

In Europe England had been fighting France, Spain, and Holland for twenty-five years. In 1782 she faced the armed neutrality of Russia, Sweden, Denmark, Prussia, and the Empire, that is, practically the whole world of that day. In November, 1781, a loan of £21,000,000 realized only £12,000,000. The National Debt had risen to £80,000,000. In the autumn of 1782 fresh disaster came. The fleet of Kempenfeldt was too feeble even to face a French squadron. St. Eustatia, Demerara, Essequibo, St. Christopher, Nevis, Montserrat, and Minorca were lost. Gibraltar had been beleaguered since 1779.

Again, Canada at the time had merely a nebulous existence. To Mr. Oswald, one of the negotiators of the Treaty, "the back lands of Canada was a country worth nothing, and of no importance." To so well informed a man as Burke its value was only that of a few hundred wild-cat skins. Voltaire, for the French, had long since described it as nothing more than a few acres of snow. The American Commissioners did not hesitate to put in a plea that "England should make a voluntary offer of Canada;" and Benjamin Vaughan on the opposing side has left it on record that "many of the best men in England were for giving up Canada and Nova Scotia."

The Treaty of Paris was executed in England's last extremity. Lord Shelbourne, the Secretary for Home Affairs, although in 1766 he attacked the policy of the Stamp Act and assisted in passing its repeal, and in 1768 opposed coercive measures against the colonists, was obliged to declare in 1782 that "to nothing short of necessity would he give way." But he yielded in the best possible temper. On July 27th, 1782, he wrote to Oswald: "You very well know that I have never made a secret of the deep concern I feel in the separation of countries united by blood, by principles, habits, and every tie short of territorial proximity. But you very well know that I have long since given it up, decidedly though reluctantly, and the same motives which made me, perhaps, the last to give up all hope of re-union, make me most anxious, if it is given