

THE WRITINGS
OF
WILLIAM PATERSON,
OF DUMFRIESHIRE, AND A CITIZEN OF LONDON;
FOUNDER OF THE BANK OF ENGLAND,
AND OF THE
DARIEN COLONY.

EDITED BY SAXE BANNISTER, M.A.,
OF QUEEN'S COLLEGE, OXFORD,
With Biographical Notices, Fac-similes, and Portrait.

SECOND EDITION.—IN THREE VOLUMES.

VOL. II.

"Paterson has a prodigious genius."—*J. Stewart, Edinb. 1700. The Carstares Correspondence* (p. 436).

"As a piece of finance, Paterson's scheme for the redemption of the National Debt seems faultless."—*Economist, 23rd October, 1858.*

A very sensible pamphlet on the importance of a well-constituted Office of Audit to superintend the Public Accounts, and a masterly Treatise on the Restoration of the Coinage, are, with apparent probability, assigned to Paterson."—*Ibid.*

LONDON:
JUDD & GLASS, NEW BRIDGE STREET,
AND GRAY'S INN ROAD.

1859.

THIS SECOND VOLUME
OF
THE WRITINGS OF WILLIAM PATERSON
IS DEDICATED TO
WALPOLE DE ST. CROIX, ESQ.,
OF THE BANK OF ENGLAND,
FOR WHOSE ADVICE, AND
GREAT ENCOURAGEMENT IN THE PROSECUTION
OF THE TASK OF RECALLING THOSE WRITINGS TO PUBLIC NOTICE,
THE COMPILER OF THE WORK
CANNOT TOO STRONGLY EXPRESS HIS THANKS.
A FIRM FRIENDSHIP OF NIGH UPON HALF A CENTURY
MAY BE PERMITTED TO ADD ITS RÉCORD
TO A PAGE BELONGING TO FINANCIAL STUDIES, TO WHICH
WALPOLE DE ST. CROIX
BRINGS A RIPE EXPERIENCE, ADORNED
BY AN ENLIGHTENED CULTIVATION OF
THE FINE ARTS; AND THE HIGHEST SCIENCE.

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NOTICES

OF

SOME OF PATERSON'S COTEMPORARIES, AND OF
HIS FRIENDS. HIS CLAIMS.

1677-1719.

I.

Account of the most eminent financier of Paterson's time, Charles Montague, Earl of Halifax, with whom his relations were friendly.

SEEING how exclusively authors of the period during which the most active part of Paterson's life was passed, namely, from 1677 to 1719, limited themselves to its religious, its political, or to its purely literary aspects, and how each individual seems to have held the narrowest field of observation, indulging little in the discursive spirit now prevalent, it is not surprising that his name should rarely occur in the writings of the distinguished divines, statesmen, and wits of the time. Few of the published books were even advertised, and still fewer made the subjects of immediate criticism in any shape. Paterson, a zealous member of the Church of Scotland, was less a theologian than well-grounded in Scripture, and warmly attached to the "charity" which knits all mankind, and chiefly all Christians, together. Of state affairs a most

sagacious investigator, he was by no means a politician in the common sense of the word. And as to literature,—with his subtle logic, his variety of illustration, and force of style, he made so little pretension to the title of author, that it is believed he published all his numerous works without his name.

Nevertheless, from before the Revolution of 1688 to his decease in 1719, he held a not undistinguished place in public estimation, in various countries, and among various classes, including the very highest. As, too, he was undoubtedly ranked among those who then influenced public opinion upon matters still affecting the public welfare, the faintest proofs of his ties with his leading cotemporaries deserve to be recorded. Of such ties, the judgments of those cotemporaries respecting Paterson, as well as their own circumstances, constitute a material part of his story.

Proof exists that the worthiest men of his own time highly esteemed him. In the distinguished instance of CHARLES MONTAGUE, EARL OF HALIFAX, the editor of these volumes ventures to give some valuable details upon his lordship's financial experience, as really personal to Paterson himself. These details are widely scattered; but they are found mainly in original documents, collected by that minister, when our monetary and banking institutions were in their difficult transition towards their present state. That transition took place, in a great measure, soon after the Revolution of 1688, when Mr Montague was Chancellor of the Exchequer; and it extensively followed Paterson's views. These documents were at one time unquestionably in the minister's possession. Most of them are indorsed in his handwriting,

after, as is probable, being officially presented to him. They seem to have been kept for his guidance, and to have remained in his possession during his lasting connexion with the Treasury. They are bound up in a folio volume, noted in a blank page:—"Collected by Charles Montague, Lord Halifax; and purchased at the sale of George Earl of Halifax's books."

The purchaser, the late Lord Glenbervie, gave the volume to the Advocates' Library in Edinburgh, where it is preserved.

These documents concern the chief sources of our actual monetary system and currency, not yet quite clear of perilous convulsions; and which sincere men treat as still fairly open to further changes, rejected by Mr Montague, and his colleagues, by Mr Locke, Sir Isaac Newton, and Paterson, against the extreme pertinacity of the Chamberlens and John Laws—changes which the most experienced and the wisest now also shrink from.

There were many and important preparatives to the transition, among practical traders, as well as theoretical writers. The Honourable SIR DUDLEY NORTH, whose life was fast closing, and who may be named in connexion with Paterson, was the last distinguished merchant of London, who resisted what was begun to be so advocated early in the 17th century, and which the Scottish innovator in trade was to introduce with great ability and advantage into the daily business of capitalists. Sir Dudley had gained experience with a large fortune in Turkey; he understood perfectly the usages of the East, where, not for centuries only, but for thousands of years, and as far as in China, *banking* by individuals was, as now, familiar to all; wealthy men preferring, for the most part, to keep

their coin in their own possession—as the practice was of old in these islands. Upon returning to London about 1680, he found a new practice adopted by merchants, who placed their running cash in the hands of *private goldsmiths*, and who themselves paid and received by bills, as if all their dealings were “in Banco.”* This he disliked, and would have *his own cash-keeper* in his counting house, to pay and receive by, “as merchants used to do.”

“His friends, it is said, wondered at this, as if he did not know his own interest. In the latter end of his time, when he left the city, and dealt more in trusts and mortgages than in merchandise, he saw a better bottom, and used the shop of Sir Francis Child, at Temple Bar, for paying and receiving all his great sums.”†

Thus Sir Dudley was gradually falling into a method of business, the trial of which shewed its convenience, and led the merchants to force it into general use, so that, at last, Parliament was compelled to legalise what had powerful opponents among great lawyers.

Upon the analogous subject of the coin, at that time debased by fraudulent dealers, and more dangerously tampered with by ignorant official men, Sir Dudley North was far more clear-sighted. He was a zealous partisan of the safest measures on that vital subject, upon which his efforts in the House of Commons, and

* The Life of the Honourable Sir Dudley North, p. 148. 4to. London: 1744. The term “in Banco,” is here used in reference to the old practice of Amsterdam, Genoa, and other continental places, where public banks received the cash of the capitalists, whose bills were only payable there.

† *Ibid.*

out of it, were supported by "*some, not many, of his fellow-merchants.*" *

After vigorously defending those measures in Parliament, he wrote a pamphlet, published in 1691, shortly before his death, to appeal to public opinion against errors he could not defeat in the legislature.†

When it is considered that, in 1691, Paterson also suggested to the government how to restore the debased coin, sharing Sir Dudley North's convictions, which were those of Locke, in favour of the purity of the standard; and when it is further known, that Paterson's credit was not only good as a citizen of London, but that he was reputed to have enlightened commercial views, it will not be doubted that he was one of the few "*fellow-merchants,*" alluded to in the memoirs of Sir Dudley, as the supporters of his principles.

Better proof connects Paterson with the *minister*, who admitted those principles, although not always able to act upon them.

CHARLES MONTAGUE, EARL OF HALIFAX, from being Clerk of the Council, became a Lord of the Treasury and Chancellor of the Exchequer, in the reign of William III. His intellectual qualities have always been highly eulogised; and, even with the gossiping testimony produced by Archdeacon Coxe to his disadvantage, when his sudden death should have disarmed ill-will to everything but irresistible proof of unworthiness, it may

* *Ibid.*

† *Ibid.*, p. 179. The title of this pamphlet is, "Discourses upon Trade, principally directed to the Cases of Interest, Coinage, Clipping, and Increase of Money." London: Basset. 1691. Reprinted privately in Edinburgh, in 1822.

be safely asserted that his loss left a void in the public counsels never adequately filled.

How the finance minister of the Revolution of 1688 prepared himself for his task, may be inferred from the contents of the volume already referred to. Its *seventy-nine* documents exhibit, in careful order, the results of all the designs of the ablest calculators of that busy time, upon banking, currency, and the supply of money for the public service in a great war. To the schemes of a host of projectors, are added the objections of the official advisers of the Treasury to the plans definitively adopted by the government. If more documents might be usefully compared with those contained in this volume, which is probably one only of Mr Montague's collection, here is enough to instruct a master-mind upon the subject; and what is thus preserved is indispensable to the due comprehension of the important financial measures of the period. So much of it is now presented to the reader as seems to belong to Paterson's share in the work of his accomplished *friend*, as it is not hesitated to designate the Chancellor of the Exchequer of William III., and his Majesty George the First's minister, who would not let "*modest want in silent sorrow weep.*"

Of these seventy-nine schemes and opinions, the three of earliest date, of 1682-1683, propose to base joint-stock banking upon landed security in addition to paid-up shares, or upon a fishery company already established. These, as well as all the other proposals, aim, more or less, at making all *bills*, or *promissory notes*, *transferable* without a formal instrument of assignment, then indispensable in business at home, and a great point of contest, at last conceded by the legislature in the reign of Queen

Anne. One, dated 1683, entitled "Agreement to erect a Bank of Money and Credit, to the value of £300,000 sterling, with power to enlarge the capital," has these remarkable articles:—

The capital was to consist of sterling coin actually paid in, or lands to be mortgaged to the Bank, so that sterling coin could be borrowed upon it.

Of the £300,000, the sum of £50,000 was to be reserved for "emergencies."

Of the residue, another sum of £50,000 was to be always at command in coin, or silver plate at 5s. per ounce, or gold at £3, 10s. per ounce, or in diamonds or pearls at three-fifths of the reputed value, or silk and lace at the same value.

The remaining £200,000 was to be invested in real security, or upon the personal security of citizens of London, from a list of 1000 kept in the Bank, but not upon insurance, or any hazards.

Borrowers of the Bank funds were to pay *three* per cent. interest for "*entries* of tickets of bank credit"—*i.e.*, for credit upon their bills, payable at the bank, by "tickets contrived in a manner not to be anticipated."

Only £1000 was to be made payable in any one day, or £300,000 in the year; but the borrowers might have their tickets replaced by fresh ones, or renewed. This was to be called the *London Bank*.—

Among the projectors of these early attempts at joint-stock banking—thought by the minister to deserve his attention at this anxious period—are the well-known mercantile names of Herne, Abney, Knatchbull, and Travers, in association with Sir Joseph Williamson, the Secretary of State, Mr Pepys of the Admiralty, and

many noblemen, headed by his Royal Highness the Duke of York.

Of this list, Aldermen Herne and Abney were afterwards among Paterson's zealous supporters in like monetary undertakings.

It is a strong recommendation to this manual of the Chancellor of the Exchequer of the Revolution, that it contains exact information which the late Earl of Liverpool, when writing on *the Coins* of the realm, lamented he could discover no trace of in the Treasury.

After stating elaborately how the silver coinage had become debased, to the extreme public injury, before the Revolution of 1688; and, after tracing its restoration in the reign of William III., by the zealous efforts of Mr Montague, at the cost of *some* millions sterling, his lordship concludes thus:—

“I have not been able to find, in any public office, an account of the whole charge and loss which the public incurred by this re-coinage. The officers of the Mint have indeed furnished an account of the charges for making the new money, or the Mint charges, being £179,431; but the losses by the receipt of the principal part of the clipped and deficient coin, on their nominal value, as well as the charge for premiums paid to induce persons to bring in the remainder, and to bring plate and bullion to be coined, are nowhere stated *with certainty*. These losses are presumed at £2,700,000. . . . Mr Lowndes' report estimates the loss at £2,000,000. Anderson, in his *History of Commerce*, states it at £3,000,000. The common histories state it at £2,200,000. It is extraordinary that no account should have been made at the time, of the actual loss occasioned

by the re-coinage; or, if any such account was made out, that it should not have been preserved in some of the public offices." *

The documents sought for fruitlessly by the Earl of Liverpool, will probably be recovered among the invaluable papers of the Treasury, at this moment in the course of arrangement at the *Public Record Office*. Mr Montague had by no means neglected this information. To his carefully-collected papers in the volume now under consideration, he adds, for September 1696:—

“A State of the Funds given by Parliament, as they stand at this time, with an estimate of *the deficiency of the clipt money*; and also what the funds themselves may fall short of answering the sums they were given for, supposing that the deficiency of their clipt money is, and will be, provided for by Parliament.”

The details are set forth in sixteen folio pages, in great detail, and with perfect clearness. The result is stated to be a loss of £2,297,415 upon the clipt money, and £4,634,696 loss from the deficiency of the funds, voted under twenty-three titles of taxation. The general result, when other heads of calculation are allowed for, is a total of £6,732,111 provided by Parliament.

This document is endorsed in Mr Montague's handwriting: “18th Sept. 1696.—State of the Funds given by Parliament, as they stand at this time.”

Lord Liverpool suggests that the whole loss might be made up of numerous deficiencies upon various heads of the revenue. So the account specifies those heads, and gives the exact loss on each.

* Treatise on the Coins of the Realm, in a Letter to the King, by Charles, Earl of Liverpool, pp. 169–180. Oxford: 1808.

Two of the earliest in order of these documents, but not dated, are obviously essays from one familiar with the continental uses of *transferable* bills and bank credit, here well described and recommended. They constitute, in fact, introductions to the new business respecting money that was in cautious preparation among us.

The first is as follows :—

“ A merchant, or other person (of sufficiency), in Flanders or elsewhere, gives out his bill or bond for the payment of £100 at the end of six months. One way of making payments there, between person and person, in case the person above-mentioned be accounted sufficient, and so the bill accepted of, is by assigning such bill from hand to hand. This one bill, or bond for £100, may happen, before the money becomes payable, to pass current through twenty hands, and this with much more ease, speed, and safety than if so much money had been carried from place to place, and told from hand to hand among those twenty persons.

“ To the raising of the Bank at Amsterdam, two laws at the beginning were necessary ; the first, that all sums above 300 guilders, or £30 sterling, should be paid at one place ; the second, that all the said payments above £30 sterling should be made in bank dollars, for ready telling.

“ There were also, in the third place, an accommodation provided by the magistrate, that in case any money more were left in the bank there should be those that should receive, keep, and deliver it out again, as the owners should from time to time appoint. And for security of what money any man should leave in the Bank, the whole city was, by the magistrate's authority, engaged to make it good.

“ These two laws with that provision being made, there followed by necessary consequence, and in a short time,—1st, The bringing of the species of money to the Bank ; 2dly, The leaving it in the Bank to save the trouble, charge, and hazard of carrying, keeping, and telling of it, perhaps within three or four days ; 3dly, There followed, as being an easier, cheaper, and quicker way of payment, a continual assignation from hand to hand of the ownership only of the money which lay in Bank ; and this, except on some extraordinary occasion, without taking

out or telling any of it. Thus, though it did, and doth still, daily and hourly change its owner, it is yet very seldom in part, and never in the whole, taken out of the Bank. Thus also, in point of time, the money, contrary to its ordinary use and to the original pretence upon which it was brought in at first, is become rather a kind of security (the money being supposed to be there), than an instrument or medium of payment.

“From these two examples of Flanders and Holland, it is by long experience manifest, that credit, though founded on the first example, upon personal security only, and in the second, upon a mere supposition that such a sum of money lies in the Bank, when there is not in truth one-fourth part, if the bottom of the Bank should be discovered, is yet to all intents and purposes equal, and as the power of easier, quicker, and safer despatch of all payments, far to be preferred before money.

“Now, if it cannot be denied that the credit in the two examples above mentioned, though seemingly founded and secured, is yet to all intents as good, and in many and considerable ones, far better than money, I shall, from the premises, propose some queries to the consideration of such as are in place to judge and make use of them.

“*1st*, Whether the titles, encumbrances, and other concernments of land, within this nation, might not in a short time be so ordered by the help of registers, and to lessen a third part at least of suits and troubles concerning lands, and make the assurances of lands less disputable as to pre-engagements and deceits?

“*2dly*, Whether the above-mentioned bonds and bills of credit in Flanders and elsewhere if founded upon, and secured by lands so registered, might not justly be accepted, and pass more current among us, than the like credit, founded upon no better than personal security, and that but of one man only, doth amongst them in Flanders?

“*3dly*, Whether £100,000, which, at twenty years' purchase, is worth £2,000,000, being mortgaged to a bank here in England in the very same manner as is ordinarily done in every scrivener's shop, is not a very justifiable security for a million of credit, and far better than is to be found in the Bank of Amsterdam, where, if very good intelligence doth not lie, there is not one-fourth part the money to answer what, in truth and justice, there should be, the other three-fourths having been taken out by the magistrates to maintain the wars against the King of Spain, and so, if every bird should call for its feather, risking the good faith of the city?

4thly, Whether the Bank credit, or credit in Bank, thus founded upon, and secured by double its value in land, have not also, in consequence, incident to it not all the same advantages above mentioned of ease, speed, and safety which are in the Bank payment at Amsterdam?

5thly, Whether Bank credit upon, and secured by the very same security as will command as much in money in every scrivener's shop, may not justly be accounted of the same intrinsic value, and as little, if not less, subject to hazard or loss than money itself; which, if soberly weighed, hath no proportionable intrinsic value, for which it goes for in way of payment?

6thly, Whether Bank credit, besides its equal intrinsic value, at least with money, and its equal advantages in all other kind whatever with the Bank payments at Amsterdam, have not also these further advantages, peculiar and proper incident to it beyond what is to be found in the other two: 1. That it may be raised by a law only, without parting with several millions' worth of our own commodities for it, to the great merchant of gold and silver, the King of Spain; 2. That the capital, or stock of credit to the Bank, may be increased to what proportion it shall be thought fitting and necessary; 3. That it cannot, as money, be rifled out of the Bank, as it was lately like to have been in Holland, and so turned against the state; nor yet carried out of the land, as all our money now is; 4. That out of this Bank credit, which costeth no more to raise but the making of a law, the mortgager paying three per cent. instead of six now to the lender of the money, the state, become the only usurer, will give £300,000 per annum, besides a continual further increase that is like to be of their revenue, out of the vast increase of inland and foreign trade, which this plenty of money will necessarily cause in the nation?

7thly, If what is above mentioned concerning Bank credit founded upon land, doth, on sober examination, prove to be true, whether there be any proportionable objection against the establishing—1. That all sums above £10 or £20 be paid at certain fitting places within the nation; 2. That all payments at those places shall be made in Bank credit, founded upon and secured by land?

8thly, Whether these two laws once made, there will be any future use of money than for getting payments under the sum of £10 or £20?

9thly, Whether money, being thus confined to petty payments,

any private person be like to desire to change any great sums of Bank credit into money, seeing that the money must either be by him with loss, till he have disbursed it in petty expenses, or for making a great payment, must not without some difficulty be turned again into Bank credit?

“10thly, Money being thus unlikely to be called for by the private person, whether, from the very first making of the law, there will be any difficulty for the magistrate to satisfy all such demands of money?

“11thly, Whether that stock hath a more intrinsic value, and is more advantageous, by the easy, safe, and quick despatch of all business of payment, than money itself, and by and for which the person that hath it, may at all times command money, if he desire it; may not, without distrust, objection, or difficulty, be settled for money by the Parliament, or pass for money with all private persons in the nation?

“12thly, Whether the like credit to that above mentioned, founded upon and secured by double the worth in staple commodities, such as brass, tin, lead, wool, cloth, leather, &c., may not with justice be accounted of a true, intrinsic value, and as little subject to hazard and loss as the money raised in the Lombards on pawns?

“13thly, Whether by the staple commodities so pawned in the Bank, and sold by the keeper of the Bank, according to the owner's own value set upon them, there would not in a very short time be raised so many great marts, or fairs, of all the staple commodities of the land?

“14thly, Whether all the staple commodities of the land, passing thus through a few doors, or gates, and not to be there received if not well made, it would be difficult for the magistrate to order a more just and true making of them, which would very much conduce to the resettling of trade?

“15thly, Whether there being three per cent. paid for all the credit raised upon staple commodities thus pawned, there would not arise, secondly, great revenue to the crown, besides the likelihood of a third, that may also be reckoned on, where land and staple commodities make a continual increase of money; and money, again (usury being in a manner taken away), doth necessarily cause as great and continual improvement of lands, and increase of staple commodities?

“16thly, Whether the owners of land and staple commodities, which shall (by the privilege of these Banks) be admitted to the advantages

of a continual rent of their commodities, and of raising money at three per cent., will not be able to improve either their lands, or their stock and staples, far beyond what may or can be done without the same advantage?

“17thly, Whether to admit those only to the advantage of the banks (all others being left to pay their taxes in the ordinary way), who shall engage for a commonwealth against perpetuity of power in any person, or more explicably, against a single person, or House of Lords, is not a likely way, and in a short time to settle every man’s heart for his own advantage, to the principle, and for the interest of a happy commonwealth?

“Let the reader, after sober consideration hereof, weigh whether credit, founded on land and staple commodities, be not of a more pure, real, and true intrinsic value, than gold and silver, and more useful in the easier, quicker, and safer despatch of all business of payments, than gold and silver—a cheaper purchase to the nation, there being only a law necessary to the raising of it, than to buy so much gold and silver from the King of Spain; a great advantage to the whole nation, by filling it with money, and so, by necessary consequence, with trade; a great advantage to them in power, by the opportunity of gratifying an exhausted people, and by the present and continual increase of such a public revenue as every man will be more than content, desirous to pay; a great advantage to every private person who shall be admitted to the privilege of a continual vent of his commodity, and of raising money or credit upon it, without brocade or difficulty, at three per cent.

“This design will raise the price of land, in likelihood, from twenty years’ purchase to thirty; for he that, at twenty years’ purchase, now hath to pay five per cent., shall, when money may be had in the Bank at three per cent., be more desirous to buy land that yieldeth three per cent., than to make nothing of the money. When the state is the only usurer, or else can afford to lend at three per cent., to supply all men’s occasions with three per cent., will be clear gain to the state. And land of five per cent., at thirty years’ purchase, will then yield £150, which now, at twenty years’ purchase, yields only £100.

“Man that wants £1000 to pay a debt, and comes to the Bank and mortgages land of £100 per annum, and for it takes the credit of the Bank, he turns over this credit to his creditors; and hereby the

debt is paid. But his land remains mortgaged, which he still enjoys, and takes the profit of, paying to the Bank three per cent. Query, how he could come to redeem this land again? To redeem it he agrees with a purchaser for £2000; he pays the Bank one, and the party another. And, query, whether the Bank may not take the advantage of the forfeiture for non-payment of the money, viz., the £1000, at the day? And query, if, after the forfeiture, the mortgager be willing to pay the £1000, how, and from whom, he should have his re-assurance?

“He that has the money—viz., £1000—what encouragement hath he to bring this into the Bank, whereas he shall receive no use for it? Although the answer to this is, that if he keep it he shall by a law be bound to put it out, or else the state letting at three per cent. spoils his letting it out, and enforces him to buy land; and when he can reap no benefit of it, it will be more subject to loss by robbery to keep it by him, than to lay it in the Bank, for which the state is responsible, and for which he hath the credit of the Bank to have it out again when he will, as also to assign over the credit therein to another upon any purchase!

“A tenant that pays above £20 brings his rent into the Bank, and turns over his credit of the Bank unto his landlord. All that the landlord hath hereby is, that the rent is in safe custody, and he may take it out as he spends it; and, in the meantime, the state puts it out to use.

“As this design will advance the sale of land, so it will improve the rent of land: for most tenants pay tax for money; and when they have money at half the rate they now pay, they can afford to give the more rent for the land they take on lease.

“To begin this work, the state must have some Bank of money at first, and must have some credit also. The money must beget the credit, and punctually to pay, or performance must support it.

“The money must be the state's own, or else there will be continual jealousy that the Bank may be emptier in case of necessity when the state hath need of it; while, if it be their own, it will not be presumed they will rob themselves.

“Nor is it imaginable that a Bank of money will be ever raised by particular persons, whereas they shall have no profit for it whose money it is, and the principal will be continually at the mercy of the magistrate, and at the command of the army.”

The next document, selected from the Halifax volume, is indorsed, "*Treatise of a Bank.*" It succeeds the preceding document, and is not dated, but obviously drawn up two or three years before the Bank of England was founded. It is as follows:—

"*An Easy Way to Raise and Extend his Majesty's Credit, without Interest or Damage to the King or Kingdom.*

"*Imprimus*,—That money being certain authorised coins, or medals formed of gold and silver, to which at every commutation of commodities are sure to yield their impressed value, some such firm and known credit, giving like security to yield their value impressed, can as well perform this office, and is by many accepted, and often preferred before either, as that only, and no great use, which both commands and attracts it; and being by bills, or such-like paper evidences transferred as money in foreign Banks, it may become as serviceable to the ends and uses of trade and commerce, as well when there is no money as when there is.

"Hereby his Majesty, without any expense, may annually extend his credit to *the yearly value of his own revenue*, by authorising and issuing out such-like bills on credit, always supported thereby, and making the same immediately current for the public duties, they shall be taken in as from time to time they grow due; but the rest standing out at the end of every year to be brought in, and, without any defalcation or delay, paid off in money, or else (the parties desiring it) to be entered creditors for so much in Bank, with allowance of common interest ever after.

"That the said authorised bills shall be reckoned a new species of money, which his Majesty hereby creates and superadds to the kingdom's stock, to the great benefit of trade, which by this means is considerably advanced and augmented, and produceth to like effect in the revenue of the crown.

"To distinguish it from public coin, it may pass under the name of cheque, or Bank money.

"Thus his Majesty's security and pay, without altering any settled course of his exchequer, or encumbering the same, may be made as certain and satisfying as any man's, and superior to that of any prince

or state whatever; and thereby become current in trade and commerce equal to the foresaid coin, the counterfeiting whereof being made in like manner capital.

“It cannot be doubted but this sort of money will pass from the king to his immediate creditors, and from them again to theirs; and with all persons interested in public payments, as merchants and brewers, to their dependants, which goes far in trade. By which means his Majesty's land and naval forces are accommodated; and will be difficult for seamen to convert the same (under these circumstances) into money, when, being discharged the public, they put themselves into the service of private merchants, who, at such times freighting ships at sea, have considerable payments to make to the king, which may be indifferently done with one sort of money as with another. It may also be turned into money, if desired, at any time, by bankers, or other usurious persons, with allowance but of common interest, because they can pass it immediately to the merchant, or some such person making public payments as aforesaid, with like allowance of interest from them; by receiving, in effect, double interest, they are exceedingly benefited.

“The like may be done upon the credit and security of his Majesty's fee-farms, valued at so many years' purchase as they are really worth; and their annual rents, in the interim, to be brought into the exchequer, or paid into the chamber of London, to be allowed and accepted in all public payments, as aforesaid.

“That this enterprise is both practical and profitable, may be collected from the custom of foreign states, which have and continue it among them, with this only difference. The foundation of their credit *in Bank* is money, which, though often transferred, is seldom recovered. This well-grounded security, not only as good, but in many other respects superior, and ought to be preferred, is seldom obnoxious to an avaricious and precarious prince, or to the violence of mutinous and rebellious subjects; in which cases, Banks of money are liable to inconveniences, as well in republics as in principalities. And seeing nobody hath to complain, it cannot be thought grievous to any.

“Although gold and silver, *taken separately from their common uses in trade*, without the mediation of which it cannot prove to be good for little more than to gratify the fancy to behold; and, in truth, is of no real intrinsic value, but what opinion hath made it, except

for physicians, which gold only pretends; yet it is not hereby designed to prohibit, or banish the use of either in commerce, which will by this means be rather increased, and distributed in greater plenty, as in those petty states, particularly Holland, and Genoa, where credit is made transferable and current, though far less in territory and dominion than England; either of them may be said to command or attract more money than all his Majesty's dominions, as may be seen by those vast and incredible sums the little state of Genoa furnished that grand monarch and merchant of gold and silver, the Spaniard; and by Holland, though they allow but three per cent., when six is paid here, and ten in Ireland.

"In case this is enterprised, and put a-foot, it cannot be presumed to take effect.

"If it may be put to that issue, it is humbly conceived, I could in this behalf easily propose a way for the introducing thereof, as will render this sort of money equally current with any other.

"The benefits accruing are:—His Majesty's debts may be presently extinguished,—

"The expenses of the crown, naval and domestic, lessened,—

"Every man put in capacity to satisfy himself from the king at any time,—

"The revenues of the kingdom meliorated and advanced equal to the credit hereby raised and extended; which maketh a proportionable augmentation in the revenue of the crown, and is equivalent to the like value in money, added to the general stock of the kingdom, or lent it for the improvement of trade,—

"It will reduce interest, improve rents, disperse the money in Banks, facilitate the borrowing of money, make all impositions more easily collected, secure the farmers against bad debts, the king against all pretence of defalcation, make commodity money, and yet leave the same arbitrary as before, whereby in effect his Majesty's whole revenue is paid in commodity, to the great ease and profit of the subject—prevent many law-suits, and the sale of seamen's tickets for half the value, cause a great overbalance in trade, and contribute to the importation of bullion, to the further increase of our stock, and enriching the kingdom. Hereby may be undertaken the remitting and exchange of money from all parts, and by the direction and care of the government, return the same in specie, to the draining other

countries and enriching our own. By this the merchant may be necessitated to carry out more of our own growth and manufacture, to raise and create, from time to time, new funds and credits abroad.

"It is introductive to public Banks, free from the objected dangers and inconveniences of Banks here; nor subject to the like accidents with those abroad.

"In fine, his Majesty's whole revenue is thereby coined into money, whereby all that interest his Majesty pays now annually is wholly saved. So that hereafter he will not need those small supplies from city bankers or farmers as heretofore, to his exceeding great detriment. And upon the whole, his Majesty's revenue will be hereby so exceedingly improved, that it may modestly be computed worth three or four hundred thousand per annum more than it is at present farmed at. All which is humbly submitted."

These documents are succeeded by a single leaf, which seems to open the new plans certainly discussed by Paterson, amongst other persons, in 1691. But that leaf is without date, and it is not endorsed. It is as follows:—

"A Proposal for settling a Transferable Fund of Perpetual Interest."

"Whereas a transferable fund of perpetual interest, firmly and duly settled upon, and committed unto the management and direction of the principal proprietors originally concerned therein, as trustees by perpetual succession, is not only the more easy and desirable way of raising money, but the convenience, security, and advantage of such fund for great payments as are about the cities of London and Westminster, would exceedingly facilitate the circulation of money, and consequently give great life and vigour to trade, industry, and improvements, prevent the drawing of money from the country and places remote from trade, and very much advance and improve the value of land.

"Whereupon it is proposed—

"1st, That a fund may be settled and appropriated to the payment of a perpetual interest, at seven per cent. per annum, upon twenty hundred thousand pounds, to be advanced to their Majesties.

"2d, That this revenue, and the whole direction and management thereof, may be under the twenty or more trustees, for the use of the proprietors, who may be empowered to choose to their assistance any number of other fit persons, not exceeding so many more, to be the trustees or managers thereof by perpetual succession.

"3d, That six per cent. per annum of this fund be paid the respective proprietors thereof who shall advance money thereon.

"4th, That one-half per cent. per annum more be paid equally to the trustees for managing it.

"5th, That the remaining half per cent. be paid to the exchequer on this fund, or if the whole be advanced in ten months; but otherwise, to be accounted for as overplus.

"6th, That the value be assured in the exchequer by the trustees and managers, when credit is given, for the respective sums in the registers, or books, of this trust.

"7th, That this fund may be perpetual, unless the government wish to redeem the same on twenty years' purchase—i.e., every £5 a-year for £100 in money, or that it should in time discharge itself.

"8th, If any overplus be in the revenues hereby settled, that the same may be employed in discharging the value thereof as this perpetual fund of interest, what shall be called in, paid off, and discharged by the number, at twenty years' purchase—i.e., £5 a-year for every £100 in money.

"9th, And that the trustees and managers hereof may be the better enabled to circulate this fund at the rate of six per cent. per annum, and to render the same not only useful, secure, and profitable for great payments in and about the cities of London and Wesminster, but also sufficiently encouraging to such as shall be originally concerned in the advance, let it be declared and enacted by Parliament, that every trustee therein may be obliged constantly to keep, in his own name, and upon his own account, at least the sum of

thousand pounds, in ready money, in the treasury or treasuries of this trust; or pounds per annum in this fund of perpetual interest to be a fund of money, to raise money upon, to make a sufficient running cash to exchange for money such property in this perpetual fund of interest as shall be brought and transferred unto them, at the rate of £6 a-year for every £100, as

money, without any other consideration or abatement, except interest due before the terms of payment thereof.

"10th, And for the better encouragement and security of the trustees, and others, to leave their money in the treasury or treasuries of this fund, or to dispose thereof upon the fund of perpetual interest; as also, to render the same more acceptable, diffusive, and useful to every one, let it be enacted that no confiscation, forfeiture, seizure, or attachment, stop, or restraint whatever, shall be made on this perpetual fund of interest, or on such money as may be before deposited or laid up in the treasury or treasuries of this trust, by raising any embargo, breach of the peace, letter of mark or reprisal, a war with any foreign prince, potentate, or nation, or upon any other occurrence or pretence whatsoever. But the same shall be well and truly paid, delivered over, written off, transferred, or assigned to the use of the respective assignees, owners, bringer or bringers thereof, their executors, administrators, or assignees on demand.

"11th, And that every one may now easily find and reap advantage hereby, let the transfers, assignments, and entries in the books in custody of the trustees be in the nature of records of this kingdom. And that table of interest may be made whereby the interest may be reckoned by the day, by the week, by the month, and by the year; and the particular interest of the person best concerned accommodated thereunto.

"12th, That all persons whatever—clerks, strangers, aliens, bodies politic or corporate—may be admitted into the fund; and that the same may be declared free of all taxes and imposition for ever.

"13th, That this fund may be a perpetual fund of security for the money and estates of such orphans, and others, as may, from time to time, be deposited therein. And that every trustee or guardian may lawfully deposit such money as may be intrusted unto him in this fund; and that such disposition to the use of the proprietors may be good and valid for their discharge.

"14th, That any part of this fund may be appropriated, as need requires, to such uses as the owners thereof shall desire, whether for entails, jointures, or other uses whatsoever, with such other privileges and immunities thereunto as may be needful, as well for the advantage of the government as for the good and profit of the proprietors, and the trading part of the nation, in all time to come.

“ 15th, If the sum of ten hundred thousand pounds be not paid to the exchequer on or before 24th of June next, what then above shall be unpaid may be borrowed upon the credit of the Act.

“ 16th, If the whole be not paid in to the exchequer by the day of the remainder may be borrowed by the credit of the Act.”

The next document selected is endorsed by Mr Montague—“Proposals for a Fund of Current Property”—and it is dated in the year 1691, when Paterson states that he and his friends opened their views on the subject to the government; but these “proposals” are fixed to November, whereas his were made in July and August. It is as follows:—

“ Proposed—

“ That the Parliament doe establish a fund or foundation of currant property, for advanceing the summ of foure millions to the use of the publick att five per cent. per annum.

“ This foundation to be a perpetuall revenue of two hundred thousand pounds per annum, settled for ye payment of a perpetuall rent or income of four and half per cent. per annum for money advanced, and half per cent. per annum to proposers for the management thereof. The proposers to have authority by Parliament to issue out bills of property upon the foundation or fund amounting to foure millions.

“ The value of each bill to bee paid into the exchequer before it bee issued.

“ These bills to be made currant by Act of Parliament.

“ Reasons for makeing the proposed currant property within this kingdom.

“ 1. Itt will not only have all the advantages of currant money, but itt will also answer ye ends of a real estate.

“ 2. It will raise ye price of land, and bring doune the interest of money.

“ 3. Itt will contribute to our riches, ease, and security att Home, and encrease our trade and reputation abroad, and ye currant coine of this kingdom will bee as effectually augmented thereby as if soe much value in gold and silver were drawn from any foreigne part.

"4. It will make the trade of this kingdom more secure, quick, and easy.

"(1.) By preventing ye unnecessary credit that is now given.

"(2.) By drawing the species into ye hands of ye common people.

"(3.) By the easy way of transferring or payment.

"5. Itt will remove ye great inconvenience of transporting great summs of money from one place to another within this kingdom, and consequently will thieving and robberies, and the drawing of money out of ye country and places, remove from trade.

"6. Their Majesties will have hereby present money for ye service of the government.

"7. The nation will have great ease and advantage hereby in being free from taxes, and from having their money wasted by extraordinary interest.

"The establishing of this currant property is not only needfull, for that itt will bee ye speediest and easiest way raiseing money for this time of exigence, but itt would be highly for ye interest of ye trade and greatness of England to sett itt on foot, although there were no other occasion for ye disposing of ye same to be advanced thereby but to ye relief of ye poor, or to be bestowed on public works.

"9. It can be no loss or detriment to ye publick, for what is paid in tax to this use by ye people, will come in againe in rent or interest to the people."

Although these documents are not *declared* to be from Paterson himself, yet in the Journals of the House of Commons, of 18th January 1691, extracted at large in the first volume, he is reported to have proposed loans in terms analogous to the foregoing, and it was in July and August 1691, that in his book of 1717 he states his first communication on the subject was made to the government, shewing how slowly the correct idea of a *paper currency founded on value*, progressed before the Bank of England was founded in 1694 and 1695.

In the next month, December 1691, the secretary of the Treasury, Mr Lowndes, made objections to the new

methods proposed by the financial reformers, to raise supplies for the public service. Those objections are contained in a report endorsed by Mr Montague: "Remarks by Mr Lowndes, upon the proposals for raising two millions by a perpetual interest, 1691." The document is as follows:—

"Remarks upon the Proposal for establishing a Fund to raise Two Millions, to be charged on a revenue of £110,000 per annum, by bills.

"1. It is understood from the words and scope of the proposal, that, after making the law which is offered for the acceptance of the said bills, instead of money, for debts, owing or to be owing by the king to a subject (such as are owing on tallies already struck being only excepted), and for all revenues, taxes, and future loans which the crown is to receive from the subject, and for all debts that are or shall be owing upon mortgage, bond, or other specialties, or without specialty, or for rent, and in all other cases where one subject is to make a payment to another,—will become compulsory;—that is to say, the tender and refusal of such bills will have the same construction in law as the tender and refusal of money in specie. But still all persons (although their bills, for the reasons undermentioned, or any other, should be found not to be equivalent, or by common reputation should be thought not equivalent to specific money), will have it in their power not to lend, or not to dispose of their moneys, for the future, upon public credits, for their Majesties' affairs, or upon mortgages, bonds, contracts, or other securities, where the interest or business of the subject is concerned.

"2. That being premised, it is necessary to consider, first, whether these bills, being made current by Act of Parliament, are likely to be, or be thought equivalent to the contents thereof in gold and silver; secondly, what may be the effects and consequences of such an Act one way or other.

"(1.) The reasons which induce a belief that these bills will never be thought equivalent to so much specific money are these: The owner of the bills, upon any accident or necessity, will never have it in his power to go to the trustees, or managers, or to any other persons, to demand, or compel from them, the payment of his principal

money, but only five per cent. interest, and that may be in paper, too; and, if it be said he may sell his bill to any others, it is answered that others may refuse to buy it. So that his principal, by this means, will become precarious, and never be within his proper reach or command.

“(2.) The present state of interest, established by law throughout the kingdom, is six per cent. for all moneys lent to the king upon his best security; when the principal is repaid in twelve months, more or less, there is allowed seven or eight per cent. If a man lays out of his money in the purchase of leases, the buyer has commonly six, seven, or eight per cent., and that compound interest on his money. Even an inheritance of land, bought at twenty years' purchase, yields a profit of five per cent.

“3. In the case of these bills, as, on the one hand, there is no prospect of a profit exceeding five per cent., which is less than the former legal profits made of money, as aforesaid; so, on the other hand, there is a possibility, if not a probability, that there may be a loss by them—to wit, it is possible that the principal contained in these bills may be depreciated, if not become wholly valueless. When men have a contingency for profits, they adventure a loss; but here is no proposed gain to be set against the hazard—a proportion in reason always respected in dealings. If it be said that the reducing the common rate of interest throughout the kingdom from six per cent. to less than five per cent. will advance the value of the principal contained in these bills, which will always be entitled to five per cent., besides one-half per cent. for management, it is answered that such an advance can never amount to much; and there is no reason why, in such a reduction of the common rate of interest, these bills should find an exception. And if it be asked, where lies the hazard, leave is humbly desired to say that these bills, which are to endure for ever, must, for their support, have perpetual good liking of all governments in successive generations. If it be allowed that interest bears sway in the minds of men, who can think that posterity will be willing to pay a tax of £110,000 per annum, not for the support of their own government, for the time being, but to go into the pockets of private men, strangers as well as natives, for money advanced to their ancestors, when it will be in their power to acquit the public of such a burthen? I have seen the record of an Act made in the time of Henry VIII., in

which the Parliament, for a reason of state—to wit, the public utility—vacated debts which that king had contracted for loans, really and *bona fide* made to himself by merchants and others. Future Parliaments will always have power, and may be told it is their interest, to exonerate the nation of such an endless burthen as this will otherwise be.

“4. If any man that parts with £100 upon one of these bills, is never to have his principal within his command—a cautious person can, if he has no prospect of profit thereby, more or equal to what he may make without such a law—how should it come to pass that the bills should gain the estimation expected? This is asked because the value of money exists in the minds of men and women; and if people will not think paper equivalent to gold or silver, although determined so by law, all the mischiefs hereinafter mentioned, and many more, must needs ensue by putting this proposal in execution.

“Only, I would take leave to observe, by the way, that many people have still in their memories the loss they sustained by the public faith bills, by postponing bills and tickets in the navy, by stopping payments upon public registers, when the orders were assigned by Act of Parliament; and the claim of perpetual interest settled on the hereditary excise is at this time under litigation; from all, or some of which, may arise prejudices in their minds against the bills now to be set on foot.

“But the chief matter to be considered, in reference to the law proposed, are the effects and consequences thereof, or how the same will enure.

“*First*, DISCREDIT TO THE KINGDOM.—Friends and enemies will be tempted to believe that nothing but extreme want of money, and being reduced to the last shift, puts the Parliament upon laying a perpetual burden upon the nation.

“*Secondly*, HAZARD TO THEIR MAJESTIES’ GREAT AFFAIRS, BY BEING DISAPPOINTED OF THE TWO MILLIONS.—A perpetual Act of this nature will require time and skill in its fabric; for an hereditary revenue must be granted, out of which must issue £110,000 per annum to the hands of perpetual trustees and managers, which trustees have need be very responsible persons, to receive £100,000 a-year for other persons, and very deserving men, because they must have £10,000 a-year for themselves. The appointment of these trustees, from time to time, for ever, must not depend on the will and pleasure of any

particular persons, whose default of nomination, in case of death or insufficiency, may make the whole affair fall to the ground; and many other weighty matters must be considered and adjusted. And after all this, if people will not believe these bills worth their gold and silver, they will never pay into the exchequer the two millions for them, the want of which may cause further mischiefs, too great for me to set forth; and if I have used too much plainness or boldness in this paper, it is the apprehension of something of that nature that has occasioned it.

“Thirdly, HAZARD OF PREVENTING THE LOANS OF MONEY ON THE LAND-TAX, OR ANY OTHER FUND GIVEN BY PARLIAMENT, OR UPON ANY BRANCH OF THEIR MAJESTIES’ REVENUE.

“The proposers have made a provision for tallies already struck, by which, I suppose, is meant chiefly the moneys due upon registered orders for loans formerly made; and I think, with respect to their Majesties’ service, they should have made this provision in the repayment of loans hereafter to be had; for their Majesties are sure of the loans before this time received; but it is very probable that any persons that shall lend hereafter upon the revenue, or taxes, will first be assured of the repayment in as good coin as themselves lend us; especially since the proposers themselves do offer a manifest difference to be made between the one and the other.

“Fourthly, As to the application of these bills to pay off the transport ships, and other debts of the crown, and the navy, ordnance, army, or the like, it is not doubted, but in these and other cases between the king and his subjects, these bills will be accepted, because hereby the creditors will have a plain and easy way to obtain their debts; that is to say, the paper which they, or any friends or assignees of theirs, especially merchants and brewers, may return again to the king for customs, excise taxes, and the like, for which these bills will certainly come into the exchequer, and then the creditors will have no occasion to take them a second time. And note, by the way, if three-quarter customs, and three-quarter temporary excise, the unappropriated excise, the remains of the last twelve months’ aid, &c., come into the exchequer in these bills, and not in real money, there will be nothing but these bills, and no money to supply the said tallies already levied, notwithstanding the proposition made for this in the proposal.

"*Fifthly*, LOSS AND VEXATION TO THE SUBJECT. — Men will be ill satisfied to take paper now for money which they formerly lent on good mortgages, bonds, or other securities; and will be very unwilling to lend money for the future, when they cannot be assured of repayment in as valuable a coin as what they part with. This imports the trade, husbandry, and other business of the nation, the greatest part whereof is managed by credit.

"*Sixthly*, If this project be successful, IT WILL, IN ALL LIKELIHOOD, CARRY THE SPECIE OF MONEY OUT OF THE KINGDOM. For then there shall be no necessity for such money in receipts and payments, but they may be supplied by the fictitious cash—those persons who have, as is believed of late years, made an impious profit to themselves by melting down the money and sending it as bullion into foreign parts, will have a good opportunity to engross the whole specie of gold and silver, except that which is too much clipped, and to melt the same down for exportation as aforesaid.

"These are some of my thoughts, which, by your lordships' commands, I have put in writing, thereby submitting the same to your lordships' consideration.

"WM. LOWNDES."

This official opposition seems to have prevailed. Still Paterson, *with his society*, did not abandon their object; some proof of which is that in 1693 Mr Montague endorses another of his documents—"For issuing out bills of credit." This document is as follows:—

"*A Proposal for Raising a Million on a Fund of Interest, by settling one hundred thousand pounds yearly to pay eight per cent., for one million two hundred thousand pounds, of which the king to have a million.*

"This hundred thousand pounds yearly to be settled on trustees, who are at first to bring in two hundred thousand pounds to circulate the rest; for which, as aforesaid, eight per cent. is to be paid, and eight per cent. for the million. Out of which last eight per cent. for the million, the trustees to have half per cent. for their conduct and care, and one and a half per cent. procuration; and those that advance the money or take the bills, to have a current interest on them of six per cent. only; and yet, taking it altogether, there must be by this proposition

ninety-six thousand pounds yearly paid, and for it one hundred thousand pounds yearly settled, which brings this million to be took up at near ten per cent. interest yearly, and that for eleven years certain, but at three years warning redeemable after that time.

“The fund spoke of for this settlement, is the tax (talked of) on salt for four years, and then sixpence out of one ninepence excise on beer and ale, engaged for so long; and which, after that time, may be given and settled for any use the king and Parliament shall think fit to enact.”

“A Proposal for Raising Two Millions; one part of the security must be used for raising, as aforesaid, one million; and yet the people in general who are either to advance (or be paid with) this money, will have the same yearly profit and interest by it, and as much security and satisfaction (when well understood), as the other proposal affords.

“The way of doing it thus:—

“I. Let one hundred and forty thousand pounds yearly; that is, the ninepence a barrel excise (agreed on all hands to be one hundred and forty thousand pounds yearly), be settled for ever to pay the interest of two millions and three hundred thousand pounds, at six *per cent.* yearly; but redeemable by Parliament on repaying the principal, at any time after the war, supposing it cleared from the present incumbrance, which may be paid off as hereinafter expressed.

“II. Let officers on purpose, either in or of the exchequer, or some other place as fit near the *exchange*, be appointed to give out bills, with a running interest on them of six *per cent.*, to whoever will take them, for such money as the king is to pay to any man on any account whatsoever, and at the same time and place, in books to be purposely kept. Let credit be given to the person receiving such bills, for the money for which those bills were then given.

“Let such credit be made easy assignable. Let it be enacted, that the king, for his custom, excise, or for any other part of his revenue shall accept of such bills and credit in payment, which will be no inconvenience at all to the crown, because on every occasion (as they were at first) they may again be paid out.

“And let it be also enacted, that interest at six per cent. shall be yearly, half-yearly, or quarterly, paid to whoever has the possession of the bills and credit so given out for this money.

“And thus the whole two millions and three hundred thousand pounds may be disposed of by the crown as occasion shall require; and when merchants and others come to see (which they will presently do) such a safe credit and ease, as this way of paying and receiving money, will give them, in every case answering ready money itself, with this further advantage, that whereas money kept by them for any occasion (which sometimes happen many months together), brings them no profit; money thus put out is always ready money for every occasion, and yet brings them in six *per cent.* interest till the very hour they use it. And for these reasons, and the reasons that follow, both usurers, merchants, and others, will quickly be so fond of having their money in Bank, that in a very short time (as in Holland it is) it will come to be one or two *per cent.* better than ready money itself. And, as aforesaid, the whole two millions (and the odd money going to clear the anticipation of what is owing now on the ninepence) will be ready money to the king, and cost the nation less by near four *per cent.* than it will by the other proposal, and be honourable and safe for the king and kingdom, and to all that shall be in it concerned.

“And if, instead of six *per cent.*, as proposed, it shall be thought reasonable, and be enacted by Parliament, that a current interest of seven *per cent.* yearly shall be quarterly paid, for what money soever there shall credit be given in the books to be kept for this Bank, in such case the credit of this Bank will answer just as much ready money as the fund to be settled will at six or seven *per cent.* pay the interest of, and to shew this will certainly do.

“It cannot be denied but that the king may at first pay it all out as ready money to whoever his Majesty has occasion to pay any money to, who would be much more glad to take it, than tallies to be struck upon any tax or revenue not presently to come in whatsoever; for when any tallies are struck (if not on a land tax) they are five *per cent.* immediately worse than ready money; because there is no way certain whereby the person that has them can come to his money without having somebody to pay it him, at least till the tally grows due, and must stay longer if the money by that time be not come in to pay it; whereas the man that takes this sort of payment, has not only a good security and as good interest for his money (as the man that takes the tally has), but also a way certain of turning it into money, by

finding a way how to pay it as such to the king, which, for a very small matter, at any time, may be easily found.

“ Now, the great objection to this is, *a supposition that the king will be paid his revenue all in this credit, and what shall he do with it in case it should happen to be so?*

“ Answer—The king may still pay it out to others (on any occasion), as he did at the first; but 'tis a great mistake to think that that supposed inconvenience can, in any great measure, happen in this case: for, note—

“ As usurers, when they have well placed out their money, at good interest, in the hands of persons that can well pay it them again in a short time after it is called for, they will never call for it but upon mighty occasions; so here, when the money for which credit is given in the books of this Bank shall come to belong to rich men (which, in a very short time, it will do), they, seeing they have as good a security and as good interest as the government gives, besides a certain way how to come in to their money at any time; upon urgent occasions, they will choose rather to have money owing them this way than upon any other security whatsoever, and will not part with such credit in the said Bank, to any of their neighbours, without having something more given them than principal and interest for so doing; and this will be the case of this Bank, the credit of which, as aforesaid, will answer full as much ready money as the fund to be given will, at six or seven *per cent.*, pay interest for; and three hundred thousand pounds of this credit will, doubtless, be cheerfully taken as payment by those who are to be paid in four years out of the ninepence, and so the ninepence will be clear to be presently settled (if the king and Parliament shall so please) for this fund.

“ Now, as aforesaid, it must be agreed on all hands, that, if the king will receive this credit in payment for revenue, 'twill answer all other ends whatsoever. And,

“ The objection (and only one more that seems to have weight) against the king's being obliged to receive back, in payment of any of his revenues, this credit, so before by him paid out, raised by some much concerned in great money affairs, is this, say they, *The king's revenue is greatly anticipated, and is (as it comes in) to be paid presently out in specie to those it is due, who have already tallies for it. And suppose*

the revenue which is to pay them is paid to the king in this credit, and that those to whom 'tis to be paid will expect to be paid in hard money, and will not be content with this credit, what must be done in that case? Note, this is a supposition only; and it may be as well supposed (for reasons aforesaid) that, by the time those debts grow due, this credit will, even in the opinion of those to whom 'twill be due, come to be esteemed so much better than ready money, that 'twill be chosen before it, and then the aforesaid objection will be quite out of doors. But supposing those to whom such debts, as aforesaid, are due already by tallie, should say they would not (when their debt becomes due) be content to be paid in this credit, it cannot be supposed but that those very men (unless out of their wits, or, in crossness, to strive to ruin this Bank) who have their tallies, and must stay for payment till such tallies are due, will be glad if (instead of such tallies) they may be presently paid in this credit; since the objection they themselves make of the king's revenue being anticipated will be this way took off; and if so, they that, instead of tallies, shall have this sort of credit, will have a much easier way of coming into their money than when they only had remote tallies for it; and the king, being capacitated presently to pay off those anticipations by this sort of credit, may, without inconvenience, do it, being, instead thereof, enabled to receive his revenue so cleared, as it shall come in by it; or to engage it for ready money to others again, if he wants it before it comes in; and, if the worst comes to the worst, that some of those that have tallies will not like this credit now, and resolve to refuse it (as aforesaid, out of crossness) when their tallies grow due, 'tis much unlikely there should be many such; and for those that are, the Lords of the Treasury may easily contrive to pay them in money, having such bills by them to turn into money or use to pay others for any other occasion, who, if this credit were not in being, must be paid in money, and who, instead of money, will always be glad of such pay as this credit will be. And if (after all has been said) the wisdom of Parliament shall fear in the least the thus present supplying the wants of the publick with two millions of money at six *per cent.*, as aforesaid (it being taken for granted that the charge of the war, when ended, must be paid by the nation), it may be enacted (if the king and Parliament please), that, at the end of seven years, a tax of two shillings in the pound for two years, or of four shillings in the pound for one year,

shall be laid upon land, to pay off the principal, and so free the kingdom from paying the interest of it by the ninepence, till that time secured; which done, and all persons in such credit concerned being thereby assured of a time certain when they may (if they will) see their money in *specie* again, there will be no room left to doubt but that this sort of credit will most certainly do, and answer two millions, if so settled by Parliament, as in this paper proposed."

This printed *proposal* is without signature or place of publication, but it is dated in the print, 29th January 1693, as Paterson, for the most part, dates his anonymous papers; and it is in the same terms as were next year accepted by the government, as the basis on which the Bank of England was settled.

A set of "Papers relating to a Bank of credit" bears the same date of 1693, with the last. This is the first document that has been met with from Dr Hugh Chamberlen, who entitles his proposal, "A Bank of credit upon land security, proposed to the Parliament of Scotland."

The projector states that he has been *thirty* years engaged upon the scheme, which was that the government should issue *bills of credit*, i.e., promissory notes, which were to be a legal tender against all demands. They were to be delivered upon a valuation of their lands at 100 years' purchase for the rack rent. Forty per cent. of these bills would be for the landowner at his disposal, thirty per cent. to be appropriated by him in trade, ten per cent. to the government for taxes, and the remaining ten per cent. to *Dr Chamberlen* for his reward.

This paper-money, he maintained, would be as safe and acceptable as gold or silver.

A committee of the Parliament of Scotland sat seriously on this scheme, and rejected it, after receiving in com-

mittee the strong objections, in Paterson's spirit, made to it.

The subsequent efforts of Dr Chamberlen in England, supported by a powerful *Tory* party, to raise large sums for the public service, by what he denominated "the Land Bank," are here carefully recorded. The time of those efforts, 1696, when the government was in extreme perplexity for money, and the urgency of the political party which supported Dr Chamberlen, compelled attention to him. But the Treasury *minutes*, preserved at the Public Record Office, shew ministers soon perceived that the capitalists of London placed no confidence in the scheme. Among others, Mr Robert Murray's plans seem to have attracted much notice. They appear in various shapes—in MS. and in print. They consist of the proposal of power to be given to the crown to issue paper debentures, from £8 upwards, to all who should give security in real or personal property for loans; and they were to have forced circulation between private persons, but the government was to take them for taxes for ten years after their dates of issue. Mr Murray calculated that a reasonable malt tax would raise £2,000,000 again, and provide interest and repayment for £20,000,000 of this paper, so as to discharge all present and further debts in ten years. This plan, visionary as it is in regard to the possibility of any government obtaining credit, at that time, upon its debentures, at a low rate of interest, shews, like the other schemes, that soon to repay the national debt was a prevailing idea with all. Indeed, so strongly was this idea impressed on men's minds, that in one of these schemes, a provision is stated for the appropriation of all lands *conquered* in the war, and of all the

unprofitable royal forests, to the discharge of the national debt.

The constitution of the Bank of England is prominent in this collection, opening with the commission for taking in subscriptions to its original capital of £1,200,000, with *William Paterson's* name among them.

A few more papers follow upon the negotiations between the government and the Bank of England in 1696, when the large advances of £800,000 made by the Bank to relieve the crown, then in extreme difficulties for want of money for the wars, and to restore the silver coin, occasioned it to stop payment. They are chiefly interesting, by shewing how early the sagacious citizens interested in the Bank sought to strengthen themselves by a monopoly of business. In a paper of notes, by "Mr B. Bridges," or *Brooke Bridges*, one of Paterson's co-commissioners, and an eminent merchant, it is proposed that, "to encourage new subscriptions" for the proposed enlarged capital, the Bank shall have liberty to *increase* its issue of notes in proportion—have ten more years added to its chartered duration—and that "*all bills of exchange, payable in and about London, should be made payable in the Bank.*"

Mr Thomas Papillon, an eminent merchant, and afterwards a Lord of Trade, when consulted on this occasion, replies with great caution, and holds that the Bank's privileges ought rather to be retrenched than extended.*

An important letter, of the 19th November 1696, addressed to Mr Montague, on this subject, is as follows, but the signature has been carefully torn off:—

* Letter of 2d Dec. 1696, in the Halifax volume.

“RIGHT HONOURABLE,—Your proposal hath two points—one for making good the deficiencies, the other for enlarging the Bank of England, and the common end of both is the restoring of order. If what you propose on the first can be secured from leading a good prince into temptation, and from enabling a bad one to do evil, or from being a motive to our enemies to hasten the removal of our new king, to get them into possession of the grant, and so continuing a revenue, your proposals cannot be mended.

“As to what your Honour doth propose upon the second, I beg leave to offer only my private opinion in the following method, most humbly submitting it to your great wisdom.

“By way of preface—To coin more money, as far as is possible, and to bring what we have to circulate. This last may be obtained in some measure by a tax of twenty per cent. on all money above * value, and months hoarded, and a reward for the discoverer. The law enacting it will deter many, and may discover some—that guineas be reduced to 21s. 6d., by a short day, with a proviso, &c.—which I left with your Honour a while ago—that, during this Parliament, and till the end of the first session of the next, they who accept or owe bank bills or notes in any negotiation whatever, shall not receive or bargain with them directly, or indirectly, for less than the value mentioned in the said bills, &c., upon penalty of forfeiting double the value, one-half to the king, and of the remaining, two-thirds to the informer, and one-third to Greenwich chest: That all new grants of money to the king come on by short gradations, and the whole within a year, or fifteen months at the longest: That all anticipation cease for the future; and, consequently, that the king pay no interest on any of the said new grants paid within the year.

“These being premised, I humbly further offer as my single opinion, that the Bank of England be set afloat, and in exercise to discount tallies, bills of exchequer, and bills in trade, as it did before the 11th of May last; and so it may, if you turn into the Bank—1. The sole management of coining the plate and the remaining clipped money, and above that what is paid upon loans to the king, or upon his revenue.

“2. The sole management of the former proposal about guineas; the

* Blank in MS., as in several other cases.

receipt of the tax of London and adjacent counties, which Sir Leo. Robinson, deceased, lately tried.

“ 3. That all other collections in England, those especially who have herein before returned their receipts to some in London first, and then to the exchequer, may now in like manner return their money first to the Bank, and then to the exchequer.

“ 4. That all foreign bills of exchange be paid in Bank, and in all places where Banks are, they lie, and may lie here without prejudice to any except those that will export money.

“ 5. That the part of the money raised upon new grants, and appropriated for payment of the army or navy abroad, be paid to the Bank, that they may remit the same by exchange.

“ 6. That the Bank may extend its bills to the value of its funds, *and loans to the king* upon parliamentary funds of credit.

“ If all this be not sufficient without enlarging the Bank (though I hope it may), and your Honour continue of the opinion, that the Bank must be enlarged, I offer it as my single opinion, that you propose to enlarge it no further than needs must, lest you fail of success therein, or sink the Bank by overburthen, or make it terrible or odious by its greatness.

“ Pardon, sir, the presumption, when I say you need not go further at most (I think not so far), than to say, Let it be lawful for the Bank of England to receive subscriptions and augment their capital stock to any sum not exceeding £1,584,000, the value not yet struck on the Salt Act, and to have £132,000 per annum added to their new funds, all redeemable by Parliament, anno 1716 ; and if not fully subscribed, then to have eight per cent. per annum for what is subscribed and paid of the said £1,584,000, and that there be further added to the fund of the Bank of England £10,000 per annum redeemable by Parliament, anno 1716, to answer the loss upon guineas in case the Bank do undervalue it.

“ I desire that the Court of Directors of the Bank of England may not be injured by having these or any of my thoughts deemed theirs, though I am an unworthy member of that court. Your commands gave being to this address, and your noble and generous courtesy I know will pardon the freedom of it.

“ I am, Sir,

“ Your Honour's devoted and most obliged servant,

“ *London 19th Nov. 1696* ”

It was early seen that provision ought to be made, in banking and paper credits, to secure the grand point of selecting the individuals to be trusted with the issues. In the cases of the proposed Land Banks, and Banks in which any property was to be deposited, either with power of sale, or in mortgage, or pawn, the material guarantee was sought to be settled on equitable and safe conditions. In cases of simple personal security, one scheme was, that the number of 1000 citizens of London should be registered as fit recipients of bills, or discount, or loan. This was an early step towards the establishment of the Bank of England; and ultimately the duty of selecting the proper parties seems to have devolved upon the directors of that Bank, on its own responsibility—power which they are said to have exercised for 150 years with exemplary sagacity.

Upon “the Proposals of the Bank” on this occasion, as endorsed by Mr Montague, there are noted his important and curious cautions. The 10th article asked that all forgeries of bills for money should be made felony, without benefit of clergy; and to this the note of the minister is “not to be mentioned in particular, but included in a general proposition.”

The 12th article asks that “no other Bank, or *any other constitution in nature of a Bank*, shall be erected or allowed within this kingdom, during the continuance of the Bank of England;” and to this also the hard-pressed minister adds—“Not to be mentioned, but taken as fully granted and voted.”

Great praise is due to Lord Halifax, at this time, for steadily rejecting the *paper* schemes so urgently pressed upon the government for the immediate relief of its

great necessities; but it is not pretended that any proof exists of his approval, and certainly none of his adoption, of the still better views of Paterson, who aimed at modifications of *credit* bounded only by the safe guarantee of *real value* of some sort. His lordship had a strong prejudice * against the fair Scottish pretensions at that period; and, instead of frankly supporting the great social movement, which the new commercial enterprise, aimed at by the Scottish Parliament, must have carried to a good issue, with the English support reckoned upon by Paterson and his friends; instead of this, Lord Halifax went indiscreet lengths † in thwarting that enterprise. There is reason, however, to believe that, upon mature reflection, he had determined to do Scotland full justice. Upon being himself restored to power, at the accession of George I., he materially promoted the settlement of the Equivalent Fund, which the Treasury had, ever since the Union, thrown into arrear, and so mismanaged, as to excite extreme discontent in Scotland.

The issuing of exchequer bills was one of the measures which confirmed the reputation of Mr Montague. Thomas Papillon, when called upon, in December 1696, for his opinion on the deficient state of credit, replied, on this head, in the letter referred to in a former page:—

“The House, having agreed that all the moneys for this year’s service should be raised by taxes, payable within the year, I did suppose that no tallies would be struck on any of the said taxes; but that, on a computa-

* Vernon Correspondence, vol. ii., p. 404.

† He was obliged to *apologise* for imputing to secretary Johnstone an intrigue to get the Darien Act passed in 1698.—Correspondence of Baillie of Jerviswood. 4to. Edinburgh: 1842. P. 17.

tion how those taxes might come in, there would be exchequer notes given out, payable on demand after two, three, or four months, as might be rationally concluded the moneys would come in, with interest going along with those notes at four and a-half per cent., which is 3d. per day per £100, and so proportionally. Those notes will be given out to the several offices."

It was a chief feature in some rejected proposals, to make paper bills serve instead of coin. One of them was peculiar, and promised £700,000 profit to the government, when the "million" lottery of 1692 failed. The tickets, called blank and benefit tickets, in this lottery, were of £ value; and the holders of them were to have, in exchange for each ticket *and £5 in coin more to be paid in* by them, a tally, or bill for £15, and so proportionally for larger sums. These new bills were to pass in all payments till the 25th March 1698, to the amount of *one-fourth* of the debt they were to meet. This new legal tender was not to extend to foreign bills, or to *real* purchases. A bonus of 20s. per annum was to be allowed to the holders of each of the new bills of £15 value; and their ultimate payment in 1698 was to be provided for by Act of Parliament, expressly enjoining the Treasury to meet them.

The study of such documents of the early history of joint-stock banking, and improved currency, will not only help us the better to understand how our forefathers established a good system, but also the proper limits of that good system, which they refused to exceed; without being unaware of the advantages of paper money, which the short-sighted then magnified, as they do now.

IA.

The Lord Treasurer Godolphin

died in 1711, soon after his own great errors in finance rendered him helpless against the superior abilities of his rival colleague, Harley, and nearly exposed him to the intrigues of Queen Anne's Court. His Lordship had long known Paterson, and had personal experience of his great talents; but was incapable of comprehending his financial principles. In regard to the union with Scotland, it was the Lord Treasurer Godolphin who employed him to settle the public accounts. But when that measure was completed, and Paterson came up an M. P. for Dumfries, the minister did *not* secure him employment in the Exchequer, for which he was of all men the best qualified. How urgently such service was needed, may be shown by a few short, anxious letters written at the time by Lord Godolphin. They are as follows, copied from the additional MSS. in the British Museum, No. 6420, p. 74.

LORD TREASURER GODOLPHIN *to the* DUKE OF QUEENSBERRY, *High Commissioner in Scotland.*

October 21st, 1706.

MY LORD,—I have the honour of your Grace's letter by the flying packet, and I am sorry to find you meet with so much disturbance from the mob in your proceedings upon the union, and that you seem

not to be without apprehension there are foundations laid, and measures concocted, for creating farther disturbances at present, and perhaps for coming hereafter to open force.

Having had the honour to communicate your Grace's letter to the Queen, Her Majesty will give immediate orders for quartering upon the borders of Scotland of such of her forces as can be conveniently drawn from the north of England, and send also to Ireland for some regiments to march towards the north of that kingdom to be as a readiness, in case of any occasion for them in Scotland.

By all the accounts I have seen which are come by this flying packet, it looks to me as if this ferment, which they wanted, were more (no more) like to increase than to abate. If your Grace should be of the same opinion, might it not be advisable to alter the method by which you have hitherto proceeded; and endeavour to bring this offer of the union to a more speedy conclusion?

Is there any possibility of the inveteracy you meet with from your opposers will soften or relent by the fairness of your proceeding with them? and is it not much more likely they will make use of the time which your indulgence affords them, to create new difficulties and give you new disturbances?

To this might be added, that as it will be inconvenient for Parliaments to be sitting in both kingdoms at the same time, so it will be impossible to put off the necessity of the English Parliament many days beyond the twenty-first of November, the day fixed by Her Majesty's proclamation.

I make no question but that your Grace will have a right view of this whole matter, and that you will not neglect anything for the dispatch of this great affair, which is of so much importance to Her Majesty's service, and to the public good of both kingdoms.

I am, with great respect, my Lord,

Your Grace's most humble most obedient Servant,

GODOLPHIN.

Nov. 14th, 1706.

MY LORD,—I find by letters which I have had, even from some of our opponents, that their talk is very bold and insolent; but they are

the worst people that ever I knew in a fixed intention of going into open rebellion, who thoughtlessly make too public a declaration of it before hand.

GODOLPHIN.

Nov. 26th, 1706.

MY LORD,—Your Grace will find, by a letter of Her Majesty's own hand, the great uneasiness and concern she is in from the insolency you meet from the rabble, and the horrible hazard you undergo in her service.

GODOLPHIN.

Dec. 4th, 1706.

MY LORD,—As to what your Grace mentions of troops to be sent to the borders, I have spoken so fully to Sir D. Nairn of that matter, that he will be able to satisfy your Grace upon it.

I am very much concerned to hear of the continuance of the tumults.

GODOLPHIN.

March 18th, 1706-7.

MY LORD,—Your Grace will receive by this message the exemplification, under the Great Seal of England, of the ratified union by our Parliament here, as also the Queen's letter to have it recorded in full Parliament in Scotland.

GODOLPHIN.

The contemporary proof is complete that Paterson was true to the right cause, and its best supporter in this strait. The Scottish Parliament and Court of Exchequer deliberately declared his merits at the time. Boyce, on the Political State for 1711, an excellent popular testimony, loudly insisted on those merits. The newly discovered *Dupre MS.*, given at length in the third volume of that work, goes so far as to assert that the compass which the Committees of the Scottish

Parliament then steered by, was the intelligence of William Paterson.

The minister who neglected such a man richly deserved his fall, which all the glory of Marlborough, his friend and triumphant colleague, could not prevent, and which was hastened by the opposition of the irritated Scottish Members in both Houses of Parliament. The ill treatment of Paterson was part of a selfish system. When the individual was neglected, it is not surprising that his advice should be disregarded. Although Queen Anne's ministers at that time had the grace to support a bill which ultimately saved Paterson from utter ruin, by a legislative record and recognition of his pecuniary claims, they left him, year after year, in extreme personal distress, relieving only by doles. Letters to Lord Godolphin by Paterson tell this in a way more humiliating to the minister than to the object of his reluctant bounty. These letters are dated 1709, at Windsor, where Paterson seems to have occasionally resided.

II.

The Controversy between John Law of Lauriston and Paterson.

1705.

It is said that John Law, celebrated throughout Europe for his skill at the gaming table, and the ill-omened application of his powers of calculation to the mismanagement of French finances, stood in some relationship to Paterson; and a story is told of the President Montesquieu having in Venice, when Law was an old man, heard him say, that he could trace his mastery of the science of numbers to the lesson he had learned in London from the success of the Bank of England in 1694. In that year, at the early age of twenty-three, it was his misfortune, in a duel, to kill a companion of his reckless career of libertinism—an offence visited far too severely in his case, considering the spirit of that time. He escaped from prison under a capital sentence for his offence, and passed ten years, the most successful adventurer in gambling, at half the capitals of Europe. In character and habits he was in all respects, but skill in calculation, the reverse of Paterson. In 1705, he returned to Scotland, where the disasters of the Darien Expedition, and a succession of bad seasons, had reduced the people of all ranks to great extremities, so that they eagerly caught at relief upon any terms. In Edinburgh, accordingly, the press teemed with projects to meet the public wants, resembling those which had been so often proposed and rejected, in the

reign of King William, under the pressure of the French war. Among others, Law stood forward with his scheme of paper-money, in the place of gold and silver, propounded in his well-known volume, "Money and Trade." The High Commissioner, who then represented Queen Anne in Scotland, was the Duke of Argyle, to whom Law was related by his mother—a Campbell—and his Grace, together with his brother Lord Islay, warmly supported the gamester. In the volume, which has been frequently reprinted, and translated into French and other languages, the paper scheme was disguised with much art, and many ably stated commercial illustrations. Hitherto, the simple rejection of it by the Scottish Parliament, as unsuitable to Scotland, was all that the most diligent inquirers into Law's surprising career at a later period of his life have recorded respecting this visit to his native country.* It had long escaped notice that his attempt to establish in Scotland what, in fact, was an anticipation of the worst features of the Mississippi *system*, gave rise, in Edinburgh, to a controversy, in which WILLIAM PATERSON took the most important part, and so effectually, as to avert the threatened calamity. This is asserted not only upon the internal character of the following tracts, but upon an examination of many other accounts of the immediate antecedents of the Union, in which Paterson unquestionably had great influence.

* Memoirs of Lockhart of Carnwath, 4to, vol. i., p. 117. Wood's History of Cramond; and his Life of John Law of Lauriston. The History of the County of Leicester, by John Nichols, folio, 1800, vol. iii, p. 487. Encyclopædia Britannica, 8th edition, art. *John Law*. See also Mr Hill Burton's History of Scotland from 1699 to 1748, vol. i, p. 385.

"TWO OVERTURES* humbly offered to his grace John Duke of Argyle, Her Majesty's High Commissioner, and the Right Honourable the Estates of Parliament.

"*The 1st, For supplying the present scarcity of Coyn, and improving Trade.*

"*The 2d, For clearing the debts due by the Government to the Army and Civil List.*

"There need no speeches to shew how much a sufficient stock of money, or a good fund of publick credit, which is the same thing (money being but the counter in commerce), would be serviceable to the people and trade of the kingdom, or how much it would tend to the honour and justice of the Queen and Parliament, to pay off and clear the debts of the government, so long and so justly due to the Army and Civil List.

"'Tis the part of every subject, to seek the ease and honour of the government, and the good and prosperity of his country. He who has the happiness, by his endeavours, to do service to either, deserves to be encouraged by both; and even he who fails in his attempt, having done his best, merits the thanks of those to whom he has shewed his good wishes.

"*Overture 1st—For supplying the present scarcity of Coyn, and improving Trade.*

"1. That the Parliament constitute a Commission of Trade, of thirty in number at least, of which one-half to be able and knowing merchants, the other, nobility and barons, with power to strike such a number of notes, bearing three per cent. interest, as shall be judged the immediate demand of trade.

"2. That these notes so struck shall have a parliamentary currency.

"3. That the Commission of Trade have power to constitute sub-commissioners and factors, where they please, at home or abroad.

"4. That the Commission of Trade do employ these notes so struck in erecting a fisherie, and in improving our manufactories; in a word, that they be employed in setting the people of the nation to work on all things to which they can apply themselves, by buying up their goods with these notes, and sending them abroad, and there selling them to the best advantage, and making such returns as are most sale-

* Advocates' Library, 4to Tracts, vol. 349.

able to the country, to be retailed here for these notes again, or such commodities as the nation affords; for, in such a Commission of Trade, barter will be as good as money.

“ 5. That the *interest* of these notes be pay'd at the end of every half-year, in silver or gold, by the Commission of Trade, out of the first and readiest of the profits.

“ 6. That one moiety of the neat profit (the interest of these notes being deduced out of it) be given yearly to the Commissioners, for their service and encouragement.

“ 7. That the other moiety of the neat profit be yearly laid up in a national stock or treasure, by which, in time, all these notes may not only be cancelled and pay'd off, but immense sums kept in Bank; the whole people employed, and the nation put upon an equal foot with its neighbours, not only in riches, but in naval and land force.

“ 8. That this Commission be obliged to sell all foreign commodities, for home consumption, at ten per cent. neat profit upon the export.

“ 9. These notes may be struck from 20s. to £100 sterling.

“ I am sensible a great many objections may be raised against this overture; but the strongest of them are so insignificant, that they are no sooner heard than answered. The principal ones may be—

“ 1. That this would be too great a trust in the hands of so few men.

“ 2. That it would ruine a great many private merchants, and bring the whole profit of the trade to the state in general.

“ 3. That it would take out the small quantity of gold and silver we have from amongst us, at least make it of less value than the notes, because the notes would be an equal tender in law, and bear three per cent. interest.

“ 4. That here is not a species of so small a dividend as can answer the ends of the common people, in buying up the small necessities they have occasion for.

“ As to the first objection, That this would be too great a trust in the hands of so few men—

“ *It is answered—*

“ That the Commissioners are constituted by Parliament, and are accountable, they and their books, to Parliament. They may be changed by Parliament, and subjected to such rules and auditors as not to leave it in their power to cheat the nation of sixpence, or import any commodities that are not judged necessary and useful to the people,

or convenient in trade; though, indeed, it is not the import, but the home consumption of foreign goods, which should be prohibite in a well-regulat state.

“As to the second objection, That it would ruine a great many privat merchants, and bring the whole profit of trade to the state in general—

“’Tis answered, Grant it did: is not the good of a state, in general, preferable to the interest of a few private men? But, on the contrary, the merchant would be so far from being a loser, that he’d be a gainer; for by this he’d get his debts pay’d in, his goods sold off, his credit increased, from the enlargement of the common tale, and might buy and send abroad such goods or commodities as the Commission of Trade should send abroad, and make such returns as are allowable in the nation; or, if he be a retailer, he may buy and retail from the commission; only, this indeed it would do—it would keep the merchants from laying exorbitant prices upon their goods, thereby often breaking the landed men, and becoming themselves the landlords.

“As to the third objection, That it would take out the small quantity of gold and silver we have from amongst us, or make it of less value than the notes—

“*I answer*—To the last part of the objection I agree, and it is undoubtedly our advantage; and as to the first part, it is so far from holding good, that what is here proposed becomes an immediate cure for our want of money, by supplying us with the goods of the nation to pay our balances abroad, which are become due to our neighbours, and daily growing upon our hand, by the want of money or credit to employ our people, whereby the several products of the country might be manufactured and exported, so as to make our industry at home prevail as much against our luxury from abroad in time coming, as that, and our neglect of trade, has prevailed against our coin in time past.

“And as for the fourth objection, the money we have yet amongst us, brought to an equal standard with our neighbours, would certainly be sufficient to serve our poor; and silver and gold would of course increase amongst us, to whatever value we can bring the balance of trade on our side.

“This, indeed, is no more than the nation lending its faith to all its private subjects, and multiplying its own credit within itself, by which it may at any time, under a well-regulate trade, employ what stock

it has a mind to; and the greater the stock is that the nation is capable to employ, the greater our profit, and the greater the balance of trade on our side, and the sooner this kingdom will grow great and considerable amongst its neighbours. Thus it was the East India Company in England have made themselves a vast stock, by borrowing money on their bonds, which they paid on the return of goods, and made the profit their own.

Overture 2d—For Clearing the Debts due by the Government to the Army and Civil List.

“The debts of the government to the army and military service will be about £100,000 sterling.

“1. That there be £100,000 struck in £5, £10, £20, and £50 sterling notes, debentures, or talleys (for they are all one on the matter), bearing three per cent. interest, to be paid every half-year at the Treasury Office, by one appointed to that purpose, and accountable to Parliament.

“2. That these notes be issued out with a parliamentary currency, for clearing the debt due to the army, as the same shall be adjusted by the commissioners of accompts.

“3. That there be an Act of Parliament, setting fourteen days' cess, to be paid yearly at two terms, for satisfying the interest of the above £100,000 at three per cent., and that to continue till the Parliament shall lay on a fund for sinking the principal sum.

“4. That at any time when the interest is a-paying, such notes as are wore or tore shall be renewed to the bearer, at the sight of the Lords of the Treasury, or whom else, the Parliament shall think fit to appoint.

By granting this, which will only cost the nation £3000, and paid within itself, and but half the interest of its just debt, the army, which has been so long kept in arrear, to the inexpressible hardship of a great many worthy gentlemen who served honestly for their pay, and whose friends and relations are now sitting in the House, will not only be satisfied, if the government designe either to pay or be owing; but these debentures or talleys, having their interests punctually paid every half year, will circulate amongst the people, and serve in payment equal to £100,000 in gold and silver, and be preferable in acceptance, because of the continued interest, which at this juncture would

advance the whole nation six times the fourteen days' cess, by augmenting so much the circular credit, and consequently the trade thereof.

"The same measures may be taken for clearing the debts due to the civil list, by giving out talleys, debentures, or notes, on the Customs and Queen's Revenues, so far as to satisfy the debt; and these, too, to bear no more than three per cent. interest, and be sunk as the revenue comes in. This would not only pay off those who have a just claim under the faith of the government, but circulate amongst the people, and so become assisting to the credit of the nation.

"I know it will be objected here, that this would too far anticipate the queen's rents, and postpone the payment of her immediate servants; but if these will but love their neighbours as themselves, they'll soon answer their own objection, and find that those who served first should be first pay'd. Besides, court service is not so certain now-a-days, at least amongst us, but that it were the interest of those who have that honour to be once upon a foot, by which they may be assured of their salaries or pensions at one time or other."

"These two overtures," says Mr Law, "are plain and easie to be understood, the consequence visible, *and in a great measure proven to good effect in our neighbour nation*, when they were burdened with a heavy war, and labour'd under the almost total suppression of coyn—when their clipt and *Brimegem* money was called in, and miln'd money only allowed, of which there was but a very small sum amongst them. *But how far they'll serve us, or how far we are capable of being served by them, THE LORD OF HEAVEN KNOWS.*"

This tract offers substantially the *system* set forth in Law's *Money and Trade*, also published in Edinburgh in 1705; and which system was unhappily carried out in the Mississippi Scheme, fifteen years later. It was replied to in the following tract, which, from its style and matter, Paterson is believed to have written. The title is: "The Occasion of Scotland's Decay in Trade; with a proper expedient for recovery thereof, and the increasing our wealth." *

* Advocates' Library, 4to Tracts, vol. 349.

“The present calamity,” says the author, “under which this nation labours, in relation to all the branches of commerce, obliges me to discourse a little of trade. And to this I am the more prompted, in respect that I shall treat the subject in a manner different from what has been hitherto proposed. First, I shall shew the undoubted occasion of our present distemper. Secondly, I shall apply a seasonable and easy remedy. And these, my thoughts, I submit to the censure of the judicious.

“The flourishing or decay of trade renders a state happy or miserable. It is, therefore, a matter of the greatest concern exactly to consider whether trade is managed with advantage or loss. Since every one does not employ their thoughts in this necessary reflection, it will be of no small use to expose the reasons of our gain and loss in trade to the full view of the meanest capacities. In which performance, the occasion of our present misfortunes may be easily discerned.

“A kingdom grows rich or poor, just as a private gentleman does, and no otherwise. In order to a clear illustration of this position, let us suppose that a gentleman possesses one of the islands of Orkney. This gentleman manages his island-estate so frugally, that, besides the handsome maintenance of his family, he sends to Leith, of his yearly product, cattle, corn, wood, cloth, linen, and other commodities, manufactured within his own possessions, to the value of one thousand pounds. And, in return of this, he carries home salt, wine, oil, spices, and fine cloth, to the value of nine hundred pounds, and the remaining one hundred pounds in cash. By this, it is evident, he is a gainer in one hundred pounds per annum, so that, by this course of trade, at the end of ten years, he will have of clear profit one thousand pounds. If this gentleman would be so good a husband as to indulge himself with less superfluities of wine, spices, silks, tobacco, &c., and content himself with the native growth of his own land, in that case, he might bring home five hundred pounds yearly; so that, at the end of ten years, he will be master of five thousand pounds; and this is the happy result of parsimony. This laborious gentleman dies, and his son succeeds—a fashionable young beau—who cannot dine without his wine, spices, and other palatable ingredients. His stables must be furnished with the finest horses that Scotland can afford. His wife and children must be dressed up in costly silks,

after the Edinburgh fashion and cut. In short, he grows very effeminate in his eating, drinking, and furniture. His family, being increased by large attendance, requires more wages, wine, spices, &c., than in his father's time. And to inflame these expenses the more, this nice gentleman takes a trip to court. By this extravagant career the son spends eleven hundred pounds yearly. What comes of this? He lives, it is true, in pomp and splendour; but this method inevitably drains him of the money his father left him.

"By this way of management, he is yearly poorer in one hundred pounds. His debauchery and idleness occasion the neglect of his affairs, and disorders in his manufactures. Thus, his fortune is insensibly decayed and mortgaged; and the issue of all is, that the son is declared bankrupt, which occasions a great disturbance in his family, and ends in the ruin thereof.

"A private estate and a kingdom, in this respect, differ no more than as greater or lesser. We may trade and be busy, and grow poor by it, unless we regulate our exorbitant expenses; and if neglects, disrespect, malice, and treachery disturb our manufactures, let it be upon what pretence it will, we shall ruin the faster.

"By this obvious comparison we may see, that the balance of trade will never be on our side, unless, by our frugal management, we export more of our native commodities, and import less of superfluities; otherwise the nation will be impoverished, and drained of its wealth.

"The occasion, then, of our present distemper proceeds, as I have already hinted, in an overbalance of foreign goods.

"Having thus shewn the disease, I come next to apply the remedy. The only way whereby we may emerge out of our present difficulties, is by a due improvement—culture of the produce of our native land. By this, Scotland will be enabled, not only to supply its own wants with its growth, but yearly furnish other countries with valuable commodities manufactured within ourselves, in exchange of which we would receive, from foreign countries, either silver or such goods as are absolutely necessary for our support—as iron, tar, flax, &c.; and when the balance of trade inclined on our side, then wine, spices, &c. might be allowed to be imported for the use of the luxurious. The inbringing of wine, brandy, tobacco, silk, spices, or other unnecessary commodities, is the unhappy occasion of the export of our

money. The want of cash reduces us to hard circumstances, and impedes the consumption of our native growth.

“The vast import of wine and brandy is very prejudicial to the interest of the landed gentleman. For, if these foreign liquors were prohibited, the corn would not only give us greater prices, but the same might be distilled into such wholesome and well-tasted liquors, as might supply the place of brandy in all its effects of taste and flavour, which might also prove a good cordial.

“Our malt drink may, with a little pains and industry, be rendered as palatable as the English ale, which would agree as well with our constitution as wine. It is but very reasonable we should abstain from the excessive use of wine, spices, sugar, Holland linen, tobacco, China ware, and other gew-gaws, when the nation is sunk so low in credit, that men of very good fortunes cannot procure money to answer their necessary demands.

“The trade of brewing, which is the most consumptive of the nation’s produce, would, by a prohibition of wines, be encouraged, which is now so much decayed, that the brewers cannot obtain so much money as to pay the importations on malt. The present scarcity of money, and the allowance of foreign liquors, discourages their employ, especially when the tacksmen’s demands must be punctually answered.

“The tillage might be further improved by sowing of *lint-seed*, by the neglect of which we are obliged to try foreign seed and lint; whereas, if our ground was enclosed with trees, so as to be fenced from the winds, the lint, growing in such a place, would prove as serviceable as what we purchase from Sweden and Denmark, whose climates are colder than our own.

“It very well deserves our thoughts to consider whether or no the export of wool be prejudicial to the interests of the nation, and of the manufacturer in particular. For, in furnishing Holland, Denmark, Sweden, and other countries with wool, we supply them with materials to undermine our manufactures. Since our wool has been vented abroad, our coarse cloth, stockings, gingham, &c., lie upon the merchant’s hands, and a very inconsiderable part thereof are sent abroad, for which the merchant does not find encouraging sale, because those foreign countries can serve themselves by the factorage of our wool. I desire not to be mistaken in this particular, or that

I would have the export of wool discharged in general. I judge the carrying out of English wool turns to an advantage upon several accounts. But, since Spanish and English wool, mixed with ours, raises the value of our cloth, and consumes our money, it would not be improper to discharge these expensive ingredients, by setting a value upon our finest cloths, so as not to exceed fifteen shillings per yard. This would occasion a thorough consumption of our wool, to the great advantage of the wool-masters, and to the encouragement of the manufacturers; which, also, in some measure, would amount to a prohibition.

“To enumerate every particular product of our land would be tedious; but the only imaginable way of increase of money in any country are these two—either to dig in mines of our own, or get it from our neighbours. And the most proper mines we can be furnished from, is a due improvement of our manufactures. The only way to procure it from our neighbours, is by an overbalance of trade. By this method cash would increase in our hands. I look upon projects of altering money to be very dangerous, and which might draw down upon us swift and sudden destruction. The money of any country ought not to be presently changed upon any man’s private groundless conceit.

“If trade be carried out in the same manner as it is at present, and not regulated conformably to the above directions, this kingdom will be reduced to pinching straits, than which nothing is so earnestly desired by our neighbours.

“Home and foreign trade is necessarily stopped for want of credit; for, as the wealth and greatness of a kingdom are supported by trade, so trade is carried on by credit; and when this spring of trade decays, the symptoms of ruin soon appear. *But where there is not money to answer in a great measure that credit, then the same will be of no use. Trust will not be given when there is not a certainty of quick payment.*

“Although LAW should settle an imaginary credit on tallies or notes, it would not have the desired effect, in respect that every person would hoard up their cash, until the value of money was necessarily raised, and the crying up of silver would occasion a diminution in weights and measures.

“*This imaginary credit would not be received in payment, though Law should establish the same, and order their currency.* For the issue of this

would be, that all home transactions would be stopped, and foreign trade would no longer be carried on, than when the merchant could expect money to purchase foreign goods.

“Supposing that these tallies should be received in all negotiations, yet it is impracticable to divide them into such small fractions as are for the necessities of life. So that no one will be more sensible of this fatality than the poor, who has not immediate occasion to consume a tallie to the value of twopence.

“SUCH AN IMAGINARY PROJECT WILL END IN A CONSIDERABLE LOSS TO THE POSSESSORS OF THESE NOTES, WHO WILL BE OBLIGED TO ALLOW A GREAT DISCOUNT FOR THEM IN ALL THEIR TRANSACTIONS. An instance of this was evident in the *English Exchequer* notes at the time of their scarcity of money. At present, I will not insist further on this subject, and shall only lay down the following positions as consequences from the premises:—

“*First*, No bank can succeed without a considerable fund of cash to answer necessary demands.

“*Secondly*, Money will be deficient so long as trade is not carried on to advantage.

“*Thirdly*, Trade cannot thrive without the improvement of our national growths.

“*Fourthly*, That improvement cannot be advanced, unless our manufactures be encouraged by a rigid prohibition of *unnecessary* outlandish commodities.

“To conclude, I submit the above thoughts to the censure of the judicious, and entreat every one seriously to consider the sinking state of the nation, and that they would please cast about for remedies to support the same in time; for, in all probability, we cannot long continue in this present deplorable condition. If this, my mean endeavour, can contribute anything towards the welfare of my country, I have gained my aim.”

Another tract of the same year, 1705, is preserved in the same collection; and, from its style and principles, it is thought to be also from Paterson's pen. The occasion was worthy of his efforts, and the result—the rejection of Law's paper money system—was a great reward to the

wise advocate of industry and prudent economy, as the fittest ways to develop the resources of Scotland. This second tract of 1708 is as follows:—

“An Essay, concerning Inland and Foreign, Publick and Private Trade; together with some Overtures, shewing how a Company, or National Trade, may be constituted in Scotland, with the advantages which will result therefrom.*

‘Præstat fero quam nunquam,’ &c.

“As the health and strength of the natural body depends upon temperance and plenty of wholesome food, so the health and strength of the body politick depends upon good discipline and plenty of riches. And as good and well execute laws are the conveyances of good discipline; so trade, well projected and industriously prosecuted, is the conduit of riches. As a man who is sensible of the decay and weakness of his natural body ought to use restorative medicines, so a nation, which is sensible of its poverty, ought to use an enriching trade. Since, then, poverty is the disease of this nation, and the source of the many distempers and incumbrances it laboureth under, it ought to be the business of those who are invested with the government of this nation to appoint a council, composed of gentlemen of the best sense, and merchants of the greatest experience, within the kingdom, for contriving a scheme of trade, the vigorous and industrious prosecution whereof may tend to the enriching the nation. Now to excite my countrymen to this so very excellent and useful enterprise, I endeavour to expose my weakness in the following discourse, wherein I shall, 1st, Shew that an inland trade (*per se*) cannot enrich a nation, but may disturb the public peace and safety of the same; 2dly, I shall give a character of foreign trade; 3dly, I shall shew the hazard of private and separate trading; 4thly, I shall give an idea of company dealing; 5thly, I shall shew how a company, or national trade, may be constituted in Scotland; 6thly, I shall name some advantages which, as it were, naturally result from the same; and, 7thly, I shall conclude.

“I. The only way that the wealth of this kingdom is increased is by that which we call our foreign trade; but this is so confined and

* Advocates' Library, 4to Tracts, vol. 349.

inconsiderable, that in respect of the diffused foreign trade of other nations, it may be esteemed little better than domestick and private commerce. But were it purely such, it could add no more to the wealth of the kingdom than the circulation of the blood can add unto the blood of the body. But when private men, by lawful industry or perhaps worse means, acquire a great part of the wealth of the kingdom, such private acquisitions and monopolies evidently threateneth the destruction and ruin of the public peace and safety. For certainly hereby some of the members of this body politick must be denuded of that which sometime was their property and means of subsistence, whereby the body politick is threatened with the loss, or (if they be of honest dispositions, and stoop to the embraces of publick charity) burthened with the maintenance of such exhausted and languishing members. But if, as it too often happeneth, these exhausted members have squandered away their means of subsistence, by sloth or idleness, debauchery or riot; and if these vices (and it is more than probable they will) outlive their means of subsistence, these vices, I say, in conjunction with their poverty, will beget in them a rapacity which the charity of a poor nation will be altogether unable to support and satisfy. And thus, upon the power or impotency of such men depends the destruction or preservation of the public peace and safety. Sallust plainly and elegantly declareth that the Cataline conspiracy arose from those very vices which well-nigh overthrew the Roman empire, when it was almost arrived at its greatest strength. But,

“II. On the other hand, foreign trade, as it enricheth a nation, so likewise it is a means of maintaining and preserving the publick peace and safety of the same; and this appears from its character, viz:—Foreign trade is of such a chemical nature and virtue, that it can extract the finest metals out of the basest, convert the worst commodities into the best, turn a barren land into fruitfulness, and make a contemned and slighted people a formidable and awful nation. And that these are the effects of foreign trade, the power, splendour, and wealth of Holland, Venice, &c., sufficiently witness. But as all things sublunary, without their due application, becomes dangerous and hurtful, so likewise foreign trade, without caution and prudence, will rather impoverish than enrich those who exercise it. And this leads me to the third thing proposed, *i.e.*, to shew the hazard of private and separate foreign trading.

“ III. A private man who designs to carry on a foreign trade with a prospect of safety and advantage, must consider upon a right division of his stock, which, if he divide into too many parts, whereof one is supposed to be employed in foreign trade, he must expect less profit, with less hazard of loss, than if he had divided it into fewer parts, whereof a greater is supposed to be employed in foreign adventure, whereby he could have expected greater profit, with the hazard of greater loss; wherefore the conduct of prudence, which may be called the governess of all human, indifferent, and undetermined actions, is highly necessary to direct him into what and how many parts he ought to divide his stock, which must observe a mean division betwixt too many and too few parts.

“ The most approved division of a private man's stock is that into three parts, whereof the greater is employed in a foreign adventure, another reserved at home to be improved to the best advantage, either by himself or servant, and a part, equivalent to this, he takes upon credit, and employeth it in one or more foreign adventure; so that two parts of his stock being employed in foreign, and one in inland trade, he concludeth that, suppose all his foreign adventures should perish, yet the effects of his inland trade is sufficient to clear his credit, and, consequently, preserve the best part of his stock. But, seeing such a man thriving depends upon a chain and succession of good chances, and his ruin may proceed from two or three successive misfortunes; he ought to enter upon a way of trade whereby he may divide his stock into more parts, with the prospect of equal, if not greater advantage, and certainly less hazard; and this more profitable and safe way of trading, I humbly conceive to be company dealing, of which, according to my method, I come to give an idea.

“ IV. Company dealing is when several persons join the whole or a part of their private stock, to the making up of a publick stock, in order to foreign or inland trade. The bond of association, which may be called the form of company dealing, consists—1st, Of the persons who constitute the society; 2d, The particular *quotas* or concerns in the publick stock; 3d, The several duties they are bound to perform, either as officers or private members of the society.

“ The officers requisite to the right carrying on of company-trade are—1st, Directors of the company; 2d, Projectors; 3d, A clerk.

“ The office of directors is—1st, To order the several members of the

society to their respective duties enjoined them by the society, as one to go to a certain place, and buy such and such commodities, to be exported to a certain foreign country; and another to go supercargo on a ship for such and such a voyage, and a third to attend the company-warehouse, and thus continuing, until they put all the members of the society upon their several duties for promoting the publick and common emolument; 2d, To examine the proceedings of each member in the discharge of the several duties incumbent on him; 3d, To give an account of their own proceedings in the discharge of their directorship, whensoever demanded by the society.

“The duty of projectors is—1st, To contrive foreign voyages; 2d, To communicate, and with reasons persuade the company of the usefulness of their projects; 3d, To entertain correspondence with the projectors of foreign countries.

“The duty of the clerk is—1st, To record the several offices of the respective members; 2d, When their offices expires, and their diligence and fidelity in the discharge of them found relevant, and approved by the directors and remanent members of the society, or a committee or quorum of them, appointed for that purpose, to write their discharges and acquittances, to be subscribed by the directors which employed them; 3d, To keep accompts, buying, selling, export, import, incident charges, loss and gain, &c.

“Now, seeing what is here said of company dealing will be applicable to that company or national trade which may be hereafter constituted in Scotland, in shewing how the same may be effectuated, I shall be the briefer.

“V. The first thing necessar to the constituting a national or company trade in Scotland is a publick stock. Wherefore, let all the proprietors of lands or heritable bonds contribute the tenth part of their yearly rents, and all those whose substance is in money or exportable goods, fit for the company's trade, give a voluntary contribution; which contributions conjoined will probably equal, if not surmount that publick fund, whereby Holland is now overgrown with wealth.

“Let the several directors and projectors of shares, with the wisest members of the society, assemble in one place, and (after choosing a common clerk) agree upon the most plausible methods for the best improvement of the common interest; and when they are about this

so excellent and necessary work, these or such-like things may possibly fall under their consideration. And,

“ 1. What the several commodities of the respective shires are.

“ 2. In what foreign country the product of this is vendible to the best advantage, and what product of that foreign country is most profitably exported to a third foreign country, converting the product of one country into that of another, by way of trade voyaging; strictly ordering, that the commodities to be imported hither shall consist of such things as may enrich the kingdom, as money, either in coin or plate, or things necessary for human life, forbidding everything which may tempt the subjects to incur the penalty of the sumptuary laws.

“ 3. The sea-ports within the kingdom which have easy entries and channells, safe harbours, and encouragement for erecting warehouses in order to which they must consider,

“ 4. What import, with its quantity, is proper to the several countries adjacent to the best sea-ports.

“ 5. And lastly, They must propose prudent methods for correcting and obviating all the grievances that merchandise at present laboureth, or hereafter may labour under; as particularly, seamen having a priviledge for pontage, which they often sell, to the breach of the merchant's mercat; and this may be easily taken away, without provoking seamen (in whose hands at sea, under God, are both the lives and stocks of merchants) to run a desperat course, in a revengeful resentment for the just abdication and infringement of their prejudicial priviledge, and that by taking such money as they would expend on pontage into the common stock, whereby they shall have gain or loss, proportionable to their quota.

“ VI. I come now to name some advantages which will result unto Scotland, from a Society or National Trade thus constituted, and *established on a common stock*:—

“ 1. Hereby the kingdom would be better inhabited than at present it is; and that two ways:—*First*, By employing at home such of our countrymen who otherwise will be obliged to go elsewhere in pursuit of a livelihood; *Secondly*, By engaging such Scots men, who are employed in foreign countries, to return home; for, who will not prefer his native country to all others, which can neither promise nor afford him a more convenient, advantageous, and happy way of living?

“ 2. Hereby the nation will be considerably enriched; and that two ways:—*First*, By advancing the product and manufactured commodities of the kingdom to a higher than their present value—*e.g.*, if fingsrams be transported straight from Scotland to Guinea, they will necessarily be at a higher value there than at Holland; for hence they are carried hither, and, no doubt, to the great advantage of the sellers, as the huge riches of such merchants abundantly testify; *Secondly*, By reducing the commodities imported from foreign nations to a lower value or rate—*e.g.*, if Scottish merchants import wax, saffron, and medicinal drugs from Sicily to Scotland, they can serve their country with such commodities at a lower and more reasonable rate than if they were imported from Holland, or any other avaricious, mercenary, and retailing country.

“ 3. Hereby we could, within a small compass of time, be furnished with a competent number of men, and requisite quantity of money, for setting on foot and carrying on a fishery, whereby the kingdom may be more enriched than by all its land interest.

“ 4. Scotland being hereby enriched and well inhabited, and, without doubt, one of the most prolifick nations on the habitable globe, might not only be in a capacity to defend and maintain her ancient honour and right, against the malicious power and influence of her ill-natured and invidious neighbours, but also powerful to repossess herself of that interest she hath lost in Britain, and the treasures robb'd from her in Darien.

“ 5. The riches which would flow from trade will be sufficient, if all other means fail, to preserve such of the representatives of this nation in the love of the liberty of their country, and antidote them against that pernicious and contagious foreign influence, which might induce them into a miserable neglect and ungrateful disregard of the martial labours and heroick achievements of their ancestors, who, with the effusion of their blood, have protected and conveyed the liberty of this nation even unto us; and thus, as it were, barbarously inscribe the reverend and venerable tombs and dust of those immortal and valourous worthies with the foul titles and epithets of folly and madness, to condemn their posterity to a disdainful slavery, and even do worse than if they had actually murdered their brave forefathers, or should really imbrue their hands into the innocent blood of such of their posterity who shall hereafter endeavour to retrieve lost liberty

at the expense of their lives, and, in the end, to murder their own good fame and name, which is a dark resemblance and picture of life eternal. Oh, what temptation can be strong enough to lead a thinking soul into the execrable commission of such a horrid compound of crimes, nay, a crime without a name?

"5. Considering that this trade would excite our commons to industry, by giving them rewards and returns worthy of and proportionable to their labours, our country, in some measure, would be safe from the bloody controversies about indifferent opinions—about the modes and forms of religion, which is the very cob-web of idle and pernicious contemplation of such bloody controversies this kingdom hath been but too, too often the theatre."

"6. Hereby the Scots, in process of time, may have free and uninterrupted commerce with all the American plantations; and that after this manner:—The Company or *Council of Trade* might send, as it were, colonies of merchants, intrusted with a part of the publick stock into all the kingdoms of Europe, which have unquestioned right unto and peaceable possession of, the American plantations; and those merchants becoming naturalised subjects to the several kings in whose dominions they have fixed a sort of residence, would have unquestioned access unto the plantations belonging to their respective kingdoms, and, by improving that part of the publick stock, might bring great wealth into the kingdom of Scotland."

"If what I have said of trade, and particularly of the constitution of a national trade in Scotland, and the advantage which result from the same, seem practicable and true, in the judgement of the judicious, sagacious, and most potent of my countrymen, I see nothing which can justify their neglecting to effectuat and prosecute such a trade."

"The omissions and commissions (and, without doubt, they are many) which occur in this essay, the author hopes will easily be pardoned, and carefully amended by the judicious and sincere lovers of their country's prosperity and happiness, seeing it was this which engaged him to discover and expose his weakness in this well-intended essay."

"T. W."

"Philopatris."

The three foregoing tracts represent both sides of a controversy at that time carried on with no little violence; and, in the distress of the country, by far the most numerous writers advocated the tempting remedy which Law proposed without disguise, in the easy issue of paper money without a guarantee; so that having no real value, it was sure to be depreciated, as Paterson shewed, and as the whole world saw at the close of the Mississippi and South Sea Company's speculations. The example of 1705, so honourable to Scotland, should have averted the error of 1719, which the Scottish people nevertheless rashly gave into. But Law himself may be correctly said to have been driven into his excesses by unreasonable treatment in England in regard to the duel with Wilson. After escaping from prison upon his conviction, he succeeded in obtaining from the family of the victim a release of the *appeal* they had preferred against him. With this release settled, he applied to the government for his pardon, offering to serve the Queen in Flanders at his own cost. It was twice * unwisely refused, so he went back to the Continent to resume his old courses at play.

The result to both France and England is well known; but few are aware that the Scottish public was equally misled by the delusive expectation of realising millions out of paper promises, at a time when John Law, patronised by the Regent Orleans in France, and by Sunderland, Stanhope, Argyle, Aislabie, Craggs, and other mistaken men in England, succeeded in establishing his delusive *system*. Grave authors, like Mr Malcolm Laing, have treated Law's paper-money as based upon

* This statement is made upon the credit of the original petition in the State Paper Office.

real value, *land*.* A careful perusal of his genuine work, "Money and Trade," by no means justifies this position, and the foregoing little address, *the two overtures*, divested as they are of the craftily devised details of the more elaborate work, places the matter out of all doubt, shewing that Law really proposed the fundamentally erroneous opinion, that gold and silver coin are mere "counters," for which worthless paper counters might be safely substituted. The Parliament of Scotland, in 1705, instructed by William Paterson, decided wisely not to accept *his system*. In 1719, however, his prodigious success, for a short time, in France, carried the sober Scots as far astray as it did their southern neighbours. Edinburgh voted him the highest civic honours; and he coolly returned a too humble adulation, in a *French* letter, excusing his six months' delay in sending it, on the score of his great occupation! In one family alone, that of the Countess of Hyndford, the loss on this occasion amounted to the enormous sum of £90,000. Her ladyship's letters, which are preserved, display a wretched picture of stock-jobbing—its heartless triumphs and its heart-breaking reverses.† The French writers knew better; for example, Abbé Morellet, in his acute demonstration, that some intrinsic *value* essentially belongs to all true currency; so that Law's paper, being intrinsically *valueless*, is by no means, whatever its projectors might say, money and safe currency. Paterson was at that time full of Scottish affairs, and was perhaps, then, the only man capable of producing the two essays in which "Law's" fallacies are

* The History of Scotland, third edition, 1819, vol. iv., p. 329.

† These statements are taken from the records of the City of Edinburgh.

exposed, and safer ways of advancing the welfare of Scotland demonstrated.

III.

THOMAS SHERIDAN was the author of "A Discourse of the Rise and Power of Parliaments—of Laws, of Courts of Judicature, of Liberty, Property, and Religion, of the Interest of England in reference to the Designs of France, of Taxes, and of Trade." The book appeared in 1677, without the name of a printer, publisher, or author. It contains a system of social improvement, which, upon some points, is open to objection; but, in the main, is of a character so much in advance of even our general ideas, and is so logically proposed, that our most able reformers may consult it with advantage. Its chief speculations are identical with the views of Paterson, a ripe student at the time of the work appearing, and who was afterwards able extensively to carry it out. From an eloquent speech made by its author in his own defence, at the bar of the House of Commons in 1681, when accused of being in Coleman's plot, he is known to have been Thomas Sheridan; * and our interest in his name is heightened by Mr Burke † having placed him at the head of the "lineage" of the brilliant family of that name.

* "A Short Account of Mr Sheridan's Case before the late House of Commons, in a Letter to J. T." 4to. London: 1681. Pp. 32. This tract contains a full report of the speech in which Mr Sheridan mentions the rise and power of Parliament, "*of which many called him author,*" and defends it.

† A Genealogical Dictionary of the Landed Gentry, vol. i., p. 1229. 8vo. 1846.

The topics of the volume of 1677, with the language of the author, and with his principles, are demonstrative of a source of Paterson's views, successfully set forth a very few years later. Such topics are, the identity of interest all classes have in *trade*, and the usefulness of a "*council*" to support trade.

"Trade," he declares, "is the support of any kingdom, especially an island, enabling the subjects to bear the taxes, and shewing them ways of living more agreeable than those of the savage Indians in America, whose condition is but few degrees distant from that of brutes. Since then it is so necessary, it deserves the Parliament's best care to restore it to what it has been, or make it what it should be. The first thing to be don is, the erecting a Council, or Committee of Trade, whose work should be to observe all manner of things relating thereunto; to receive informations of all tradesmen, artificers, and others, and thereupon make their observations; to consider all the statutes already made, and out of them form such bill, or bills, as shall be more convenient, and present them to the Parliament to be enacted.

"The two great principles of riches are land and labour; as the latter increases, the other grows dear; which is no otherwise don than by a greater confluence of industrious people; for, where many are cooped into a narrow spot of ground, they are under a necessity of labouring; because, in such circumstances, they cannot live upon the products of nature; and, having so many eyes upon them, they are not suffered to steal. Whatever they save of the effects of their labour, over and above their consumption, is called riches; and the bartering or commuting those products with others is called trade. Whence it follows, that not only the greatness of trade or riches depends upon the numbers of people, but also the deerness or cheapness of land, upon their labour and thrift."

"All men," he adds, "from the highest to the lowest, are, one way or other, merchants or traders;" and, to prosper, "all must be punctual and thrifty, lest they first lose their credit, and afterwards become beggars" (pp. 224, 225).

Then he insists on the establishment of Banks, which “*in a little time would make an hundred as useful to the public as two hundred real cash is now*” (p. 219). He would further have all inland *bills*, and the like securities, “transferable by indorsement, as foreign bills of exchange,” which would “wonderfully enliven trade, make a new species of coin, lower interest, secure, in a great measure, dealers from breaking, and find money to carry on trades of linen, woollen, fishing, &c.” (p. 221).

Further, to promote the increase of wealth, he advises that “money in specie be exported free” (p. 213).

To improve the labouring people, Mr Sheridan advocates a large provision of workhouses, in which all might be employed who have no regular engagements; and he carries moderation of punishments so far as to urge the substitution of simple coercion and hard labour for all other punishments, even *for death in capital cases* (pp. 47 to 59*)—a point which Paterson hardly reaches in his “Proposals” of 1701.

He crowns all by recommending that means be provided by Parliament for *universal* education; and that the three kingdoms be *united* in one legislature; and that the popular branch of that legislature be reformed.

Such, and more, are the ideas advanced in Thomas Sheridan’s work of 1677, when Paterson was commencing his prosperous mercantile career.

* Mr Sheridan’s able argument for the *abolition* of the punishment of death in *all* cases is too long to be inserted in this volume, and it would be weakened by abridgment; but it deserves careful consideration. In one passage of Paterson’s *Proposals* for a Council of State, there is a manifest leaning to the same doctrine, but not carried to Mr Sheridan’s extreme views.

This eminent progenitor of our Richard Brinsley Sheridan was brother to the Bishop of Kilmore, who, in 1691, was removed, for his adherence to James II.; and Thomas Sheridan had a landed estate in Ireland.

IV.

THOMAS BRODRICK, and ALAN BRODRICK LORD MIDDLETON, were two other Irish gentlemen of distinction, more intimately connected with Paterson. They were both many years in the English House of Commons, and in 1715, Thomas Brodrick was chairman of the committee upon whose report Paterson's indemnity of £18,241 was carried through Parliament, by a private bill passed in July that year. The connexion arose from one of the Brodricks being, from 1692 to late in Queen Anne's reign, in high legal appointments in Jamaica.* Both brothers strongly shared Paterson's monetary opinions. Thomas was chairman of the committee of the House of Commons, which guided the just retributive measure against the Directors of the South Sea Company;† and Alan Lord Middleton, after warmly proposing an *Union* of Ireland with England, *on the Paterson principle*, at the time of the Union with Scotland, when he was Speaker of the Irish House of Commons, became Lord Chancellor of Ireland. Upon the occasion of the patent for *Wood's copper pence* raising something like a rebellion in Ireland,

* Lodge's Irish Peerage, v. 163, and Boyer's Political State for 1711.

† Parliamentary History, and Coxe's Memoirs of Sir R. Walpole, 4to, vol. ii., p. 182.

his lordship supported Dean Swift's opposition to the measure, at the extreme hazard of his own political dignities and the well-merited favour of the court. The opposition to Wood's scheme was entirely founded upon the principles of Mr Locke and Paterson; and, however much blamed by late writers, it will probably be seen, upon close examination, to have been as judicious as it was patriotic. His Lordship placed the error of the government in the proper light by shewing that the similar measure of the unguaranteed Irish Bank, proposed in the preceding year, called upon wise men to make a stand against these inroads of Lawism into Ireland. "It is very mortifying," said Lord Chancellor Middleton, in one of his able letters on the subject, "that the next session after the Bank was attempted among us we should be forced to struggle with the copper coin, which, in another shape, would have carried away all our gold and silver in exchange for that baser metal, as the Bank would have done in exchange for the Banking paper."* In Faulkner's dedication of the *Drapier's* letters on this occasion, to Lord Middleton, it is asserted that without his Lordship's example the Dean would have been silent, and that "his greatest glory was to be what the old Roman so ardently desired, a *parens patriæ*."† It may be added that Paterson's lessons laid the foundation for this boast.

* Correspondence between Lord Chancellor Middleton, Thomas Brodrick, and St John Brodrick.—Coxe's Walpole, vol. ii. p. 369.

† *Ibid*, p. 438.

V.

Sir Robert Walpole, and William Pulteney, Earl of Bath.

1717-1729.

THE subject upon which chiefly Paterson was intimately known to these two distinguished statesmen, was *the Sinking Fund* of 1717. A tract published in that year, under the title of "The Conduct of Robert Walpole, Esq.," places their relations in a striking light. After attributing to Mr Walpole the merit of having devised the payment of the national debt, by means of a real sinking fund, skilfully accumulated out of the national revenue, the author thus details the proceedings, and Paterson's share in them:—

"As the cause was popular," he says, "it found advocates, as well as opposers; as the monied men and stock-jobbers, chiefly in the city of London, were against it, so the landed men and gentlemen throughout the whole island generally embraced it, as a healing, advantageous proposal; and many arguments were used on both sides. Some gave Mr W—— their good wishes, and some just the contrary; and, in a word, the pamphlet writers of the age took the work into their hands, and fell to arguing for and against it in print, as their several opinions led them. Among these, one was said to be written by Paterson, commonly called *the projector*, a person eminent in such matters, and who it was, they now said, had examined and calculated these things by the express order of Mr W——, or at least by his approbation and encouragement. This was a large book, and contained the particulars of the public debts, with the calculations of the years in which they would be reduced, according to the several proposed methods, by reducing the interests, and for paying the principals out of the savings from the reduced interests; by which he made it appear, that in about twenty-two years the nation might be effectually clear of debt, and consequently the heavy taxes, which are indeed an insupportable

burthen to the poor, and a heavy clog upon trade in general, would be entirely removed.

"This book was called, 'A Dialogue among the Members of a Club in Friday Street,' &c., and met with a general approbation among those who applied themselves to enter into such calculations and inquiries.

"There was another book which followed this, and pretended to confute it, called, 'The Wednesday Club-law; or, the Injustice, Dishonour, and Ill Policy of breaking into Parliamentary Securities.' This was on the other side to an extreme, as may be guessed by the title; and its author was said to be one Mr Broome. After this, the former book, or at least the argument, was supported by another, entitled, 'Fair Payment no Spunge.' This was also said to be written by the order of the first contrivers. Some said it was written by the aforesaid Paterson; others, who pretended to speak from better information, said it was done by Daniel de Foe. Let it be written by who it will, it had some things of weight in it, for supporting by argument the first proposal in the book of Mr Paterson's; and, therefore, seems to be written in concert with the authors or directors of the thing itself."

The measure here described had been prepared in the first Parliament of George I., early in 1715, when the Earl of Halifax was at the head of the Treasury. It is the subject of the memorial set forth in the first volume, by which memorial Paterson asks his Majesty for a grant of "£500 or £600," to enable him to bring forward a great financial work; and in that session he distributed a short paper on the measure among the members of the legislature. During the next year, 1716, the work was laboriously pursued. The Earl of Halifax had died in May 1715; but Parliament was then passing a private bill for Paterson's indemnity of £18,000, instead of his receiving a royal donation of "£500 or £600." The successor of Lord Halifax in the ministry warmly approved

of the measure; and Mr Walpole, Chancellor of the Exchequer adopted it so zealously as to be entitled to the credit of being its *ministerial* author. During this time the change of the administration was in progress, which probably exposed the country to the enormous evils of the South Sea bubble. Paterson's book, mentioned in the passage above quoted, was published on the first day of the session, and its introduction is dated January 1716-17. In March the same year, it was largely extracted in a monthly work of Boyer, the *Political State*, as "Paterson's," the founder of the Bank of England, and who had also much promoted the Union. In the House of Commons, Mr Walpole, after resigning his office, pursued the measure as a "private" member, he said; and when violently taunted by Mr Lechmere with being instigated by others to do what was injurious to the monied interest, he strongly denied the charge. Mr Stanhope, who was now become minister, supported the measure. It differed essentially in character and principle from the sinking fund which Mr Pitt, in 1786, adopted upon the suggestion of Dr Price. Mr Pitt's measure was based upon an opinion that money could be *borrowed* with advantage to pay the national debt. Paterson proposed to redeem it out of a surplus revenue, administered so skilfully as to lower interest in the money market. The notion of *borrowing* to pay, seems to have sprung up with Sir Nathaniel Gould,* in 1725, when it was opposed.† The measure of 1717 actually effected a large reduction of the debt, and materially contributed to the public relief in the extreme perplexities caused by the South Sea Company. Mr Pitt's

* Lord Overstone's collection.

† A State of the Public Debts, 8vo, 1727, p. 164.

plan was given up after demonstration of error of its principles. Paterson's measure is at present in force, in the application of any surplus *revenue* to the redemption of the debt.

In the next year Archibald Hutcheson, an active member of the House of Commons, and a lord of trade, claimed the merit of having originated this plan for the redemption of the debt. But the pretension was disputed at the time with the express assertion of Paterson's priority * of title to that merit. It was an error of Mr Hume† to attribute it to Mr Hutcheson.

But a few years later, Mr Pulteney, when his long rivalry with Sir Robert Walpole was begun, vindicated the right of the *Earl of Halifax* to have the power of relieving the country from fiscal burdens. That vindication is contained in the following passage:—

"Some Considerations on the National Debts, the Sinking Fund, and the State of Public Credit, in a Letter to a Friend in the Country.‡"

"It is not surprising," says Mr Pulteney (p. 64), "that so prodigious a scheme should produce more than one pretender to the honour of its invention. But that a certain person,§ who hath very little just pretension to it, should so confidently arrogate the whole glory to himself, and cry *εὕρηκα, εὕρηκα*, to everybody he meets, is indeed matter of some astonishment. Great endeavours have been made to fix the establishment of this fund to the year 1717. . . .

"But the Aggregate Fund Act of 1 George I. had the preference,

* The Political State, p. 92 and p. 585, vol. xvi. August 1718.
"Mr Hutcheson seems to have taken the hint of a reduction, and to have framed his states chiefly from Mr Paterson's proposals for the redemption of the public funds, published in 1717."

† Essays, vol. i., p. 406. 4to. 1768.

‡ London: 1729. 8vo, p. 99.

§ Sir R. Walpole.

as it brings a real increase to the Sinking Fund, by the addition of duties, with the appropriation of all the unappropriated money in the exchequer for this use.

"I should not trouble you with the details, but to do justice to the meaning of a noble lord * at the head of the Treasury, in the beginning of his late Majesty's reign, who was as desirous to pay off the national debt as any man since, and had formed designs actually for this purpose, not subject to those inconveniences and mischiefs which have arisen from the bungling work of some of his successors, in proceeding upon stock-jobbing plans and views, which would have been entirely prevented, if the schemes of this noble lord had fallen into the hands of men endowed with the capacity and integrity to execute them. I have been informed that he did not, indeed, think of laying any new duties and impositions on the people for this purpose; yet he thought of one method, which it is said could be found out, and that was by contracting our annual expenses to such a sum as the nation was able to raise within the year. If this had been pursued, the kingdom had been some millions less in debt than it is at present.

"The measure is no more than what was practised by the famous De Witt, sixty years ago; and though some people, perhaps, have been too busy in taking care of their affairs at home to look much abroad, yet they might have learned this wonderful secret from a sheet of paper, intituled—'*A Letter to a Member of the Late Parliament, concerning the Debts of the Nation.*' Printed for Ed. Poole, under the Royal Exchange, anno 1701. Price 3d.'

"In this little paper the whole mystery of the Sinking Fund is very particularly, plainly, and fully laid down; so that anybody, for three-pence and half-an-hour's reading, might have been as wise in this particular as by the study of *twenty years*, and have built up as pompous a monument for himself.

. . . . "A member of the House, and a director of the Bank, since dead, declared, in the late debates, that the *Sinking Fund* was not the produce of any one man's invention, but the natural consequence of the Act of Parliament in the queen's time, for reducing interest."

The letter of 1701, here referred to by Mr Pulteney, will be found in the Appendix. It is believed to be one

* The Earl of Halifax.

of the papers known to have been laid by Paterson before King William in the year of its date. It clearly takes the merit of originating the policy of paying off the National Debt both from Sir R. Walpole and Mr Hutcheson.

VI.

JOHN LOCKE.

Born 1632, died 1704.

It is no slight circumstance to Paterson's honour, that he was second only to the great philosopher in opposing the measure of lowering the standard of our coin, to which Mr Lowndes, secretary to the Treasury, clung his whole life, and the erroneous principle of which was fatally supported in the Treasury, so as to bring on the South Sea Company's bubble. A letter from Mr Locke to a member of the Society of *Friends* in Amsterdam, a connexion of Paterson, shews the warm interest taken by the great philosopher in the assured success of the Bank of England at its very foundation.* When the Bank, in 1696, stopped payment, two powerful letters were addressed to Mr Locke, in support of his principle as to the coin. One of them is inserted at length in the Appendix. The second contains the following remarkable passage upon the proper course to be pursued in that crisis of joint-stock banking—a topic which Locke had not had occasion to write upon.

* Original Letters of Looke, Sidney, and Shaftesbury. Second edition, 8vo, p. 60. London: 1847.

The style of these admirable letters is somewhat more terse than Paterson's better authenticated writings, but in all other respects they may be safely attributed to him.

The discredit of the coin from its being clipped or worn, and the discredit of the bank notes in consequence of the refusal of payment in good coin on demand, are the same thing, says the writer; and he insists that the proprietors of the Bank, and the directors, have only one course open if they would be safe. They must pay the amount of their notes in coin on demand, whatever it might cost them. The lesson and its grounds are of universal application, and not less applicable in 1858 than it was in 1696.

"The usefulness of bank notes to the public, that which first gave them the nature of money among us," says Mr Locke's correspondent, "was founded in credit. That credit rose from the knowledge men had of their fund, and an opinion both of the capacity and integrity of the managers of it. Whilst their management answered men's expectations, by a current compliance upon all demands, with their engagements, their credit remained entire, and their bills were reputed good payment. When they faltered in their payments, whether from impotency or ill management, that failure in the performance of their promises was a disappointment to those that depended upon them, and thereupon their bills became of less esteem than they had been before. They were really less in value, for they answered not the end that they were given out for. Something of the nature of money they still retained, because the security of the fund upon which they were established gave them a real value, though diminished; that is, they became a new species of clipped money among us.

"Now the only cure of clipped coin of any sort consists in the reduction of it to its first standard; and all paper money, that of the Bank as well as that of any particular person, must either be reformed, as our coin has been, by reducing it to its standard, or England will never be at ease.

“If the necessity of reforming paper money be clear, can any one doubt of the manner of it? Was it not a legal security, confirmed by a settled course of payment upon demand when due, that converted paper into money? Was it not the faltering in their payment which diminished its value, and made it become clipped money? Can anything but a return to the first settled course of ready payments restore its value? Is not that the standard to which it must necessarily be brought back? Will any other artifice, will any indulgence to the coiners or subscribers of paper-money, do any manner of good to the nation? Or would they be indulged at the price of the nation’s suffering? I thank them kindly. If so, I am sure they deserve no indulgence at all. But I hope better things of them. Though they have been stunned with the blow that lately hit them, yet the symptoms do not appear mortal. It is not impossible that they may return to their senses, and act as becomes men.

“But do I not hear some languishing voice, that, on pretence of *absolute impossibility to perform what I point at, bespeaks yet longer forbearance and favour?*

“If, indeed, any such voice be heard in our streets, we are there so accustomed to those artful tones that nobody is much touched with them. Therefore, as we usually bid beggars work, so I must still bid those men pay. Let them not be offended with the similitude, for I am far from thinking them in the case of beggars. They are opulent, and can do it. But if I have mistaken, I will not say perverted, their course, let them not disdain advice, though from never so mean a hand.

“They ought, upon the first sense of their distress, to have called in the forty per cent. due from each of their members. This would then have infallibly saved their reputation; but they neglected the opportunity.

“Instead of calling for the forty per cent. then due, they have borrowed twenty per cent. of their members as a favour. If they do no more, I am sure this is to no purpose.

“*But what shall they do further?*

“Let them keep the twenty per cent., as they have it upon loan; and, besides that, now call in the forty per cent. due to them.

“If they like any other method better to raise so considerable a sum, or bring it to many of their own bills (which is, or ought to be, the same thing), let them find it out and practise it.”

"But it would shorten, or perhaps ruin, some of their members.

"Vain subterfuge! Their not doing it does now shake, and threaten manifest ruin to, all England. Besides, too, the suggestion is false. There is to them no such danger. Those that cannot pay now, can, if they please, sell part of what they have, and so make to themselves an honest, which is better than a legal, title to the remainder.

"But the forty per cent. will do them no good. Four hundred and eighty thousand pounds will fall short of their debt.

"If this be true, however dreadful it looks, yet methinks £480,000 should stop a gap, and make the remaining creditors easy to them. Let them not banter us with vain objections. If they are honest let them do what they can to pay what they owe. Nobody will then complain. Nay, when they have raised the £480,000, they will thereby have given such a pledge of their integrity to the nation, that everybody will return to trust them with their cash as at first; and their latter end will be more glorious than their beginning. This appears to me reasonable to be expected. I desire it, and I believe it.——

"It is further urged that the Bank must, at the very least, make up their accounts, and after settling the terms of future payment of their debts with interest, go on with revived credit, or pay nothing but interest, when 'the course of the bills would be stopped'—perhaps to the advantage of the public.

"As in the stop of clipped silver coins, many hoards were opened, the bank-books in discredit, being the last sort of clipped money among us, would unlock them all. And then all duty dispersed would abundantly suffer for our commerce, our markets, and our expenses—and make all payments easy."—*August 31, 1696.*

This paper will be appreciated by considering how it bears on the dispute still unsettled, on MONEY and VALUE.

VII.

PAUL DARANDA, sole executor to Paterson, and a legatee for £1000 in his last will, deserves special notice. He was a merchant of London. In the letters of adminis-

tration to his widow, he is described as of St Swithin's Lane, and of Putney, where he was owner of an ancient mansion called the Palace. His widow was a benefactor to the poor; and her family continued to reside in Putney until the beginning of the present century. His wealth and station are assurances that his dearly attached friend Paterson was not a vagrant adventurer, as often asserted. So early as in 1691, when the Hampstead Water Company was undertaken by Mr Paterson and his friends, the name of Daranda appears in the books as one of them. In 1694, also, when Paterson was so actively engaged in financial operations for the public service, Daranda is credited with £8000, part of a loan to the government; and he was one of the associates in the proposed Orphan Fund Bank, described in the first volume. The particulars of his contributions in aid of his friend's family, after the failure of the Darien Company, are not known; but, in 1701, he was a subscriber, to the amount of £4000, to the South Sea Company's Fund; and, long after Paterson's decease, he is known to have been interested in the erection of the Royal Bank of Scotland, to which was entrusted the administration of the Scottish EQUIVALENT Fund, with his testator's share in that fund specifically recognised. From a MS., for which the editor is indebted to Mr David Laing, it appears that he not only took an active part in forming the Royal Bank, but also shared his old friend's abilities in finance.

It seems to be a perfectly safe conclusion, from the facts of the case, that the name of PAUL DARANDA, who stood by his friend, with an open hand and a kind heart, for the weary years during which political and official

malice wronged him, deserves to be associated with that of William Paterson.

A few years ago, the voluminous account-books of the wealthy merchant of St. Swithin's Lane were sold at Putney, at the auction of the household effects of his last descendant there. These account-books have been since seen in the hands of the auctioneer employed at the sale. We look with curiosity into the records of daily expenditure preserved in feudal families. They are good keys to the manners of the times. It would be quite as useful to have access to the ledger of Daranda, from the Revolution of 1688 to the reign of George II., when he died. Doubtless, with the exactness of his merchant's craft, he would have entered in the ledger his large donations, acknowledged in Paterson's will—donations as characteristic of the "benefactor's" kind heart, as the munificent legacy of £1000 to Daranda in the will was significant of the grateful feelings of his poor friend. The *Archæological* Society of Surrey would do a public service by collecting the fullest memorials of such subjects of interest in their county.

The name of *Paul Daranda* is remarkable. He seems to have been the son of another of the same name—a Puritan minister, who was an intruded Fellow of St. John's College, Oxford, in the time of the Commonwealth.

VIII.

Michael Godfrey and Gilbert Heathcote.

THESE names are connected with Paterson's story, not only in regard to the Bank of England, but also in the

great controversy, at the close of the seventeenth century, between the old East India Company, which represented the party of *monopolists*, and the new East India merchants, commonly called *interlopers*, who struggled hard to open free trade to India and elsewhere over the whole world.

Michael, or Mitchell Godfrey, was one of several brothers, well-known wealthy merchants, and at the head of the liberal party in London.

The mysterious death of Sir Edmondsbury, the eldest of them, gave a sort of patriotic sanctity to their names. Michael was the first deputy-governor of the Bank of England, and its enlightened promoter, as his little tract respecting it proves. His friendship with Paterson is gracefully alluded to in the account of the Bank, in the Wednesday Club Conferences of 1717. His remarkable death, at the siege of Namur, in 1695, deprived Paterson of powerful support at a critical moment of his fortunes.

Sir Gilbert Heathcote, the founder of a wealthy family of that name, was among the other chiefs in the opposition to the old East India Company. The minister who gave their party his great influence was the Chancellor of the Exchequer, Mr. Montague, the patron of Paterson. The contest had begun even before the reign of Charles II.; but it was renewed in 1689 with great vigour, both in parliament and in the press. One of the ablest tracts then published upon the subject is strongly imbued with Paterson's principles, and it is expressed much in his language. Its title is, "An Essay towards a Scheme for a New

National East India Company." It deserves special notice, for its principles of the preference of friendly trading to conquests.

IX.

Dampier, Wafer, and Long.

These names are grouped together to justify the denial of a common charge against Paterson, of having been in some way *connected* with buccaneers. No proof of such connexion has been found by the writer ; but the records of the Board of Trade, and other State records, contain evidence that the English government called upon Dampier and Wafer for information for the settlement of Darien itself, and actually employed Captain Long to anticipate the Scottish enterprise. These unquestionable facts settle the case ; and, moreover, they prove that the objection, inconsiderately repeated to this day, that the Scots in going to Darien violated the Spanish title to the country, was not felt by the most upright statesmen, who at that time advised King William to take possession of the country, which his Majesty most unwisely prevented the Scots from colonizing. The official documents will be found in the Appendix.

X.

Andrew Fletcher, of Saltoun ; Principal Dunlop, of the University of Glasgow ; and Sir Robert Blackwood, of Edinburgh.

SIR JOHN DALRYMPLE, in the "Memoirs of Great Britain," states positively that the celebrated Andrew

Fletcher warmly approved of Paterson's Darien plans, and was his zealous friend; at least one passage in his own works alludes to Fletcher's opinions. The friends differed, however, widely on two capital points. The eloquent orator resisted the Union as a measure fatal to Scotland. Paterson advocated it as vital to the interests of both countries. So Fletcher would have made *slaves*—literally slaves—of the idle Scots, to turn them to industry. Paterson, on the other hand, argued with effect, that nothing was needed for his poorer countrymen than fair wages, freedom, and more intelligence. It would be great gain to recover the *correspondence* that must have passed between two such men.

Principal Dunlop and Sir R. Blackwood are connected with Paterson, not so much by their zealous support of the Darien enterprise, as by the just and enlightened report which they made to his Honour in the case of the *fraud* committed on the Darien Company. Their report on this case is given in the first volume. As to the Principal, it is interesting to know that he was one of the numerous and distinguished men who, like Penn, were misled, in the early days of James II.'s reign, to expect a just toleration from him. This expectation brought him, with others, home from America *before the Revolution* of 1688; a fact not generally noticed, but very material to a due appreciation of the times.—Sir R. Blackwood was a leader in all good works in Edinburgh, where he was Lord Provost. He seems to have been a thorough "*Patersonian*." It was upon the principles of Pater-

son's "*Proposals of the Council of Trade*," that he took an active part in the great reformation of the poor in Scotland, begun by a local law of 1731, but prepared during several years before.

XI.

James Dupré

is known in intimate connexion with Paterson by a MS. from him preserved in the British Museum, which has contributed a valuable section in the third volume of this work. This MS. is the tribute of respectful affection from Mr. Dupre to his "worthy and most honoured master," whom he represents as the guide of the Scottish Parliament, and the main agent in bringing about the great healing measure of the Union of Scotland with England in 1706. This MS. consists of Mr. Dupre's address to Paterson, dated in 1708, and of five letters written by Paterson himself, chiefly upon the financial aspects of the Union; and a statement of the debt and revenues of both nations. The substance of the letters and statement deserves consideration; but along with what proceeds from Mr. Dupre himself, the MS. has great interest. The portrait of Paterson, its frontispiece, is in Indian ink, a copy from an original not yet found. If the writer of the MS. be the founder of the wealthy family of the same name settled in the last century in Buckinghamshire, and well known to the mercantile world, it is not unlikely that the original painting will be found, with other traces of the friendship of the progenitor of this family with Paterson.

XII.

James Anderson,

the author of the "Dictionary of Commerce," knew Paterson in the decline of life; and in his dictionary, first published in 1769, fifty years after his death, gives an account of the Bank of England, and its founder, which has supplied all the historians of that institution with their materials of its early history. He was himself indebted to Paterson for his own account of the foundation of the Bank.

"The year 1694 was memorable," says Anderson, "for the erection of the Bank of England," which he states to have been long prepared. He proceeds—

"Most of the former printed proposals for public Banks in England seem to have had that of Amsterdam principally in view: but although that famous bank be doubtless a noble and very useful one amongst a people whose wealth consists almost intirely of money, and what we call personal estates, it is at least doubtful, whether one intirely of that model would be so suitable for England. Be this as it may, it is certain that sundry men of good abilities had for several years past employed their thoughts on this important subject, nearly resembling the Bank of Genoa, and partly those also of our own private bankers, having circulating notes or bills, but with more than all the conveniences of those private ones, and without the hazard of bankruptcies! It was also well judged, that, in order to bring down the high rates of interest and premiums at this time paid by the government (which was big with mischief to commerce, by inducing men to draw their money out of trade), it would be requisite to establish a public transferable fund of interest; which bank should also be for the conveniency of daily receipts and payments; and that such a scheme should be constituted a body-politic, with proper powers, &c.

"Mr. William Paterson, merchant, who had been much in sundry foreign countries of Europe, had laboured this point ever since the

year 1691, with Michael Godfrey, Esquire, and others of the same mind : and as England, at this time, was put to very considerable difficulties for raising the annual supplies, in order to support an expensive war against so potent a foreign enemy ; whilst the public measures were at the same time clogged and distressed by a violently-disaffected faction at home, who alleged that banks could thrive nowhere but in a Republic ; and yet would at other times argue, that such a bank as was proposed would make the king absolute ; he hoped that the government would therefore readily incorporate, with certain powers and privileges, a number of well affected gentlemen, who would advance a large sum, by way of loan, for the public exigencies : yet, as he himself relates (in his '*Account of his Transactions in relation to the Bank of England and the Orphans Fund,*' printed in folio, anno 1695), he found it much more difficult to get it consented to by the Privy Council (the king being in Flanders), in order to be brought into Parliament, than he had at first apprehended. The moneyed men also opposed it, lest it should diminish (as it certainly soon after did) their exorbitant gains from the public distresses ; for even 8 per cent. on the land-tax (beside additional premiums), though payable within the year, did not satisfy them. Other anticipations of the public revenues were much higher, the Interest, Premiums, and Discounts thereon running up to 20, 30, and 40 per cent. And sad it was to consider, that contracts for things sold to the government were made on the foot of 40, 50, to cent. per cent. above their current value ; according to the same author, who was known to be well acquainted with the state of things in those times.

“ At this time, Mr. Paterson observes (in his ingenious book called '*The Conferences on the Public Debts, by the Wednesday's Club in Friday Street*'), that so greatly were the then ministerial people distressed for raising the annual supplies, as to stoop to solicitations to the London Common-Council, for the borrowing of only one or two hundred thousand pounds at a time, on the first payments of the land-tax ; as particular Common-Councilmen did to the private inhabitants in their respective wards, going from house to house for the loan of money.

“ The debates held long in the Privy Council (Queen Mary pre-

sent), many being of opinion, that a bank would not answer, as they were only to have 8 per cent. interest on the £1,200,000 to be advanced by the proposers of this bank. The disaffected were all against it; alleging, it would ingross the money, stock, and riches of the kingdom.

“In brief, an act of Parliament having passed in this same 5th and 6th of King William and Queen Mary (cap. xx.), for granting several rates and duties on tonnage of ships, and on beer, ale, and other liquors, for securing certain recompenses, &c. to such persons as shall voluntarily advance £1,500,000 it was thereby enacted, ‘That their Majesties might grant a commission to take particular subscriptions for £1,200,000 part of the said £1,500,000 [because the Ministry would not trust the whole to this new scheme] ‘of any persons, (natives or foreigners)—whom their Majesties where hereby empowered to incorporate, with a yearly allowance of £100,000,” [viz. 96,000 or 8 per cent. for interest, till redeemed, and £4000 to be allowed the intended bank, for charges of management.]—“The Corporation to have the name of ‘The Governor and Company of the Bank of England.’”

Anderson then gives the substance of the Statute upon which the Bank was based; and continues:—

“In consequence of this act of parliament, the subscriptions for the £1,200,000 were completed in ten days’ time, and £25 per cent. paid down.

“We may here also further remark, that this is the first instance of any national funds being managed by any other than the Crown officers at the Exchequer; which new method, of allowing a round sum for charges of management, has been, I conceive, mostly with some saving to the public in this new method.

“‘The erection of this famous bank’ (says its projector, the above-named Mr. Paterson, who was chosen one of its first directors) ‘not only relieved the ministerial managers from their frequent processions’ (as he terms them) ‘into the city, for borrowing of money on the best and nearest public securities, at an interest of 10 or 12 per cent. per annum; but likewise gave life and currency to double or treble the

value of its capital in other branches of public credit ; and so, under God, became the principal means of the success of the campaign in the following year, 1695, as particularly in reducing the important fortress of Namur, the first material step towards the peace concluded at Ryswick, anno 1697.’”

As Paterson is here prominently connected with the foundation of the Bank of England, so Mr. Anderson mentions him in the same distinct terms as the leader of the Darien Company.

“In the remarkable year, 1695, the parliament, gentry, and merchants of Scotland made a very great effort (perhaps one of the greatest that had ever been essayed at one time by any European nation in their very first attempt) for establishing a colony of their own people in America ; and, at the same time, a company for commerce to Africa and East India : which, however, proved ultimately very fatal to Scotland ! It was said to have been underhand set on and encouraged by the interlopers in the English East India trade ; who, finding that both king and parliament inclined to favour the company, flattered themselves with hopes, that, by thus encouraging the Scottish design, they might obtain their own particular ends.

“Be that as it may, it is certain that the Scots had long lamented their being almost the only maritime country in Europe, without the Mediterranean and Baltic Seas, which had no colony nor settlement out of Europe. This point was more especially in their thoughts since the Restoration of King Charles the Second ; but the violent measures of the two royal brothers, prevented that harmony which was necessary to reconcile people of opposite parties in so great a national concern. Upon King William’s accession, they began to think more seriously about such mercantile schemes in Scotland ; and anno 1693, their parliament passed an act for encouraging of foreign trade, by empowering merchants to enter into commercial societies ; more especially for trading to Asia, Africa, and America. And that act paved the way for another in this year, and for a royal charter in consequence of it, incorporating a company to trade to those parts. It had been framed by Mr. William Paterson, the projector of the Bank of England, and

of the new Orphans' Fund. He had lived some years in America, as well as in sundry other foreign parts, and had entered far into speculations relating to commerce and colonies. He was so much regarded for his merit and public services, and also on account of his losses in projecting even this unsuccessful project, that the British House of Commons voted him £18,241 10s. 10³/₄d. in consequence of the resolutions of the House of Commons, on the 4th March, 1707. Mr. Paterson had thought of a place in the country called *Darien*, very near the isthmus which joins North and South America, uninhabited by any European people, and where a good settlement of Scots might be made, and to have another settlement opposite to it, on the South Sea near Panama: whereby he proposed, that a great trade might be carried on both to the East and West Indies.

“No sooner was the Company erected than Mr. Paterson and his friends in England had influence enough to get £300,000 sterling subscribed in nine days' time: soon after £300,000 more was subscribed in Scotland, the whole capital being at first designed to be but £600,000 sterling. But, fearing that the English subscribers would soon be obliged to withdraw their subscriptions, Mr. Paterson and his associates went for Amsterdam, where they at first met with encouragement: but the magistrates, soon suspecting the prejudice this new Company might do both to their East and West India Companies, intirely frustrated their subscriptions there. So their next attempt was at Hamburg, where they were very cordially received, and they expressed their sorrow for there being left room for no more than £200,000 sterling for themselves to subscribe.”

Moreover, Anderson examines national debts in the very point of view which constitutes the value of Paterson's proposals, from 1701 to 1717, for their redemption, through a wise administration of the public money. This examination by Anderson extends from the national debts of Spain, in the sixteenth century, to Sir Robert Walpole's abandonment of Paterson's plan in 1733.

NOTICES OF THE PATERSONS.

MUCH of what is wanting in the narrative of William Paterson's early days, in regard to the persecution that led to his exile, may in some degree be supplied from the story of another of his name :

JOHN PATERSON OF PENYVENIE.

William Paterson escaped from Scotland in that dreadful time when the soldiers of Charles II., under the orders of merciless bigots, hunted down the Scottish Presbyterians like noxious beasts ; and the wildest retreats scarcely afforded shelter to men whose only offence was, their attachment to the faith of their fathers, and their obedience to the dictates of conscience. The hills of Dumfriesshire and the neighbouring counties abounded in such retreats ; and the country is full of traditions of the sufferings of its people in those days. Among the sufferers was JOHN PATERSON OF PENYVENIE ; and his story, with those of his fellow-martyrs, in the pages of the Rev. Robert Simpson,

called *Gleanings from the Mountains*, will be found a lively representation of these terrible events.

“ ‘Some time this summer’ (1685), says Mr. Simpson, citing Wodrow the Scottish historian, ‘four men were coming from Galloway, where they had been hearing Mr. Renwick in the fields, to the shire of Ayr—Joseph Wilson, John and Alexander Jamison, and John Humphrey. A party of soldiers overtook them at Knockdon Hill, and, upon their confessing they had been hearing a sermon, they immediately shot three of them. What were the reasons of sparing Alexander Jamison, I know not.’ Such is the account given by the historian of the death of these martyrs. The tradition, however, is much more valuable than the meagre outline of the historic narrative.

“Crossgellioch, and not Knockdon Hill, was the place where these martyrs fell, and where they lie interred. Knockdon, however, is in the immediate neighbourhood. Crossgellioch is an oblong hill on the farm of Daljig, situated on the western boundary of the upland parish of New Cumnock. The ascent on three sides is very steep, but on the north the declivity is gentle. The top of the hill is generally flat, and interspersed with deep and rugged moss-hags, which were frequently occupied as hiding-places by the worthies of the suffering period. It was in the broken morass on the summit of this mountain that the individuals above mentioned sought, about the time that they were slaughtered by their enemies, a hiding-place. They had formerly sought a retreat in a place called Tod Fauld, below Benbeoch Craig, where they lay for some time;

but, being informed by one Paterson, who was himself a refugee, that a reward was offered for their apprehension, they retired to the more secluded locality of Cross-gellioch. It was in this place that they were ultimately found, after having one day returned from a conventicle at Carsphairn. Claverhouse, it appears, had been in pursuit of the wanderers in that neighbourhood ; and they, in order to elude his search, took up their accustomed abode among the dark and shaggy heath on the mountain. In this seclusion they remained for several weeks in comparative safety, because, from their lurking-place, they had a view of all around, and therefore they could easily perceive the approach of the enemy. This shelter became to them a place of encampment, from which they sallied out at convenient times to visit their brethren in the country around. In this way they could occasionally hold intercourse with their fellow-sufferers, and also furnish themselves with provisions, on which to subsist in their solitude. Their hiding-place, it would seem, was known to none in the vicinity, save to one young man of the name of Hugh Hutchison. This youth was their almost daily visitant, and from them he learned the nature of those principles for which they suffered ; and he, who formerly sympathized with them from feelings of humanity, in a short time became one with them on religious grounds, and experienced the higher sympathy of Christian brotherhood. His heart being now knit to the sufferers in the bond of a common faith, he made their cause his own ; and he conscientiously observed the sacred duty of visiting them in the day of their distress. It was his

occupation to attend the horses and cattle that were grazing on the hill ; and hence he had ample opportunity of meeting with them without interruption or suspicion. One day, as he was traversing the bent in the way of his calling, he heard the loud report of fire-arms on the top of the hill, in the distance ; and, not knowing what might be the matter, he hastened to the spot. When he reached the summit, and cast his eye along the mossy level, he saw a party of fierce dragoons on the spot where his friends used to conceal themselves ; and Alexander Jamison (whom tradition names James Jamison) in full flight along the heath. On observing the scene a little more narrowly, he saw the other three weltering in their blood, shot by the merciless troopers, the firing of whose pistols had drawn him to the place. As he stood gazing in mute astonishment on the tragic scene, he was observed by the soldiers. He instantly fled ; and the dragoons called on him to stop, otherwise he should instantly share the fate of those whose lifeless bodies lay stretched on the heath. The youth, however, paid no attention to their commands, but ran at his utmost speed for his life. To gain the heart of the impassable morass before his pursuers on horseback should come up to him he found to be impracticable, and therefore pursued his way adown the steepest part of the hill in the direction of the Nith. He crossed the river by a ford above Daljig, and then pursued his way along Dalricket Moss, and endeavoured to reach Daleccles Burn ; but finding that his pursuers, in spite of all his efforts, were fast approaching, he changed his purpose, and passing over Auchengeehill,

by the farm of Braehead and Rigfoot, he reached what is called the Lane. When he arrived at this place, the softness of the ground obliged him to dismount and flee on foot. The same circumstance, however, which retarded his progress on horseback, retarded that of the dragoons. Having passed over the yielding and sinking ground on foot, he succeeded in hiding himself in the wooded banks of the Lane. The dragoons searched long and eagerly for their fugitive, but without success. The God to whose people he ministered in the day of their distress, and in whose sufferings he sympathized, shielded him from those who thirsted for his blood, and preserved him for further service. He remained in his hiding-place till the soldiers retired; and, with a feeling of security, he observed them marching along the heights of Lane Mark, and moving onwards to the defile of the Afton.

“When all fears about his safety for the present were removed, he left his concealment, and returned to Daljig. With a heart full of concern and sorrow, he informed the family of what had happened; and in company with a number of others he visited the scene of martyrdom, to ascertain the true state of matters. When Hugh and his party arrived at the spot, they found that three out of the four worthies had fallen by the murderous arm of their persecutors. When they were killed, they were left by the savage troopers unburied on the moss. This appears to have been the universal custom; they left the bodies of the slaughtered saints exposed on the face of the open fields, and if others did not choose to inter them they might, for

anything that they cared, become a banquet to the ravens or the eagles of the desert. It is stated in the Book of Revelation that the murderers of the witnesses would not suffer their dead bodies to be put in graves; and truly those who shed the blood of God's saints so profusely on the moors and mountains of Scotland acted a part akin to this. The sufferers, however, wanted not friends to perform for them this last office; and there is no doubt, though it is not mentioned, that Hugh Hutchison and his companions dug their graves where they fell, and on the identical spot in the moss that had received their blood from the hands of their persecutors. Their place of sepulture is still conspicuous in the dark morass, where a monument was lately erected over their ashes, for the purpose of keeping in memory the tragical fate of these holy and devoted men, who sealed their testimony with their blood. It is worthy of notice here that when the monument alluded to was reared, about twelve years ago, the following discovery was made:—In digging down and levelling the place for the foundation, the workmen came upon the bodies of the martyrs, imbedded in the moss. They were lying in their clothes, which were undecayed—the identical apparel in which they were shot. The raiment was a sort of strong home-made cloth of the colour of the moss, and appeared in some parts as if originally dyed with heather. The bodies themselves, in a state of good preservation, were of a dull, sallow appearance. Part of the garments, and a lock of long yellow hair, were preserved as relics by the labourers. The hair was obviously

that of a young man—very fine and soft. The bodies of these Christian patriots and martyrs were thus seen, after the lapse of nearly one hundred and sixty years, shrouded in their hosen, in their coats, and in their bonnets, exactly as they fell by the murderous hand of their persecutors.

“The dragoons pursued their way over the hills towards the farm of Cairn, beautifully situated on the slope of the range of mountains that line the sweet vale of the Nith on the south. At this place they came upon two men in a hollow among the green and flowery braes, engaged, it is supposed, in devotional exercises. The sound of their voices employed in prayer, or in the singing of psalms, probably attracted the notice of the soldiers, and drew them to the spot. The names of the individuals were Hair and Corson. The circumstances in which they were found were enough to insure their death, and therefore, according to the custom of the times, and the licence of the troopers, they were without ceremony shot on the spot. They lie interred on the south side of the great road between Sanquhar and New Cumnock, where a rude stone pillar points out their resting-place.

“A similar incident to that now related occurred at Cragnorth, an abrupt and magnificent mountain near the source of the Crawick, where two Covenanters, named Brown and Morris, were killed by the soldiers. The incident, it is said, befell in 1685—the year in which so many of the worthies were shot in the fields. Two small rivulets descend from the hill on which they were slaughtered; the name of the one is Brown’s

Cleuch, and of the other Morris Cleuch. Near the head of Chapman Cleuch, in the neighbourhood of Nether Cog, lies a martyr; but neither his name nor the names of those by whom he was killed are known. More than five hundred persons were shot by the military in the fields, and therefore it is not to be expected that the names of all these individuals, or the circumstances of their death, could be recorded by history, or retained by tradition.

“We left Hugh Hutchison in a cave near Dalmellington, in which he had taken refuge from his pursuers, and in which he continued till the danger was past. In the neighbourhood of his retreat Hutchison had the happiness to meet with a fellow-sufferer, with whom he lived in concealment for a season. The name of his new associate was John Paterson. This man occupied the farm of Penyvenie, at the bottom of Ben-beach, and the ruins of his dwelling-house are still to be seen on the right hand of the road from Cumnock to Dalmellington. Owing to the severity of the times, however, Paterson durst not occupy his dwelling as formerly, but was obliged to seek a hiding-place in the fields. To his retreat in the ‘Tod Fauld,’ then, he conducted Hutchison, and here for a considerable time they continued in seclusion and security.

“From their place of concealment our two worthies descended, as frequently and regularly as circumstances permitted, to the farm-house, by turns, to their meals. One morning, when Paterson had stolen cautiously from his retreat to go to his house to breakfast, leaving his companion in the hiding-place till his return, a cir-

cumstance occurred which well nigh proved fatal to them both. It had been agreed on between Paterson and his friends that when danger was apprehended they should cry in his hearing 'The nowt's i' the corn.' This watchword was unknown to Hutchison. It happened, on the morning alluded to, when Paterson was in his house at breakfast, that an individual at some distance, who saw three dragoons approaching, hastened to the lurking-place to give the preconcerted warning, not knowing that Paterson was at the moment in the cottage. Hutchison heard the cry, and, not being aware that the words implied a sense different from their literal import, sprang from his concealment to drive the cattle from the corn-field. He no sooner issued into the open field than he discovered his mistake, for he saw three troopers marching with all speed towards the dwelling-house. He ran forward, with the intention, no doubt, of giving warning to his friend within, but durst not enter, as the party was close at hand; and going past the end of the house, which intercepted him from the view of the horsemen, he plunged into the heart of a large willow bush, and there secreted himself.

"Meanwhile the soldiers drew near, and John Paterson, who was at breakfast, observed their approach. He instantly rose from the table, and, grasping his trusty sword, presented himself in the attitude of self-defence at the door. His affectionate wife, whom solicitude for her husband's welfare prompted to expose herself to danger, followed close at his back. The soldiers, in order to overpower their victim, made a

simultaneous onset; but Paterson, with undaunted breast and powerful arm, brandished his glittering glaive above his head, and dealt his blows so lustily that he disabled two of his opponents, and laid them stunned, but not dead, at his feet. The third, a stalwart dragoon, yet unscathed, approached the valiant Covenanter, who so bravely maintained his position before the door, with a view to cut him down, and the more easily as he was already exhausted by the stiffness of the conflict; but his wife, who, like a guardian angel, was hovering near him, hastily untied her apron, and flung it over the soldier's sword-arm, by means of which the weapon was entangled, so that Paterson made his escape without injury to himself. It was some time before matters were adjusted on the battleground, and before the prostrate soldiers recovered themselves, and by this time the fugitive was beyond their reach.

“John Paterson was born in the year 1650—ten years prior to the Restoration. When he grew up, he embraced the principles of the persecuted people, and followed their preachers in moors and mosses, at the risk of his life. The farm which he rented belonged to Logan of Camlarg, a man who, like most of the landed proprietors of the period, in order to save his estate, fell in with the ruling party, and submitted to their measures. One day when John Paterson called at Camlarg, for the purpose of paying his rent, the laird remarked that the roads must have been very foul, as his feet were so much besmeared with moss and mud. In his simplicity, John informed him that he had that

morning come from Mayfield Hill, from attending a conventicle which happened to be held there. At this Logan stormed, and severely reprimanded his tenant, pointing out the dangerous consequences that would certainly ensue if the circumstance were to become known to the authorities. In those days of misrule and oppression, the lairds were made responsible for the behaviour of their tenants, and servants, and cottagers; and Camlarg distinctly saw the danger which threatened himself, if it should be discovered that any of the people on his grounds had transgressed the ecclesiastical law of the times. Logan therefore remonstrated with John, and stated that if he did not desist from the practice of attending field conventicles he would be obliged, in self-defence, either to inform on him or to eject him from his farm. In Paterson however he found a man of unyielding principle, and one who, having counted the cost, was prepared to sacrifice every earthly comfort, and even life itself, in maintaining what he deemed to be the cause of truth and righteousness. When he came home, he informed his wife of what had passed between the laird and him, and intimated his suspicions of what was likely to happen. His wife, who entertained the same views on religious matters with himself, was equally prepared to endure hardship in the cause of Christ. She encouraged her husband, by every virtuous consideration, to maintain an unflinching adherence to the principles which he had espoused. 'If it be the will of God,' said she, 'let us suffer in well-doing; and, at the same time, let us make all necessary preparations for our defence, in

case of an attack from the enemy.' It was now obvious to John that more than ordinary precautions were necessary. He began to consider how, in case of a surprise, they might be able to conceal themselves from their persecutors in places about the house and outbuildings; and it occurred to him that a small opening might be made in the wall, by which a passage might be secured into the adjoining office-houses, and from thence into the fields. Having therefore dug a hole in the gable, through which one person at a time could creep with ease, and all other things being prepared, he, in order to conceal the aperture in the wall, placed before it a large wooden seat, yeleft a *lang settle*, a piece of furniture very common in the old farmhouses in Scotland. In a day or two, as was anticipated, the soldiers paid them a visit; and Paterson, observing their approach, made his way through the opening, and hid himself in a deep trench cut in the moss, not far from the house. The soldiers having, according to their custom, examined every place in which they thought there was any likelihood of his being hid, and not finding him, they became very uproarious, and used very threatening language to his wife. They at last retired, and Paterson returned to his house unscathed. Next day Logan sent for him, and informed him that he was publicly denounced as a rebel, and that a reward was offered for his apprehension; and that now he might consult his safety in the best way he could.

“Matters having come to this pass, Paterson resolved to leave his house, and to take up his residence in Ben-beoch Craigs—a place well adapted for concealment.

From this situation he descended, as frequently as he found it consistent with his safety, to visit his household. One day, as he was preparing to go to his house, and had just left his retreat, he observed a company of dragoons approaching. He instantly retraced his steps, but was noticed by the troopers, who, seeing him hastily ascend the hill, as if wishing to avoid their observation, concluded that he was either the man they were seeking, or some other equally obnoxious ; and accordingly they rode after him. As he was climbing over the stone dyke which stood a few hundred yards from the bottom of the crags, he turned round to see what progress the horsemen were making, and, perceiving the speed with which they advanced, he sprang from the wall, and ran to seek his hiding-place. In this place there are large masses of coarse granite, torn from the hill in the vicinity, and tossed to a considerable distance from the parent mountain, obviously by some powerful convulsion of nature. As Paterson in his haste was passing the base of one of these granite heaps, he fell, and tumbled into a deep and dark cavity underneath the rocky pile. Here he found a seclusion altogether unexpected, and much preferable to his usual hiding-place. When he fell into the cavern, he lay in utter astonishment at the incident ; and, being partly stunned, could scarcely persuade himself that it was not a dream. As he lay in darkness and silence, he imagined he heard the party who were in search of him, talking and moving from place to place among the stones.

“ Paterson was in raptures with his new hiding-place,

which had been thus incidentally revealed to him ; and he began instantly to arrange the interior, which he found capacious enough to contain several persons at a time, that he might render it a fit habitation for himself, and for any other wanderer who might happen to sojourn with him. It would be easy to make such a place very comfortable, by removing the loose stones, and spreading the earthy floor of the cavity with dry straw, or with soft and scented hay—the common carpeting of the floors of the houses of even the nobles of Scotland in ruder times. The entrance to this retreat he contrived so to form that no stranger could easily find it ; and thus the place was rendered so secure as to become a very eligible asylum in the time of danger. To this place he conducted the refugees that fell in his way, and it was here that he lodged Hugh Hutchison, the incidents that befell whom, when he sojourned with Paterson, have been already noticed. Though none knew of his particular hiding-place but friends, the people in the neighbourhood, by whom he was greatly respected, were ready to give warning to his family when danger appeared. Among others, the farmer who lived on the side of the valley opposite to Penyvenie, agreed to give notice by crying across the ravine the common watchword, “ The nowt’s i’ the corn ;” and by this means he escaped on several occasions the vigilance of his enemies.

“ Some time after this he was in Galloway, at a place called Irelington, attending a conventicle kept there by Mr. Renwick. The meeting was held in the night season, under the serene shining of the bright moon—the

night being preferred to the day to avoid discovery. As the company were listening to the preacher, from whose lips the words of eternal life distilled like the refreshing dew on the grass of the field, a sound was heard in the distance, and anon there appeared a huntsman's dog in full chase, but without any apparent object of pursuit. The fleet and hilarious animal bounded several times round the outskirts of the assembly, and then darted in among the crowd. The circumstance attracted the notice of the congregation, and the preacher paused for a moment, and expressed his fears of approaching danger, especially as the dog seemed to have come from a distance, and not to be known to any person present. When they were beginning to deliberate on the propriety of separating, the warder, who had been stationed in the distance to give warning in case of the approach of the enemy, came running in breathless haste, to announce the appearance of a company of Highland soldiers, who were cautiously advancing in the direction of the conventicle. In an instant the meeting was dispersed; for it was now obvious that their gathering was known to the enemy. Paterson, with five of his acquaintances, David Halliday, John Bell, Robert Lennox, Andrew M'Roberts, and James Clymont, took refuge in a barn in Irelington, and hid themselves in the midst of a quantity of wool that was piled up in a corner of the building, and by this means escaped detection.

“But the danger consequent on his attendance on conventicles did not deter him from meeting with the worshippers in the fields, or in the mosses, whenever an

opportunity offered. He again attended a meeting near Little Mill, which gave serious offence to the lairds of Carse and Keir, who complained of him to Logan, who sent for him, and remonstrated with him on the assumed impropriety of his conduct, but without effect. Logan and his fellows did not comprehend the principles on which such men as Paterson acted ; they were themselves worldly men, and shifted with the religion of the times from mere expediency, and to retain their earthly possessions—so hard is it for rich men to enter into the kingdom of heaven. The great men of that time were mean and shuffling characters compared with the upright and noble-minded peasants, who, reckless of every worldly advantage, stood bravely by the cause of liberty and high religious principle. They were men, many of them, in whose presence the truckling gentry of the nation were not worthy to stand an hour, and before whom they actually quailed, and from whose face they slunk away, vanquished by an oppressive sense of their own baseness.

“ Paterson died so lately as the year 1740, at the great age of ninety, having long outlived the dreary period of persecution. His head was laid in an honoured grave, and his memory is still cherished in the locality where he lived. There were doubtless many interesting incidents in the history of this good man which tradition has not retained, but so many have been preserved as to keep his memorial alive, as a devoted follower of the Redeemer, and as one whom God cared for.”*

* Gleanings among the Mountains ; or Traditions of Scottish Perse-

These things were passing under the eyes of William Paterson's family; and tradition also tells of his frequenting the hill-preachings, and at last of his danger from the like pursuit. It is not then surprising that he should have been sent away by his parents.

WILLIAM PATERSON OF EDINBURGH,

another of the name, took the other side in the troubles of the time. He was a sea-captain; and the story in Woodrow, of his conduct to the unhappy *transported* Covenanters, is another illustration of the cruelties from which our worthy might well be glad to escape.

JOHN PATERSON, THE LAST ARCHBISHOP OF
GLASGOW.

This prelate was the son of a Bishop of Ross in Scotland. He was a formidable leader of the Episcopalians, and a determined adherent of the Stuarts. He was a man of abilities and great influence; an active partisan, and eloquent. In his later years, he was obnoxious to the Government, and placed in confinement upon a charge of treason, which was not pursued. He died wealthy in the reign of Queen Anne, several years before the rebellion of 1715. His descendants, like many of the Scottish Episcopalians, settled in England, where they have acquired some distinction. One of them,

cutions. By the Rev. Robert Simpson, Sanquhar, Author of "The Banner of the Crescent," &c. 3rd. Ed. Edinburgh, 1852, 133—149.

JOHN PATERSON, M.P., OF LONDON,

was eminent in the law ; the Clerk of two Companies, and Solicitor of the City of London. In his youth he was page to the Earl of Stair in the embassy to Paris in 1720. He was the friend of Garrick, and his executor along with the first Lord Camden. In the House of Commons he was Chairman of the Committee of Ways and Means. Sir Joshua Reynolds painted his portrait, to the bottom of which there is attached a plan of Blackfriars Bridge, the funds for which he was chiefly instrumental in collecting ; and a motto from Shakespeare, highly honourable to his character.

He died at the age of 85, in 1785.

CLEMENTINA, DAUGHTER OF SIR HUGH PATERSON ; AND
THE FIRST WIFE OF THE YOUNG PRETENDER.

A distinguished branch of the Paterson family resided at Bannockburn for centuries. In 1715, as an adherent of the Stuarts, and out in the Rebellion, Sir Hugh Paterson was attainted. One of his daughters, named *Clementina*, is celebrated in Scottish Jacobite annals. This lady, in order to promote the interests of her party, made the great personal sacrifice of her conjugal rights ; acquiescing in the second marriage of her husband, Charles Edward. Her story, correctly written, would reveal incidents that so often make the narratives of real life more romantic than the wildest or the more ingenious tales of fiction.

Besides numerous learned priests and ministers of all

churches, the Patersons from of old have produced no mean poets, such as the monkish versifier John; and also Ninian, who, in the reign of Charles II., but too eagerly sided with the persecutor. Others might be mentioned; and the friendship of one of them with Thomson has procured him immortality in the *Seasons*. A second was a respectable traveller, as his book on Caffraria testifies. The author of a very singular, *witty* book upon arithmetic, James Paterson exhibited the originality of his race in an ingenious attempt to make Arabic figures pleasing, as well as useful to the young. Another of the name, and of the same period, 1685, was so distinguished an artist in another way, that his fellow citizens of Edinburgh adorned his house with a legend of gilded letters, to celebrate his surpassing skill in the national game of hockey. Sir Walter Scott has given lasting fame to the Paterson—"Old Mortality"—the restorer of the tombs of the Covenanters. This branch seems to have emigrated to America, where they are numerous and distinguished in the navy, and other departments. Their alliance in America with the Bonapartes has exhibited another instance of the base disregard of the best affections, when, as in the case of Clementina, nature's claims are sacrificed to gratify dynastic ambition.

THOMAS PATERSON,

a banker in London, and known to our William in the later years of his life, was Treasurer to the first *Literary Fund*. His accounts, preserved in the British Museum, bear witness rather to the benevolence of the subscribers

to that fund than to their sagacity. They raised a capital of *one thousand pounds* to publish great works for the benefit of the writers and editors. Among others, they published *Dugdale's* "Monasticon;" and the well audited accounts exhibit, of course, large losses upon every book they published. Yet among the subscribers are found men of undoubted honour, and great literary experience!

DANIEL PATERSON,

an experienced officer of engineers, who served in Germany, in the West Indies, and in North America, deserves a better record than can be afforded here, for the numerous able productions of his pencil and pen. His old road-books of scores of editions are well known, and would be valuable models for similar works for railroad travellers. But his field-plans, still in MSS., are even more valuable. They are preserved in the British Museum. Besides less important military drawings made at foreign stations, there is one volume of such drawings upon the defences of England in the war of 1780. The army of the time is distributed in several maps constructed by himself; and he, with two other officers, produced some fifty field plans for rallying points in case of invasion. Several of these localities have been adopted as permanent military stations; and the Government will act wisely in sending a competent officer to inspect that MS. in the Museum.

These brief notices of those who have borne Paterson's name, are offered chiefly to meet the hasty re-

proach of his being of "obscure" stock. Of all men, he the most earnestly advocated the claims of personal merit, without reference to race or clime. Applying largely the principle, that human beings are the creators, under Providence, of their own weal and woe, he maintained that "the people of every nation depend upon the nature and influence of their governments. If rulers are righteous, the people are righteous; if rulers are wicked, the people strangely grow so to."— (See below, p. 36.)

THE
WEDNESDAY'S CLUB DIALOGUES
UPON
THE UNION.

(London, 8vo. 1717.)

EDITOR'S PREFACE.

This is the last work clearly ascertained to be Paterson's. Besides the positive testimony adduced in the Biographical Introduction, to the fact of his authorship of this work, the perusal of certain passages in it, along with the like passages in other writings admitted to be his, will remove all question on the point. The only serious reason for doubting that the Wednesday Club in Friday Street is a fiction by Paterson, and the dialogues his composition, not the report of real proceedings, arises from a *first* publication of this character being referred to by competent authorities, without any reserve, as a genuine report of the year 1695 from a real club, frequented by Michael Godfrey, Paterson himself, and others. It is said that the Bank of England was originally devised at that club. This is asserted by Mr. Allardyce in his Letter of 1798 to the Proprietors of Bank Stock. It is repeated by Mr. Macculloch in his Bibliography of Political Economy; and by Mr. Lawson in his History of Banking (App. A). After a diligent search in many libraries, and for the following reasons, the Editor concludes that there was no such Club of 1695; that Paterson's account of the founding of the Bank in the present volume, pp. 63—73, is the source from which all descriptions of its early days have proceeded; and that the *Union* tract of 1706, the third of the former volume, is the first of his productions in the form of dialogues.

In the first place, Paterson himself, in tracing very carefully the Bank to its origin, is silent as to the agency of any Club in 1695. Then the Bank was founded in 1694, after being mooted in effect in Parliament in 1692, and even proposed in 1691. In ninety-five all was settled, and Paterson gone to Scotland to carry out his old Darien enterprise. It is some objection to the theory of the existence of a Wednesday Club of 1695, re-appearing in its debates in 1706 and 1717, that in the various lists of Clubs of the reigns of King William, Queen Anne, and George I. the name never occurs, except in the title-page of Paterson's two dialogues. So Boyer, in a long review of the work, in the Political State of 1717, obviously treats the interlocutors of the dialogues as fictitious personages, not as real persons with disguised names, except *Mr. May*, said to be Paterson himself.

It is perhaps a stronger reason than these, that in the History of Commerce, by Anderson, who was a young clerk in the South Sea House in

Paterson's lifetime, a full description of the Bank of England is taken from the tract of 1717, not from any earlier account, which Anderson must have read if it existed. The same thing may be averred of all the other early descriptions of this work. They are all traceable to Anderson, whose authority is, the last dialogue of the Wednesday's Club, 1717.

The results of the Union, discussed in the opening of the club debates, have been examined in the former volume.

The founding of the Bank of England must have been a proud subject of reflection to Paterson. It had now stood twenty years, and materially aided the Government in two great wars, ending in the humiliation of Louis XIV. after a life-long insane career. It was soon to enter upon the far severer struggle against the home-insanity of the South Sea Company, in which his old antagonist Law had the support of "the violent party," who persecuted him so many years. The immediate antecedents of the crisis in that struggle are obscure. Although Paterson was dead before it broke out in its worst consequences in London, he could not fail to be an attentive observer of what was doing in France by Law, upon the subject of paper speculation, from 1715. The new zeal of Edinburgh in its favour occurred only a few months after Paterson was gone; but it is impossible to conceive that some grave discussion had not preceded the complimentary address to Law described in the introduction to the present collection. The Bank of England, however, much as it strove not to be outdone by the South Sea Company on this occasion, escaped perhaps by the influence of the principles of finance which it owed to Paterson.

The original constitution of the Bank did not confer upon it the exclusive privilege obtained in 1709, by the limitation of other banks to six partners; and it no where appears that Paterson approved of the change. It is quite certain he had in that year no interest in the Bank Stock; and in this Dialogue, p. 189, he expressly condemns the privilege.

Besides his own narrative in this Dialogue upon the Bank, an interesting debate in the House of Commons on the subject has been found, not inserted in the parliamentary history. An original tract also has been met with, that seems to contain his invaluable advice to Bankers.

There is inserted at length in the Appendix (B) a more elaborate tract of the same period, which for its principles might be confidently held to be written by Paterson. It contains passages strongly indicative of him; for instance, its scriptural allusions, and the logically exact financial and commercial statements. There is besides a passing disclaimer of all feeling of personal enmity peculiarly applicable to his circumstances. It would besides be very difficult to select from the numerous writers of that time upon the subject any one who was so likely to have produced this tract as Mr. Paterson; but, as it must be admitted that no direct proof of such authorship has been discovered, this tract is not included among his works with absolute confidence.

His proposal of means to redeem the National Debt dates from 1701,

when he submitted to King William the simplification of the public accounts and economy in the public expenditure, in order to effect the purpose. He never meant to *borrow* money for it. A famous tract of Pulteney, of 1729, entitled *Considerations, &c.* refers to the plan of 1701, not indeed positively as Paterson's; but the fair inference from that tract, and from other works of the time, is that it was his production (App. C).

To the positive testimonies as to Paterson's being the originator of the Sinking Fund of 1717, already mentioned in the Biographical Introduction, is to be added that of Crookshanks, a superior officer of the Customs in Scotland, who severely exposes the unfounded pretensions of a Member of the House of Commons, Archibald Hutcheson, also from Scotland, to the credit of the measure.

The policy of a real Sinking Fund, out of surplus revenue, to reduce the National Debt, and to lessen the weight upon public industry, is no longer a subject of dispute. The skilful construction of the Budgets of *Peace*, with that view, is one of the first tests of the Finance Minister's abilities; and William Paterson's opinions on the best mode of establishing and guarding such a fund, may acquire something of the force of financial axioms when thoroughly understood.

He further left in these Dialogues his ideas upon the customs, free trade, and the interest of money.

But their most striking portion is the powerful denunciation of the mismanagement and sinister views of official men, who paralysed financial reforms expected at the Revolution of 1688, and who impeded the efforts of two spirited nations to improve their natural resources, and carry their energies into new fields of enterprise. His reproof of the mischievous practice of unduly trusting political duties to subordinates cannot be read without the application of the lesson to our daily experience. Paterson's exposure, also, of the littleness of party manœuvres, and of administrative inefficiency and corruption, are calculated to become practical lessons in these more promising days of political regeneration.

The influence of his book at its publication was shown not only by some of the members of the Stock Exchange burning a copy of it, but by the fact of three editions being called for in the first year of its publication. Copies of the three editions are preserved in the *Free Library* at Manchester, two being unquestionably genuine separate editions, since the type and paging materially differ. The second and third are the same, except as to title-page. The text is exactly alike in all three (App. D).

AN INQUIRY

INTO THE STATE OF THE

UNION OF GREAT BRITAIN,

AND THE

PAST AND PRESENT STATE OF THE TRADE
AND PUBLIC REVENUES THEREOF.

BY THE

WEDNESDAY'S CLUB IN FRIDAY STREET.

L O N D O N :

PRINTED FOR A. AND W. BELL, AT THE CROSS KEYS IN CORNHILL,
AND J. WATTS, IN BOW STREET, COVENT GARDEN:
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W. MEARS AND J. BROWN, WITHOUT TEMPLE BAR;
AND W. TAYLOR IN PATERNOSTER ROW.

1717.

P R E F A C E.

THE following Inquiry, tending to the Redemption of the Public Revenues, is a continuation of like proceedings in the year 1705, with relation to the Union of Great Britain, which was communicated to the Lords Commissioners for the then ensuing Treaty in the month of April, 1706.

It was then justly expected that an effectual inquiry into and clear stating of the trade and money-matters would be the natural consequence of the Union, and of course produce the redemption of the revenues then variously and unequally mortgaged, but only for much less than a moiety of the sums now charged thereon.

Yet, though the Union in the main was soon after happily concluded, new and still more unequal and insupportable taxes, with sales and alienations thereof, soon got the better of the intended inquiry, and consequently of the proposed redemption, the then and now still more necessary preliminary step towards redressing the accumulated grievances and pressures the nation labours under.

Feb. 6, 1716-17.

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PROCEEDINGS

OF THE

WEDNESDAY'S CLUB IN FRIDAY STREET.

WEDNESDAY, JUNE 27, 1716.

Mr. SANDS in the Chair.

AFTER frequent endeavours to bring the club again to enter upon the subject of the Union of Great Britain, Wednesday, the first day of August next, was at last, by a majority, appointed to consider thereof.

Ordered,—That Mr. Medway, the Secretary, acquaint the several gentlemen with the subject-matter, and time of meeting; and that he particularly desire the attendance of such of them as assisted at the proceedings of the club thereon, before the late Treaty of Union.

That Mr. Jones, the then chairman of the club, be desired to lay the journal of the former proceedings, upon the subject of the Union, before the said meeting.

Mr. Sands, from the chair, said, that after so long an interval, he had no small satisfaction in finding the major part of the society inclined again to enter upon the subject of the Union; yet at the same time was not a little mortified to see some (particularly of those who before the making of the Union were among the greatest zealots for it) now so cold in the matter.

That possibly in the space of near ten years since the commencement of the Union, as is usual in human affairs, things may not have succeeded to the expectation of many, with

regard to the public, and it may be some personal neglects and disobligations have been added; yet he continued to be of opinion that the Union is still one of the best things, though, as a great and good king once said in another case, it hath not yet been made to grow.*

That since the making of the Union he had frequently been not a little surprised to find even greater heats in this club on the very mention thereof than ever before, as if the wonted laudable moderation and union temper of the club, instead of the wished increase, had suffered by the Union of Great Britain.

That since, he had particularly observed gentlemen somewhat inclinable meanly to condescend to personal reflections, and often to assertion of facts, without sufficient foundation; therefore the singular regard he had to the pristine repute of this club obliged him now to desire that it may be specially ordered,

First, That all personal reflections be carefully avoided.

Secondly, That though good things may be said of any, yet that none in this club may presume to make too bold with human frailties.

Thirdly, That nothing be offered as matter of fact without being well known, or at least well attested.

Fourthly, That for the greater ease and security herein, references to the proofs of facts offered may from time to time be made in the margin of the Journal of this club.

These four preliminaries are right (said Mr. Brooks), but since, as I perceive, some incline to find fault with the Union, or at least with something or other, I move a fifth preliminary, viz.

That all fault-finders be obliged at the same time to propose amendments.

That would be fine work for the club (said Mr. Bruce), since there is not one of an hundred, it may be not one of a thou-

sand, of those who are capable of finding faults in the world able to propose proper ways of mending them.

Nevertheless, I see not why this should not be a standing rule, not only in ours, but in every society (replied Mr. Brooks), since thereby some ill, and more little idle and frivolous things would of course be avoided, and time better spent in conversations.

Consider on the other hand (said Mr. Bruce) how unequal a thing it is, since if one shall happen to propose a wise sort of amendment for anything amiss, yet, as matters stand, he nevertheless runs the risk of having it wholly rejected, or at best received only with a mere passive sort of assent; whilst on the other hand, if he venture to offer a foolish thing, they will hardly fail to laugh at him.

Let us therefore at least make it an order of this club, that no man presume for the future to laugh at any one who shall happen to propose or promote a foolish thing.

This might possibly be a good order enough (said Mr. Grant) at some time or other, but hardly for us now.

Pray why? (said Mr. Kerr).

Least (said Mr. Grant) men should thereby take occasion to laugh, not only at particular persons, but even at the whole club.

This is a wild subject (said Mr. More), and may otherwise run out to great length. I therefore offer, as an expedient, that Mr. Sands, from the chair, may admonish every member of this club, if possible, to refrain laughing at a foolish thing when proposed.

After some silence, this expedient was acquiesced in.

Then Mr. Bruce said he hoped if any one presumed to laugh at some foolish proposition from another, he should thereon be obliged to propose a wiser himself.

Yea (said Mr. Brooks), and under the same penalties.

Mr. May said, This is all beside the purpose, since certainly excellent persons in their searches for and promoting of truth

ought little, if at all, to regard the applauses or derisions of others.

After which the club called, "Adjourn, adjourn."

Then the club adjourned the affair of the Union to Wednesday the 1st of August next.

WEDNESDAY, AUGUST 1, 1716.

The club being met, which proved more numerous than expected, Mr. Jones, a gentleman of Wales, who had been in the chair during all the first proceedings of the club upon the subject of the Union, was again unanimously chosen.

After reading the former proceedings of the club on the affair of the Union, Mr. Jones said—

That, pursuant to the special directions of the club, he, with Mr. Medway the Secretary, immediately caused the proceedings now read to be printed, and communicated not only to the members, but likewise to many others, particularly to some of the late Lords Commissioners for the Treaty, as also to several eminent Members of the Parliaments of the then two kingdoms.

That these our proceedings were generally well received, that some regard was even had thereto in the following Treaty, and confirmation thereof by the Parliaments of both nations.

That nevertheless for a considerable time past he had industriously avoided this club, lest he should therein hear some or other of the clamorous things now so frequently said against the Union.

However, since the gentlemen had not only so unanimously commanded his attendance, but likewise again to take the chair, he declared himself ready to serve them, and hoped they came to inform one another of the state of this matter with the same Union spirit he found in them eleven years ago.

After a considerable pause Mr. Hope said, that for his part, about the time mentioned from the chair, he was as much for

an Union as any, but confessed himself now of another mind, wishing with all his heart there had been no Union of the kingdoms, or at least not so soon, since (said he) the statesmen for the time then told us we had France under our feet, consequently should soon have a masterly peace, even within the very year, for the Treaty.

That then the work of the united government would principally be in the effectual easing the nations of their heavy debts and taxes; promoting navigation, trade, manufactures, and improvements; the support, employment, and maintenance of the poor, and such like public designs. Yet we have seen the war not only continued for other seven years, but the peace at last by no means answerable.

Meanwhile the new kingdom, far from being enabled to extricate itself from former difficulties, hath in its first nine years been involved in at least double the debts and taxes, with many further evils which have and do follow of course.

For my part (said Mr. Rose) I was never very fond of the Union, at least till after the war, that Scotland might thereby avoid the danger of future debts and taxes, which they now find so very heavy upon them.

Allowing the nations have been brought into some unnecessary debts and taxes, and otherwise involved (said Mr. Sands), still if you in Scotland have not yet been able to say what you can do with the Union, I cannot possibly tell what you would have done without it.

Why possibly (replied Mr. Rose) we might have rebelled; yet, you see, we have rebelled however, which, let me tell you, is not the commendation of your Union.

I hope you will allow (said Mr. Brooks) that if the Union had not been, the rebellion must of course have taken much deeper root in that part of the island, and consequently have been still more fatal to themselves as well as others.

That is plain (said Mr. More), since the rebellion in such a case must have been in a manner national, and thereby have

given some people still a more specious pretence for calling it a civil war than they had for giving that epithet to the last rebellion. But methinks we are in a wild way and too much without book.

By Mr. Jones from the chair we have a brief account of his communicating the minutes of our proceedings, not only to our own members, but likewise to those then in power; I hope he is also come prepared to acquaint us with the substance of the following proceedings thereon by others, particularly, in the first place, with those of the Lords Commissioners for the Treaty, and of the parliaments of the then two respective kingdoms till the commencement of this Union.

Thereupon Mr. Jones said, that by looking over his papers, and otherwise, he had recollected some of the most material transactions, and that now since the club had again entered upon this subject, he designed as much as possible to apprise himself of these matters, in which he trusted others, particularly those gentlemen who have formerly been very diligent herein, would be assisting to him.

That, pursuant to the directions of the respective parliaments, thirty commissioners for each nation had been appointed to treat of an Union, the commission for Scotland was dated the 27th day of February, 1705-6, and that for England the 10th day of April, 1706.

That the first meeting of these commissioners was on the 16th of the same month of April, who, at the forty-fourth conference, which fell on the twenty-second day of July following, agreed upon, signed and sealed certain articles of union, in number twenty-five, which were on the following day humbly presented to the Queen, to be offered to the consideration of the respective parliaments of both kingdoms.

But, since those very articles did not pass, save only as altered by the parliament of Scotland, I have here, said he, a copy, with these amendments in a different character, the better to appear to the immediate view of the club.

Then Mr. Jones delivered the said copy to the secretary, which was read.

Thus by way of addition and explanation, as they then called it (continued Mr. Jones), the parliament of Scotland made considerable alterations in the scheme of articles at first unanimously agreed on by the Lords Commissioners of the two nations, more especially in the fifth, sixth, seventh, eighth, and fifteenth articles relating to money matters.

Considering the great alterations made by the parliament of Scotland, in the articles of Union (said Mr. Speed), which, it is said, are not to the better, particularly for the public good and revenues of the United Kingdom, I therefore am the more surprised to find so many of the gentlemen of Scotland still continue discontented with this Union, so much of their own making.

That mends not the matter (said Mr. Grant), since my countrymen are usually not a whit the better pleased with things when done for having had the honour of doing them, therefore it is they pretend to so great a share in the common proverb, viz. Better late than never.

I suppose they mean repentance (said Mr. Brooks), but it is said the earliest crop of that is always the best.

It is now plain the main opposition made to the Union proceeded rather from party humours and passions than any settled design. This, doubtless, encouraged private men to seek their profit, by taking advantage of these piques and party differences, and therefore wish due inquiries were made :

First. Into the damages of the United Kingdom by such wasteful measures.

Secondly. Who have done, caused, or suffered them to be done.

Thirdly. Who have been the greatest particular gainers by these sorts of public losses.

Fourthly. Whether these gainers have been or now appear less discontented than their neighbours, who gain not, but on the contrary contribute to such public losses.

Mr. Jones from the chair said, that upon the 16th of January, 1705-6, when on the point of the Union, the club unanimously agreed, that their next proceedings of that kind should be by way of inquiry into the past and present state of the trade and public revenues of England; that the facts last mentioned would certainly most naturally fall under that head, he therefore wished them to adjourn, and the rather in regard that, though particular men had not been named, yet some things said seemed to tend towards personal reflections; in the mean time (continued he) consider whether these things ought not rather to be referred to a select committee.

It was thereupon moved, that a committee be appointed to inquire into and report the state of the public revenues, taxes, and debts of Great Britain; and that the matter of the Union be specially referred to that committee.

Accordingly a select committee was appointed to inquire into and report the state of the public revenues, taxes, and debts of Great Britain, to which committee of inquiry the state of the Union was also specially referred.

Mr. Ford, being named one of the committee, desired to be excused from attendance, in saying he had so long been gruelled and puzzled about the confused and intricate state of the public revenues, taxes, and debts of Great Britain, and to so little purpose, that he was determined not to trouble himself further about them, and believed when others should see what he had done they would be of the same mind, and more to that effect.

Then Mr. Brooks moved that a day be appointed to consider of the rise of these discontents about the Union, and other public things, since in such cases a true discovery of the causes is always the best step towards having them removed.

This club ought diligently to avoid such dangerous matters as those noisy party things (said Mr. Gage), lest peradventure we shamefully fall together by the ears only about silly, peevish things, and thus our meetings, instead of doing good, have quite

another turn; for I have often seen men more inclinable to quarrel about foolish than wise things.

Would you have men so very foolish as to quarrel about wise things (said Mr. More)? Believe me, they seldom do that; and for this very reason I wish for a free conference about the nature and rise of the present discontents of some people, as expecting that, being unable to bear the light, a great deal of this sort of stuff will, when justly exposed, of itself fall to the ground and vanish. That consequently we, being relieved from these shadows, may have the better and easier recourse to substances and real things, to enter into the causes and consequences. Thus (said he) you see I am no way apprehensive of our quarrelling on this occasion.

Certainly never anything seemed better taken, more earnestly desired, or assiduously pursued than was that of the Union before its commencement (said Mr. North); many instances may be given of this, but I now only pray the reading of her late Majesty's Speech at passing thereof the 6th day of March, 1706-7, and the Address of both Houses of Parliament thereon, with the Queen's gracious Answer to that Address, which were accordingly read from the Votes, and are as follow: viz.—

“ March 6, 1706.

“ My Lords and Gentlemen,

“ It is with the greatest satisfaction that I have given my assent to a Bill for uniting England and Scotland into one Kingdom.

“ I consider this Union as a matter of the greatest importance to the wealth, strength, and safety of the whole island, and at the same time as a work of so much difficulty and nicety in its own nature, that till now all attempts which have been made towards it in the course of above one hundred years have proved ineffectual, and therefore I make no doubt but it will be remembered and spoken of hereafter to the honour of those

who have been instrumental in bringing it to such a happy conclusion.

“ I desire and expect from all my subjects of both nations that from henceforth they act with all possible respect and kindness to one another, that so it may appear to all the world they have hearts disposed to become one people.

“ This will be a great pleasure to me, and will make us quickly sensible of the good effect of this Union.

“ And I cannot but look upon it as a peculiar happiness that in my reign so full a provision is made for the peace and quiet of my people, and for the security of our religion by so firm an establishment of the Protestant succession throughout Great Britain.”

“ March 11, 1706.

“ We your Majesty’s most dutiful subjects, the Lords Spiritual and Temporal and Commons in Parliament assembled, return our most humble thanks to your Majesty for your gracious approbation of the share we had in bringing the treaty of an Union between your two Kingdoms of England and Scotland to a happy conclusion, a work that (after so many fruitless endeavours) seems designed by Providence to add new lustre to the glory of your Majesty’s reign; the success of your arms having secured us from all attempts from abroad, and the care your Majesty has taken of the firm establishment of the Protestant succession having given a great and lasting security to our religion as in the Church of England by law established. We beg leave humbly to assure your Majesty that our endeavours shall never be wanting to support your Government at home, and so to establish the peace of this island that no dispute may remain among us but how to acknowledge in the most dutiful manner the auspicious conduct of so great and so renowned a Queen.”

“ My Lords and Gentlemen,

“ I am glad to find your opinion so perfectly agrees with mine

concerning this Union. You cannot do me more acceptable service than by using your utmost endeavours to improve all the good consequences of it."

I have been much out of the way of public affairs since the commencement of the Union (said Mr. Hunt), and so know little of the matter, yet cannot but think the Union must needs have had good consequences; and that if, since the making thereof, anything hath happened otherwise, it must have proceeded from other causes, and therefore I move for a day solely to consider of this subject-matter.

I second that motion (said Mr. Heath), and move that Wednesday the 15th instant be appointed for this purpose, hoping gentlemen may come so prepared as to give the club due information; and that in the meantime Mr. Medway the Secretary be directed to lay before the club an account in writing of the good consequences of the Union, together with a list of the names of those who have done or endeavoured anything considerable therein.

Which motion was agreed to *nemine contradicente*.

Then the club adjourned to Wednesday the 15th instant.

WEDNESDAY, AUGUST 15, 1716.

After reading the journal of the first instant, the secretary (according to order) was desired to lay before the club his account of the good consequences of the Union, with a list of those who had done or endeavoured anything considerable therein.

The secretary thereupon said that, pursuant to the directions of the club, he had been at or sent to the principal offices, and conversed with those he judged most proper towards obtaining such accounts, but as yet without success.

That some told him they never knew or heard of any good consequences from the Union, only remembered that in the

first dawnings (or in other words in the very honeymoon) of the Union there were those who talked somewhat warmly of the good consequences; but, as sometimes in like cases, this heat was soon over, since which they heard nothing further of that nature.

Some plainly said that, though possibly a few particulars might have formerly aimed at the public good by the Union, yet that others were suspected at the very time to have other views, as either to ease themselves from their share of the troubles of their own making otherwise like to ensue, or in pursuit of particular benefits and advantages or the like; and, if so (continued they), how can good consequences be expected from the Union or anything else in such hands?

That others pretended it easy to find a state of the ill consequences of the Union, with accounts of persons who have made or endeavoured to make particular profit of it, but that they suspected other pretences at first were as specious as the effects expected therefrom now proved imaginary.

I am no way surprised at the secretary's report (said Mr. Hall), since, though the Union be certainly worthy and noble in itself, yet good consequences, humanly speaking, can only be expected from things of this nature, by means of some who understand and mean them well; and if such as these had since the commencement of the Union appeared among the men in power, we should certainly now find and know them by their works.

In fine (said Mr. Shaw) this Union was begot by party and faction, and what good fruit can be expected from such a seed?

I have often heard wranglings, divisions, dissensions, and such like, called party businesses (said Mr. More), but never that Unions were so styled before.

To pass over these sorts of reflections (said Mr. Farr), how can good consequences be expected, while in the hands or management of such a giddy people as generally we in this

island are ; a nation at least as inconstant and variable as the air they breath in.

Is it not a standing rule in this club (said Mr. Rose) wholly to avoid personal reflections, ought we not then still more to shun national aspersions ? Yet the gentleman who spoke last has ventured unaccountably to reflect upon no less than three or four whole nations at once, for so many at least there are in this island and its dependencies ; therefore I move that for this offence he be obliged to make his submission to the club before we proceed further.

Pray be not so warm (said Mr. North), since it is sufficiently known, the notion hinted at by that worthy gentleman is by no means his own ; the Greeks, Romans, and others of the ancients, have sometimes pretended to account for the frequent revolutions among islanders from the influence the variable air they breathed in had necessarily upon them ; and, among others, usually gave the many changes in those times of the governments of Sicily, Crete (now Candia), and the island of Rhodes, for instances.

Few of us (continued he) who have been abroad, or conversed much in the world, but must have found passages in books, as well as in conversations, to the same purpose ; nay, that some have still advanced farther, and even made the application to this our island of Britain ; and why, I pray, cannot we in the club bear such things as we are frequently obliged to hear and suffer in other conversations ; I therefore can by no means second this last motion.

I have all possible tenderness in the matter of exposing human frailties in particular persons (said Mr. Brooks), but if men in company or society shall venture to do, or wilfully suffer public wrong to be done, I am none of those who shall ever endeavour to make a secret of it ; if they venture to do such things I will venture to speak of them.

We ought however to avoid national reflections (replied Mr. More), since private men are apt to be angry at the ripping up

the supposed failings of their country, and not the less, but rather the more, when the allegations can be sufficiently proved.

The weakest of particular men are still the most unwilling to see or hear of their failings (replied Mr. Brooks), so it may be with countries or societies of them; but where faults are not ripped up with passion or prejudice, but only in affection, and with kind endeavours towards amendment, ought they yet to be angry?

Certainly not (said Mr. More).

If our air be so much the cause of our giddiness (said Mr. Gage) I wish we were more in love with foreigners, especially of the continent, since if such had some of our places and preferments possibly they might help us to be more steady.

There is now no need of admitting foreigners into places here in Britain on that account (said Mr. Grant), our countrymen, especially of late years, are so very much improved in the science of places that they manage steadily enough.

I suppose (said Mr. North) you mean only steadily enough for themselves.

Why (replied Mr. Grant) is not that enough, would you have a man possessed of a good place, two, three or more, so weak as to meddle with the management of other people? If he does, be it at his peril.

Peril! of what, I pray, (said Mr. Shaw)?

The peril of having other people meddle with his management (replied Mr. Grant).

I know (said Mr. York) that Mr. Grant hath no great expectations of anything of a public spirit from men in places, as thinking them too much inclined to favour one another, towards making the most of it; but if now in the reign of King George some men in place should likewise happen to have public spirit, and thereby incline to the amendment of things amiss, what then would you say?

Say! (said Mr. Grant), I would say they merited their places, and if they had only lean places, I would wish them fatter, but

but not too fat neither, least those should stifle or depress their public spirits.

Though the air may have considerable influence on the bodies of the inhabitants of every climate, and the different constitutions of bodies do differently affect the mind (said Mr. Sands), yet I doubt not but there is still sufficient room in all tolerable climates for men to spring up of a reasonable good growth, both of body and mind; and accordingly we find, that in many of those we call the worst climates virtuous men have been bred, and not a few of those which we reckon the best climates have produced whole heaps of the basest of men, and many of the very worst and most corrupted governments ever known.

Italy, though upon the continent, is still but a peninsula, almost encompassed by the sea, and consequently subject to damps and vapours thereof as if an island; yet not only many particular worthy men have sprung from that soil, but good governments, especially that of the Romans, one of the most considerable that ever was in the world.

The state of the Romans cannot properly be called one, but rather a succession of governments (said Mr. Farr), since few people ever had greater changes in the state, whilst they subsisted, than the Romans.

The primary changes in the state of the Romans, for some centuries, were rather from worse to better, than on the contrary (replied Mr. Sands); and a government may be properly said not to be virtually changed so long as the same original principles and sentiments on which it was first founded are preserved, whether such changes tend most from monarchical to democratical, or on the contrary.

The Roman government could never be said to be destroyed until the tyranny ensued, the which in this, as in all other like cases, first ruined the government, and in the end extirpated the very people, as we see at this day.

I lay not so much stress on the effect of climates, and other like causes, as some seem to do (said Mr. May), but rather

judge the giddiness of the people of every nation chiefly to proceed from the nature and influence of their respective governments.

Former histories are full of this, and it is confirmed by our daily experience; was it not so in Judea? a place upon the continent, and one of the best countries and climates, where we always find, if the rulers were righteous, the people at least appeared as such; but, if the rulers were wicked, the people straight grew so too. If, therefore, evil governments could so corrupt men's manners, even in Canaan, can we expect to find it otherwise elsewhere?

This was answerable to the opinion of the wisest of their kings (said Mr. Brooks), who said, "If a ruler hearken to lies, all his servants are wicked."* (App. H.)

It was not only the sentiments of their most eminent kings, but of their prophets too (said Mr. Grant), as we find thus expressed, "How is the faithful city become an harlot; it was full of judgment, righteousness lodged in it, but now murderers; thy princes are rebellious and companions of thieves; every one loveth gifts, and followeth after rewards; they judge not the fatherless, neither doth the cause of the widow come unto them; and I will restore thy judges as at first, and thy counsellors as at the beginning, afterward thou shalt be called the city of righteousness, the faithful city."†

The history of that people is the most interesting of any (said Mr. Brooks); it is particularly observable therein that of all the judges in Israel not one of them was bad, nor did the people ever suffer for or by their governments in way of punishment, 'till by reason of age, or other circumstances, first Eli the priest,‡ and afterwards Samuel the prophet,§ weakly left the government of their country to their sons;—that the only favourable times that people had under the succeeding kings

* Prov. xxix. 12.

† 1 Sam. ii. 22.

‡ Isaiah, i. 21, &c.

§ 1 Sam. viii. 1, &c.

were in the reign of David, and part of that of Solomon;—that after the fatal division of the tribes not one of the kings of Israel were said to be good, and very few of those who succeeded afterwards in Judea any way tolerable.

Possibly (said Mr. Sands) they were too much of King Rehoboam's temper, who, though his father left him a good kingdom and good counsellors, yet it seems he could not keep them, but in a rage discarded those his counsellors for telling him truth, which cost him no less than five parts in six of his kingdom.

That was strange (said Mr. Farr), I thought that kings had councils and counsellors chiefly, if not only, to tell them truth.

That is usually the pretence, but not always intended (said Mr. Sands), since men, especially those in power, have sometimes a hankering after flattery, the very opposite of truth.

What was it they said to the new king (said Mr. Farr) that provoked him to change his ministry so very suddenly, nay, even before he was settled in his father's kingdoms?

When the people came cheerfully together to make him king (proceeded Mr. Sands) they complained of grievances of the former reign in the following terms: "Thy father (said they) made our yoke grievous, now therefore make thou the grievous service of thy father and his heavy yoke which he put upon us lighter, and we will serve thee."*

To this so smooth and courtlike address his father's counsellors, who may be supposed to have known somewhat of the matter, advised him to return a soft answer; but his own young counsellors willed him, not only to continue to use the people ill, but to give them hard words too, to the following effect, viz. "My father (said he) made your yoke heavy, and I will add to your yoke; my father also chastised you with whips, but I will chastise you with scorpions."†

Sometimes hard words are worse taken than hard usage, as

* 1 Kings, xii. 4.

† 1 Kings, xii. 14.

appears in the case before us (said Mr. More), but though here be grievances acknowledged on both sides, yet we read not what they were.

By what is recorded, it seems (said Mr. Sands) that when King Solomon had, by his prodigious undertakings and expensive way of living, exhausted the vast treasures of the then late King David his father, and possibly sold or anticipated the tributes of such of the several nations left him in subjection,* as had not before been constrained to revolt by hard usage, he at last found himself obliged to lay new taxes and impositions even upon his people of Israel, and for that very purpose to divide that his native kingdom into twelve several districts, and set a chief officer over every such district, subject nevertheless to one general receiver, to whom they all were accountable.†

What the proportion of these impositions were we find nowhere recorded, only there is ground to think they were much increased, possibly double, or more, to what they were in the then late reign of King David, because we had never heard the former complained of.

But the division of the kingdom into districts expressly for that purpose, with these twelve new superintendents, attended by so numerous troops of inferior officers, as usual in such cases, must needs have greatly increased the grievance of the people, of which there is ground to believe that towards the latter end and declination of the glorious reign of the otherwise great and wise King Solomon frequent complaints might be made, though the authors now transmitted to us are silent thereon.

It might likewise be (said Mr. Grant) that Jeroboam, afterwards king of the ten tribes, raised himself into so great repute with the people, as we find he afterwards had, by some public and eminent appearance against these new and before unheard of taxes and impositions.

* 1 Kings ix. 20, 21 ; 1 Kings xi. 18, 26.

† 1 Kings iv. 7.

Possibly (said Mr. Brooks), since it seems he was an industrious man, and therefore King Solomon gave him a place.

He gave him a place (said Mr. Sands) worth two or three, for he made him ruler over no less than all the charge of the House of Joseph,* being two of the most numerous of the twelve tribes, and was not this about a sixth part of the kingdom?

Surely Solomon must have been then very weak, and much in his decline (said Mr. North), since one-fourth, possibly one-tenth, of what he there gave might well have served the best subject in his dominions.

The weakest princes, in lieu of mending matters, usually go from bad to worse (said Mr. May), instead of removing the causes of complaint, add oil to the flames already kindled, by employing the means still left them for the public support towards buying off the complainers, which, after all, is only cutting off the Hydra's head; as eminently appears from this instance, wherein he who had thus in a manner acquired two of the twelve tribes still the more wanted the other ten.

However (continued Mr. Sands), at last this being known to King Solomon, he not only divested him of his places, but prosecuted him as a traitor in pretending to his crown and dignity, which obliged him to flee to Egypt.

Was it not dangerous for King Solomon to turn out so great an officer (said Mr. Farr), especially in this decrepid part of his reign?

You are much mistaken (replied Mr. Sands), the hazard of turning out such men is not so much as that of turning them in: when men presume no further than being useful to their country they are fit to be employed, but when they arrive at the conceit of thinking themselves necessary they ought to be forthwith cashiered.

So far as I can understand (said Mr. Shaw) Jeroboam's place was big enough to spoil any man living.

* 1 Kings xi. 28.

Then it seems you think that even good men may possibly be spoiled by great places (said Mr. More).

At least in danger (replied Mr. Shaw), and I doubt if this Jeroboam has been the last man otherwise of value so spoiled.

On the first news of King Solomon's death (continued Mr. Sands) Jeroboam immediately inclined to return from Egypt (whither he had fled) to Canaan, and the people on their part were as forward to invite him, so that with them he attended on King Rehoboam, to assist at his inauguration, but not without the before-remembered humble address.

The before-hinted rough answer provoked Jeroboam and ten of the twelve tribes to depart and rebel, and with success too; thus they became capable of making a king, as they soon after did the same Jeroboam.

Though these cross proceedings sufficiently puzzled King Rehoboam and his new ministry, yet they still continued so full of the science of hereditary indefeasible right as to venture to send Adoram, the general receiver, to gather the taxes complained of, whom the enraged people stoned with stones so that he died upon the place.*.

This surprising news at last obliged the king to take speedy care, not only of the remnant of his affairs, but likewise of his person. He therefore immediately hastened to Jerusalem, his capital city, where, by smoother words and better deeds to the remaining two tribes than he would vouchsafe to the whole twelve a little before, he made shift at last to muster an army of 180,000 men towards enabling him to recover the other ten tribes;† but a prophet told them the work they went about was wrong, and therefore advised them to stay at home, as they actually did.

It seems this young king, with his new ministry, must by this time have recovered some of their senses (said Mr. Gage), since they who a little before would not vouchsafe to hear the

* 1 Kings xii. 18.

† 1 Kings xii. 21.

cries and complaints of some millions now stooped so low as to obey the voice of a single prophet.

It was well they recovered part of their senses whilst somewhat remained (said Mr. Brooks), since some people can never come at their understanding till all is gone, or hardly then neither; but it seems this humility and condescension of King Rehoboam did not last long.*

However, it seems the people in this case (as we may say) leaped from the fryingpan into the fire (said Mr. Grant), since we who live in aftertimes find what losers they were by that fatal change.

How in about four years after Shishak, King of Egypt, followed Jeroboam with a numerous army, and therewith soon reduced King Rehoboam and his remaining subjects to servitude.†

Thus he who neglected and disdained the requisite glorious service of his people in the state of a mighty king was now brought under the heavy yoke of the King of Egypt, who carried away all the vast treasures left by King David, together with those added by his son and successor King Solomon.

How destructive and bloody were the wars which ensued! How, particularly about eighteen years after this division, no less than 500,000 men were slain in one battle!‡

How these unhappy civil dissensions at last so weakened that otherwise mighty people, that, first, Shalmaneser, King of Assyria found it easy to reduce, carry away, and utterly disperse the ten tribes,§ as after Nebuchadnezzar, King of Babylon, did the other two.|| This eminent instance is therefore equally instructing to kings and people.

Though that people's case seems to have been desperate (said Mr. Sands), yet I pretend not to plead for the course they took for redress; but multitudes of men blended together have not

* 2 Chron. xii. 1.

† 1 Kings xiv. 25, 26.

‡ 2 Chron. xiii. 17.

§ 2 Kings, xviii. 9—11.

|| 2 Kings xxv. 1, &c.

the possession of all, but only of one of the five senses, viz. that of feeling, and he was a king who said that "oppression will make even a wise man mad ;"* it therefore cannot fail of having the like effect on those that are otherwise.

However these things happened (said Mr. North), we find that afterwards King Abijah, son and successor to Rehoboam, imputes all this to his father's being young and tender-hearted, and not able to withstand the people, on whom he seems to lay all the blame.†

When such sort of differences once come to an open rupture (said Mr. Brooks) it is usually not long before both sides grow blameable, and sometimes the parties provoked become even more culpable than those who gave the first provocation ; so it might be eighteen years after, when this speech of King Abijah's was made, otherwise we have not only the matters of fact transmitted to us, but the Divine testimony of God by his prophets, that the king and his ministry gave the first provocation ;‡ though it ought not to be wondered at to find King Abijah thus screen his father and counsellors, especially on such an occasion.

King Rehoboam was one-and-forty years old when he began to reign § (said Mr. Sands), and if a man is not wise at that age he will hardly be so afterwards.||

Since men (said Mr. North) cannot properly be said to be at age till they are wise, how come such so furiously to aim at government as is often seen ?

It seems their confidence supplies their want of understanding (said Mr. More), whereby they frequently make shift to crowd up to preferment, whilst wise men only stand looking on.

Men of the best understandings are always most meek and modest (said Mr. Sands), wherefore the courts of princes, especially of the weakest, never fail to be crowded with others.

* Eccles. vii. 7.

† 1 Kings xii. 15.

|| 2 Chron. xii. 13.

† 2 Chron. xiii. 7.

§ 1 Kings xiv. 21.

However, it is a pity the wisest and best men should be so bashful and backward as they usually are (said Mr. Speed), would they but sometimes boldly make up with a tolerable front among the numbers of presumers who usually crowd about a throne, they might have a share with others.

It is fit those who are blest with the gift of considerable strength of mind should likewise have that of knowing their weakness (said Mr. May), otherwise their knowledge whatever could not properly be called wisdom or understanding, but rather the very worst of madness.

Though wise men be not so overstocked with temerity or rash confidence, they have true courage, which is better (said Mr. Sands), by which means, when they have a proper call to any good and right work, they are capable of being bold as lions, "one of them can chase a thousand, and two put ten thousand of the men of mere confidence to flight;"* a sort of people who, whenever their guilt overtakes them, are apt "to flee when no man pursues."†

Wherefore the same king who said, "If a ruler hearken to lies, all his servants are wicked,"‡ also tells us, that "a king who sitteth on the throne of judgment scattereth away all evil with his eyes;"§ that "he scattereth the wicked, and bringeth the wheel over them;"|| and again, "Take away the wicked from before the king, and his throne shall be established in righteousness;" again, that "by the blessing of the upright the city is exalted, but it is overthrown by the mouth of the wicked."¶

Thus (continued he) we see, though it does not always seem to us, yet a few wise and righteous men are still more considerable than many wicked.

But before this fatal defection of the ten tribes (said Mr. North), there was one considerable civil broil among the

* Deut. xxxii. 30.

† Prov. xx. 8.

|| Prov. xxv. 5.

† Prov. xxviii. 1.

§ Prov. xx. 26.

¶ Prov. xi. 11.

people of Israel, which had like to have exterminated one whole tribe, and all this only about the abuse of one of their Levites and his concubine;* by which we may see intestine contentions do not always happen about taxes and impositions, as some seem to think.

As the ravishing of Lucretia was not the cause, but only the occasion of the liberty of Rome (said Mr. Brooks), since if the son of a good and acceptable king had violated any woman whatsoever, it would have ended only in the condign punishment of the offender without further emotion or effect, so we may be assured that this single accident of the Levite and his concubine, was not the cause, but only the occasion of that bloody intestine war which ensued.

The more you inquire, the more you will find, that considerable discontents and distractions never happen among mankind in society, but what proceeds from taxes and impositions; whether these impositions be by servitude, bodily labour or application, taxes in kind, as they are called, viz. fruits, cattle, and such like, or money, which, as King Solomon well said, "answers all things,"† it amounts to the same thing.

Again, whether these impositions be imposed and levied by the Government, and its proper officers only, or that it should become so loose and dissolute as to permit the people to rob, plunder, and abuse one another, which was the case before us, it is still much the same thing.

The history does not particularly tell us the original provocations and cause of these deadly animosities, which thus at last broke out among that people, yet it was plainly the effect of a most loose and dissolute Government, and of some such considerable continuance as to become in a manner universal, which may especially be gathered from the way of God's dealing with them, since even those of them who took up arms for the sake of righteousness, were twice beaten, and about 40,000

* Judges xx. 1.

† Eccles. x. 19.

of them slain,* before they could be admitted to execute so exemplary a piece of justice.

But hath not religion, or at least the pretext of it, often been the cause of many dangerous broils and quarrels (said Mr. North)? I hope you think not that to be a money matter, or that it can be valued by money.

Men's religion is the chief of their property, and at the invasion whereof they have reason to be most of all concerned (said Mr. Brooks), and the rather since one man cannot possibly be a gainer by taking another's religion, though he may by his keeping of it.

Though invaders of men's religion cannot gain by taking away the religion (said Mr. Grant), yet they may by taking the benefits, appurtenances, and emoluments, which attend the profession of it: and since these may be valued with money, it still amounts to much the same thing.

To all considerable quarrels where many are concerned, it is proper, not only to have a real cause, but likewise a specious pretext, since the multitude comprehend not the cause only by feeling,—they are sick and uneasy, but know not what aileth them; when, therefore, some or other happen to help them to a plausible pretext, they then immediately troop together like soldiers at the word of command.

I grant (said Mr. Brooks), some specious pretext or other is absolutely necessary for those who would convert parties into factions, but of all other pretexts, that of religion is reckoned the best, if it can possibly be had, since a little piece thereof is capable of making a great cloak.

However, if those that aspire to be heads of factions cannot for the time possibly come at the pretext of religion, they must even be content with such as they can get (said Mr. Grant); only by all means let them have a care that the pretext consist, if possible, but of one word, or in very few words, lest men be apt to forget them.

* Judges xx. 1, &c.

You have here (said Mr. Gage) been at great pains to give such ring-leaders advice which I fancy they do not want.

It may be so (replied Mr. Grant), if they will not take it they may let it alone, I am as indifferent as they can be.

This brings to my remembrance a famous story of some northern nations or other, who had great quarrels and bloodshed on the account of beards (said Mr. Farr), one sort of them having some way or other lost their beards, first grew angry, and afterwards so enraged at their neighbours, who had still retained their beards, that when they could not get them otherwise demolished, they for that cause commenced a heavy and dangerous war.

The word beard or beards seems a word good enough on such an occasion (said Mr. North), especially considering as it is a monosyllable; but I wonder what could ail the men at the other's beards, for what hurt can another's beard do me?

It is plain that this was only the pretext, the cause was somewhat else (said Mr. May); without looking further abroad, it is apparent from our own histories that, whatever the pretexts have been, our principal civil disorders and broils here in Great Britain have always proceeded, either from want of Government, or by a bad one; or, in other words, either where the Government itself unreasonably oppressed the people with taxes and impositions, or suffered others to do it, which last case was generally not the less, but rather still the more intolerable. Further (continued he), I doubt not but upon proper search it will plainly appear that the people of this nation, though they be hut islanders, have generally borne the neglects and oppressions of their Government, as patiently and with as good temper towards redress of them as any other in like circumstances.

Whatever other good national qualities this people may have (said Mr. Farr), I never heard they were famed for temper; did not we all find them in parties, and are we not like to leave them so?

I hope so (said Mr. Grant).

Hope! What, hope that the people shall always be in parties! that is a strange hope (said Mr. Ford).

Whether we hope it or not, it will be so (replied Mr. Grant).

What, then, do you think people cannot be without party? (said Mr. Ford).

Not so long as they are people (replied Mr. Grant).

I thought we were met here to speak against party (said Mr. Ford), but now perceive it is to speak for them, yet surely it must only be for some one party or other, and not for all of them.

After this three or four of the modern party names were mentioned in the club, and Mr. Grant was desired to explain himself and say which of them he was for.

For all of them (answered Mr. Grant).

That is monstrous (replied Mr. Ford); I dare say, sir, you will never be able to attain to any considerable place or preferment whilst in that mind, and that the direct road to advancement continues to be by the way of party.

Patience (said Mr. Grant), so long as they will not put me in they cannot turn me out; but how long has party been so much the direct road to preferment?

Chiefly since the Restoration in 1660 (said Mr. Ford); but I have heard some of the old men in those days say, that formerly party was not so very much the way to preferment.

I remember somewhat of this (said Mr. Brooks), and likewise that thereby, during his whole reign King Charles the Second grew still the poorer whilst his officers grew richer, inasmuch that it became at last a common saying about court, that the king would never be easy till they gave him a place.

It is a pity they did not provide better for him (said Mr. Shaw).

He was very well provided for (said Mr. Brooks), but his misfortune was to have thieves about him, who stole away his provision from him.

No king of this island before him was half so well provided for (said Mr. Sands); it was reckoned by some that in the twenty-four years of his reign he exacted more money from the people than some twenty-four of his predecessors had done; yet all this was unaccountably wasted in such a manner, that it was almost impossible to know how it went.

It was strange (said Mr. More) that such immense treasure could be squandered away without other visible effects than only feeding some particulars with places, grants, and pensions.

Yes, it had other effects too (said Mr. Brooks), particularly the humbling of the Dutch and exalting of the French, so much to the cost and prejudice of the rest of Christendom.

Besides all this (said Mr. Gage), we ought not to forget, that by these corruptions in the places, grants, pensions, and their concomitants, the parties, in the time of King Charles the Second, were at last turned into factions, the growth whereof made way for the happy Revolution in 1688, and I hope we all think that a good effect.

As good comes out of evil (said Mr. Brooks).

But seriously, do you think then (said Mr. Bruce) that those who had the public places and benefits in that time did, by all this their management, or rather mismanagement, intend the Revolution?

By no means (replied Mr. Brooks); you may venture to take it for granted they seriously intended only their own business.

Their own business! What was that? (said Mr. Gage).

The making the best of the public places and benefits they were possessed of (answered Mr. Brooks).

But were not these grievances redressed, particularly the places mended by the Revolution? (said Mr. Gage).

They were not mended by it (said Mr. Brooks).

I know not what you mean by mending (said Mr. Gage); but to the point, were the places made better by the Revolution?

They were made more and greater (answered Mr. Brooks), as the nation then did and still continues to feel,

At this rate (said Mr. Gage) probably we cannot expect better times till the places are mended.

Possibly there may be something in that (said Mr. Brooks).

The more I think on it (said Mr. Ford) the more I am surprised to find even Mr. Grant so much for parties, and for all of them too; but possibly he thinks there can be no nation, city, nay family, without somewhat of party, and if it were so a man at this rate can never be free of party unless he will live alone.

Nor hardly then neither (replied Mr. Grant).

Why so (said Mr. Ford)?

Because he may happen sometimes to differ with himself (answered Mr. Grant).

I perceive your meaning not to be quite so bad as I at first thought (said Mr. Ford). You say you are for parties; are you for factions too?

By no means (replied Mr. Grant), these are wicked things.

A very nice distinction (replied Mr. Ford); pray wherein do your parties and factions differ? Since I confess myself so wise as not to know.

The difference is manifest several ways (said Mr. Grant), particularly your natural parties are things consisting only of members without heads, but your factions, or in other words provoked unnatural parties, have heads.

By what other properties can we distinguish them? (said Mr. Ford).

Your natural parties are pretty tame, unless in some lucid intervals (replied Mr. Grant), but the others are always wild and voracious. The first is capable of good as well as hurt, of love as well as hatred, and frequently produce emulation, a very good thing. But instead thereof, your unnatural parties hate, but love not; are hurtful in their nature; and chiefly produce enmity, a dangerous quality in men.

What is then the best way of destroying these dangerous things with heads you call provoked parties, otherwise factions? (said Mr. Ford).

Changing or removing the subject-matter that breeds and feeds them (answered Mr. Grant).

I perceive that by thus going round about we are still avoiding the point (said Mr. More); but to the question, What is it that breeds and feeds factions here in Great Britain?

Chiefly heavy debts and taxes (replied Mr. Grant).

I remember complaints of this kind were very loud in the days of King Charles the Second (said Mr. Brooks), particularly that, though in his time the public taxes and impositions upon the people were doubled or trebled to what they formerly were, he nevertheless run at least a million in debt.

If men were uneasy with public taxes and debts in the time of King Charles the Second (said Mr. May), because then doubled or trebled to what they had formerly been, how much more may they be so now when taxed at least three times more, and the public debts increased from about one million, as you say they then were, to fifty millions or upwards?

Fifty millions! (said Mr. Hope) prodigious! Surely we do not owe so much.

Not less by my account (said Mr. May).

This surprises me exceedingly (said Mr. Hope), pray when can we expect this immense debt will be paid?

Never upon the present foot (replied Mr. May).

Feet possibly you mean (said Mr. Brooks), for I reckon the present public credit hath at least a hundred feet, since I with a friend of mine the other day made shift to number above fourscore of them.

But why did not you find out the certain number of them (said Mr. May): I want to know that.

That will not be so easily found (said Mr. Brooks), since they seemed to us like the monumental stones on Salisbury Plain—not easy to be numbered.

That must certainly proceed from the great disorder and incoherence of them (said Mr. Speed).

It is still further remarkable (said Mr. Brooks) that no two

of these many feet are of a sort, but some greater, some smaller, some shorter, some longer, some weaker, some stronger.

I never thought of that before (said Mr. Hunt), but possibly this may be the very reason why the public credit is so apt to reel and totter, that stocks or other public securities often fall or rise four or five and sometimes fifteen or sixteen per cent. on very slight occasions.

There is no doubt but that is true (said Mr. More), but how can it be remedied?

By putting these debts on a better foot (replied Mr. May).

But would you have them put upon only one foot (said Mr. More)? I fancy two or three might be better.

One good foot would do very well (said Mr. May), but if they will have two or three feet they ought at least to make them suitable and equal to one another, otherwise I continue to affirm that one good plain substantial foot will still be better.

What do you mean by all this (said Mr. Gage)?

I mean the redemption of the national revenues and taxes those debts are charged upon (said Mr. May).

But how can that be done (said Mr. Gage)? How can such an immense sum of money possibly ever be found?

I am of opinion sufficient money to do it may be found (said Mr. May) at much lower rates than the Government now pays.

In short, let us reduce them as they do in France (said Mr. Speed), by which the late and present kings have saved, it is said, much greater sums than Great Britain now owes, though the debts thereof be not easy to be accounted for.

Sure that reduction must be a good thing (said Mr. Ford), since it has in France so soon discharged still a greater debt than that of Great Britain. But how is it they reduced them?

After the peace (said Mr. Speed) they not only reduced the interest on public securities to the twenty-fifth penny, or four per cent. per annum, but made the proprietors of such securi-

ties accountable for the surpluses they received above that rate during the wars.

All bills that have been bought and sold during the war are reduced to their then current price or supposed current price.

All securities for things sold to the king during the wars are reduced to the current values of the things at the respective times of sale.

For these and like motives they have in France already reduced debts of greater value than those of Great Britain to only about two hundred and fifty million livres, which at eighteen pence per livre, the value thereof twenty-seven years ago, amounts to more than eighteen millions, but at twelve pence per livre, as they have been since reduced, not to thirteen millions, which at a medium amounts to about sixteen millions of our money.

To this they have added a considerable tax on all those who during the wars have made shift to enrich themselves by unreasonable or exorbitant profits or advantages at the public expense, from which taxation they still expect a greater sum than all their present debt as now reduced. And thus France is in a way of being entirely out of debt in a year or two.

At this rate (said Mr. May) Great Britain may possibly be quite out of debt in four or five years, or less. But, though it seems we have been at least as hasty in running into debt as those in France, yet would I by no means advise us to run so hastily out; slower measures will be juster, and consequently better and surer.

The United Netherlanders have by means of their credit been enabled to do greater and better things than the French with their money for above an age together, so as for more than half that time to have money for four per cent. per annum or under, when most of their neighbours paid near or quite double that rate.

Now it seems those who have so long reaped the invaluable advantage of good credit, feel the fatal effects of the diminution

thereof, occasioned by their late deficient payment of the interest, and taxing thereof by the hundred and two hundred penny at the same time, being no less than 7*s.* 6*d.* in the pound on the interest, by which their creditors who valued themselves on the four per cent. interest for their money have only had two and a half per cent., and that often not well paid either; which, if not speedily remedied, a continued deficient credit may be to them as dangerous as the most potent enemies have ever been.

I wonder the Dutch take no more care of their credit (said Mr. Hope), since it is said they otherwise, only by punctual payment of the interest, may have money at three per cent. per annum or under.

I presume (said Mr. May) the lowness of their circumstances after so long and consuming wars may have been the principal cause, wherein the nature of their constitution by the independency of the seven provinces, and some other disorders, may possibly have a share, which it is hoped will soon be rectified.

Meanwhile at Rome, which is no trading city, they have credit for fifty million Roman crowns of 5*s.* 6*d.* each, or about thirteen millions sterling at three per cent., they paying by half per cent. every two months.

The interest on the public securities there was four per cent. till Pope Innocent the Eleventh, about thirty years ago, finding this four per cent. per annum risen from one hundred to about one hundred and twenty-two, on forty millions of crowns, of which value those securities then only were, did by redemption reduce the four per cent. to three.

I never before heard of this redemption at Rome (said Mr. Grant): pray how was it done?

The Pope first provided three or four millions of crowns in specie (said Mr. May), then issued out a declaration signifying that such of the creditors or others as were willing to leave their money on a general fund at half per cent. every two months, might bring in the same by a day limited, after which he would allow no higher rate of interest; but that, in the

meantime, those who chose rather to have their money might come and receive it.

Did many of those creditors for forty millions of such crowns come to receive their money? (said Mr. Grant).

Not one of them (replied Mr. May), since others came in and gave four or five per cent. advance at the very time of the redemption, and in less than six months these same securities at Rome were at eleven or twelve per cent. advance, and afterwards rose still higher.

Other foreign instances of the like nature might be given with the same sort of success as no doubt but such measures may have here in Britain whenever tried.

I like this method well enough (said Mr. Brooks), since no violence was done or coercion used when every one had the option of their money back with their interest; and therefore think it proper to be espoused and promoted by the club.

We have this day had much matter and variety (said Mr. Sands), let us therefore continue our thoughts upon the whole, particularly on this important affair of the redemption, in the mean time adjourn the further consideration to some proper day.

Then the club adjourned to Wednesday the 29th instant.

WEDNESDAY, AUGUST 29, 1716.

Since our last meeting (said Mr. Sands) I have spoken to several eminent public creditors, particularly with the most considerable dealers in stocks, and find them utterly against this redemption of yours.

Then (said Mr. May) it seems it is a doctrine they by no means like, but pray what do they say to it?

Say! they say (replied Mr. Sands) that they have purchased the several branches of the revenues now sold at different rates and terms; that it is not sufficient satisfaction now to pretend to give them their money again, since they supplied the public in exigencies when nobody else would, and when they could easily

have made more of their money by employing it in trade or other improvements.

What said you to all this ? (said Mr. May).

I first told them (continued Mr. Sands) that the words sold or selling the public revenues, which were virtually parts of the nation, and of the very vitals of it too, were by no means proper for them to use.

To this they answered that, though they did not care to trouble themselves with reading Acts of Parliament at large, especially since those relating to money matters are of late become so long and intricate, but rather contented themselves with abridgments, or reports of others in matters where they were concerned, yet thought they could charge their memory so far as to believe, the very words, selling, sold, sale, or such like, were used in some or other of the late Acts of Parliament.

I told them these or like words, in such a case, could not possibly be in any Act of Parliament unless somebody put them there, and, if so, it must be lately ; however, I would look into the statute-books : meanwhile, whether true or not, it was not much to the present case, since allowing others to have formerly been in love with the terms selling, sale, or the like ; in this case I still thought the word redemption better.

That as to the several exigencies wherein they served the government with their money when nobody else would, I doubted not, but on due application and proof the Parliament would grant them a suitable recompence.

They said their agreements had been usually made privately, often with but two or three, and sometimes with but one person, and seldom otherwise than by word of mouth, since putting such things in writing might have exposed them and their affairs too much.

That therefore they thought it improper for them to bring such things before the Parliament, which made their case still harder.

Upon this I readily confessed to them, that if the several

cases were so tender and delicate, and withal done so secretly as they represented, it would be by no means advisable to bring them to Parliament, especially now in the time of peace, when men are more at leisure, and consequently less capable of being diverted from inquiries of this nature than they were in the preceding wars.

They said I took them right in judging it might be dangerous to give any handle towards forwarding of popular inquiries, especially how such things as these have been done, and who they were that did them.

As to the last part of your grievances, said I, viz. that though you could have better employed your money yet you chose rather generously to advance it to the Crown for the public support, I highly commend this public spirit, and at the same time think it hard that you who have thus continued to support the Government with your money during two whole reigns, should not, if possible, be now relieved from this your burthen in the reign of King George; and therefore I heartily wish the Government could raise sufficient money from other hands, especially if at lower rates than now paid, thankfully to return you your money, which would certainly still give you a further noble opportunity to exert yourselves for the public good in ways obliging also to the people as well as profitable to yourselves.

For what great and good effects must such prodigious sums as yours now in the public funds have in being employed in trade, manufactures, fisheries, and other improvements, employment and maintenance of the poor, and such like?

After looking upon one another a while, they said they did not know whether there were now so good opportunities for men to employ their money in trade as when they first ventured it in the Government.

Besides, that several of them have of late not only applied themselves, but brought up their children wholly to this present traffic in the public securities, and if that were once taken away they should thereby lose their livelihoods.

Never fear, said I, but there are still many good opportunities to gain money by trade if you but look out for them ; and as to poor people among you, who have no other employment but only in the present traffic in Government securities, if this redemption takes, they may be otherwise provided for by places and such like.

Some of them began to complain that now the public securities advanced so unreasonably much, that at this rate they would run the risk of hardly making five per cent. of their money, which falls hard, said they, especially upon those who have formerly made never less than nine or ten per cent. per annum, and often considerably more.

I then told them that should stocks rise at this unreasonable rate, as they termed it, instead of five they might even, as things now stood, in time hardly be able to make four per cent. per annum of their money.

Therefore, said I, would it not be as well for you now to receive your money back together at once by a redemption ?

To this they answered, that it is not so bad neither, since there are several impediments to so great a rise of stocks all of a sudden, particularly that besides the many different sorts and species of Government securities now at market, the public was still indebted five or six millions more as yet unprovided as to payment of principal or interest.

That while this great deficiency remained it would still help to bear down the stocks, that even when it should come to be provided for, which as yet was remote, so great a quantity of fresh public securities, being added to those already, would sink the stocks considerably.

I told them that by the redemption proposed, it appeared the deficient debts might be all provided for, and the present taxes made much more easy to the people and profitable to the Government, with other advantages, yet so as that the national debts might be wholly discharged in less than half the time they otherwise can.

Some of them then said, if I would keep their secret, they could tell me something better than the proposed redemption.

I am no friend to secrets of any kind, said I, therefore cannot so much as give any such things the hearing.

They then said it was by some new taxes that would be very easy and hardly at all felt by the people, and besides they might give the Government a further opportunity of providing for many poor men who wanted places.

I then desired them to communicate the nature of those taxes, if it were not a secret.

After looking upon one another, one of them said, he had several good proposals of that kind to make at the next meeting of Parliament.

As first, if they will but lay six pence or eight pence per bushel on wheat at the mill, and proportionably on other grains, that alone would raise a million per annum.

Second. That if they will but lay a penny per pound on beef, and proportionably on other flesh, fowl, and fish, that would at least raise another million per annum.

Third. If they will only lay five or six per cent. on the woollen manufactures, that would bring a third million per annum.

And were I to rummage among my books and papers, continued he, I doubt not but soon to find three millions per annum more.

Upon this several of the company began to grumble, saying they liked not these taxes, since they did not find, but that even they must contribute to the payment of them as well as other people.

To this the proposer replied, he had calculated these taxes as much as possible to the ease of those concerned in public securities and stocks, but as yet he had not found out a way quite to exempt them in such cases, especially such of them as should continue still to eat, drink, and wear clothes.

I told him I thought these taxes would be very heavy, and

yet not bring in a third, possibly not a fourth, part of the money he proposed by them.

Tush, said he, I warrant you they will bring in all the money, though for removing all just ground of complaint, I have contrived them much easier than they are now in Holland.

I hear you, quoth I, but can you not think of any more easy taxes at this time?

At present, replied he, I can only think of two or three small things, which will hardly raise above half a million per annum each; for example—

First. If they lay a small tax on the values of all actions brought at law.

Secondly. On the value of all judgments or decrees obtained at law or equity.

Thirdly. On all creditors who shall be so wicked as to confine men in prison for debt.

This, as I said, might raise about half a million per annum, and so would serve as a fund for two or three good lotteries.

Still well, said I, what further?

Again, continued the proposer,

If they will lay only eight or ten per cent. on all successions and descents to estates real and personal.

And only four or five per cent. on all sales or alienations of houses or lands.

These two articles only might raise half a million per annum more, and be a good fund for two or three other substantial lotteries.

At this Mr. Rule, one of the Company, in a great passion said, the very naming these new taxes makes me mad, since I don't see but that our estates who are concerned in stocks may happen thus to be put in the way of being taxed and gamed away as well as those of others.

Yea, quoth Mr. Long, another of the company, and should the people be as mad in feeling these taxes as you seem to be only at hearing of them, we may happen to be paid our money

only *à la mode de France*, and yet after all be brought in for snacks in the taxes.

At this they fell into confusion, and so many of them spoke together, that I could hardly know what any of them said, only could gather that they by no means agreed about the proposed new taxes.

Meanwhile some of our company, who had been at the Alley to see how stocks went, returned, and with them several others, who finding the noise, inquired what was the matter.

After silence, one of the company repeated the substance of what had passed, particularly about the redemption, with which they immediately began to make very merry, saying,

This whim of a redemption is no longer a secret, it has run up and down the Alley for some days past, and we find hardly a man of them for it: one and all are against it, it will never do.

It may be it will not do, and it may be it will do, said I; but pray what did they say to it?

Say! said Mr. Dun, one of the company, they say, they think it may be hard enough to do, though even they should be prevailed on to espouse it, but were sure it never could without them, meanwhile they determined not to be concerned.

Did none of you, said I, offer the supposition that it may possibly be done without them?

Yes, said Mr. Law, another of the company, I told them that though of late years the public had shewn great regard to the sentiments of the Alley on several occasions, yet that it had not been so always, and that if happily some body should find out a way to do this thing without us, what then?

Upon this he stopped, and I said then, What then?

Then, returned he, they grew angry and threatened.

Threatened what? said I.

That they would never lend the Government more money, returned Mr. Law.

That threatening is not at all dangerous, said I, since I hope

they shall never again be admitted to lend money at the former rates.

After having paid my shot, I went away saying, Gentlemen, if not all, I at least hope to find some of you inclined to the redemption at our next meeting, and so left them.

I think you managed the point pretty well with them, considering their numbers and other disorders (said Mr. Brooks).

I have several times of late had conversations with the same sort of people (said Mr. More) and much to like purpose, since, abating their passions, their reasons against the redemption might as well serve for it. Thus suitable to their cause is their conduct.

The same passions and humours seem to reign in these as in some before, and at the time of the establishment of the Bank of England (said Mr. May). The men who were then supposed to have most money opposed and appeared against it with all their might, pretending it could not do without them, and that they were resolved never to be concerned.

Some of whom the very night before the subscription began, were said to have wagered pretty deep, that two of the proposed 1,200,000*l.* would never be subscribed.

Nevertheless, upwards of 346,000*l.* with a fourth part paid in at the time of subscription, was the very next day subscribed, and the remainder in a few days after; the further effects of which institution in the public service is sufficiently known, which might still have been more extensive and considerable, if not unaccountably cramped and depressed in its infancy and growth, by the continuance and increase of the same sort of fatal measures, and by the very men who for several years before had officiously obstructed the rise thereof.

What then were the things which nipped the otherwise so promising prospects of the Bank in the bud? (said Mr. Grant).

The neglects and defects of the management of those then in power (replied Mr. May), particularly those of them at the head of the money matters, who, by bad and partial payments,

creating deficient debts, giving and allowing exorbitant interest, high premiums, and discounts, contracting of dear and bad bargains, the general debasing and corrupting the coin, and such like, brought things to the pass that even eight per cent. interest on the land tax, although payable within the year, would not answer.

So that, besides the many other mean applications and condescensions to the humours and avarice of particular men, the State officers and Privy Counsellors of that time (App. I.) were brought to stoop so low as to become frequent solicitors to the Common Council of London to borrow only one or two hundred thousand pounds at a time on the first payments of the land tax, all payable within the year, and therein to stipulate and receive guineas at 22s. per piece, besides still further secret allowances on such occasions, which we may suppose to have been considerable, since as the state officers deigned to become suitors to the Common Council, so were the particular Common Councilmen to the inhabitants of their respective wards going from house to house as our parish officers now do in cases of briefs for fire, for building or repairing of churches, and such like, insomuch that the interest of eight per cent. and premiums by them allowed on the very land tax amounted hardly to less than the rate of twelve per cent. per annum in the whole. (App. I.)

The several sorts of other anticipations of the public revenues were much higher, the interest, premiums, and discounts thereon running up to twenty, thirty, and forty per cent. or more.

Contracts for things sold to the Government were made on the foot of forty, fifty, to cent. per cent. above the current values.

After all (said Mr. Sands) you cannot say but these good men took a great deal of pains, though to little purpose.

To little purpose for the public I suppose you mean (said Mr. May), you need not doubt but it was to great purpose to themselves.

However, it seems to me by what they did that they must want understanding as well as good meaning (said Mr. Sands),

otherwise it was impossible these things could have gone or been suffered to go thus.

It was an Hebrew proverb (said Mr. Brooks), that "he that is slothful in his work is brother to him that is a great waster."*

And it is an English proverb (said Mr. May) that "lazy people always take most pains."

For if these men could have sought, nay but have received, the truth when offered them, the things might with less means have gone much better.

But could they, their friends, and followers have got as much by it (said Mr. Ford), otherwise it was not worth their while to take the truth, though offered for nothing, and still less to buy it, according to the advice of King Solomon.†

Less than a penny in the pound of the current waste of the public revenues tolerably employed to that end (said Mr. May) might have furnished them with sufficient light for retrieving the whole matter.

There is also an Hebrew proverb to that effect (said Mr. Brooks), viz. "There is that scattereth, and yet increaseth; and there is that withholdeth more than is meet, but it tendeth to poverty."‡

We have likewise an English proverb answerable to that (said Mr. More), viz. "Penny wise and pound foolish."

Thus (continued Mr. May) they not only squandered away a great revenue by them received clear at the Revolution, but likewise made shift to contract at least 3,000,000*l.* of debt in three years' time, though the public services then on foot were still ineffectually provided for, as is sufficiently known.

I can but think (said Mr. Speed) how joyful men in those circumstances must have been at hearing of the proposition for the Bank, which, as I remember, was first made about that time.

The proposition of the Bank (said Mr. May) was first made in the months of July and August, 1691; and was so far from

* Prov. xviii. 9.

† Prov. xxiii. 23.

‡ Prov. xi. 24.

being well received, nothing was permitted to be done in it till three years after, and then but lamely neither, and far from the extensive nature and other public advantages concerted in the proposition. (App. J.)

What then did they say to it? (said Mr. Speed).

Some said it was a new thing, and they did not understand it (said Mr. May); besides, they expected an immediate peace, and so there would be no occasion for it.

Others said this project came from Holland, and therefore would not hear of it, since we had too many Dutch things already, and that we must not think that people here would trust their Government as they did in Holland, where things were better settled, and such like.

These must have been only loose expressions among mean people (said Mr. Speed): sure none of King William's servants could possibly behave themselves thus.

The first framers and proposers of the Bank of England, who were only particular men, and not in public places and preferments (replied Mr. May), found to their no small surprise that the king and his Government were nowhere so much distrusted as by the very men of his own house, and some of those he most trusted.

Otherwise, as the due sense the people had of their great deliverance naturally endeared the late King William more to them than any before him, so, notwithstanding the repeated injuries and sufferings from the ill management of his servants, the body of the nation continued still sound, and willing generously to venture their money as well as their persons in the public service, if these their managers would but have led them, or indeed but have let them go in the right way.

Since they did not admit the proposition of the Bank (said Mr. Hunt), sure they at least found as good or better means to support the public service?

Not at all (replied Mr. May): they went from bad to worse in continuing not only to double the old, but likewise lay new

taxes on the people, still permitting or (if we may judge by appearances) even allowing the coin to be further diminished and debased, though frequently warned of the fatal consequences which afterwards followed, by the same persons who first made and still strenuously continued to solicit the proposition of the Bank.

But pray what did they say to the proposers and promoters of the Bank about putting a stop to the debasing of the coin (said Mr. Sands)? I never saw or heard of any public corruption look more like wilful than that.

In the same month of July, 1691 (said Mr. May), those who solicited the proposition of the Bank, also represented the ill consequences of suffering the coin to be further diminished and debased, and only then proposed that the Treasury would forbid the receipt of false or diminished money in the public revenue, which at that time would have been effective, and crushed that dangerous and consuming evil in the bud, at much less than a tenth part of the hurt it afterwards did.

This they would not do, nor meddle in it till the king returned, who was then abroad.

At the return of the king, the proposers again made application that if the Treasury would not venture of themselves to forbid the receipt of bad money at the respective offices, that at least the king might do it by proclamation.

After attendance on this affair for some weeks more, the proposers received for answer, that it could not be done but by Parliament.

They thereupon made their instances at the Treasury for application to the Parliament to that purpose; but to their great surprise, last of all received for answer, that no stop could be put to the currency of diminished and debased money till the peace, which they suddenly expected; particularly since so much money was even now (as they then said) carried abroad to pay the troops, and for the other services of the war, they apprehended still much more if not all of it might be exported

if a stop should be put to the diminishing and debasing the coin.

At this rate (said Mr. Shaw) it should seem those of the revenue then understood money and money matters less than other people. But what other means did they use to support the service of the war, since they would not meddle with the proposed Bank?

They continued still to increase their former allowances (said Mr. May), and particularly introduced two new ways of raising money in this nation,* viz. : the annuities for ninety-nine years, on which there has been contributed 1,492,379*l.* 7*s.* the year before the Bank, for which the public, since the 25th of January, 1692, still continues to pay 124,866*l.* yearly;† and a million by a lottery at 140,000*l.* or fourteen per cent. per annum for seventeen years, the very year, and just before the subscription to the Bank, for both which, considering the vast deductions for expenses above the interest, ten per cent. per annum was really allowed for the money, besides the public damage by the long continuance and frequent repetition of both, which lie now so very heavy upon the nation.

Upon the whole, they so managed matters these last three years, from the first proposition to the establishment of the Bank, as that the before-mentioned debt of three millions was one way or other more than doubled.

At last, with much ado, they ventured to try the proposition of the Bank, although not so as to affect the general credit for the better, so much as at first designed, but only as a lame expedient for 1,200,000*l.*; and therefore with this express condition, that if one moiety of that sum should not be subscribed on or before the first day of August, 1694, that there should be no Bank, only the whole 1,200,000*l.* to be struck in tallies for the managers to dispose of at pleasure.‡

This they strongly insisted on, even after the passing the

* 4 Will. and Mary, c. 3.

† 5 and 6 Will. and Mary, c. 7.

‡ 5 and 6 Will. and Mary, c. 20.

Act of Parliament, in opposition to the commission for taking the subscriptions to the Bank, pretending it would never do, considering the people had but eight per cent. interest, and that the principal was never to be paid. (App. K.)

With such sort of speeches her late majesty Queen Mary was detained in council from four in the afternoon until ten at night, and, had it not been for the queen, who insisted on the express orders from the king then in Flanders, the commission had not passed; consequently, notwithstanding all the former pains and expense of private men about it, there had still been no Bank.

I am glad (says Mr. Hunt) to hear so much of the merit of our obtaining the Bank, cramped as it was, still due to good King William; if his foreign affairs and continual wars had not diverted him, I doubt not but many of the ill things in the money matters had been prevented, and some more good things attained unto.

It was unfortunate enough for him and the nation (said Mr. May) that the multitude of King William's foreign affairs, and other circumstances, obliged him so to entrust the very reins and springs of his Government to servants; wherein he had only the usual success of others in like circumstances, who have by experience found that unreasonable trusts will hardly ever fail to make even good servants bad; and that princes who are for troubling themselves least with their Governments, usually have most trouble with them.

To the point in hand (said Mr. Jones from the chair), how did it go with the subscription to the Bank, and what were the consequences?

Notwithstanding the still continued opposition, the subscription was completed in about ten days, as before hinted (said Mr. May), and the whole money paid into the Exchequer without deduction, in somewhat more than so many weeks. (App. L.)

After which the Bank not only relieved the managers from their frequent processions to the City to borrow money on the

best and nearest public securities at ten or twelve per cent. per annum interest, but likewise gave life and currency, to double or treble the value of its capital, to other branches of the then public credit, and so, under God, became the principal means of the success of the campaign in the following year, 1695, particularly in reducing the important city and fortress of Namur, the first material step to the peace concluded at Ryswick two years after. (App. M.)

The which peace, precarious as it was, considering the then low and distracted circumstances of this nation, could not, humanly speaking, have been even so obtained, without some such seasonable relief and support as that of the Bank proved to be.

This considerable success must, under God, have sooner and better effected the peace, had not the almost fatal symptoms of the general corruption of the silver money then, like covered flames or obstructed torrents, universally broke out upon the nation as it were at once.

Guineas on a sudden rose to thirty shillings per piece, or more ; all currency of other money was stopped ; hardly any had wherewith to pay ; public securities sunk to about a moiety of their original values, and buyers hard to be found even at those prices ; no man knew what he was worth ; the course of trade and correspondence almost universally stopped ; the poorer sort of people plunged into inexpressible distress, and as it were left perishing, whilst even the richer had hardly wherewith to go to market for obtaining the common conveniences of life.

This diminution of the old hammered money began first to be perceived here and there towards the latter end of the reign of King Charles the Second, and continued (but so as not to make much progress) during the four years' reign of King James ; but, by being admitted into the receipt of the public revenues at and after the Revolution, when, by reason of the great expenses of the war which ensued, those receipts and payments became double at least to what they were before ;—

thus its effects, as hath before been hinted, soon began to be sensible, and every day grew heavier; so as about the time of the subscription to the Bank to become a visible lett and obstruction to all business, and still more particularly in the following years, 1695, 1696, &c.

Public credit being thus put to a stand, the Bank was deeply a sufferer among the rest, and so could not continue to contribute to the service, as doubtless otherwise it might and would have done.

This addition of the intolerable corruption of the coin, with its direful effects, which, considering the circumstances, was alone sufficient to have provoked any nation on earth to extremities, being thus added to the before-mentioned insufferable neglects and oppressions, was certainly more than enough to make any people desperate; nevertheless the remainders of gratitude in the people to their deliverer King William, were even still such, that they bore these inexpressible afflictions with an inimitable temper and patience.

The Parliament spared no expense or pains in setting about the reforming and redressing this ill state of the coin,* and might still have done it easier and better, if those of the revenue, instead of assisting, had not obstructed it.

That was strange (said Mr. Heath); pray wherein did the then managers of the revenue obstruct the remedying the ill state of the coin?

In the first place (said Mr. May) they endeavoured to have the value, as they called it, or, to speak more properly, the denomination of the money altered, viz. that about nine penny-worth of silver should pass for a shilling. (App. N.)

Secondly, They did not soon enough give in to have the sterling silver pass at 5*s.* 2*d.* per ounce, being the equivalent of the milled money.

That should have been first of all done (said Mr. Brooks), I remember it was proposed by some, that during the time of

* 7 Will. cap. 1.

recoinage, the bullion should be lodged in and circulated through the Bank, instead of being unaccountably locked up elsewhere, as it afterwards was.

That had certainly been the proper vehicle for conveying the credit of the bullion towards making the greater payments during the recoinage (said Mr. Sands), besides the good effect it must otherwise have had in restoring and better establishing the institution of the Bank.

Thirdly (continued Mr. May), they officiously altered the standard of the plate, by making it two penny-weight finer than sterling, by which there was not only greater room left for frauds, but the silver made thereby more subject to wear and diminish.

However, it seems the Parliament did at last direct the sterling bullion to be current at 5*s.* 4*d.* per ounce (said Mr. Grant).*

Yea (said Mr. May), but not until the year 1697, when about three quarters of the recoinage, and consequently of the difficulty, was over.

Thus while our neighbouring nations expected we should sink under this burthen, and some were even prepared to receive us as a province, the strength of mind, constancy, and magnanimity of our people overcame it all; after which we obtained the before-remembered peace of Ryswick, which (such as it was) at least gave hope for some breathing time.

The direct loss to the nation on account of recoinage was about three millions, and their other sufferings by that disorder were at least so much more.

Besides this almost fatal blow to the credit and very being of the Bank, some other things then fell out greatly to its disadvantage, particularly an ingraftment was put thereon, not altogether with the consent of the proprietors.†

Two of the persons who had been most eminent in the framing and establishing of the Bank soon after went abroad to

* 8 Will. cap. 2.

† Stat. 8 & 9 Will. III. c. 20.

different places, where one of them died,* to the no small loss and detriment of his country, and the other returned not till some years after. (App. O.)

However the Bank at last overcame these and like difficulties, so as since to be serviceable to the public on several occasions sufficiently known.

I confess the marvellous temper and patience of our countrymen under such long-continued and multiplied pressures ought always to be remembered (said Mr. Hunt), but meanwhile were there not some who made use of the pretence of those grievances as handles towards dividing and distracting the people?

Such there were (said Mr. May), as usual in like cases, who from a few, at first hardly a tenth part of the nation, by popular handles and pretences had by this time made shift to work themselves up to a formidable party.

What were their chief pretences (said Mr. Heath)?

They pretended to mend the things amiss (said Mr. May).

And did they mend them (said Mr. Heath)?

No (said Mr. May), they were too much made up of negatives for that.

Why (said Mr. Heath), had they more negatives than one? They say two negatives make an affirmative.

It may be so in other cases (said Mr. May), but not in party negatives.

Methinks (said Mr. Hunt), were I one of those at the head of a party of fault-finders, I should not only pretend, but really intend the mending of them.

To what purpose would you intend to mend the faults (said Mr. May)?

To gain popularity, and thereby preferment (said Mr. Hunt).

I know not that popularity is always the way to preferment (said Mr. May); but be that as it will, you might thus happen to mend away, or in other words, to ruin your party.

* Mr. Mich. Godfrey. (App. M.)

That is wonderful (said Mr. Hunt); does mending public faults ruin a party?

No doubt of it (said Mr. May), if you take away the tinder the spark will not take, or if you remove the fuel the fire will not kindle.

Thus I perceive (said Mr. Hunt) you think that public parties cannot live without public corruptions.

Parties may possibly make shift just to live where there are no great public disorders (said Mr. May), but can hardly come to any considerable growth but where the corruptions are great.

But at this rate what must one do with his party, after having been at the pains to muster them (said Mr. Hunt)?

In order to keep them together (said Mr. May) you must loudly pretend the reformation of public abuses, but be sure to insinuate at the same time that it is impossible till those who have the best places and preferments are turned out.

But when we have got them turned out what shall we do then (said Mr. Hunt)?

Then put yourselves in, and afterwards have a care you do not as Jeroboam's successors did (said Mr. May).

What was it that Jeroboam's successors did (said Mr. Hunt)?

They first repeated the ill things done before them, and then added some worse of their own (replied Mr. May).

I do not like this way (said Mr. Hunt); I am for contributing what I can for doing good and towards mending matters, whoever have the places and preferments.

That may be (said Mr. May), but whilst in that mind you can in nowise be initiated into anything of a powerful party. Some poor, abject, sinking party may possibly admit you, but it will be only for the time; when they can but begin to crawl they will be sure to discard you.

At this rate (said Mr. Hunt), I care not whether I ever be of a party so long as I live.

Nor I neither (said Mr. May).

To order, to the point, gentlemen (said Mr. Jones from the chair). How did King William's affairs, particularly that main one of the public credit and money matters, go after the peace of Ryswick?

The exorbitant interests, premiums, and discounts were still kept on foot, notwithstanding the peace (said Mr. May); so that when my surviving friend, who had been originally instrumental in framing and promoting the Bank of England, returned home in the month of April, 1701, he, to his no small surprise, found the public credit, and things of that nature, after near four years' peace, still on as bad a foot as he left them in January, 1695, the redressing the ill state of the coin only excepted. Other things had been and still were suffered daily to go from bad to worse.

My friend, soon after his return (continued Mr. May), was particularly desired to pay his duty to the king, who was graciously pleased to admit him when alone, where he had an opportunity, among other things in general, to represent the ill state of the public credit and revenues, with the principal causes thereof. (App. P.)

The king received his representations very well, ordered him to put these and such other things as he thought proper, from time to time, in writing, and to lay them before his majesty.

After this he had frequent opportunities, both in word and writing, to represent to the king the principal disorders of his affairs, and the proper means to redress them.

But the demise of that great prince soon after prevented the effects which otherwise were very hopeful.

These things in substance (continued Mr. May) were near seven years ago again represented by my friend, by way of letter, to one then in power, and also communicated to others of consequence, a copy whereof I have now in my hand, and desire it may be read.

Then Mr. May delivered the said copy to the secretary, by whom the same was read, and is as follows: viz.

“Westminster, December 12, 1709.

“Your Lordship hath herewith inclosed a paper drawn by me in September, 1702. It contains my sentiments of some things I thought needful to be proposed and done in the Session of Parliament then ensuing; and after having again reviewed this with other papers, I cannot but be of opinion that these, or such like methods, timely and effectually pursued, had saved many millions, and left this kingdom in a much better condition to carry on the war, or to be guarantee of a just and lasting peace, than it now is.

“In the time of the Usurpation the receipts of the several branches of the public revenues were extricated from the old perplexed forms, and, being reduced into one channel, a plain and easy method was laid down, and pursued with such exactness, that the payments were brought to near as great a facility and certainty as in Venice and Holland; but upon the Restoration (in opposition it seems to whatever the usurpers had done, right or wrong) the old intricate forms were again resumed, and the disorders both in the receipts and payments were not only continued but increased.

“At the Revolution it was expected that these disorders would have been effectually redressed, but instead of this the confusions of the revenues have grown greater than in any time before, nay, to such a degree, that the throne hath been thereby shaken, the public credit hath been violated, the coin adulterated, high premiums and interests allowed, scandalous discounts made necessary, navigation, with foreign and domestic improvements, discountenanced or abandoned, frauds and corrupt practices in the trade and revenues rather countenanced than discouraged, and those few who endeavoured or performed anything towards the amendment or reforming these or such like disorders oppressed or neglected.

“By such an administration at home, the late king's affairs could not but prove (as they did) abortive abroad, and at last end in such a peace as only served to renew the war.

“In the last months of the life of that great but then uneasy prince, I had access to him ; when, finding him in much perplexity and concern about the state of his affairs, I took opportunity to represent to him that his misfortunes did not so much proceed from the variable tempers and humours of the people as some pretended, but rather from the men of his own house, or those that he had trusted with his business, who, either for want of capacity or experience, or that they preferred themselves to him, had brought the affairs of the kingdom into such confusion as made his subjects uneasy; and now at last, instead of removing the causes of complaints, they had presumed to employ his treasure and authority to silence the complainers.

“That as matters stood there were no reins of government, no inspection or inquiry into men’s conduct, every man did what he pleased, for nobody was punished, nor indeed rewarded according to merit ; and thus his authority was sunk, and his affairs in the utmost confusion.

“He owned this, but asked for remedies, upon which I proposed :—

“That, in the first place, he should put the management of his revenue on a right foot, without which all other remedies would prove ineffectual.

“That the first step towards reforming his revenue was that of retrieving the public credit, by making provision of interest for all the present national debts, and taking care that for the time to come supplies be so granted as to prevent all further deficiencies.

“That the course of the Treasury and Exchequer be so regulated, both as to the receipts and payments, as to render it easy to be understood, and so certain and punctual as to leave no room for frauds and practices in the time to come.

“That, in order to this, a method of inquiry and inspection from time to time into the behaviour of all men concerned in the revenue be laid down and nicely executed. Thus I shewed

him that he would quickly get out of debt, and at least a fourth part of the revenues would be saved hereafter.

“The next thing I proposed to him was—

“The seizing upon the principal ports in the West Indies, by which he might be enabled, not only to carry on the war at the expense of his enemies, but open and secure a direct trade for ever between those rich and vast continents of Mexico and Peru and this kingdom. I added, that, to secure the Spanish monarchy from France, the true way was to begin with the West Indies, since it was more practicable to make Spain and the other dominions in Europe follow the fate of the West Indies, than to make the West Indies (if once in the power of France) follow the fate of Spain; besides that France would thereby be enabled to carry on the war by the bullion and other wealth of the West Indies.

“The third thing I proposed was—

“An union with Scotland, than which I convinced him nothing could tend more to his glory, and to render this island great and considerable.

“The fourth thing I proposed, and which I told him was to be done first, in order to the restoring his authority, and shewing to the world that for the time to come he would no more suffer such a loose and unaccountable administration as his being a stranger to men and things here had forced him to wink at hitherto, was—

“A present commission of inquiry, by which he would see how and by whom his affairs had been mismanaged, and who they were who, under pretence of mending matters, perplexed and made them still worse; and in particular would be at a point how far the present debts did arise from mismanagement, or from the deficiencies of the funds.

“I spoke much to him of the nature of this commission, with which and the other proposals he seemed extremely satisfied, as is evident by his last and memorable speech, in which he earnestly recommends the retrieving of the public credit, and

offers his concurrence to all such inquiries as should be found necessary : and it is plain by the seventh article of the Grand Alliance, and his messages to the two Houses of Parliament, how much he laid to heart both the affair of the West Indies and that of the Union. (App. Q.)

“ I must confess the death of that great prince brought such a damp upon my spirits that I had lost all hopes of being further useful in such matters, had it not pleased your lordship to lay your commands upon me to go on as I did.

“ Thus in the first year of the queen, an Act passed for settling a fund to make good the parliamentary deficiencies, and the Parliament not only readily granted effectual funds for future supplies, but likewise expressed a hearty inclination to concur in whatever should be proposed by her majesty for preventing deficiencies in time to come ; and your lordship ordered matters so well, that only five per cent. interest was paid on most of the short funds, and was also wisely pleased to direct that lenders should not (as formerly) be admitted to bring into the Exchequer all their money at once, but only by degrees : thus considerable sums of interest were saved, the credit began to recover, and the circulation of the species was rendered more free and easy.

“ But, notwithstanding the surprising success of these preparatory steps in the first year of her majesty's reign, contrary measures have since been pursued, high interest again introduced, the public revenues either quite sold or anticipated for time out of view, the ordinary revenues of customs overloaded in an unparalleled manner, and which, if not timely removed, must end in the ruin of trade.

“ An expedition to the Indies was likewise that year set on foot, but soon after countermanded ; however that happened I hope your lordship will always own how constantly I have insisted thereon, as the easiest and most valuable design this nation could possibly be engaged in, since by the only advancement of 500,000*l.* or 600,000*l.* (a sum not considerable in com-

parison with the vast expenses and losses in which this kingdom hath been since involved), France and Spain might long ere this have been at mercy, and both the power and trade of this nation raised to such a pitch as possibly we shall never have the like opportunity to do again.

“ A treaty of Union with Scotland was set on foot the same year, but came to nothing; and although several things succeeded the rupture of that treaty, not very Union-like, yet it pleased God in his great goodness so to bless her majesty's inexpressible sincerity, and unwearied endeavours therein, that in some years after this Union was happily completed; and, had the peaceful spirit and true genius of the Union been more cordially prosecuted, the whole island had before this time felt the good consequences of it, and been entirely reconciled to it.

“ Upon the whole, instead of the valuable securities and advantages we might have justly expected from a sincere and vigorous prosecution of these wise and solid measures of the king, we now see the then National Debts of fifteen or sixteen millions so far from being diminished, that they are near, if not quite, doubled; the public revenues almost wholly sold and alienated, and yet about one-third of new debts still without funds for paying them; Navy Bills and other such deficient credit, at twenty or twenty-five per cent. discount, and in danger of falling still lower, with all the other parts of the public credit in proportion; and which disorders must still increase, if any considerable part of future supplies should be raised by anticipations on remote and doubtful funds;—our home industry and improvements under insupportable difficulties; most of the branches of our foreign trade so overcharged as to amount to a prohibition; not only our reasonable designs to the West Indies, but even navigation itself, and our proper plantations and acquisitions abroad, abandoned or neglected; our enemies suffered to carry away many millions which might have been ours, and the true spirit of the Union, with the great advantages

that would otherwise have naturally followed upon it, stifled and suppressed.

“In fine, after so much blood and treasure spent, and notwithstanding all our victories and triumphs abroad, we not only see Great Britain thus sinking at home, but even the fate of Christendom still depending upon the single success of the German and Flanders war.

“Your lordship knows how much and how long I have insisted upon the prevention and redress of these disorders, and given my frequent warnings of what would follow in case timely and due care was not taken.

“All I can do is now again to renew my instances :—

“First, That a true state of the public revenues and debts may be immediately prepared and laid before the House of Commons, to the end they may be prevailed upon,—

“First. To make the necessary provisions of interest for all such debts.

“Second. To grant the supplies so as to secure the nation from further deficiencies.

“Third. To provide that the public payments be as regular and certain as in Venice or Holland.

“Secondly, That the Council of Trade be speedily put in a way of being more useful to the public, particularly because, if timely and due care be taken, this constitution may be brought to give visible credit and vigour to the administration, even before the end of this Session of Parliament.

“To which instances, for reasons obvious enough, I now add,

“That all possible countenance may be given towards inspecting into the state of the Admiralty and Naval affairs, so as the queen may be better enabled to reform and redress what may be therein amiss.

“That the present condition and circumstances of the kingdom of Ireland be carefully stated, that it may be more perfectly known how much a complete union with that island will add to the wealth and security of Great Britain.

“There are several matters of weight, both as to the nature and consequences of these proposals, not so proper to be committed to writing, of which I shall have the honour to acquaint your lordship by word of mouth, when so happy as to be again admitted to kiss your hands.

“Meantime, I am, &c.”

Besides the paper written in September, 1702, mentioned and referred to here, which, allowing for the difference of time, is much to the same purpose, I had (said Mr. May) also others of consequence from my friend, which shall be likewise communicated to the club when requisite.

This is truly a paper of consequence (said Mr. Sands), which brings the whole matter naturally before us.

By the other papers and copies I had from my friend (said Mr. May), it plainly appears that—notwithstanding the loss of so great a king, which was still the more sensible as being at a time when he had fully resolved to redress the grievances, for which there yet remained a noble opportunity—this opportunity of redressing the grievances still offered itself not less, but rather more, by and at the accession of Queen Anne, since her majesty and servants had the promising advantage of the commencement and dawns of a reign, which always gives princes the fullest and fairest occasions for reforming the worst, and performing the best things; the surest pledges of the people’s affections, and the truest support of any throne.

The late king had been diverted from looking to his business at home, by reason of the multiplicity of his affairs abroad; but now it was quite otherwise, since the queen was to be at home, and consequently always at hand to give the requisite countenance and fresh life to her servants and services.

Most of King William’s servants were turned out, and others put in; they had the parliament sufficiently inclined to do whatever should seem to tend to the success of the war, then

newly declared, or otherwise towards the firm establishing the Government and tranquillity of the nation.

Notwithstanding the great debt left by the late king, the state of the revenue, with the circumstances and temper of the nation, were still such, as by good direction the expenses of the war might have been better supported than ever before, or even afterwards, without new taxes, those on land and malt only excepted; or if any other new tax had been found requisite, it needed only have been for the interim, and chiefly in order to the relieving and redressing the ill state of the revenue, from which great advances were to be expected.

Few or no new debts needed to have been contracted for the full performance of these services, and by the redemption of the branches of the revenue upon which the old debts were charged, the interest of money paid by the public might first have been brought to five, and afterwards to four per cent.; by which the very difference, at the rates then and still continued to be paid, might have contributed much to the discharge of the whole debt by this time.

Proper methods for attaining those ends were proposed by my friend (continued Mr. May), whom they at first caressed, and entertained with fair promises, that he in these his good intentions should meet with all manner of encouragement.

Nevertheless, all that could be obtained in the first year of the queen,* was only a provision for the payment of 2,338,628*l.* 15*s.* 5½*d.* principal, and of an arrear of above two years' interest in parliamentary deficiencies, but so lamely that even the payment of the interest was not to commence till about four years after, so that the very arrear of interest could not be discharged in less than seven years to come.

However, this provision of interest on the parliamentary deficiencies, lame as it was, so raised the credit of the Government, that the public interest of money might naturally have

* 1 Anne, c. 13.

come to five per cent. and afterwards lower, if the managers would but have let it.

Yet, notwithstanding the many repeated instances of my friend (continued Mr. May), no manner of use could be made of that favourable juncture, only with much ado they admitted the land and malt taxes to be set at five per cent.*

What could be their meaning thus to obstruct the lowering the interest on public securities (said Mr. More), and how came they to doubt that money would not come in at four per cent. on taxes payable within the year? Pray what did they say?

They said six per cent. was too little (said Mr. May), and that if they should even give seven or eight as formerly, they might still be subject to premiums or discounts; so that, notwithstanding the cogent arguments used by my friend, nothing even with regard to the lowering the interest on the land and malt taxes was like to be done, till he came happily to insist, that if as they suspected premiums and discounts must still be given, it would be more creditable and profitable for the Government to allow them on money when lent only at five per cent. than at a higher interest.

It seems they were very diffident of their own credit (said Mr. Grant), and so should I, had I but known them half so well as it seems Mr. May's friend did. But how did the money come in upon the land and malt taxes, after being set at only 5 per cent. interest?

My friend (continued Mr. May) had particularly advised them not to lay the Exchequer open to receive the money borrowed from time to time for public service all at once, by which the circulation might be stagnated, and the credit shaken, as it had often formerly been in like cases, but rather to take it in by degrees, a fourth part or thereabouts at a time. (App. R.)

The managers did nevertheless, during the indisposition of one then in power, contrary to promise, break that rule, and take in all that was offered at once, which had immediately the

* 2 Anne, c. 1 and 2.

effect, as my friend said, of retarding or stopping advances, fall of stocks, public funds, and such like.

But that blow was soon recovered, and the money came in better on the land and malt taxes that year than in any time since the Revolution.

Sure the managers' eyes were at last open by all this (said Mr. Speed); did they not from thenceforward zealously endeavour still more to lower the interest on the public securities, towards relieving and improving the revenue?

Not at all (said Mr. May), for, notwithstanding the strenuous opposition of my friend in that very year, they began again to take up money by alienations on the revenue for 99 years at above 7 per cent. per annum,* or 14 years' purchase, by which means still greater confusion was introduced by thus sinking the principal, and blending it so with the interest thereof, and at this rate they continued from year to year, till all the public revenues were mortgaged or sold, as they termed it, as will be particularly seen by the state of the public debts, revenues, and taxes, when laid before the club.

All this, continued he, was done only to support the German and Flanders war, which was the only thing effectually supplied, whilst all others were abandoned and neglected, because those chiefly in favour then had the direct management thereof, otherwise the fate of Europe needed not every day have been thus exposed on so narrow and precarious a foot.

However, it pleased God in his great goodness, that the wars in Flanders and Italy had such success as opened a door for a safe and lasting peace, humanly speaking, if the managers would have accepted it.

But why did they again begin, and continue this new whim of granting annuities for 99 years (said Mr. Heath), especially when they might easily have seen that the old and plain way of money, charged on redeemable running interest, always yielded

* 1 Anne, cap. 5.

a year or two years' purchase, and sometimes considerably more than these annuities?

They said it was a fancy, those things would never be redeemed (said Mr. May), that there were five or six years' purchase difference betwixt a perpetuity and a term of 99 years, and that, if they made them on redeemable funds, the people would not advance their money.

I do not, then, wonder at the ill-success of the money affairs (said Mr. Heath), if those who had the management were no better arithmeticians, not to say accountants, it being sufficiently known to such, that there is not five weeks' difference between the purchase of an annuity of 99 years and that of a perpetuity at their rates of interest, and that it was entirely new, too, that people would not advance their money lest they should have it again.

Many other such uncouth maxims were then among those of the revenue (said Mr. May), too tedious now to relate; another time may serve for that.

But still I cannot think how these things could be done (said Mr. Speed); did not gentlemen, in the House of Commons especially, ever oppose them?

If (said Mr. May) those things were privately concerted only by and with those principally concerned in the bargains, and made secrets till opened in a committee, and that the managers failed not to obtain an immediate resolution, though the committee were never so thin, and that this was not after to be opposed;—or if any endeavoured it, they were immediately called mal-contents,—Would you (say they) stop the supplies? Will you retard the Queen's business? Will you interrupt the operations of the war? And consequently our hopes of a peace? And such like; and for most part with this addition, that they had a peace in their pocket, and were sure of it next campaign, if they were but let alone. If things were so (continued Mr. May), will there still be cause to wonder?

If things were done so (said Mr. Hunt), there is less cause of wonder; but I can hardly think it possible.

But it is not impossible for you (said Mr. May) to inquire if so or not.

During all the first war (said Mr. Brooks) the then managers pretended every winter they were sure of a peace next summer, and therefore it mattered not how taxes were laid or money raised for this one time, and that after the peace all these things would be effectually redressed; yet this one time was nevertheless nine times repeated. But if the then managers could have been prevailed on only to make provision for two or three years, or perhaps merely by retaining a rational prospect thereof, they might have had a much better peace in half the time; but they were provident only for themselves.

Did not the Treasury yearly make full and fair representations of the state of the revenues, taxes, and debts to the Parliament (said Mr. Speed), with suitable observations, particularly on the deficient debts and the ill effects of not making immediate and effectual provision for them from time to time, with the good consequences of not contracting such for the future, since without good payment it was impossible to have or keep good credit?

I never heard of any such representations made (said Mr. May), nor do I believe there were; only some loose papers signifying what sums they thought they should want, without anything further of the state of the case.

Thus the whole revenues of customs and excise (the funds for support of the civil Government excepted) which before had in an unheard-of manner been overcharged by doubling and trebling (continued Mr. May) were at last alienated, first in annuities for ninety-nine years, and afterwards for Exchequer Bills and such like, towards the several services of the preceding years to 1709, with that inclusive, saving only some branches thereof, which remained yet charged only for about seven years to run, which have since been appropriated to the

payment of the interest of ten millions capital stock of the South Sea Company, the grants of which annuities were still from time to time disposed of to favourites, whilst others were excluded, the manner of which is still fresh among us.

This state of affairs at home, with the matter and manner of breaking the treaty of peace, which was begun at the Hague in the beginning of the same year 1709, moved my friend (said Mr. May) to renew his former instances in the above-remembered memorial, and by other papers, even at a time when, as to outward appearance, public things and dispositions seemed never more serene, tranquil, and promising in Parliament and elsewhere. (App. S.)

In the midst of this calm he sensibly foresaw an impending storm, and perceived such symptoms as seemed to forebode some sudden and violent change, but how, and of what nature (as he often said), he could not tell.

Accordingly a little bit of the pretext of religion soon after presented, which spark immediately took so as effectually to inflame the nation, which (as one expressed it) could not then have taken had it not been as tinder before. (App. T.)

Meanwhile (said Mr. Hunt), had not this your friend's memorial and other representations sensible effects at that time?

• Some endeavours were thereupon used (said Mr. May) to have the grievances laid open in order to redress particularly.

An account of the public debts provided for by Parliament was required, upon which a sort of blind account was with some difficulty at last obtained.

An account of the public debts not provided for by Parliament was likewise demanded, but opposed under pretence that inquiries into those deficiencies might discover the secrets of the Government.

Thus, instead of taking any part of the wholesome advice offered, they still went from bad to worse, even venturing on new taxes,* and anticipating them for thirty-two years, at no

* 8 Anne, cap. 3.

less rate than nine per cent. per annum for 1,500,000*l.*; and, still to aggravate the matter the more, they did all this by a lottery, the readiest way to complete the then so far advanced depuration and giddiness of the people.

While these things were doing at home, abroad they made shift quite to break off the renewed treaty of peace at Gertruydenberg.

Among other their then doings, they happened officiously enough to furnish the before-hinted religious pretext, which proved a good cloak to those who had a great while before been obliged to defer what they afterwards did only for want of some such covering.

This fresh ingredient wrought so powerfully on the dormant causes that the nation thereby not only became almost universally affected, but even the queen was brought quite to change hands: that is to say, to turn out her former managers, and put in new.

Thus those who a little before presumed they had not only Great Britain, but likewise France and the rest of Europe in a string, were all of a sudden so reduced as to have few visitors, and none to help them, and might so have remained, had not their adversaries happened by way of antipathy to do more for them than their friends possibly could, or may be would, have done in the way of sympathy.

Were not the people well pleased at this total change (said Mr. Farr); did they not thenceforward expect halcyon days?

Many did (answered Mr. May), but they were generally of those who knew little of the matter.

But how did they do, after this so total a change? (said Mr. Farr.)

For somewhat more than nine days, but hardly for so many weeks (replied Mr. May), they pretended to much and promised fair, yet after all, had the misfortune to fall as it were headlong into still more solemn secret than any before them.

They fell furiously about raising new taxes, and to alienate

them on the destructive foot of the last year's annuities and lotteries at nine per cent. for thirty-two years,* with this material improvement, that besides the running interest of six per cent. they charged those annuities with about thirty per cent. additional capital, an invention altogether new; to which they added another imported to them from Scotland, after the Union, viz. that of the classes and courses, a secret not easily explained, so as on the whole the public paid about thirty-six per cent. for money.

At this rate they continued from year to year, till they had accumulated the sum of ten millions in such lotteries and annuities, and, after having laid what new taxes they could, they wound up the bottoms by alienating the very surpluses and supposed surpluses of the public revenues and taxes for 1,400,000*l.* more, towards the end of summer, 1714. All which, as those before had in other sorts of securities, they bartered out, and parcelled away their lottery tickets to friends and favourites, but on what particular considerations is yet a secret—thus immediately before the demise of her late Majesty effectually completing the unaccountable measures which brought that otherwise great and glorious queen at last to leave an uneasy throne.

I hope you'll do that justice to the last managers (said Mr. Heath) as to own they made provision for the most of the then deficient public debts by way of the joint stock of the South Sea Company.†

I have nothing to object against that (said Mr. May) since it was certainly a good thing in itself, and done upon the old plain practicable foot of a redeemable interest of six per cent. per annum, though, with better understanding and meaning, it might have been as well, and to as good content, settled at only five per cent. interest.

I have several times looked over the first proposition made

* 9 Anne, c. 8.

† 9 Anne, c. 15.

to that purpose with the Act of Parliament and the charter granted thereon (said Mr. Sands), and find them so perplexed and confused, that I hardly think those who did them well understood what they then did.

However uncouthly done in the manner, it was certainly right in the main (said Mr. May), and by which the doers acquired a reputation in quite a contrary way to their predecessors, who by their management seem to have judged it better, and more reputable, to contract new debts than to pay the old.

Methinks we dwell too much on home affairs (said Mr. Farr), let us come to speak of things done abroad, particularly of the breaking the grand alliance, of the matter and manner of the Treaty of Utrecht, the cessation of arms, and such like.

Well moved (said Mr. Hunt); let us likewise inquire into the matter and manner of the treaty first begun at the Hague, and afterwards adjourned to, and quite broke off at, Gertruydenberg, and unto the damage this island has suffered for want of accepting better terms than have been since obtained, and such like.

Upon which Mr. Brooks said the affairs at home, especially of the money matters, were now directly before the club, without having as yet been duly weighed and represented, which, however, in the course of such proceedings ought to be first someway determined, before new matter be entered upon; that besides it could hardly be supposed that gentlemen were now sufficiently prepared ripely to enter upon such remote and voluminous matters; that he therefore rather chose to move, that a special day may be appointed to inquire into the state of our foreign affairs during the reign of her late Majesty.

Mr. May said, that he saw not how a special day could well be appointed by the club to consider of foreign transactions, till they had some further view when the domestic affairs, particularly relating to money matters, could be brought to an issue.

Upon which the previous question was put, viz.—

Whether that question should be now put :

It passed in the negative.

I am glad this foreign question is so well, at least for present, over (said Mr. Grant) ; the loss and detriment of this kingdom, by exorbitant interest, high premiums and discounts, corruption of the coin, dear and bad bargains, and such like, surely ought to be the first and principal inquiries of this club.

“ It is the glory of God to conceal a thing, but the honour of kings to search out a matter.”* I therefore wish (said Mr. Gage) these things were effectually discovered, and sought out in some such way as Mr. May’s friend, it seems, proposed to the late King William—that by discovering the diseases the remedies may be better known.

If inquiries of this nature were necessary in the preceding reigns (said Mr. Sands), they cannot be less, but much more so now in the reign of King George, in which those now at the head of affairs are certainly most of all concerned, since they are otherwise to expect the consequence.

What consequence (said Mr. Hunt) ?

The consequence (said Mr. Sands) of becoming chargeable with the mismanagements of twenty-six years past, in so many months, or less, to come.

This brings to my memory the story of the last thief (said Mr. Brooks).

A mercer, as they say, on Ludgate-hill, first lost a remnant of silk, and afterwards still more, all which in his books of accounts he placed to the account of Mr. Thief, in order to obtain payment when occasion offered.

Thus after a term of about fifteen years he discovered one who came into the shop and took another piece of silk in the usual form ; him he seized, who thereupon offered not only to restore the remnant of silk, but therewith the value in money, if they would let him go.

* Prov. xxv. 2.

The mercer, reaching his book of accounts, immediately turned to that of Mr. Thief, by which it appeared he was further indebted to him in the sum of 50*l.* or upwards.

Hereupon Mr. Thief solemnly protested he never had stolen anything from that shop before. The mercer said, though he was ready enough to believe a gentleman on his word and honour, yet he did not know one thief from another, and that if himself had not his goods some of his companions had, which was much the same thing, therefore he must pay for them.

Thus the poor thief, finding himself detained without other hope of deliverance than that of satisfaction, sent about to his friends, who among them at last found money to discharge the debt.

Then the club adjourned to Wednesday the 12th instant.

WEDNESDAY, SEPTEMBER 12, 1716.

Mr. Brooks, from the committee of inquiry to whom it was referred to prepare and bring in a state of the public revenues, taxes, and debts of Great Britain, accordingly presented a report which he read in his place, and afterwards delivered to the secretary, by whom it was again read, and is as follows, viz. :—

Your committee find the accounts and transactions relating to money matters so perplexed and intricate as to disable them, at least speedily, from obtaining any true state of the taxes, revenues, credit, and debts, further than as found in the several Acts of Parliament.

That even the Acts themselves relating to money-matters are of late become so very numerous and long as not to be easily read, and still harder to be understood, so that no little time, patience, and expense will be requisite to put these matters in a proper light.

Meanwhile your committee have agreed to lay the following schemes before the club, viz. :—

No. I.—A SCHEME of the ANNUITIES for NINETY-NINE YEARS, showing Interest for the times yet to run, with the Difference betwixt the petuity in a Medium at 7 per cent. on the foot of the now Yearly

Years when granted.	Funds Appropriated.	Times when the Annuities commenced.	Sums Advanced.	Annuities Granted.
1692	One 9d. per barrel Excise	25 Jan. 1692	£ 1,492,379 s. 7 d. 0	£ 124,866 s. 0 d. 0
1693	Ditto. To Lives with Survivorships . .	"	108,100 0 0	7,567 0 0
1694	Two-sevenths of another 9d. part for Lives	25 Jan. 1693	368,896 8 0	37,460 4 10
1703	Part of 3,700l. per week Excise . . .	25 Mar. 1704	1,569,664 18 6	104,745 10 6½
1704	Ditto	25 Dec. 1705	690,000 0 0	46,000 0 0
1705	One-third Subsidy, 9d. per barrel Excise	25 Mar. 1706	2,855,761 16 2	184,242 14 0
1706	Low Wines, Spirits, Hawkers, Pedlars, first Stamp Duties, and 36s. per barrel on Sweets	25 Mar. 1707	1,155,000 0 0	72,187 10 0
1707	Overplus of Annuities, 4 and 5 Anne .	25 Mar. 1708	640,000 0 0	40,000 0 0
1707	Half Tonnage and Poundage, called Half Subsidy . .	24 June 1708	1,280,000 0 0	80,000 0 0
			10,159,802 9 8	697,068 19 4½

Thus 10,159,802l. 9s. 8d. principal money hath at different times and rates of interest been anticipated on a fund of £ 697,068 s. 19 d. 4
 Or near 7 per cent. per annum, as taken in a medium for a term of about 85 years yet to run from the 25th of March, 1717.
 The interest of this principal sum, at 4 per cent. per annum, is only 406,392 1 11½
 Consequently the surplus of these annuities above 4 per cent. per annum is 290,676 17 5

The amount of the surpluses at 4 per cent. in the times yet to run, in yearly payments only, is no less than 194,968,763l.
 But the difference betwixt the present values of the reversions of the surpluses,

ing the Amounts of the Surpluses thereof, at 4 per cent. per annum present Values of the several Reversions thereof and that of a Per-Payments.

Interest of 4 per cent. on the Sums Advanced.	Surpluses of the Annuities granted above 4 per cent.	Amounts of the Surpluses at 4 per cent. for the respective times yet to run, in Yearly Payments only.	Difference betwixt the present Values of the Reversions of the Surpluses after the several terms yet to run, and a Perpetuity in a Medium at 7 per cent.	Time to run from 25 March, 1717.
£ s. d.	£ s. d.	£	£	Years. Mths.
59,695 3 5½	65,170 16 6½	29,237,676	5,823	75 0
4,324 0 0	3,243 0 0	1,516,351	271	76 0
14,755 17 1½	22,704 7 8½	10,616,063	1,896	76 0
62,786 11 11½	41,958 18 7½	29,544,698	1,781	86 0
27,600 0 0	18,400 0 0	13,911,284	694	87 9
114,230 9 5½	70,012 4 6½	53,463,510	2,596	88 0
46,200 0 0	25,987 10 0	20,664,644	900	89 0
35,600 0 0	14,400 0 0	11,922,960	466	90 0
51,200 0 0	28,800 0 0	24,091,579	917	50 3
406,392 1 11½	290,676 17 5	194,968,765	15,344	

after expiration of the several terms yet to run, and that of a perpetuity in a medium at 7 per cent. is only 15,344*l*.

The annuities in the year 1692 were first granted for lives, and afterwards the survivorships sold for the remainder of 99 years, and, as your committee understand, for the most part bought by others.

Those in 1693 were for lives, with survivorships; and those in 1694 were part for lives, and part for the remainder of 99 years.

But these sums being but inconsiderable with regard to the whole, and that in case of a redemption provision may be easily made for them according to their respective situations, and considering the reversion thereof can be but of little value, therefore have not thought it proper to embarrass this scheme with things of such various and intricate shapes.

No. 2.—A SCHEME of the ANNUITIES for THIRTY-TWO YEARS, Interest for the time yet to run, with the Difference betwixt the Medium at 9 per cent. on the foot of the now Yearly Payments.

Years when granted.	Funds appropriated.	Times when the Annuities commenced.	Sums Advanced.	Annunities Granted.
1709	Additional Window Tax, and 3s. per chaldron on Coals . . .	29 Sept. 1710	£ 1,500,000	£ 135,000 s. 0
1709	New Duties on Excise, and on Pepper, Raisins, &c.	25 Mar. 1710	900,000	81,000 0
1710	Subsidy Outwards, additional Duty on Leather	25 Mar. 1711	1,500,000	135,000 0
1710	Duties on Leather, 700%. per Week on the Post Office, Duties on Hackney Coaches, Chairs, Stamped Vellum, &c. .	29 Sept. 1711	2,000,000	186,670 0
1711	Additional Duties on Soap, Paper, Vellum, Parchment, Pamphlets, &c.	29 Sept. 1712	1,800,000	168,003 0
1711	Additional Duties on Hides, Skins, Vellum, and Parchment, New Duties on Starch, Tea, Coffee, Silver Wire, &c. .	29 Sept. 1712	1,800,000	168,003 0
1713	By Rent Charge on Her Majesty's Hereditary and Temporary Revenue	29 Sept. 1713	500,000	35,000 0
1714	Additional Duties on Soap, Paper, Parchment, Linens, Silks, Calicnes, Stuffs, and Coals exported, &c.	29 Sept. 1714	1,400,000	116,573 12
			11,400,000	1,025,249 12

Thus it appears that 11,400,000%. principal money hath been anticipated on a fund of £ s.
Being very near 9 per cent. per annum in a medium for about 27 years yet to run, from 25th March, 1717. 1,025,249 12

The interest of this principal sum at 4 per cent. per annum is . 456,000 0

Consequently the surplus of these annuities above 4 per cent. per annum is . 569,249 12

The amount of the surpluses, at 4 per cent. per annum, in the respective times yet

showing the Amounts of the Supluses thereof, at 4 per cent. per annum present Values of the several Reversions and that of a Perpetuity in a

Interest of 4 per cent. on the Sums Advanced.	Surpluses of the Annuities granted above 4 per cent.	Amonnts of the Surpluses at 4 per cent. in the respective times yet to run, in Yearly Payments only.	Difference betwixt the present Values of the Reversions of the Surpluses after the several terms yet to run, and a Perpetuity in a Medium at 9 per cent.	Time to run after 25 March, 1717.
£	£. s.	£	£	Years. Mths.
60,000	75,000 0	3,223,412	92,650	25 6
36,000	45,000 0	1,874,066	57,984	25 0
60,000	75,000 0	3,323,380	88,660	26 0
80,000	106,670 0	4,874,603	120,893	26 6
72,000	96,003 0	4,658,632	99,820	27 6
72,000	96,003 0	4,658,632	99,820	27 6
20,000	15,000 0	772,004	14,308	28 6
56,000	60,573 12	3,302,813	53,019	29 6
456,000	569,249 12	26,687,542	627,145	

to run, in yearly payments only, is no less than 26,687,542*l.*, and in quarterly payments is about 27,452,062*l.*

But the difference betwixt the present values of the reversions of the several surpluses, after expiration of the terms yet to run, and that of a perpetuity in a medium at 9 per cent. is only 627,145*l.*, being little more than a year's purchase.

To the sums included in the six last articles of this scheme, amounting to 9,000,000*l.* principal money advanced, there hath been added a new and before unheard-of sort of additional capital of no less than 2,723,900*l.*, or above 30 per cent., besides the interest running thereon.

No. 3.—An ESTIMATE of such EXCHEQUER BILLS as may remain undischarged on the 25th of March, 1717.

The Exchequer Bills standing out undischarged on June 11, 1715, amounted to 4,561,025*l.* but at Lady Day, 1717, they may be reduced to about 4,000,000*l.*

	£	s.	d.
The interest of 3 per cent. on the said sum of 4,000,000 <i>l.</i> is	120,000	0	0
The allowance of 2 <i>d.</i> per day per 100 <i>l.</i> thereon	121,666	13	4
Additional consideration for circulation	45,000	0	0
Expense of management	8,000	0	0
In all	294,666	13	4

Or about 7*l.* 7*s.* 4*d.* per cent.

There is appropriated towards discharge of the principal of the said Bills an annuity of	270,999	7	0
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Consequently the total annuity thereon will amount to	565,666	0	4
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The funds appropriated for payment thereof are two-thirds subsidy, one-third subsidy, duties on coffee, cocoa nut, chocolate cocoa paste, tea, nutmegs, cinnamon, mace, cloves, muslins, with the increased or new duties thereon, and on calicoes, china ware, drugs, &c.

The principal sums due on Exchequer Bills, June 11, 1715, was 4,561,025*l.* consequently the 3 per cent. and 2*d.* per day per 100*l.* thereon, together with the allowance for circulation and expense of management as above, amounted to a yearly sum of 328,561*l.* 18*s.* or about 7*l.* 4*s.* per cent. on the said principal sum; but supposing, as in the above scheme, that there are still standing out undischarged four millions in the said bills, the annuity payable thereon, in that case, is 294,666*l.* 13*s.* 4*d.* or about 7*l.* 7*s.* 4*d.* per cent. and (so long as the above allowancea for circulation and expense of management continue) will still increase in proportion as the principal decreases.

There is likewise an annuity of 270,999*l.* 7*s.* appropriated towards discharge of the principal sum of the said bills, which in quarterly payments might thus do it in about ten years to come, if the fund be not in the meantime again clogged and incumbered by farther additional mortgages in the new way of anticipating and alienating, not only reversions and remainders, but even surpluses and supposed surpluses, from five or six to twelve or more years to come.

No. 4.—A STATE of the PUBLIC DEBTS provided for by PARLIAMENT, with above 5 per cent. per annum interest, the 100,000*l.* per annum, Original Fund of the Bank of England only excepted.

	Sums Advanced.			Annuities Granted.			Rates of Interest.		
	£	s.	d.	£	s.	d.	£	s.	d.
Annuities for 99 years . . .	10,159,802	9	8	697,068	19	4½	6	17	2½
Annuities for 32 years . . .	11,400,000	0	0	1,025,249	12	0	8	19	10¼
Additional Stock of the Bank	1,775,027	17	10	106,501	13	5	6	0	0
Joint Stock of the South Sea Company	10,000,000	0	0	608,000	0	0	6	0	0
The Exchequer Bills standing out undischarged on March 25, 1717, may amount to about	4,000,000	0	0	294,666	13	4	7	7	4
Besides the Interest and other allowances on Exchequer Bills, there is appropriated towards discharging the principal sums thereof an annuity of				270,999	7	0			
	37,334,830	7	6	3,002,486	5	1½			

The additional stock of the Bank has 6 per cent. per annum interest from August 1, 1710, arising by duties on houses, redeemable on a year's notice.

The South Sea Company has 8,000*l.* per annum towards expense of management, besides the interest of 6 per cent. on their joint stock, from December 25, 1711, arising by duties on wines, vinegar, tobacco, duties on salt, rock salt, candles, clerks, apprentices and servants, &c.

Redeemable on a year's notice after December 25, 1716.

N.B. The funds for the annuities of 99 and 32 years, and those for discharge of Exchequer Bills, are specified in the respective schemes thereof numbered 1, 2, 3.

No. 5.—A STATE of the PUBLIC DEBTS provided for by PARLIAMENT, with a redeemable interest of only 5 per cent. or under, including the 100,000*l.* per annum, Original Fund of the Bank, which is at 6 per cent.

	Sums Advanced.			Annuities Granted.			Rates of Interest.		
	£	s.	d.	£	s.	d.	£	s.	d.
By the Bank	1,600,000	0	0	100,000	0	0	6	0	0
By the East India Company .	3,200,000	0	0	160,000	0	0	5	0	0
By the Bankers' Annuities .	1,328,526	0	0	39,855	16	0½	3	0	0
By the Bank Annuities .	1,079,000	0	0	54,600	0	0	5	0	0
	7,207,526	0	0	354,455	16	0½			

The Bank has 4,000*l.* per ann. for expense of management, besides 6 per cent. per ann. interest, from August 1, 1694, arising from five-sevenths of 9*d.* per barrel excise, redeemable on a year's notice after the 1st of August, 1742.

The East India Company has 5 per cent. interest on their capital stock, from Michaelmas, 1698, arising on 2*s.* 4*d.* per bushel on salt, impositions on stamped paper, vellum, and parchment, redeemable on three years' notice after the 25th of March, 1726.

The Bankers' Annuities bear but 3 per cent. for the money advanced, from the 26th of December, 1705, arising on part of 3,700*l.* per week rent-charge on the revenues of excise, redeemable for one moiety without notice.

The annuities payable at the Bank, and from thence commonly called the Bank Annuities, have 650*l.* per ann. allowed for expense of management, besides the interest of 5 per cent. for the money advanced, from Michaelmas, 1715, by a rent-charge on the hereditary and temporary revenue, redeemable on a year's notice,

No. 6.—AN ESTIMATE of such PUBLIC DEBTS as may remain unprovided for on March 25, 1717.

	£	s.	d.
On the lotteries and annuities for 32 years, at Michaelmas, 1715, there was a deficiency of	332,888	15	4½
On the 160,000 <i>l.</i> per annum payable to the East India Company for the years ending at Michaelmas, 1714 and 1715	54,678	11	11½
On the duties on low wines, malt, candles, and on the third two-shilling aid to Michaelmas, 1715	582,974	6	5¾
The debt of the Navy on December 31, 1715, was	696,671	2	4
	<hr/>		
	1,667,212	16	1¾

	£	s.	d.
Besides those, the further deficiencies of the funds payable at the Exchequer, may on March 25, 1717, possibly amount to	200,000	0	0
The debt of the Navy may at that time be increased	200,000	0	0
The deficiency for the service of the years 1715, 1716, may amount to about	200,000	0	0
	<hr/>		
	600,000	0	0

Consequently the total deficiencies on March 25, 1717, may be 2,267,212 16 1¾

MEMORANDUM.

The household and other debts of the late King William may be computed at about	600,000	0	0
The arrears of the Army and other debts of the late Queen may amount to	2,000,000	0	0
	<hr/>		
	£4,867,212	16	1¾

	£	s.	d.	£	s.	d.
By scheme No. 4, it appears that there are public debts provided for by Parliament at different rates of interest of 6 per cent. per annum or upwards, amounting to .	37,334,830	7	6			
On an annuity of				3,002,486	5	1½
By scheme No. 5, it appears that those provided for at 5 per cent. or under, including the 100,000 <i>l.</i> per ann. Original Fund of the Bank, which is at 6 per cent. amount to	7,207,526	0	0			
On an annuity of				354,455	16	0½
Public debts provided for	44,542,356	7	6			
Annuity				3,356,942	1	1½
By scheme No. 6, the estimate of such public debts as may remain unprovided for on the 25th of March, 1717, may amount to	4,867,212	16	1½			
Which will make the whole public debts at that time amount to	£49,409,569	3	7½			

The taxes and impositions now levied, and thus mortgaged, are so numerous, perplexed, dark, and intricate, that much time, patience, and expense, will be requisite to put them in any tolerable light; hardly any of the national consumption at home is otherwise than over-taxed, excepting only corn at the mill, cattle at market, and the woollen manufactures, and even these, though not directly, are otherwise heavily affected therewith.

The present weight and inequality of these impositions on the home consumption are such as to give your committee ground to think that in some cases half, and in others less than two-thirds, of these excises, by being more easy and equally laid, might be brought to yield fifteen or twenty per cent. more than the whole now can.

As the home excises are become insupportably heavy, the impositions on the foreign trade are in some cases double, and in others treble, or more, to those of any other known nation; the weight and inequality whereof is such as give your committee ground to believe that less than one moiety thereof,

being justly and equally laid, might yield fifteen or twenty per cent. more than the whole possibly can on the present footing.

That thus a yearly sum of six or seven hundred thousand might be justly expected from the improvement of little more than one moiety of the present impositions, towards discharge of the public debts, or such other uses as should be found requisite; but these several revenues of excise and customs, with the whole surpluses thereof, are so variously and unequally charged with the payment of exorbitant interest of public debts, that no one step towards the redress can be taken therein without the redemption thereof.

Your committee still further observe, that these very heavy taxes, and therewith the weight of the usury, bears wholly on the people, who live not idly on their money but by their painful industry; thus at least nineteen-twentieth parts of the nation are thereby unaccountably obliged to pay from one-third to one moiety, or, in other words, from fifty or sixty to cent. per cent. more than the reasonable price or rate of four per cent. per annum interest, not only for their subsistence, but for all the very money they are forced to furnish for support of the same usury.

After second reading of the committee's report there was silence in the club for some space.

Sure (said Mr. More) the moneyed men must needs be more than a twentieth part of the nation, as represented by the committee.

If there be at least eight millions of souls in the British dominions, instead of four hundred thousand, a twentieth part, I am of opinion (said Mr. Grant) there are hardly two hundred thousand, or a fortieth part of them, who merely subsist by the works of their money, and still further, that one-fourth part of those are not concerned in these new estates lately erected out of the national taxes and impositions.

These calculations may be near the truth (said Mr. May), since by the best information I find that not twenty thousand

names were ever at once any way considerably concerned in the public debts, and, reckoning five to a family, that would only make up one hundred thousand souls.

If you omit soldiers, seamen, and such who necessarily had or have transiently put in small sums to lotteries, and the like (said Mr. Sands), I find that not ever fifteen thousand names were at once directly concerned in the advances or loans, and of them often two or three in a family; so that, with great allowances for such as might have sums in trust in the names of others, I hardly think there ever were or now are ten thousand families together directly concerned for any considerable sums in the public securities.

Though it be true, that the government now pays six, seven, and eight per cent. per annum, or more, for money (said Mr. Hall), still that privilege is by no means allowed to private persons, who by the late Act of Parliament are restrained from taking more than five per cent. interest. I therefore question whether the present high interest allowed on public securities can so affect the rest of the property of the nation as the committee seem to insinuate.

The price of money, which is the rate of the interest thereof (said Mr. May), is better lowered and kept moderate by the actions than by the acts of a state, and in the present case, so long as the government, which is by much the greatest merchant of money, shall continue to give six, seven, and eight per cent. interest or more, the doctrine of telling others they must nevertheless take no more than five per cent. can never effectually prevail. On the contrary, the illustriousness of the example, and such temptation of profit, will ever sufficiently encourage and enable men to break through or otherwise avoid the strictest prohibitions.

If on the other hand the public will give but four per cent. per annum interest, private men will soon be well contented with that or less, because they will hardly find more, as we see in several of our neighbouring nations, the subjects of some

whereof are well contented with three per cent. interest, or under.

I observe (said Mr. Ford) that in the several schemes of the public debts provided for by Parliament, the respective years when contracted, with the commencement of the taxes imposed for payment, are accurately enough set down, but the names of those chiefly concerned, or by whose advice these things were done, are omitted; which defect I move the committee may supply in the next report.

This motion was waived in the committee (said Mr. Brooks), as inconsistent with the rules of this club, which enjoins us to treat only of things, not of persons.

However (said Mr. Ford), the committee might at least have reported some list of those who had the principal places or preferments, or were most in vogue during the respective times of the transactions contained in their report.

I expect no great instruction from such a list when formed (said Mr. Sands), since by the various and uncouth shapes these things appear in, they seem not so much of human contrivance as the work of chance; therefore think these particularly concerned do by no means merit the name of managers, at least in our journal.

Since the science of lotteries, first imported from Venice, has been so much improved among us (said Mr. Shaw), may not we in their own terms call them then men of chance, or chance-medlers?

Men of good or better chance, I suppose you mean (said Mr. More); that is their own expression, since, to do them justice, I am of opinion they like bad chance as little as other people.

I have seen the cargo from Venice you spake of (said Mr. Farr); its first cost was but 3*s.* 6*d.* all duties paid; therefore, considering what great improvements and advantage our men of business have made on so small a stock to begin with, I judge you may well afford them the name of managers, for they at the very first sold it at many millions per cent. advance, and their

further progress in this traffic lies now before us in the committee's report.

The word chance is an ungodly word (said Mr. May), since everything really proceeds from the Divine Providence, which is in, through, and infinitely over all. A lot is in its nature, and therefore ought to be held, as sacred as an oath, both of them being parts of the Christian religion, and made to answer their proper ends, an oath being the end of all controversy among men,* and the lot "causeth contentions to cease, and parteth between the mighty." †

The lot being a solemn appeal to the ever blessed Maker and Preserver of all, for his direct decision in matters of dissension, which cannot otherwise, or at least be so amicably, determined.

The oath being an appeal to the same Supreme Judge of all, as witness to the truth of things offered for proof in matters of strife depending before the temporal judge.

So that in fine these are both of the same nature, only expressed by us in two different ways, the one by our actions, and the other by our words.

It is well and seasonably observed (said Mr. Grant); for, though the lot from the lap, or from the wheel (as they have done of late), may seem to us a chance, "yet the disposing thereof is of the Lord;" ‡ and unnecessary or common lotting is no doubt as much a breach of the third commandment as that of common and profane swearing, under both which our land mourns.§

These are sensible and seasonable admonitions (said Mr. Hope), and for which the club is much indebted to the gentlemen who do it this justice.

If you will not allow the late men of affairs the name of managers (said Mr. Hunt), let us call them operators.

They will hardly merit that name either (said Mr. Heath),

* Heb. vi. 16.

† Prov. xviii. 18.

‡ Prov. xvi. 33.

§ Jer. xxiii. 10.

since it appears not they have worked much, at least in the right way.

It is usual with the Spaniards, when they see or find anything done they know not how (said Mr. North), to say it is enchanted: since the things appear so intricate and unintelligible, instead of managers, let us call them enchanterers.

If you judge of them by their doings, or what they suffered to be done (said Mr. More), they have certainly not been such conjurors as to merit that name.

From a small and insensible beginning, you see how wide the comment on the word managers hath spread (said Mr. Sands); let us therefore now put a stop, at least for the present, to this sort of criticism, by borrowing some general name until we find the proper or particular one, such as the Men of the Times, those of the Revenue, or the like.

I readily agree to this expedient (said Mr. More), and the rather, since by this and other instances I see debates and speeches on trivial matters so apt to take up men's time.

To the point, gentlemen (said Mr. Jones from the chair); consider what further instructions you will think proper for your Committee of Inquiry.

After some silence, Mr. May said, that, notwithstanding the apparent difficulties, he was of opinion the committee should still persevere: that particularly since in all these debates and reports the redemption of the public revenues appears not only good in itself, but absolutely necessary at this time, since without that all other endeavours for the national relief and support must prove ineffectual,—he therefore moved that the committee be specially instructed with all convenient speed to prepare and bring in a proposition for the redemption of the public revenues of Great Britain.

I understand not your redemptions or pretensions to them (said Mr. Strong), only think it such a roundabout way as gentlemen will never give into, it being not only thus perplexed and intricate, but likewise so long that the enumerating the

titles and recital of the Acts we are to be redeemed from may, for what I know, cost us another Act as long as betwixt St. Peter's and St. Paul's; I am therefore for cutting it short.

As far as things are gone (said Mr. May), I still hope we are in no great danger of having Acts of Parliament by the mile; but what do you mean by cutting it short?

In plain English (replied Mr. Strong), if they will not allow reductions as in France, by which the public may possibly have a demand on many of its present pretended creditors, instead of their having claims on the government, I am at once for taxing these public funds, since, excepting the reductions, that only can best do the business.

Taxing them! How would you tax them (said Mr. May)?

For that I have a scheme cut and dry (replied Mr. Strong); for example, I would tax those who have 8 per cent. per ann. interest 8s. in the pound; those who have 6 per cent. 4s. in the pound; and others who receive more than 4 per cent. per ann. interest in proportion; at which rate those who have been tax free for 28 years past may at least, in so long time to come, be brought in some sort towards a level with their neighbours.

I second that motion (said Mr. Bruce), since it will effectually do the business without so much as once reading your tedious Acts of Parliament, which must otherwise be often perused and recited, if you once venture to go about this puzzling work of redemption.

Would not this be to break into the public credit (said Mr. More)?

Not at all (replied Mr. Strong); they were only officiously made tax free during the war, but now there is peace they ought at least to contribute their proportion in everything.

The Acts of Parliament (said Mr. York), on which this late public credit is founded, expressly declare the interest or annuities granted for payment of principal and interest, or both, to be tax free, indefinitely, without saying for what time, but I always understood that to be for ever.

By the tenor of the Acts of Parliament (replied Mr. Strong), I take it for granted their being tax free was only for the supposed exigency, which being now over by the end of two heavy and dangerous wars and of one of rebellion, I reckon they ought to be brought on a level with their neighbours.

But suppose (said Mr. York) the Acts of Parliament had specially intimated that these funds were tax free for ever, after this would you have ventured to propose a tax?

The sooner (replied Mr. Strong).

But I should think it strange (said Mr. Stone), that after having an Act of Parliament declaring my bargain tax free, they should notwithstanding break in upon my property and tax me.

Why should not you be liable to be taxed as well as other subjects (said Mr. Sands)?

Other subjects (said Mr. Stone) possibly have not Acts of Parliament to free them from taxes.

You are mistaken (said Mr. Sands), they have Magna Charta, which is an Act of Parliament too, the Petition of Right, and other Acts of Parliament, by the tenor whereof the subjects' liberties or properties are not to be broken in upon, diminished, or damnified in any part, without extreme necessities for, or sensibly towards preservation of the whole; and, though the proprietors of these new estates, raised out of the late national taxes and impositions, may be rich, yet hardly so far as to be above necessity.

That is well thought on (said Mr. Grant); I look upon Magna Charta, the Petition and Claim of Right, and such like, to be good enough Acts of Parliament, and if so, according to the rules of those of the revenue (if they have any), ought to be preferred by reason of priority.

I have always told my friends concerned in the funds (said Mr. Hall), they should not insist too much on being tax free, save only in the time of war, but never after the peace; and now I am apprehensive, whenever it comes to be thoroughly

debated, they will lose the question, and so possibly by their obstinacy come to be taxed at least as much, if not more than others.

Whenever this affair comes thoroughly to be examined (said Mr. Strong), I doubt not but these men of new estates (as they are called) will effectually find that the rest of the nation have as good Acts of Parliament to exempt them from taxes as they, and such as are older, and consequently preferable, if their own practice may be taken for the rule; therefore, instead of your tedious puzzling project of a redemption, I move that the committee be particularly directed to bring in a proposition for taxing such public creditors as have only securities for their money in the national taxes and contributions.

Which motion being seconded by a considerable appearance, at last, with some difficulty, the previous question was put, viz. :

“Whether the question shall be now put?” And the club being equally divided, the chairman, after a short speech to excuse himself from the determination, at last gave it in the negative.

Since this question has thus miscarried (said Mr. Strong), I have another proposition to make, which I hope will be unanimously received by the club.

If it be good (said Mr. More) doubtless it will be as well received as you expect. Pray tell us what it is.

It is (replied Mr. Strong), that a proposition be brought in for obliging all those who have made exorbitant or unreasonable advantage of the public to make restitution thereof.

What sort of restitution would you have them make (said Mr. More) ?

By the Law of God given by Moses * (said Mr. Hope), the restitution for things stolen was in some cases five or four-fold, but never less than two-fold; which last is the least restitution, I think, those who have made unfair or unreasonable profit of the public ought to make.

* Exodus xxii. 1, &c.

However, it seems (said Mr. More) that even in France they expect no such double or treble, only a simple restitution, without any advance ; and not only so, but allow a fifth part for the discoverers, which the possessor may get if he pleases.

I like this matter of restitution wonderfully well (said Mr. Hunt) ; yet think we ought to be still more favourable in this case than they are in France ; especially since I believe about a moiety with us may be capable of discharging half the present public debts.

I have formerly heard somewhat like this (said Mr. Ford) ; therefore propose that some scheme of such restitution may be prepared and brought in by the committee.

I also (said Mr. Grant) have heard talk of some such restitutions, but believe they will hardly yield anything near so much as has been hinted, since what they may do in France I know not ; but I never yet heard any one in Britain say he had made unreasonable or exorbitant advantages of the public, therefore move that to the words—"Those who have made unreasonable or exorbitant advantage of the public," the words "if any such there be" may be added in the question.

Though this last proposal, as now offered, seems so just and moderate that I see not how it can be rejected (said Mr. May), only since other things now before the club are still depending and more pressing, I move that it may not now be received.

Upon this some emotion appeared in the club, and several speeches and expressions escaped, judged not proper to be entered in the journal.

At last the question was put : "Whether a scheme of the proposed restitution should be forthwith prepared and brought into the club ?"

It passed in the negative by two voices only.

After which, Mr. Strong, Mr. Bruce, and Mr. Hope, with several others, in great heat, left the club, saying, that since they had refused the proposition for taxing the public funds, and delayed receiving a scheme for the moderate restitution of only one

moiety of the unreasonable advantages made or supposed to be made of the public, they saw not what they had further to do on those subjects, therefore were determined to come no more to the club, at least till they saw things governed with less partiality.

After the departure of those members (some whereof were considerable and eminent), those who remained seemed wholly at a stand, and in no small perplexity for a considerable time.

At last Mr. May broke silence, and said that he was sorry those worthy gentlemen had taken the last proceedings so ill; that he confessed, as to his own thoughts, the business of taxing the public funds now in the time of peace was but equal, yet he conceived it not necessary, since with some more honest pains the redemption might still be made more effectually to answer both the public service and that of particular men, by bringing the interest or rate of money of course, and without coercion, to four per cent. or under, whereas the way of taxing was not only more like an act of power or force, but even at last could not possibly have so entire an effect in the mutual and common advantage as the redemption, for reasons sufficiently obvious.

As to the matter of the restitution of one moiety of exorbitant profits or advantages made of the public, if any such there be, it appears reasonable and moderate enough, yet can by no means be of the consequence to weigh with that of the redemption; which when rightly placed must influence the whole matter abundantly for the better, whereas probably this restitution of a moiety of the supposed unrighteous gains by the government may hardly amount to one-fourth part of what is pretended to by it. Besides, it would look like hunting of two hares with but one dog, for the club to engage in promoting the redemption and restitution at one and the same time, especially since (continued he) in my humble opinion the redemption, or something like it, must be the necessary and preliminary step to all the other good things we have in view; whereas the restitution can suffer but little, if anything at all, by some further delay.

I was for the taxing and restitution too (said Mr. Ford), but,

since you will have neither, at least at present, it seems we must be for the redemption ; but where shall we find the money ?

In the same manner as Pope Innocent the Eleventh did (said Mr. May).

Would you then (replied Mr. Ford) have the King of Great Britain to find about the quantity of the priest's portion in ready money to redeem the securities for fifty millions sterling, as that pope did for near so many crowns of 5*s.* 6*d.* per piece.

The present King of Great Britain is now much more considerable in his way than that pope was in his (said Mr. May), and who, as I am told, in his dominions in Germany can have what money he will at four per cent. per annum, or under ; therefore why may not his majesty then be able to find a sum for so beneficial an occasion ?

That would be brave (said Mr. Grant) for the king to find money to redeem us ; surely, after that, he must needs inherit more of the affections of his people than any king before him.

This is a noble design (said Mr. Farr), I wonder whether any one has spoken to the king about it.

I know nothing of that (said Mr. May), only the character I have of his Majesty, and the reason of the thing, inclines me to think he may be brought to undertake it for a much less rate of interest and premium than things of this nature have hitherto been done by others for twenty-eight years past.

I have no more to say (said Mr. Ford), if the king will do it, or but give it countenance, it must and will be done, and with a superior regard and reputation to anything of that nature done in this island.

If these be the prospects (said Mr. Hunt) I begin to be pretty well reconciled to the redemption. But pray what would you redeem ?

The whole public revenue which now stands mortgaged or anticipated for sums advanced at more than five per cent. per annum interest (said Mr. May), amounting to 37,334,830*l.* 7*s.* 6*d.* as appears by scheme No. 4 in the report of the committee.

I am not for doing the whole at once (said Mr. More), only the annuities for terms of years, and the Exchequer Bills, because they only lie at above six per cent. interest.

I am for redeeming all at above the present legal interest (said Mr. May), as believing the whole easier than only a moiety, or any less proportion; since if you leave any of the anticipations on the revenue at six per cent. it will still be a dead weight on what you bring to four per cent.; as we have seen in several instances, particularly in the matter of the late non-specie Exchequer Bills, which served not only to stagnate the whole circulation, but towards endangering the sinking the bills and Bank too; and all this only to make a jobbing business to the advantage of somebody or other.

I therefore move that the committee may be specially directed with all convenient speed to bring in a proposition for redemption of such branches of the public revenues as are anticipated or mortgaged for sums advanced on an interest of above five per cent. per annum, the 100,000*l.* per annum original fund of the Bank of England only excepted.

After some silence the motion was agreed to, *nemine contradicente*.

Then the club adjourned to Wednesday the 26th instant.

WEDNESDAY, SEPTEMBER 26, 1716.

Mr. Brooks from the committee directed to bring in a proposition for the redemption, reported:—

That the committee find it easy to form the proposition on such of the public securities as are on the plain footing of a redeemable interest, where the principal sums are still preserved entire; but otherwise in the annuities for terms of years, where the principal sums are sunk in their being confounded and blended together with the interest, since there can be no redeeming of them but with rebates or discounts as in the cases of such annuities, the only standards for which are either the

present legal interest of five, or the late interest of six per cent. per annum :—

That the funds for payment of exchequer bills labour under the like difficulty, as one way or other having the allowance of about seven per cent. per annum :—

That some of the committee are so zealously inclined for the redemption, as to be for returning the whole money at first advanced, even in the case of annuities for terms of years and exchequer bills. Nay, rather than not have the work of the redemption nobly and handsomely done (as they phrase it), would add even a considerable premium, to bring those concerned in the funds to a voluntary subscription of their respective interests; while others say it would be a new and unprecedented thing for this Government to purchase or redeem these revenues, anticipated only for years, and where the principal sums advanced are long since sunk in being blended with the interest, again to revive these dead funds, the material justice in like cases being only to allow them the remainder of their principal sums in way of rebate, as in the cases of such annuities.

Some have objected that this deduction would make a strange alteration, and instanced particularly in the first annuities, which commenced twenty-four years ago, all the capital at first advanced would not only be exhausted, but at least about half the value thereof be due from the proprietors to the Government.

Upon which it hath been said, that this was no argument against the reduction, but rather for it, since the proprietors had all this while not only thus received their principal money back, but in the mean time had the possession of the difference, to their no small advantage.

To this it was returned, that many had sold and negotiated these annuities possibly at a much higher price than the first cost, who at this rate would not only be liable to lose so much of the capital, but likewise all their advance.

It was replied, that this was still an argument for the redemption; since, doubtless, those who bought these securities at such an advance, have had the money one way or other to buy them, and that it became not the honour of any reputable Government so to be made a merchandise of, in having their securities either unreasonably depressed or advanced in any extraordinary manner; besides, that though, as in other like cases, the notion of the prices might be kept up, yet, on due inquiry, it would be found that little in proportion to the whole had really been negotiated or sold, and that it might be still a question, whether, as taken in a medium, those things had really been negotiated at upwards of par.

It was then said that several widows, orphans, and other helpless people might have originally had, or since bought of these annuities, who had nothing else to subsist on, and that the taking them thus away by deduction, would be to leave these poor people to perish.

To which it was replied, that though in some very few particulars this might deserve regard in way of commiseration, yet the proportions of such proprietors would not be found great in this matter, possibly not exceeding two per cent. or a fiftieth part, so that, if occasion were, a small sum could supply that difference.

It was then said, that doubtless several jointures or marriage settlements, provision for younger children, and such like, had been made in these new estates; that thus those good intentions of men's providing for their families would be defeated by this redemption, particularly by the deduction.

To this it was said, that upon due inquiry it would hardly be found that two per cent. more was really appropriated to the before-mentioned uses; yet, if there was that or a much greater quantity, the proprietors would still have the common benefit of continuing or laying out their moneys to the same uses in the Government or other securities, or otherwise.

After this, it was further objected to this reduction, that

there were eight thousand pounds per annum allowed for the incident expenses of exchequer bills, and possibly five or six times as much expense on the several annuity and lottery funds, and it was but reasonable that the allowances of the expense of management be deducted out of any reduction in this case to be made.

To this it was answered, that fifty or sixty thousand pounds per annum was a prodigious allowance for such a management, since less than a moiety thereof would nobly defray the incident expenses of still much larger sums, when brought on an equal and regular footing by the redemption.

That, however that be, the annual sums expended in the management of the funds of annuities and exchequer bills, ought, and doubtless will be, allowed on that account; that still all these allowances together could not be considerable, or anywise equivalent to the great benefit that would naturally accrue from the general redemption.

Having thus heard the parties (continued Mr. Brooks), your committee, considering the difficulties in the case, and the danger of dividing on so weighty points, have therefore directed me to report the matter specially to the club, and at the same time to present the following schemes:—

No. 7.—A PROPOSITION for the REDEMPTION of such BRANCHES of the PUBLIC REVENUES as are anticipated or mortgaged for Sums advanced on an Interest of above 5 per cent. per annum; the 100,000*l.* per annum Original Fund of the Bank of England only excepted.

	£	s.	d.
By Scheme No. 4 it appears that there are public debts provided for by Parliament with above five per cent. per annum interest, amounting to a principal sum of	37,334,830	7	6
By Scheme No. 6, the deficiencies on the lottery annuities and other funds payable at the Exchequer, including the navy debts, to October 31, 1715, are estimated at	1,667,212	16	1½
◆ That the said deficiencies may, the 25th of March, 1717, be further increased	600,000	0	0
Which with the above 37,334,830 <i>l.</i> 7 <i>s.</i> 6 <i>d.</i> will make a principal sum of	39,602,043	3	7½

If, therefore, there shall be raised, at four per cent. per annum interest, a principal sum of	£	s.	d.
	42,000,000	0	0
After payment thereof of the said principal sum of	39,602,042	3	7½

There will remain towards such other public uses as shall be thought proper a surplus of	2,397,957	16	4½
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By Scheme No. 4, it likewise appears that the annuity payable on the above principal sum of 37,334,830 <i>l.</i> 7 <i>s.</i> 6 <i>d.</i> amounts to	3,002,486	5	1½
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Out of which if there be applied for interest of four per cent. per annum on the said grand principal sum of 42,000,000 <i>l.</i>	£	s.	d.
	1,680,000	0	0

And for discharge of the principal in quarterly payments a yearly sum of	1,260,000	0	0
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The whole annuity necessary to discharge both principal and interest of the said sum of 42,000,000 <i>l.</i> in twenty-two years will only be	2,940,000	0	0
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So that there will remain a yearly surplus of	62,486	5	1½
towards expense of management, provision for payment of the household, and other debts of the late King William, the arrears of the army, and other debts of the late Queen.			

It is therefore proposed,

I. That his Majesty may be enabled by Parliament, by Commission under the Great Seal of Great Britain, to appoint commissioners to take the subscriptions of the creditors or claimants on the annuities for 99 and 32 years, amounting to	£	s.	d.
Of the Governor and Company of the Bank of England for their additional joint stock, being	21,559,802	9	8
And for Exchequer Bills, being about	1,775,027	17	10
Of the South Sea Company for their capital stock, being	4,000,000	0	0
Amounting in all to	10,000,000	0	0
	37,334,830	7	6

Or such of them as shall on or before the day of , 1717, consent to receive back their principal money in specie or Exchequer Bills, or accept of 4 per cent. per annum in quarterly payments until the principal sums be discharged, with 2 per cent. premium immediate encouragement.

II. That the several branches of the public revenues appropriated to the payment of the principal and interest of such of the above sums as shall be subscribed to this general fund, be, for the term of 22 years, from the day of , applied towards discharge of the proposed sum of 42,000,000*l.* the preference of payment to be regulated by the dates and numbers of such subscriptions.

III. That in case the sums thus appropriated shall not amount to one per cent. for interest, and likewise to 15*s.* per 100*l.* every three months towards discharge of the principal, then the deficiency thereof to be from time to time made good by Parliament.

IV. That the surplus or remainder of the said revenues, thus in the first place to be appropriated towards payment of the principal and interest of the 42,000,000*l.* as aforesaid, be in the second place applied to the incident expenses of management of this general fund, and to provision for payment of such public debts as are or shall remain unprovided for.

V. That if, after payment of said debts in such term of 22 years, any surplus of the said revenues shall remain, the same may be applied and disposed of by Parliament.

VI. That such of the said creditors for the above capital sum of 37,334,830*l.* 7*s.* 6*d.* as shall not on or before the day of , by subscription, signify their consent to accept of their money in specie or Exchequer Bills, may afterwards be allowed the foresaid annuity of 4 per cent. per annum, in quarterly payments, and 1*s.* per 100*l.* every three months towards discharge of their principal as aforesaid, but without any premium.

VII. That the several branches of the public revenues thus appropriated, or at any time hereafter to be appropriated, or anticipated, may be redeemable by Parliament at twelve months' notice or discount.

No. 8.—The AMOUNT of an ANNUITY of 1,260,000*l.* at 4 per cent. per annum Interest, in Quarterly Payments in any term not exceeding 88 Quarters, or 22 Years.

Quar- ters.	Amount at the end of the several Quarters.	Quar- ters.	Amount at the end of the several Quarters.	Quar- ters.	Amount at the end of the several Quarters.	Quarters and Years.	Amount at the end of the several Years.
	£		£		£	Qrs. Yrs.	£
1	315,000	2	633,150	3	954,481	4 1	1,279,026
5	1,606,816	6	1,937,885	7	2,272,263	8 2	2,609,986
9	2,951,086	10	3,295,597	11	3,643,553	12 3	3,994,988
13	4,349,938	14	4,708,438	15	5,070,522	16 4	5,436,227
17	5,805,589	18	6,178,645	19	6,555,432	20 5	6,935,986
21	7,320,346	22	7,708,549	23	8,100,635	24 6	8,496,641
25	8,896,608	26	9,300,574	27	9,708,580	28 7	10,120,665
29	10,536,872	30	10,957,241	31	11,381,813	32 8	11,810,631
33	12,243,738	34	12,681,175	35	13,122,987	36 9	13,569,217
37	14,019,909	38	14,475,108	39	14,934,859	40 10	15,399,208
41	15,868,200	42	16,341,882	43	16,820,300	44 11	17,303,503
45	17,791,538	46	18,284,454	47	18,782,298	48 12	19,285,121
49	19,792,973	50	20,305,902	51	20,823,961	52 13	21,347,201
53	21,875,673	54	22,409,430	55	22,948,524	56 14	23,493,009
57	24,042,939	58	24,598,369	59	25,159,352	60 15	25,725,946
61	26,298,205	62	26,876,187	63	27,459,949	64 16	28,049,549
65	28,645,044	66	29,246,495	67	29,853,960	68 17	30,467,499
69	31,087,174	70	31,713,046	71	32,345,176	72 18	32,983,628
73	33,628,465	74	34,279,749	75	34,937,547	76 19	35,601,922
77	36,272,941	78	36,950,671	79	37,635,177	80 20	38,326,529
81	39,024,795	82	39,730,042	83	40,442,343	84 21	41,161,766
85	41,888,384	86	42,622,268	87	43,363,491	88 22	44,112,125

No. 9.—The DECREASE of a PRINCIPAL SUM of 42,000,000*l.* to be discharged by an Annuity of 1,260,000*l.* at 4 per cent. per annum Interest, in Quarterly Payments.

Quar- ters.	Principal Sums remaining undischarged at the end of the several Quarters.	Quar- ters.	Principal Sums remaining undischarged at the end of the several Quarters.	Quar- ters.	Principal Sums remaining undischarged at the end of the several Quarters.	Quarters and Years.	Principal Sums remaining undischarged at the end of the several Years.
	£		£		£	Qrs. Yrs.	£
1	41,685,000	2	41,366,750	3	41,045,519	4 1	40,720,974
5	40,393,184	6	40,062,115	7	39,727,737	8 2	39,390,014
9	39,048,914	10	38,704,403	11	38,356,447	12 3	38,005,012
13	37,650,062	14	37,291,562	15	36,929,478	16 4	36,563,773
17	36,194,411	18	35,821,355	19	35,444,568	20 5	35,064,014
21	34,679,654	22	34,291,451	23	33,899,365	24 6	33,503,359
25	33,103,392	26	32,699,426	27	32,291,420	28 7	31,879,335
29	31,463,128	30	31,042,759	31	30,618,187	32 8	30,189,369
33	29,756,262	34	29,318,825	35	28,877,013	35 9	28,430,783
37	27,980,091	38	27,524,892	39	27,065,141	40 10	26,600,791
41	26,131,800	42	25,658,118	43	25,179,700	44 11	24,696,497
45	24,208,462	46	23,715,546	47	23,217,702	48 12	22,714,877
49	22,207,027	50	21,694,098	51	21,176,039	52 13	20,652,799
53	20,124,327	54	19,590,570	55	19,051,476	56 14	18,506,991
57	17,957,061	58	17,401,631	59	16,840,648	60 15	16,274,054
61	15,701,795	62	15,123,813	63	14,540,051	64 16	13,950,451
65	13,354,956	66	12,753,505	67	12,146,040	68 17	11,532,501
69	10,912,826	70	10,286,954	71	9,654,824	72 18	9,016,372
73	8,371,535	74	7,720,251	75	7,062,453	76 19	6,398,078
77	5,727,059	78	5,049,329	79	4,364,823	80 20	3,673,471
81	2,975,205	82	2,269,958	83	1,557,657	84 21	838,234
85	111,616						

No. 10.—The AMOUNT of an ANNUITY of 840,000*l.* at 5 per cent. per annum Interest, in Quarterly Payments, in any term not exceeding 104 Quarters, or 26 Years.

Quar- ters.	Amounts at the end of the several Quarters.	Quar- ters.	Amounts at the end of the several Quarters.	Quar- ters.	Amounts at the end of the several Quarters.	Quarters and Years.	Amounts at the end of the several Years.
	£		£		£	Qrs. Yrs.	£
1	210,000	2	422,625	3	637,908	4 1	855,882
5	1,076,580	6	1,300,037	7	1,526,288	8 2	1,755,366
9	1,987,308	10	2,222,150	11	2,459,927	12 3	2,700,676
13	2,944,434	14	3,191,240	15	3,441,130	16 4	3,694,144
17	3,950,321	18	4,209,700	19	4,472,321	20 5	4,738,225
21	5,007,453	22	5,280,046	23	5,556,047	24 6	5,835,498
25	6,118,441	26	6,404,922	27	6,694,983	28 7	6,988,671
29	7,286,029	30	7,587,104	31	7,891,943	32 8	8,200,592
33	8,513,100	34	8,829,514	35	9,149,882	36 9	9,474,256
37	9,802,684	38	10,135,218	39	10,471,908	40 10	10,812,807
41	11,157,967	42	11,507,442	43	11,861,285	44 11	12,219,551
45	12,582,295	46	12,949,574	47	13,321,443	48 12	13,697,961
49	14,079,186	50	14,465,176	51	14,855,990	52 13	15,251,690
53	15,652,337	54	16,057,992	55	16,468,717	56 14	16,884,576
57	17,305,633	58	17,731,953	59	18,163,603	60 15	18,600,648
61	19,043,156	62	19,491,195	63	19,944,835	64 16	20,404,145
65	20,869,197	66	21,340,062	67	21,816,813	68 17	22,299,523
69	22,788,267	70	23,283,121	71	23,784,160	72 18	24,291,462
73	24,805,105	74	25,325,169	75	25,851,733	76 19	26,384,880
77	26,924,691	78	27,471,250	79	28,024,640	80 20	28,584,948
81	29,152,260	82	29,726,663	83	30,308,246	84 21	30,897,100
85	31,493,313	86	32,096,980	87	32,708,192	88 22	33,327,044
89	33,953,632	90	34,588,053	91	35,230,404	92 23	35,880,784
93	36,539,293	94	37,206,034	95	37,881,110	96 24	38,564,624
97	39,256,682	98	39,957,390	99	40,666,858	100 25	41,385,193
101	42,102,508	102	42,848,915	103	43,594,526	104 26	44,349,458

No. 11.—The DECREASE of a PRINCIPAL SUM of 42,000,000*l.* to be discharged by an Annuity of 840,000*l.* at 5 per cent. per annum, in Quarterly Payments.

Quar- ters.	Principal Sums remaining undischarged at the end of the several Quarters.	Quar- ters.	Principal Sums remaining undischarged at the end of the several Quarters.	Quar- ters.	Principal Sums remaining undischarged at the end of the several Quarters.	Quarters and Years.	Principal Sums remaining undischarged at the end of the several Years.
	£		£		£	Qrs. Yrs.	£
1	41,790,000	2	41,577,375	3	41,362,092	4 1	41,144,119
5	40,923,420	6	40,699,963	7	40,773,712	8 2	40,244,634
9	40,012,692	10	39,777,850	11	39,540,073	12 3	39,299,324
13	39,055,566	14	38,808,760	15	38,558,870	16 4	38,305,856
17	38,049,679	18	37,790,300	19	37,527,679	20 5	37,261,775
21	36,992,547	22	36,719,954	23	36,443,953	24 6	36,164,502
25	35,881,559	26	35,595,078	27	35,305,017	28 7	35,011,329
29	34,713,971	30	34,412,896	31	35,108,057	32 8	33,799,408
33	33,486,900	34	33,170,486	35	32,850,118	36 9	32,525,744
37	32,197,316	38	31,864,782	39	31,528,092	40 10	31,187,193
41	30,842,033	42	30,492,558	43	30,132,715	44 11	29,780,449
45	29,417,705	46	29,050,426	47	28,678,557	48 12	28,302,089
49	27,920,814	50	27,534,824	51	27,144,010	52 13	26,748,310
53	26,347,663	54	25,942,008	55	25,531,283	56 15	25,115,424
57	24,694,367	58	24,268,047	59	23,836,397	60 15	23,399,352
61	22,956,844	62	22,508,805	63	22,055,165	64 16	21,595,855
65	21,130,803	66	20,659,938	67	20,183,187	68 17	19,700,477
69	19,211,733	70	18,716,879	71	18,215,840	72 18	17,708,538
73	17,194,895	74	16,674,831	75	16,148,267	76 19	15,615,120
77	15,075,309	78	14,528,750	79	13,975,360	80 20	13,415,052
81	12,847,740	82	12,273,337	83	11,691,754	84 21	11,102,900
85	10,506,687	86	9,903,020	87	9,291,828	88 22	8,672,956
89	8,046,368	90	7,411,947	91	6,769,596	92 23	6,119,216
93	5,460,707	94	4,793,965	95	4,118,890	96 24	3,435,376
97	2,743,318	98	2,042,610	99	1,333,142	100 25	614,807

No. 12.—A SCHEME of the ANNUITIES for NINETY-NINE YEARS, showing the of such Surpluses in the times expired, to the 25th

Years when Granted	Funds Appropriated.	Times when the Annuities commenced.	Sums Advanced.			Annuities Granted.			Interest on the Sums Advanced, at the rate of 5 per cent.		
			£	s.	d.	£	s.	d.	£	s.	d.
1692	One 9d. per barrel Excise	25 Jan. 1692	1,492,379	7	0	124,866	0	0	74,618	19	4
1693	Ditto. To Lives with Survivorships . . . .	..	108,100	0	0	7,567	0	0	5,405	0	0
1694	Two-sevenths of another 9d. Part for Lives	25 Jan. 1693	368,896	8	0	37,460	4	10	18,444	16	4½
1703	Part of 3,700l. per week Excise . .	25 Mar. 1704	1,569,664	18	6	104,745	10	6½	78,483	4	11
1704	Ditto	25 Dec. 1705	690,000	0	0	46,000	0	0	34,500	0	0
1705	One-third subsidy, 9d. per barrel Excise	25 Mar. 1706	2,855,761	16	2	184,242	1	0	142,788	1	9½
1706	Low Wines, Spirits, Hawkers, Pedlars, First Stamp Duties, and 36s. per barrel on Sweets .	25 Mar. 1707	1,155,000	0	0	72,187	10	0	57,750	0	0
1707	Overplus of Annuities, 4 and 5 Anne	25 Mar. 1708	640,000	0	0	40,000	0	0	32,000	0	0
1707	Half Tonnage and Poundage, called Half Subsidy . .	24 June 1708	1,280,000	0	0	80,000	0	0	64,000	0	0
			10,159,802	9	8	697,063	19	4½	507,990	2	5¼

Surpluses thereof above the rates of 5 and 6 per cent. Interest, with the Amounts of March, 1717, at the aforesaid rates of Interest.

Interest on the Sums Advanced, at the rate of 6 per cent.	Surpluses of the Annuities granted above						Amounts of the Surpluses in the Years expired, at		Time expired, to 25 March, 1717.
	5 per cent.			6 per cent.			5 per cent.	6 per cent.	
£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£	£	Years. Mths.
89,542 15 2½	50,247 0 3	35,323 4 9½	2,236,092	1,794,971	24 0				
6,486 0 0	2,162 0 0	1,081 0 0	89,573	50,802	23 0				
22,133 15 8	19,015 8 5¼	15,326 9 2	787,817	720,279	23 0				
94,179 17 10¾	26,262 5 7½	10,565 12 7¾	465,183	199,501	13 0				
41,400 0 0	11,500 0 0	4,600 0 0	168,295	71,052	11 3				
171,345 14 2	41,454 12 2½	12,896 19 10	588,937	193,089	11 0				
69,300 0 0	14,437 10 0	2,887 10 0	181,593	38,059	10 0				
38,400 0 0	8,000 0 0	1,600 0 0	88,212	18,386	9 0				
76,800 0 0	16,000 0 0	3,200 0 0	170,515	35,497	8 9				
609,588 2 11¼	189,078 16 11¼	87,480 16 5¼	4,776,217	3,121,636					

No 13.—A SCHEME of the ANNUITIES for THIRTY-TWO YEARS, showing the SUMS advanced, and the Surpluses in the times expired, to the 25th of

Years when Granted	Funds Appropriated.	Times when the Annuities commenced.	Sums Advanced.	Annuities Granted.	Interest on the Sums advanced, at the rate of 5 per cent.
			£ . d.	£ s. d.	£ . d.
1709	Additional Window Tax, 3s. per chaldron on Coals, &c.	29 Sept. 1710	1,500,000 0 0	135,000 0 0	75,000 0 0
1709	New Duties on Excise, and on Pepper, Raisins, &c.	25 Mar. 1710	900,000 0 0	81,000 0 0	45,000 0 0
1710	Subsidy Outwards, additional Duty on Candles . .	25 Mar. 1711	1,500,000 0 0	135,000 0 0	75,000 0 0
1710	Duties on Leather, 700l. per Week on the Post Office, Duties on Hackney Coaches, Chairs, Stamped Vellum, &c. . .	29 Sept. 1711	2,000,000 0 0	186,670 0 0	100,000 0 0
1711	Additional Duties on Soap, Paper, Vellum, Parchment, Pamphlets, &c.	29 Sept. 1712	1,800,000 0 0	168,003 0 0	90,000 0 0
1711	Additional Duties on Hides, Skins, Vellum and Parchment, new Duties on Starch, Tea, Coffee, Silver Wire, &c. . . .	29 Sept. 1712	1,800,000 0 0	168,003 0 0	90,000 0 0
1713	By Rent-charge on Her Majesty's Hereditary and Temporary Revenues .	29 Sept. 1713	500,000 0 0	35,000 0 5	25,000 0 0
1714	Additional Duties on Soap, Paper, Parchment, Linens, Silks, Calicoes, Stuffs, Coals exported, &c. . .	29 Sept. 1714	1,400,000 0 0	116,573 12 0	70,000 0 0
For 32 Years . . .			11,400,000 0 0	1,025,249 12 0	570,000 0 0
For 99 Years . . .			10,159,802 9 8	697,068 19 4½	507,990 2 5½
Total			21,559,802 9 8	1,722,318 11 4½	1,077,990 2 5½

pluses thereof above the rates of 5 and 6 per cent. Interest, with the Amounts of such March, 1717, at the aforesaid rates of Interest.

Interest on the Sums Advanced, at the rate of 6 per cent.	Surpluses of the Annuities granted above		Amounts of the Surpluses in the Years expired, at		Time expired, to 25 March, 1717.
	5 per cent.	6 per cent.	5 per cent.	6 per cent.	
£ s. d.	£ s. d.	£ s. d.	£	£	Years. Mths.
90,000 0 0	60,000 0 0	45,000 0 0	448,318	345,806	6 6
54,000 0 0	36,000 0 0	27,000 0 0	293,112	226,634	7 0
90,000 0 0	60,000 0 0	45,000 0 0	408,115	313,889	6 0
120,000 0 0	86,670 0 0	66,670 0 0	534,214	420,435	5 6
108,000 0 0	78,003 0 0	60,003 0 0	383,609	300,366	4 6
108,000 0 0	78,003 0 0	60,003 0 0	383,609	300,366	4 6
30,000 0 0	10,000 0 0	5,000 0 0	37,313	18,895	3 6
84,000 0 0	46,573 12 0	32,573 12 0	121,149	85,401	2 6
684,000 0 0	455,249 12 0	341,249 12 0	2,609,439	2,011,792	
609,588 2 11½	189,078 16 11½	87,480 16 5½	4,776,217	3,121,636	
1,293,588 2 11½	644,328 8 11½	428,730 8 5½	7,385,656	5,133,428	

Your committee have stated the general proposition at forty-two millions, as judging it the most proper round sum, to accommodate the necessary occasions now in view for the service of the year 1717, in which there will be provision for repayment of the whole sums at first advanced, even on the annuities for ninety-nine years and thirty-two years and exchequer bills.

Your committee have made tables of amount and rebate for the said capital sum of forty-two millions, both at four and five per cent. interest, in quarterly payments, whereby it appears that the said sum may at four per cent. be paid off in less than twenty-two years, and at five per cent. in less than twenty-six years.

But if it shall be judged proper to make deductions for the years expired, they have framed schemes Nos. 12 and 13 for that purpose, at the rate of five and six per cent. whereby it appears that the deductions on the annuities for ninety-nine years in yearly payments will amount

	At 5 per cent.	At 6 per cent.
to	£4,776,217	£3,121,636
On the annuities for thirty-two years	2,609,439	2,011,792
	<hr/>	<hr/>
Total of the deductions	7,385,656	5,133,428
	<hr/>	<hr/>

So that the principal sums at first advanced	£.	s.	d.
on the said funds being	26,120,827	9	8
By deducting therefrom the above sum of	7,385,656	0	0
	<hr/>	<hr/>	<hr/>

At five per cent. the principal sum on these annuities will at that rate be reduced to only	18,735,171	9	8
	<hr/>	<hr/>	<hr/>

And the said principal sums of	26,120,827	9	8
By deducting therefrom the above sum of	5,133,428	0	0
	<hr/>	<hr/>	<hr/>

The principal sums on these annuities will, at the rate of six per cent., be reduced to	20,987,399	9	8
	<hr/>	<hr/>	<hr/>

	£	s.	d.
After provision for the public creditors for 37,334,830 <i>l.</i> 7 <i>s.</i> 6 <i>d.</i> , stated in scheme No. 4, and for the deficiencies to 25th March, 1717, stated in scheme No. 6, there will still remain of the said forty-two millions a surplus of . . .	2,397,957	6	4½
And supposing the creditors of the said principal sum of 37,334,830 <i>l.</i> 7 <i>s.</i> 6 <i>d.</i> be allowed two per cent. premium encouragement to come in and subscribe to this general fund, which is about . . .	746,696	11	9
There will still remain, to be applied to such uses as shall be judged proper by Parliament, a surplus of . . .	1,651,260	17	4½

By the best observation your committee have hitherto been able to make, if the public securities of Great Britain shall be all reduced to an equal interest of four per cent. per annum, and that such securities be rendered effectually safe, easy, and all of a piece, there will be little if any occasion for the proposed alternative of exchequer bills, at two pence per day per 100*l.* interest, since, whenever the government shall once determine to give no more, these annuities of four per cent. per annum will not only be at par, but even admit of considerable advance; and quite contrary to the usage when the credit hath been in so many different and various sorts of shapes, since thus all of a piece the remotest payments of principal in the public securities will still admit of the greatest advance.

However, if exchequer bills should be required for even one moiety of such forty-two millions, at two per cent. premium, the sum will only amount to 420,000*l.*, so that there will still remain a surplus of 1,231,260*l.* 14*s.* 7½*d.*

Mr. Heath said, he was sorry to find the committee had not been able to come to a direct determination, which might have

made it much easier for the club, since for my part (continued he) I am for obtaining this national redemption at any rate; nay, for giving those who have the mortgage what they will ask, rather than not have it done.

Give them what they would ask (said Mr. Sands)? do you know what they would ask?

I pretend not to know that (said Mr. Heath), only I would give any reasonable thing for this redemption.

Out of what would you give it (said Mr. Sands)?

I know not out of what (replied Mr. Heath), the parliament is judge of that.

Where must the parliament get the means for this allowance (said Mr. Sands)?

By some tax or other, I suppose (replied Mr. Heath); I understand not these matters.

Would not this (said Mr. Sands) be to force somewhat or other out of the poverty and necessity of about seventy-nine parts of eighty of the people who have borne the burthen of two heavy and expensive wars, and of one rebellion, now still further, only to gratify the luxury and passions of the eightieth part? What (continued he, raising his voice a little) shall the industrious and necessitous part of the nation be always, and in every case, thus crushed and depressed, only to support the luxury and idleness of a few?

I am much mortified (said Mr. Grant) to find that, though we agree in the matter, yet we still differ so widely in the manner of this redemption, from which I begin to apprehend the consequences may not be such as could otherwise be wished. However, when every one hath spoken his mind, possibly some temperament or proper expedient may be found.

Then Mr. Jones from the chair said, he was sorry to find such heats in the club on the subject of the redemption, which at first presented itself still more favourably than that of the Union of Great Britain, when first entered upon by the club eleven years ago;

That he had ever observed the wisest and best men by mediums, expedients, or otherwise, in points of moment, still to endeavour as much as possible to avoid the question in numerous societies or assemblies; that the division of the club on the affairs of taxing the public funds and the restitution were still recent in his mind;

That the carrying of points, especially if considerable, by the majorities of societies, was not always the way to gain them; but sometimes had quite contrary effects;

That animosities, especially those arising from debates, are like fires, that, though their beginning may be known, yet none can tell where they will end;

That in the case of the Union this club preserved so laudable a temper and moderation as had afterwards good effects; they ventured not therein dogmatically to give or assert their sentiments, only modestly and fairly left them to be determined by those to whom it belonged; which sentiments, though not always followed, yet met with more regard from the excellent persons who had then the power to determine, than could well have been expected in such a case;

Possibly (continued he), had the club then been more positive, it may be their proceedings might have had less regard, since men, especially those in power, are apt to be shocked with anything of a commanding style;

That the zeal of the club for the public good ought not to carry them too far, considering they are not like pilots, but only as passengers, embarked in and with the national affairs;

Then said he (raising his voice a little) should we in this club quarrel only about our wishes? Some of our friends may possibly be somewhat concerned in the public securities and stocks, still none of us are as yet among the places and preferments, the usual bones of contention;

That though he ever reckoned it his honour to be in the chair of the club, it was now no small mortification to find himself there in this troublesome time, which was still the more

from the surprise, whilst we expected the deepest calm, to be overtaken by this sudden storm;—that in this exigence, he hoped a short recess in the club might give room for the members more quietly to converse together among themselves towards bringing things to a better temper.

After this there was a considerable pause.

At last Mr. More said, the club lay under great obligations to Mr. Jones for the prudence and excellent disposition which appeared in his speech. Possibly (continued he), though we now seem unwilling to agree, yet, on further consideration, we may at last not care to differ. I therefore move that the club may adjourn to Wednesday the third day of October next.

Which motion being cheerfully seconded by a great majority of the club,

They accordingly adjourned to Wednesday the 3d of October next.

WEDNESDAY, OCTOBER 3, 1716.

After a more numerous meeting than hitherto, wherein particularly the gentlemen who formerly had withdrawn on the subjects of the taxing and restitution all appeared,—

Mr. Strong said, some reports were spread as if the club inclined to countenance a proposal for restoring the whole money of the sunk principals and dead funds of the annuities for terms of years, and such like; and even to add a premium for encouragement, to bring the proprietors thereof into a voluntary subscription at four per cent. per annum interest.

He therefore moved, that this proposition, if any such there were, might be now read and taken into consideration.

Accordingly the proposition was read.

After which Mr. Strong said, if this proposition, or anything like it, could be carried in the club, it would not fail to blast their former reputation, so as effectually to defeat their further designs in this or any other of a public nature.

That he was therefore against any premium towards a voluntary subscription of the public creditors in the terms of that proposal, and insisted that a deduction on the annuities for terms of years, and Exchequer Bills, at the rate of five per cent. interest, be allowed therein, and that the parties refusing on these terms to come in by a certain day be taxed, those who have eight per cent. per annum at only 4*s.* in the pound, those at six per cent. per annum at only 2*s.* in the pound, and the rest in proportion.

This, said he, will do it effectually without your premiums, and the government will save several millions more than in the terms of the proposal; and thus the difference towards payment of the principal and interest, well applied, may at this rate discharge the debt in eighteen years, or less, instead of the twenty-two years proposed, besides the other considerable benefits that may in the mean time accrue to the government.

By what rules have you calculated this tax (said Mr. May)?

By the rules of four, three, and two shillings on the land tax (replied Mr. Strong).

By what proportions, I mean (replied Mr. May), have you calculated them? by the rule of three?

I understand not your rules of three, nor of four neither (said Mr. Strong); were it but for this one thing, I hate your redemptions, you have so many confounded schemes of figures, as must needs distract any one living; they turn my head whenever I look on them.

It seems the king's accounts cannot be so conveniently kept as by the numeral figures or ciphers (said Mr. May); pray by what rule do you keep your accounts? by way of notch on a stick?—as it seems our ancestors the Saxons and Normans sometimes did, and as our bakers still do,—or only by rule of thumb?

Call it by rule of thumb, if you will, or how else you please (said Mr. Strong), I make very good shift without puzzling my head with such frightful heaps of figures as lie here before us.

The matter of taxing has already been debated and adjourned

in the club (said Mr. Sands), therefore it cannot be proceeded upon now, at least without some fresh order.

I propose not to tax them (said Mr. Strong), only such of them as may be obstreperous, and not come in to take the four per cent. interest, if any such shall be.

But you ought to consider (said Mr. Sands) what damage this may do to the public credit, since the very proposing a tax may make stocks fall at least twenty or thirty per cent., or more, for ought I know.

That would be brave (said Mr. Strong); then we may the more easily buy them out with the surplus, and so the debt will be the sooner discharged.

The public creditors (said Mr. More) have not been used to taxing, and therefore do not understand it, insomuch as I believe even a vote about taxing them would sink the stocks at least twenty-five or thirty per cent.

That is well (said Mr. Strong), I wish it would. Pray let us then give them a vote to try.

Our vote will not do without somebody else's (said Mr. Moore); however, it seems they may easily have your part of it.

I observe in your schemes (said Mr. Carr) that the difference betwixt the present values of the reversions of the surpluses of the annuities for ninety-nine years after the times yet to run, and that of a perpetuity, in a medium at seven per cent. per annum, is only about fifteen days' purchase, whereas the amounts of the surpluses of those annuities above five per cent. interest for the years expired are no less than 4,776,217*l*. And again, that the difference betwixt the present values of the reversions of the surpluses of the annuities for thirty-two years after the times yet to run, and that of a perpetuity, in a medium at nine per cent. per annum, is worth little more than a year's purchase, whereas the amount of the surpluses above five per cent. for the years expired is no less than 2,609,439*l*.; a prodigious difference. Pray what understanding or good meaning could there be in all this?

Other like observations may be made (said Mr. May); but since you see the proprietors of those annuities have such unreasonable advantages, whilst in the meantime the five millions or more in deficient debts are as justly due to great numbers (most of them of the poorer sort) of people, who have nothing at all for it, is it not then time to put all those public creditors into a box, so as things may be equal among them, and the stronger obliged to contribute to the support of the weaker, and all of them together more effectually to the public service and support, more than they possibly can whilst one part of them are perishing, yet others over fed; and the whole nation in the meantime brought thereby under such insupportable bondage by way of taxes and impositions?

By due inquiry (said Mr. Sands), it may possibly appear that in twenty-eight years past many more estates and families have been worsted and lost by the means and weight of the taxes, impositions, allowances of exorbitant interest, premiums, and such like, than the present value of all the public debts, though they be very great.

What still aggravates this matter the more (said Mr. Gage), I doubt at least ten times the number of people are affected and ruined by the taxes, than those who are anywise considerable gainers by them; and thus, as in other sort of gaming, many are herein losers, but few gainers.

I have often wondered that things so unequally yoked and poised could keep so long and so well together (said Mr. May); and if some proper remedy be not speedily found, I am still of opinion this seeming concord can never hold long.

None of us (said Mr. Speed) are against putting the public debts on the most equal foot for discharge, towards easing of the nation of the present heavy burthens and impositions; only we differ in the manner.

Our opinions in those matters seem so strangely different and various (said Mr. Hope), as portend no great agreement therein, at least very soon; and since much of this matter is now before

the club, and it likewise stands referred to the committee, to make what further progress they can in discovering and truly representing the state of the national revenues, debts, and taxes ; in order to which, and that we may have fuller and freer opportunities to converse on this subject, than possibly we can in the club, another recess appears requisite : let us therefore now adjourn to some proper day.

Then the club adjourned to Wednesday the 17th of this instant.

WEDNESDAY, OCTOBER 17, 1716.

Mr. Sands said, That having lately had an invitation from some of the principal dealers in stocks and other public securities, he accordingly met them near the Exchange, on Monday, where, after a mixed conversation on different subjects, they said, they were told that some of my friends were not only for taxing the stocks and public securities, but likewise for a restitution, such as they now oblige men to make in France.

That, though they did not at all apprehend such things would be done here in Britain, yet they still were desirous to have some further discourse on the subject matter.

It is true, said I, several debates have lately arisen among some of my friends, relating to the premised taxing and restitution, but they are now so full of the still before remembered redemption, that those subjects are adjourned, at least for the present.

That is all well, said they ; we also have had further consideration of your redemption, and now wish it may do, so as that all those so different, intricate, and unequal sorts of public securities may be rectified, reduced, and made of a-piece ; provided only that they allow us the present current price, and five per cent. per annum interest ; without which (continued they) the monied men will not be easy, and therefore the government ought by no means to think of giving less.

My absence in the country and other diversions (said I) have not suffered me of late to know much of the world; but now, on my return, I am agreeably surprised to find so total an alteration among you with respect to the redemption. Pray, are there any remarkable news from abroad, or occurrences at home, which occasions this happy change in your dispositions?

They said the king was mending things yonder abroad.

Mending! what is he mending? said I.

Mending the late peace, said they, and making equal and powerful alliances to support and maintain it.

The last news I heard of the king, said I, was that his majesty still continued hunting somewhere in Lunenburg, which makes what you say unlikely.

Oh! said Mr. Rule (one of the company), that is nothing; Scipio the elder used to say of himself, he did most when he was idle. The most considerable men have ever laid the greatest designs in retirement, and whilst they seemingly minded little else but particular amusements and diversions.

Being at first struck with such a return, where I expected it not, after having somewhat recovered myself, I said, but what is all this to the present purpose,—I mean the subject of the redemption of the public revenues?

Why, said Mr. Smith (another of the company), this hath made stocks and other public securities rise fifteen or twenty per cent. in about so many days, particularly the South Sea Stock, which in the late reign was only at thirteen or fourteen years' purchase, is now up at eighteen years' purchase or more; nay, the very annuities of eighty odd years to run, which formerly have been at thirteen, and seldom exceeded fourteen, are now at seventeen years' purchase, or upwards.

The annuities of nine per cent. per annum for thirty-two years, which even after the peace continued at little more than ten years', are now at fourteen years' purchase, or more, though upwards of three years of their terms be since expired, and

everything else is risen in proportion ; nay, they are still like to run much higher, for almost one and all are for buying.

This great rise, continued they, rendering it difficult for us to make five per cent. of our money in the purchase of the public securities, we have therefore agreed to let them redeem the public revenues and taxes if they please, provided they will but advance us the present current value of our stocks or securities, and only allow us five per cent. per annum for our money in time to come.

My friends, said I, are of opinion that sufficient money to complete this redemption may be found at four per cent. per annum interest, therefore suppose that this government will hardly be prevailed on to allow five per cent. for money when they can have it for four.

We will never agree to it, said they.

Then I hope you will agree to take your money, said I.

We will not agree to take that neither, said they.

Rather than differ, we will try if we can obtain the alternative of Exchequer Bills, with the present rate of two pence per day per 100*l.* interest for you, said I.

Though such Exchequer Bills be eight or ten shillings per 100*l.* better than money, said they, yet we will not take them neither, nor will we be content with a penny less than five per cent. per annum interest.

By the account you now give me of the rise of stocks, said I, you seem not sure of making four per cent. of your money, therefore wonder that you insist so strenuously on five per cent. per annum.

Do you think, said they, we will ever be brought to join in the redemption, unless we can gain by it ?

I suppose not, said I ; but I am still further surprised at this sudden advance of stocks and public securities ; I would therefore particularly know your thoughts of the cause.

Before the accession of the Protestant line, said they, the state of our public affairs seemed so very precarious and ambu-

latory, that men knew not how to value the public securities, being without any rational view of payment of the principal, and not safe even in the very interest; but now the firm settlement of the Protestant succession at home, and better security of the peace abroad, by the power and prudence of the king, gives a reasonable prospect that the whole principal and interest of the public debts of Great Britain will be paid and satisfied in time.

In what time do you reckon those debts will be paid? said I.

In the respective times limited by Parliament, said they; for example, the annuities for ninety-nine years, and such like, in eighty-four or eighty-five years, or thereabouts; those for thirty-two years in twenty-seven or twenty-eight years yet to run; and the rest of the debts provided for, with good management, may possibly be paid as soon.

In our last conversation, said I, you hinted that there five or six millions of public debts still unprovided for, as to payment of principal or interest; meanwhile, how and when do you think those deficient debts will be paid?

Never, unless the Parliament provides for them, said they: those have no funds.

But how would you have the Parliament provide for them? said I.

By some tax or other, said they, to be expressly applied to that purpose, as in the other respective sorts of public securities already provided for.

The warm debates among you about new taxes at our last meeting, said I, obliged me to leave the conversation sooner than I otherwise inclined: you then seemed utterly averse to new taxes, and I find so many others of the same mind, that I doubt they will not do at this time of day.

O! (said Mr. Smart, one of the company,) I have a way to provide for the payment of those deficient debts of five or six millions, or such like, without any new tax.

How can that be? said I.

Only by continuing the malt tax for thirty-two years, and thereby making it a fund for more lotteries, said he.

How come you to call the continuance of the malt duties for thirty-two years no new tax? said I.

Because it hath been already imposed for at least half as many years past, said he.

However, I am opinion they will be apt to call the continuing the present duty on malt for thirty-two years a new tax, said I. But would not twelve or eighteen pence per pound on land-rents be better than the continuance of all these so insupportable taxes and impositions on malt and malted liquors?

Twelve or eighteen pence per pound on land-rent would be a better fund for the money, said he, but I doubt whether our gentlemen will now easily consent to have their land mortgaged for thirty-two years.

I hate to hear of these new taxes (said Mr. White, another of the company); I fear the very noise of them will one time or other bring down vengeance on the stocks, so that thus at last there will be no avoiding the taxing them, and so we shall be all undone.

Undone! said I; how undone? those of the nation who live only by the land and their labour have been taxed at least twenty-eight several ways in about so many years past, yet they are not all undone, some of them make shift to hold out still; and shall one or a few taxations of stocks at once ruin so many brave men as you? I hope for better things, since even supposing the before-remembered annuities for terms of years were taxed at eight shillings in the pound, and other things in proportion, the proprietors would still have considerably more than four per cent. per annum for their money, which I take to be a very good interest, as times go.

If they once come to tax the stocks, only eight pence in the pound (said Mr. Lane), I shall immediately sell all I have in the public at any rate.

At what rates rather than fail? said I.

At twenty or thirty per cent. or in other words at four or five years' purchase less than the present value, said he.

Possibly you might thus happen still to be a gainer, said I.

I should not lose much, for I came in cheap, said he.

Thus it seems, that notwithstanding this great advance you speak of, said I, there may still be ways found to have public securities cheap.

So there will always be (said Mr. Wise, one of the company), so long as men will needs be led by rage instead of reason, by fond conceits and opinions, without understanding, and that the public securities are so various, perplexed, and so little of a piece; therefore I, who have a stake in the public securities among others, am heartily for the redemption, and have been so for many years past, since without that, or somewhat like it, we can never be long in safety, nor even in the meantime have the command of our estates, especially when we most want them, as is usually seen in the sudden and frequent rise and fall of stocks.

You have reason, said I; and, since you are so frank and open on this subject, I also will communicate my sentiments as freely.

In the present situation of the public debts provided for by Parliament, they cannot possibly be paid in the time of any one now living, according to the ordinary course, yet five or six millions more of the public debts of Great Britain are deficient of funds for payment of either principal or interest, without some new tax to be imposed by Parliament.

By good counsel and direction those debts may be discharged much sooner, and every one rendered safer and easier in the meantime.

With that I showed them several extracts of some of the papers now before the club, which made it apparent that by the redemption of four per cent. per annum interest, the public debts might all be paid off and discharged in twenty-

two years or less by the very same annuities or interest now paid, and without any new taxes;—

Besides which, twelve pence per pound on land, or the whole malt tax, might be discharged the very year of the redemption, and so to continue for all the time of peace;—that the salt, and several of the most grievous taxes, might from year to year be lessened, yet rendered more useful till wholly taken away;—

That thereby the whole public revenues might of course be so regulated that little more than one moiety of the present taxes and impositions might be brought to yield ten, fifteen, or it may be twenty per cent. more than the whole now possibly can;—

That the taxes on land and malt, now become usual, might immediately be lessened, so as in a few years no part thereof need be continued toward completing the annual extraordinary expense; with many other great and good consequences, obvious enough.

After having handed the schemes about the table for a considerable time, they looked upon one another, as seeming to be greatly surprised; meanwhile other company in the house desiring to speak with me, I was thereby obliged to withdraw for a time,

Being returned, they said, they did not see but this redemption would do, whether they would or not; in the meantime could not but much applaud the generous notions they formerly observed me to have about it; as more than once having heard me express myself to the following effect, viz. :—

That, if need were, the government had better give a fourth or a fifth part more than the first value of these public securities, whereby the nation was so unaccountably dipped and involved, than to leave the present age and posterity thus inexpressibly overcharged and embroiled, since otherwise this high interest and these insupportable taxes must ruin us all;—

That, therefore, on full consideration, they had resolved among themselves to accept of only twenty or twenty-five per

cent. more than the money they at first advanced on the public securities, in way of premium, being about the price thereof now at market, together with assurance of five per cent. per annum interest for the future ; on these terms (concluded they), we will, one and all, join in your redemption.

Nay even for the annuities too, which, said they, you know are not made redeemable.

Considering this great rise of stocks and public securities, quoth I, your price for the redemption seems pretty moderate ; but are you all agreed in this ? Will you undertake for the rest of your fraternity ? I doubt not but you are sufficiently sensible how necessary your unanimity and consent in this matter is, not only to the support of the credit, but even of the very government.

We will undertake for the majority, said they, but we cannot undertake for all ; some of our dealers in stocks are so very obstreperous and headstrong, and withal so selfish, that if you would give them ten per cent. per annum they would expect fifteen or possibly more ; a sort of people so conceited as to think others cannot live without them, yet are still unwilling they should live by them.

But what shall we do with these obstreperous sort of men, if any such there be, said I, if they will not come into the redemption ?

Tax them, said they, and that will bring them in with a witness.

Then, said I, it seems you do consent that the selfish and obstreperous part of you may be taxed if they will not comply.

Yea, said they, with all our hearts, if they will not with us take twenty or twenty-five per cent. or some such present premium on the money advanced, and five per cent. per annum for the future.

I have still a small doubt, said I, whether the Parliament can be prevailed on to give twenty or twenty-five per cent. or some such premium, on the money advanced, and after that

still continue to allow you five per cent. for the future on the whole.

They may give it us if they please, said Mr. Short.

You ought to consider, said I, they are only representatives and trustees for and from the nation, and therefore cannot justly give away what is not theirs.

Why Sir, replied Mr. Short, do you then question the power and justice of the Parliament?

I confess Parliaments to be specially constituted to seek truth and do justice, yet still believe them not infallible, said I; meanwhile, to speak plainly, I look on these risings and fallings of stocks and other public securities you speak of to be rather names and speculative notions, than realities; and though I be one of those who allow that Parliament may err, yet hardly think any Parliament whatever can possibly be brought into some sentiments which seem to reign among you; always provided the material facts be but once fully and fairly brought before them, as no doubt but in this time of peace and serenity at home and abroad this matter will.

I readily concur with Mr. Sands, in those his sentiments (said Mr. Rule), as well knowing them to be right, particularly in the affair of the annuities for terms of years, which never were, are, nor I may say, in their present situation, can be, current at any considerable price.

Myself, with some of my friends, have considerable parcels of both sorts, viz. of the ninety-nine and thirty-two years, and, during all this late rise of public securities, have endeavoured to sell out, in order to employ our money otherwise.

Yet all we have been hitherto able to do, has only been now and then to drop some small parcels here and there, but could not possibly dispose of anything of a sum together at any tolerable rate.

Those annuities (said Mr. Swift), are the heaviest and dullest of all other public securities, for though in every rise of stocks they are sometimes in the price currents computed with re-

gard to other things, probably by the rule of three, yet these supposed prices are still but empty names, since it is impossible for any one to dispose of considerable sums therein on any urgent occasion.

In a late consultation with some of my friends, we were all of opinion, that if eight or ten per cent. of the annuities for terms of years should come of a sudden to be disposed of in a month or two, or such like, it would sink them at least three or four years' purchase, or, in other words, twenty or twenty-five per cent. or more.

What do you talk of the annuities for terms of years (said Mr. Shore, one accounted learned in the doctrine of stocks), if only ten per cent. on all the present public securities provided for by Parliament, which amounts to about forty-five millions, must needs be disposed of in three, or it may be in six months, think you not that four millions five hundred thousand thus hastily to be disposed of so suddenly would not sink the stocks at least twenty or twenty-five, or it may be more; yet there is certainly double, if not treble, the proportion negotiated or done in the joint-stocks that there is in the annuities for terms of years.

I also believe (said Mr. West), that four or five millions to be necessarily disposed of in the public securities in three or four months, would sink their value twenty per cent. or more.

At this rate, said I, your pretended rise and fall of stocks and public securities must be only names and cant among yourselves, just as in some other sorts of games they call a counter a pound, or guinea, or what else they please.

That is plain (said Mr. Dry, a considerable dealer in public securities, but a friend to the redemption) in many instances, particularly in the present rise of the stocks, where it seems somebody or other have so hoisted up East India Stock from about one hundred and thirty to one hundred and eighty-eight per cent. as it now is; and they still say they will bring it to two hundred per cent. or more. The rest of the public se-

curities seem only so have been dragged after this, as they say, in some proportion or other ; but those who have considerable parcels to sell, find it still hard to dispose of them ; trifling things have been and still are ordinarily done, which chiefly serves to give a name to the whole.

So that after all this noise of forty-five millions in public securities, rising or advancing in names to fifty or fifty-five millions, said I, possibly there may not have been a fifth part of of them ever really sold or negotiated.

You are mistaken (said Mr. Blow, one of the company), I doubt not but the whole value of the forty-five millions has one way or other been negotiated in five or six years last past.

All that may be, said I, but possibly the fifth part I mentioned may have been negotiated eight or ten times over within the time you speak of, which makes more than your sum ; however, I still fancy at least three-fourths, if not four-fifths, of those capitals may have continued still immutable in all weathers.

However (said Mr. Blow), we have still allowed the name of advance on the whole value of these securities, as taken together.

In that you have been very civil and complaisant, said I, but it was to the chief of your fraternity, who, by being willing and able to keep their stocks, have of course been the greatest gainers among you ; but believe the government in the matter of the redemption, will have little regard to the stately names you or they may give your things.

Mr. Fox, (one of the company who had been silent all this while,) at last said, he did not think this great rise of stocks proceeded altogether from what the king is doing abroad, but rather apprehended that there was somewhat further in it ; and, beckoning to one on the other side, said, you know what I mean.

Pray, said I, let us know this gentleman's meaning, if it be not a secret.

Why (said Mr. Lane), he apprehends we are invaded.

Invaded! said I; by whom, and with what?

With foreign money, said he.

I am glad of that, said I; sometimes we have been invaded with foreign lead and iron, to our cost; I hope this invasion of gold and silver will make us some amends, particularly by assisting in the present redemption.

We need not value ourselves so much on this foreign supply neither (said Mr. Rule), they know how to make us pay for it.

Pay for it, how? said I.

Why, (replied he,) if we in Great Britain owe 50,000,000*l.*, as you say, and foreigners should come in for a third or fourth part thereof, would they not then tax us for some hundred thousand pound pounds a-year in name and by way of interest, till the debt be paid? You know the saying of King Solomon, "that the borrower is still servant to the lender,"* so that thus we may become subjects to those we have formerly reduced, or at least were their equals.

It is well hinted, said I, since it proves a prevailing argument, that this government should not now exceed four per cent. per annum in their allowance for interest, if they can have money at that rate.

If they will but allow us five per cent. (said Mr. Gain), we will take care to exclude foreigners from being concerned.

How will you exclude them? said I.

By some severe Act of Parliament or other, said he.

The Parliament have sometimes made more Acts than have been well observed, said I; and if in the present case foreigners shall find their benefit and safety in lodging their money in the public securities here in Great Britain, it will be impossible to hedge them out; on the other hand, if they think they are in danger, it will not be easy to keep their money in.

The Hans Towns, Spain, Portugal, and other places in the commercial world, have by experience sensibly found that the

* Prov. xxii. 7.

prospects of advantage, safety, and common convenience, have always overcome restraints, prohibitions, or other proposed lets or obstructions whatever.

Yet if effectual ways and means may be found to keep out foreigners' money from coming among us (said Mr. Smart), what matters it then whether the government gives five, six, or more per cent. interest on the funds, since, whatever rate is allowed, the money will still be kept among ourselves?

But who are they who must pay this difference? said I.

What matters it, said he; I suppose you would have me say they are those who pay the taxes. I do not concern myself much about that, provided it be but paid.

Then (said I) since you will not tell us particularly, I will say, in general, that they are all those in this island who have houses or land, corn or cattle, who work with their hands. In fine, all those who eat, drink, or wear clothes.

At this rate, said he, you mean to set the mob upon us.

If I should, said I, it would be only as a good governor in a like case once did.

What governor do you mean? said he.

I mean governor Nehemiah,* (said I); when there was a great cry of the people, and of their wives, against their brethren, men of the same nation; where there were those who said, Their sons and daughters were many, therefore they took up corn for them, that they might eat and live;—

Where there were others who said, they had mortgaged their lands, vineyards, and houses, that they might buy corn, because of the dearth;

There were others also who said, they had borrowed money for the king's tribute or taxes, and that upon their lands and vineyards; not only so, but by this means their sons and daughters were likewise brought into bondage, that it was not in their power to redeem them, because other men had their lands and vineyards.

* Nehemiah v. 1, &c.

And what said Nehemiah to all this? said Mr. Lane.

He was angry when he heard this cry (said I), and after consulting with himself rebuked the nobles and rulers, who it seems either were concerned themselves or countenanced others in bringing the people into and continuing them in these oppressions.

Not only so, but he set a great assembly against them, and thus brought them to submit, not only to a redemption, but likewise to a restitution and reduction.

All this he did pursuant to the law of God given by Moses against "usury, usury of money, usury of victuals, usury of any thing that is lent upon usury."*

By this time our meeting begun to be thin, and those who still remained seeming to be under some hurry or concern, I also left them.

This pretence to a premium of twenty or twenty-five per cent. on the money advanced on the public securities runs in my head (said Mr. Gage), I wonder what they would have it for?

For? (said Mr. Brooks), for nothing; the matter only is, that they or somebody for them have been so long used to secret bargains and unaccountable advances, that they now cannot easily leave this course of life.

I want to dive to the bottom of this profound mystery of stocks (said Mr. Grant), therefore I design to attend Mr. Sands at his next meeting with the men of this sort of traffic.

So many (said Mr. Brooks) have been sunk in diving towards that bottom as make it questioned whether it really has any.

However (said Mr. Grant), I want to know that secret, if it would not cost me too much.

The buying of stocks without money, or with too little, has ruined so many (said Mr. Brooks) that I would by no means advise you to meddle with it; you will hardly make your money of this kind of knowledge: it is only another sort of gaming, not worth the discovery, and wherein there are alway more losers than winners.

* Deut. xxiii. 19.

Mr. May said it was proper for the club to be more particularly apprised of the nature and tendency of these mysterious negotiations in stocks and other public securities, and therefore moved that the committee of inquiry be specially directed forthwith to state and report the different values or supposed values of stocks and public securities on the most eminent occasions for some years past, with their observations thereon.

Which motion was agreed to, *nemine contradicente*.

Then the club adjourned to Wednesday, the 31st instant.

No. 14.—A SCHEME of some of the ANNUITIES for Terms of Years, and of the
ferent Values or Purchase thereof, at

—	Years when the Annuities com- menced.	Sums Advanced.			Annuities Granted.			Purchase, as first valued.		Purchase, as valued in July, 1714.	
								Years.	Months.	Years.	Months.
Annuities for 99 years . " " " " " " " " " " " " " "	1692	£ 1,492,379	s. 7	d. 0	£ 124,866	s. 0	d. 0	11	11	13	3
	1693	176,744	1	9	15,336	13	6	11	6	13	3
	1704	1,569,664	18	6	104,745	10	6½	14	11	14	9
	1705	690,000	0	0	46,000	0	0	15	0	14	6
	1706	2,855,761	16	2	184,242	14	0	15	6	14	6
	1707	1,155,000	0	0	72,187	10	0	16	0	13	6
	1708	640,000	0	0	40,000	0	0	16	0	13	3
	1708	1,280,000	0	0	80,000	0	0	16	0	14	3
Annuities for 32 Years. " "		9,859,550	3	5	667,378	8	0½				
	1710	1,500,000	0	0	135,000	0	0	11	1	10	0
	1710	900,000	0	0	81,000	0	0	11	1	10	6
South Sea Company .		12,259,550	3	5	883,378	8	0½				
	1711	9,471,325	0	0	568,279	10	0	16	8	14	0
		21,730,875	3	5	1,451,657	18	0½				

Your committee find (continued Mr. Brooks) for some years before the accession of the king most of these securities laboured under considerable discounts and abatements in the purchase;—

That few of them had any advance, even those which had

WEDNESDAY, OCTOBER 31, 1716.

Mr. Brooks, from the committee of inquiry, said that pursuant to the directions of the club they had prepared a scheme of some of the annuities for terms of years, and of the capital stock of the South Sea Company, particularly showing the different values thereof at the respective times therein expressed; which scheme Mr. Brooks read in his place, after which the same was again read by the secretary, and is as follows, viz. :—

CAPITAL STOCK of the SOUTH SEA COMPANY, particularly showing the different respective times therein expressed.

Difference from the First Value, in July, 1714.						Purchase, as valued in October, 1716.	Difference from the First Value, in October, 1716.					
More.			Less.				More.					
Money.	Years.	Months.	Money.	Years.	Months.	Years.	Months.	Money.	Years.	Months.		
£ s. d.			£ s. d.					£ s. d.				
166,488 0 0	1	4	..	..		17	3	665,952 0 0	5	4
26,839 3 7½	1	9	..	..		17	3	88,185 17 7½	5	9
..	17,457 11 9	0	2	17	9	296,778 19 10½	2	10		
..	23,000 0 0	0	6	17	9	126,500 0 0	2	9		
..	184,242 14 0	1	0	17	9	414,546 1 6	2	3		
..	180,468 15 0	2	6	17	3	90,234 7 6	1	3		
..	110,000 0 0	2	9	17	3	50,000 0 0	1	3		
..	140,000 0 0	1	9	17	6	120,000 0 0	1	6		
193,327 3 7½	655,169 0 9	..	..	..	..	1,852,197 6 6	..	..
..	146,250 0 0	1	1	14	0	393,750 0 0	2	11		
..	47,250 0 0	0	7	14	0	236,250 0 0	2	11		
..	848,669 0 9	..	..	..	..	2,479,188 16 6	..	..
..	1,515,412 0 0	2	8	18	0	757,706 0 0	1	4		
193,327 3 7½	2,364,081 0 9	..	..	..	..	3,236,894 16 6	..	..

the advantage of the extraordinary allowance of nine per cent. per annum for thirty-two years, with the addition of a fictitious capital of thirty per cent. in way of premium, besides the running interest;—

That, as it appears by the face of this scheme, those securi-

ties were in the month of July, 1714, in the whole, as taken in a medium, valued at about eighteen months' purchase less than the original money advanced ;—

That the committee could have stated the different prices of those securities at divers other times, only thought not proper to embarrass the scheme with too many instances, believing these a competent standard for the whole.

Only they have particularly compared the values, or supposed values, of those securities in the month of July, 1714, as stated in the scheme, with those in the month of November last, and find them much the same.

Since which, instead of about eighteen months' rebate on the first values as then, they are now, in this month of October, 1716, as appears by the scheme, reckoned at upwards of two years' purchase advance ; a prodigious difference in about eleven months' time ;—

That your committee have not judged it necessary to insert the capital stocks of the East India Company or Bank of England in this scheme, since those have an additional advance in proportion to the notions men have from time to time of the gain of the one by their traffic, and of the other by their credit ;—

That the committee at first thought the instance of the securities stated in this scheme to be sufficient information for and towards all other cases of this nature, since with the rise and fall thereof the other government securities always bear a proportion.

But, upon further view and consideration of the perplexed and uncouth state of the funds called Classes and Courses, inventions of very late years, they have thought it proper to lay the extracts of two several price currents relating thereto before the club, which extracts Mr. Brooks read, and afterwards delivered them to the secretary, by whom the same were again read, and are as follows, viz. :—

A STATE of the CLASSES and COURSES of the LOTTERIES in 1711, 1712, and 1713, as extracted out of the Price Current of Stocks, from Friday to Tuesday, August 3, 1714.

CLASSIS 1711.—Fund 186,670*l.* per annum for 32 Years, on the Post Office, Leather, Stamps, Hackney Coaches, Chairs, Cards, and Dice.

Principal.	Interest paid to Christmas.	Disc. per Cent. al. Int. for Sell.
<i>£</i>	<i>£</i>	<i>£</i>
First 110	94 to 111	3 to 17½
Second 115	95½	20½
Third 120	99	21
Fourth 125	103¾	21½
Fifth 130	107¾	21½

CLASSIS 1712.—Fund 168,003*l.* per annum for 32 Years, on Leather, Vellum, Parchment, Starch, Coffee, Gold and Silver Wire, and Stamps.

First 105	87 to 105	3½ to 20
Second 110	89	22½
Third 115	92	23½
Fourth 120	95½	23¾
Fifth 125	99¾	24

LOTTERY 1711.—Fund 135,000*l.* per annum for 32 Years, on Tonnage and Poundage, Coals and Candles.

Courses.	Discount per cent.	Courses.	Discount per cent.
8 to 15	from 1 to 2½	51 to 80	from 7 to 9
16 „ 20	„ 2½ „ 3½	81 „ 100	„ 9 „ 10½
21 „ 30	„ 3½ „ 4½	101 „ 130	„ 11 „ 11½
31 „ 50	„ 4½ „ 6½	131 „ 150	„ 11½ „ 12

LOTTERY 1712.—Fund 168,003*l.* per annum for 32 Years, in three Lotteries, on Soap, Stained Linen and Calicoes, Paper, Pasteboards, Books, Stamps, Transfers, and News.

4 to 10	from 2 to 9	31 to 50	from 15 to 16
11 „ 20	„ 9 „ 13	51 „ 80	„ 16 „ 17
21 „ 30	„ 13 „ 15	81 „ 120	„ 17 „ 19

LOTTERY 1713.—Fund 35,000*l.* per annum for 32 Years, Civil List.

1 to 5	from 5 to 14	21 to 30	from 31 to 33
6 „ 10	„ 16 „ 25	31 „ 40	„ 33 „ 34½
11 „ 20	„ 26 „ 31	41 „ 50	„ 35 „ 36

A STATE of the CLASSES and COURSES of the LOTTERIES in 1711, 1712, and 1713, as extracted out of the Price Current of Stocks, from Friday to Tuesday, October 16, 1716.

CLASSIS 1711.—Fund 186,670*l.* per annum for 32 Years, on the Post Office, Leather, Stamps, Hackney Coaches, Chairs, Cards, and Dice.

Per Cent.

First	}	Premium, 3½ and 2½.
Second		
Third		
Fourth		
Fifth		

CLASSIS 1712.—Fund 168,003*l.* per annum for 32 Years, on Leather, Vellum, Parchment, Starch, Coffee, Gold and Silver Wire, and Stamps.

Per Cent.

First	}	Premium, 3½ and 2½.
Second		
Third		
Fourth		
Fifth		

LOTTERY 1711.—Fund 135,000*l.* per annum for 32 Years, on Tonnage, Poundage, Coals, and Candles.

Courses.	Premium per Cent.
17 to 100	4 Premium.
101 „ 150	4 Premium.

LOTTERY 1712.—Fund 168,003*l.* per annum for 32 Years, in three Lotteries, on Soap, Chequered and Striped Linen, Paper, and Stamps.

Courses.	Premium per Cent.
5 to 100	3¾
101 „ 120	3¾

LOTTERY 1713.—Fund 35,000*l.* per annum for 32 Years, Civil List.

Discount per Cent.					
3 to 10	from	par	to 3 <i>l.</i>		
11 „ 20	„	3	„ 5		
21 „ 40	„	5	„ 6		
41 „ 50	„	6	„ 7		

By the face of those extracts it is sufficiently manifest what pains hath been taken, as it were, on purpose to make these things, which ought to be plain and intelligible to every one, intricate, various, and hard to be understood.

What the intentions of the inventors were is still a secret, yet not so remote as to be without the reach of inquiry ;—

That in the meantime, during the reign of her late Majesty,

notwithstanding the said exorbitant allowance of thirty per cent. additional capital thereon in way of premium, there were hardly ever any of them valued at above six or seven per cent. more than the original money advanced, as particularly appears from the said extract of the price current of July, 1714, but all this still with great uncertainty, since no very considerable quantity thereof could ever be disposed of, even upon the foot of such small advance ;—

That thus whatever advantages some particulars may have had by making those things dark and intricate, yet the committee find not that any considerable sums of the public securities, particularly in the annuities for terms of years, have ever been sold or negotiated, possibly not exceeding an eighth or tenth part thereof; only that this small proportion, having been at least nominally often bought, sold, and negotiated from hand to hand by noise and show, has served to give the same nominal price or value to the rest.

Upon the whole, your committee observe, that the present various and unequal shapes those securities are at present in, contribute more than anything to the irregular motions of men's passions, and distraction of the minds of those concerned therein, from whence chiefly proceed such frequent unaccountable advances or diminutions of the prices or supposed prices thereof ;—

That, notwithstanding the frequent names of great prices, no considerable sums can possibly be disposed of at the supposed rates, especially in any critical juncture, so that in fact no true or certain rate can ever be put on these things, save only the original value of the first advance, the rest being only nominal, ambulatory, fictitious, and imaginary.

Then (said Mr. Sands), it seems after all this bustle the very names of these stocks as in a medium, have not in reality ever risen above ten or twelve per cent. or about two years' purchase ; yet the merchants in stocks had the face the other day to ask no less than twenty or twenty-five per cent. premium on their

money advanced, with assurance of five per cent. per annum interest for the future, as an encouragement to bring them into the redemption.

Do you think they would not ask enough (said Mr. Grant)? you may be sure they never fail in that.

They said (continued Mr. Sands), that some of the stocks had risen fifteen or twenty per cent. or more, in so many days, and that they knew not how far they might still run up further, since almost every one was for buying. Thus my conjecture then run, that the public securities might at that time be nominally four or five years' purchase, above the first value, but now after all this stir, it seems there is only about two years' purchase upon them, as taken in a medium.

It may be, like some other men of traffic (said Mr. Bruce), they would take half what premium they ask.

No doubt if any one would give it them (said Mr. More), they or most of them would accept of ten or twelve per cent. premium.

Would they not quarrel about it (said Mr. North), in some of them pretending to merit more of this premium than others?

Possibly they might so (said Mr. Grant), but I suppose that would come to little; since all who are not abroad, in infancy, or under other natural incapacities, would certainly come in, in less than so many weeks, to take the ten or twelve per cent. premium. ●

But how shall a fund be found for this new debt of five or six millions if thus contracted (said Mr. Gage)? the old revenues are all mortgaged and alienated for elder, and consequently for more preferable debts.

Since the subject matter of taxing has been so much in vogue (said Mr. Hunt), I have heard of several proposals, where they pretend if the Parliament please, they may raise great sums of money on funds no way burthensome, but rather beneficial to the people; may they not have some such tax for their fund if they can find it?

With all my heart (said Mr. Grant), I will give into such a proposition as that, let them even have such a fund for their premiums of ten or twelve per cent. if they can find it; I am not for baulking the redemption on that account.

Well (said Mr. Sands), I intend again to take a trip towards the Exchange to talk further with my merchants in stocks on the subject matter, the rather, considering the further information we now have from the report of the committee.

Then the club adjourned to Wednesday, November 14, 1716.

WEDNESDAY, NOVEMBER 14, 1716.

Mr. Sands said, he, with Mr. Grant, had lately further conversation with some of the merchants in stocks, whom they found in no small perplexity and confusion; that, upon inquiry what was the matter or cause of this great dejection,

The matter! said they, do not you know what is the matter? stocks fall.

Fall! how? said I.

East India Stock has fallen twenty per cent. in less than so many days, said they—the Bank eight or ten per cent.—and everything else in proportion, and no man living knows where it will end, since almost one and all are for selling.

But how far do you think the stocks will really fall? said I: you know they were so low about twelve months ago, as taken one with another to be ten or twelve per cent. or in other words eighteen or twenty months' purchase under par; I hope you apprehend not their falling lower than that?

No one can say how that will be, said they, since so many are for selling.

At our last meeting, said I, you all seemed pleasant and in good humour, I am sorry to find it otherwise now; possibly this surprising fall of the stocks may be the occasion, if so, what think you is really the matter or cause of this great change?

We cannot really say what is the matter, said they, only all are for selling.

About three weeks ago, said I, you seemed to give me tolerable reasons for the late rise of stocks, such as the success of the king's endeavours towards securing the peace of Europe, and likewise that there was a great conflux of foreign money flowing in upon us, from the confidence other nations had in the public faith and credit of Great Britain.

We thought so then, said they, but now know not what to think.

You seemed then, said I, to have a good opinion of the proposed redemption of the public revenues, pray what think you of it now?

We continue in the same mind, said they, and think very well of it if they will but allow us the terms we offered.

What then were those terms? said I.

You may remember, said they, it was a premium of twenty or twenty-five per cent. on the money advanced, and five per cent. per annum for the future, and at that rate we will all come into your redemption, even for the Annuities for Terms of Years, which you know cannot otherwise be redeemed.

I suppose, said I, you mean they will not be redeemed, since the government can relieve itself from them by another cheaper and more proper way.

What way is that? said they.

By resumption, said I.

Resumption! that is a hard word, said they; how can they resume them?

By reduction, said I, as in cases of such annuities.

I never heard of this reduction before, said Mr. Lane (one of the company), pray explain it to us.

Upon this I shewed them a copy of the scheme of reduction at the different rates of five and six per cent. per annum.

This is the method of reduction or rebate in cases of annuities for terms of years, said I, where, in the present case, the question

seems only to be, whether this redemption shall be made at five per cent. the present legal rate of interest, or at six per cent. the late legal rate of interest, of both which you have a view in this scheme.

I perceive by this scheme before us, said Mr. Shore, that this reduction will amount to vast sums, since at the rate of five per cent. the discount would amount to no less than 7,385,656*l.* and even at only six per cent. to 5,133,428*l.*; what an abatement must this be upon us!

I have some of the annuities of 1692 and 1693, said Mr. Long, which I have kept ever since; which, so far as I see by this scheme in case of your reduction, I shall thus have nothing further to claim, but, contrariwise, be about half the value of the first advance on these annuities indebted to the government.

At this rate, said Mr. Lane, we annuity men, instead of being quite out of the reach of the redemption, as we fondly conceived, may be still subject to these worse things called resump-tions and reductions, by which we may possibly be liable to rebates or discounts of one-fourth, one-third, in some cases even one moiety or more of our money advanced.

What a prodigious difference does this make, said Mr. Blow: I wish I could get rid of all my annuities for the sums first advanced, I would seek no more, for I hate the very names of these resump-tions and reductions of yours; they must certainly be pernicious things.

If you can at this time of day get your money at first advanced on these annuities it would be well, said I; but do you think there are any so weary of their money as to give you, who are proprietors of Annuities for Terms of Years, more than the remainders of what you have advanced, discounting what you have received at the rate of the legal interest?

However, they run these Annuities for Terms of Years so up the other day, that I was in hopes of having considerably more, said he.

Why did not you then take it? said I.

I do not know that it was offered, neither, said he ; those Annuities for Terms of Years are such dead and unmanageable stocks that one cannot tell how to value himself upon them, but particularly I was deceived in believing they were not liable to redemption, which I begin now to apprehend, or it may be even to your resumptions or reductions, which are still worse.

Patience, man, said Mr. Rant (another of the company), I hope no such wicked things as these resumptions or reductions will appear here in Great Britain, since at that rate we annuity men should, one with another, lose a third part of our sums advanced instead of receiving the benefit of twenty or twenty-five per cent. premium, as we otherwise expected.

Let them reduce these annuity men as far as they can, said Mr. Hill ; it is my comfort that we class and course men will be still safe, and considerable gainers, since we have an allowance of about thirty per cent. additional capital on the classes and courses given us by Parliament ; all they can do to us is only to take away some part of this premium, which, to say the truth, we then thought too much, it being a great deal more than we had the confidence to ask, but, it must be confessed, the men of the times were very good and generous to us.

But after all, said I, how came you class and course men thus to obtain so prodigious an allowance as that of thirty per cent. additional capital in way of premium ?

You must consider, sir, said he, it was at a juncture, wherein hardly any else would trust the government.

Then, said I, it seems you were considerable supporters of the government ; I am sorry there was such occasion.

If they will but give us our thirty per cent. premium in specie, said he, on the redemption, I shall have no reason to be sorry.

You may well remember, Mr. Sands, said Mr. White, that at our last meeting we only proposed twenty or twenty-five per cent. on our money advanced by way of premium, and the assurance of five per cent. per annum interest for future, as a

suitable recompence for our concurrence in the proposed redemption ; but if they come to allow these class and course men more, we can never bear that, but must expect at least as much as they, since we doubt not but to prove that we in our turns have been as sufficient crutches to lame administrations as they.

That is right, said I ; no doubt but you annuity men, and the rest of the public creditors, have lent hands and shoulders too, to the support of tottering managements, as much as these class and course men can pretend to.

But if you should happen to insist on so great a premium as thirty per cent. on your money advanced, what would that come to ? Suppose the government owes about fifty millions, I think thirty per cent. on fifty millions is about fifteen millions ; so that by this the present fifty millions would thus be advanced to about sixty-five millions.

Fifteen millions ! (said Mr. West) ; they will never give us a premium of fifteen, nor five millions neither ; if they would but give us ten per cent. instead of thirty per cent. with five per cent. per annum interest for future, were I as they, I would even on those terms come into the redemption.

I perceive you are much divided in your opinions, said I ; pray how can one state these matters, into how many parties or sects are you split or divided ?

It is not easy to determine that question (said Mr. Dry), our little piques and passions are so many, and various ; however, I look upon us principally to be divided into three several permanent parties :

1. Your redemption men.
2. The annuity men.
3. The class and course men.

It is true there is a fourth party among us, but they have no fund for payment of principal or interest of five or six millions, and whilst in that condition, we look upon them to be only as a sort of poor, neglected, and, with us, no party at all.

As for your redemption men, continued he, they know the giving them their money again is sufficient satisfaction ; and have all along, for the most part, expected it one time or other, in confidence whereof, they have always valued their interest and properties in the public securities at two or three years' purchase more than the annuities for terms of years, as may be particularly seen by the respective price currents, and further intelligences from time to time.

Again, as to the annuity men, continued he, I dare venture to say, that at least three-fourths, or a greater proportion of them, shall come into your redemption, provided you will only allow them ten per cent. or, in other words, two years' purchase by way of premium, and five per cent. for their money for future.

But how shall we do in the meantime, said I, to get the government to depart from their right of resumption and reduction ?

That is nothing to us, said he ; let them look to that.

I appear for the class and course men (said Mr. Smart), we will not take a penny under thirty per cent. premium, if they will redeem us, we have Acts of Parliament for it.

Have you never heard of Acts of Parliament repealed ? said I.

Not in affairs of property and money matters, said he.

Principally in that, said I, nothing more frequent in the public records, where when kings and parliaments have found themselves imposed on, or the nation oppressed and wronged by uncouth grants and cunning bargains, for them afterwards to do themselves justice.

Let this new set of class and course men drive (said Mr. West), least they sink us with themselves ; in plain English, if they will but give us ten per cent. premium, with assurance of five per cent. interest for future, and speak no more of those frightful things called taxing, resumptions, reductions, and such like, we will all unanimously come into the redemption, and leave the class and course men to fight their own battles, if they please.

But what, said I, shall we do with those who will not comply, if any such shall be?

Why (said Mr. West), we will consent to have them taxed, and the very name of that, you know, will effectually bring them in.

I confess your consent is of consequence, said I, and am glad you are at last brought to condescend that in certain cases, even some of you may be taxed; but where shall we find a fund for payment of this ten per cent premium, which may even but thus amount to four or five millions of money?

The present revenues and taxes, with their surpluses and reversions, are all anticipated, so that there is nothing remaining to be a fund for this new debt, to be contracted by way of premium.

The interest of five per cent. on four or five millions will be but a trifle, only two or three hundred thousand per annum, said they: we doubt not but there are those among us who can find such sums as these in taxes, not at all prejudicial, but rather beneficial to the people, if the Parliament pleases; so that the present revenues may still continue appropriated to the real money advanced, while such new taxes are applied to make good the premiums of ten per cent.

If you can find some new taxes, said I, not at all prejudicial but rather beneficial to the people, I fancy the Parliament may possibly grant you that for your premiums; but have a care it prove not a deficient fund.

It will be our business to look to that, said they.

After all (said Mr. Rule, one of the company), I doubt Mr. Sands all this while only jeers us, and that he does not really believe the Parliament will ever give us a penny premium for coming into this redemption;—

That they can never be brought to enter into the notional part of this business, but will only consider the quantum meruit and intrinsic value of the things. I therefore, on full consideration of the matter, should be very glad if the Parliament will

redeem us at five per cent. the present legal interest, without any premium at all, but of less than that I cannot hear with patience.

I really apprehend, said I, that the Parliament will at this time of day be hardly ever brought to give any premium in this redemption, unless they should think it proper to do it by way of exchequer bills, at two pence per day per 100*l.* or about three per cent. per annum, since we see such Exchequer Bills at 8*s.* or 10*s.* premium or advance—that East India bonds, which have only five per cent. running interest for one year, have 2*l.* 3*s.* premium, or advance upon them, and other things in proportion,—nay, that even the fresh bonds of the company at only four per cent per annum interest admit of a premium.

By which it is plain the government may now take up sufficient money to redeem all the public revenues at three per cent. only, for the better security thereof, allowing one per cent. per annum premium, or such like, for some time, till these public securities come to be all of a-piece, by which three per cent. per annum well paid, and a prospect of the debts being discharged in fifteen or twenty years, or such time in view, may not only be capable of going alone, but admitting of considerable advance.

But would not giving the rate of four per cent. per annum, in some such way as they do in the annuities called the Bank annuities (from being made payable there), be a better way of raising the money, and give more satisfaction to the present public creditors (said Mr. Dry) ? since in the case of exchequer bills, the premiums will be carried away by only a few monied men, and the other subjects will only have three per cent. for their money, and hardly that neither.

I have but little in the stocks (said Mr. Sharp, one of the company), but deal pretty much for others ; and by what I have seen in the matter, if the public securities were once made all of a-piece, that is to say, the government would in such way as

in the present Bank annuities, give only four per cent. per annum in quarterly payments, and to nobody more, and so as the whole public debts were put in a way of being all discharged in twenty years, or some such term, I doubt not but such four per cent. per annum would in five or six months admit of an advance of five or six per cent., and contrary to former practice, the securities to be last discharged would admit of the greater advance or premium.

But since you conceive, said I, that if all the public credit was by way of redemption made of a-piece, at only the rate of four per cent. per annum interest, equally and well secured, would soon yield five or six per cent. premium or advance, what think you would then be the value of the present Bank annuities, at five per cent. per annum, supposing them only still unredeemed, which they say now is only at two or three per cent. advance ?

In that case (said he), they would be at least worth twelve or fifteen per cent. advance.

But supposing then, continued I, that the public, instead of four, should for present allow even five per cent. interest in the redemption, what proportion of advance do you then think there might be on the whole ?

At least in the same proportion (replied he), if all were of a piece, viz. at twelve or fifteen per cent. advance.

At this rate (said Mr. Wood), if they would but allow us five per cent. in the redemption, we annuity men and others, instead of being losers, as we at first apprehended, might still be considerable gainers by this redemption, since, if we could thereby have fifteen or twenty per cent. or in other words three or four years' purchase advance, it would even be more than we can pretend to, as matters now stand.

Though I have had as considerable dealings in stocks for several years past as some others (said Mr. Parr), yet, ever since I began to understand it tolerably, I have always been for having the public securities all of a-piece, at what rate of inte-

rest soever; and am of opinion that on a foot of a plain and punctual payment of the interest, and where the principal is to be discharged in some such reasonable time that men could see through it, not only five but even four per cent. per annum might be made to go alone, and, it may be, with considerable advance.

Since thus, though men had not so great an allowance for their money, yet that deficiency would be sufficiently compensated by the ease and safety of their estates, in having them more in their power and command, where, instead of eight, ten, and sometimes fifteen or twenty per cent. or more in a fall, as has been frequent in the present situation, the values would hardly on the greatest exigencies alter above two or three per cent. or such like.

I am and have been long of the same opinion (said Mr. Pool), and that in this case whatever was abated in the income would be fully compensated otherwise to every one concerned; particularly the weaker dealers in stocks might be much relieved from the impending danger of such frequent crushes, by the surprising shocks and sudden turns in stocks and public securities as on the present foot; they would be thereby able to negotiate or deal for much more, and still with much less hazard; thus the many poorer and weaker dealers in stocks would be put in a way of greater benefit and safety.

Money in England was coming to the rate of four per cent. interest before the commencement of the first war, about twenty-eight years ago (said Mr. Grant); nay, considerable sums were then lent at that rate, and more continually had been advanced on the same foot, if those who afterwards had the fingering of the public money would but have let it; and several of our neighbouring nations had it so, or at a lower rate of interest, for at least half an age before; and I see nothing in the way of its coming to that again, if those in power will but let it, especially if the anticipations on the public revenues shall be so ordered and regulated as to be plain, easy to be under-

stood, and in a reasonable view of being discharged, and always in command.

After all, so far as I can find by your debates, gentlemen, said I, the redemption itself is now no more in dispute ; on the contrary, the necessity and advantages thereof allowed on all hands.

The doubt seems not of the matter, but only in the manner, viz. whether the redemption shall be wrought by money borrowed at the rate of five per cent. or only at that of four per cent., and whether a reduction or rebate shall be made on the annuities for terms of years, and, if so, at what rate of interest, whether at five per cent. the present legal interest, or only at six per cent. the late legal interest.

Though I confess myself to have been one of those many who made a jest of your redemption at first (said Mr. Blow), yet now, on second thoughts, I begin to be pretty well reconciled to it, provided always it be made at five per cent. per annum interest ; but, above all, let us hear no more of your resumptions, reductions, restitutions, and such like : I mortally hate to be reduced.

I should be sorry to see you reduced, said I, unless it be to reason ; however, am glad to find you inclinable to make such approaches towards the redemption, and hope that, whatever you have lost by the matter of this afflicting fall of the stocks, you may richly gain in that of the correction of your tempers and dispositions—a matter still more solid and substantial ; and so I wish you good night.

I am glad (said Mr. Grant) that I was with Mr. Sands on this subject, by which we see that, as the late great rise of stocks elevated the passions of the dealers therein much above their ordinary understandings, so the present fall appears to have brought them somewhat more into temper.

By the several reports we have had from Mr. Sands (said Mr. Gage), who with so great assiduity and capacity has apprised himself of those matters, the men appear sometimes to

speaking rationally, though by what I have heard them say, and seen them do, I have thought otherwise of them.

Upon the whole (said Mr. Sands), I must do that justice to many of the dealers in stocks and public securities that in certain intervals I have often thought I never conversed with men of truer and better sense, and seemingly knowing more of the world, than they; but such intervals hold only during some calm and quiet state of the stocks and public securities; for, whenever there happens any considerable emotion therein, whether by way of rise or fall, immediately not only the men in and about Exchange-alley, the market-place of stocks, but sometimes for a league or two round it, become almost universally touched, and affected with a sort of frenzy or madness peculiar to them in those circumstances; their passions immediately grow too hard for their understandings, and there is no dealing with them in safety.

Nay, insomuch that I myself have often felt the infection so very strong that though I had before armed myself, and determined as much as possible to be guarded against it, yet in a very few hours' time, do what I could, have found myself sensibly infected, though I really knew not how, nor with what.

Among some others (said Mr. More), it is one certain sign of these men's being possessed, that they shall sometimes on the matter of the traffic in stocks reason as capably as any, and at other times be stark mad on that topic: for example, they shall sometimes tell you that men ought to have a care of buying a rising stock, or selling when it falls, yet on any considerable commotion they furiously practise quite contrary to the sentiments they had some days, or it may be but some few hours, before established on fundamental precepts to be taught and practised.

At this rate (said Mr. Brooks), it seems advisable for those who will deal considerably in stocks never to venture upon their understanding till they get considerably out of town, at least a league or two from the infection.

We have of late (said Mr. Hunt) had pretty much of the doctrine of stocks and negotiations in public securities before us, let us therefore now adjourn to a further day, in order to have the better opportunity for calling another cause.

Then the club adjourned to Wednesday, the 28th instant.

WEDNESDAY, NOVEMBER 28, 1716.

Mr. Brooks, from the committee of inquiry, reported—

That in their approaches towards stating the public taxes and impositions in Great Britain they begun directly with those on trade and navigation as most of all affecting, not only the well-being, but the very being of the nation.

In the Act of Parliament for granting the subsidy of tonnage and poundage to King James I.* it is said—

“That for defence of the realm, and keeping and safeguard of the seas for the intercourse of merchandise, subsidies of tonnage and poundage had been granted by Parliament to the kings his predecessors from time out of mind, and therefore it was that the Commons thereby granted to that king, during his life, an imposition called tonnage, viz. :

“For every tun of wine imported by denizens, 3s., and so in proportion, and by every alien double; and on every awm of Rhenish wine, 12*d*.

“Also another subsidy called poundage, viz. : 12*d*. in the pound on all merchandise imported or exported out of the realm, and double the value in exportations of tin and pewter by aliens.

“For every sack of wool exported by denizens, 33*s*. 4*d*.; for every 240 wool-fells, 33*s*. 4*d*., and aliens to pay double.

“For every last of hides and backs, 3*l*. 6*s*. 8*d*., but to aliens, 3*l*. 13*s*. 4*d*.”

The like subsidies were continued to King Charles I. in the seventeenth year of his reign.

* Jac. I. cap. 33.

But, considering the low valuations made in those days, this subsidy of tonnage and poundage hardly amounted to a moiety of the real value, and therefore it was that the Parliament did, in December, 1647, add a special rate of many of the particular goods and merchandises then usually exported or imported, which was afterwards continued to the 24th of June, 1660, from which time the same, with considerable additions and amplifications, were granted to King Charles II. for life.

During the remaining part of that reign, and of his successor, the late King James, several other duties and subsidies were imposed, and restraints and prohibitions made, on some foreign sorts of growths and manufactures imported; but most of those additional duties and impositions were still pretty tolerable till the late two several successive wars with France, during which the whole subsidy of tonnage and poundage has been tripled, and the duties and impositions on several particular commodities rendered thrice as heavy as ever known before, and at least double to those in any other considerable trading nation.

Meanwhile, it appears that the ports of the United Netherlands were during all their war with Spain in a manner free, till their peace with that nation was established by the Treaty of Munster, in the year 1648.

Then, by an ordinance of the States, bearing date the 8th of March, 1652, a list or rate on several particular commodities was made, and the remainder left to be valued by the owners, but so that if the proper officers were not satisfied therewith they might take the goods so valued, paying only a fifth part more for the use of the state.

But this rate was only one per cent. in the value on export, and two per cent. on the import.

After having made their peace with England the Netherlanders begun to imitate the then government thereof in their impositions on trade; and accordingly the 1st of May, 1655, made a rate for an additional subsidy of about three per cent. more, with this difference, that the collectors of those duties might, for the use of the state, take the unrated goods as valued

by the owners, in paying only one-sixth part more than so rated.

However, considering the allowances otherwise made and given to the merchants, possibly the rate really exceeds not four per cent. on the true value, and hardly any imposition since made upon importations do amount to eight per cent. in the United Netherlands, and even that on few species of goods.

So that in all the difficulties and distresses that people have since frequently laboured under they have never once ventured to think of charging, still less of overcharging, their foreign trade with heavy impositions, or destructive restraints or prohibitions.

That the committee have likewise inspected the state of the duties and impositions on foreign trade in France, and thereby find that otherwise mighty kingdom had for several ages been grievously depressed and crushed in its navigation and foreign trade by various intricate and perplexed duties and impositions thereon.

Insomuch that, notwithstanding their otherwise prodigious opulence and other advantages, the French could never bring their trade or navigation to anything considerable till the late French king, in imitation of what had been before done in England and Holland, by his edict of the 18th of September, 1664, did redeem and demolish all those various duties, restraints, and prohibitions, and reduce them to one only single, plain, and intelligible rule, excepting in very few cases tending to the discouragement of the importation of foreign growths and manufactures; so that, in a manner allowing for the difference of the place and circumstances, the French tariff of 1664 is much the same with that settled in England about four years before.

Some further additional duties have been imposed in France on several occasions since the said general tariff of 1664, for the most part in imitation of the proceedings in England, rather than anywhere else; otherwise the said tariff of 1664 continues much the same; so that even the tariff of 1699, so much com-

plained of by England and Holland at the late Treaty of Utrecht, admitted but of little variation therefrom, and but in very few sorts of goods and merchandises, and those only trivial, save on the often remembered four articles, on which it must be confessed the duties and restraints were such as amounted to a prohibition, viz. :

Nine livres per hundred weight on whalebone dried.

Fifty-five livres per twenty-five ells on woollen manufactures and stuffs, and only two ports allowed for their importation.

Forty livres per last on salt-fish, to be imported only in barrels.

Twenty-two livres six sols per hundred-weight on sugar, besides other difficulties.

So that, as the matter now stands, the impositions on trade or navigation in Holland and France are much the same they were above fifty years ago, whereas those of Great Britain are, as taken in a medium, since at least tripled.

Of the many and various duties and impositions which obstructed their trade in France, till the above-mentioned advantageous regulation in 1664, your committee have hitherto only been able to gather the following list, viz. :

Resve, or the forraine domaine.

Haut passage.

Impositions forraines.

Traites domaniales.

Trepas le loire.

Traites et nouvelles impositions d'Anjou.

Augmentations et re-apreciations dicieux.

Le traits y joints.

Le Parisis douze.

Six deniers par livre.

Though it may seem strange that any nation should first burthen, and still continue further to overcharge their trade and navigation, as it was in France above fifty years ago, yet the committee find the trade of Great Britain still more oppressed

and embarrassed with duties and difficulties, for the most part gradually brought upon it since that time, some whereof are contained in the following list, viz. :

Customs.

New subsidy.

One-third subsidy.

Two-third subsidy.

Impost on wines.

Impost on tobacco.

Impositions 1690.

Impositions 1692-3.

New duties on whale-fins.

15 per cent. on muslins.

New duties on coffee, tea, &c.

Additional duty on coffee, tea, drugs, &c.

Second 25 per cent. on French goods.

Coinage.

Prizage.

Butlerage.

New duty on pepper, raisins, and spicery.

New duties on candles imported.

New duties on coals, culm, and cinders.

Subsidies outwards, and additional duty on coals and candles.

New duty on hops imported.

New duty on hides, skins, &c. imported.

Additional duty on hides, skins, &c. imported.

New duty on paper, soap, &c. imported.

Excise on salt.

Excise on liquors imported.

Petty custom.

Additional duty.

Double petty custom.

Additional duty on paper, milled-boards, paste-boards, scale-boards, chequered linen, &c., on soap and starch imported, and on coals exported. With many others.

Still besides the various ways of accompting and payment of those so different duties, which now stand alienated and mortgaged times out of view.

That during all this time wherein the foreign trade of Great Britain has been gradually overcharged, so as in many cases to amount to a prohibition, the very Spaniards and Portuguese, who more than an age ago made shift to restrain, prohibit, and impose away most of their foreign trade with the very Indies, have of late years in a great measure begun to ease their trade and navigation, by which it again begins to flourish, so that the navigation and trade of Great Britain only lies now under greater hardships than that of any other country, and must in its present situation gradually decline, till totally depressed; and in the meantime the nation not in a condition to make any fair and equal treaties of commerce with other trading countries, till those insupportable impositions be redeemed and reduced.

That, upon viewing the further taxes, the committee find the excise on beer and ale has been first doubled, to which they have nevertheless added the malt and hop taxes, which makes the imposition on malt and malted liquor greater and heavier than anywhere known.

That possibly one-third of the 3*s.* 4*d.* per bushel duty on salt, in being delivered from the frauds and difficulties it lies under, might yield more than the whole now can.

The other home excises are not easily numbered or stated, but many of them, by being doubled or overcharged, are rendered not only grievous to the people, especially the poor, but incapable of being so useful to the government, as they otherwise might on an easier and more equal foot.

That whilst intent on the perplexed and intricate state of the taxes and impositions of Great Britain, the committee have perused the 6th, 7th, 8th, 15th, and others of the Articles of Union, as altered by the Parliament of Scotland, relating to money matters, but have not yet been able to state the parti-

cular prejudice thereby to the revenue, partly by reason of the distance of the place, but most of all from the intricacy of those alterations, and the relation they have to the whole state of the revenues and taxes of Great Britain.

Other things are said to be complained of, as wanting explanation or amplification in the Articles of Union, but being of less moment, there is no doubt but they will be easily redressed, when once duly represented; the committee have therefore thought it not needful, at least at present, to enter on them.

That since stating the proposition for redemption, by money to be raised at the rate of four per cent. per annum, several debates have arisen in the committee, tending to have the reduction by this present redemption only to five per cent. per annum, the present legal rate of interest.

Those who promote this proposition at five per cent. say, that in this case there will be no need of any premium, either to bring people in, and little, if any at all, towards circulation of exchequer bills, for raising money to complete the redemption; since it will thus be only requisite to give the proprietors of such securities as are proposed to be redeemed some few months' time, either to receive back their money, or accept of the alternative of exchequer bills, or otherwise acquiesce in a transferable annuity at five per cent. per annum in quarterly payments.

That, considering the circumstances of things, there can be no doubt but they will generally accept of the annuity, because, if rightly done, it will in the very time of the redemption admit of some advance, and, in very few months after, possibly of ten or twelve per cent. or more.

That this interest of five per cent. being much more than allowed by any of our neighbouring nations, who pretend to considerable credit, together with the plain prospect of the sure payment of the interest quarterly, and the discharge of the principal in the space of twenty years, or some such time in view,

these securities will become still more and more current, both at home and abroad, than any other, and thus the continual command of the principal, with punctual payment of the interest, will sufficiently compensate the abatements from higher annuities on the present uncertain foot.

That, in fine, an Act of Parliament for the redemption at five per cent. per annum interest, need only be short and concise, and free from the many perplexed recitals and references which may be otherwise, at least by some, judged requisite.

To all this it has been objected, that there may be a wide difference in the public good betwixt bringing the interest to four per cent. or only to five, in the now proposed redemption, since, if the public shall still be under such sort of management as sometimes before, the five per cent. may possibly rather be in danger of growing up again to six in some years' time; than have hope of sinking down to the wished-for four per cent. interest.

They instance, that on the establishment of the Bank the nation did not owe a tenth part of the money it now does; that it was then endeavoured to found the Bank in much the same manner as now proposed by the redemption, that is to say, to aggregate and settle all the then different sorts of securities, on one plain foot for payment of principal and interest at four and a half or at most but at five per cent. and after made no question but in some short time such securities, on the good old foot of a redeemable interest, might have come to be current at four per cent. per annum.

However, the men of the times would not venture that rate of interest, but, after about three years' consideration, at last gave eight per cent. and were still uneasy that it was not more, as pitying the poor subscribers to the Bank, in supposing they would hardly ever be able to dispose of their interest therein for one moiety of their money advanced.

They further instance, that, though by taking some part of good advice at the commencement of her late Majesty's reign,

the interest on the land and malt tax, payable within the year, was brought to five per cent. and that, with the other interest on public securities might, with good management, have been brought still lower; yet, nevertheless, they soon after begun to parcel out the remaining part of the revenue for ninety-nine years, at a much higher rate of interest; and all this done by way of secret, from time to time concluded, before it was known what they meant.

To all this and more to like purpose it hath been answered, that though it be but too true that for about an age past the public affairs of this island seem to have been unaccountably neglected, yet now since the accession and establishment of the Protestant line, and, with the blessing of God, the view of a long continued succession, it is hoped our kings will henceforth begin to look into and take care of their money matters themselves, the good state of which can, under God, chiefly contribute to make or keep the prince and people effectually easy.

This may be more especially hoped from his present Majesty, by whose peculiar care the revenue of his dominions in Germany have long before been put on so good and equal a foot.

The committee have likewise further considered the matter of the rebate on the annuities for terms of years, wherein it hath been objected, that, by a rebate or deduction on the annuities of 1692, 1693, and 1694, amounting to 1,969,375*l.* 15*s.* such rebate, even on six per cent. in yearly payments only, would in the time elapsed, amount to no less than 2,566,052*l.* which is about 596,676*l.* 5*s.* more than the whole sum at first advanced.

The committee have therefore stated the rebate only from the 25th of March, 1704, the time of commencement of the first annuities of the late queen, by which there will be but thirteen years' reduction on the said three articles, amounting only to 976,786*l.* and thus the whole reduction on the annuities for

terms of years, will be but 3,544,162*l.* on which foot the committee have drawn a proposition.

Which proposition Mr. Brooks first read, and after delivered to the secretary, by whom the same was again read, and is as follows, viz.—

No. 16.—A PROPOSITION for the REDEMPTION of such BRANCHES of the PUBLIC REVENUES as are anticipated or mortgaged for Sums advanced, on an Interest of above 5 per cent. the 100,000*l.* per annum, Original Fund of the Bank of England, only excepted.

	£	s.	d.
By Scheme No. 4, entered in the journal of this club the 12th of September, 1716, it appears that there are public debts provided for by Parliament, with above 5 per cent. per annum interest, amounting to a principal sum of	37,334,830	7	6
By Scheme No. 6, entered in the journal of the same day, the deficiencies of the Lottery Annuities and other funds payable at the Exchequer, including the navy debt, to December 31, 1715, are estimated at	1,667,212	16	1½
And that the deficiencies on the 25th of March, 1717, may be further increased	600,000	0	0
Which will make a principal sum of	39,602,043	3	7½
But if a rebate be allowed on the Annuities for Terms of Years, at only 6 per cent. for the times expired, and computing such rebate on those of 1692, 1693, and 1694, to commence only from the 25th of March, 1704, it will amount to about	3,544,162	0	0
Which, being deducted, the above principal sum will be reduced to	36,057,881	3	7½
If therefore there shall be raised, at 5 per cent. per annum interest, a principal sum of	38,000,000	0	0
After payment of the said principal sum of	36,057,881	3	7½
There will remain towards such other uses as shall be thought proper a surplus of	1,942,118	16	4½

By the aforesaid Scheme No. 4, it likewise appears that	£	s.	d.
the annuity payable on the aforesaid principal sum of			
37,334,830 <i>l.</i> 7 <i>s.</i> 6 <i>d.</i> is	3,002,486	5	1½

	£	s.	d.
If therefore there be applied for interest of			
5 per cent. on the said aggregate principal			
sum of 38,000,000 <i>l.</i> an annuity of . . .	1,900,000	0	0
And for discharge of the principal sum in			
quarterly payments an annuity of . . .	1,100,000	0	0
The whole annuity necessary to discharge			
both principal and interest of the said			
38 millions in 21 years will be . . .	3,000,000	0	0
So that there will be only a yearly surplus of	2,486	5	1½

It is therefore proposed,

I. That the several branches of the public revenues appropriated for the payment of the principal and interest of the aforesaid sum of 37,334,830*l.* 7*s.* 6*d.* be for the term of 21 years, from the day of , applied towards discharge of the above stated principal sum of 38,000,000*l.* the preferences in payment to be regulated by the dates and numbers of such subscriptions.

II. That in case the sums thus appropriated shall not amount to 475,000*l.* payable every three months, for interest, and likewise to 275,000*l.* payable every three months, towards discharge of the said aggregate principal sum of 38,000,000*l.* then the deficiency thereof to be from time to time made good by Parliament.

III. That the surplus or remainder of the said revenues thus in the first place to be appropriated towards the payment of the principal and interest of the said 38,000,000*l.* as aforesaid, be in the second place applied to the incident expenses of management of this general fund, and to provision for payment of such public debts as are or shall remain unprovided for.

IV. That if, after payment of said debts in such term of 21 years, any surplus of the said revenues shall remain, the same may be applied and disposed of by Parliament.

V. That the several branches of the public revenues thus appropriated, or at any time hereafter to be appropriated or anticipated, may be redeemable by Parliament at 12 months' notice or discount.

Thus, with the before-mentioned moderate abatement on the annuities for terms of years, (continued Mr. Brooks,) after all payments made out of the thirty-eight millions, there will be a surplus of 1,942,118*l.* 16*s.* 4¼*d.* so that should there be occasion for a premium of two per cent. on exchequer bills, for even one moiety of the thirty-eight millions, it would only amount to 380,000*l.* so that there would still remain 1,562,118*l.* 16*s.* 4¼*d.* a sum more than necessary for the expense of the navy, guards,

and garrisons of this island for one year, when regulated in the time of peace, the which may serve towards discharge of the public debts still unprovided for, or easing the nation in taxes, as shall be thought proper.

Besides those provisions, there will still be 2,486*l.* 5*s.* 1½*d.* per annum, surplus, towards expense of management or otherwise, as shall be directed by Parliament.

That the committee have for this very end prepared a Table of Amount, No. 17, with another of Rebate, No. 18, at five per cent. per annum interest, in quarterly payments.

Which Tables Mr. Brooks read, and the same were again read by the secretary, and are as follow, viz.—

No. 17.—The AMOUNT of an ANNUITY of 1,100,000*l.* at 5 per cent. per annum Interest, in Quarterly Payments, in any Term not exceeding 84 Quarters, or 21 Years.

Quar- ters.	Amounts at the end of the several Quarters.	Quar- ters.	Amounts at the end of the several Quarters.	Quar- ters.	Amounts at the end of the several Quarters.	Quarters and Years.	Amounts at the end of the several Quarters.
	£		£		£		£
1	275,000	2	553,437	3	835,356	4 1	1,120,797
5	1,409,807	6	1,702,430	7	1,998,710	8 2	2,298,694
9	2,602,428	10	2,909,958	11	3,221,333	12 3	3,536,599
13	3,855,807	14	4,179,004	15	4,506,242	16 4	4,837,570
17	5,173,039	18	5,512,702	19	5,856,611	20 5	6,204,819
21	6,557,379	22	6,914,346	23	7,275,775	24 6	7,641,722
25	8,012,244	26	8,387,397	27	8,767,239	28 7	9,151,830
29	9,541,228	30	9,935,493	31	10,334,687	32 8	10,738,870
33	11,148,106	34	11,562,458	35	11,981,988	36 9	12,406,765
37	12,836,850	38	13,272,311	39	13,713,214	40 10	14,159,630
41	14,611,625	42	15,069,270	43	15,532,636	44 11	16,001,794
45	16,476,816	46	16,957,777	47	17,444,749	48 12	17,937,808
49	18,437,031	50	18,942,494	51	19,454,275	52 13	19,972,453
53	20,497,109	54	21,028,322	55	21,566,176	56 14	22,110,753
57	22,662,138	58	23,220,415	59	23,785,670	60 15	24,357,991
61	24,937,466	62	25,524,184	63	26,118,236	64 16	26,719,714
65	27,328,711	66	27,945,320	67	28,569,636	68 17	29,201,756
69	29,841,778	70	30,489,801	71	31,145,923	72 18	31,810,247
73	32,482,875	74	33,163,911	75	33,853,460	76 19	34,551,628
77	35,258,524	78	35,974,255	79	36,698,934	80 20	37,432,674
81	38,175,579	82	39,202,773	83	39,689,371	84 21	40,460,488

No. 18.—The DECREASE of a PRINCIPAL SUM of 38,000,000*l.* to be discharged by an Annuity of 1,100,000*l.* at 5 per cent. per annum, in Quarterly Payments.

Quar- ters.	Principal Sums remaining undischarged at the end of the several Quarters.	Quar- ters.	Principal Sums remaining undischarged at the end of the several Quarters.	Quar- ters.	Principal Sums remaining undischarged at the end of the several Quarters.	Quarters and Years.	Principal Sums remaining undischarged at the end of the several Years.
	£		£		£		£
1	37,725,000	2	37,446,563	3	37,164,644	4	36,879,203
5	36,590,193	6	36,297,570	7	36,001,290	8	35,701,306
9	35,397,572	10	35,090,042	11	34,778,667	12	34,463,401
13	34,144,193	14	33,820,996	15	33,493,758	16	33,162,430
17	32,826,961	18	32,487,298	19	32,143,389	20	31,795,181
21	31,442,621	22	31,085,654	23	30,724,225	24	30,358,278
25	29,987,756	26	29,612,603	27	29,232,761	28	28,848,170
29	28,458,772	30	28,064,507	31	27,665,313	32	27,261,130
33	26,851,894	34	26,437,542	35	26,018,012	36	25,593,235
37	25,163,150	38	24,727,689	39	24,286,786	40	23,840,370
41	23,388,375	42	22,930,730	43	22,467,364	44	21,998,206
45	21,523,184	46	21,042,222	47	20,555,251	48	20,062,192
49	19,562,969	50	19,057,506	51	18,545,725	52	18,027,547
53	17,502,891	54	16,971,678	55	16,433,824	56	15,889,247
57	15,337,862	58	14,779,585	59	14,214,330	60	13,642,009
61	13,062,534	62	12,475,816	63	11,881,764	64	11,280,286
65	10,671,289	66	10,054,680	67	9,430,364	68	8,798,244
69	8,158,222	70	7,510,199	71	6,854,077	72	6,189,753
73	5,517,125	74	4,836,089	75	4,146,540	76	3,448,372
77	2,741,476	78	2,025,745	79	1,301,066	80	507,326

By these Tables it appears that the whole thirty-eight millions will at that rate be discharged in twenty years and a quarter; however, they have proposed the revenue should be settled for twenty-one, after which there will be a considerable surplus, if not anticipated beforehand, as has sometimes happened here in Great Britain in like cases.

That the committee have in all their calculations been unwilling to exceed the terms of twenty-one or twenty-two years, in views of anticipating the public revenues, since, in the rates of common purchase, those securities at only five per cent. per annum interest come up to about two-thirds of the purchase of fee-simple, at six per cent. to about three-fourths, at eight per cent. to above four-fifths, and at ten per cent. to near nine-

tenth parts, there being little more in this last case than a year's purchase difference, a trivial matter.

That the committee cannot take upon them to describe the many other advantages which will accrue to the public, besides the relief of the revenue, only particularly observe, that when on this proposed foot the public debts will be decreasing every year, or rather every quarter of a year, by which the government will not only have the continual advantage of providing for the still deficient debts, but likewise an immediate opportunity to lessen, or wholly to take away, the most grievous and insupportable taxes and impositions, especially to the poorer sort of people, such as the window tax, the candle tax, the soap tax, and such like, and, by good regulations, so to order matters that the remainder shall still produce more towards support of the government and national credit.

That the committee take further leave to observe, that, so far as they can find, the poors' rates have in many places, in thirty years past, or less, been increased to double what they formerly were.

That possibly the poor who live, or for most part depend, on mere charity, are now double the number they were thirty years ago, chiefly by high taxes, the decay of trade and manufactures.

That other public things labour under like disadvantage, none of which can be effectually remedied without the redemption, the only proper means to have money currently at four per cent. interest, by which capital sums might be raised on the present public contributions, or at least on part of them, towards erecting public stocks or funds in the several cities and counties of this island, towards better maintenance, support, and employment of these indigents, which do not now half live, and whereof great numbers do daily perish and starve for mere want of necessaries of life, who in time might be thus effectually supplied, and yet the public possibly at less than a moiety of the now running expense.

To conclude, the committee conceive it needless for them to

be at further pains and expense in inquiries into the present perplexed and intricate state of the money matters of Great Britain, till it be known how this preliminary work of the redemption will go.

Since, till the before-hinted new and unheard of perplexing, various, and intricate forms of public securities and taxes come to be reduced to the good old and plain way of a redeemable interest, and rule of collection, at some one moderate equal rate and way or other, this nation, humanly speaking, can never be retrieved from the otherwise insupportable pressures and difficulties it now labours under.

I by no means approve of this last proposition of the committee (said Mr. Gage), since it not only admits of five per cent. interest, instead of four, as formerly offered, but the reduction therewith is only set at six per cent.; and even at that rate an abatement is made of no less than 1,589,266*l.* on the advanced sum of 1,969,375*l.* 15*s.* first annuities, as in scheme No. 12, to a sort of people, who, by the reasonable reduction at five per cent., have already had near double their money.

This reduction on the annuities for ninety-nine and thirty-two years ought certainly to stand at five per cent. as in schemes No. 12 and 13 (said Mr. Ford), and the redemption be wrought by money at four and not at five per cent., since the government will be thereby more effectually enabled to ease the people of the most grievous taxes, to provide for the still deficient debts, and to support itself in the meantime, whilst the whole revenue may be thus discharged in fifteen or sixteen years, or less, instead of twenty-one years, as now proposed.

These propositions are only offered as expedients (said Mr. Brooks), and nothing positive in them; the business of the club being only fairly to state and represent the material facts: I therefore move for a short recess of the club, and that in the meantime the committee be directed to bring in the state of the difference betwixt the import of their last proposition and a reduction at five per cent. per annum as by schemes No. 12

and 13, and of raising the money for the redemption only at four per cent.

Which being agreed unto,

The club adjourned to Wednesday, the 12th of December, 1716.

WEDNESDAY, DECEMBER 12, 1716.

Mr. Brooks, from the committee of inquiry, said,

That, pursuant to the directions of the club, they had drawn up a report, which he first read, and after the same was again read by the secretary, and is as follows, viz.—

	£	s.	d.
The debts provided for with above five per cent. interest, and the estimate of the deficiencies to 25th March, 1717, stated in the last proposition No. 16, amount to	39,602,042	13	7 $\frac{3}{4}$
The reduction at five per cent. on the annuities for terms of years, in schemes No. 12 and 13, amount to	7,385,656	0	0
Which being deducted from the above principal sum, it will be reduced to .	32,216,386	13	7 $\frac{3}{4}$
If therefore an aggregate principal sum of	38,000,000	0	0
Shall be raised as in the proposition, after provision for payment of the said .	32,216,386	13	7 $\frac{3}{4}$
There will remain towards provision for the still deficient debts, lessening the present taxes or future supplies, or sinking the debts the sooner, a sum of .	5,783,613	6	4 $\frac{1}{4}$

A sum of 38,000,000*l.* may be discharged in about eighteen years, but that of 32,216,386*l.* 13*s.* 7 $\frac{3}{4}$ *d.* in about only fourteen years, at four per cent. per annum.

But, admitting all alleged by the committee be true (said Mr. Stone), the public credit may thus be so reduced away that nobody will hereafter trust the government.

Never fear (said Mr. Sands), the government can always have good credit, only by plain security, and punctual payment of principal and interest now, and the continuance thereof for future; the giving more than is due will hardly better the credit, profusions of that kind being always suspected, as proceeding either from want of honesty, ability, or both.

I still say at this rate (continued Mr. Stone), where is the public faith, the justice and right of the matter? If the government have hitherto made unthrifty bargains, ought they not however to be performed? If they have sold the public revenues and national taxes for ninety-nine and thirty-two years, ought not the proprietors to have their bargains, without interruption from your redemptions, reductions, restitutions, and such like?

By what law or rule (said Mr. Sands), do you square or quadrate your justice?

By the laws which oblige men to perform their contracts (said Mr. Stone); is not that material justice? and is not material justice the law of God?

The law of God (said Mr. Sands), expressly prohibits the taking of usury or exorbitant interest; nay, the richer are thereby specially directed to assist the poor, in giving or lending to the supply of all their wants and necessities; besides all which, the seventh year is appointed for a year of release to those unable to pay, and the fiftieth year still a further release even of all mortgages and pledges.

I conceive these were only obligations on private men, and not upon governments (said Mr. Stone); suppose the government of Israel in some exigence or other had first taxed the people, then sold or mortgaged those revenues for long terms of years at a low purchase, or high rate of interest, do you think they would not have performed such contracts?

The government of Israel (said Mr. Sands) could not lawfully make such contracts, nor lawfully keep them when made, as being contrary to the express law of God given by Moses.

Not only so, but all those concerned, whether by way of lending, borrowing, or making such contracts, with their adherents, were liable to severe punishments for such wickedness.

We have all this excellently explained in the conduct of the good governor Nehemiah, who on his accession finding the poor people had been grievously oppressed by their former governors, he therefore soon obliged those rulers willingly to submit to a redemption, reduction, and restitution altogether.*

After this equal distribution of justice among the people, he himself showed a noble example in retrenching the expense of his household, rather to what he could defray himself, than otherwise to burden the people with taxes and impositions.

Thus it is manifest the pretended justice against the redemption is not the old justice, but some new justice sprung up with these new estates, as some call them, which have been lately erected upon the public taxes and impositions, or, as in other words, out of the sweat and blood of the people.

For my part (said Mr. More), I find the redemption takes more and more, and doubt not but it will be cheerfully and nobly wrought, and as much to universal joy and satisfaction as Nehemiah's redemption was; all the difficulty is, that, since the annuities for terms of years were granted without any clause of redemption, people say they cannot be redeemed.

Clauses of redemption were never necessary in Acts of Parliament for mortgaging the revenues (said Mr. Sands), as being tacitly understood in all governments where such mortgages have been introduced; but in the annuities for terms of years such clauses would have been direct nonsense, to propose to give the purchasers all their money again, after any,

* Nehemiah v.

or it may be a considerable part, of the times granted were elapsed.

That resumption and reduction, and not redemption, must have been the direct meaning of the legislature in the case of the annuities, is plain from the things before us.

By scheme No. 1, it appears the amount of the surpluses of the annuities for ninety-nine years above four per cent. for the times yet to run, is £194,968,765

By scheme No. 2, that of those for thirty-two years is 26,687,542

In all, in yearly payments only, to no less than £221,656,307

But in quarterly payments to considerably more.

Besides above a third of the money these annuity men have already received, in reckoning the reduction only to five, not to four per cent. interest.

All this makes it utterly improbable that the government, in the grant of those annuities, should mean otherwise than resumption and reduction whenever in a condition to find the remainder of the money; and, since now they can find it at four per cent. interest, what hinders the resumption of them?

Possibly the sums now on mortgages or other particular securities of this island (said Mr. Grant) may be double the value of the present public debts, all which will be rendered one-fifth easier to the debtors when the interest on the public securities shall be set at four per cent. by means of the redemption.

The lands of Great Britain will likewise be enhanced four or five years' purchase in their value, with the home and foreign industry in proportion.

The multitudes of perishing poor will be thereby put in the way of being effectually relieved.

But it seems, in opposition to all these great and good things, it is only said that possibly about one in a thousand of the

mass of the people may be thereby obliged to an abatement of about one-fifth part or less of their income from the national taxes and impositions; and even this supposed loss is for the most part fictitious and imaginary, since they will thereby not only have a plainer security, and more absolute command of their estates, but this lowering the interest of money will open a door towards their gaining still more by their industry.

The redemption appears so plain, profitable, and necessary, as not to need explanation; the reason of the thing sufficiently carries it (said Mr. Hope); only I observe that the committee might in their reports have taken notice that several sums in specie have been locked up in the Exchequer* only to pay the annuities of ninety-nine years quarterly,† till the funds appropriated thereto should be clear, which sometimes happened not till years after.‡

That those sums in three or four years' time amounted to no less than eight or nine thousand pounds,§ sums sufficient to have circulated all those annuities at four per cent. per annum interest without diminution of such specie.||

I have therefore often wondered that the directors and proprietors of the Bank of England did not in all this time, wherein they were the principal public creditors, for their own sakes, with that of so many others, effectually exert themselves in putting a stop to such wasteful measures, by finding better and surer expedients for the money.

By this they must have gained the assistance of all the public creditors, and therewith the public countenance and support, in another manner than they ever yet had.

Possibly the times might not be so favourable for the Bank as you may think (said Mr. May), if so, all they could do was only fully and fairly to represent their sense of the wrong to them and other public creditors by such various and unequal

* 2nd Annæ, c. 3.

† 3rd Annæ, c. 2.

‡ 4th and 5th Annæ, c. 6.

§ 5th Annæ, c. 19.

|| 6th Annæ, c. 11.

advances of interest or premiums, to the depressing of their several antecedent securities, with the other ill effects which must follow of consequence.

He therefore moved a further adjournment of the club, and that in the meantime the committee be directed to obtain copies of such representations as have from time to time been made from the directors or corporation of the Bank against the allowance of exorbitant interest or premiums, or remote anticipations or mortgages of the public revenues, with an account of the several transactions of the Bank with the government during the last reign.

Which was ordered accordingly.

Then the club adjourned to Wednesday the 19th instant.

WEDNESDAY, DECEMBER 19, 1716.

Mr. Brooks, from the committee of inquiry, said they had endeavoured to obtain copies of representations from the corporation of the Bank of England with regard to the ill consequence of remote anticipations of the public revenue, allowances of high interest, great premiums, and such like, but as yet have not been so much as able to inform themselves whether any such representations have been really made.

Meanwhile, by the 5th Annæ, cap. 13, they find that the circulation of 1,500,000*l.* in exchequer bills was undertaken by the Bank, in consideration of a certain proposed premium for circulation of such bills after issued, bearing the rate of 2*d.* per day per 100*l.* interest, long before the funds appropriated for payment and discharge thereof were clear from antecedent mortgages, and in the meantime had only the allowance of further exchequer bills accumulated for the growing interest and premium for circulation.

By 7 Annæ, cap. 7, the same exchequer bills were called in and cancelled, but in lieu thereof near double that sum of fresh exchequer bills was thereby directed to be issued, yet still on

no other security than that of anticipated revenues, only with higher allowances of interest and premiums for circulation.

By this fresh contract about one moiety of the new exchequer bills* were left without security for circulation, which unaccountable defect created the then so well-known distinction betwixt specie and non-specie exchequer bills; an insupportable burthen and distraction to the public credit in that juncture, till rectified by a further grant of 45,000*l.* per ann. to the Bank for circulation of the whole.

The addition of this 45,000*l.* per ann. brought the whole allowance for interest, circulation, and expense of management of such exchequer bills to amount to about 7*l.* 4*s.* per cent. per ann. inconsiderable abatements for non-payment of interest, in the times any such bills may have lain in the public offices only excepted.

Without the allowance of such intervals wherein no interest has been paid the reduction on such exchequer bills, supposing the same might in a medium be 4,000,000*l.* from the 25th of March, 1711, to the 25th of March, 1717, will, at five per cent., in yearly payments, amount to about 643,914*l.*, and at six per cent. to 381,317*l.*

An addition of 1,775,027*l.* 17*s.* 10*d.* at six per cent. was likewise by the same Act of Parliament made to the capital stock of the Bank, but redeemable at one year's notice.

By the same Act of Parliament it appears that the Bank then advanced an additional sum of 400,000*l.* to their former capital of 1,200,000*l.* on their original fund of 100,000*l.* per ann., by which further advance their said first capital was increased from twelve to 1,600,000*l.*, and consequently their interest of eight per cent. was thereby sunk to about six per cent. per ann.

By this Act of Parliament their original fund of 100,000*l.* per ann. was declared not redeemable till one year's notice after the 1st day of August, 1732.

* 9 Annæ, cap. 7.

By the 12th Annæ, cap. 11, the fund for exchequer bills was again loaded with a further sum of 1,200,000*l.* and only more new exchequer bills allowed to make up the deficiency till the still anticipated fund for discharge should come to be clear; and by this last Act the term of the Bank was prolonged for ten years more, that is to say, from twelve months' notice after the 1st of August, 1732, to twelve months' notice after the 1st of August, 1742.

Mr. Brooks concluded in saying, the committee have not hitherto been able sufficiently to apprise themselves of the further and other transactions of the Bank with the government during the late reign, and must therefore refer their conclusive report on this subject-matter to a future time.

It is impossible (said Mr. Gage) but the Bank must have made frequent representations, at least against exorbitant allowances of interest or premiums, especially since they proved so good as, instead of eight per cent. on their capital fund, to take six per cent., and at the same time to admit more than double their original stock, with further loading themselves with the circulation of exchequer bills in no very accountable manner, especially in point of security; considering that about the same time, and from thenceforth, those of the revenue, notwithstanding their antecedent bargains with the Bank, ventured to give first about one-seventh and after one-fourth part more interest for money than that allowed to the Bank.

Thus in effect sinking the value of every 100*l.* at six per cent. one-fourth part, or to 75*l.*; and was not this breaking into the public credit with a witness?

As you say (said Mr. Hope), it was a manifest encroachment upon about one-fourth or fifth part of the properties of the antecedent public creditors, who had already provision of legal interest for their debts, but much more in proportion to those who had not then security for payment of principal or interest; and was not this as bad as taxing them?

It was certainly taxing them in effect (said Mr. Sands), and that in the worst and most unthrifty way.

This matter is so gross (said Mr. Hunt), that I cannot but think the Bank must have made full and frequent representations against these so many and plain diminutions of their property, and consequently of their credit, as before stipulated by parliament, by the subsequent enhancing the rate of interest by annuities and otherwise, but possibly the committee have not been at or sent to the proper places to find them.

My regard for the Bank (said Mr. Grant) inclines me to think such representations must have been made, otherwise they will hardly merit such favour in this club as they formerly seemed to have.

Favour (said Mr. Brooks) is usually the product of men's passions, but my regard for the Bank has always proceeded from a suitable sense of the good things they have done, which I need not now explain, being sufficiently known, therefore for this cause think they ought at least to be used tenderly.

As much reasonable tenderness to them and others as possible (said Mr. Ford), but still let it be without partiality; why should not their original fund of 100,000*l.* per ann. be included in the redemption as well as that of their late additional stock?

That 100,000*l.* per annum is declared to be only redeemable on one year's notice after the first of August, 1742 (said Mr. Brooks), therefore it is supposed the redemption of that part of the public revenue cannot be wrought before, at least without the consent of the bank.

How then were they prevailed on to break into their original contract (said Mr. Ford), in advancing 400,000*l.* more on their before appropriated 100,000*l.* per annum for 1,200,000*l.* capital, by which their interest was sunk from eight to about six per cent. per annum?

Again, how did they admit of an additional stock of 1,775,027*l.* 17*s.* 10*d.* for which they seem to have had no occasion?

Again, how have they been brought in to such mysterious contracts, with regard to exchequer bills, and such like ?

Possibly (said Mr. Gage) they may from time to time have been led into these things by ways, means, and management.

Pray then (said Mr. Ford) let us once inquire into such ways, means, and management, if it were but to know how far they can be thus again prevailed on to contribute their part towards completing the redemption.

By sinking their interest from six to four per cent. per annum the government may save at least 800,000*l.* in about twenty-eight years to come (said Mr. Gage), since the yearly sum of 32,000*l.* being the surplus of their allowance above four per cent. (exclusive of their 4,000*l.* per annum for expense of management) will in that time amount, in yearly payments, to 1,598,963*l.* and in quarterly payments to about 1,638,281*l.*

Let them therefore either abate this 32,000*l.* per annum surplus, or advance 800,000*l.* more towards the discharge of the present public debts, in the same manner as they launched out half that sum near eight years ago, with less reason and foundation, and I shall be content.

But that will not be altogether sufficient (said Mr. Speed), since they likewise pretend to an exclusive privilege of banking, for all that time yet to run.

An exclusive privilege of banking ! (said Mr. Gage), what mean they by that ? sure they pretend not to monopolise the mystery of borrowing and lending.

Monopolies of buying and selling have, in some cases and places, been granted (said Mr. Hunt), yet hardly ever otherwise than to prove destructive to the places where permitted, but monopolies of borrowing and lending are certainly new things.

Soft and fair (said Mr. Sands), I am told they pretend not to exclude private men from borrowing and lending, only corporations and companies of them ;* its true, they condescend so

* 9 Annæ, c. 7.

low, that no more than six men in company shall be permitted to traffic in credit by way of society. (App. U.)

That is however kind (said Mr. Ford), since they are still pleased to allow five or six men in way of society to borrow or lend; but possibly it may be worth while to inquire how far they have been, or still are, gainers by this abstracted notion.

I have been long of opinion (said Mr. Grant) that the Bank hath not been the better for its pretensions to so huge monopolies of the subject matter of borrowing and lending; and though the cashiering part is the most noisy, yet I question whether it hath been the most profitable part of their business.

However (said Mr. Heath), we now see the cashiering part is become no small share of the business of the Bank, and doubtless those who deposit their money therein do it from the prospects of safety and convenience.

The cashiering part in funds of credit (said Mr. Sands) may well enough be admitted to have some share in their prospects, however I cannot help thinking that less than a moiety of their proper money advanced might with good direction have been a sufficient collateral security for circulating much more of the public, or other well founded credit, than they have yet been engaged in, and all this with less noise and trouble, and more security.

A considerable space before the Bank of England was established (said Mr. Far), I have been told the Bank of Amsterdam had to the value of 36,000,000*l.* sterling in gold and silver, deposited only for the better security and more convenient transference from one to another; that bank being so far from allowing interest or other consideration, that some acknowledgement is always paid for the money admitted.

Now supposing only one-tenth part of the same great sum in that bank, and that in lieu of the other nine-tenths, the rate of three per cent. per annum constituted as a fund of interest, think you not that this tenth part in specie could easily circulate the other nine-tenths at that rate.

I am not only of that opinion (said Mr. May), but believe, as things then were, and still are in Holland, a plain and effectual security for payment of three per cent. per annum at the Bank of Amsterdam, would go at least as well alone as the same allowance does at Rome, without any fund of money or premium for circulation, that is to say, with ten, twelve per cent. or it may be more advance.

You seem to have a mighty opinion of the credit of the bank of Amsterdam (said Mr. Brooks), and I have the same of the Bank of London, and think that as this proposed redemption will be a public benefit to all the subjects, so no society whatever ought more to wish it properly wrought than that of the Bank, since they are particularly capable of being very great gainers by having the interest of the funds brought to four per cent. though that of their own were altogether included in such reduction; the nature of that constitution being such that the more extensive and national its basis becomes the greater its security and advantages will be.

These things seem strange to me (said Mr. Shaw); I therefore wish them better explained, and that in order thereto the committee would have their further thoughts on the past and present state of the Bank, and report the matter thereof, with their opinions thereon, in some proper time.

After a considerable pause, Mr. May said, the club have had the affair of the redemption under consideration for near six months past, that now there seemed little more material to be said on that subject; he therefore moved for an adjournment to some proper day, to see if any fresh matter of moment shall be offered, and that in the meantime the chairman be desired to peruse and direct the printing the journal.

Which being agreed unto,

The club adjourned to Wednesday, January 16, 1716-17.

WEDNESDAY, JANUARY 16, 1716-17.

Mr. Jones from the chair said that, pursuant to the directions of the club, he had ordered the journal of the proceedings relating to the redemption to be printed; the which being near completed, he desired to know whether the gentlemen inclined now to close these their proceedings, or to adjourn the same to some farther day?

I own (said Mr. More) the committee have made a greater progress in stating the public debts than could well have been expected in so short a time; yet they appear deficient in not likewise representing the present state of the public revenues, taxes, and impositions.

The committee (said Mr. Brooks) have used all possible means towards stating the public debts provided for by Parliament, notwithstanding the length and perplexity of the Acts and vouchers relating thereto.

But it is not possible for them to give an account of the public debts unprovided for, they being still a secret, consequently incapable of being computed otherwise than by some such gross estimate as the committee have made thereof in Scheme Number 6.

Meanwhile the committee have been so far from being able to enter on the detail of the numerous and various sorts of the present public taxes and impositions, that they find it no easy matter to come at the numbers of the very Acts and clauses by which they are imposed.

I am sorry (said Mr. Gage) that the Acts for taxing the people are now so multiplied that men care not to number them; however, let us name some:—

For example,

That of the window-money, which has been introduced subsequent and in place of the old chimney or hearth-money, though with a new name, yet not less but rather more grievous.

The late King William was so sensible of the weight and

grievance of that chimney or hearth money now called house or window money that, immediately after his accession, his Majesty, by message to the House of Commons, signified—

“That, being sensible what a grievous burthen the duty arising from fire-hearths was to his people, especially the poorer sort, his Majesty was pleased either to agree to the regulation of it or to the taking of it wholly away.”

The satisfaction this condescension of that king gave to the Parliament and people eminently manifested itself everywhere, and is particularly transmitted to us in the preamble of the Act of Parliament which ensued, and is as follows, viz. :—

Anno primo Gulielmi et Mariæ, cap. 10.

An Act for the taking away the Revenue arising by Hearth Money.

“Whereas his Majesty having been informed that the revenue of hearth money was grievous to the people, was pleased by his gracious message sent to the Commons assembled in Parliament, to signify his pleasure, either to agree to a regulation of it or to the taking it wholly away, as should be thought most convenient by the said Commons. And whereas, upon mature deliberation, the said Commons do find that the said revenue cannot be so regulated, but that it will occasion many difficulties and questions, and that it is in itself not only a great oppression to the poorer sort, but a badge of slavery upon the whole people, exposing every man's house to be entered into and searched at pleasure by persons unknown to him. We your Majesty's most dutiful and loyal subjects the Commons, being filled with a most humble and grateful sense of your Majesty's unparalleled grace and favour to your people, not only by restoring their rights and liberties, which have been invaded contrary to law, but in desiring to make them happy and at ease, by taking away such burthens as were by law fixed upon them, by which your Majesty will erect a lasting monument of your goodness in every house in the kingdom, do most

humbly beseech your Majesty that the said revenue of hearth money may be wholly taken away and abolished. And be it enacted," &c.

If they then gave such epithets to that grievous and odious tax (said Mr. Hunt), what can be thought of the present stopping up the windows of the poor by day, and even prohibiting them, by an insupportable duty, from use of candles by night, by which they are for about six months in the year obliged to lose at least a third of their time and labour towards their subsistence?

Nay (said Mr. Grant), the poor are not only deprived of candles, but likewise of fire, by the insupportable duties on fuel in London and other parts of the kingdom.

The present grievous impositions on soap (said Mr. More) likewise deprive the poor of the means of keeping themselves clean, and thus still another way is invented for their depression and destruction.

Since we are on the chapter of taxes (said Mr. Hope), what think you of the taxes on salt, whereby the people pay at least three times as much as the government receives, the rest being squandered by one fraud, irregularity, or other, so that the poor now pay on that head about four pence for what they used to have for a penny?

When the whole state of the present taxes and impositions on the people of Great Britain shall be fairly stated (said Mr. Sands), the present unusual discontents, especially among those of the common sort, will not be thought strange, but men will rather find cause to wonder that those poor depressed and perishing creatures are not still more desperate.

Many other heavy impositions might be named, which, since we have not now a proper state of the whole before us, I forbear at present to mention.

I confess (said Mr. May) we have a melancholy and deplorable prospect before us in looking into the taxes and impositions of this island; but since, by the redemption, several of

the most insupportable of those duties may immediately be either rendered more easy or wholly taken away, and that against another year new books of rates may be framed, whereby the whole present home and foreign excises and other impositions may be so regulated as to be rendered abundantly more easy to the people.

But may not the public credit suffer by such regulation (said Mr. Far) ?

Not at all (replied Mr. May), but on the contrary be greatly raised and strengthened, since, by the redemption, the public revenues and taxes will be made of a-piece, as well as the public debts ; and since from thenceforth, notwithstanding the great diminution of the taxes, the revenue will not only be put on the foot of advance, but those public creditors who for the future shall not like the alterations to be made of the fund may from time to time have their money.

That is a complete answer (replied Mr. Far), and I am in hope, now there is peace, and that the heat of feeling seems at a stand, something will be permitted to be done in this great and necessary affair of the redemption.

Somewhat done in it (said Mr. May) ! it must be all done, completely done, or otherwise it will signify little to the purpose ; a piece of a redemption, with some little bits of tricks in it, will never do ; but, whatever present ease it may seem to give, may rather tend to the increasing and inflaming the distemper than the curing of it in the end.

Why may not a piece of a redemption (said Mr. Hope) do as well as a piece of a revolution, a piece of a bank, a piece of an union, and such like ?

It is always from want of understanding, good nature, good meaning, or from all of them (said Mr. May), that men incline to do things by halves and quarters which ought to be done at once ; particularly in the present case, a complete redemption is absolutely necessary, since less than that will not effectually pave the way towards redressing the present national grievances.

Certainly none but some of those concerned in the public securities can be against a complete redemption (said Mr. Hunt) ; and if there be any such it might be proper to ask them how far they think the values of the public securities might last year have sunk if the rebels had only advanced within a hundred miles of London instead of being repulsed at about twice that distance ?

How far would they have sunk (said Mr. More) ? possibly the annuities for terms of years and other public securities might in that case have been reduced to a moiety, or under, of their original values ; I mean of the money at first advanced.

The expense of that early and seasonable repulse (said Mr. Gage) was defrayed by the land and labour of Great Britain, and not by the men of new estates, who of late take so much upon them ; why should not these national contributors have a little benefit of this great rise of stocks as well those immediately concerned therein ?

It seems highly reasonable (said Mr. Grant) that those who by contributing 4*s.* in the pound on their land rents, 6*d.* per bushel on malt, and otherwise, to the value of 3,000,000*l.* or more in taxes towards suppressing the rebellion, and consequently towards upholding the public securities from falling at least three times as much, should reap some benefit of that advantage, and of the present security.

Consider (said Mr. More) that only some of the men of that sort of traffic, and not all of them, are so unreasonable to think or speak otherwise.

Possibly (said Mr. Heath), had due application been made to these men of new estates, they might cheerfully have contributed three or four millions, or some such sum, as being but a small proportion of their property, towards suppressing the rebellion, and consequently preserving the rest ; and thus in that case at least have prevented the present objection against their having the sole benefit of the now advance of the stocks and securities ;

but I hear not that any such application was ever made to them,—was not that an omission?

Such applications, in my opinion (said Mr. Sands), must have been to little or no purpose, or it may be to very ill purpose, since dependence on men of such tempers and circumstances in any considerable exigence would I doubt have like effects with that of leaning on the reed of Egypt.

I confess (said Mr. Grant) their conduct gives little hope of their steadiness, especially in their present circumstances; but methinks, by the tenor of our conversation to day, the debates about the redemption seem to be much exhausted, since we begin to return upon the same things already said, only in other words or phrases; therefore, continued he, I move that the club conclude the affair of the redemption; but that during a further adjournment the committee be directed to proceed in their inquiries with all possible diligence, particularly in that of stating the public revenues, taxes and impositions, and what may have relation thereto.

After a considerable pause,

Mr. Jones from the chair said,

That during the last recess he had carefully perused the journal relating to the redemption, and that on full examination of all the particular objections, or rather scruples, he found them not of weight with regard to the whole; that they were generally moved from the humours and circumstances of particular persons without any view to the public good; that all of them together, who had so much as any colour of a pretence, taking them even their own way, would hardly amount to six months' purchase in the redemption.

In which case, continued he, every one, as far as possible, is proposed to be restored to his own; and those who have advanced their money on the public faith or credit are even admitted to retain somewhat more.

Less than what is due ought not to be offered; yet the giving of considerably more would be not only unnecessary and

officious, but a great iniquity and oppression, in taking from the poor and indigent only to give or allow to those who can well help themselves.

Mr. Jones concluded in saying, that since the club have been for near seven months past on this subject of the redemption, during which time all the most material things, pro and con, seem to have been said, it may now be proper to adjourn for some considerable time to see what turn this weighty affair will take.

Then the club adjourned to Wednesday, the 20th of March next.
