

LETTER
TO THE
LORDS AND COMMONS,
ON THE
PRESENT
COMMERCIAL AND AGRICULTURAL
CONDITION
OF
GREAT BRITAIN.

BY
RICHARD BADNALL.

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TO THE CONSIDERATION
OF THE
PROFESSORS OF POLITICAL ECONOMY
IN THE SEVERAL
UNIVERSITIES OF THE UNITED KINGDOM;
THE FOLLOWING
LETTER
TO THE LORDS AND COMMONS,
18
HUMBLY SUBMITTED.

PREFACE.

SOME apology may appear necessary to those, to whom the following letter is addressed, for the introduction therein of so much matter, with which they cannot be unacquainted; especially that which more particularly refers to the rudimental principles of political philosophy; but having been in a great measure guided by an anxiety to direct popular attention to the true causes of the rise or decline of national wealth, and as it is most desirable for the

proper exercise of public judgment that the elements of a science, which has ever been regarded as difficult and abstruse, should be compressed into their most intelligible form, I have not hesitated to run the risk of rendering my remarks tedious to a few, in the hope that they may prove a source of information to many.

I may be accused of vanity for this declaration; but if the publication of the work itself be not a sufficient cause of such accusation, no prefatory remarks can increase the justice of it.

It is true that I have ventured to express positive opinions in contradiction to received authorities. It is also true that I have presumed to promulgate assertions as to the causes of our distress, and its remedy, which

many would perhaps have hesitated to pronounce. But I have not thus acted without a belief that I possess the information and the power necessary to the defence of my own positions. At all events it is consoling to know that if I be defeated, the defeat, in a good cause, cannot be discreditable to me ; if victorious, that my humble endeavours to promote the welfare and happiness of my country and mankind, cannot be altogether unworthy of parliamentary and public countenance.

LETTER

TO THE RIGHT HONORABLE, NOBLE AND HONORABLE

THE MEMBERS

Of the British Legislature.

MY LORDS AND GENTLEMEN,

THE period is now arrived, when you are again summoned to take upon yourselves the anxious and important task of legislating for the welfare and honour of your country.

On this momentous occasion, the eyes of thousands are directed to you with solicitous and unusual interest. The land-owner, who with sorrow applies the axe to his ancestral timber—the merchant, who with doubtful expectation, consigns his property to distant shores—the manufacturer, who is compelled to render the strictest economy in every branch of his business, a partial substitute for reduced profit—the labourer and

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artisan, whose narrow earnings are the result of such economy—the shopkeeper, who necessarily feels the consequence of such a change—and the wretched pauper, whose misguided hope is emigration to a foreign clime—thousands, in every rank of life, are with intense anxiety, awaiting the eventful issue of your deliberations.

At such a period, my Lords and Gentlemen, an individual who has paid no little attention to the ebb and flow of agricultural and commercial prosperity, presumes, without apology, to entreat your attention.

The welfare of society essentially depends upon an amicable and unobstructed connection between the people and their legislators; the opinions of the community are as important to a wise government, as its confidence; and although, under our excellent constitution, the "*vox populi*" is generally understood through medium of our representatives in Parliament, yet, it cannot be denied, that the legislature of all civilized countries have ever found it their interest to encourage individual opinion and research.

If opinions be fallacious, they seldom influence the judgment of discriminating and

enlightened minds,—if just, they cannot be unprofitable.

It is not my intention to confound the subject before me, by following into innumerable tracks those political economists who appear to have regarded the past, present, and future condition of society as an enigma difficult of solution, and to which, the wider they have extended their observations, the wider have extended the theories which support them ; I shall on the contrary,

First,—Endeavour to lay down such established axioms as are deducible from a careful, and I trust correct, inquiry into the science and the cause of wealth, uniting the valuable and acknowledged theories of others, to such opinions as my own judgment may suggest, and practical experience can substantiate ; whereby we may have a more distinct guide for the proper direction of popular judgment, and, if so, more confirmed data whereon future legislative enactments may be founded.

Secondly,—I shall endeavour to define the present commercial and agricultural condition of Great Britain ; not by an exposition

difficult to explain or understand, but by a statement of *facts*, which cannot fail to be, if not convincing, at least intelligible.

Thirdly,—I shall endeavour to elucidate the causes of that distress which now, unhappily, pervades many of our commercial and agricultural districts,—and

Lastly,—I shall endeavour to suggest the means by which that distress can be effectually removed, and the power and consequence of our country maintained, and secured to posterity.

A correct knowledge of political philosophy is a correct knowledge of civilization in all its stages; and as civilization is the real basis of all human happiness, I proceed, in accordance with my first proposition, to lay down those rules or axioms, upon which I build, and to which I attribute its origin and progress, afterwards annexing to them such remarks as I deem expedient to their fuller confirmation.

AXIOM 1st.—Land and water acted upon, assisted or directed by an incomprehensible power, and various incomprehensible and comprehensible agents of that power, form the origin, source, or foundation of all produce, of all comfort, and of all wealth; considered separately, the *former* from its self-productive, or inherent qualities, may not only be termed the great parent of our existence, but the Fulcrum upon which the whole machine of human advancement works, and the only safe and real security for accumulated wealth. The *latter*, independent of its importance as a source of food, and other numerous benefits to mankind, it is sufficient, in this instance, to regard as the valuable medium of intercourse between nation and nation, and, therefore, one of the principal and indispensable links in the chain of prosperity and civilization. As the soil or land, therefore, of every country naturally becomes the most sacred object of the guardianship of its inhabitants, a free and unrestricted passage of the ocean, from land to land, becomes equally important to the welfare of every community, and to the civilization of the world at large.

AXIOM 2nd.—The basis of civilization is wealth, for without wealth no nation could advance from a state of barbarism; therefore, the most wealthy country is, or ought to be, the most civilized, and as wealth and civilization constitute power and happiness, the most wealthy nation is in proportion to local advantages and extent, the most powerful and happy.

AXIOM 3rd.—The great accessory or assistant power to the self-productive or inherent powers of nature in the creation, support and accumulation of wealth is *labour*, and all nations rise or fall as the produce of these united agencies increases or diminishes, and it is the surplus of the produce of these powers above the dead expenses of the state, accidental loss, and the unreturned expenditure of individuals abroad, which constitutes the wealth and prosperity of a nation; therefore, that nation wherein labour is most constantly, advantageously, and fully employed, in conjunction with the self-productive or inherent powers of nature, is, in proportion to local advantages and extent, the most wealthy, the most civilized, and the most powerful; and consequently, *labour* unprofitably employed or unemployed, is at all times subversive of good.

AXIOM 4th.—The self-productive or inherent powers of nature never can be *too* extensively cultivated. The assistant power of labour never can be *too* great for the advancement of wealth and civilization, and the powers of consumption never can be too excessive for the prosperity of any well-governed country, therefore, increase of population, instead of an imagined evil is to every well-governed country an increasing blessing.

AXIOM 5th.—The real value of all commodities of whatever kind or description they may be, is proportionate to the combined value or extent of the self-pro-

ductive, or inherent powers of nature, and the assistant power of labour, employed in their production ; therefore, all variations in the value of commodities, evince that the application of these united powers, or their produce, has been injudiciously or disproportionately directed or applied.

AXIOM 6th.—Any measure calculated to encourage monopoly, or to restrict the free intercourse of commerce between nation and nation, thus confining the distribution of the self-productive, or inherent powers of nature, and interfering with, and cramping the free action and division of labour, unnaturally affects the real value and consumption of different commodities ; therefore, all monopolies, and all commercial restrictions, are injurious to the welfare of a nation and mankind.

AXIOM 7th.—Gold, silver, and all other metals are commodities, the original value of which, like all other commodities, depends upon the same laws ; nevertheless the real value of accumulated gold, or any other non-consumable commodity which can be constantly produced, and which is not absolutely essential to purposes of common utility, tantamount to consumption, *must every year diminish* ; whilst the real value of corn, or any other consumable commodity, *never can diminish* ; therefore no nation should judge of her wealth by the amount of specie which her inhabitants possess, but by the amount of agricultural and commercial produce, which her self-productive

or inherent powers and divided labour, command, and which calls that specie into constant action.

AXIOM 8th.—Every improvement in machinery, whereby manual labour is diminished or abridged in the production of a given quantity of produce, is a blessing to mankind, inasmuch as it not only tends to the more general division of labour, but providentially compels mankind to study its own welfare, in equalising, distributing, and regulating all labour, and the produce thereof, for mutual comfort, advantage, and support ; therefore, every improvement in machinery is an improvement in civilization, wealth, and power.

AXIOM 9th.—Taxation, or a portion of commodity taken from each individual for the guardianship, protection, and security of *all*, when *equitably levied*, and *prudently expended*, causes an increase instead of a decrease in the wealth of a nation ; therefore, taxation is not, in itself, what it is frequently supposed to be, a necessary evil, but an absolute and necessary good.

AXIOM 10th.—Gold, or any other commodity, exported from a nation in exchange for other produce, which will reproduce gold or other commodity of a greater value or quantity, is an increase in the wealth of that nation ; therefore, the unrestricted exportation of all commodities is essential to the accumulation of wealth.

AXIOM 11th.—Gold, or any other commodity, imported into a nation, and becoming marketable there, either for the consumption of that nation, or in exchange for other commodities, for foreign consumption, is an increase to the wealth of that nation; therefore, the unrestricted importation of all commodities is essential to the accumulation of wealth.

AXIOM 12th.—The free export and import of all disposable commodities, are alike accessory to the accumulation of wealth; therefore, whether the exports exceed the imports, or the imports exceed the exports, the beneficial consequences are the same.

AXIOM 13th.—No legislative enactment whatever, can exercise a power in regulating, controlling, or affecting in any way, the rates of wages, the free liberty of workmen, the price of any commodity, or the discretion of any dealers therein, without imposing an injurious restriction on the commerce of a country; therefore all such laws are pernicious.

AXIOM 14th.—As no man can continue to trade without a profit, the more numerous traders are, the greater is the accumulation of wealth; therefore, there never can be too great a competition in the production or sale of commodities.

AXIOM 15th.—No trade or commerce whatever, which is productive of benefit to the world at large, can be injurious to any community; therefore,

every nation consults her own interest, by a free commercial intercourse with all other nations.

AXIOM 16th.—Any nation whatever, refusing to trade with another nation on free reciprocal terms, inflicts a far greater injury upon herself, than she can do upon the nation whose intercourse with her she restricts; therefore, self-interest, as well as the compulsive power of freedom, will eventually compel her to adopt those principles which prejudice, for a while, may induce her to disregard.

AXIOM 17th.—No industrious, prudent, and civilized population will consume more than a given quantity of the produce of its own soil and industry; and yet the united soil and industry of the world cannot, at any time, produce more than what the population of the world will require; consequently, the most civilized, industrious, prudent, and ingenious population, has, by the surplus of its produce or wealth, the means of bartering or exchanging such surplus, for the produce or wealth of other nations, as the same may be expedient either to luxury or necessity; and therefore, the greater the surplus produce or wealth of one population is than that of another population, the greater will be its accumulation of wealth by mutual exchange or barter.

AXIOM 18th.—The accumulation or reproduction of wealth by exchange or barter, at all times depends upon consumption, whether home or foreign, being

equivalent to production ; therefore, if production be greater than *home* and *foreign* demand, the accumulation or reproduction of wealth is impeded.

AXIOM 19th.—Increased production, and decreased consumption, which by divine ordinance can only occur through the fallibility of human wisdom, and the misdirection of human labour, reduce below their *real* value the price of all commodities, and this unnatural reduction in the price of commodities, is alike destructive of national and individual wealth ; therefore, such events are inevitable causes of national and individual distress.

AXIOM 20th.—Free labour, and a free, unshackled commercial intercourse between man and man, and between nation and nation, best promote the accumulation of wealth, and the civilization of mankind ; but monopolies, duties, restrictions, and prohibitions, impede the course of wealth, and are destructive of trade and civilization ; therefore, freedom of trade is a blessing—restriction or prohibition of trade is a curse.

Remarks on the preceding Axioms.

AXIOM I.—Land and water acted upon, assisted or directed by an incomprehensible power, and various incomprehensible and comprehensible agents of that power, form the origin, source, or foundation of all produce, of all comfort and of all wealth; considered separately, the *former*, from its self-productive or inherent qualities, may not only be termed the great parent of our existence, but the Fulcrum upon which the whole machine of human advancement works, and the only safe and real security for accumulated wealth. The *latter*, independent of its importance as a source of food and other numerous benefits to mankind, it is sufficient, in this instance, to regard as the valuable medium of intercourse between nation and nation, and therefore one of the principal and indispensable links in the chain of prosperity and civilization. As the soil or land, therefore, of every country naturally becomes the most sacred object of the guardianship of its inhabitants, a free and unrestricted passage of the ocean, from land to land, becomes equally important to the welfare of every community, and to the civilization of the world at large.

It may appear almost unnecessary to submit an observation on the truth of this axiom; but considering it, as I do, one of those data indispensable to the foundation and establishment of political science and belief, I cannot pass it over without remark. Many eminent writers* on political economy have designated land not only as the origin and source of wealth, but as the *only* agent by which wealth can be accumulated; some have gone so far, therefore, as to consider it the *only* proper object of taxation.

* On this subject the opinions of De Quesnay are most prominent, who, as one of the most enlightened authors of the last century, we cannot help regarding as an authority deserving of every consideration.

It cannot be supposed that the advantages of water have been disregarded by these philosophers; but it appears certain, that other *inherent* properties of nature have been disregarded as equally productive of wealth, with land itself.

I will not raise an argument upon the effect of *air*, as an agent in the existence of all created things, nor of light, heat, and other peculiar properties annexed to matter; but I think it necessary to allude to that incomprehensible, inherent power, which becomes comprehensible in its results—the inspiration of the mind of man.

When we reflect on this important subject, we cannot help acknowledging, that the power by which the earth and sea have been impregnated as origins of produce and benefit, has been also equally ingrafted in the mind of man; and practical experience has proved that this innate power of the mind of man, is, united with labour, as essential to the production of wealth, as the self-productive power of land or sea united with labour; nay, it is a question whether we do not owe the accumulation of wealth more to the former even than to the latter.

It is possible that if the intellectual power of man did not exist, the earth might produce food in sufficient quantities for animal existence, and it is ordained, that the very food which has caused existence, is reproductive of food ; therefore, the wealth which is necessary for existence, is that which arises from the self-productive or inherent power of nature, yet this is not an accumulating power, but it is by the inherent power of the mind, that we are enabled to turn the inherent or productive power of nature into innumerable sources of benefit and employment, the produce of which is, in proportion to extent and importance, more or less valuable, in exchange for original or manufactured production ; therefore, although the earth, as the first inherent power, furnish the first material, it could never be accessory to the accumulation of wealth, without the second inherent power, which converts that first material to multiplied and universal products ; and as, at the creation of the world, a dominion over the earth was given to man, the inherent power consigned to the mind of man, was allotted to direct the inherent power of the earth in its most productive sources ; and as it is evident that the same

power which can render that production more productive, can also render it a desert, so is it *obvious* that the inherent power of nature engrafted in the mind of man, is as essential to the production and accumulation of wealth, as the inherent power of land or sea.

Many political economists, also, among whom, the name of M'Culloch, the able editor of Dr. Smith's treatise, and several of his predecessors, are conspicuous, have not hesitated to declare that *labour* is the only source of wealth, and upon this fundamental opinion, the whole system of political economy is now supposed to be established.

Without enumerating the authors of the last three centuries, who have varied in their conjectures on this important subject, I shall confine myself to a consideration of the two doctrines which I have quoted, and in doing so, I have little hesitation in expressing my opinion, that both are radically erroneous.

To prove my position, and to establish my axiom, I think it necessary to quote those passages which more particularly refer to the questions before me :

M. De Quesnay observes, "that the cultivators of soil paying rent for *natural agents*, appeared to him, an incontrovertible proof, that agriculture was the only species of industry which yielded a 'produit net' over and above the expenses of production."

Mr. M'Culloch, in denying this position, "says, M. Quesnay and his followers mistook altogether the nature of production, and really supposed wealth to consist of matter; whereas, in its natural state, matter is very rarely possessed of immediate and direct utility, and is *always destitute of value*. It is only by means of the *labour* which must be laid out in appropriating matter, and fitting and preparing it for our use, that it acquires exchangeable value, and becomes wealth."

In support of this opinion, Mr. M'Culloch apparently coincides with Dr. Smith, when observing, "In opposition to the French economist, Dr. Smith has shewn that *labour* is the *only source of wealth*; and that the wish to augment our fortunes, and to rise in the world—a wish that comes with us from the womb, and never leaves us until we go into the grave,

“is the cause of wealth being saved and accumulated.”

Now, before I compare the opinions of De Quesnay and M'Culloch, I think it necessary to observe, that although Dr. Smith unquestionably attributes the accumulation of wealth to a division of labour *properly directed*, he by no means ventures to assert in such unqualified terms as M'Culloch reports, that labour is the only cause of wealth—he even raises a doubt by saying, “The invention of all those machines by which labour is so much *facilitated* and *abridged*, SEEMS to have been originally “owing to the division of labour:”—again, “If one species of labour requires an uncommon degree of dexterity and ingenuity, the esteem which men have for such talents, will naturally give a value to their produce, superior to what would be due to the time employed about it.” In another instance, “In a civilized country there are but few commodities of which the exchangeable value arises from labour only.”—Again, “neither is the quantity of labour commonly employed in acquiring or producing any commodity, the only circumstance which can regulate the quantity

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“which it ought commonly to purchase, “command, or exchange for.” Here then are evident doubts in the mind of Dr. Smith, whether or not *labour* were the absolute and *only* source of wealth, and throughout the whole of his work, his opinion of the *effects of labour*, as productive of wealth, seem qualified by a hesitation which M'Culloch does not acknowledge, but which certainly existed, and which must strike any reader of his inestimable treatise, who undertakes the task with an unprejudiced opinion. There is an evident distinction between labour being, what Dr. Smith conceives it to be, the standard by which we can alone compare the values of different commodities at all times and places, and being what it is also stated to be, the *only source of wealth*.

Nevertheless, Dr. Smith does not establish any fundamental distinction between *labour* as the source of wealth, and labour combined with *ingenuity*, as the source of wealth; and it is upon these grounds that I venture this attempt to establish my first axiom.

De Quesnay is no more erroneous in supposing agriculture the only description of industry that realizes a surplus above pro-

duction, than M'Culloch in supposing labour the *only* source of accumulated wealth.

The self-productive agency which was given, at the creation, to land, was also given to the mind of man, and they are alike distinct and separate from labour; for as the former, in the production of raw produce, is an assistant to manual industry, thus providing a surplus which we may denominate rent, so is the latter a natural agency, which, as an assistant to manual industry, possesses a power of production, constituting a surplus above absolute labour, which also may be denominated *rent*; for as there is a rent arising upon land, over and above the expense of production, so there is a rent arising upon mental application or ingenuity, over and above the expense of production.

It may be contended, that Dr. Smith and his able advocate Mr. M'Culloch, *combine with their definition of the word labour*, all such improvements which ingenuity has devised to facilitate and abridge labour; but this is untenable as a fundamental position; for it is proved by every day's experience, that *the value* of commodities does not at all times depend exclusively upon labour, which

Mr. M'Culloch* asserts it does, but on *labour*, as Dr. Smith justly, but enigmatically says, skilfully, dexterously, and judiciously applied; or he would have been more correct in stating, upon labour aided by the natural agency of *mind or matter*.

For instance, an acre of land in a state of cultivation, affords a *rent* to the possessor, over and above the expense of production, and the expense of the livelihood of the cultivators; the expense of production may be termed the *just value of the labour*; and the *rent*, the *natural* agency, or inherent power, given to land, producing a surplus over and above such expense; which rent, or surplus produce, represents the capital invested in the purchase and cultivation of property by the land-owner.

So the inventor of a lace or stocking frame at Nottingham, reaps an advantage beyond the hand manufacturer, in proportion to the advantage accruing from the natural power engrafted in his mind, over and above the

* Mr. M'Culloch, although he positively states Dr. Smith's opinion to be that "Labour is the only source of wealth," in a note to Dr. Smith's work, says, "Dr. Smith has not explicitly stated the precise meaning he attaches to the term *wealth*; though he *most commonly* describes it to be the 'annual produce of land and labour.'" —It is impossible to draw just conclusions from opinions so extremely paradoxical.

*cost of the manufacture of the machine, and the expence of production ; this surplus also may be denominated *rent*, and thus “ad infinitum,” every improvement in machinery which abridges labour, is a natural agency of the mind of man, producing a surplus above the absolute cost of laborious production. In other words, is an unseen agent, endowed with the same inherent power as land, producing annual surplus, or *rent*, above the cost of laborious production.*

The only objection which can be raised to this argument is, that although improvements in machinery facilitate and abridge labour, they *do not* interfere with the price of commodities, as they only tend to divide or disseminate labour ; but such conclusion is erroneous, for ingenuity will never slumber, and every increase must reduce the expense of labour in production, for during the period that labour is gradually dividing from an employment in which it has been abridged by machinery to a new employment, the value of the commodity which it *was* engaged in producing, will cause an accumulation of wealth, or *rent*, until every man employed in the production of such commodity is able to pro-

duce it equally advantageously ; and thus, every improvement by ingenuity is at all times productive of wealth, over and above the value or extent of laborious production. The only real distinction is, that land will *always produce rent* in proportion to its state of cultivation and fertility where population is dense and labour consequently abundant, because the demand for food and habitations is constant, and always increasing with an increasing population ; whereas any given work of ingenuity will only produce a *temporary rent*, although the combined and constant agency of united ingenuity will be at all times producing a surplus, or rent, above the cost of laborious production. The position, therefore, which I defend is, that in the manufacture of almost all productions, as well as in their original growth, a certain surplus of profit or wealth, which to render more intelligible I denominate *rent*, is constantly arising over and above the cost of the raw commodity, and the capital and labour employed or expended in production.

There are several other remarks by Mr. M'Culloch on the subject of rent, in which

I cannot concur; among others, "When agriculture is most productive, that is, when none but the most fertile soils are cultivated, no rent or 'produit net' is obtained from the land, and it is only when recourse has been had to poorer soils, and when, consequently, the productive powers of the labourer and capital employed in cultivation begin to diminish, the rent begins to appear; so that instead of being a consequence of the superior productiveness of agricultural industry, rent is really a consequence of its becoming less productive than others."

In this paragraph, Mr. M'Culloch appears to go farther in opposition to Dr. Smith's theory of rent than he can support by satisfactory explanation; and although he may be correct in maintaining that the cultivation of inferior soils is one great cause of the origin of rent, I do not see how he is justified in the conclusion, that *rent never can accrue until* recourse has been had to the cultivation of inferior soils; nor do I agree with him in his assertion, that the price of raw produce out of which rent is paid, is *altogether uninfluenced by its payment*, and would not be affected *though it were entirely relinquished*.

Whatever error Dr. Smith may have fallen into, in supposing that commodities rise and fall in proportion to the rate of wages, Mr. M'Culloch is, in my opinion, equally erroneous in his conclusions.

It is true that the value of corn, or any other commodity, depends *ONLY* upon the quantity or value of the commodities which the seller receives in exchange, and hence arises Mr. M'Culloch's and Dr. Smith's mistakes, for the price of *ALL* natural and raw commodities depend upon *united causes*—self-production and assistant power of productions, and the prices of *ALL* manufactured commodities depend also on united causes—cost of the raw material—ingenuity, or inherent agency of the mind, and labour.

In reference to the first point, let us take as our subject of demonstration, any product of nature which requires little cultivation or expense of labour,—an apple tree for instance. If nature yield an abundance of fruit, the value of the apples does not depend alone upon the labour of getting them, but also upon the quantity and quality produced; nor does it require much more labour to shake down one thousand apples from a tree than one score; nor is the labour of picking them from the earth at

all proportionate to the difference in value of one thousand to the one score.

In reference to the second point, a man can weave by a power-loom, ten times the quantity of cotton per diem, than he can weave by hand; and it is evident, that the manufacturer who first commences to abridge the amount of his labour by *machinery*, will realise a surplus profit in proportion to the abridgement, UNTIL all other manufacturers adopt the same means of production; for it is not by a *reduction of the wages of the hand workman* that his employer can compete with the *power* workman, but it is by an adoption of the same powerful machinery, nor will the price of the commodity be instantly sunk to the value which it would absolutely bear, when *none* but power machines would be adopted, but it would *gradually sink* until this period arrived; the manufacturer or inventor naturally making, in the interim, the greatest possible profit or rent from the ingenuity which has led to his improvement.

Hence, although nature, exclusive of labour, is a constantly productive power in all materials, the mind, though (exclusive of labour) only a temporary productive power

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in *given* materials, is a constantly productive power in its general application.

There is thus a great difference between labour being the *only source of wealth*, and the price of all commodities being *dependent upon the labour employed in their production*, the former supports an absolute rule, which daily experience negatives; the latter is no less absolute than true, because all things will unquestionably find their level; and it is during their sinking to this level, that the profit is gained which negatives the first position.

Mr. M'Culloch observes, that Dr. Smith was mistaken in supposing the value of any commodity would partly depend on labour, and partly on the amount of profit, wages, and rent, and that supposing one of these elements to remain constant, the value of commodities would fluctuate according to the variation in the others, rising when they rose, and falling when they fell; but he says, "Dr. Smith forgot to remark, that the variations in question are really nothing more than *changes in the distribution* of the produce of industry or of commodities, and that, as such, they cannot in any degree affect the circumstances which determine their

value, or their power or capacity to exchange for, or buy each other."

Now, it appears quite evident, that there is, at all periods, a relative value between all commodities; and it is equally evident, that any one commodity being dearer or cheaper from any circumstances, does not affect the price of other commodities, but their relative price is altered according to those circumstances; this Mr. M'Culloch does not deny, but he afterwards contradicts himself, and opposes an established fact, by saying, "Wherever industry is free and unfettered, variations in the rates of wages are never confined to any particular class of workmen, but equally extended to all classes whatsoever: they cannot, therefore, in any degree modify or alter the relations previously subsisting among the commodities produced by them, or their value; and merely occasion a change in the proportions in which they are divided between the labourers and their employers." Thus Mr. M'Culloch seems to support the idea, that any machinery abridging labour in the production of a given commodity, which necessarily reduces the value of labour employed in the production of a given quantity of that commodity, equally influences the value

of labour in the production of other commodities, which is erroneous, for the invention of a power-loom for weaving cottons, has no influence in abridging the wages of the miner, who raises gold or silver to pay for them; on the contrary, it not unfrequently happens, that the wages of men employed in the production of raw materials, are considerably enhanced by the extra production which arises from improved machinery.

With the highest opinion of the talents of Mr. M'Culloch, I cannot help regretting that, in editing the work of Dr. Smith, he seems no little influenced by a wish to establish a totally different creed; for in allusion to such work, he not unfrequently talks of "fallacy of doctrine," "erroneous doctrines," "errors that infect his work," &c. &c., and yet he speaks of him as one of *our greatest authorities*; it would be as consistent to cry up Euclid as a perfect mathematician, and doubt his principles.

In reference to the latter part of my first axiom, the importance of a free passage of the ocean, to the prosperity of every country, is too obvious to need a single remark, for wealth can never accumulate unless there be

a market or consumption for all produce, and as there is no industrious, thickly populated, and ingenious community, possessing a fertile country, who will ever consume above a given portion of its produce ; a constant and free channel for the disposal or barter of the surplus, is, of consequence, absolutely necessary to the increase of prosperity and civilization.

As a security for accumulated wealth, land stands pre-eminent and alone ; for all the accumulated wealth of the world, must gradually be invested in land, and every increase of population, cultivation, building, and civilization, must necessarily enhance the bonâ fide value of the soil of all countries ; so long, therefore, as any country can maintain her rights and independence, and is governed by wise and equitable laws, so long will her land be the best and only security for wealth ; for wealth, like expanded steam, which, by ingenuity is rendered the most powerful engine of production, —has its origin in the self-productive power of land, until expanded by labour and ingenuity into immeasurable space, it falls again, condensed, upon its native earth, which is its source, its strength, and its reality.

AXIOM II.—The basis of civilization is wealth, for without wealth no nation could advance from a state of barbarism; therefore, the most wealthy country, is, or ought to be, the most civilized, and as wealth and civilization constitute *power and happiness*, the most wealthy nation is, in proportion to local advantages and extent, the most powerful and happy.

MY remarks on the first axiom have sufficiently explained, that *material* nature, (though the source of all produce) cannot, from her unaided innate qualities, be *alone* conducive to the accumulation of wealth, but that such accumulation is altogether dependent on the skilful, judicious, and industrious direction or application of matter.

The mind of man, in a state of barbarism, appears to be chiefly engrossed by one object, namely, that of procuring sufficient food for existence—increasing population is the first step to the accumulation of wealth, as it necessarily increases the demand for food, and unfolds numerous and various degrees of intellectual and moral character;—industry and indolence, frugality and extravagance, ingenuity and ignorance, morality and immorality, soon become effective standards of distinction between man and man, and have their comparative influence on the advancement of all society. With a view of tracing the progress of civilization, let us suppose

an island containing any given quantity of land equally divided among a given population, to be furnished by providential means with every necessary—Cattle, Grass, Corn, Fruit, Timber, Minerals, &c. &c.

The first step which human instinct prompts, is to collect from each portion of land the greatest quantity of produce for the support and clothing of the body.

At the expiration of a given time it will appear, that he who has been the most industrious, prudent and economical, will have reaped the certain return of industry, prudence and economy; whereas the most negligent or imprudent of the community, will be found to have reaped only that which absolute want compelled him to reap, without hoarding up any additional produce for the contingency of events, or for the more extensive reproduction of produce. Pursuing our comparison, the more *wealthy* man—for he would be the most wealthy who possessed the greatest quantity of useful commodity—would find that the reproduction of his estate increased in a compound ratio, whilst the negligent man would find himself at last compelled to relinquish a portion of his land for the wealth or produce of the richer man; as population

increased, the demand for produce would become greater, and the wants of negligence would increase with the wealth of industry and prudence, until, at length, the negligent man, finding that he had lost those valuable gifts of nature, which were apportioned to him, is either driven to commit crime, or to labour for the benefit of others, to support himself. Thus population still encreasing, the indolence, poverty, or crime of one man, too frequently entails misery and indigence on thousands of his posterity.

It is thus that the distinction in the condition of mankind first arises, and thus in the course of years, the soil of a country becomes apportioned to the offspring of the industrious, the moral, the skilful, and the prudent, whilst the residue are labouring to support themselves by aggrandizing their superiors.

I have said nothing of laws and government in this analysis, because it is self-evident that the moment this distinction in society arises, the appointments of certain authorities, and the enactment of equitable laws, which are indispensable to the maintenance and good order of all society, are the first measures which wealth will prompt towards the progress of civilization.

A general division of labour naturally induces a general competition of ingenuity and labour, and a consequent interchange of the produce thereof between man and man: thus arises the accumulation of wealth; every prudent man endeavouring to procure such a portion of other commodity for that commodity which he is possessed of, as will not only meet his absolute and necessary wants, but leave as large a surplus as possible, for contingent events, and for the more perfect independence of his successors. This surplus, which cannot fail to increase, if industriously, prudently, and ingeniously applied, naturally tends to the advancement of respectability, influence, and happiness.

A man thus advancing in society, soon perceives that the cultivation and proper exercise of the mind, is as essential to the accumulation of wealth and its consequent benefits, as the industry of the body. And this perception naturally leads him to engraft similar principles in the minds of his children.

In a state which has emerged from barbarism, or in one where perfect equality originally existed, the wealth of a community, and its individual allotment, depend on the pro-

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portion of virtue and vice, industry and indolence, ignorance and talent, which more or less prevail in that community. With increasing population, this inequality of good and evil increases, and it is a providential circumstance for mankind, that while the imprudence, or immorality of one man induces him to squander wealth, the good sense and morality of another induce him to accumulate it; and as wealth cannot be stationary, but must ever accumulate in well-governed societies, increase of wealth will always produce increase of civilization.

From this source all nations derive their power; all arts and all sciences their respective advancements; all individuals their various proportions of independence and happiness. Hence has arisen the aristocracy of all countries: hence have arisen the means of intercourse between nation and nation, between language and language, between mind and mind: hence have religion and refinement been extended through different countries; and by the proper direction of this gigantic power, and this alone, can we look forward to the increasing influence and prosperity of our own country, and the universal civilization and happiness of mankind.

AXIOM III.—The great accessory or assistant power to the self-productive or inherent powers of nature in the creation, support and accumulation of wealth, is *labour*, and all nations rise or fall as the produce of these united agencies increases or diminishes, and it is the surplus of the produce of these powers above the dead expenses of the state, accidental loss, and the unreturned expenditure of individuals abroad, which constitutes the wealth and prosperity of a nation; therefore, that nation wherein labour is most constantly, advantageously, and fully employed, in conjunction with the self-productive or inherent powers of nature, is, in proportion to local advantages and extent, the most wealthy, the most civilized, and the most powerful; and consequently, *labour*, unprofitably employed or unemployed, is at all times subversive of good.

IN the explanation of my first axiom, I endeavoured to establish a principle of political science, in opposition to authorities which are now generally recognized.

In discussing the present axiom, it is necessary that the same principle should be borne in mind, namely, that we owe the accumulation of wealth to three distinct causes.

First—To the inherent or self-productive power of *material* nature.

Secondly—To the inherent or self-productive power of *immaterial* nature (the mind of man.)

Thirdly—To the universal and divided *labour* of mankind.

In my explanations of the last axiom, and by every day's experience, it is proved beyond all doubt, that increase of wealth promotes increase of constant civilization, and increase of all human happiness.

If this be true, it must be equally true that the civilization of every country must depend upon the annual amount of wealth realized by its inhabitants, above *all* dead expenditure and accidental loss ; and consequently, that this circumstance must depend on the diminution or increase of the united application of those agents which are alone accessory to wealth.

An increase of prosperity, therefore, depends,

First—On obtaining the greatest possible production from material nature, or in other words, from land and water.

Secondly—By exercising to their fullest extent all the noble properties of the mind,—judgment—talent—prudence—application—virtue.

Thirdly—By uniting with these to the greatest possible extent the corporeal industry and labour of man.

A *decrease* of prosperity depends upon any of these important agents being dis-unitedly applied, or separately unemployed to their fullest extent ; and as all nations rise and fall in proportion to the accumulation or diminution of wealth, all nations rise and fall in proportion to the extent in which

the agents productive of wealth are exercised or otherwise.

It is, therefore, evident that the eye of all governments should be directed to the promotion and proper exercise of these united powers, but more especially to the *latter*. Individual welfare and self-interest will at all times induce an exercise of two of these agents; but the last is so deeply dependent on legislative wisdom, that it should ever be kept in constant view. If the power which moves the wheels of prosperity be diminished, the produce of the machine will in like ratio fatally diminish; but if that power be increased, be constant, be united,—the beneficial result is evident.

How this result may be maintained, will form the subject of future discussion; it is sufficient for my present purpose to prove that the constant and full employment of labour is absolutely essential to the prosperity and civilization of any country, and that when so employed, the greatest caution and prudence should be exercised in protecting the wealth, which is the produce thereof, from unnecessary diminution, such as withdrawing it from the country of its growth, to be expended either by government, or by

individuals in foreign countries, without a return of other valuable commodities in exchange for it.

This point is too important to pass without remark, for the evil effect which such expenditure has upon a country, is not more certain than the almost insuperable difficulty of precluding it.

The evil which arises to individuals by profligacy in their native country, is balanced by the good which arises to others by their prudence; there is, therefore, no permanent loss of wealth sustained by the nation, except such loss as arises from the unprofitableness of their employment, viz. the loss of their labour; but when this wealth is expended in foreign countries without return, the loss becomes important and serious.

It cannot be questioned that Ireland may separately attribute much of her distress to this too evident circumstance; nor can it be questioned that the balance of unreturned expenditure between England and other countries is greatly against the former. But where can we find a remedy for this evil? how can any legislative enactment honourably interfere with the *free-will* of man in the direction or expenditure of that which is his own.

As regards Ireland, Mr. O'Connell would answer the question by exclaiming, "a repeal of the union." In reference to England, the multitude would exclaim, "oblige them to pay a certain portion of their incomes for the reduction of the national debt, or for other national purposes."

But would the feeling of intellectual Ireland respond to the voice of Mr. O'Connell—would the intermixture of blood—the ties of consanguinity and friendship, which have been produced by the union, be of so little weight in a consideration of this question? Will the change from warfare, anarchy and hatred, to peace, tranquillity and friendship, be so soon forgotten?

Mr. O'Connell should bear in mind, that English and Irish blood are by this time freely intermingled; and so intermingled, that not all the clamour of discordant multitudes—not all the influence of evil minds, can disunite so firm and sacred a bond.

How then is Ireland to be civilized, and to be placed on such a footing as a brave, generous and intellectual people have a right to demand? She must, like Scotland, (which is an imperishable example of the beneficial result of a free and

friendly union) be treated with the same regard; she must in all respects be endowed with the same rights, and the same protection, both to rich and poor; and when this is done, the natural attachment of an Irishman to his country will be proved by the advancement of her wealth and civilization.

Under such a union, the expenditure of Irish wealth in England will not be unproductive of return; under such a union, the bonds of concord and friendship will be for ever established.

Again, referring to expenditure in foreign countries as a source of evil, it is evident that however just it is that *all* residents abroad should pay their fair proportion towards the taxation of the country from which they raise their supplies, nothing but a natural affection for that country—its superior state of civilization—its improving sources of intellectual enjoyment—its wise and equitable government—its cheap and increasing supply of the necessities and luxuries of life, can induce a man to relinquish a system of expenditure, which, however injurious under the present circumstances of the country, no just and constitutional law can interfere with.

AXIOM IV.—The self-productive, or inherent powers of nature, never can be *too* extensively cultivated. The assistant power of labour never can be *too* great for the advancement of wealth and civilization, and the powers of consumption never can be too excessive for the prosperity of any well-governed country; therefore, increase of population, instead of an imagined evil, is to every well-governed country an increasing blessing.

THE first impression which a perusal of this axiom will convey to the reader, is its apparent opposition to the principles which have been advocated by Mr. Malthus, and since supported by so many eminent statesmen and authors; but on a further consideration of the subject, this difference of opinion will be found more to depend on particular circumstances or effects, than on established cause or principle.

If, indeed, I needed an authority to substantiate my reasoning, as to the increase of population being in *principle* a benefit, instead of an evil to society, I would not appeal to a more satisfactory one than Mr. Malthus himself, who sufficiently qualifies the evil, which he states to arise from excessive population, by shewing that this evil may be avoided by a proportionate increase in the means of subsistence.

By reference to former axioms, it is evident, that if wealth be really the basis of

civilization, and if civilization constitute power and happiness, those agencies which are productive of wealth, never can be too extensively cultivated and employed, and and as one of these indispensable agents is *human labour*, it is quite impossible, that in a well-governed country, this essential power can be too excessive.

It is true, that when population is abundant, and labour unemployed, misery, poverty, and want are the unhappy results; but this is a difficulty contingent on circumstances, arising from laws which are pernicious to society; for if labour be an absolute cause of prosperity, *ab initio*, it never can be *in principle*, injurious to that prosperity; that which is an acknowledged *good* in one state of society, never can become an *evil*, in any state of society.

If the inherent power of nature be a *good*, it never can, by any possible increase, become an *evil*. If the talent and improvement of the mind be a *good*, it never can, by any possible extension, become an *evil*; and if labour, or the assistance of human strength, be a *good*, an addition or accession to that strength, never can become an *evil*.

It is true, that the frailty of human law,

and the difficulties which may exist between government and government, may create a temporary bar to the progress of civilization, and so check that influence which labour would otherwise have on the progression of society; but this is unimportant in the consideration of a great political point. Contingent events which are the source of evil, are events which wisdom might have diverted, and in drawing our conclusions on so important a subject as that of providing a remedy for existing difficulty, we should be careful to separate, with the greatest possible distinction, *effects* from *causes*. As in this instance, abundant population cannot in any country be a cause of distress, but distress existing among an abundant population, is the *effect* of erroneous legislation, which should ever be possessed of sufficient foresight to command ample food for increasing generations, and ample consumption for increasing produce.

If the position which I have thus taken be correct, emigration, or a withdrawal of industry, or wealth, from any country *as a remedy for distress*, is wrong *in principle*.

How far it may be expedient to increase colonial power, is another question, and for

such purposes it may be occasionally desirable to withdraw wealth, talent, and labour; but these valuable requisites never can be withdrawn to any colony without weakening the resources of the mother country, and without a certain diminution of power, which the prosperity and friendship of that colony can alone repay.

When distress exists in any country, the remedy must be discovered by looking to the cause. Extensive population cannot be a cause; for extensive population, or means of labour, is proved to be an absolute and unchanging source of good: the remedy will, therefore, not be found by removing from us that which is a good, but by valuing that good as it ought to be valued, and by adding to its increase and support.

But it will naturally be inquired, in what state would Great Britain find herself, supposing her population to be one hundred millions instead of what it now is. My reply is, if the laws of England be so wisely established, that the produce of the united labour of this enormous population can be exchanged for those commodities which it may require, every million of inhabitants will cause their in-

crease of accumulated wealth; in other words, under the direction of a wise legislature, the power and wealth of Great Britain would increase in proportion to her population, every thing depending upon the united exertions of labour, and upon the constant and proportionate accumulation of wealth.

A nation constantly increasing in power and wealth need not fear the want of either the necessaries or luxuries of life; for every commodity which she produces, will find its value and exchange in other countries.

In a word, there can be no limit to the beneficial increase of a *well-governed* population; for it is an absolute impossibility that any country *which is well governed* can increase beyond the power of provision which the earth affords towards its maintenance; and even supposing so extraordinary an occurrence as Great Britain being populated beyond her own power of natural production, and every nation of the earth refusing to barter its commodity with her, the undoubted inference is, that her increasing power, her resources and her advantages would be such, that if she could not induce

by friendship other nations to be honest, to be human, and to be civilized, she would *force* them to be so. But how different would her situation be, if, instead of her population and consequently her wealth increasing, she pursued that fatal system of impoverishment, which seems, like a mania, to have misdirected the minds of many, even enlightened men.

Such are my opinions of the benefits or injuries which a nation may derive from increased or decreased population; but, although I am anxious to establish, *as a principle*, that increasing population is a blessing to a well-governed country, I do not question the propriety of occasionally sacrificing temporary wealth, talent and labour, for the necessary establishment of colonial power.

On this subject we could not possibly have more satisfactory examples,

First,—Than the extraordinary advantages we are capable of deriving from our East India possessions, which, under wise legislation, open to us an unlimited market for our most extended production, and unbounded sources of exchangeable wealth :

Secondly,—Than the increasing importance of our possessions in Canada.

The benefits which must accrue to England from an unfettered intercourse with the former, are self-evident; and among the advantages which we may derive from the latter, the *check* which we shall thereby have on the unfair exercise of American influence, is by no means the the least important.

With this explanation, and with the positive conviction I feel of the solidity of the principle which I have advanced, I leave it to find its due level and value in the opinions of mankind.

AXIOM V.—The real value of all commodities, of whatever kind or description they may be, is proportionate to the combined value or extent of the self-productive, or inherent powers of nature, and the assistant power of labour, employed in their production; therefore, all variations in the value of commodities, evince that the application of these united powers, or their produce, has been injudiciously or disproportionately directed.

IN the discussion of this axiom, which is most important to a correct knowledge of the source of wealth and civilization, I will endeavour to be as concise and explicit as possible.

If a given quantity of land, of equal fertility, be divided among twenty men, each man being employed in producing a different commodity, alike useful to all, the natural inference is, that the labour of one man will be a fair exchange for the labour of another, or that each, to possess himself of an equal share of every man's produce, must part with nineteen-twentieths of his own: the *value* of all these commodities seem to depend, therefore, (as Mr. M'Culloch observes,) upon the amount of labour employed in their production. But supposing one of these men, by his superior ability, to manufacture a product which the nineteen cannot manufacture, but which is

necessary to all, and which requires but little comparative manual labour, it is evident, that the skill and labour of this man will be equal in value to the labour of the other men, and consequently the *value* of his production will depend partly on labour, and partly on skill, each of which will produce its comparative value in exchange for other commodities, until others find out and possess the same faculty or means of producing the same commodity, when the price will be again proportioned to the extent or amount of actual labour.

Again, if one man be three days in ploughing a given quantity of land, and another man by means of an improved plough which he has invented, complete the same work in one day, it is obvious that the skill and labour of the latter, is equal to the labour of the former; consequently, he earns as much by the labour of one day, as the other by the labour of three days, and if this disproportion should exist in every branch of his employment, from the reaping of one crop to the reaping of another, and *if crops* be equal, it is obvious that the man who has been the most skilful, can afford to sell his crop so

much cheaper than he who has been otherwise, in proportion to the amount he may have earned by the application of his surplus skill and labour to other purposes.

Hence, in this instance, the value of a commodity is influenced by the united ingenuity and labour of one man, until the same skill and the same proportion of labour are employed by others.

Taking another view of the subject, we will suppose the property divided between twenty men to be of twenty various degrees of natural fertility, so that with the same labour, one man can raise ten times the quantity of any given produce that another man can raise, it is obvious, in this case, that he will have the power of keeping up his price to the limit of the value of the less productive labour, gaining nine-tenths more in the exchange; or by reducing it, to deprive that less productive labour of nine-tenths of its exchangeable value; hence, in this instance, the value of a commodity is influenced by the united extent of the self-productive power of nature, and manual labour employed in its production.

Thus the real value of all commodities depends upon three causes: the self-pro-

ductive power of material nature, the self-productive power of immaterial nature, and the labour of mankind.

Regarding the same principle on its most extended scale, every nation upon earth varies more or less in natural fertility, in local advantages, in talent, in industry, in population, and in wise or unwise legislature.

In America and various other countries corn is cheap; in England it is proportionately dear. In England various articles of manufacture are cheap; in America and other countries they are dear. In France wine and some description of silks are cheap; in England dear. In Italy oil and other natural produce is cheap, in England such produce is dear; and in substantiation of these truths, a thousand examples might be quoted.

But whence does this difference in the price of commodities arise? Evidently from the fact, that although in those countries which produce them, the real value of all commodities is proportionate to the combined extent of the self-productive, or inherent powers of nature, and the assistant power of labour, employed in their production, yet

when received in foreign countries, the prices thereof are not only affected by the natural difference, viz. the expense of carriage and freight, but they are burdened by heavy duties, and all those injurious restrictions which *prove*, that these gifts of nature, and the labour in producing them, have been injudiciously and disproportionately directed or applied.

Injudiciously, because if all nations were supposed to constitute *one nation*, which supposition, in the establishment of any principle of political philosophy, it is essential to entertain, the inference is, that there ought to be for the mutual benefit and support of the human species, a free intercourse and barter between the fertility, talent, and industry of one nation and another, and between the varied productions of man and man. It is, therefore, *in principle* injudicious to oppose a restrictive, to a benevolent, just, and reasonable law of nature. Again, *disproportionately*, because, if the commodities of all nations were proportionately directed, the necessities and luxuries of life would be equally within the reach of all; and all these necessities and luxuries would, as they were intended by nature,

possess in every country a relative price or value in proportion to their cost of production, the expense of freight, &c. and the extent of demand.

When any commodity is a drug in one country, and is thereby reduced beneath its real value, the cause is either an injudicious and disproportionate direction of the agencies which produce it, or an injudicious and disproportionate application of the commodity produced. The first occurs when such commodity is too abundant for the demand of the country in which it is produced, or any other country; the second, when, though too abundant for the supply of the country in which it is produced, it is by injudicious laws denied the advantage of becoming marketable in other countries.

The first is an evil which will remedy itself; the second is an evil which wholesome and salutary laws alone can remedy.

AXIOM VI.—Any measure calculated to encourage monopoly, or to restrict the free intercourse of commerce between nation and nation, thus confining the distribution of the self-productive, or inherent powers of nature, and interfering with, and cramping the free action and division of labour, unnaturally affects the real value and consumption of different commodities; therefore, all monopolies, and all commercial restrictions, are injurious to the welfare of a nation and mankind.

THE truth of this axiom, and the truth of the last, are altogether dependent on each other. If one be wrong, the other must also be erroneous; but if the one be right, the other is also right.

If the world were created for the support, happiness, and prosperity of mankind, all mankind have a right *in principle*, to a share of its produce, and such share will always depend upon the distinction between the characters of man and man, and upon the extent or means they individually possess, to exchange the produce of their soil, skill, and labour with one another.

To say, therefore, to an Englishman, you shall not consume the wine of France; or to a Frenchman, you shall not clothe yourself in the manufactured goods of England, is a breach of the law of nature, and of common sense. A bottle of wine in France can only, if sold in France, realise a price in proportion to the demand for such article in France; but a bottle of French wine

sold in England, realizes a price proportionate to the demands of France and England. So a piece of calico sold in England, will realize a price in proportion to the demand for such goods in England; but if sold in France, in proportion to the united demands of France and England.

Thus, if all commerce were unshackled, the price which any commodity could realize would be dependent on the universal demand of mankind for such commodity, and all commodities would bear their real and proportionate value.

If wine in France, or calicoes in England, only realized a price in proportion to the demand of the respective countries of their produce, the *wages* of the labourer, and the *profit* of the trader would be in accordance with the demand or price of sale; but if these goods were offered to universal demand, the wages of all nations would be dependent, not on contingent circumstances, but upon one universal law, viz. that every man would procure (by a free interchange of produce) an equal proportion of benefit for the amount of skill or labour which he employed in such production.

If, therefore, a restricted intercourse be-

tween nation and nation be an *evil, in principle*, it cannot be denied that a restricted intercourse between individuals who constitute a nation is a still greater evil.

As this is a subject, however, which will be further discussed when I come to treat upon the cause of our present distress, it is needless at present to extend my observations upon it; it is, however, self-evident that any measures which are injurious to the general welfare of mankind, never can be of real advantage to any individual community.

AXIOM VII.—Gold, silver, and all other metals, are commodities, the value of which, like that of all other commodities, depends upon the same laws; consequently, no nation should judge of its wealth by the amount of specie which its inhabitants possess, but by the amount of its agricultural and commercial produce, which its self-productive, or inherent powers, and divided labour command, and which calls that specie into never-ceasing action.

ONE of the greatest errors which men have fallen into in calculating the various steps of advancing or retrograding society, is founded on the very false ideas they have entertained on the subject of *money*.

Even in the present age, we not unfrequently see this subject treated by men of education and judgment in a manner which can only be accounted for by the conviction, that they have never given it common consideration; but if people really knew how essentially their own interest, and that of their posterity, depended upon their intimate acquaintance with the exact nature and vacillating effects of the currency of their country, the vital importance of that knowledge would be obvious.

Little do mankind reflect upon the number and enormity of those frauds which, although unconsciously committed, even at this moment are carried on throughout the whole chain of society, by the ignorance

which has so long prevailed, and still generally prevails on this subject.

To elucidate my meaning, it is expedient that we should trace distinctly, as in all other instances, effects from causes.

Money, like every other produce of the earth, is a commodity, the *real* value of which depends upon the quantity furnished by nature, and the skill and labour employed in its production.

This commodity too, like other commodities, is valuable only in proportion to the value or quantity of other commodities for which it can exchange. Before money was known, or employed, all trade consisted of the exchange or barter of one consumable commodity for another, and it was not until an increase in the population of countries, and a difference in the distinction of the characters and pursuits of men rendered the accumulation of such commodities inconveniently disproportionate, that the idea was suggested of establishing some distinct non-consumable and imperishable standard of value.

To accomplish this desideratum, *metals*, as substances which are not only the most imperishable, but also the most convenient

to divide in various proportions, naturally presented themselves as the most applicable.

For a considerable period it appears that this exchange of metal for other commodity, was made by a barter of a given weight or quantity of the one, for a given weight or quantity of the other; and as it is obvious that this mode of traffic was not only attended with much inconvenience, by the constant necessity of division of quantity, but, also, open to numerous deceptions and frauds by the difficulty of distinguishing debased from pure, it finally was found necessary to separate the valuable metallic substances into certain portions; and to authenticate their value and quantity by a *stamp*, or legal mark affixed to each particular portion, the exact size and nominal worth of such portion being regulated by a *die*, so constructed, that each piece should be an exact resemblance to the other; and hence arose that severity of the law, which attaches the penalty of death to any man debasing or counterfeiting the legal stamp of a country.

It is unnecessary in this explanation to enumerate the various quantities of metallic commodity, which have been converted into

coin for the demands of Great Britain, nor is it perhaps necessary to enter upon any discussion of the evil consequences which, at all times, arise to a nation from any forced or unnatural change in the standard value of these commodities.

The nominal value which was originally given to gold and silver coins in this or any other country, no doubt was in exact proportion to their respective standard values, as ascertained by the value of the produce they would respectively exchange for.

Before the discovery of the South American mines, the precious metals were of much higher standard value than since; that is, although a guinea would contain as much metal as *now*, yet that guinea would purchase considerably more commodity in exchange for it than now, from its comparative scarcity or greater value.

An increased quantity of gold, by the discovery of new mines, naturally increases the circulation of that metal, so that in proportion to the extended quantity and the labour employed in its production, was the proportionate decrease in the quantity of other produce it could exchange for; or

in other words, the higher was the *price* of the same quantity of commodity, which a given portion of that metal would previously purchase ;—for instance ; if a guinea, before the discovery of the American mines, would purchase one ton of hay, and if *two* guineas could afterwards be obtained as cheaply as the *one* before such discovery, and supposing the growth and consumption of hay to be the same at both periods, hay at two guineas per ton, would be neither dearer to the buyer, nor more profitable to the seller, than it formerly was at one guinea per ton. And if hay, in the meantime, had altered its nominal value from any cause, the same relative value would exist ; for the quantity of hay which the two guineas could purchase, would be in proportion to the value of a ton of hay in exchange for two guineas worth of other commodity.

Hence, supposing a mine of gold or silver to be found in the centre of Great Britain—the result would be, that the nominal value of our present currency might remain exactly what it now is, but its intrinsic value would depend upon the additional quantity produced from these mines, and the labour

employed in its production—in illustration, we will suppose the price of gold by such an event, to be reduced one-half; what is the result?—evidently, that every man possessing an acre of land, which cost him fifty guineas, would then demand one hundred guineas; but these one hundred guineas would not make him richer, for his possession would be the same; so that any man possessing 100 sovereigns, or advancing such sum on unexceptionable security, for which he regularly receives a given rate of interest, is wrong in believing that he is more advantageously situated than a man who possesses an acre of land, for which he has paid, according to their respective value, 100 sovereigns; for it is unknown in what quantity, and at how cheap a rate, the precious metals may be obtained by the discovery and working of new mines; and if this should occur, the 100 sovereigns would be sunk in real value, in proportion to such quantity, and the cheaper cost thereof; whereas, the acre of land would be worth as much more gold, as the difference between the past and present value of the 100 sovereigns.

For a man, therefore, to calculate his wealth at any given nominal sum of money,

is preposterous, for his real wealth does not consist in the number of sovereigns which he possesses, but in the quantity of other commodities for which those sovereigns will exchange. These remarks shew the advantage of having in every country the most precious metal, *that* by which we estimate the relative value of different commodities, such as gold; and here I beg to submit an opinion, which I conceive to be of general importance.

If all the coins of the realm were GOLD, (or where the division must necessarily be reduced to a very small proportion of the standard coin) a mixture of the most valueless metal with the most valuable, all the difficulties, which have arisen throughout all countries in regulating the relative value of one metallic coin to another, would be effectually obviated; for no circumstance whatever, neither an abundance nor a decrease of gold could, possibly, under such circumstances, affect the real proportionate value between itself and any other property or commodity; and it cannot be questioned that the ever-changing relative value between coins of different metals, must in itself condemn the justice or wisdom of deciding, that a given

quantity of one shall be exchanged for a given quantity of another. Thus, if sovereigns were to continue what they now are; if shillings each contained a twentieth part of the gold of a sovereign; and if pennies were composed of any metal of trifling value, such as iron, and each contained the 240th part of the gold of a sovereign, the relative value of one coin to the other, would at once be rendered unchangeable and established.*

I proceed from a consideration of this part of my subject, to perhaps the most important feature of this explanation.

If it be allowed that gold is a commodity, it cannot be disputed that it possesses no peculiar—no unnatural properties which render it otherwise than proportionately valuable to other commodities, according to the extent and cost of its production.

If I be correct in this, let me ask a parent, who is about to divide his property among his children,—let me ask thousands who have already affixed the seal of accordance to their wills—*one plain question* :—

Is it your wish, in disposing of your pro-

* I do not allude here to an amalgamation of the two metals, but to the introduction of a certain quantity of gold in each *piece*, in any convenient form.

perty, that your sons and daughters should enjoy the relative proportions of that property, as left by you?—Your reply will, of course, be in the affirmative.

I will now suppose a case : a parent leaves to his eldest son, certain landed property, the rental thereof being at the time of his decease, £3000 per annum ; a third of which sum, is in trust for two younger children, namely, £500 per annum each. By a proviso in the will, these annuities are to be paid out of the rental or proceeds of his estate.

Now £3000 will, in the year 1830, purchase a given quantity of produce, according to the relative value which such produce bears to such given amount of money, and which may enable each of the younger brothers to take a house, furnish it, and provide every requisite necessary and luxury of life for the value of his annuity.

But supposing in 1840, a gold-mine should be discovered in England, or indeed in any other country, having a similar effect upon the value of gold which followed the discovery of the South American mines, namely, that of reducing its value two-thirds—or in other words, of rendering gold so abundant that three sovereigns would be required in

exchange for the same quantity of produce which one sovereign could have purchased in the year 1830 : under such circumstances, the eldest son would naturally raise the rental of his estate to £9000 per annum ; but by the letter of the will he could only be called upon to pay his two brothers £500 per annum each, which sum, owing to the reduction in the value of gold, would only exchange for as much produce as £166 13s 4d would have exchanged for in the year 1830. Thus, if the abundance of gold, which may be termed an imperishable commodity, increase in a greater ratio than the surplus of consumable commodities above consumption, which, *if produced at all,** it cannot fail to do, it is clear that the value of consumable commodities will at all times determine the value of gold—whereas the greater or less quantity of gold never can affect or determine the value of consumable commodities ; for although the *nominal* value of a sovereign would remain the same, the *real* value of that sovereign would be altogether dependent on the quantity of other produce it could exchange for.

The evil arising to individuals from this

See axiom XVII.

too common error, does not apply in the same degree *in all cases* to funded property, —inasmuch as a man investing a given capital in the Funds, may at any period recall that property, and when recalled, he will not receive the exact nominal amount of his investment, but if the Funds should have risen by any great increase in the production of gold, he will reap his proportionate share of advantage by such increase; and thus, to whatever extent gold may be reduced in price, it cannot affect the real value of his capital. The only possible loss which he could sustain, would be, while the interest arising from that investment was limited to three, four, or five per cent, or indeed to any limit; such amount of interest might bear but very little proportion to what he might lose by any great reduction in the price of gold.

There are, however, other melancholy instances where even funded property would be no safeguard from the evil and distress which might arise from a superabundance of gold; for instance, if a man die in 1830, leaving his wife a life-interest in £5000, (three per cent consols) amounting to £150 per annum, and the principal at her death to her children, she can, in 1830, exchange such

sum for a given quantity of produce ; but if in 1840 gold should be reduced in value two-thirds, her annuity of £150 would only exchange for one-third the produce which it would have exchanged for in 1830 ; therefore, as in the first case alluded to, the elder brother would be absolutely depriving his younger brothers of two-thirds of their just and intended inheritance ; so in the last, the widow would be impoverished by an unintentional act of her own husband to the amount of two-thirds of all the comforts which he intended her to enjoy.

The same evil is applicable to loans, mortgages, reversions, annuities, &c. ; as the real value of any sum of money so invested, is liable to all the changes arising from an alteration in the value of gold. For every additional pound of gold raised from the surface of the earth, without an equal weight being at the same time withdrawn from the earth, has a *certain* though imperceptible influence in reducing the quantity of consumable produce purchasable by the quantity of gold previously existing, thereby decreasing the real value of all those incomes which are limited to a given *nominal* amount of gold, and increasing the value of those incomes which are depen-

dent on property productive of consumable commodities, or on those commodities themselves which are exchangeable for gold.

These facts clearly show the folly which they are guilty of, who hoard up large stocks of gold or silver plate. It is true that such goods constitute a portion of their wealth, because they are at all times exchangeable for other commodities; but it is a *wealth* which is liable to constant alterations in value, and every year it is so hoarded up, the loss thereon, is not only that which would have accrued from the reproduction of wealth, by the numerous exchanges its circulation would have led to, but the *real* value of that wealth is constantly decreasing, in proportion to every additional increase in the production of the metals of which it is composed.

In answer to the exposition, which I have thus attempted, of the ruinous and distressing consequences arising from the erroneous and thoughtless manner in which property is so frequently disposed of *by will*, and otherwise apportioned or applied—it may be asked, “In what condition would all the property be placed which you have alluded to, if, by some extraordinary phenomenon,

the further production of gold should cease, in which case the quantity now in existence would, by loss and wear, naturally be diminished?"—If it were possible for the production of gold to decrease, all other commodities would undoubtedly fall in price, and consequently those whose incomes were a fixed number of pounds or sovereigns, would gain exactly in the same proportion, that they would lose by an increased production of gold;—but as this is one of those improbable—I may say impossible events, which is contrary to all reason—I have little hesitation in affirming one of the most established principles of political philosophy to be, that the *real* value of accumulated gold, or any other non-consumable commodity, which can be produced, and which is not absolutely essential to purposes of common utility, tantamount to consumption *must every year diminish*; while the *real* value of corn, or any other consumable commodity, *never can diminish*.

I can easily anticipate the objections which will be started to this principle.

First,—As the original value of gold depends, like the real value of corn, on the same laws, viz. (according to my own

axiom,) on the combined extent or value of the self-productive powers of nature, and the skill and labour employed in its production—that, according to *such laws*, the relative values of the two commodities ought at all times to be governed—or, as Sir Wm. Petty observes, “let a man work ten years in producing corn and ten years in producing silver, the values of the two are equal.”

Secondly,—That if I can even prove my principle correct as a *general principle*, it is incorrect in its application to particular countries or districts.

I combat the first objection by supposing a given quantity of gold to be produced at a given expense of labour; viz. that 100 men shall raise from the earth 100 lbs of gold in one year; and again, that 100 other men, equally skilful and powerful, shall raise 100 bushels of wheat in the same time; it is true that the one will be the exact and real value of the other. Proceeding now to the second year, similar quantities will be produced by equal labour, but it will appear that, one of these products being non-consumable and the other consumable, there will be, at the expiration of the

second year, 200 lbs of gold and only 100 bushels of wheat. What is the result? Unquestionably that if the exchange were confined to these articles, the 100 bushels of wheat are worth 200 lbs of gold. And why? Because the subsistence of the men themselves would in such case be exactly proportionate in value, to the labour employed in raising *half* of the existing non-consumable commodity; or, in other words, the non-consumable commodity—gold—though it may once realize its value in exchange for other commodity, would, owing to its lasting properties never be enabled to realize that precise value again, except for such an amount as might be absolutely diminished by oxygenation or accident; whereas the wheat would be consumed, except such residue as would be necessary for its re-production; and if it were even possible that all the consumable produce raised by 100 men from the earth could not be consumed by those men, its value would decrease by natural and rapid decay; so that no standard relative value can, at any time, be decided between non-consumable and consumable produce, every increase of the former tending to a reduction of the value of the whole, and every

increase of the latter being only proportioned to increased consumption.

If these relative values are to remain the same, the annual surplus of consumable commodity above consumption, must be proportionate to the annual addition of gold to former quantity above the cost of its production; but this is an impossibility, for an increasing non-consumable produce must ever diminish the value of that produce, under any given population; whereas, an increasing consumable produce will never, —*can never*, exceed the demands of increasing population.

Let us further establish the truth or fallacy of this principle, by supposing any one country to constitute the whole world, containing (to render my reasoning more distinct) a limited population of 10,000. A natural distinction (as we have before explained) in the disposition, pursuits and talents of these inhabitants, soon introduces a disproportion in the amount of their respective wealth, and this disproportion creates the difficulty which soon arises in the exchange or barter of commodities with each other.

In progress of time, we will suppose a gold-mine discovered on the land of one of

these individuals, and that this property was exclusively his own. This newly-discovered commodity, from its capability of minute division and imperishable quality, we can easily believe would, if more scarce than other metals, soon be chosen as a convenient standard coin, or medium of barter between man and man.

This being arranged, the question of its division, according to its relative worth to other commodities naturally arises. How is this, then, to be equitably determined? Those who wish to purchase it, would naturally say to the proprietor—the real value of your gold should be determined by the real value of those commodities which we offer you in exchange for it; that is, if by employing 100 men, you can raise 2000 lbs weight of gold per annum, and if the remainder of our male population (calculating them at 4900 men) can raise 100,000 bushels of corn, or other commodities in proportion, you ought to exchange the whole of your production for 1-49th part of ours; *for such exchange* would be the *real* value of your labour for a proportionate share of the *real* value of ours. But the proprietor of the mine would naturally foresee a great dis-

tion; at all events, he would be inclined to fix the highest possible value upon his produce. Nature has provided him with an exclusive advantage; and although the real value of his produce will be determined by the quantity supplied by nature, and the skill and labour of procuring it, as will also depend the value of the productions of others, he would be rendering his property or monopoly, a nullity, by disposing of it according to such relative values. For instance, if he did so dispose of it at the expiration of the first year, one pound of his gold would exchange for fifty bushels of wheat; but at the end of the second year, though the real value of his second year's production would bear exactly the same relation which it bore to other produce, the preceding year; yet he would discover, that while the demand for wheat continued active, the demand for gold would diminish, inasmuch as the reproduction of the produce of others would be absolutely necessary to meet consumption; whereas the increased production of his produce would only tend, from its imperishable or non-consumable quality, to create a constant increase of stock.

At the expiration therefore of twenty years,

and supposing the population to have doubled, the production of corn may be presumed to have increased to the amount of 200,000 bushels per annum; or, allowing for improved soil and ingenuity, we will say 300,000 bushels. In the meantime we will also suppose, that the gold-mine had been worked without additional labour and was proportionately productive—the amount of gold would then be extended to 40,000 lbs weight, and deducting even fifteen per cent for absolute loss, the amount would remain 34,000 lbs, which would raise the nominal price of corn from 50 bushels per 1lb of gold to 50 bushels per 9lb of gold, and consequently reduce the value of gold accordingly.

It is true, that if the proceeds of this gold-mine were employed for other purposes than that of coin, according to the extent of the surplus of production above such employment, would be the amount left for coinage; but, as coinage is neither more nor less than a mere token of quality and of equitable division of weight, the real value of the coined metal would be exactly* pro-

* I have not alluded here to any *seignorage* which might enhance in some degree, the exchangeable value of coins, nor is it necessary to elucidate the principle.

portionate to the real value of the uncoined, and each would be equally affected by a diminution or superabundance. It is therefore obvious, that the labour of men employed in producing an almost imperishable commodity, which is chiefly valuable as a standard coin or medium of barter, and not absolutely essential to purposes of common utility, tantamount to consumption, cannot continue its relative and just value to the labour of men employed in producing a perishable or consumable commodity ; or in other words, a pound weight of gold raised from a mine when first discovered, and exchanged according to its *real* value for 50 bushels of corn—cannot continue to receive the same quantity of corn in exchange for the same weight of gold ; for gold is a commodity whose bulk must decrease in real value with every increase of quantity ; whereas corn is a commodity which, from its consumable nature, never can decrease in *real value*. It becomes, therefore, consequent, that if the proprietor of the gold-mine cannot continue to exchange his produce for other produce according to their relative values, the working of the mine must be relinquished ; for when-

ever labour ceases to realize its value in any employment, it will instantly seek another, for it will ever find its own level. Let us now reverse the case, and suppose that the possessor of the mine, after having exchanged the produce of his first year's labour as stated, viz. one pound of gold for 50 bushels of corn, is only enabled to raise half the quantity during the second year, with the same expense of labour, it will appear, that to fully recompense him, one pound of gold should realize or exchange for 100 bushels of corn. Allowing this exchange to continue according to the relative cost of production of the two commodities, and supposing the annual decrease in the quantity of gold produced to be one half less in each year than the preceding year, at the same expense of labour, and at the same time allowing population to have increased one-half, and production of corn one-half, it will appear, that, although owing to a demand for various purposes each production has exchanged according to its real value; yet, at the expiration of ten years, there will be (exclusive of loss) nearly 4000 lbs of gold, if all were brought into circulation, to exchange for, or represent,

150,000 bushels of corn, or 1lb of gold to $37\frac{1}{4}$ bushels of corn; corn has therefore risen in price, and gold has been reduced in value.

Thus, although for purposes of luxury, or from a false idea of the real value of gold, mankind might be induced, in the first instance, to satisfy the miner by a *fair* annual exchange of their productions for his production; nevertheless, the *real value* of the accumulated stock of gold would be proportionate only to the real value of the stock of other commodities in existence for which it would exchange; and although this stock of gold might be partly employed as coin, partly as ornaments, and partly for useful purposes, the *real* value of the total stock would determine the real value of each portion of it.

In taking this view of the question, I have exposed the weakest point of the principle I wish to advocate, as it is next to an impossibility that such a decrease as I have stated in the produce of gold can ever occur; for that gold is plentifully provided by nature cannot be doubted, and *that* which we consider valuable, and know to be within our reach, we seldom

fail to procure: my past remarks, moreover, are not extended beyond the possible effects which might arise from the working of one mine only: it is, however, necessary to bear in mind, that every discovery of a new and more productive mine, in proportion to labour employed, will produce a proportionate decrease in the real value of the previously existing stock of gold.

I am therefore forcibly struck with this truth, viz. that if the production of gold, which is non-consumable, proceed at all, and if at this moment the whole stock of gold in existence be considered a price for the whole property and existing other produce of the earth—as land *cannot increase in extent*, and as produce cannot increase beyond consumption—every increase in the production of gold must decrease its relative value to such property and to such other existing produce; provided always, that as population increases, and consequently production, the increased bulk of gold is not annually less than the increased surplus value of each year's consumable production over the preceding year:—or, to be more explicit, if one million pounds of gold represented at this moment the

whole wealth of the earth, two millions of gold would, if population and produce doubled, in twenty years represent at such period, the same thing. But if, according to the relative value which gold when first appointed a standard of wealth bore to other commodities, the increase of gold is greater than the proportionate increase of population and production, the value of that gold will be diminished and the price of the property and production, enhanced; for although the labour employed in raising gold which is a non-consumable commodity, has been repaid by, or exchanged for, the labour employed in raising other commodities which are consumable—it is improbable that the value of the non-consumable produce of labour can be made available over and over again in exchange for fresh consumable produce of labour, without affecting the value of all other similar production which is added to its bulk. The inference therefore is, that the real value of an accumulated stock of gold, or any other non-consumable commodity, in a *constant state of production*, and which is not absolutely essential to purposes of common utility *tantamount to consumption*, must every year naturally diminish—whilst the real value of corn, or

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any other consumable commodity, never can diminish.

I have thus endeavoured to combat the first objection which I contemplated, to this main principle. I will now reply to the second; viz. that "*if I can prove my principle correct as a general principle, it is incorrect in its application to particular countries or districts,*" by observing, that it is quite impossible for any man to lay down a just principle or axiom, which circumstances or unwise rule of conduct may not alter. For a law of nature, or of reason, is like a law of God—subject to innovation, to misdirection, and to the consequences thereof; and hence, the *abuse* of any *just* law or principle, meets with its attendant punishment; but if a law or principle *be correct*, that law or *principle* ought to govern the actions and judgment of men; and it is the duty of man, as well as his interest, to exert every possible power, to *adopt, execute, and obey both the law and the principle.*

Having thus far extended my remarks on the subject of metallic currency, and of the evils which arise from misconstruction of its nature, I will conclude by remarking, that no country (except for the purposes of luxury and splendour) can require a

greater quantity of such currency than what is sufficient as a convenient medium of barter between man and man; and sufficient for this purpose, no man will ever fail to have; for if gold be too plentiful in any nation, that nation will naturally dispose of it in the quarter where it is most required, and *vice versa*. It is of no value beyond its exchangeable value; and as such, no circumstance whatever, neither peace nor war, can possibly deprive a country, for any length of time, of any portion thereof which she may be desirous of possessing, if she also possess the means of purchasing.

I cannot conclude my explanation of this axiom, without a brief allusion to the subject of a paper currency.

Men who advocate a system of exchange of that which is worthless for that which is valuable; or in other words, a piece of paper for the produce of earth, mind and labour, should consider well what it is they advocate.

The main point for their consideration is, that *if* a paper currency be beneficial, one man has as great a claim to the right of issuing it as another; the exercise of this right being dependent on the extent of his credit.

If a man issue 1000 pieces of universally negotiable paper of the *nominal value* of £1000, obtaining in exchange for them one thousand pounds worth of real commodity or of labour,—if the commodity or labour which he receives, or some other equally valuable representative, can, when the 1000 pieces of paper are returned to him through various channels, be equitably and conveniently repaid, there is evidently no injury sustained, but if that commodity or that labour has been expended in purchasing land, building houses, or in exchange for other commodity which is not conveniently applicable to the separate wants of 1000 men, it is impossible that he can equitably or conveniently repay it, unless he be provided with some convenient and valuable medium of exchange.

Now the use of metallic substances, as media of exchange, were established solely to prevent that certain inconvenience which would otherwise arise from the extensive barter and dealings of mankind. Bullion is therefore either absolutely necessary or not; hence, if a man possess bullion, why not circulate bullion? if not, why circulate pieces of paper for which he cannot re-exchange, when presented to him

a convenient equivalent for that which he received.

Every one pound or other note is an express sacred promise from the issuer to refund, when called upon, a negotiable value equal to that for which he disposes of it: if he possess that value, well and good; but in such case he *must* possess bullion.

If a man issue pieces of paper in exchange for those consumable commodities which he himself requires, or for labour which has no generally applicable representative, he cannot repay those pieces of paper by the commodities which he and his family may have consumed, nor by any convenient division of the product of the labour which he has employed. In re-payment, therefore, of such pieces of paper, bullion is absolutely necessary.

One important fact is, therefore, proved, namely, that no man can honestly issue pieces of paper bearing *nominal* value, in exchange for any commodity of *real* value, without possessing some commodity of *real* value to re-exchange for those pieces of paper when presented to him. It has also been proved, that bullion is the only convenient commodity of real value that *can* be taken in exchange, for although

notes be issued and *re-issued*, the possession, or certain means of instantly procuring bullion, is the only honest support of such a currency.

If bullion then be procurable, wherefore is it advantageous to issue paper?

Again, no man can issue paper which will be generally negotiable; and all commodities exchanged for paper must not, for the advantage of any dealer therein, be passive property. One of the many evils, therefore, of a general paper currency is, that it confines the *receiver* to particular markets—another, that it renders the *issuer* subject to dangerous contingencies.

There is, however, as bullion never can or will lie dormant, *one evil* arising from a *paper currency, which no man of unprejudiced and considerate mind can be blind to, and that is, the absolute impossibility of preventing fraud, and consequent distress, by unnaturally increasing the circulation of a country by the union of a metallic and a paper currency. If the real value of all commodities bear a relative value to a metallic currency, on which relative value property

* This allusion does not extend to *bonâ fide* commercial bills of Exchange, which are universally negotiable by endorsement.

has been hitherto purchased or exchanged, an increase of circulating medium, by the addition of a paper currency, ever had, and ever will have, the effect of raising unnaturally the price of all property and all commodities, and depreciating the price of the metallic currency.

And thus, inasmuch as a paper currency brings ruin and distress upon all those whose incomes were apportioned to the relative value of a metallic currency to other commodities, so does its withdrawal bring ruin and distress on those whose liabilities are apportioned to the relative value of a paper currency to other commodities; for, as by the adoption of a paper currency, the means of all men dependent on given incomes, in the first instance, are fraudulently reduced; so, by the return to a metallic currency, are the means of all men dependent on given incomes, in the second instance, fraudulently increased.

Paper money, therefore, if I may so term it, whether issued by the Bank of England, or by others, is a system replete with danger and fraud—unless the parties issuing it possess an instant power of giving in exchange for the commodities entrusted to them, a fair and full value of other equally

valuable commodity. Among individuals this never can be certain; and the only possible excuse for its adoption, even by a government, is the *convenience*, not the *benefit* of the people. In a word, paper currency is neither more nor less in effect than a debasement of the precious metals; it is a robbery on the public; it raises the rent of land and buildings, and the price of commodities, above their natural level: it is an artificial, short-sighted, ruinous expedient, to avoid distress which it can alone produce; it is an antidote which proves a poison; it has brought tens of thousands to poverty; and if ever again adopted, it will again prove what it has proved—a mockery to the dying, and an insupportable burden to the living.

That distress has followed the withdrawal of a paper currency, cannot be doubted; but such distress is really owing to that currency ever having been adopted; and it should not be overlooked, that the distress caused by the adoption of a paper currency, and the distress consequent upon its removal, differ very much as to the feelings and opinions which they ought to excite. For, as in its adoption, an injurious act of the legislature unjustly affected the then exist-

ing property of the country, so has its continuance been occasioned by a proper want of foresight and judgment in those who saw not the injurious consequences of that law—who did not unitedly, and universally, oppose its course—who built their faith upon it, and followed a tempting and deceitful meteor to destruction. The distress, therefore, which England now suffers from the withdrawal of the paper currency, is the pain which the patient is compelled to endure under the operation of the surgeon: it is a measure which is absolutely essential to her well-doing; and whatever may be her present sufferings, her trade and commerce will soon experience the wholesome effects of a measure which, sooner or later, must have been adopted.

In a word, the tree of British wealth, though planted in a firm soil, has, by one act of unwise cultivation, spread out in wild and uncontrolled branches, until the pruning knife is at last indispensable; and although awhile it may deprive it of its beauty and its full fruits, its revival will be both luxuriant and prolific.

AXIOM VIII.—Every improvement in machinery, whereby manual labour is diminished or abridged in the production of a given quantity of produce, is a blessing to mankind, inasmuch as it not only tends to the more general division of labour, but providentially compels mankind to study its own welfare, in equalizing, distributing, and regulating all labour, and the produce thereof for mutual comfort, advantage, and support; therefore, every improvement in machinery is an improvement in civilization, wealth, and power.

THERE are few subjects more anxiously occupying the mind of reflecting man, than the one now under my consideration; and there are few, perhaps, which require more serious investigation, in order to form any correct conclusion as to the progress of national wealth, and the cause of, or remedy for, that distress which is occasionally experienced by all nations.

There cannot, surely, be a man who seriously considers this subject, so wanting in gratitude to his Creator, or so insensible of his own importance, as to regard the intellectual faculty with which he is endowed, as a source of individual evil. Such cannot be possible; and yet it would almost appear that there are some men who, not doubting the advantages of intellectual endowments, doubt the beneficial effect which an enlightened exercise of those endowments has on the comforts and happiness of mankind.

To those who advocate such a doctrine as that of machinery, or the facilitation or abridgment of human labour being injurious to the welfare of any nation, I particularly allude, and to such I am anxious to submit a few observations.

If the accumulation of wealth be accessory to civilization, no man will, I presume, deny that those means by which wealth can be most speedily and extensively accumulated, are the means which it is the interest of every community to encourage and adopt.

If this position be a just one, and if human labour be one of the principal agents in producing wealth, it is quite impossible that the exertions of human* labour ever can be too extensively divided.

Increasing population requires increased production; and the greater that production above the immediate consumption of that population, the greater the benefit to be derived by exchange or barter with other nations.

If this principle be also correct, it is obvious that the greater the facilities that can be given to the employment of human

* See axiom IV, and explanation.

labour, thus allowing it to diverge from one into numerous other channels, the greater will be the amount of the production of that labour, and the sooner and cheaper will such production come within the reach of the consumer, whether home or foreign.

These are facts which cannot be denied; we will therefore consider one point in this explanation as established, viz. that accumulation of wealth depends upon the extent of production, and the extent of barter between man and man.

How then can production be most extensively realized? Let us trace a few effects of ingenuity in accelerating the comfort and civilization of mankind.

In an early state of society, it required a given amount of human labour to crush between two stones the corn necessary for the maintenance of that society. Was it a blessing or a curse when flour was obtained by the simple construction of a wind or water mill? Was the consequent abundance of a necessary produce, and the consequent division and appropriation of labour into other important channels, an injury or benefit to mankind?

Previous to the year 1330, the English might be termed (as De Wit observed) a nation of shepherds and wool-sellers; in the reign of Edward III. foreigners were invited to instruct us in the woollen and other manufactures, by which measure, in the year 1485, the former was spread throughout every county in England, until by the combination of ingenuity and labour, in the year 1790, our exportation of woollen manufactures, after supplying the wants of our own population, amounted to five millions sterling; and since that period, every year has witnessed an increased manufacture. Has the *ingenuity*, combined with *labour*, which has led to this extraordinary change, been a blessing or an evil to our country? Has wealth or poverty arisen from it?

Has the wealth of Great Britain, and the consequent increased employment of her population, been promoted or diminished by those rapid and ingenious improvements which (though destructive of those happy scenes which some writers have depicted, when spinning wheels were whirling at every cottage door) enable us to offer, without dread of competition, the produce

of our cotton mills and looms to the most distant corners of the globe?

Was the ingenuity of a *Watt*, which has in the space of a few years quadrupled the manufacture and commerce of our country—opened a means of communication between port and port, which neither wind nor tide can oppose—and is at this hour leading to most important and advantageous changes in our modes of internal conveyance, a blessing or a curse to his country?

Has, indeed, any machine which human ingenuity has invented to facilitate and divide labour—to reduce the cost of production—to supply our wants, and giving us the power of supplying the wants of distant nations, been the source of national evil or distress?

To these queries, the reply of any sensible man may be easily anticipated; but the nature of such reply may, in some instances, be qualified by an assertion that *that* which was a good in an early state of society, may become an evil in an advanced state of society.

The fallacy or veracity of such an opinion is best determined by incontrovertible

proof, viz. that the wealth and power of Great Britain have, in proportion to her population, advanced in a much more rapid degree than the wealth and power of any other country; and as we can look around us with pride and exultation to our immense improvements in the arts and sciences—to our various and convenient modes of conveyance throughout the empire—to the changed features of every landscape from comparative barrenness to fertility—to the extension of our shipping and navigation—to the improvements in our towns, roads and harbours—to the multitudes and conveniences of our public markets—to the thousands of country houses with which the face of our island is studded—to the thousands of carriages which roll along our streets—to our costly and numerous public edifices—to our magnificent bridges—to our various canals and railroads—and above all, to those most certain proofs of wealth and civilization, the improving moral and religious condition of our people—and the increasing liberality of mind and conduct, not only among ourselves, but to mankind in general—as I repeat we can look around us with pride

and exultation at this moment, on such a prospect, so may we confidently look forward under wise legislation to increased comforts, to increased wealth, and to increased civilization.

Such are the real benefits which every nation must derive, from the divided power of its labour being actively and fully assisted by prudence and ingenuity. But, although this truth is evident, there can be no established principle of political philosophy, which an error in human judgment may not render ineffectual.

Distress, for instance, is said to be augmented in England, from the extensive adoption of machinery. Again, I repeat, *how can that* be a cause of evil, which has been proved to be a cause of good?

The legislator who will choose to sift this question to its foundation, will find the cause presented to him in a very different light;—he will find, that it is not overproduction, or the abridgment of labour by machinery, which is a cause of distress; but rather those injurious restrictive laws, which stem the channels of consumption. He will find, that although false opinion may induce him for awhile to oppose

a law of nature, such opposition must, in the end, be fruitless: *for a law of nature cannot be opposed*; he will find that the mind of man is a river rising from a pure source, until gradually swelling with every tributary stream, it becomes a furious torrent, whose force is overwhelming, and which no human barrier can withstand; in a word, it is a merciful arm of Providence compelling, *as it will compel Great Britain to relieve the distresses of her own population, by promoting the welfare and civilization of mankind, and by equalizing, distributing, and regulating all labour, and the produce thereof, for mutual comfort, advantage, and support.*

Can there, be any man, then, in possession of his faculties, who, after seriously considering this subject, and regarding the advanced wealth and power of his country, will decide that the application of the mind to the advancement of human excellence and civilization, and to the abridgment and division of human labour, is a source either of individual or national evil?

On the contrary, there can be no shadow of doubt that it is to the active exertion and application of mental ability, that we

may principally attribute the accumulation of all wealth; and it is from this powerful assistant to the fertility and industry of our country, that Great Britain has derived those resources, which justly entitle her to the high station she so proudly maintains, and to the extraordinary influence she so extensively and justly commands.

AXIOM IX.—Taxation, or a portion of commodity taken from each individual for the guardianship, protection and security of *all*, when *equitably* levied, and *prudently* expended, causes an increase instead of a decrease in the wealth of a nation; therefore, taxation is not in itself, what it is frequently supposed to be, a necessary evil, but an absolute and necessary good.

THERE is as great a difference between equitable and unequitable taxation, as there is between its prudent and imprudent expenditure, in the effects produced thereby on the welfare of individuals. Nevertheless, it is obvious that taxation is, in itself, a good; for without a collected revenue to defray the necessary expenses of government, in protecting and enforcing the rights of a country, in properly directing and maintaining the law and the constituted authorities, and in supporting the dignity of the crown, no nation could continue to be great or prosperous.

In the discussion of this axiom, it is necessary to bear one important fact in view, viz. That to however great an amount a nation may be taxed, if the revenue so raised were all expended in that nation, no possible loss of wealth could result to the community as a body. Whereas, if a revenue be expended abroad, in unfortunate or unnecessary wars, in support of unprofitable

colonies, or in any other way which does not directly or indirectly produce a valuable return, or an additional security to accumulated wealth, such expenditure necessarily impoverishes the resources of a nation.

I shall have occasion in a future part of this letter to allude more particularly to what I mean by equitable taxation and expenditure, when I treat of distress and its remedy. In this instance I am only anxious to establish at decided data, that protection of property either from home or foreign aggression, is an absolute good; and the more secure accumulated wealth can be, the more valuable in all respects does it become—

That as no money arising from taxation should be spent either abroad or at home, except for the benefit of the country in which it is raised, and as a distribution and constant circulation of wealth by any body of men, must be as reproductive of wealth as if circulated by another body of men, whether such sum be circulated by government or individuals, the reproduction to the nation is the same—Therefore, that taxation equitably levied and prudently expended, is, in principle, *not an evil*, but an *absolute*

good; inasmuch as it increases the value of property in proportion to the extra security which it affords, and cannot decrease the wealth of a nation by any home expenditure, because wealth by whomsoever circulated is invariably reproductive of wealth.

For instance, if the king spent one million per annum in England, instead of half that sum, such expenditure, if unequitably levied, would be a greater or less injury to individuals; but it could not be an injury to the wealth of the community as a body; because such sum would be in constant circulation, and in constant progress of reproduction.

The injuries inflicted by taxation are two—

One,—by *inequality* of assessment or levy, it unnaturally changes the relative wealth of individuals, and so affects the relative power they have of disposing of, or purchasing productions, it also unnaturally affects the prices of different commodities, thus affecting the amount of profit in different agricultural and commercial pursuits, and consequently having an undue influence over the rates of wages.

Secondly,—That by imprudent expen-

diture, it impedes the proper circulation or distribution of such amount of wealth, and consequently puts a stop to that re-production which would otherwise occur.

The chief objects therefore, in reference to taxation, to which a legislature should direct its attention, are,—First, that the amount levied should not exceed the absolute sum required for the safeguard, prosperity and honour of the country, and for the necessary and reasonable expenditure attendant thereon—Second, that the greatest possible equality of taxation should exist; for taxation unnecessarily large, even though expended in a country, and not injuring the *total* wealth, is an undoubted robbery of one man to give the plunder to another; and inequality of taxation has the effect of throwing a load of distress on one man, to free another from the burden.

AXIOM X.—Gold, or any other commodity, exported from a nation in exchange for other produce which will re-produce gold or other commodity of a greater value or quantity, is an increase in the wealth of that nation; therefore, the unrestricted exportation of all commodities is essential to the accumulation of wealth.

It having been proved that gold, like every other commodity, is only useful as a source of wealth, in proportion to its power of exchange for other commodities, it is evident, that whether that exchange be made in one country or another, the same beneficial results must accrue. In reference to gold, owing to the erroneous opinions which existed in the earlier stages of society as to its *real* utility, and which induced a supposition that abundance of gold alone constituted wealth, —the exportation of it was in many instances, and in many countries, strictly prohibited.

In the reign of Henry the Eighth, the penalty that was attached to this mode of traffic, was peculiarly severe, and in an extraordinary degree evinced the ignorance of the times.

The difficulty of abolishing this pernicious law, was obvious by the complaints of the country against the permission given to

the East India Company, about the year 1600, to export a limited quantity; and it called forth numerous and strong appeals to government on the subject. So powerful, indeed, was popular feeling, that it was not for more than half a century afterwards that this law was repealed, and that people were allowed to exchange a commodity which had become a glut in the British market, for other commodities, which, by constantly re-producing gold, led to a rapid accumulation of wealth.

This wise enactment was not, however, perpetual;—but British commerce continued to be more or less cramped by the same erroneous doctrine, until the year 1819, when the ports were all thrown open to a free export and import trade in the metallic substances.

Considering, therefore, gold and silver as commodities which are like other commodities, valuable only according to the amount of other productions for which they will exchange, it is not difficult to believe, that the metallic coins will never be exported from England, unless to interchange for some other valuable commodity, the disposal of which will pay the expenses of freight, &c., and realize a profit to the exporter;

for it is as ridiculous to suppose that a foreigner can induce a man to relinquish gold without receiving an exchangeable value, as for him to induce a cotton-spinner at Manchester to part with his cotton-twist without an equivalent equal to the cost thereof and his profit thereon. No doubt all men who trade in gold or cotton-twist may, except they use that caution which is essential to successful trade, lose wealth by their transactions; but this loss cannot alter the *principle* which governs all export as well as home trade, viz. that no man will continue to carry on unsuccessful barter; and if his barter be successful, wherein is the distinction in the advantage arising from the exportation of gold or other commodity? Each realizes its relative value in a foreign market in exchange for foreign commodity, and that commodity realizes its value again in England, or otherwise it would not be imported.

It cannot be denied, that whenever *home* manufacture exceeds home consumption, or whenever the real *value* of commodities manufactured at home cannot realize a price by sale proportionate to their cost and to a fair profit to the trader, foreign

consumption is absolutely necessary; and it is to foreign consumption that all nations are in a great measure indebted for the wealth and prosperity they enjoy.

Home production and home trade may supply and conveniently circulate the necessities of life, and to a given extent sustain and even improve the means of civilization; but accumulation of wealth cannot be realized to any powerful extent without foreign intercourse; it therefore has always been the most desirable object of mankind to encourage an export trade. Why gold has not, through all ages, been considered similar, in its commercial nature, to other productions is a source of wonder and astonishment; as, like every other commodity, its value solely depends on the amount of other production it will exchange for.

For any man therefore to entertain a doubt as to the advantage of exporting gold or other metals is ridiculous, unless he believe that there is something so extraordinary in the composition of a piece of money that it possesses a value greater than the value of other production for which it will exchange; for of what earthly consequence is it whether we obtain a sovereign or a

sovereign's worth of goods which are convertible into a sovereign? To hoard up gold is, in fact, an injury, which I have already attempted to prove; for its value can *never* remain stationary.

Perhaps the most important inquiry, in reference to the exportation of goods, and the one which has more than any other engaged the attention of modern legislators and economists, is, that of the advantage or disadvantage which would arise from the exportation of machinery.

On this subject I must repeat an observation which I have frequently referred to: no *principle* can be *correct*, unless it can be borne out in all its points: that which is a good *ab initio*, can never become an evil.

Machinery is a product of nature, skill and labour; and according to the respective values of the agencies employed in its production, will be the value which it will realize in any country. As far as its natural production extends, we have found that it is advantageous to export metals; as far as laborious production goes, it is determined to be equally advantageous: and in reference to ingenuity and skill, surely none of the

agents of production can realize a more just and profitable return.

To lay a restriction, therefore, on the exportation of machinery, is an attempt to injure others, by inflicting a greater injury upon ourselves. If we are greatly advanced in our arts and sciences, we cannot possibly aid that advancement more, than by supplying other nations with our productions on *cheaper terms* than they can produce them, thus not only realizing wealth, but absolutely checking a competition in ingenuity, which might otherwise, under particular circumstances, prove highly disadvantageous to us.

I am persuaded, that there has been no greater error in the policy of Great Britain, than that of obstructing the free exportation of machinery;—it has, like all other restrictions, cramped the extent and exertions of labour and ingenuity, and seriously retarded, therefore, the accumulation of wealth.

I am aware it will be said—What! give the foreigner the power of manufacturing goods as cheaply as we do? I reply, certainly, if he can do so. But while the foreigner is erecting machinery which he thinks per-

fection in all its parts, and which tends rather to deaden than increase his mental rivalry, the ingenuity of England is not slumbering—we are daily improving in every branch of art. Besides, we should never send machines from England, that had not been found productive of wealth in England; and whilst the very hands abroad were employed in learning their application, improvements would, as a matter of course, occur here; and thus should we be daily adding to that ascendancy which we have gained as an ingenious, mechanical nation, and which, most injurious restrictions now oppose, by not only preventing our skill reaping its reward abroad, but absolutely encouraging the competition of foreign ingenuity.

I therefore venture to maintain my axiom—that the unrestricted exportation of gold, or *any* other commodity in exchange for other produce which will re-produce gold, or other commodities of a greater value or quantity, is essential to the accumulation of wealth.

AXIOM XI.—Gold, or any other commodity, imported into a nation and becoming marketable there, either for the consumption of that nation, or in exchange for other commodities for foreign consumption, is an increase to the wealth of that nation; therefore, the unrestricted importation of all commodities is essential to the accumulation of wealth.

FOR the very same reason that the exportation of all commodities is conducive to the accumulation of wealth, so is a like advantage derived from the importation of all such commodities as are required either for home consumption or transshipment.

No country will exchange her productions for the productions of other countries which she does not require either for consumption or sale. We shall not exchange our gold for produce which will not re-produce a greater quantity of gold, over and above the expense of freight, &c. We shall not exchange our machinery for commodities which are not useful to us; and whatever profit other nations may make by an interchange or barter with us, our profit will be amply remunerative, and greater in proportion to our advanced state of civilization;—but if by restrictive laws we are compelled to give one pound of gold for that which is only worth half a pound, and one pound of

cotton twist for that which is only worth half a pound, we are losing so much wealth, which might otherwise accrue to to our country. But it will be said, that the unrestricted importation of certain commodities would ruin various branches of our manufactures. I think this extremely questionable in the present advanced state of British ingenuity, *and under a proper system of taxation*; but even if it did, it is the *public weal* and not individual *weal* or *monopoly* to which the attention of a legislature should be directed. But again, I speak of the unrestricted importation of all commodities being an absolute good *in principle*, and this principle cannot apply when there is a restriction on any one produce and not upon another. For instance, if 30 per cent duty were taken from French silks, it would require English silk-manufacturers to make their goods 30 per cent cheaper; to do this, their cost of manufacture must be 30 per cent lower, and if their wages were lower the labourer must buy his food cheaper; therefore, no duty or restriction can, in justice, be taken from one foreign commodity, without all duties or restrictions being removed from all other foreign com-

modities, in which case the field of universal commerce would be alike open to all, and that nation which first overstepped the barriers of monopoly and restriction, would, by the active employment of her talent and industry, keep her lead in the path of wealth and civilization.

In reference to the importation of gold, it is like all other commodities productive of the same beneficial result. No man can import gold without giving something in exchange for it, and no man will continue to give one commodity in exchange for another commodity, without deriving a commensurate benefit.

My remarks on the subject of a free trade in corn will form a principal feature in the explanation of my next axiom, and they will, I think, bear me fully out in my assertion, that the unrestricted importation, as well as the unrestricted exportation, of all commodities is essential to the accumulation of wealth.

AXIOM XII.—The free export and import of all disposable commodities are alike accessory to the accumulation of wealth; therefore, whether the exports exceed the imports, or the imports exceed the exports, the beneficial consequences are the same.

I HAVE endeavoured in the two preceding axioms, to establish as *principles*, that the free and unrestricted export and import of all commodities are alike essential to the accumulation of wealth; that they are equally efficient; and that, under a free trade, no distinction can arise in their results.

It has long been a prevailing opinion, and among some men the same erroneous opinion still exists, that what was termed a favourable *balance of trade*, was necessary to the increasing prosperity of a country; or, in other words, that no country could derive a profit from her foreign commerce, unless the amount of export exceeded the amount of import, which excess was supposed to constitute the profit of that nation.

One would almost suppose, that this preposterous idea originally induced our ancestors to form, and present governments to support, expensive establishments of Cus-

toms and Excise, and the innumerable and vexatious annoyances which arise from them, and by which the commerce, as well as the agriculture of Great Britain, has so long been cramped and fettered.

It is from the same idea, no doubt, that we are, in some measure, influenced in forbidding the free importation of corn; in laying heavy duties on most foreign raw and manufactured goods; thus *protecting* our own manufactures and our own agricultural interests by injurious monopolies. It is from this preposterous idea that the accumulation of wealth has been unnaturally retarded by the compulsion we have been under to expend our money in the dearest instead of the cheapest market, when all these evils, by one act of the legislature, might be averted.

The propriety or impolicy of permitting the free importation of corn, has been for many years a leading subject of parliamentary discussion. This, no doubt, has arisen from the necessity (which every man must acknowledge to exist) of protecting, in every possible way, the agricultural interests of the country. That such feeling is laudable, cannot for one moment be

denied; and it is the same laudable feeling which induced our ancestors to encourage, by restrictions, various branches of our manufactures during the earlier stages of commerce. It was the same feeling which induced them to enact those positive laws relative to our shipping, which many imagine to have led to our marine superiority, but which, by an unwise continuance, lost us our American colonies.

Let us, in reference to corn, examine this subject deliberately. Will the unrestricted importation of foreign corn be an injury, or not, to our agricultural interests? One circumstance is evident—that the wages of those who are employed in our manufactures, never can be reduced below, nor continue at, their present rates, unless the necessaries of life are sufficiently abundant and cheap, to be, when exchanged for the amount of those wages, fully sufficient for the comfort and subsistence of the workman.

The only reason why a nation, so advanced in her manufactures as Great Britain, has to dread a free competition with the commerce and manufactures of other nations, is, the advantage which she commands by her superior ingenuity and local means; not

being proportionate to the disadvantage under which she labours, by the effect which the high price of labour and impolitic taxation have upon her manufactured produce.

This disadvantage, as before observed, would no longer exist, if the necessities of life were so cheap and abundant, that the labour of every industrious man could be exchanged for a commensurate quantity of such necessities, and if such impolicy of taxation did not exist.

It cannot be questioned, that provisions, the production of British soil, are, from various causes, much higher in price than provisions in most other countries; and it is true, that while those causes exist, much foreign provision cannot be imported free of duty, without loss and injury to our agricultural interests. In permitting, therefore, a free importation of corn, the agriculturist ought to be placed in the same position as the manufacturer must be, if he be compelled to meet the free competition of other countries; viz. as the British silk or cotton manufacturer ought to have his raw material free of duty—the materials with which his manufactory is built, and of which his machinery is composed, free of duty—

the dyewoods and drugs which he employs in colouring that silk or cotton free of duty; and the exorbitant and injudicious excise duty, now chargeable on printed goods, abolished;—so ought the agriculturist to be unfettered, by every taxation or duty which has an influence on any produce of soil, or on any materials which may be employed in such buildings, and in such implements as are necessary for the convenient purposes of husbandry.

It is not difficult to anticipate the objection that will arise to these salutary and important changes. This objection I shall endeavour to meet, when I speak of the remedies for our distress; it is enough now to assert and prove, that no unrestricted importation of any commodity into a nation can be permitted, without injury to that nation, unless every bar, and every restriction to open competition, be removed at home. Were this the case, and could these home restrictions be removed without injury to the revenue of the country, in what position would our agricultural interests be placed, by a removal of the present duties on foreign corn? The compromise in the year 1773, between the growers and consumers, upon

which our present laws are founded, was an act of justice to the land-proprietor, under the taxation which he was obliged to bear; but no compromise would be necessary, if such taxation were removed.

The natural fertility of England, and her improved systems of cultivation, sufficiently warrant the opinion, that corn, and other common necessities of life, can be produced both cheaply and abundantly; so much so, that except in seasons of scarcity, or by the more profitable devotion of land to pasturage, the value of foreign corn in our market would seldom pay the foreign agriculturist a profit commensurate to freight and insurance, which charges would, in such case, be an ample protection for British agriculture.

Let us now consider what would be the general effect of a free and unfettered trade in manufactured and agricultural produce.

First,—The price of all commodities would be proportionate to their relative values, and wealth would be most rapidly accumulated in that nation where industry and ingenuity were most actively employed; the manufacturer would, in many instances, sell at lower prices, but the cost of manufac-

tured produce would be less, and his profit would be steady and commensurate; the labourer might receive low wages, but his clothes, his food and his furniture would be comparatively cheaper, and his means of procuring them would be ample; the farmer would sell his produce at a less price, but his rents would be lower, and the profit arising from his labour more abundant; the landlord would receive lower rents, but he would obtain all the necessities and luxuries of life at a far lower rate; the ship-owner and merchant might meet with more foreign competition, but their ships would be built at a far lower cost, and be manned and victualled at a far less expense; the shopkeeper would meet with more competition, but the expenses incidental to his business would be lower, and the universal employment of labour would at all times ensure him an active market: in a word, those ruinous gluts of merchandize which, under restrictive laws, so frequently occur, would seldom or never be experienced; the fertility, skill and industry of one country would be open to a fair exchange for the fertility, skill and industry of another country; and the unbounded and ever fruitful garner of univer-

sal nature, would distribute its blessings impartially to all mankind. The wealth of every country, no longer unnaturally retarded, would increase with the increase of population, industry, prudence and ingenuity, and every increase of wealth, would be a stepping-stone to increased civilization.

Such prospects may, indeed, be regarded, as hopes almost too bright to be realized; the thunders of war, differences of opinion, and all the evil elements of discord and ambition, are frightful and too certain drawbacks from so desirable a consummation. But if in *principle* this free and general intercourse between man and man be desirable and beneficial, no difficulties, and no obstacles, should arrest the exertions of a great and powerful country in so noble an enterprise; and in that attempt, Great Britain has reason to be thankful, that, although other nations may refuse her reciprocity, she has *within herself, and her colonies, those resources which ensure success, if properly and energetically applied*: she has *within her own command, an ample market for her most extended productions, and ample sources from which she can derive any of those productions which other nations may injure*

themselves by refusing her; and possessing, as she does, this power of increasing her own prosperity, and of extending happiness and civilization to her distant colonies, she need not fear the result. "IN HOC NATU-
 "RAM DEBEMUS DUCEM SEQUI, ET COM-
 "MUNES UTILITATES IN MEDIUM AFFERRE,
 "MUTATIONE OFFICIORUM, DANDO, ACCIPI-
 "ENDO; TUM ARTIBUS, TUM OPERA, TUM
 "FACULTATIBUS DEVINCIRE HOMINUM IN-
 "TER HOMINES SOCIETATEM."

AXIOM XIII.—No legislative enactment whatever, can exercise a power in regulating, controlling, or affecting in any way, the rates of wages, the free liberty of workmen, the price of any commodity, or the discretion of any dealers therein, without imposing an injurious restriction on the commerce of a country; therefore all such laws are pernicious.

IF the real value of all commodities depend upon fixed laws, and if a free intercourse between man and man, and nation and nation, be *just* in principle, and beneficial in result, I need not expend much time in repeating, that any restriction to that intercourse—any legislative enactment tending to oppose so reasonable and so honest a measure, is injurious not only to the nation wherein it has immediate effect, but to mankind in general.

Great Britain, it cannot be denied, is fettered by many of these improvident restrictions, all of which, more or less, tend to the diminution of wealth which she would otherwise accumulate, and to the continuance of distress, which would otherwise not exist.

However difficult it may appear to remedy these evils, with a view to improve the resources of a country, no evil, as I have

before observed, which can be remedied, ought to remain without that remedy being attempted.

In my explanation of the last axiom, several of these restrictions were cursorily noticed ; and as hereafter I shall have occasion more particularly to allude to them, it is unnecessary at present to dilate further upon the truth established by the axiom itself.

AXIOM XIV.—As no man can continue to trade without a profit, the more numerous traders are, the greater is the accumulation of wealth; therefore, there never can be too great a competition in the production or sale of commodities.

GREAT stress has been recently laid upon the injury which this country sustains by the increasing competition among traders; but, as is customary on such occasions, these complaints too frequently issue from the traders themselves, who seldom pay that regard to the interest of the consumers, which they are justly entitled to.

It is true, that excessive competition, without demand be equal to production, naturally reduces the profit of the trader, the wages of the artisan, and the price of commodities; but this evil would not exist, were restrictive laws abolished; and any evil which does exist under an oppressive and injurious law, is not an evil in *principle*.

Individual wealth may arise from monopolies; but national wealth cannot possibly accumulate without an abolition of monopolies.

To make individuals rich under a monopoly, the interests of other individuals

must be the sacrifice; but to make individuals rich without monopolies, no sacrifice is necessary.

One particular tradesman in a town may monopolize a business, and realize a given profit; but if the business of that town be divided among ten tradesmen, the accumulation of wealth will be greater, and the supply to the consumer more convenient.

One man in trade has a power to regulate the price of commodities to consumers; but ten men in trade enable consumers to regulate the conduct of the trader.

Division of trade and profit, like division of labour, is beneficial to a community; for it draws the means, industry and talents of men into different channels.

Although, therefore, it may be to the interest of any individual trader to possess a monopoly, it never can be to the interest of the public.

The wealth of a nation does not depend upon the wealth of certain individuals, but upon the universal wealth and well-doing of the community; and thus, the civilization of the world does not depend upon the wealth of any given state, but upon the wealth and well-doing of all states.

AXIOM XV.—No trade or commerce whatever, which is productive of benefit to the world at large, can be injurious to any community; therefore, every nation consults her own interest by a free commercial intercourse with all other nations.

No country exchanging the commodities which she possesses for the commodities of other countries, can avoid reaping her full share of benefit; and were all trade conducted on the principles of reciprocity, the wealth which would thereby universally accumulate, would accumulate in each separate community in proportion to the more active or inactive exercise of those agencies which are conducive to wealth.

No nation will export goods without receiving a commensurate return.

Foreign, like home consumption, not only induces the active employment of skill and labour, but they alike afford the trader a satisfactory profit in exchange for natural and manufactured productions.

No exchange of productions can continue to occur without profit; and no profit without the accumulation of wealth.

No commercial intercourse can exist between nation and nation, without mutual

friendship and mutual increase of wealth; and increase of wealth must lead to increase of civilization; if, therefore, by such intercourse, any country become more civilized, it is evident that *that* trade or commerce which has been productive of benefit to the world at large, cannot have been injurious to her; and thus every nation consults her own interest by a free commercial intercourse with all other nations.

AXIOM XVI.—Any nation whatever, refusing to trade with another nation on free reciprocal terms, inflicts a far greater injury upon herself than she can do upon the nation whose intercourse with her she restricts; therefore, self-interest, as well as the compulsive power of freedom, will eventually compel her to adopt those principles which prejudice, for a while, may induce her to disregard.

THERE are many who regard with doubt that line of policy which Great Britain has adopted in opening her ports to foreign manufactured goods, without having concluded a preliminary treaty of commercial reciprocity with other nations.

They who entertain such an opinion, are led to inquire, why receive in England the produce of French and German looms, when France and Germany refuse to take our manufactured produce in exchange?—Is not such a measure, by supplying British consumption with commodities which otherwise her own looms would supply, calculated to ruin her manufactures, to distress her labourers and artisans, and to impoverish her resources? We will, for a moment, examine this subject. When England receives French wines or silks, she must give something in exchange for them. If raw or manufactured goods will not be accepted, bullion becomes the medium of barter.

And what is bullion? If cotton twist were exchanged instead, we should realize a certain profit, and what man will pay money, which, like cotton twist, is *but* a commodity, without a profit? No nation will export goods without receiving a commensurate return, and no nation will make that return without a commensurate profit.

When we import French or German manufactured produce, and give bullion in exchange, we do so, because that produce is more valuable to us than bullion, and in proportion to the difference in this value is the profit we receive.

It is true that if we could always exchange manufactured produce for manufactured produce, our profits might occasionally be greater, but because we cannot realize the profit we wish, there is no reason why we should refuse a more limited profit; but as we shall never export bullion without it be a profitable article of export, so will no country import it unless it be a profitable article of import; hence, a country exporting her produce, and only importing gold, cannot continue to do so without causing a glut of that commodity, which is sure by eventually finding its own level, to return through one chan-

nel or another, to that country from which it was originally exported, in exchange for other commodities.

From a consideration of these remarks it will appear that whether we export goods or bullion to any given country in exchange for other commodities, the result is equally advantageous; for, as bullion never can be re-imported in exchange *for bullion*, and as it is certain at all times to find the market wherein it will realize the greatest value, other commodities must necessarily be exchanged for it.

It is true that until free trade, in its fullest acceptation, be adopted by England, all foreign manufactured goods imported at a lower price than the cost of similar goods manufactured in England, must naturally influence the profits of the British trader in such goods, and the wages of *his workmen*, until such traders and workmen devote their attention and exertions to other pursuits; hence have government endeavoured as nearly as possible to make the competition fair, by an equivalent protecting duty; yet it cannot be denied that this duty operates as a protection to a small portion of the community, at the expense of by far the larger por-

tion, and not only has the effect of unfairly taking wealth from one man to give it to another, but is an injury to society in general, by encouraging the unprofitable employment of both wealth and labour, which are always unprofitably employed when unproductive of general benefit. Such protective duties, therefore, by compelling the consumer to buy his goods at a dearer rate than he could otherwise procure them, have the effect of retarding most materially the accumulation of national wealth.

This evil increases ten-fold under a system of entire *prohibition*; for prohibition entails upon a country the full penalty of so unnatural a law, it brings with it all the serious disadvantages of monopoly, and monopolies, in whatever shape they are introduced, are decidedly adverse to the prosperity of any country.

It is true, as I have before said, that individuals may flourish by monopoly, but a community never can; and, however common the opinion may be that England is mainly indebted to restrictive commercial and navigation laws for her rapid advancement, there can be no doubt but that she might and would have advanced in a much greater de-

gree had such laws never existed ; for, had not her natural industry, talent, character, and local advantages been what they are, such laws would in all probability have proved her ruin.

Spain is a striking example of the *benefit* which prohibition confers upon a nation ; and many other states might be mentioned, who from the same cause, have long been retarding their own wealth and civilization, and who are still pertinaciously following the same injurious course ; but this cannot last ; for without allusion to the defiance which contraband traffic at all times offers to such injurious measures, the *self-interest* of nations, and that compulsive power of freedom which no nation can continue to withstand, and which is strengthened by every increase of civilization, will eventually and speedily effect that, which prejudice or error may for a while oppose.

AXIOM XVII.—No industrious, prudent, and civilised population, will consume more than a given quantity of the produce of its own soil and industry; and yet the united soil and industry of the world cannot, at any time, produce more than what the population of the world will require; consequently, the most civilised, industrious, prudent, and ingenious population, has, by the surplus of its produce or wealth, the means of bartering or exchanging such surplus for the produce or wealth of other nations, as the same may be expedient either to luxury or necessity; and therefore, the greater the surplus produce or wealth of one population is than that of another population, the greater will be its accumulation of wealth by mutual exchange or barter.

Few remarks are necessary in explanation of this axiom. The industry, prudence, economy, judgment and foresight, which are essential to the accumulation of individual wealth, are likewise indispensable to the accumulation of national wealth.

No prudent individual will consume more than a given quantity or value of that produce which he yearly possesses, and the greater the surplus, the greater the advantage which he is enabled to gain by exchange or barter with other individuals; for no individual can possess more than other individuals will require either for necessity or luxury. The same principle strictly applies to the conduct of nations, and to all the dealings between nation and nation; and as no man can produce by his own talent and labour the same number and quality of commodities as all

other men, so, no nation can produce the same exact number and quality of commodities as all other nations, and therefore no prudent community will consume more than a given quantity of its own produce, in order that it may exchange the surplus, for such portion of the produce of other communities as it may require.

Thus the greater the surplus of wealth to individuals above expenditure, the greater will be its accumulation ; and thus with nations, the greater the surplus produce or wealth of one population is than that of another population, the greater will be the accumulation of wealth to such population.

AXIOM XVIII.—The accumulation or reproduction of wealth by exchange or barter, at all times depends upon consumption, whether home or foreign, being equivalent to production; therefore, if production be greater than *home* and *foreign* demand, the accumulation or reproduction of wealth is impeded.

IF a manufacturer or farmer overstock the market with his produce, the result is self-evident; his prices must fall below their real value, and his profits must thereby be diminished; but if the consumption of his produce be equivalent to production his profits will be steady and wealth cannot fail to accumulate.

The same principle extends throughout all society, and to every nation; if any population produce a greater quantity of commodity than it can dispose of, the prices of that commodity decline below their natural standard, and the accumulation of wealth is impeded, but if the home or foreign consumption be equal to production, the contrary is the case; but, though the accumulation of wealth depends (as stated in the axiom) upon home *or* foreign consumption being equivalent to production, it has been proved that such accumulation is accelerated in the greatest degree, by a *surplus* of pro-

duction *above* home consumption. This seems an anomaly, but it is no less true, for although it is absolutely necessary to render the accumulation of wealth certain, that the home *or* foreign consumption should be equal *in value* to production, it is nevertheless essential that *home production* should exceed *home consumption* to extend that accumulation to its greatest possible limit.

For it is not by home consumption being equal to home production that wealth is most reproductive of wealth, but by home consumption being equal to a certain amount of home production and a certain amount of foreign production. In other words, although, (if we had no foreign trade) the accumulation of wealth would depend alone upon home consumption being equal to home production, to effect which, talent and labour must be very judiciously applied to public convenience; yet, *with a foreign trade*, the accumulation of wealth is more rapid by the exchange of those commodities which we can produce most advantageously to ourselves, for those commodities which other nations can most advantageously produce, and which we are desirous of partaking of.

But whenever home production is greater than home and foreign consumption, the accumulation, or re-production of wealth, cannot fail to be dangerously impeded.

AXIOM XIX.—Increased production, and decreased consumption, which by divine ordinance can only occur through the fallibility of human wisdom, and the misdirection of human labour, reduce below their *real* value the price of all commodities, and this unnatural reduction in the price of commodities, is alike destructive of national and individual wealth; therefore, such events are inevitable causes of national and individual distress.

I HAVE previously endeavoured to establish as a *principle*, that nature—ingenuity—and labour cannot produce more than mankind will require, for either the necessaries or luxuries of life.

If this be true, distress existing in any country from the non-employment of wealth or labour, must be owing to injudicious legislation, or to the mis-direction or application of human labour. By any country adopting restrictive laws, this distress cannot fail occasionally to occur; for as population increases, the wants of that population must necessarily increase, and a proportionate quantity of raw and manufactured produce is indispensable to meet the increased demand; but the wants of a given population being at all times uncertain and indefinite, the extent of production is also uncertain and indefinite. To regulate supply, therefore, to demand, becomes an

object of speculation, and hence follows a natural endeavour to equalize the proportions of one to the other.

If the line of production in any given commodity be over-drawn by competition or other cause, it must be diminished *at a sacrifice*; so long as it is equal to production, the wages of labour and the profit of wealth are steady; but if it differ, the preponderation must operate on one side or the other; and thus is the welfare of a population influenced by an uncertain cause, which depends upon the speculative spirit of millions.

To render consumption equal to production, and thus to insure the happiness and prosperity of any country, we should always bear in mind that applicable expression of Plato's, "*non nobis solum nati sumus.*" For all laws are injurious which oppose the natural law on which these words are founded; and all labour is mis-directed, which is not conducive to general, as well as individual happiness.

Whenever a nation is overstocked with any given produce, and as ingenuity and population increase, the difficulties of rendering home production equal to home con-

sumption daily increases, the value of such commodity is reduced, and this reduction is alike detrimental to national and individual wealth, and alike promotive of national and individual distress. But if, on the other hand, the best feelings and inclinations of mankind were not checked by injurious legislation, the corn of one country would never rot, while starvation was prevalent in another ; the looms and mills of England would never stand idle for the want of a market for their produce ; the wheel of universal production would never be retarded in its motion ; nor would the name of poverty be heard in any country, but as a distinctive token of disgrace.

AXIOM XX.—Free labour, and a free unhackled commercial intercourse between man and man, and between nation and nation; best promote the accumulation of wealth, and the civilization of mankind; but monopolies, duties, restrictions, and prohibitions, impede the course of wealth, and are destructive of trade and civilization; therefore, freedom of trade is a blessing—restriction or prohibition of trade is a curse.

I KNOW not how I can more strongly establish the truth of this definition, than by an appeal to the feelings and opinions of those who have done me the honour to consider seriously and impartially the various arguments which I have advanced, with a view of proving the truth or fallacy of the principles upon which they are founded. If they have done me this common justice, I leave, with much self-satisfaction, the many important reflections which will arise from a perusal of this axiom, to their own conscientious judgment—to their own patriotism, and to their own humanity. I send it fearlessly into the world, where, I feel convinced, it will find abundant defence, as a principle of political and universal philosophy, which no time nor circumstance can change, and which, however its natural progress, or adoption may be opposed by the prejudice, folly, ambition, or evil conduct of mankind, is nevertheless grounded upon

laws which are too pure to be always condemned—too *expedient* to the happiness and civilization of mankind, to be always unprevailing.

I now proceed in accordance with my second proposition, to consider *the present Commercial and Agricultural condition of Great Britain*.

It is quite unnecessary in this delineation to enter into any minute statement of details, in reference to the gradual increase of population—of various branches of our manufacture and agriculture—of the tonnage of our vessels—of the rental and revenue of our country—of our colonial power, or of our various local and foreign resources, those details which are necessary to a comparison of the *present* with the *past* state of Great Britain, being so fully developed in several statistical publications, as well as in parliamentary documents, as to render any recapitulation of them in this instance, an unnecessary waste of time.

It is sufficient for our present purpose, that we should confine our chief attention

to the *present* condition of our country, and when this is done, instead of drawing hasty conclusions from the too common opinion, that because we have so long continued to increase in wealth and power, we can *still* continue to be prosperous under the same system of legislation, that we should look forward with a steady, observant, and unshrinking judgment to the effects which present legislation may have on the interests of posterity.

The population of Great Britain and Ireland is estimated to be, at this time, about 25 millions.

The number of acres in Great Britain and Ireland, including roads and water, about 72,488,000, of which it may, I think, be fairly stated, no less than one-tenth are uncultivated, yet capable of cultivation.

The total value of public and private property in Great Britain and Ireland, exclusive of territories abroad, will, I think, not be over estimated at £3,600,000,000.

The total amount of property annually created from agriculture, mines, manufacture, commerce, and trade is, I think, underrated at £800,000,000; the amount of last year's exports of English manufactures, as per printed

returns and official value, was £52,797,455, and the amount of our imports £45,028,805, of which imports were re-exported to the amount of £9,946,545, exclusive of the sum before mentioned, making the total export £62,744,000.

The amount of our national debt, on the 5th January, 1829, was £772,322,540, the charge upon which, at the same period, was £27,602,256.

The annual taxation of Great Britain may be stated at little less than sixty millions sterling; to which enormous taxation may be added the amount of poor laws, highway rates, church rates, county rates, tolls, and other incidental expenses, not defrayed from the collected revenue, which, (exclusive of tithes,) cannot amount to less than £10,000,000.

Such is, I believe, a sufficiently faithful sketch of our present financial situation, and internal resources, to enable us to draw, without falling into any serious error, pretty correct conclusions as to our future prospects. We will now turn to a consideration of our present individual condition.

No man of common observation can be insensible to one undoubted, glaring fact,

press upon him, for a commutation of tithes, and for a reduction of his rent.

The manufacturer complains of the very low prices of the produce of his manufacture, which he states to be occasioned by excessive competition, by super-abundant production, by the importation of foreign manufactured goods, by excessive taxation, by the shaken confidence between man and man, and by the scarcity of money.

The merchant and ship-owner complain also of excessive competition and taxation, of profits far from commensurate to risk, of scarcity of money, of reduced freights, of annoying and ruinous restrictions, and yet of the inopportune removal of many restrictive navigation laws.

The labourer complains of wages reduced far below an equivalent reduction in the price of the necessities of life, of want of work, of taxes and distrains, and of the evil effects which the introduction of machinery has had upon his interests, all of which grievances he believes combine to reduce him to misery, hunger, and starvation.

The shopkeeper complains that his stock is constantly being reduced in value by inundations of similar goods into the mar-

ket, that his customers are leaving him because they cannot afford to purchase, that competition is too great, that he is under-sold by large houses "*cutting up*" his prices, and that his profit is so limited, that he cannot possibly meet his engagements.

Those who are possessed of given incomes, which they have acquired since the passing of the suspension act, complain of their incapability to live upon those incomes now.

The mortgagee and annuitant, who since the same period borrowed money on their property, complain that they can no longer afford to pay the interest of such loans.

The bankers and money dealers complain of unjust monopolies, of oppressive usury laws, and of the effect which one suffering class of society has upon its general body, of which they form no inconsiderable portion.

The landlord complains of his rents being irregularly paid.

Even professional men of all denominations complain of reduced incomes by extreme competition, of oppression by taxation, and of irregularity in the payments of their respective fees or stipends.

Now, in considering the complaints of these particular parties, it is necessary, in order to provide a remedy for the evil, to ascertain how far such complaints are really founded on truth—that *many of them are*, cannot for one moment be questioned, for few men can look around them, without a thorough conviction that such is the case. I proceed, therefore, while I attempt to separate truth from falsehood, according to my third proposition, “*to endeavour to elucidate the causes of that distress, which unhappily pervades many of our agricultural and commercial districts.*”

In furtherance of this view, I will enumerate those grievances or injurious enactments, which mainly affect the property, incomes, and comforts of the British subject, and more or less tend to retard the advancement of general wealth, leaving for after consideration the practicability of *commuting* such influential difficulties to the better convenience and prosperity of individuals, and to the advantage of the country at large.

*Causes more or less affecting the advancement
of the individual and national prosperity
of the British nation.*

1st, And principally—The want of a sufficient market for our surplus raw and manufactured produce.

2nd. The effect of the suspension act, and of an injurious paper currency.

3rd. The existence of injurious and unconstitutional monopolies.

4th. The restricted importation or exportation of any raw or manufactured commodity.

5th. Injudicious and unequal taxation, especially the oppressive laws of customs and excise.

6th. Unnecessary extent, and expenditure, of taxation.

7th. Unequal poor-rates.

8th. Stamp duties, legacy and probate duties.

9th. Usury laws.

10th. Highway rates—tolls—church and county rates—to which many other inequitable enactments and usages may be added.

In perusing the above list of evils, all of which, more or less, tend to retard the advancement of British wealth—some by being in themselves *positive evils*—others by their *partial* and *unequal* influence on industry and property—no considerate man can deny, that there are evident and sufficient grounds for legislative inquiry; evident and undoubted causes of national distress. That the remedy is, in some cases great, and that it should be approached with caution, I do not deny; but there is no evil so great, that its removal is impossible. Under the influence of such an opinion, and convinced, as I feel, that the distress which England is now suffering is altogether dependent upon causes to which I have alluded, I cheerfully proceed to the endeavour of suggesting the means by which that distress can be effectually removed, and the power and consequence of our country maintained and secured to posterity.

1st, *And principally—The want of a sufficient market for our surplus raw and manufactured produce.*

As land is undoubtedly the basis of all real wealth, the man who takes a rational survey of the circumstances of his country, ought to consider every acre of it as the most sacred object of his guardianship; it is the foundation upon which all accumulated wealth must rest; increasing in value with every increase of population, and with every increase of commercial prosperity. But, although this is evident, the welfare and power of Great Britain may, nevertheless, be said to depend exclusively upon her commerce. It is by her commerce that she has hitherto been enabled to support her dignity, and it is by her commerce that she must *still* support it; and however we may pride ourselves upon the excessive value of her soil—on her naval and military power—on her local advantages and her immense resources, it is by her commerce alone that *all these* can be supported, and rendered permanently secure to posterity.

One great truth should therefore never be lost sight of by the Legislators of this country, it should overcome all self-inte-

rested feeling, all party spirit, and, I may add, every other national consideration. *Whenever Great Britain ceases to be a FIRST manufacturing and commercial nation, she ceases to be a great power. From the day her commerce declines, she must decline with it, and in a ratio far more sudden than her rise ; in a word, whenever she has a successful rival, her name and her power, her wealth and her dignity, are from that moment subverted.*

It was a conviction of this truth which, since the commencement of the last century, has induced throughout Great Britain the most extraordinary emulation between commercial men, that was ever recorded in the annals of any other country ; an emulation which, unchecked by the narrow and unenlightened feelings which govern the aristocracy of most other nations, and which Plato and Aristotle defended but to accelerate the downfall of the Grecian and Roman empires—opens to those of lowest origin, the wide and cheering channel of education, refinement, opulence, rank, and power.

Such then being the paramount importance of commerce to the welfare of Great Britain, it is to this main point that the

legislative attention should be especially directed ; for however important other subjects may be, *this* should be the chief object of watchfulness,—it is the prop of our throne, the bulwark of our constitution, and the mainstay of our power.

When the cry of distress, then, is rising around us from every district ; when our labourers and artisans are, for want of employment, either receiving a miserable pittance from public assessment, or flocking from their native to unknown shores ; when a cloud of gloom, which cannot be mistaken, is hovering over the whole commerce of the country, is it not, my Lords and Gentlemen, time that the present condition of our country should be thoroughly examined, that the root of evil should be found, and be effectually and permanently eradicated ?

To effect this, we must first consider the great increase in our population, which, since 1812, (at which period it was estimated at about 16,500,000,) has advanced, according to the best authorities, to no less than 25,000,000. We should next consider the effect which an increased population has on the interests of society in general.

Increase of population necessarily promotes increase of consumption; but increase of population also produces increase of talent and labour, and although it is improbable that the latter can be devoted to agricultural pursuits in a country so small and so thickly populated as Great Britain, beyond what is absolutely necessary for home demand or consumption; yet this is not the case in respect to manufactured goods, for as the work of one man, aided by machinery, is equal to the consumption of many men, it is obvious that population increases in a far less ratio than the produce manufactured by that population.

This point is most essential in a consideration of the present circumstances of the country, especially as *every year* must render its importance more manifest, and as population continues to increase, the power we shall have of satisfying necessary demand by the possession of foreign commodities, will altogether depend upon the amount or quantity of British production which we are enabled to exchange for them.

And what is our present situation? It cannot be denied that Great Britain at this moment is, from her increased population,

her incalculable advancement in mechanical improvements, her unbounded enterprise and wealth, and her active industry, fully capable, when stimulated by demand, of manufacturing goods for the supply of millions beyond her own population, and this truth, for I assert it fearlessly to be a truth, carries with it a conviction, *that she never can reach her JUST level of prosperity until she can find a never-failing market for her manufactured produce.*

All wise governments have considered it their first duty to encourage the industry of the people; and although at certain times this regulation of labour must naturally be influenced by events, and *ever* be in a state of vacillation, nevertheless, the guardians of our laws and rights, cannot too closely devote their attention to this vital subject, for as it is by talent and industry alone, that the gifts of nature can be rendered conducive to the accumulation of wealth, so is it by *protecting* and encouraging these virtues, that we can secure, and apply that wealth to beneficial and reproductive purposes.

If such, then, be the case, we arrive at this important question:—In what condition is

the industry of Great Britain at the present period? Is there employment for every honest and industrious man who seeks it?

We are indeed compelled to confess that there is not; but on the contrary that there are tens of thousands who are willing and able to work, but cannot find employment, and tens of thousands of pounds lying comparatively idle, because the circulation of them in channels which were once productive, is not attended with a profit commensurate to risk.

In this condition, the accumulation of wealth is naturally slow and precarious, and distress is the certain result; for as every pound we circulate becomes reproductive by the industry of the people, every stoppage to that current of industry, is a stoppage to the accumulation of wealth.

There can be no doubt then that we may attribute the *primary cause* of our present distress to *the want of a sufficient market for our manufactured produce*; and this, too, at a moment, when the very markets* we

Extract from Calcutta papers of the 20th September last.—"According to the last accounts from Canton, the demand for cotton twist had become considerable. Every bale in the market had been purchased by merchants from the northern provinces. Preference was given to

require invite our intercourse, and offer the certain panacea for the wound which afflicts us. This want in such a country as England, where competition, ingenuity, and industry are so active and *so increasing*, naturally reduces the prices of manufactured goods below their *real* value, the quantity manufactured so far exceeding the inland consumption, and the quantity that *can* be manufactured so far exceeding any foreign demand; and hence, consumption being unequal to production, distress is the inevitable consequence.

If this be true, how can government be justified at such a moment, and under such circumstances, in refusing its support to a measure which will not only add to the wealth and comfort of millions of our fellow

the low numbers at forty-eight dollars. The trade in cotton twist or yarn has been increasing from year to year. In 1816, two years after the opening of the East India trade, the quantity exported was only 624lb; even in 1823, it was only 121,000lb; in 1826, it was 919,387lb; and in 1827, it was 3,063,556lb, and the declared value £273,990. The trade down to that year was confined to our possessions, and China was not tried till last season, on account of the Company's monopoly, although it was plain that the trade was far better suited to that country than to India; *raw cotton being an export from the one, and an import into the other*. Thus the East India Company, after neglecting to supply the market for at least thirty years, are seen *following the example of a free trader* at an humble distance.

creatures, but at once change the gloom which now pervades Great Britain, to the sunshine which ever brightens the efforts of successful industry.

It should ever be borne in mind, that every improvement in machinery whereby manual labour is divided or abridged, proves, through the weakness of human laws, a *curse*, when the production of that machinery is unsaleable, but the blessing it was intended to be, when that production meets with proportionate demand.

In the former instance, the advantage derivable from increase of population, is sacrificed to increasing ingenuity; in the latter, the accumulation of wealth becomes doubly important, inasmuch as both *ingenuity* and *manual labour* are producing their joint benefits; for at however low a price goods can be manufactured, their selling price will always be governed by the demand for them, and that country, therefore, will become the most wealthy, which can produce goods at the cheapest rate, for the supply of those nations where the consumption of them is certain and extensive.

Great Britain happily possesses every advantage to meet the widest field of con-

sumption; to obviate distress, therefore, it is the unquestionable interest of every man to implore the government to direct its most anxious attention to foreign markets. FREE and UNRESTRICTED TRADE is the *chief*, the *leading* feature of wise legislation—it is impossible to predict the immense advantages which Great Britain is capable of deriving from it, so great and so wonderful are her resources; and I do not hesitate to pronounce, that measure which first began to remove from our commercial sinews those restrictive bars which fettered us, and gave us even a hope of future freedom, to be one of the soundest and wisest ever adopted by the government of a civilized country.

Those who differ with me on this subject, should weigh coolly and maturely the advantages with the disadvantages. “If,” “as I observed in a former publication, “free trade, as a general principle, be correct, there must be a commencement to “such principle before there can be any “successful establishment of it.” Now, although this commencement may be the cause of partial distress for public benefit, by introducing foreign goods into our

market, which, for awhile, may affect the demand for certain articles of our manufacture, yet even this *cannot* continue to be productive of injury. France must be aware that we have the *power of enacting laws*, which will compel her to reciprocity for her own sake, and for mutual advantage. America must feel equally convinced that we are daily becoming less dependent upon her for our supplies of raw merchandise, and from the extent of our colonial power, and the variety of produce which we are capable of deriving therefrom in exchange for British goods, every nation who denies us reciprocity may, without difficulty, foresee, that such denial will only stimulate us, more and more, to be independent of her productions.

If, therefore, the cry of the country be heard by government, and if government be not opposed, which is improbable, to the best interests of the country, they must *pursue the only prudent line of commercial policy*—they must open to us a free intercourse *with all countries*, to which their immediate and peaceful influence extends ; it is to *such countries* that we have *a right*, an *undoubted right*, to look for the con-

sumption of our produce, and for an unrestricted supply of those commodities which we require either for our manufactures or consumption.

If I am asked on what this right is founded? I answer, that the British nation is not only justified by liberal, prudent, and civilized opinion in imploring the removal of those restrictions which continue to perplex her commerce and to distress her population; but she is justified by the principles upon which the constitution was established to *demand* such removal. Her right is founded on Magna Charta, and that right has been over and over again confirmed—
 “*Commercium jure gentium commune
 “esse debet, et non in monopolium et privatum paululorum quæstum convertendum. *Iniquum est aliis permittere, aliis, inhibere mercaturam!*”

2nd. *The effect of the suspension act, and of an injurious paper currency.*

In my explanation of axiom VII. I have entered so fully into this subject that

* Lord Coke.

it is almost unnecessary to add a single remark.

As to the expediency of the suspension act at the moment of its adoption I have ever been sceptical; and even, were it expedient, nothing could justify its enactment or continuance, but a full security being lodged in the hands of government to render any substitute for a metallic currency, a legal and honest medium of barter.

I can easily conceive that when extensive foreign wars produce a sudden draught upon the currency of the country, and lead to the erroneous and injurious system of hoarding up the metallic substances, commodities must rise very rapidly in price, and gold might, from such an event, be, for a time, unusually scarce; but wages must also rise in proportion, and each commodity would continue to bear a relative value to another, and the greater the demand for gold abroad, the greater would be the profit to the British trader; but this scarcity of bullion could not have continued, for it must, if more wanted in England than in other countries, have returned again in its natural course.

Whatever may have been the imagined

good effect of the suspension act, at the time of its adoption, its evil effect at the present moment is too evident to be questioned. By an unbounded and unnatural increase of the currency, all men who have made purchases of fixed property, lent money on mortgage or loan, invested capital in the funds, or in reversionary property, &c. during such currency, are now reaping a benefit proportionate to the injury which others are sustaining; they have purchased property and granted loans in paper, they will only sell that property and receive payment of those loans in gold. This injury is deeply felt by thousands, and the distress which prevails in consequence, is great, yet unavoidable; but however great it may be, a continuance of such a fraudulent system could not fail to increase the difficulties which, sooner or later, must have attended its abolition. Instead, therefore, of complaining that government has produced distress by a return to a metallic currency, we have every reason to be thankful that this step has at last been taken; and, although ministers have no power whatever, nor can they be called upon to draw an equitable balance between the

various exchanges of property since the passing of the suspension act; they have still the means of conferring an act of justice on the country, by reducing incomes and expenditure under their immediate control, as nearly as possible to their previous standard. This is the only beneficial relief in reference to the currency, which they can afford under existing circumstances.

Funded like all other property is sacred; men have used their own discretion in the investment of their capital; some have had foresight enough to profit by the want of judgment in others, and these transactions can neither legally nor honestly be interfered with. To effectually remedy, therefore, the distress necessarily arising from the return to a metallic currency, government and the country can only pursue one course; which, on the part of the former, is to persevere strictly in their present views and determination on this subject; and, on the part of the latter, for the sake of their posterity, to oppose any measure which, either in times of peace or war, may be proposed for tampering with the currency, by either a debasement of metal, or what is synonymous to

it, an unnatural increase of the circulating medium by the introduction of a paper currency.

Experience has in this instance taught us a woful lesson, the curse of our children will rest upon us if we do not profit by it.

3rd. *The existence of injurious and unconstitutional monopolies.*

All monopolies are evils in *principle*; therefore, all monopolies are highly detrimental and injurious to society, and cannot exist without inflicting a consequent punishment.

In making this declaration, I am not insensible to the difficulties which rise in the way of abolishing these serious restrictions to national wealth, nor am I insensible to the justice and necessity of making full compensation for any sacrifice that may be made by individuals, or any body of individuals, for the advantage and welfare of the public.

But if the distresses of England must be effectually removed, and if her wealth, talent, and industry must be most advantageously employed, *she must not be cramped*

by monopolies, she must have a FREE power of changing her produce, for the produce of other nations, and she must not be fettered by internal bonds.

The monopoly to which I especially allude is THE EAST INDIA CHARTER; and to this I add every other description of monopoly, whereby a given body of individuals have the slightest power whatever in regulating the conduct of the community—the price of any commodity—the terms and conditions of trade—or the free will and actions of any man in either a commercial, agricultural, or financial undertaking.

Englishmen are generally patriotic enough to respect the Government, and obey the laws; but when those laws are unjust, it never can be the interest of any Government, to continue to enforce obedience; and the days of darkness are too long gone by, for an enlightened community like that of Great Britain to bow its head to the dictum of any body of individuals who monopolise advantages to which they are equally entitled, without a powerful, an unusual, and a manly struggle.

But while we claim justice to ourselves, it is our duty to be just to others. This

feeling prompts me to approach the subject of the East India Charter, with that respect and delicacy, which its highly respectable body of directors and members deserve; and without entering into any of those details, which will be so extensively canvassed by the Committees of the House, and which most well-informed men are more or less acquainted with, I shall merely express my anxious hope, that whatever may be the result of parliamentary inquiry on this subject, and whatever the decision as to the renewal of a remodelled charter, or its total abolition; the present *distress of England* may induce a removal of one of its chief causes—that some satisfactory equivalent can be devised to recompense the East India Company, for the sacrifice of that authority which restricts our trade with China and the interior of India, which compells us to purchase many necessary commodities at prices far exceeding their *real value*, and which prevents the investment of British capital in a British colony, when such measures would not only tend to the advancement of the wealth and power of our own country, to the relief of our own burdens, to the establishment of commercial reci-

proximity with other states, but also to the happiness and civilization of the world at large.

In reference to other monopolies, such as the Bank of England charter; unjust authorities invested in corporations; and, indeed, all other such serious obstacles to free and successful commerce, I can only add my hope, that every year may find their influence gradually diminished, and that without any real or unfair sacrifice of individual right, the *rights* of the British nation may be powerfully, immoveably and happily established on the ruins of monopoly.

I cannot leave this subject without a few observations on the subject of the patent laws. If it were possible to reward ingenuity by any other means than by monopoly, it would be of essential benefit to the country, for patents, like all other commercial monopolies are injurious in effect. In their present form, the patent laws are of a most imperfect nature, and in considering the best means of revising and remodelling them, one point, *if they cannot be altogether abolished*, occurs to me as particularly deserving of legislative attention, viz. that no *patentee* should any longer have a power of

confining his invention to his own particular use; but that each man paying him any given sum per machine or per annum should have the right of adopting it. If a patent were very valuable, this would sufficiently repay the patentee; for if such sum were fixed, say, for instance, £500 per annum on all patents, the greater the profit, the more numerous the applicants for licenses—and on the other hand, if the patent were not valuable the *monopoly* would no longer be injurious. I am aware of the objections that may be raised to this argument, and there may be more convenient modes of meeting the difficulty; but I am most anxious, if the fundamental principle of the patent laws, which is an *evil principle*, cannot be abolished by some other means being devised of rewarding and encouraging ingenuity, that *as much of the evil as possible should be removed*, and that the injurious effects of these, as well as all other monopolies, should be softened down as far as they conveniently can be to the beneficial level of freedom.

4th. “ *The restricted importation or exportation of any raw or manufactured commodity.* ”

It is almost unnecessary to extend the remarks I have already submitted on the advantages to be derived from a free export and import trade. I cannot bring a conviction of those advantages more home to every impartial mind than by taking the same enlightened view of commerce, as that able writer of the seventeenth century Sir Dudley North, who recommended in order to govern correct principles of trade, that *all mankind should be considered as one nation or people.*

It were indeed a fortunate event for England if this opinion were more prevalent; for although a line of policy has been commenced, so creditable to its promoters and the country, we are still *suffering distress* from injurious and pernicious restrictions. Why are our industrious poor still compelled to endure misery and poverty, when nature opens her lap so profusely within their reach? Why are we still compelled to make daily sacrifices of wealth, by paying exorbitant prices for commodities which we can procure at a cheap rate? Why are we still complaining of our looms and mills standing idle, of

our poor unemployed, and of our shipping unproductive of profit, when there is such a wide field of commerce open to us as China and India present.

If the distress of Great Britain must be removed, if the wealthy must retain their wealth, and if the poor must live, all restrictions must be removed from British commerce; *we must have foreign corn, and all other foreign commodities as we require them and as cheaply as they can be procured, and we must have the liberty of consigning our cargoes to all quarters of the globe wherein they may be saleable.*

That this can be accomplished without injury either to the revenue or to the agricultural or manufacturing interests of England, *is most certain*—indeed such accomplishment is indispensable to the welfare of the British nation; the increase of population requires it, and the wants of that population will compel it; “omnes, qui rempublicam gubernabunt, consulere debebunt, ut earum rerum copia sit, quæ sunt necessariae; quarum qualis comparatio fieri soleat et debeat, non est necesse disputare: est enim in promptu: tantum locus attingendus fuit,”

5th. *Injudicious and unequal taxation: especially the pernicious and oppressive laws of customs and excise.*

However effectual the present modes of taxation may be, it cannot, I think, be questioned that many of them have a most injurious effect on the agricultural and commercial interests of the country; if they have *this effect*, and if it be possible that by any other system of taxation the demands of the revenue can be met, the sooner such modes are abolished the better. All laws are injurious which tend to cramp or retard the progress of agriculture or trade; excise laws and customs have this effect in innumerable instances. It is quite unnecessary to recount them. This effect may be seen in almost every object around us; we feel it in the very clothes which cover us, we imbibe it with all we eat and drink, and there is scarcely a single article of British or foreign production that can be brought within our walls, nay the very walls themselves, which do not call to mind a feudal mode of taxation, which must be hateful to every Briton; a mode of taxation which is open to constant frauds and injus-

tice; which can only be enforced with serious expense to the country; which proves a nursery for contraband trade; which tends more than any other measure to fetter that free commercial intercourse between man and man, which is absolutely essential to prosperity, and which, while it has an unequal and unfair effect in its general operation, deprives the poor of many comforts they might otherwise procure.

Is it not a disgrace to a mercantile country like Great Britain, that a vessel* with a full cargo should be detained from sailing four or five days, owing to the delay occasioned by rendering the shipment of a cask of spirits, agreeable to custom-house regulations, and the whims of custom-house clerks and officers? Is it not a disgrace to this country, that any merchant or bottle manufacturer, can buy *second hand bottles* at *half* their original cost, including excise duty, and after washing them, ship them as *new* bottles, and so obtain a *full* debenture? Is it not a disgrace to this country, that a Worcester glover should be obliged to strip the block on which he prepares his skins, three or

* An instance of this kind occurred at Liverpool within the last fortnight.

four times a month, to satisfy the scrutiny of an excise officer, when the delay and loss occasioned by such a custom, is a thousand times more serious than the annual amount of duty he pays for the use of his buffalo hides? Is it not a disgrace to this country, that a tanner cannot dispose of his hides, or remove them from his premises, before they have been subjected to the *convenient* inspection and stamp of an exciseman? In a word, is not the whole principle upon which the excise and custom laws are founded, as bad, as hateful, and as hateful as oppressive, to every class of the community?

The only excise law which can be defended by any plea of justice, is that which extends to spirituous liquors, for the morality of the country should be carefully guarded; and any thing which tends to demoralise, impoverish, or weaken the labouring portion, which is the main sinew of national prosperity, is inducive of a far greater obstacle to increasing wealth, than of any benefit which could be derived from a reduction of duty on such articles; but even in this instance, the law might be beneficially changed, and a stab might be given to the smuggler.

The assessed taxes are also oppressive and unjust, because they are not equitable in effect; they fall upon the man who has a family to provide for, and they too frequently leave the spinster and the bachelor harmless. A man with a small income and a large family is compelled to pay a greater sum towards the revenue of his country, than a man whose income is immense, and who is unmarried. By the absentee who draws his resources from the country, they are unfelt; and they bear with severe cruelty on the humble dwellings of the poor.

My ideas on the subject of taxation may be very unenlarged; but I do not state them with less confidence. The *poor* man should pay *no taxes*; *his hut, his cloathing, his meat, and his drink*, should be free from that sorrow which now embitters all his humble enjoyments. *Those who can afford, and enjoy the wealth of the country, however obtained, or wherever spent, should pay towards the maintenance and security of that wealth; and I am fully persuaded, that if every man were taxed according to his absolute means, by an equitable, and non-inquisitorial property, and income tax; and if the*

present injurious modes of taxation were altogether abolished, the revenue of Great Britain might exceed its present amount, with considerably less inconvenience to every member of the community.

That some such mode of taxation is absolutely necessary to enable England to open her ports to the free importation of foreign raw and manufactured produce, and that the opening of her ports for such purpose is absolutely essential to her own welfare, cannot be doubted; but as long as the bricks with which we build our houses and manufactories, the clothes which we wear, the food which we eat and drink, and every article which we consume or use, are thus unjustly taxed, we never can be in a condition to meet the agriculture, commerce, or navigation of other countries, on those fair and equal grounds that can render reciprocity of intercourse of increasing advantage to us.

To accomplish this desirable object, taxation should not fall on *creating*, but *created* wealth; and whatever difficulties may oppose such a favourable change in our laws, the *time will come when Great Britain will be compelled by her own circumstances to over-*

come them; and were this course now to be adopted, much, very much of our present distress would be for ever removed.

6th. *Unnecessary extent and expenditure of Taxation.*

The total amount of the national debt of Great Britain, as before stated, amounts to between 700 and 800 millions, the interest of which, amounting to nearly 28 millions, is annually raised from the pockets of the people, exclusive of the sum sufficient to meet the exigences of the state, and a balance invested as a sinking fund to meet the liquidation of the debt.

In reference to the last item, it is sufficient to know, that since the peace, it has proved but trifling, leaving us little hope of any speedy freedom from the heavy burden itself; and much, very much to dread from its increase, should we be again involved in war.

Now we cannot help acknowledging, that if this national debt did *not* exist, our taxation would be reduced to less than half its present amount, and that, consequently, much inconvenience and distress would be removed.

To obviate this difficulty, which has long proved an enigma in the science of political economy, many plans have been proposed.

Of these, the *Sinking Fund* has long been regarded as the most salutary and effective; but we do not live now in the days of Sir Robert Walpole; a sinking fund might soon diminish, at a period of peace, a debt of fifty-two millions, but with our present incumbrance of interest and with the present expenses of the country, how long, under existing taxation, would a sinking fund be in liquidating a debt of eight hundred millions?

Some economists have ventured to propose *a general subscription*, but out of the twenty-five millions who inhabit these dominions, how great a portion are existing by the sweat of their brow, or grovelling beneath the chains of poverty; and is the nature of mankind so altered—is national devotion and patriotism so great, that individuals will sacrifice their present wealth and comforts, for the benefit of posterity? A very transitory glance at this point of our subject, will show the utter impossibility of its accomplishment, the absolute folly of such an opinion.

To estimate justly the injurious effect which our heavy national debt has upon the interests of individuals, we should consider what would be our relative situation were we free from so distressing a burden; for although the re-circulation of money raised by enormous taxation if confined to the British empire, is no bar to the national accumulation of wealth, it is nevertheless an undoubted source of much individual misery and distress; and this distress becomes still heavier and more important where taxation is inequitably or unequally levied.

It is unnecessary to dilate upon the effect which a total reduction of this debt would have on individual prosperity—it is self-evident—one only consideration is, how can we eventually liquidate it, and how can we in the mean time pay the interest of it, and the other expenses of the state, with the least inconvenience to ourselves?

Nothing but a sinking fund, or a surplus of revenue above expenditure, strictly and honestly applied to such an object, can release us from this excessive burden.

Nothing but a revenue collected on the most equitable and judicious system, and expended with the *greatest possible prudence*

and economy, can meet the payments of the state, and render such sinking fund effectual in its operation.

Such revenue cannot be raised unless some decided step be taken to ameliorate the present condition of the country; first, by opening every possible channel for the consumption of our produce, and by introducing all foreign productions into our markets on the most fair and reasonable terms. 2ndly, by making absentees liable to a just proportion of taxation. 3rdly, by levying an equitable taxation upon *created* instead of *creating* wealth, and 4thly, by adopting every possible and convenient means of rendering colonial wealth in some measure conducive towards the maintenance of the government of the mother country.

The first method is easily attainable, by an abolition of all monopolies and restrictions, by which means the increase of individual and national wealth, will render the payments of taxation more easy and supportable.

The second requires, and has long required, determined enforcement.

The third can only be accomplished by

the abolition of all present taxation, except the only just one—that arising from the post office—and by the substitution of a fair and just property and income tax, which should at once be equal to the total amount of the state and local expenditure, by which means the very saving in the collection of taxes, would form no inconsiderable item.

The last proposition might be advantageously enforced throughout our East India possessions; for the payment of a land tax, redeemable on given conditions, or any other equally available droit to the mother country, would be no bar to the alacrity with which Englishmen would invest property, in the purchase of land, and in the cultivation of produce suitable to the British and other markets, if all restrictions to their fair intercourse with the natives were abolished.

That the distress which is now prevalent in Great Britain, is greatly influenced by the present mode and extent of taxation, under circumstances which render it difficult to support it, cannot be doubted, and to effectually remedy this distress, the evil which occasions it must be counteracted.

7th. *Unequal Poor Rates.*

The amount of poor rates collected throughout Great Britain, is estimated at upwards of six millions per annum; and as if every county were a distinct province, and Ireland were not a portion of the British Empire, this amount is unequally levied on particular portions of the community, and expended, not for universal benefit or good, but on particular bodies of the poor. The poor rates are excessive causes of distress in many parishes; in others they are almost unfelt; this alone is sufficient evidence of the inexpediency of the present law, and the expediency of such rates being defrayed by a general and equitable taxation of the whole nation. The expenditure of this necessary fund, would in such case be under the control of government, or the civil officers whom they might appoint to superintend it; and by the adoption of such a course, the serious expense of litigation between different countries, would not only be obviated, but an act of justice would be done to all, and an act of charity to thousands who at this moment in vain demand it.

8th. *Stamp duties, legacy, and probate duties.*

The revenue raised from these sources,* is an unfair and cruel tax upon individuals, and upon creating and created property, it is an unjust restriction upon the accumulation of wealth, and upon that open intercourse and barter between man and man, which are essential to its prosperous increase.

The laws which compel, therefore, the existence of these evils, are pernicious to society, and certain causes of inconvenience and distress to individuals.

These branches of the present revenue should therefore be included in that one general and equitable tax which should form the *fund* for defraying the total state and local expenditure of the country.

* I could quote an instance of an individual of immense property making on his death-bed a *present* of a very large sum to each of his children, in order to evade the unjust enforcement of the legacy and probate duties.

9th. *Usury laws.*

After the numerous remarks which I have already thought it expedient to submit on the subject, and *nature* of money, I need not extend them beyond a single question—have gold and silver any peculiar properties which distinguish their real value from the real value of other commodities—or are they valuable beyond their power or extent of exchange, for other commodities? If not, why would it not be as proper to decide by legislative enactment that a bushel of corn should only sell, or be granted on loan on *fixed* terms, as that the commodity we call money should be infested with the unnatural trammels of the Usury laws?

10th. *Highway Rates, Tolls, Church, and County Rates.*

These, like the poor rates, prove a description of taxation, highly objectionable in their present effect on individual interest, and, like the poor rates, should be embodied in the general taxation of the country.

There can be no just reason why the expense of those improvements in our roads

and bridges, which are adopted for public convenience, should not be defrayed at public expense. Nor is it just that the expense of public institutions, such as lunatic asylums, gaols, &c. should be confined to those counties in which such establishments are situated. It is for public advantage that they are erected, and it is by public support they should be maintained. The same arguments apply to Church rates, which, instead of falling heavy as they do, on some particular parishes, should be included for the common benefit of the nation, in that one general fund, which should be ample for the maintenance of a revenue proportionate to all state and public expenditure. I have not embodied tithes in my list of public grievances, because I foresee so many difficulties in rendering a commutation of them advantageous to the public, without an unjust interference with that property, which ought ever to be regarded as sacred and inviolable. On this subject, an excellent and elaborate Essay on Tithes, which appeared in the last number of the Quarterly Review, will amply repay an attentive perusal.

In addition to the various evils which I

have stated to exist, as greater or less causes of national distress we may, in justice, add the unreasonable charges, expenses and delay which are attendant upon most *legal proceedings*, and the injustice and impolicy of *many* of those proceedings—the many unnecessary *magisterial perquisites* and legal as well as illegal *fees* exacted by *numerous classes of civil officers*—the withdrawal of wealth by *absenteeism*—the partial and frequently exorbitant charges of *port and harbour dues*—the delay arising from an impolitic exercise of the *quarantine laws*;* and numerous other bars and restrictions to that fair, free, convenient, and enlightened intercourse between man and man, which is essential to agricultural and commercial prosperity, and to the happiness and civilization of any country.

Having thus far, my Lords and Gentlemen, intruded on your time and patience, I shall add but few observations in conclusion.

Unimportant as some of the preceding causes of distress may possibly appear, and opposed as the immediate removal of them

* A vessel lying in the river Mersey, with an acknowledged clean bill of health, is frequently compelled to wait the result of a communication between Liverpool and London.

may be, yet it cannot be denied that *one great cause* admits of easy and instant remedy; for it can be effected without any, but a sacrifice of that which is an acknowledged evil. I will suppose that there may be a powerful opposition to the immediate repeal of the laws of Excise and Customs—to any change in the laws which govern the assessment of the poor rates, tolls, county rates, church rates, &c.—I will even imagine that for a limited period the opposition to a repeal of the corn laws may be successful—I will admit there may be a strong prejudice to the re-institution of a Property and Income tax, and that various other causes of national impoverishment to which I have alluded may not be considered worthy of immediate legislative interference—but I will not admit that the causes of our distress are either difficult to ascertain or difficult to remedy.

The chief cause is, I repeat, the want of a market for our manufactured produce—the great remedy, the removal of all restrictions or monopolies which produce the evil. Let this evil be removed, and every branch of the community will be better able, by increasing in wealth and prosperity, to meet

the demands of the revenue however levied, or however expended.

That the time *will* come when all these grievances will be removed, I have no doubt ; for England never can be in the prosperous condition she is capable of enjoying until they are—and every session of parliament will add strength to the supporters of equal and equitable taxation—of free and unrestricted commerce, and of the establishment of national and individual rights by the abolition of all abusive laws. The time *is* however come, when one great measure is absolutely expedient to the preservation of the public peace, and to the protection and support of British talent, British labour, and British wealth. That measure is a removal of all restrictions to a free trade with those countries which invite our intercourse; which removal would not only create an immediate activity through our most important branches of manufacture, but would be the first step of pacific compulsion to a reciprocity of trade between this and those other states who now reject that intercourse.

Our present distress, though aggravated by many injurious laws, is mainly owing to the bonds by which a country's dearest blessings

are unnaturally fettered ; its alleviation can alone be efficaciously accomplished by a total removal of those bonds.

Under such a conviction, I implore my countrymen to enlist beneath the banners of commercial freedom, I implore them by the value they attach to their own happiness,—the happiness of their children,—the future welfare of their country,—and to the civilization of the world, to reiterate from one end of our island to the other, a demand which Government have no constitutional *right* to refuse, “ *Free trade and free intercourse between Great Britain and the world !* ”

Under the same conviction, my Lords and Gentlemen, I add my humble entreaties to the entreaties of millions of my fellow subjects, that you will not permit the present session to pass by, without affording that relief which is within your immediate control—I entreat you as members of the British legislature, and as guardians of the rights of British subjects, to respect the opinions of the people whom you represent, and by a removal of unjust monopolies, which are the greatest obstacles to the advancement of national and individual wealth, lead them to hope that your future measures

may be equally deserving of the confidence which they repose in your wisdom and your patriotism—a confidence which can never be so well repaid as by an impartial and sincere devotion of your services to the welfare of your country and the civilization of mankind.

I have the honor to be,

My LORDS and GENTLEMEN,

Your very obedient

And very humble servant,

RICHARD BADNALL.

GEORGE SMITH, PRINTER, LIVERPOOL.