Author, and Maps adapted to the Work, 4 vols. 11. 85.

A View of the Reign of Frederick II. of Prussia, with a Parallel between that Prince and Philip II. of Macedon. By John Gillies, LL. D. F. R. S. and S. A.

3vo. 75.

The History of the Reign of Philip II. King of Spain. By Robert Watfin, LL. D. Professor of Philosophy and Rhetoric, at the University of St. Andrew. 2 vols. 21. 2s.

* Another Edition in 2 vols. 8vo. 18s.

The History of the Decline and Fall of the Roman Empire. By Edward Gibbon, Efg; 6 vols. which complete a Period of History from the Age of Trajan and the Antonines, to the taking of Conflantinople by the Turks, and the Establishment at Rome of the Dominion of the Popes, adorned with a Head of the Author, and Maps adapted to the Work. 61, 6s. Boards.

* * The 4th, 5th, and 6th vols. may be had separate,

to complete Sets, 31. 3s. Boards.

414 Another Edit. complete in 12 vols. 8vo. 31. 125. Also an Abridgement of this Work for the Use of

young Persons. 2 vols 8vo. 14s.

The Chronology and History of the World, from the Creation to the Year of Christ, 1790, illustrated on 56 Copper-plate Tables, with 16 Maps of Ancient and Modern Geography. By the Reverend John Blair, LL. D. 31. 125. 6d.

The History of the Legal Polity of the Roman State; and of the Rife, Progress, and Extent of the Reman

Laws. By Thomas Bever, LL. D. 4to. il. 1s.

An Historical View of the English Government, from

SL

the Settlement of the Saxons in Britain, to the Accession of the House of Stewart. By John Millar, Esq. Profefor of Law in the University of Glasgow. 2d Edition. 11. 15.

Miscellaneous State Papers, from 1501 to 1726, in 2 vols. 4to. Collected from the Museum, Hardwicke,

and other valuable Collections. 21. 2s.

Memoirs of Great Britain and Ireland, from the Diffolution of the last Parliament of Charles II. until the Capture of the French and Spanish Fleets at Vigo. By Sir John Dahrymple, Bart. 3d Edition, with Appendixes complete. 3 vols. 11. 16s.

The History of England, from the earliest Accounts of Time to the Death of George II. adorned with Heads elegantly engraved. By Dr. Goldsmith. 4 vols. 11. 4s.

An Abridgement of the above Book, by Dr. Gold-fmith, adorned with Cuts, for the Use of Schools, 3s. 6d.

The Parliamentary or Conditutional History of England, from the earliest Times to the Restoration of King Charles II. Collected from the Records, the Rolls of Parliament, the Journals of both Houses, the public Libraries, original Manuscripts, scarce Speeches and Tracts. All compared with the several cotemporary Writers, and connected throughout with the History of the Times. With a good Index, by several Hands, 24 vols. 8vo. 7l. 7s.

Grey's Debates, being a continuation of the above,

in 10 vols. 31. 3s.

Memoirs of the Duke of Sully, Prime Minister of Henry the Great. Containing the History of the Life and Reign of that Monarch, and his own Administration under him. Translated from the French. To which is added, the Trial of Ravaillac, for the Murder of Henry the Great. A new Edition. In 5 vols. 8vo. 1l. 10s.

** Another Edition, in 6 vols. 12mo. 18s.

A Biographical History of England, from Egbert the Great to the Revolution: confisting of Characters disposed in different Classes, and adapted to a Methodical Catalogue of engraved British Heads, interspersed with variety of Anecdotes and Memoirs of a great Number of Persons not to be found in any other Biographical Works. 4 vols. 11. 4s.

The History of the Public Revenue of the British Empire, from the earliest Accounts to Michaelmas 1788,

By Sir John Sinclair, Bart. 2 vols. 4to. 11. 16s.

The Lives of the most eminent English Poets; with





BOOKS printed for T. CADELS.

Critical Observations on their Works. By Samuel John-

fon, LL. D. 4 vols. 11. 4s.

An Inquiry, historical and critical, into the Evidence against Mary Queen of Scots; and an Examination of the Histories of Dr. Robertson and Mr. Hume, with Respect to that Evidence. By William Tytler, Esq; Vice President of the Society of Scottish Antiquaries and F. R. S. Ed. 4th Edition, with very considerable Additions, 2 vols. 128.

An Ecclefiaftical History, Ancient and Modern, from the Birth of Christ to the beginning of the present Century. In which the Rise, Progress, and Variations of Church Power are considered, in their Connection with the State of Learning and Philosophy, and the political History of Europe, during that Period. By the late Learned John Lawrence Mosheim, D.D. Translated, and accompanied with Notes and Chronological Tables, by Archibald Maclaine, D.D. A new Edition, corrected and improved. 6 vols. 21. 25.

An Historical and Classical Dictionary, containing the Lives and Characters of the most eminent and learned Perfons in every Age and Nation, from the earliest Period to the present Time. By John Noorthouck, 2 vols. 125.

Bibliotheca Classica; or a Classical Dictionary, containing a full Account of all the proper Names mentioned in antient Authors. To which are subjoined Tables of Coins, Weights and Measures, in Use among the Greeks and Romans. By J. Lempriere, A. M. of Pembroke College, Oxford. 8s.

A Philosophical and Political History of the Settlements and Trade of the Europeans in the East and West Indies, translated from the French of the Abbe Reynall. By J. Justamond, M. A. A new Edition carefully revised, in 8 vols. 8vo. and illustrated with Maps.

2l. 8s.

Sketches of the History of Man, by the Author of the Elements of Criticism, 4 vols. 11. 8s. 3d Edition-

An Account of the Voyages undertaken by Order of his present Majesty for making Discoveries in the Southern Hemisphere, and successively performed by Commodere Byron, Capt. Wallis, and Capt. Carteres, in the Dolphin, and Swallow, and the Endeavour; drawn up from the Journals which were kept by the several Commanders, and from the Papers of Joseph Banks, Esq. and Dr. Solander. By John Hawkesworth, LL.D. Illustrated with Cuts and a great variety of Charts and Maps (in all 52 Plates) relative to the Countries now

(5 m)

BOOKS printed for T. CADELL. 5 first discovered, or hitherto but imperfectly known Price 31. 128.

An Account of a Voyage towards the South Pole, and round the World, performed in his Majesty's Ships the Resolution, and Adventure, in the Years 1772, 1773, 1774, and 1775. Written by James Gook, Commander of the Resolution. In which is included, Captain Furneaux's Narrative of his Proceedings in the Adventure, during the Separation of the Ships. Elegantly printed in two Vols. Royal. Illustrated with Maps and Charts, and a Variety of Portraits of Persons, and Views of Places, drawn during the Voyage by Mr. Hodges, and engraved by the most eminent Masters. 21. 12s.

Proceedings of the Affociation for promoting the Discovery of the interior Parts of Africa. With a

Map of the Country. 8vo. 6s.

Travels through Spain, in the Years 1775, and 1776. In which feveral Monuments of Roman and Moorith Architecture are illustrated by accurate Drawings taken on the Spot. By Henry Swinburn, Efq; 2d Edition, 2 vols. 14s.

Travels in the two Sicilies. By Henry Swinburne, Efq; in the Years 1777, 1778, 1779 and 1780. With a Map of the two Sicilies, and twenty two Plates of

Views, &c. 2d Edition, 4 vols. 11. 8s.

Travels in Switzerland, in a Series of Letters to William Melmoth, Efq; from William Coxe, M. A. F. R. S. F. A. S. Rector of Bemerton, &c. &c. &c. 3 vols. Illustrated with a large Map of Switzerland, and other Plates, 11.75.

Travels into Poland, Russia, Sweden and Denmark, interspersed with historical Relations and political Inquiries, illustrated with Maps and Engravings. By William Coxe, A. M. F. R. S. &c. 4 vols. 3d Edit. 11 10s.

A new Volume, being the 3d in Quarto, and the 5th in Octavo, of the above Work, with a Map of

Southern Norway, and other Plates.

An Account of the Russian Discoveries between Asia and America; to which are added, the Conquest of Siberia, and the History of the Transactions and Commerce between Russia and China. By William Coxe, A. M. Fellow of King's College, Cambridge. Illustrated with Charts, and a View of a Chinese Town. 3d Edit 75 6d.

A complete Translation of the Count de Buffon's Natural History, from the 4th Edition in 16 vols. 4to; with occasional Notes and Observations. By William Smellie, Member of the Philosophical and Antiquarian



BOOKS printed for T. CADELL.
Societies of Edinburgh. Illustrated with 300 Copper
Plates. 9 vols. 41. 15.

A Philosophical Survey of the South of Ireland, in a

Series of Letters to John Watkinson, M. D. 7s.

A Tour in Ireland, with general Observations on the present State of that Kingdom, made in the Years 1776. 1777, and 1778, and brought down to the End of 1779. By Arthur Young, Esq; F. R. S. 2 vols. 2d Edit 14s.

A Tour through Sicily and Malta. In a Series of Letters to William Beckford, Esq.; of Somerly in Suffolk, from P. Brydone, F. R. S. 2 vols. Illustrated with a Map.

3d Edition. 12s.

Observations and Resections made in the Course of a Journey through France, Italy, and Germany. By Hef-

ter Lynch Piozzi. 2 vols. 14s

Observations made on a Tour from Bengal to Persia, in the Year 1786-7; with a short Account of the Remains of the celebrated Palace of Persepolis, and other interesting Events. By William Francklin, Ensign on the Hon. Company's Bengal Establishment, lately returned from Persia. 2 Edition. 8vo. 7s.

A View of Society and Manners in France, Switzerland and Germany, with Anecdotes relating to fome eminent Characters. By John Moore, M. D. 2 vols. 7th

Edition. 12s.

A View of Society and Manners in Italy, with Anecdotes relating to some eminent Characters. By John

Moore, M. D. 2 vols. 4th Edit. 148.

A Tour through some of the Northern Parts of Europe, particularly Copenhagen, Stockholm, and Petershungh, in a Series of Letters, by N. Wravall, Esq. M. P. 3d Ed. 6s.

A Journey to the Western Isles of Scotland. By the

Author of the Rambler. 6s.

A Journey from Gibraltar to Malaga, with a View of the Garrison and its Environs, &c &c. Illustrated with a View of each Municipal Town, and a Chart, &c. By Francis Garter, Esq; 2 vols. with a great number of Plates. 2 Edition. 18s. in boards.

DIVINITY.

Island, a new Translation, with a preliminary Differtation, and Notes Critical Philological, and Explanatory. By Robert Lowth, D. D. F. R. S. London and Goetting, late Lord Bishop of London. 2d Edit. 11. 15.

(524)

SL

BOOKS printed for T. CADELL. 79. The Four Gospels, translated from the Greek; with preliminary Differentions and Notes, Critical and Explanatory. By George Campbell, D. D. F. R. S. Edingburgh, Principal of Marischal College, Aberdeen. 2 vols. 410. 21. 108.

A Commentary with Notes, upon the Four Gospels, and the Acts of the Apostes, &c. &c. By the Right Rev. Zachary Pearce, D. D. late Lord Bishop of Rochester. With a Review of his Lordship's Life and Character,

written by himfelf, 2 vols. 21. 10s.

Sermons on feveral Subjects. By the Right Rev. Beilby Porteus, D. D. Bishop of London. 6th Edit. 6s.

An Introduction to the Study of the Prophecies concerning the Christian Church, and in particular concerning the Church of Papal Rome: in twelve Sermons preached in Lincoln's-Inn Chapel, at the Lecture of the Right Rev. William Warburton, Lord Bishop of Gloucester. By Richard Hurd, D. D. now Lord Bishop of Worcester, and late Preacher to the Hon. Society of Lincoln's-Inn, the 3d Edition, 2 vols. 7s.

Sermons preached at Lincoln's-Inn Chapel, between the Years 1765 and 1776; with a larger Discourse on Christ's driving the Merchants out of the Temple, in which the Nature and End of that samous Transaction are explained. By Richard Hurd, D. D. Lord Bishop of Worcester, and late Preacher of Lincoln's-Inn. 2d Edi-

tion, 3 vols. 18s.

2d and 3d vols. may be had separate, to complete

Sets, 10s. 6d. in Boards.

Sermons by Hugh Blair, D. D. one of the Ministers of the High Church, and Professor of Rhetoric and Belles Lettres in the University of Edinburgh. 16th Edit. 3 vols. 198.

** The 3d Volume may be had separate, 6s. in Boards. Sermons by William Leechman, D. D. late Principal of the College of Glasgow; with some Account of the Author's Life, and of his Lectures. By James Wodrow,

D. D. Minister of Stevenston. 2 vols. 148

Discourses on various Subjects. By Jacob Duché, M. A. formerly Rector of Christ-church and St. Peter's Philadelphia; and late Chaptain to the Asylum for semale Orphans, in the Parish of Lambeth, Surry. 3d Edition, 2 vols. 145.

One hundred Scrmons on practical Subjects, extracted chiefly from the Works of the Divines of the laft Cen-

tury. By Dr. Burn. 4 vols. 11. 48,



SL

BOOKS printed for T. CADELL.

Sermons by the late Laurence Sterne, M.A. 6 vols. 18s, Sermons on the Christian Doctrine as received by the different Denominations of Christians. To which are added, Sermons on the Security and Happiness of a virtuous Course, on the Goodness of God, and on the Refurrection of Lazarus. By R. Price, D. D. LL. D. F. R. S. &c. 2d Edit. with an Appendix. 6s.

Sermons on various Subjects, and preached on feveral Occasions. By the late Rev. Thomas Francklin, D. D. Chaplain in Ordinary to his Majesty, and Rector of

Brasted in Kent. 4th Edit. 3 vols. 11. 4s.

Sermons on the Relative Duties. By the fame. 6s. Four Differtations. I. On Providence. II. On Prayer. III. On the Reasons for expecting that virtuous Men shall meet after Death in a State of Happiness. IV. On the Importance of Christianity, the Nature of Historical Evidence and Miracles. By Richard Price, D. D. F. R. S. ath Edit. 8vo. 6s.

Sermons to young Women. By James Fordyce. D. D.

2 vols. 5th Edit. 7s.

Addresses to young Men, by the same Author. 2vols. 8s. Sermons by Colin Milne, D. D. Rector of North Chapel in Sussex, and Lecturer of St. Paul's, Deptford 6s.

Sermons on various Subjects, by the late 'John Farquhar, A. M. Minister at Nigg, carefully corrected from the Author's MSS by George Campbell, D. D. Principal of Marischal College; and Alexander Gerrard, D. D. Prosessor of Divinity in King's College, Aberdsen, 2 vols, 3d Edit. 7s.

A Review of the principal Questions in Morals. By Richard Price, D. D. F. R. S. 3d Edit. corrected, 75.

Miscellanies, Books of Entertainment, Poetry, &c.

The Works of the late Right Hon. Henry St. John Lord Viscount Bolingbroke; containing all his Political and Philosophical Works; a new and elegant Edition, 5 vols. 4to. 51. 5s.

* * Another Edition in 11 vols. 8vo. 2l. 16s.

The Works of Francis Bacon, Baron of Verulam, Vifcount St. Alban's, and Lord High Chancellor of England, 5 vols. Royal Paper. 51. 5s.

An Inquiry into the Nature and Causes of the Wealth of Nations. By Adam Smith, LL. D. F. R. S. former

(526)

Courton Covernment

BOOK'S printed for T. CADELL.

1. Professor of Moral Philosophy in the University of

Glafgow. 3 vols rl. 1s. 5th Edic.

An Inquiry into the Principles of Political (Economy; being an Essay on the Science of Domestic Policy in Free Nations; in which are particularly considered. Population, Agriculture, Trade, Industry, Money, Coin, Interest, Circulation, Banks, Exchange, Public Credit, Taxes, &c. By Sir James Stuart, Bart. 2 vols. Royal Paper. 21. 2s. Boards.

Essays and Treatises on several Subjects. By David Hume, Esq; with his last Corrections and Additions,

2 vols. 4to. 11. 16s.

* * Another Edition in 2 vols. 8vo. 14s.

Moral and Political Dialogues, with Letters on Chivalry and Romance. By Richard Hurd, D. D. now

Lord Bishop of Worcester. 3 vols. 10s. 6d.

An Essay on the History of Civil Society. By Adam Ferguson, LL. D. Professor of Moral Philosophy in the University of Edinburgh. 3d Edit. 6s.

Elements of the Science of Ethics on the Principles of Natural Philosophy. By John Bruce, A. M. 6s.

Estays on the History of Mankind, in rude and cultivated Ages. By James Dunbar, LL. D. Professor of Philosophy in the King's College, and University of Aberdeen, 6s.

Memoirs of the Literary and Philosophical Society of Manchester. Illustrated with Plates. 3 vols. 11. 25.

* The 3d volume may be had separate, Price 7s. in Boards.

Zeluco. Various Views of Human Nature, taken from Life and Manners, foreign and domestic. 2d Edition. 2 vols. 14s.

Profe on feveral Occasions, accompanied with some

Pieces in Verse. By G. Colman. 3 vols. 15s.

The Works of Lucian, from the Greek. By Thomas

Francklin, D. D. 4 vols. 11. 4s.

The Theory of Moral Sentiments. By Adam Smith, LL. D. F. R. S. 4th Edition. 2 vols. 14s.

The Elements of Moral Science. By James Beattie, LL. D. Professor of Moral Philosophy and Logic in

Marischal College, Aberdeen. vol. 1. 8vo. 7s.

The Works of Alexander Pope, Esq; with his last Corrections, Additions, and Improvements, as they were delivered to the Editor a little before his Death; together with the Commentary and Notes of Dr. Warburton. Adorned with Cuts. In glarge vols. 8vo. 21. 14s.

The fame in 6 vols, 12mo, 18s.

(527)

CSL-AS-(R) AS000778 ~ 54 330.1 SMI-I

GL

TO BOOKS printed for T. CADELL:

A complete and elegant Edition of the English Poets, printed in 75 Pocket Volumes, on a fine Writing Paper. Illustrated with Heads engraved by Bartelozzi, Caldwall, Hall, Sherwin, Se. &c. with a Preface Biographical and Critical to each Author. By Samuel Johnson, LL. D. 131. 28. 6d.

The Works of Archar Murphy, Efq; 7 vols. 21. 25. A new Edition of the Shipwreck, a Poem in three Cantos, by a Sailor, with two Plates, viz. a Sea Chart, and an Elevation of a Ship, with all her Mafts, Yard, Sails, and Rigging. To this Edition in added, an Elegy

on the Subject. 3s. fewed.

Select Pieces in Profe and Verfe, of Mr. Abraham Cowley, with a Preface and Notes by Dr. Hurd, now Lord Bithop of Womefler. 3d Edition. 2 vols. 7s.

The Works of Soame Jenyns, Eq.; Including leveral Pieces never before published. To which are prefixed from Sketches of the History of the Author's Family, and also of his Life. By Charles Nalfon Cole, Efq.; with a Head of the Author. 4 vols. 11.

Letters to and from the late Samuel Johnson, LL. Do To which are added some Poems never before printed. Pyblished from the Original in her possession. By Hester

Lynch Pizzi. 2 vols. 145.

The Works of Mr. Thornson, compleat, elegantly printed on a fine Writing Paper, with Plates, and a Life of the Author. 3 vols. 11. 4s.

Another Edition, 3 vols Ctown, 18s. or 2 vols com.

moon. 7s.

The Seafons, in a Twelves Edition, and most of his Pieces separate. Price only 2s. 6d.

Another Edition of the Seafons, in a smaller Size,

printed on a fine Writing Paper, 4s.

The Triumphs of Temper; a Poem in fix Cantos.

By William Hayley, Elq. 6th Edition. 7s. 6d.

The Mine, a dramatic Poem, 2d Edition, to which are added two historic Odes. By John Sargent, Esq; 6s.

Elegiac Sonnets. By Charlotte Smith. 5th Edition, with additional Sonnets and other Poems. 125.

"." The three last mentioned Works are printed in a most beautiful and uniform Manner, and are all embellished with very fine Plates.

Estays on various Subjects, principally designed for young Ladies. By Miss Hannah More; 3s. sewed. 2d Edit.

Adelaide and Theodore, or Letters on Education: containing all the Principles relative to the different