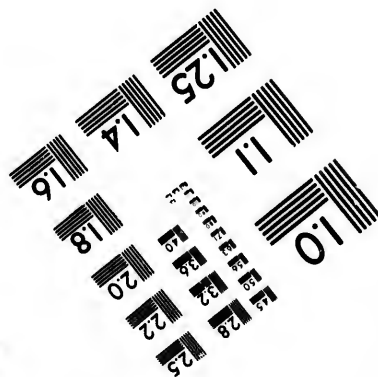
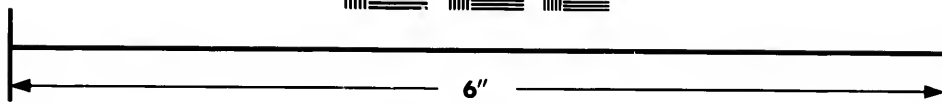
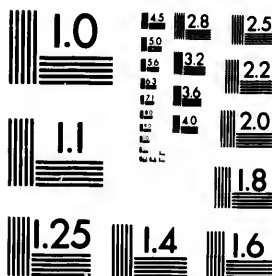


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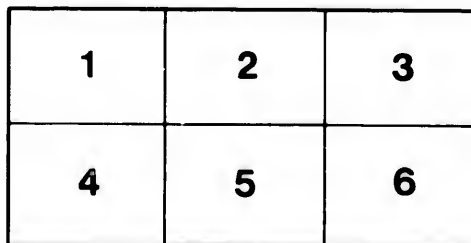
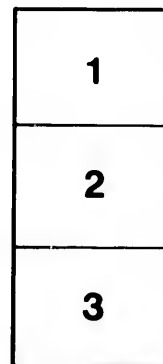
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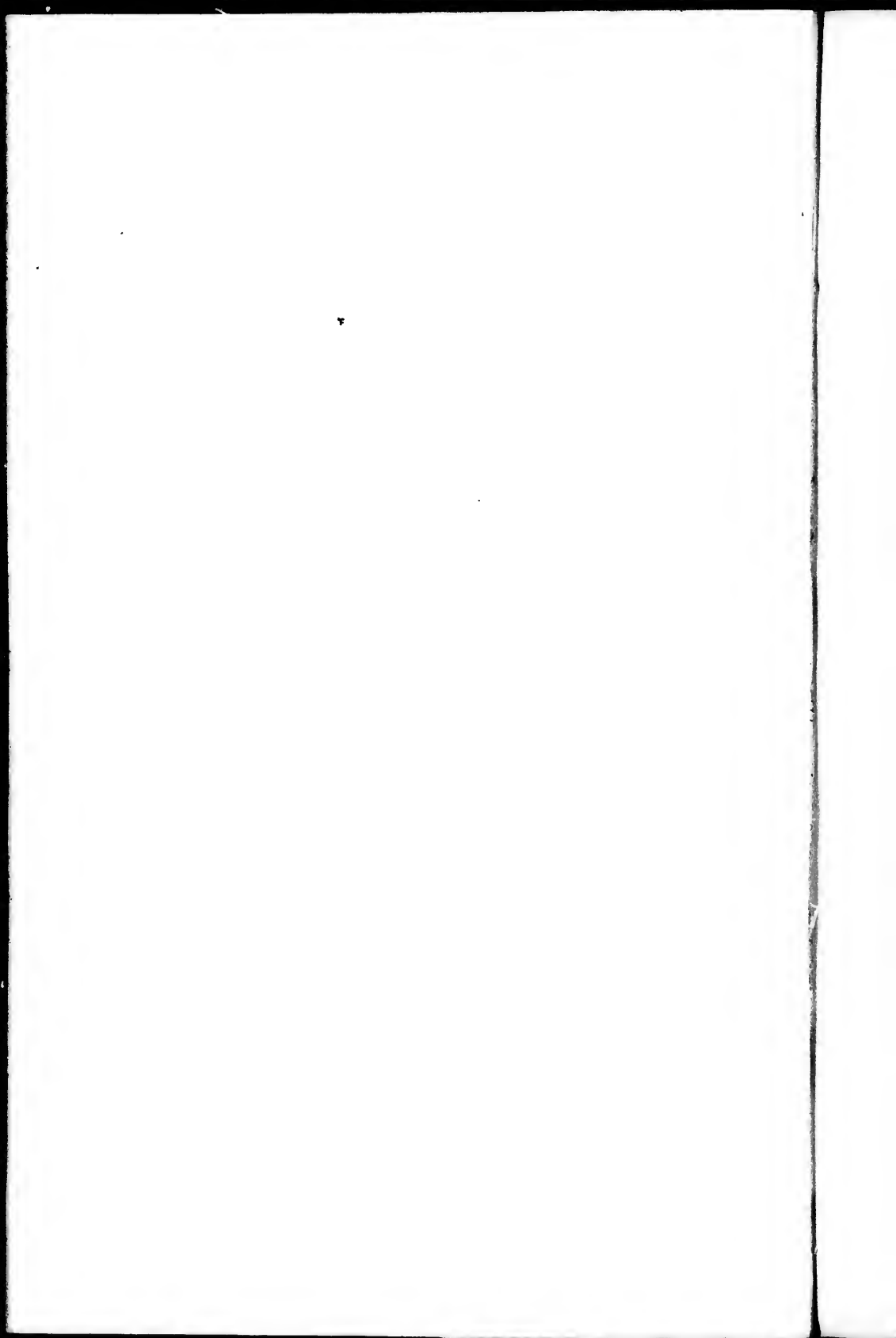
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**FINANCE AND COLONIES.**

1

10

THOUGHTS  
ON  
FINANCE AND COLONIES.

BY  
PUBLIUS.

"And I heard a voice, in the midst of the four beasts, say, A  
"measure of Wheat for a penny, and three measures of Barley for a  
"penny, and see thou hurt not the Oil and the Wine."

Revelations vi., 6.

London:  
SMITH, ELDER, AND CO., CORNHILL;  
OLLIVIER, Pall Mall.

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1846.

NW  
325  
W727

LONDON :  
Printed by W. Crows and Sons,  
14, Charing Cross,

TO HIS COUNTRY,

PUBLIUS

DEDICATES

"THOUGHTS ON FINANCE AND COLONIES."

31480



## TO THE COURTEOUS READER.

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THE substance of the following Chapters was written antecedently to recent political events. These, however, have been treated with the consideration and respect which their great importance appeared to require.

PUBLIUS.





## PART I.—FINANCE.

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### CHAPTER I.

#### THE SYNOPSIS.

IN examining a piece of complex and delicate mechanism,—suppose it to be the highest triumph of modern genius, the chronometer with the Arnold escapement,—the first thing that impresses the eye is the exquisite finish and beauty of the workmanship, and the wonderful regularity and smoothness of the movement; while the conviction is undoubted, that there is, and must be, not merely a relation, but a fitness of the parts, which are thereby bound together as a whole, in a character of unity, harmony, consistency, and strength. Few, however, are aware, and perhaps no one but the inventor perfectly understands, how peculiarly sensitive and nice has been the adjustment requisite to give it its true value as a measurer of time. If from this beautiful model of perfection in the field of dead matter, we turn our contemplation to the Government of a country, which may be truly described as the living instrument of God's providence over the ways of His people, and study it with a care proportionate to its vast importance, we find a variety in the parts, so endless that we can hardly discern their number, combined with a concatenation so complex and subtle, that the most skilful analysis can hardly bring their mutual and dependent relations to the light of the eye, and the comprehension of the mind. And thus far the beautiful invention, which we introduced in the beginning to the attention of the reader, resembles, though faintly and at a distance, the Government of a country. But there the resemblance ends. In the

latter there is a something still, infinitely beyond and higher. In the case now before us, both that which governs and that which is governed, is endowed with the mystery of life—life, not merely as regards the present world, but as regards the world to come—life, not in one part, but in all, not in unconnected parts, but in parts most intimately connected and united, and ultimately perceived to be vitally bound together as a whole—as a body; as a living national body, in a state of oneness: and so bound up into a form and being of unity, that in the sublime language of the Apostle, from whom, writing of the unity of the living Church of Christ, the illustration is derived, “if one part suffer, all the parts suffer with it, and if one part be honoured, all the parts rejoice with it.” This presumes the national body, like the Church, to be throughout in a condition of unity and fellow feeling. We mean not to pursue this illustration further: we have employed it as enabling us to express the more emphatically our utter dissent from, and disapprobation of, the narrow, circumscribed, and party view, promulgated in a recent manifesto from Edinburgh—which is justly regarded as the new nucleus of a party warfare—that the question of the Corn Laws, whose abolition is now called for, is one exclusively between the aristocracy on the one side, and the people on the other. Notwithstanding a few honeyed sentences which followed that declaration, in respect to the hereditary glories and achievements of the Peers of the realm, the effect of the manifesto has been, to direct the eyes of the nation to a few hundreds of high and mighty lords, as dissociated from the body of the people, and standing between them and the bread that keeps them alive. That the aristocracy are involved in the question is undoubted: but they are involved not apart and alone, but as component parts of the whole: their interests are so intimately and essentially bound up with those of the nation at large, that what is good or evil for the nation as a whole, must be good or evil for the aristocracy also; a part, a most important and vital part of the body of the nation. Neither they, however, nor the agricultural interest generally, of which they are the more prominent parts,

will be those most affected by the abolition of protective duties. The landed proprietors of the kingdom have only to give their tenantry leases of twenty or twenty-one years, with rents partly in corn, partly in money, and they will have nothing to fear from less of protection. The agriculture of Britain is about to start into the foreground of competition with that of the world at large; and when freed from the protective duties of manufactures, it will have the same success in exportation, that some fifty years ago first dawned on our manufacturing interest—a success which, in spite of higher prices and taxation at home, they have since maintained through their energetic application and never-halting career of improvement. It was the discoveries in mechanics, in machinery generally, and the successful application of steam power particularly, that enabled them to do so: and now, at the distance of fifty years, agriculture, by what we humbly deem a providential impulse to meet increasing numbers, with increased and increasing supplies, is about to enter on the same onward course with her more advanced though younger and far less interesting sister. Chemistry, in which however the foreign manufacturer excels the British, is the great help and handmaid to both; but in agriculture, chemistry is concerned with the unrevealable mysteries of life in the animal and vegetable kingdom: while in manufactures, she has for companion the wonders, but hardly to be termed the mysteries of mechanical philosophy, exciting motion, but not life, over dead materials and fabrics. But neither agriculture nor manufactures will be most affected by the removal of protection. It is our “manualists,” for so we choose to name them, who have most to fear,—those who make up articles for wearing on the person, and articles of vertu—in the making of which, great manual dexterity is required, and in which, generally speaking, they are surpassed by foreign ingenuity and taste—hats, caps, bonnets, boots, shoes, gloves, gowns, coats, millinery generally, watches, jewellery, &c. &c.: and it is more for their sakes, that they may have time to study and improve, than for the sake of agriculture and manufactures—both of which it is well known receive far less protection from

the tariff, than those we have called the "manualists"—that we earnestly hope the nation will allow breathing time in its work of abolition. Without it, that which would be a national good, would prove to be a national evil. Now it is in this view, this true and catholic view of even-handed justice and strict integrity in dealing with vast and intricately involved national interests, that the question in the manifesto from Edinburgh should have been ushered into public attention and urged on public consideration: and the appeal should have been made, not to the easily roused intolerance of plebeian passion, but to the sedate intelligence of a free and just people—not with invective, utterly unjust, and apparently envious, against the possessor of power, but with the generous testimony, always the more appreciated when coming from a conscientious opponent, to the services already rendered by the Minister, in the course he was recommending—services better and far greater than had been rendered by any or all of his predecessors—services which had removed from prohibition its most repulsive features and most painful privations—and services naturally encouraging the cheering hope, that he who voluntarily and without consultation with the writer of the manifesto, had begun the good work of relaxing the fetters of industry, and scattering plenty over the body of the nation, would, as soon as time (a necessary element in all change) permitted, carry the work which he had so successfully begun, to a glorious and triumphant issue. But this by the way.

"England," said an illustrious warrior, "cannot have a little war;" and in like manner, the leader of the opposition in the Commons will find that his war against the Corn Laws will not be a little war,—that the Corn Laws form part of a system, called the Protective, which has existed in all our past history, over every branch of industry of whatever kind followed in the nation, and that his war against the part is a war against the whole; that all the parts of the protective system must stand together or fall together,—and that the question which he has mooted is not a purely domestic one, vast as it is, and complex even in that character, but colonial also and international;—that it extends its range to our most

distant colonial dependencies, and brings under momentous consideration, the present and future condition of our foreign relations. "Protection to all," or "protection to none," is the basis of all just legislation: and along with the abolition of protection to agriculture must come, *pari passu*, the abolition of protection to the manufacturer and the manualist; the abolition of those parts of the existing monetary charters which convey the privilege of issue; the circulation of a paper purely national, guaranteed by the nation as a whole, and managed by a rigidly controlled Parliamentary Commission: the adoption of an entirely new and permanent system of finance; and the abolition of differential duties in favour of our colonies. Along with this last will have to be considered the question of colonial independence, and the influence thereby exercised on our international relations. These last we shall endeavour to treat of in the second division of our subject; at present merely adding, as a general example, that it is evident that the measures of the Minister of Finance have their bearing directly on the political department conducted by the Foreign Minister, and on the relations subsisting between the mother country and the colonial dependencies; and on the other hand, that the political measures of the Foreign Minister, and the greater or less affinity preserved between the parent state and the colonies, by influencing the commercial proceedings of the people at large, influence the financial measures of the Chancellor of the Exchequer. It is as a question having the wide and varied range assigned to it above, that we have endeavoured to treat the subject of the abolition of the protective system;—actuated by one only motive, the desire of doing good. We have endeavoured to point out the manner in which, gradually but simultaneously, protection may be removed from each and every part of the commercial interests (using "commercial" in its most extensive sense, as comprehending all the mundane relations and engagements of the people); and our firm persuasion is, that the only thing required to give it that consummation which every true friend to his country must desire, is a little patience from the nation, and a little time for the removal of pro-

tection. We suppose the time to commence in the present year, and propose it to continue for fifteen years; we propose a slight re-casting of the Corn Laws and of a few items of the Tariff, for 1846; we then separate the remaining protective covering into five folds of equal thickness, one of which we suppose removed every three years, till the fifth and last disappearance in 1861. (There are strong financial and political reasons for fixing on the year 1861 as the limit of protection.) The act of changing we call the "transit of the commercial system over the nation;" and, in connexion with COLONIES, we have presumed to introduce the name of the Prince Alfred, Her Majesty's second son—the nameson of the illustrious founder of the English monarchy, who is prominently brought forward in the second part of the subject, and of whom, the Pollio of our theme, we will only now say—

‘Magnus ab integro sæclorum nascitur Ordo.

\* \* \* \*

Incipe, parve puer, risu cognoscere Matrem.’

It will form part of the task we have undertaken, calmly and dispassionately to point out to the landed interest, the great evils of Corn Laws on the general condition of the country—their own necessarily included. On the other hand, we assert fearlessly, and after a most careful and disinterested analysis of the whole case in all its bearings, proximate and remote, that unconditional and immediate abolition of the Corn Laws is entirely out of the question; that the latter would entail most severe suffering on most important and meritorious departments of industry, long used to protection as a sort of second nature—and that the former would be a violation of the first principles of political rights and duties: that abolition, in order to be a blessing and not a curse, must be gradually carried out with submissive deference to that law of population and its adjuncts which we have developed in the Second Chapter, and must be general over the whole system, not partial over a class. Let the agriculturists take confidence, and be assured that their

interests are in safe hands—hands that will hold the scales of justice evenly, and not yield to dictation from a party, come from what quarter it may. The manufacturers would do well on their parts to cease attacking so unfairly their friends and supporters, the agriculturists, and to mind their own business, and study to improve their manufactures to the uttermost. They may depend on it, that when the hour comes for throwing off the protective covering under which the nation in all its branches of industry has hitherto gone on, they themselves will need all their skill, energy, and capital, to enable them to meet successfully some of the manufacturers of Europe, when these are admitted, as in the commercially free era they will be admitted, into our home markets, with their bales of cottons, linens, silks, woollens, gloves, boots, hats, coats, bonnets, and all their elegant finery, entirely free of duty. These things will assuredly happen—let them take heed to their own ways—on that very day when the Corn Laws are finally abolished. The protective system must be preserved as a whole; and diminished gradually, equally, and impartially over all, without exception. We are enemies to agitation, having seen in our days how greatly it impedes the progress of good government; but the agriculturists, by adopting as their motto, “Protection to all, or protection to none,” will easily prove that the weapon with which they are attacked is not merely sharp, but two-edged—a weapon of defence and a weapon of attack.

Legislation must never be partial or one-sided: and it accords with the first principles of fair dealing, that, if the agriculturist be compelled to sell—we do not say in the cheapest market, for that would be absurd but—in a mart open alike to all the world, he should likewise be enabled to buy for himself all the means and appliances of his business, in the cheapest market that he can find: that the bricks, tiles, and slates employed in his buildings and drains, be free from excise duty: that the timber, iron, and leather, of which his ploughs, waggons, and harness are composed, be free from customs' duties levied on the foreign: that the tax on malt, which cramps the sale of his barley, and interferes with the good management of



his land, be entirely repealed: that he be allowed to have his coffee and sugar from abroad, wherever they are to be had cheapest and best: that he be at liberty to furnish his house, and clothe himself and his household with woollen, cotton, and linen goods, with hats, shoes, and wearing apparel generally, wherever they may be had cheapest, and made up cheapest: and the landowner is entitled to ask, in return for his peculiar concessions, that his wine, which is to him what ale is to the farmer and beer to the labourer, should be had at home as cheaply as it can be procured abroad; also, that not merely his own finer apparel, but that the silks, dresses, gloves, bonnets, shoes, and jewellery of all kinds, which are indispensable portions of his lady's wardrobe and toilette, should in like manner be had as cheaply in London as in Paris, Brussels, Berlin, and Vienna. And further, while all are particularly interested in the state of the monetary circulation, with respect both to safety and to regularity, the agriculturist is especially justified in asking, that, as his sales are chiefly in the home market, his prices—on which mainly depend his profits—shall not be exposed to those capricious fluctuations in the value of money which are produced by the gambling speculations of the manufacturers, combined with the countenance and support they now receive from banks that issue paper for mercantile profit, and thereby unnaturally influence the state of the foreign and domestic exchanges by alternate rise and fall: that all banks of issue be converted into banks simply of deposit and discount; and that one bank of issue be established by Government, under the management of a closely guarded Parliamentary Commission. Without such mutual concessions, the abolition of the Corn Laws as a single solitary act, would be the height of injustice, oppression, and crime: the balance of taxation hitherto maintained between agriculture and manufactures would be destroyed, and the former would of necessity succumb to the latter. If the manufacturer cry out, Give us corn as cheaply as we can have it on the continent, we can then manufacture for you and all the world,—the agriculturist is equally entitled to say, Gives us manufactures as cheaply as we can have them on

the continent, and we can raise corn sufficient to supply every want at home as cheaply as on the continent, and even to export for abroad. Neither of the two would be right in their positions, since both are mutually dependent: we merely shew in what way the agriculturist may meet the current staple of manufacturing harangue by the 'argumentum ad hominem,' and the 'tu quoque.' But on the other hand, if all the other vested and protected interests of the nation consent to the settlement we have named,—and no other would be consonant with justice,—we ask the agriculturists, whether landowners, farmers, or labourers, what they have to apprehend from the loss of protection. Let them rest assured that the sooner an arrangement on such an equitable basis is entered on, the better for them. We suspect, however, that it will not be they who will be the first to retreat from the proposition as now advanced.

It is almost unnecessary to premise, with reference to what follows, that along with the above arrangements is involved not the question of fidelity to national engagements,—(for, thank God, all parties in the State concur in regard to that; ours is no 'punica fides,' no system of repudiation,)—but the question of the mode of maintaining such a balance between revenue and expenditure, as may enable us to meet with punctilious and scrupulous integrity, every engagement, however improvident and injudicious, that the nation may in past years have entered into. The maintenance of national faith is the first consideration with us as with every honest people, and with every honest man—the consideration, to which, as paramount, every other must be subordinated. But while all among us acknowledge the end, as the point of honour and the goal of duty the question of the ways and means to that end is open to full, if it be fair, consideration; and we shall have to discuss the subject of an income tax, not merely on the comparatively narrow and low basis of a means of revenue, but as a condition in finance, indispensable to the impartial distribution of justice between two classes—one of them till the accession of the present Government but little thought of for many previous years—the

rich on the one hand, and the poor on the other. The two classes no doubt run almost imperceptibly into each other, from the two opposite extremes of superabundant wealth, and frightfully sunk poverty; and the difficulty for the Minister lies in drawing the line of demarcation between them. And one writer of some note on political economy, has lately come forward, and on the simple ground of the difficulty of drawing that line of demarcation, and of subsequently adjusting between the subdivisions of rich on the same side of the line, has boldly proposed, that the attempt of setting up a landmark in taxation,—which the present righteous administration introduced as a means of meeting temporary defalcations of revenue, and as a subject of subsequent consideration for the nation, after experiencing the effects of its weight and position,—should be utterly and for ever set aside, as not merely inexpedient, but unjust. We shall have occasion, in the progress of our subject, to comment fully, and to some it may appear severely, on the dogmas and positions of that writer. At present we will merely observe, that he appears to us to have been frightened from his propriety by a spirit of his own creation, by a difficulty that would make a schoolboy smile, by a puzzle that would be as amusing and instructive, were not the consequences of his theories, if carried out, so fearful, as that of the juvenile problem of “the swift-footed Achilles and the tortoise,” involving, as every one knows, the impossibility of the former, who could overtake the war chariot of Hector, coming up with the latter.

The assertion may appear somewhat bold, but we believe it to be true, and hope to demonstrate its truth in the sequel, that it is the operation and treatment on the part of the Minister of Finance which ultimately (we do not say immediately, but, sooner or later, ultimately) determine the relative conditions of the various classes and grades of society. It is the motion of his hand over the surface of the body politic which determines—not indeed the aggregate of national wealth, for that is essentially distinct, and depends mainly on the nature of the country and the character and conduct of the people—but the mode of its arrangement, subdivision, distribution, and circulation among

the mass. We have before stated, that the balance of taxation between agriculture and manufactures has been hitherto tolerably well preserved—perhaps slightly inclining so as to favour the former, but far less than is generally supposed; but we proceed to observe, and we invite particular attention to the statement, that there is a balance to be maintained in taxation infinitely more important to the nation than that between agriculture and manufactures—a balance thrown aside from the termination of the war (at least from 1816) till that which we hail devoutly as the commencement of a new era—as the ‘*annus mirabilis*’ of the nation—the year 1842. The due maintenance of that balance, which was destroyed by the Whig opposition and the misnamed “Independent Party,” in 1816, is the first and highest of all the duties, and the greatest of all the merits, of a Minister of Finance; and we need hardly add, therefore, that we mean the balance of taxation between high and low, between rich and poor. The balance between agriculture and manufactures may be tolerably well preserved; while, at the same time, the balance between rich and poor is subverted—for the two balances are entirely distinct in character and in result, originating in elements essentially different. The balance between agriculture and manufactures is maintained by two reciprocal sets of *protective* duties, while the balance between rich and poor, the equipoise of apportionment between these,—which, we repeat, is the first and highest of all the duties, and the greatest of all the merits, of a Minister of Finance,—can only be maintained by a due balance between direct taxation and indirect (the last without being protective): in other words, by the means of an income tax on the one side (which we wish to include every direct tax), and a moderate proportion of indirect taxation, common to all, on articles of general consumption, every part of which pays duty, (as cocoa,\* coffee and tea, sugar and molasses, spirits and wine, tobacco). We shall hereafter shew, that indirect taxation, though common to all, yet bears so unequally on the side of poverty, that unless it

\* We name these, because we subsequently set them apart as the articles from which alone we propose indirect taxation to be raised.

be met by a countervailing tax (subgraduated in the manner we shall point out), levied directly on the side of property, and in the form of an income tax, the former are gradually, but inevitably, more and more depressed, and ultimately merge into the condition of serfs: and we shall also prove, that the protective duties are only peculiar items in the general indirect taxation,—that they are merely put on to balance agriculture and manufactures against each other,—that their tendency is to weaken both, and that they yield a miserably small sum to the revenue, which would be benefited greatly by the expansion of its legitimate sources, were these two sets of protective duties simultaneously abolished.

If in any country the proportion of taxation incline against the lower classes,—which is certain to be the case when the greater part of the revenue is derived from the indirect taxes,—we shall find the upper classes of society immensely rich, and the lower classes frightfully poor: and not only so, but, by the continuance of the system, the upper classes becoming richer and richer, and the lower classes poorer and poorer,—the former becoming richer as the latter become poorer,—the former made richer at the expense of the latter made poorer; the distance between the two gradually widening till a hideous gulph yawn between them, the sure forerunner of revolutionary chaos: and all this through the maladministration of the Financial Department of the State.

On the other hand, we readily grant, that taxation may descend too heavily on the higher orders of society, in which case they would assuredly crumble away under the consuming influence of the unequal apportionment. And this would happen, first, if taxation were wholly direct, and the direct tax, instead of descending downwards through the lower classes, were to stop on arriving at them; or, secondly, if proceeding from the lower classes, the direct tax were to ascend to the upper classes in a ratio increasing with the increase of property. Direct taxation, of which we shall treat more particularly hereafter, would be the most equitable of all, could it be carried out on a just principle through every grade, from the highest to the

lowest ; but it is utterly impracticable among the lower orders, both on account of the great expense of the collection, of their improvidence and disaffection, and of the power which numbers always possess to resist a direct tax by concert and combination. But over-taxation of the upper classes only happens in seasons of revolutionary violence ; for the power of the State rests permanently with them. The two inequalities were most impressively exhibited in the times prior to, and immediately consequent on, the French Revolution. Prior to that event, the higher orders were almost entirely untaxed, and nearly the whole burden rested on the lower : but a terrible retribution was exacted during the revolutionary period, when, by confiscation, the guillotine, and the issue of assignats, the higher classes almost disappeared, the order sinking beneath the surface, and becoming lost in the general confused mass.\*

Divided as society is by the dispensations of Providence into two classes of rich and poor, whose natural and relative positions it is the duty of the Minister of Finance not to interfere with by unfair apportionment and unequal pressure ; and, impossible as it is, from the reason we have stated, to reach the lower orders by direct taxation, it is utterly impossible, on the one hand, to dispense with indirect taxation—which is the poor man's tax and the rich man's safeguard,—and on the other hand, to dispense altogether with direct taxation, which is the rich man's tax and the poor man's charter of life and liberty. It matters not whether the aggregate of taxation be light, or whether it be heavy,—whether the country be in prosperity, or whether in adversity,—whether in peace, or whether in war ; these two, the part direct, and the part indirect, must ever co-exist together, if we would maintain, in due harmony and health, the providential arrangements of society. In a case of proportional equipoise of taxation, the whole, like the relative parts of the natural body, in health and in sickness, will be in health together, when peace and plenty are on the earth, and on the other

\* At present, however, owing to the greater proportion of direct to indirect taxation, (which are as one to two, nearly, in forty-five millions sterling), taxation is more equitably apportioned in France than with us.

hand, will suffer and sympathise together, as still in unity and fellowship, when Providence permits the scourges of war or famine to afflict them. In the case of peace, taxation will be made lighter by a proportionately equal reduction of direct and indirect taxation; in the case of war, it will be made heavier by a proportionately equal addition to both.

We shall now glance slightly at the financial condition of the country during and since the late memorable war. We are not going to comment at present (as we shall hereafter touch on the subject) on the unpatriotic system of loans, even in war, and the ruinous practice of funding in stock at a low rate of interest. The evils of these things are now well understood; and we would merely observe, in passing, that had the ten per cent. Property Tax as introduced in 1806 by the Fox and Grenville Administration (who patriotically doubled Mr. Addington's of 1803)\* been in existence from the beginning of the war in 1793, there appears no reason to doubt that the supplies would have been raised within the year, that the previous small amount of debt would, since the war, have been cancelled, and that we should at this moment be without a national debt! Notwithstanding this it was the case, that during the progress of the war, the balance of taxation between rich and poor, which, as we have before said, ultimately determines their relative conditions, was tolerably preserved—arise in indirect taxation being accompanied with a corresponding rise in direct taxation, and as a consequence, all bore alike, prospered alike, or suffered alike. But we had not, during the war—indeed we could not have had—that most sad of all conditions and most revolting to every humane and proper feeling, which followed the war, that of the rich prospering while the poor were suffering, and riches swelling outwards and upwards, as poverty contracted and descended in the scale. It was the total repeal, instead of the partial reduction of the Property Tax, in 1816, which completely destroyed that balance of taxation, of which we have been speaking, between rich and poor. That repeal left an enormous

\* The tax had been previously raised to 6½ per cent.

and most disproportionate load of indirect taxation behind (the proof of whose unequal bearing and depressing influence on the lower classes we shall hereafter enter on); and by so doing, and by its effect in tying up the hands of the Chancellor of the Exchequer, who could not, consistently with the maintenance of national faith, make a single move of any moment for years afterwards in the way of relief from indirect taxation, was the cause of that wide-spread and deeply-seated distress which immediately afterwards descended like a thunderbolt on the great mass of the nation, paralysing the sinews of the State, cramping and fettering industry, and destroying happiness at their highest and inmost sources. Under the influence of that most baleful and blighting measure—the balance of taxation between rich and poor no longer existing, wages necessarily fallen, (they fell thirty per cent), and the means of life kept necessarily high—the nation staggered and reeled like a drunken man, like a vessel suddenly deprived of rudder, when the wind has ceased to blow, (for there was peace abroad,) but the sea is still swollen and agitated. It was not the Tory administration of that time, but the Parliament, or rather the majority in Parliament, consisting of the Whig opposition led by Mr. Brougham, and backed in that instance by the Independent Party, who, instead of merely reducing in corresponding proportions the aggregate of taxation, both direct and indirect, destroyed the direct entirely, or almost entirely, by the total abolition of the Property Tax, shifted the burden of taxation almost entirely from their own shoulders, able, but impatient, and left nearly the whole load resting on those of the poor, unable to bear the weight yet unskilled in detecting the fallacy of the principle, and the injustice and cruelty of the proceeding. So violent was the deviation from the first principles of what an Englishman loves above all things in the world—fair play, fair play to all,—that the only apology which can be offered for the step is, that the nation, from the long continuance of the war, was in danger of a collapse from the sudden suspension of previously overstrained exertion, and reflected not on what it was doing, and what the consequence would be; knew not that the necessary result of the new



inequality of the pressure of taxation would be an impoverishment of the lower extremities of the body, and a violent determination of the life-blood to the head and higher portions of the national system.

These things, like other portions of philosophy, become, first of all, subjects of *à posteriori* investigation; but it is not too much to say, looking back on the past from our present position and condition, and reasoning forward to the future,—it is not too much to predicate with perfect confidence and almost mathematical certainty *à priori*, as regards time to come, that such will be the invariable and inevitable consequence of so wide a departure from the principles of equitable apportionment and adjustment, in the financial administration of national affairs. The proceedings of Parliament were significantly characterised by a distinguished statesman of that period, as “exhibiting an ignorant impatience of taxation”—as “shifting the burden from their own shoulders and leaving it on the poor;” but they might have been described yet more graphically and justly, as “a direct robbery of the poor by the rich”—terms nearly similar to those in which they were denounced by the Chancellor of the Exchequer. It would of course be alike absurd and unjust to impute evil purpose or factious opposition to those who advocated and carried that repeal. It was hailed as a godsend by a great part of those affected by the tax (when was the repeal of a tax otherwise than agreeable?): for the nation—perplexed and suffering in the novel, and, strange to say, the almost irksome state in which it suddenly found itself, (so hardened had war rendered it,) the state of peace—in its desire for relief, combined with its ignorance of what would give it relief, (for permanent relief can never come from injustice,) gladly took, believing it to be a healing and composing draught, that which was and proved to be, a rank and noxious poison. But that forbearance which is proper in our interpretation of the proceedings of the opposition, cannot possibly be extended to the conduct of Lord Liverpool, whose tame acquiescence on that and other matters (which it would be out of our province to notice here) was the real cause of all the exhausting struggles and sad evils that came over the country immediately after his

death, and which have only begun to find their termination since the accession of the present Government. His lordship, on being bearded by the miserable section of the Independents, in a measure which the Administration, declared to be so important, necessary, and vital,\* ought instantly and peremptorily to have resigned. He owed this to the Administration, which immediately lost character and power from his want of firmness and dignity; he owed it to the country, he owed it to himself. He was guilty of a dereliction of duty to the State. The consequences that would have ensued from the adoption of a manly and proper course are obvious at a glance. Unsupported by the Prince Regent, and abandoned by the Independents, the opposition would have been altogether unable to form an administration: the Independents must have yielded; the Government would have been reinstated within a week, and their Property Tax of five per cent. must have passed through the Commons in spite of all opposition. If all this had been done,—if the Property Tax, instead of being repealed, had been reduced from ten to five per cent., and a corresponding reduction been at the same time made in the taxes on the necessities of life, all would have gone well with the nation;—the sound of the hammer would have been as rife as ever on the anvil; the rattle of the shuttle in the loom been as continuous as before; and not only peace and prosperity, but plenty also, would have been in the land and among the people; for agriculture, enlivened by the action of the others, would have prospered with a very moderate scale of duty.—And we beg particular attention to what we now state: *the termination of the war was the proper period for abandoning the protective system in toto.* Not a country in Europe, Britain alone excepted, that had not been trodden down by the desolating footsteps of war. On the continent, agriculture disturbed and uneasy, manufactures weak and backward, and almost unthought of as a regular national pursuit, England should have taken advantage of the happy moment to throw off all protective coverings, and open her ports and her

\* See Appendix A.

markets fearlessly to the shipping and the produce of all the world. We might then, with the utmost ease and safety, have accomplished within five years that removal, which cannot, we conceive, be now dispensed with in less than twice or thrice that period,—for the inevitable effect of the absence of the Income Tax, was to impede our own progress (not of course entirely) and to foster that of continental Europe. But under a better system, how different from the period of the war would have been the condition of our commerce with France, with Germany, with the whole of Europe, with America, with the world! Nothing could have stood against the unshackled energy of our people, their then unrivalled power in capital and skill. It is needless, however, to speculate on what might have been: but it is easy, though very painful, to tell the tale of that which did happen under the system that was to be. Our commerce was sentenced to the fetters of protection, and the nation to a prodigious weight of indirect taxation: the hands of the poor man were destined to be cramped and frozen, and his energies consumed in an unequal struggle for the necessaries of life, suddenly, by the fall in wages, placed beyond his reach; his body in consequence became starved, and his spirit broken, and he was gradually changed from the character of an honest, hard-working, independent labourer, to that of a miserable mendicant, receiving work from the farmer as an act of charity, and paid for his labour out of the poor rates.\* A prosperous and gallant people

\* "Though there has been a vast increase of population, and of wealth and comforts, among the upper classes engaged in business during the last twenty or thirty years, and a considerable diminution of taxation, the condition of the work-people has certainly not been in any degree improved, but has rather, we incline to think, been sensibly deteriorated."—*MacCulloch's Taration*, p. 110.

"Unfavourable inferences have been sometimes drawn in relation to the state of the country, from the declining or slowly progressive consumption of some leading articles subjected to taxation. The little increase in the demand for sugar for several years past, the stationary state of the wine trade, and the decreased productiveness of the duties on foreign spirits have been appealed to in proof of these inferences; and it is further affirmed that the increase in the consumption of malt is not such as might be expected. \* \* \* But, however accounted for, the stationary consumption of the above and other articles deserves the most serious consideration. It is doubtful, perhaps, whether the condition of the labouring part of the population has not been deteriorated during the last five-and-twenty years; and at all events, it is but too certain that

were by that blow struck down to the earth, like a noble war-horse, which, after bearing the brunt of the battle, and retiring proudly and in triumph from the well-fought field, is suddenly hamstrung by an accidental blow from behind, and with all his other energies still vivid and unbroken, is converted, by that untimely visitation, into a crippled and downcast cumberer of the ground. The mournful history of England's labouring classes since the repeal of the Property Tax—the poor man's charter of life—is best learned in her hospitals, her poor-houses, her abodes of wretchedness and disease, and in the early reports of the Poor Law Commissioners.\* These all, in language not to be mistaken, echo back the truth which we enunciated at the commencement of our passage on Finance,—that “it is the operation and treatment on the part of the Minister of Finance which ultimately (not immediately, but, sooner or later, ultimately) determine the mode of the arrangement of the national wealth, of its subdivision, distribution, and circulation among the mass.” If the five per cent. Property Tax, and a reduction of equal amount in indirect taxes had existed from the war till now, it is hardly possible to conceive the misery we should have avoided, the progress we should have made, the comfort we should have secured to ourselves, the happiness we should have diffused among the people as a nation. England, instead of being the dearest country in Europe, would have been, in all respects, the cheapest and most desirable. Moreover, her families of independent property, instead of evading their fair contribution to the national revenue and wealth, by absenteeism from home, and colonization of Europe, would, when unable to escape direct taxation, have found that their interest combined

their comforts and enjoyments have not been increased in anything like the same proportion as those of the classes above them. Inasmuch, however, as the labouring poor constitute the majority of the population, their condition is of the utmost importance, not only in regard to their own well-being, but also in regard to that of the other classes. The poverty and depressed condition of any very large class, especially if it be strongly contrasted with vast wealth, extravagance, and luxury on the part of others, is a most undesirable state of things, and one which can hardly fail to produce discontent, sedition, and disturbance of all kinds.”—*Ibid.*, p. 391.

\* See Appendix B.

with their duty to make Old England the place of residence for themselves, and the proper nursery and school for the training and education of England's fair daughters and manly sons; and if, along with this, the political action of the then Head of the Government had been worthy of a British statesman, we should have been spared, in great part, our intestine struggles and exhaustions on physical, political, and moral questions. We should have been fifteen years—(the period of Lord Liverpool's Administration)—fifteen years in advance of what we are;—we should have been, in 1846,—what, under Providence and the present system of government, we believe we shall be in 1861,—the happiest, most flourishing, most powerful, and most united people that the world has ever beheld since nations arose upon the earth.

That England did not entirely sink in the unequal struggle—(for we must remember that the difference between five millions for, and five millions against, is ten millions for, or ten millions against, and that this, continued for five-and-twenty years, amounts to two hundred and fifty millions for, or two hundred and fifty millions against: we are not pretending to actual facts in our figures, but simply explaining our meaning by a general example in numbers)—that England, we say, did not entirely sink in the unequal pressure on the poor as compared with the rich, is mainly, under Providence, to be attributed to the indomitable energy in labour of her industrial population considered as a whole, and to the elasticity and vigour of their moral temperament. “A noble peasantry, their country's pride.” These together enabled them to bear up tolerably under such a cruelly unequal load as, with a nation of less manly characteristics, must have utterly crushed it to the earth, never perhaps to rise again:—for we have only to look at Greece as she once was, and at Greece as she now is,—*quantum mutata ab illâ Græciâ, quantum lapsa!*—to be convinced that it is the moral characteristics which mainly determine a nation's title to the attribute of greatness—that the way to destroy a nation is to destroy its moral independence, and the way to restore it, is to restore moral independence.

But we write with assured confidence of the future, for the signs of the times come to us in characters legible by all. Our people, there can be no doubt, are about to receive the reward of all their trials, sufferings, sorrows, and patience. Under the fostering hands which now direct their affairs, they have already received an emancipation, which four years ago would have been deemed impossible—a vain chimæra—a Utopian fancy: the right path has been not only seen by the Minister, but chosen by him under circumstances that must for ever command the sympathy of every right-judging individual; the right path has been chosen and is about to be entered upon, and henceforth, the national industry, in steady progress to perfect freedom, will advance with giant strides, that will not equal but greatly surpass, the most sanguine expectations. The Minister, in return, will receive the reward which he looks for and regards, the enduring gratitude of a liberated people—of a people who both know what is right, and, like the Lacedæmonians of old, practise it too—of a people, who in defiance of every art to mislead them in their judgment, will know and henceforth declare, that other Ministers added to their toils and tasks, but that he removed the burden too heavy to be borne.

And here we might have paused, but for the events of the passing day. For ourselves individually it might be as well that we did so. We are fully aware that our expression of gratitude for blessings bestowed and to be bestowed on a real right-hearted people, is of poor amount and value: but feeling deeply with respect to the approaching development of our intended domestic policy, and its effect on the body of the people, and not being without uneasiness as to difficulties and obstructions arising in more than one quarter from the impatience of some and the apprehensions of others, no private consideration shall restrain us from now recording, as a duty, our opinion of the character, the qualifications, and the services of him, whose name will henceforth be more intimately interwoven than ever with the present condition and the future history of England. It is right that the people should be reminded of these things; or it is not always that they have over them a qualified Prime

Minister, and they are easily led astray by false representations. Our inadequacy we confess, but the '*mens sibi conscia recti*' we fearlessly assert the possession of; and that is something in faithful delineation. In our murky political atmosphere, dense with the fumes of faction and abounding with thunder-clouds, the rays of truth are apt to be refracted, distorted, discoloured, decomposed, scattered, and even lost; and when we add to this the alloy that enters into the metal on which the impression is first made, that is afterwards brought before the public eye, we shall the more readily understand why photography among us is seldom successful in portraying the characters of our public men.

We dwell not on the period when the father, whom all describe as singularly perspicacious, perceiving in the son's character the dawn of his future rise, declared that he educated him as a future Prime Minister of England; nor on the period when, at Oxford, he carried off the first place in both classics and mathematics—"the double first,"—a noble achievement of high emprise, and of rare and most difficult accomplishment, terminating too often in an early death. In 1819, he was entrusted, as principal, with the ever memorable work of our return to a metallic currency,—"*Mr. Peel's Currency Bill*," for so it has been and will be called, blotting out, we trust for ever, the national stigma of an inconvertible paper circulation. At this early period of his life, he must have laid the foundation of that profound, extensive, and thoroughly accurate knowledge of the principles of banking, which in the last two years has been brought into remarkable and truly wholesome action in his measures regarding the banks of issue of the three parts of the kingdom—measures on the one hand distinguished by a generous regard for existing interests, and advancing as far as it would be safe to go at present, and on the other hand to be hailed as the forerunners of yet greater and better things to come, when the charters shall have expired at the end of the ten years. He was Secretary for Ireland—a most onerous, responsible, and difficult post:—and here the breath of calumny never once whispered, that the political opinions which he held at that period on Catholic Emancipation were ever known to

bias him in the administration of justice, or to render him otherwise than punctiliously scrupulous in the exercise of patronage. He did much at that time to repress outrage by an improved constabulary and magisterial power. In 1835, he frankly declared that Ireland would be his difficulty. It has been the difficulty of every Government. To go no further back than the recent reign of the Whigs—it overwhelmed the Government of the late Earl Grey; and in 1835, the Melbourne and Russell party cowered before it, by an ignominious shelving of the question, on which as a ladder they mounted into power, and allowing agitation its free and full swing. But he added also, that he did not despair of success: and, ‘*experto crede*,’ he knew what he said, for he knew both Ireland and her people of old. Accordingly, in 1843, when the opportunity was first afforded him of proving his assertion, he strangled the Monster of Agitation as effectually and as easily as Hercules did Cacus\* the robber of his herds and the ravager of the country of Evander. About the same time, he set on foot a commission of inquiry into the physical miseries (alas! how many!) of our poor afflicted sister, with a view to meet them as far as Parliament could interpose by remedial legislation,—and the measure, though withdrawn for a season, will again be brought forward. In the session of 1845, he, with a courage and a constancy from which nothing diverted him, laid the foundation stone of a thorough moral reorganisation, on a basis to our eye grandly catholic—catholic in the true and only legitimate sense of the term—the sense which bigots only refuse to admit. These, the first marks of his rule, are evidences of the mode in which Ireland is to be governed. But trees do not grow in a day; and in like manner, time here, as in other cases, must be allowed for the institutions to take root, rise, ramify, and bear fruit. He was Secretary of State for the Home Department—an office requiring energy, firmness, knowledge, and discretion of the highest order. While engaged for many years in the active superintendence of the domestic regime, he was

\* Κᾶκος—a Demon.



also unweariedly employed in poring over the pages of the criminal statute books—a work in itself most laborious and disheartening, yet instructive in solemn and momentous truths, which will never be lost on him. The laws on this subject he found, from their obscure, contradictory, and frequently impracticable decrees, to be not so much the repressors as the encouragers of crime,—and many of them, moreover, had become obsolete from time. The reforms which he introduced in this department of government were acknowledged by all parties to be of the highest merit, and in perfect keeping and consistency with the spirit and the institutions of the times; and that must be a well-earned tribute which party, far from hesitating, pays with acclamation. But further, in his short-lived tenure of office in 1835, he set on foot the Ecclesiastical Commission for the reform of the Episcopal and Cathedral Corporations—for pruning off superfluities, supplying deficiencies, and applying the surplus funds to raising the smaller stipends of the working parochial clergy. The abuses of the Diocesan Courts have also undergone revision, with a view to rectification,—which we may soon hope to see carried into effect: and the time cannot be far off, when a vast improvement in the condition and status of the parochial clergy may be looked for at his hands—for he has not unobscurely indicated such purpose in his rejoinders to the Member for Oxford. And after doing so much for the reform of criminal and ecclesiastical law, we may fairly entertain the expectation that our Courts of Equity and Civil Law will not be allowed to continue much longer as they are; and that ere many years pass over our heads, England will have her Code Victoria—a monument of legislative wisdom, for regulating the decisions and practices of the Courts of Law in civil, criminal, ecclesiastical, and equity causes, by the removal of anomalies, and a vast reduction to both plaintiffs and defendants of those frightful expenses which almost all have, at one time or other, to experience from the “glorious uncertainty of the law.” But, we speak prophetically, the Law will be his Lernean Serpent.—In these varied walks and most instructive schools of political wisdom and

training, he passed the first years of his ministerial existence; and the mode in which he did pass them, is surely the best evidence a country could desire, that now, in the maturity of age and in the plenitude of power, with every faculty as vigorous as ever, he will not be unmindful of the fruits of his early application, but will render them available to the future happiness and the glory of the people.

To him, as to every other statesman of that period, it was assuredly a great misfortune to be connected in public life and office with Lord Liverpool, as the Head of the Administration; and that such is now his own opinion can hardly be matter of doubt, from remarks that have fallen from him in relation to any future connection with a divided Cabinet. Lord Liverpool's system of governing the country by means of a concentration of neutralising forces, of which he was the focus, we hold to be a flagrant dereliction of principle, and utterly pernicious to the true interests of the kingdom. It was also peculiarly ungenerous to those whose sentiments, while coinciding with those which he professed, were not cold metaphysical abstractions like his, but warm and generous impulses, instinct with the energy of a living principle—principle pure in its source and elevated in its view, but only driven to a more exuberant expression from the constraint superinduced by the apathy and procrastination of the moving power. Such a method of dealing with vital State questions, especially such as involve religious opinions, by delay, hushing up, covering over, balancing forces, the 'divide et impera' system, however convenient it might be to himself and serviceable to a life-tenure of office, of necessity rendered "the whole head sick, and the whole heart faint;" and, as a consequence, those who followed in his career as Prime Ministers had to deal with nothing but electric shocks and explosions in the system, accompanied with "wounds and bruises, and putrifying sores," which no human hand could bind up at once—for time alone could heal them. The whole domestic history of the country since his death till almost the present hour, with its eight or nine changes of administrations in less than the same period of time that his one lasted, bears

melancholy testimony to the truth and importance of our statement.—Mr. Peel appeared in Parliament as Member for his own University, and not only opposed, but leading the opposition to the Catholic claims. That his opposition was conscientious all who study human nature, especially as she displays herself in youth, will find convincing evidence in the very ardour of his opposition; that his conversion was sincere, none who fairly weigh the remarkable circumstances of the change can possibly deny. If conversion from one course to an opposite is a crime, then Paul of Tarsus is the greatest of criminals: he was first the leading opponent, afterwards the great champion, of Christianity: he was first consenting to the death of the earliest martyr; he afterwards laid down his own life a martyr to the truth, undergoing an excruciating death. Providence is watchful as ever over the Church of Christ, but man is now the outward and visible instrument of Providence in forwarding the growth and progress of the Church, wherever it may be planted; and looking at the circumstances of the change, which was made at the greatest of sacrifices, and the influence which Sir Robert Peel has exercised, and will exercise, over the condition of human nature, both at home and abroad, they who believe in the constant providence of God will pause ere they assert that the work of his conversion was a merely human affair. Let opinion on this subject take what side it will, no one of a just spirit will deny him the right to exclaim for himself that in regard to the Catholic claims, from the beginning to the end, he had “lived in all good conscience to that day and hour:” and the heart and the understanding of that man are little to be envied, who can think disparagingly,—still more who can write in public disparagement, after years have passed away since the event,—of what, we are firmly persuaded, history will describe as among the noblest actions and offerings of modern times. Yet this has been done, and, even but now, by one from whom, at one time, we hoped better things. But the dog to his vomit. In the summer of 1828, without consultation or communication with mortal man, he took the initiative of writing to the Duke of Wellington, that his opinions had

changed on the subject of the Catholic claims, recommending that they be granted, and begging to retire from the Ministry. At the entreaty of his noble friend, he consented to remain in office, and give his aid in carrying the Emancipation Bill. The cost of the step he was well aware of, but he shrunk not from the task. He had to endure the storm of public, or rather party, obloquy and indignation, which fell on him individually with unbroken and desperate fury, and with a determination altogether unprecedented, and ended in the disruption of his political connection with Oxford. Happy, yes, thrice happy for the country was that disruption: for no Minister of State, who desires to govern on enlarged national considerations, should attach himself to a constituency unique and uniform in its elements, and, as in the case of Oxford, singularly exclusive and intolerant. Oxford has now learned that the loss was hers, not his; and the Minister, while reflecting on the treatment he received from a great party in the State, and dwelling with regret, as he has said he did, on the severance of many dear ties formed in youth and strengthened with time, has derived this consolation from a review of the page of history, that his is not a solitary case of "persecution for righteousness' sake." As among the Jews of old, the fathers killed the prophets, and the children built monuments in honour of them, which also bore witness to the misdeeds of the fathers, so among us and among every people of ancient and of modern times, it has ever, alas! been the case, that the characters of public men while living are winnowed in the whirlwind of faction, and burned in the furnace of envy; and yet, notwithstanding all this,—*'O præclarum facinus!'*—the temple of Fame has her niches filled with the memorials of "the Illustrious Dead!" In 1830, a new Parliament was elected, in which Catholics for the first time took their seats: the Ministry, defeated on the Civil List, retired; and Sir Robert Peel then began, in earnest and for the first time, that severe trial and discipline of character which is essential to greatness, and without which his political training would have been incomplete—the trial and discipline of leader of the opposition. Perhaps no period of his life

was more full of instruction in political wisdom and experience than the years which he spent in opposition, controlling alike his own party and the Ministers in power. Having less of active duty, he had the more time for study and reflection,—and it is known that he did not neglect it. The events connected with his journey to Rome in the end of 1831, and his sudden recall to be Prime Minister,—his memorable, by many oft disregarded, but never to be forgotten declaration, that henceforth the government of the country must be conducted on entirely new principles—by which course he himself would be guided,—(let those who talk of inconsistency reflect on this.)—the general election in '35,—his defeat on the Irish Church question, and his immediate resignation, are so familiar to every one, that we need not detail them at length: they were indeed, one and all, so striking and impressive in character, that they will not soon be forgotten. But so far from agreeing with those of the Conservatives, who regret the experiment then made of a return to power,—we consider it the most favourable circumstance that could have happened: it raised, rallied, and concentrated into a brilliant focus, the elements of Conservatism, previously dormant and disheartened, because unaware of its latent force: and the retirement from power which immediately followed, not merely gave further time to Conservatism to reflect, but brought an immense accession to its force from parties previously opposed, by allowing the country to observe, at its leisure, to what extent it was possible to misgovern it.\* Notwithstanding that during their whole tenure of office from '35 to '41, the country, and in latter

\* "Is this a casual deficiency for which you have to provide a remedy? Is it a deficiency for the present year on account of extraordinary circumstances? Is it a deficiency for the last two years? Sir, it is not. This deficiency has existed for the last seven or eight years. It is not a casual deficiency. In the year ending the 5th April, 1838, the deficiency was £1,128,000. In the year ending the 5th April, 1839, the deficiency was £430,000. In 1840, it was £1,457,000. In 1841, the deficiency was £1,851,000: in 1842, I estimate the deficiency will be £2,334,030. The deficiency in these five years amounts to £7,502,000; and to that actual deficiency I must add the estimated deficiency for the year ending the 5th April, 1843, making an aggregate deficiency in six years of £10,072,000." — (*Hansard—Speech of Sir Robert Peel on Financial Statement, March 11th, 1842.*)

years the revenue, were suffering and sinking in a most alarming and unprecedented degree, and notwithstanding the unmistakeable impatience and vexation of the people at the conduct of the Government, who did not even make the attempt to remedy the evils, (their financial experiments only aggravating the disorder,) they hung on to office to the very last hour, with the desperation of men conscious that it was their last throw—that, once out, they were out for ever. But their hour came at last, and when it came they fell; they dropped like frostbitten fruit that hangs on the tree till the last hour of autumn, then “falls as they did.” In 1841, he defeated the Government on a vote of want of confidence; and a general election having immediately followed, the first since 1835, he returned to power in the autumn following, at the head of the most powerful party that ever supported a Minister:—for the people, heart and soul, were with him and for him, though the appeal was made by the Whigs still in power. Then the country shook off, and they fell: in the sublimest language of Scripture, which we quote with deepest reverence—for there is a Providence in these things—they “fell unto the earth, even as a fig tree casteth her untimely figs, when she is shaken of a mighty wind.” Such is a true statement of some great facts: and we conclude with a few additional remarks.

In his conduct on the great question of Catholic Emancipation, he made the greatest of all human conquests and sacrifices—the conquest and the sacrifice of self,—the vast extent and difficulty of which on that trying occasion he himself has since then significantly and feelingly made known to us; and those can best appreciate, and those only, who have experienced by painful struggles with themselves, how reluctant and averse self ever is to yield in even small and ordinary matters. When out of power—the loss of which, the consequence of the relentless hostility of former friends, was to him the least of what he then gave up—he by the moderation of his tone in debate, and of his opposition to Government measures, entirely changed and elevated the whole outward manner and inward spirit of party warfare, both in and out of the House:—*cunctando restituit*

rem,' he gradually gained back to the great party which he headed, the confidence of the country which had been temporarily lost; it was he who threw open the way and led his party back to power, not his party that elevated him to office. His first act on assuming the office of Prime Minister—(the office which he had made his own by right)—the act of imposing an Income Tax, was one of heroism never before exemplified by statesmen in higher and nobler perfection: it won for him at once the respect and the admiration, the sympathy, the confidence and the support of the good, the great, and the generous, with which the land abounds\*: it told them that they were in safe hands, that England would yet be saved, that all would yet be well. Himself among the greatest of the proprietors of the country, and his party peculiarly and emphatically the party of property, his first great act on coming into office was to teach, by example and by experience, that very party, that it is not property alone that has its rights and privileges, nor poverty alone that has its duties; but that property has its duties which will not be permitted to be abandoned or forgotten, and poverty its rights and privileges which he would assert and vindicate. This, and much more than this, he shewed by his measures regarding the Income Tax,† and the Tariff, and others of a kindred character, which every one who reads knows: he saw at once where the deep-seated long-standing disease among the people lay, and he proved himself to be indeed and in truth "the poor man's friend,"—"he undid the heavy burdens, he bade

\* "He would take this opportunity of making a communication, which he was sure would be received with much satisfaction by the House. When, on the part of Government, he had intimated to Her Majesty that her Servants were of opinion that the financial difficulties of the country were such as to make it desirable to submit, although in time of peace, the incomes of Her Majesty's subjects, for a limited period, to a tax of three per cent.—Her Majesty, prompted by those feelings of deep and affectionate interest in the welfare of her people, which she had ever manifested, stated to him, that—if the financial condition of the country was such, that in time of peace Parliament should think it necessary to subject all incomes to a certain charge, it was her determination that her own income should be subject to a similar burden."—(*Hansard—Speech of Sir Robert Peel on Income Tax*, March 16th, 1842.)

† See Appendix C.

the oppressed go free;" while Commerce hailing his approach, arose and shook her wings, as if called into a new existence, and grateful for the kindness shewn her, spread her sails to the winds, and brought back her ample contributions to enrich an impoverished exchequer. Through him and the high-minded able and accomplished Foreign Secretary, acting in friendly concert, the mightiest Sovereigns of Europe have, one after another, been attracted to the Court of our Queen, to assure her of their regard and their desire for the continuance of friendship and peace; our children of the colonies have been comforted with the announcement, that in the parent state they would find a friend who would never forsake them—a protector at once prompt and powerful to shield and to save them; and slavery has been rebuked in her fastnesses with stern legislation, and pursued into her hiding-places with the now united fleets of England and France.—He has begun a great, a glorious, an enduring work—a '*monumentum ære perennius*;' and we humbly hope that not only will he live to see it accomplished, but that he will himself carry it out to perfection, and witness it in full fruition; and when, in the course of years, he has fulfilled the high mission which a gracious Providence has entrusted to him, both prince and peasant—looking at the country as he received it, and the country as he gave it back, (may the latter period be far off!)—will unite with one voice in exclaiming of him—'*Non Sibi sed Patriæ vixit; Si Monumentum requiris circumspice.*'\*—In the galaxy of England's resplendent greatness, the future night-star of Sir Robert Peel will be contemplated by our children and our children's children of many a generation as one of the first order magnitude and excellence—lofty, brilliant, genial, and pure. Of those that may arise hereafter, nothing can now be said: but of what has been and is, we express, in all sincerity and cordiality, our perfect belief—our testimony may be poor, but it is impartial and disinterested, and we heed not party spirit or evil imputation—that in the annals of

\* Well-known passages, with respect to which we need but allude to the names of Pitt and Sir Christopher Wren.



England, when the question in after ages shall be asked, which of all her Prime Ministers up to the middle of the nineteenth century was her greatest benefactor? history, which has no interests, or objects, but those of telling the truth and of pointing out examples to copy—history, which delights to emblazon her pages with the characters and the actions of the great and good, long after “the wicked have ceased from troubling them, and the weary are at rest,” will at once and without hesitation, with gratitude with pride and with joy, point to the name of Sir Robert Peel.

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## CHAPTER II.

### POPULATION—PROPERTY—REVENUE.

WE proceed to develop the laws, as they exist in this country, of population, property, and revenue, taken in connection. The non-perception of this connection—unless in a very remote degree—appears to us to be the origin of the vague and unsatisfactory nature of the reasoning that hangs, as a drag, on the speculations of political economists—wearying and perplexing the reader. Whereas, had the almost mathematically close relation between these been properly seen and appreciated, the science of political economy should by this time have been reduced to those fixed and determinate principles which are the essence of its character, and to those synthetically arranged propositions which are the criterion of its truth and the test of its value, as an instrument of most certain utility—indeed, the only safe instrument to be at all times depended on by the Minister of Finance in regulating his decisions and arrangements for raising the national revenue and establishing the scale of taxation. Amid all the passing fluctuations of commerce that incidentally arise from superabundant or deficient harvests,—from political excitement,—from the dread of war,—from the opening of new, or the closing of old channels of commerce, he will here, we presume to think, find the clue that alone will carry him through the labyrinths of perplexity—the beacon light that alone will guide him in any financial experiment, be it great or small, to the establishment of practical measures of finance. Though we may not speak with absolute confidence and certainty of any one given year, yet, for a course and series of years, the financial condition of a nation,—if the principles acted on be sound,—is by no means one of a fluctuating or indeterminate character. On the contrary, we feel assured,—speaking submissively to the ways of Providence,—that the financial and commercial—aye, we might almost say, looking at the vast influence of commerce and finance—the general horoscope of a nation, may

be cast with almost mathematical certainty for a sequence of years,—not by flimsy vague generalities, which partake of the folly of the astrologer, predicting human destiny from the stars, but by viewing the past, the present, and the future of that nation through the media of its population, commerce, property, and general character and habits, all taken in connection. By contemplating these in their mutual, dependent, and even necessary relations,—by a careful observation of causes in the past and consequences in the present time, we may determine with sufficient precision, for all practical purposes, the national future, whether in its moral and religious conditions, or in its politics, commerce, and finance. It is to the two last more especially, that our inquiries are confined in the first part of our subject, and to the political, in a limited range, in the second part. On the delicate and now painfully sensitive subject of morals and religion, we presume not at present to touch; and we would only add, that if the above positions are capable of proof, political economy ceases to mystify with its dreamy generalities; and financial legislation, following a visible course and determinate bent, becomes invested with the fixed and accredited dignities of a science.

Without entering into the ‘*vexatæ questiones*’ between Malthus and Sadler, we assume, as a well-known and established fact, that population tends to increase according to a geometric law; that is, to add to itself periodically certain aliquot parts of itself. In some countries the rate of increase is very different from that of others; and even in the same country, the ratio, when compared at different periods, is seen to have been affected by external circumstances—as war, famine, pestilence, emigration, &c. Still this occasional retardation of the increase does not affect the essential character of the ratio; however it may occasionally be modified, its character is still that of a geometric, not of an arithmetical ratio. In an arithmetical series (as 0, 2, 4, 6, 8, &c.), the increments are equal; in a geometric increasing series (as 1, 2, 4, 8, 16, &c.) the increments are successively greater.

In 1841, the population of the United Kingdom was, in round numbers, twenty-seven millions; and in 1831, 24·4

millions. The first half of the period from '31 to '41 was marked by political agitation; the second half by commercial distress. Hence, during these ten years, emigration, as shewn by the census tables, took place to an unusual extent; and the population apparently increased less rapidly than before. But these temporary affections of the ratio having ceased, population is once more increasing at its usual rate. From '31 to '41, the decennial ratio of increase for England and Wales was 13·2 per cent; and this, without entering into a detail of the calculations of the Commissioners of the Census, we shall assume as the decennial ratio for the United Kingdom. Now a *decennial* ratio of 13·2 per cent., ( $\frac{13\cdot2}{100}$ ) is equal to an *annual* ratio of one-eightieth ( $\frac{1}{80}$ ); and in commencing with these data we may add, that we are rather under than above the amount stated by Sir James Graham last session, on Mr. Bankes's motion—namely, that the population was at present increasing at the rate of three hundred and eighty thousand annually. Assuming then  $\frac{1}{80}$  (or ·0125) as the *annual* ratio of increase—that is, assuming that the population of any year is greater than that of the year before by an eightieth part of the whole population of that previous year—the population will double itself in fifty-five years and four-fifths: so that in the first year of the next (twentieth) century, the population of the United Kingdom, now twenty-eight millions and a half, will amount to fifty-seven millions. Thus much for population.

Again, in respect of property, commerce, and revenue,—if we suppose the condition of the population to keep pace with the increase of the numbers—(and if the financial legislation be sound, no one who considers the character of man, can doubt that such at least will be the case)—in other words, if we suppose the relative positions of rich and poor in their various grades to continue the same, or each division and subdivision to be increased annually by one-eightieth part of itself ( $\frac{1}{80}$ ), and their circumstances to be relatively the same, then the amount of property, and the consumption of the various articles of commerce—corn, wine, oil, cattle of various kinds, houses, carriages, clothes, &c.—will each increase annually in the same

proportion ; that is, by one-eightieth part of the previous year's quantity, and double in fifty-five years and four-fifths.

Further, If we suppose the present system of taxation to continue the same, then, along with the increase of population, property, and commerce, a corresponding increase of revenue must necessarily arise ; that is, the revenue will also increase annually by its eightieth part ( $\frac{1}{80}$ ), and double itself in fifty-five years and four-fifths ; so that the national revenue, which last year was about fifty millions and a half, would, at the end of the century, amount to one hundred millions per annum. In this way do population, property, commerce, and revenue, food, clothing, habitation of every kind, go forward linked together by the arrangements of Providence, and one and all, as they increase, alike obedient to the *geometric* law ! We speak not, of course, of the actual revenue that will be raised, but of the *national ability* to bear a double weight of taxation with a double population, property, and commerce ; and this revenue would be really produced, if the amount of taxation on each individual at the end of the present century were the same as it is now.

In regard to the actual value of the aggregate of property in the kingdom, opinions vary greatly ; but as regards its annual increase, we believe, from a careful examination of documents, that those who estimate it at sixty millions, are within the limits of truth : and, moreover, that an income tax of the amount we shall afterwards state, would be found to increase annually, rising from £100,000 as the natural result of the increase of property and population ; and that in fifteen years hence, the yearly revenue from that source would be, at the lowest estimate, one million and a half greater than that which it would yield at the present moment. In a subsequent chapter we suppose this to be the case.

We shall now give, in a tabular form,\* and in round numbers, the probable amount of the population and the revenue (the system of taxation being supposed to continue as it is)

\* The mode of calculation for both population and revenue is the same as that for calculating compound interest : the principal, in each case increasing periodically by proportional parts.

for every third and fifth year, from 1846 to 1861: after which, for every fifth year to the end of the century: the population of 1841 being assumed to be twenty-seven millions, and the revenue of 1845 to be fifty millions.

| Year. | Population<br>in<br>Millions. | Revenue<br>in<br>Millions. | Year. | Population<br>in<br>Millions. | Revenue<br>in<br>Millions. |
|-------|-------------------------------|----------------------------|-------|-------------------------------|----------------------------|
| 1846  | 28·73                         | 50·625                     | 1866  | 36·83                         | 64·9                       |
| 1849  | 29·82                         | 52·55                      | 1871  | 39·19                         | 69·1                       |
| 1851  | 30·57                         | 53·87                      | 1876  | 41·7                          | 73·5                       |
| 1852  | 30·95                         | 54·55                      | 1881  | 44·37                         | 78·2                       |
| 1855  | 32·12                         | 56·62                      | 1886  | 47·21                         | 83·2                       |
| 1856  | 32·53                         | 57·32                      | 1891  | 50·24                         | 88·5                       |
| 1858  | 33·35                         | 58·77                      | 1896  | 53·46                         | 94·2                       |
| 1861  | 34·61                         | 61·                        | 1901  | 56·89                         | 100·2                      |

Thus, if  $P$  = population in any year.

$A$  = its amount in  $t$  years.

$r$  = annual increase of the unit (1).

$1 + r$  = Unit's amount in 1 year.

then  $A = P \times (1 + r)^t$ . In the above statement, in 1841,  $P = 27$  millions (population). ∴ in 1846,  $t = 5$ : also  $r = \frac{1}{80} = \cdot 0125$ :  $1 + r = 1\frac{1}{80} = 1\cdot 0125$ .

Hence population in 1846,  $A = 27 \text{ mill}^{\text{ns}} \times 1\cdot 0125^5$

$= 27 \text{ mill}^{\text{ns}} \times 1\cdot 064$

$= 28\cdot 73 \text{ mill}^{\text{ns}}$ .

Log. tables facilitate the calculations. Thus because  $A = 27 \text{ mill}^{\text{ns}} \times 1\cdot 0125^5$ .

∴ Log.  $A = \log. 27 \text{ mill}^{\text{ns}} + 5 \times \log. 1\cdot 0125$

$= 7\cdot 431364 + 5 \times \cdot 005395$

$= 7\cdot 431364 + \cdot 026975$

$= 7\cdot 458339$

$= \log. 28\cdot 73 \text{ mill}^{\text{ns}}$ .

∴  $A = 28\cdot 73 \text{ mill}^{\text{ns}}$  = population in 1846.

And similarly for other years, as regards both population and revenue.

Again to find the time ( $t$ ) in which the population doubles\* itself. Because in the expression  $A = P \times (1 + r)^t$ ,  $A$  will then equal  $2P$ ,

$2P = P \times (1 + r)^t$

$2 = (1 + r)^t = 1\cdot 0125^t$

Log.  $2 = t \times \log. 1\cdot 0125$

$t = \frac{\text{Log. } 2}{\text{Log. } 1\cdot 0125} = \frac{\cdot 30103}{\cdot 005395} = 55\cdot 8 \text{ years.}$

Lastly, an annual ratio of  $\frac{1}{80}$  or  $\cdot 0125$  is equal a decennial ratio of  $13\cdot 2$  per cent.  $= \frac{13\cdot 2}{100} = \cdot 132$ , because  $1\cdot 0125^{10} = 1\cdot 132$ .

\* If the time of its becoming threefold, fourfold, &c., be required, use  $3P$ ,  $4P$ , &c., instead of  $A$ , and proceed as in the case of the double.

The preceding table is both curious and interesting, and commends itself to our attention by this—that there is nothing fanciful or speculative in either the principles or the results: the case is indeed understated, rather than otherwise. With respect to population, for example, the increase follows from laws established in human nature by God himself; and the results, as now exhibited, are fixed and certain, and almost as superior to legislative interference on the part of man, as the law of gravitation itself. Man cannot stop the increasing current of his species, either at home or abroad: “Multiply and replenish the earth” is the law, and even war and pestilence affect that law but slightly. We may, by wise and timely legislation, modify its effects;—we may not only prevent it becoming a curse, but convert into a blessing;—we may render it vastly conducive to swelling the amount of public and private happiness (woe to us if we neglect to do so,—for in the same degree we disregard the great end of our Creator—that of multiplying happiness,—and “surely at our hands will He require it!”): but we may as well try to stem the ocean’s tide, and say to it, “Thus far shalt thou come, and no further, and here shall thy proud waves be stayed,” as attempt to check the continuous annual increase and swell of the population of this mighty kingdom.

Again, as regards property, commerce, and revenue,—we have merely supposed them to increase relatively to the increase of population, omitting from the estimate those new mechanical inventions and scientific discoveries, to be introduced before the end of the century, corresponding to those of which the introduction and the application have shed so bright a lustre on the genius of discovery, and wrought so beneficial an improvement on the condition of man in the last half century. That such will come to light in the next fifty years, and that their effect will be to add greatly to the power and the happiness of our species, and to increase in the same proportion our ability to meet the demands of the national exchequer,—not merely the native character of man, but the things that daily pass before our eyes, declare to us in language whose force and whose truth are alike irresistible by the ingenuous mind.

Moreover, among the people of England of the middle and educated classes, there is a principle incessantly in operation, having a mighty and intense force, and whose direct tendency is to swell out and multiply the huge heaps on the side of property. We allude to the struggle after independence. In no country in the world do we behold this struggle so continuous in its action, so undivided in its purpose, so concentrated on its object, and, it is almost needless to add, so successful in attaining the end of its ambition. In most other nations a moderate competency of the means of life is all that men aim at. But the desire of the educated Englishman is not so limited: his aim is to rise above the position in which his start in life took place; the darling, the honourable ambition of his soul is, to attain to independence. When, lastly, in conjunction with these, but infinitely above them, we bring forward the healing, sublimating, and elevating influences of Christian faith, let us no longer think of man retrograding, or of man stationary, but of man advancing, and of man ascending. And to us as Britons it is truly heart-consoling to believe, that amid all our temporary fluctuations and embarrassments, the course marked out by Providence for our country is one of continuous rise—that she will go onwards, elevating her head among the nations yet higher and higher, but not haughtily and threateningly—that she is the chief pioneer whom the Most High has selected out of all nations and tongues for carrying forward His gracious designs towards the ransomed posterity of Adam.

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### CHAPTER III.

#### ON TAXATION—GENERAL PRINCIPLES.

A TAX may be defined to be a portion of property, paid by the various members of a State, to enable the State to protect their lives and properties, and to discharge national obligations.

A tax is "direct" when levied immediately on property or person, and "indirect" when levied on articles of consumption—corn, wine, tea, sugar, malt, spirits, &c. Taxation is direct when composed of direct taxes; indirect when composed of indirect taxes; and "mixed" when composed of taxes partly direct and partly indirect. In every State, many members have little or no property, but each has his life to be protected; hence one and all should contribute their portion to the national requirements in taxes—direct, indirect, or mixed. Also, the extent of each man's contribution should be measured by the extent of the protection required, or, which is nearly the same thing, by the extent of the benefit conferred on him; and the extent of the protection is properly measured by the value of life and property in combination belonging to the individual: and hence the extent of the contribution will be measured by the value of life and property taken in combination. To one member the value of life may be greatly enhanced by the possession of rank, reputation, knowledge, &c., and diminished to another by the absence of these things; but, in a financial view, the State can take no cognizance of such abstract qualifications. In a financial view, *life* is deemed equally dear to each member: the State treats life equally throughout—treats its value as a constant quantity; and the charge for its protection should therefore be a constant quantity. It is the *property* which is the variable, and whose variation leads to corresponding differences in the amounts of individual contribution. It follows from this, that taxation based on property exclusively, without estimating the value of

life as a fixed and constant quantity, for whose protection a fixed charge should be made, would be unjust to property. We shall illustrate this as follows :—

A, B, C, D, E, &c. have properties proportional to 1, 2, 3, 4, 5, &c. Let  $l$  be the constant sum charged to each for the protection of life, and let  $p$  be the contribution for property paid by A (1); then for property B (2) would pay  $2p$ , C (3) would pay  $3p$ , &c. Hence, for life and property together—

|   |           |                       |
|---|-----------|-----------------------|
| A | would pay | $l + p$               |
| B | „         | $l + 2p$              |
| C | „         | $l + 3p$              |
| D | „         | $l + 4p$              |
| E | „         | $l + 5p$ , and so on. |

If the rate of contribution had been based on property exclusively, E would have paid  $5(l + p) = 5l + 5p$ ; whereas he does not and should not pay so much as  $4l + 5p$ , nor  $3l + 5p$ , nor  $2l + 5p$ ; but only  $l + 5p$ . Since  $l$  is common to rich and poor,  $l$  must evidently be of small amount: but, whatever be the values assigned to  $l$  and to  $p$ , the above mode of estimating the magnitude is rigidly accurate and just. Yet in the face of this incontrovertible truth, M. Say and others have advocated, on grounds of justice, a *graduated* property tax, where the ratio should increase in some proportion as the property increases. Suppose the ratio of contribution for the lowest were  $\frac{1}{10}$ ; this, with the increase of property, would gradually become  $\frac{1}{10}, \frac{1}{10}, \frac{1}{5}, \frac{1}{4}, \frac{1}{2}, 1$ ; and when the property became sufficiently great, the whole would be absorbed by the tax. Independently of the danger of such a theory, the injustice lands in an absurdity; and we have in fact seen, in the case of A, B, C, &c., that the ratio, owing to the presence of the constant for life, should rather diminish than increase with the increase of property. We beg that this case be rigidly scrutinised and tested by truth, and further, that it be remembered that the taxation is supposed to be purely direct. We are the more anxious that this be done, and that there be no misapprehen-

sion of the conditions of the case; because, in treating of *mixed* taxation, where partly direct and partly indirect taxes are paid by the side of property, we shall have to shew that a *subgraduated* scale—that is, a ratio slightly diminishing downwards from the fixed point for a few terms, as property approaches the demarcating line—is indispensable to justice, to the removal of the inequalities of indirect taxation, which presses inversely as property, and directly as poverty. We undertake to shew this hereafter.

In estimating the value of life and property, there are two parties to the decision—first, the individual who pays the tax, and who may be supposed desirous of paying the minimum; and secondly, the State, represented by the Executive, who may be supposed desirous of obtaining the maximum.

The necessity of raising taxes is evident; but they should be apportioned equitably, and levied considerately, and should not exceed the required amount.

Taxes are determined in character by the Legislature, levied in amount by the Executive, and paid by all in the State. The State is composed, not merely of rich and poor, but of married and single, or of those who have establishments and families, and of those who have not.

The problem of equitable apportionment of taxation—equitable as regards both individuals and classes—is complex, but deserves the highest consideration. Every one knows from experience (a homely simile, but just) that a well-made coat, which nowhere pinches nor hangs loose, but takes equal hold of the person throughout, feels lighter to the wearer than one that is badly made: and, in like manner, the same weight of taxation will be borne much more easily by the nation as a whole, if equally and impartially laid on.

It is the duty of the Legislature to apportion taxation equitably, as regards *classes*. Moreover, in the existing state of the representation,—where the poor, the great mass of the nation have no voice in elections, where the voters are comparatively few, and the representatives are elected exclusively and legally from the side of property—it is especially the duty of the Members of

Legislature to watch over themselves with jealousy, that the poor do not suffer in their incomes and persons from the want of representation,—and that they themselves be not smitten with such an “impatience of taxation,” as to shift the main burden from themselves and those of their own class, and let it rest on the backs of those who are least able to bear it, and whose poverty is the bar to their voice being heard in elections. For example, indirect taxes are very easily levied, yet in proportion to that very facility, should be the jealousy with which they are eyed. They may prove, in their ultimate effect, like insidious poisons, which slowly but surely sap the foundation of life: they may gradually grind down the great mass of consumers to the condition of serfs, and encourage the nation to embark in dangerous and expensive wars. If such should be their direct tendency as regards the mass, then facility of collection would be their worst property, not, according to some, their best recommendation. These things we shall attempt to prove.

If the rich are taxed as a class, the tax, in order to be equitable and impartial, should be general, being of such a character that none can escape; for immunity to one part is severity to the remainder. Hence, *property*, whenever taxed as such, should be taxed as *possessed*, not as *expended*; should be taxed in the mass, at the fountain head, not in separate and dispersed items—by which many are passed over entirely: the full contribution required should be obtained by one and only one direct tax: and the amount once paid, the remainder should be deemed the exclusive property of the individual, which he should be at full liberty, as far as State interference is concerned, to do with, in the mode and extent of the expenditure, as he considers most advantageous or most agreeable. A variety of direct taxes is necessarily annoying; far more so than one whose one amount is equal to the aggregate of all: each specified tax as it appears in the schedule is deemed an additional and uncalled for interference with liberty; and as such, and not on account of the amount either of the particular tax or of the whole schedule of taxation, it creates annoyance and impatience in the payer. It follows that taxes on windows, carriages,

servants, and horses, heavy duties on silks and wines, and all *ad valorem* duties, are extremely unjust and partial in their operation. Though levied professedly on property, they fall on those only of the class of property, who expend of their income on those articles; and the other portion, who do not expend, yet who, as *possessors* of property, ought to pay the same proportional amount of taxation as the others, entirely escape. Among the class who escape in this manner are all those whose property is in the country, but who themselves live out of it—the absentees from home, the colonisers of Europe—who, by living abroad, evade at once our heavy indirect and our light direct taxation—when it should be the especial duty of the Legislature to make examples of by direct taxation, such as they cannot escape. The partial good of *assessed* taxes is counterbalanced by much evil; they act as sumptuary taxes: and in so populous a country as ours, sumptuary taxes should, with one or two exceptions, be entirely abolished. They interfere greatly with the engagement of the poor. Many are the parties among the middle classes, who would, with great comfort and advantage to themselves, employ the labouring man at a time when he is out of work, but who are deterred from doing so by apprehensions of the assessor. Besides, we should bear in mind, that in taxing property directly, it is with a view to do justice to the poor for their excess of contribution to the indirect taxes—that it is not then a question between rich and rich, nor between poor and poor, but between rich and poor; between a vast number of poor on one side with little property or income, and a vast amount of property and income on the other side in the possession of comparatively few; and that the injustice of exempting one or more rich men by the operation of a tax that leaves it to their choice whether they will contribute to it or not, falls partly indeed on the other rich on the same side, but really and chiefly on the great body of the poor on the other. Besides, when assessed taxes co-exist simultaneously with a property tax, those of the rich who pay both sets, look on themselves as *twice* taxed. And further, of the two parties who both possess the means to do so, he who maintains a

corresponding establishment is a more valuable member of society than he who does not; yet, for the very benefits which the former by his appropriate expenditure confers on society, the State steps forward and taxes that expenditure as if it were a demerit; while the latter for his selfish parsimony and his disregard of the interests of society as displayed by his inadequate expenditure, obtains an immunity from the State, as if he did it good service, in the form of a remission of the tax, which as a man of property, he, like his compeers, ought to pay for *possession* and *protection* of property, whether his *expenditure* be great or whether it be small. Taxes thus levied punish good desert and reward the want of it, and injustice thus inflicted is doubly galling. The point to which we desire to conduct our argument is this—that, with the exception of the taxes on armorial bearings—which serve as a guard to hereditary honours,—and the taxes which may be considered sumptuary, on dogs kept for field sports, (even taxes on these we should, in our desire to preserve the old manly amusements of the people, not unwillingly cancel,) the *assessed* taxes should be entirely repealed;—and that a sum of equal amount should be raised by an equivalent addition to the present Income Tax. Estimating the assessed taxes to be repealed at 3·3 millions, and the amount of Income Tax now raised at 5·2 millions, our object would be to merge the former in the latter, by a new Income Tax calculated to produce 8·5 millions. We are most anxious to see this experiment fairly and speedily made; being firmly persuaded that the greater amount of freedom which this arrangement would give to property to enjoy itself without being called to account in a multiplicity of different ways, would cause the Income Tax to be paid in its increased form, we will not say with much additional cheerfulness, but with greatly diminished reluctance. We assume, for the present, that which it is our subsequent aim to prove, the absolute justice, independently of any question of peace or of war, of a tax levied directly on income or on property.

We have here to meet an objection, and one far from unimportant, in regard to the justice of the assessed taxes. It may

be said, that of two persons of equal property, A and B—one, A, married; the other, B, single,—it is just and only in consonance with the very principles enunciated in the commencement of our subject, that A, married, and with an establishment, having a greater amount of life to be protected, be required to contribute more largely to the revenue than B, who though he have the same amount of income, has perhaps only his own life to be protected, being single, and without an establishment: and that this greater amount of contribution, on the part of A, is fitly and justly obtained through the medium of the assessed taxes. We at once allow the justice of A's greater amount of contribution, proportionate to his greater amount of life for protection; but we reply, that in a system of *mixed* taxation, where the taxes are partly direct, and partly indirect, it is really and necessarily the case, that A, by his greater consumption of articles indirectly taxed, does pay a greater amount of taxation to the State. Nay further, notwithstanding our opinion (which we subsequently endeavour to enforce by argument) of the great inequality in pressure of indirect taxation, we maintain, that that portion of taxation raised for the protection of life (as distinct from property) is not unreasonably levied on those articles of consumption which enter into the sustenance and enjoyment of life; and that, in our view of indirect taxation, the question is one, not of kind, but of degree and extent. But we add also, that, owing to the very severe pressure of indirect taxation, from the degree and the extent to which it is carried, on those who have establishments, and the all but total exemption from taxation of those who have not, it is the case in England, beyond any other country in Europe, that marriage among the upper classes of society is rendered a matter of such anxious consideration from the consequent expense of the establishment, that vast numbers of both sexes among them, sentence themselves to celibacy for life, and others contract marriages for purely worldly objects; while among the poorer classes, marriage drags them down to the very depths of wretchedness and despair, from which there is then for them no way of escape. The village maiden, but now so comely, so smiling, and so gay. is by the

step into matrimony, transformed first of all into the sober and chastened matron, which is well; but soon her face becomes sicklied and flushed alternately, with cares and sorrows about the means of life for her growing circle of youthful and helpless claimants; and down and still more down with time she sinks in poverty's deep and dark abysses, till death relieve her of herself, or of some of her starvelings. There is no discolouring of truth in this; the lesson is read in every other village and cottage that benevolence visits; and grievous is the debt due by those who, thirty years ago, prevented that relief, which the poor can in no other way obtain but by reduction of indirect taxation. Thus much at present with respect to the nature of a direct tax; its justice is a subject of future consideration.

It is the duty of the Executive to exact from *individuals* what is due, neither more nor less; and especially to employ exactors worthy of confidence; persons, who like the Deacons of old (the financiers of the early Church), shall be "men of honest report, full of faith and of wisdom." We express this the more anxiously, because on the character and conduct of the exactors, depends greatly the success of that direct taxation, which we desire, in justice to the side of poverty, should be made permanent by the Legislature.

When the Legislature has finally decided on the mode and amount of taxation, the conduct of the people is no longer free in regard to paying or not paying the tax; it is a religious duty on their parts, to "render unto all their dues; tribute to whom tribute is due; custom to whom custom; fear to whom fear; honour to whom honour." While, therefore, every plea advanced should receive from the exactors a patient and considerate hearing, the people are on their parts religiously bound to pay the sum determined on as their portion, "not only for wrath, but also for conscience' sake; resistance to the power being resistance to the ordinance of God."

It is at this stage of our discussion that we have to notice an objection which is regularly brought to bear against an income or property tax, originating in the inquisitorial proceedings that accompany the levying of the tax. We premise that it is



peculiarly necessary, with a view to the elucidation of truth, to have a proper understanding of the real meaning and correct application of words which are the embodiments of ideas. Misunderstandings about words have in every age of philosophy led to unsound principles, illogical discussions, and false conclusions; and we need hardly add, with respect to the word "inquisitorial," so unsparingly flung by a certain class of objectors as a reproach against the Income tax, that between legitimate inquiry and inquisitorial proceedings, there is a fundamental and irreconcilable difference in meaning. "What right," asks the most ardent and furious of all the objectors that we have ever read or heard of—"what right has the public to know the means or resources of those who make no claim on it for support? Why compel those who strive by rigid economy to make a decent appearance to declare their condition? to expose themselves to the '*magnum pauperies opprobrium*?' Such inquiries and disclosures must necessarily always be hateful to the parties, and cannot fail to excite their disgust."\* We admit at once that the *public* have no right to *know*—that is, in our interpretation, have no right claim or title to make *inquiries* into—the *means* or *resources* of any one; but we add, that if the *means* and *resources* do become *known* to the *public* in any way whatever, the fault is either with the party taxed, or with the exactors. If the publication be his own act, he has only to blame himself,—if it be the fault of the latter, he has his remedy by a representation to the Executive, whose agents the exactors are; and who ought to bind down the exactors in heavy penalties as a preliminary step, and to exact the penalties in the event of dereliction of duty being proved. The question then narrows itself to this. Are the Executive Government, who in the first place have been entrusted with the defence of the nation's honour and honesty, entitled to make such *inquiries* (necessarily evolving *disclosures*), as some consider "*hateful and disgusting*," as we consider legitimate and just? If we can prove, and we undertake to do so, that without an income or property tax, an equitable apportionment of taxation (which the

\* MacCulloch, Principles of Taxation, p. 131.

clamourers against the tax in question treat as purely secondary,—which we consider the only proper basis of a financial scheme,) be a thing utterly impossible; and if, in consequence, an income tax be resorted to by the Legislature as an indispensable item in the national revenue, we assert that, as the knowledge of each individual's affairs is the prime element in equitable apportionment by the Government, and as this knowledge is entirely unattainable without inquiry into the reality of the circumstances, whose determination can never in any instance be left to the uncontrolled and unchallenged decision of either the one side or the other,—we assert, that a case has been clearly established for the necessity of a preliminary inquiry by a confidential tribunal; and all the furor of those who try to write down the Income Tax by a torrent of loud but unmeaning invective, will never be able to convince the disinterested searcher after truth, that such inquiry should not be made by Commissioners acting confidentially in behalf of the Government. The confidence imparted, and the secrecy maintained, are out of consideration for the individual alone; and neither the State, nor the Government acting in its behalf, can have any desire to act unfairly towards a particular individual, or any other object than that of doing justice to all, by shewing partiality to none. These are the grounds—and they are impregnable—on which we rest the existence as indispensable of the confidential board, with its inquiries terminating in disclosures. As to the 'magnum pauperies opprobrium,' it is the utterance of a sickly and demoralising sentimentalism; and were the tax-payers as a whole afflicted with such a horror of imputed pauperies, we should tremble for their honesty,—it would indicate a diseased condition of society, an overweening importance not merely to the possession, but to the reputation of riches, which the sooner cured, the better for the nation at large. That wealth is over-estimated in England above any European country is undeniable; but the disease is fostered, not cured, by the effeminate application of 'magnum pauperies opprobrium.' No! if poverty be inquired after, her dwelling-place is to be found in the nation—but in homes far different from those which are visited by the Commissioners of the Income Tax!

Taking leave of the question of "inquiries and disclosures, we pass to a second, not entirely unconnected with it, and bring forward once more, *in limine*, our original position—that "each member of the State should contribute to the revenue, according to the extent of the protection he receives." Now this primary maxim is in our view so deeply important in character, and so completely antecedent to every other in finance—it stands so entirely alone in its solidity, justice, and integrity, and in the magnitude and extent of its influences, that on no account whatever can we submit to have it lowered in its proper estimation and native grandeur, by the undue elevation of opposing, but utterly minor and subordinate considerations. With respect to these last,—if we are not utterly mistaken in our estimate of their intrinsic value, dignity, and excellence,—they will be found, on a nearer examination of them, to possess the firmness, strength, and solidity of the spider's webs; and we subjoin a remark of great importance at all times, and worthy especially to be remembered as a caution by every one who presumes to treat of lofty and vital general principles,—that we should earnestly beware of the quicksands of special pleading and quibbling about details.

Taking then as granted, first, that in the event of an income tax the State is entitled to know, by confidential inquiry, what each individual member possesses: we add—

Secondly, That the onus rests not with the State to prove that any individual is worth so and so, but with the individual to prove that he is worth so much, and that he is not worth so much more.

Thirdly, That an income or property tax, if it be fairly and considerably levied, accords with our primary principle in finance; indeed it is evident that it must do so.

Fourthly, That those who defend a series of indirect taxes are bound to prove that the aggregate of the taxes which they impose on each individual accords fully and completely with our primary maxim—otherwise, their advocacy of indirect taxation, being unsupported by argument, must be abandoned as utterly nugatory and void.

It is at this point that we feel bound—on the one hand on account of the celebrity of the author, and the influence of his opinions; on the other, from regard for the public welfare and interests—which we believe to have been deeply and permanently injured by the long continued action of the principles which he advocates,—to declare distinctly, and in all honesty, that Mr. MacCulloch, in his recent work on taxation, not only has entirely failed to prove this last condition, but has not even attempted to do so;—that, as if conscious of the certain failure of every attempt of the kind, he has, in his support of indirect taxation, directly avoided this first and most important inquiry—in his view a matter of secondary importance;—that he contents himself with common places about the propriety, which no one disputes, of moderate, rather than of heavy duties;—that his peculiar positions are constantly asserted, but never proved;—and that he puts forth every ingenuity which words, not arguments, can supply, to persuade the reader that the difficulties of just apportionment between two parties visited with the Income Tax are so great, insuperable, and inherent in the thing itself, that the tax should be abandoned, as in the last degree inexpedient and offensive. It would not appear to have ever once occurred to him, that the question of an income tax is not one of degree, but one of kind—is one not of selfish and variable human disaffection, but of stern even-handed, immutable justice;—that the exact pound in income where the tax should begin, though not unworthy of consideration, is yet one of petty detail; and the exact portion of a pound which any one individual should contribute is one of an importance still more subordinate. Yet on these entirely foreign and miserably low grounds,—where too he deploys with specialities endless in number and worthy of the pettiest of petty juries,—he treats the vast question before us from the beginning to the end of his writing; and, persuaded that the Income Tax has broken down under the force of his attack, he walks out of court as if he had been the successful appellant in a cause which all parties must confess to be of unspeakable importance. For example, A having £1000 per annum from real property, and

B £800 per annum of income terminating with his death,—the relative injustice between these would be so terrible if A paid a something too little, and B a something too much, (the former perhaps expiring from joy, and the latter from grief,) that the only possible mode of getting rid of the insuperable difficulties of the case, is to permit both of them to escape scot free from the charge, and to decree the unconditional immediate and final abolition of all taxes on income. Now the proposition to swamp the Income Tax from mere deference to the feelings and clashing interests of any parties circumstanced like those we have named, has something in it so daring, so abhorrent to first notions of fairness, honour, and decency, that no one when it is calmly brought before him, can for a moment hesitate to say, that the question ought not to be disposed of on any such ground; and Mr. MacCulloch himself would not have hesitated to say so too, if he had not been under that same hallucination of mind which led him, in former days, to publish to the world, that absenteeism was not an evil to Ireland, nor residence on the continent an evil to the mother country. Yet tantamount in genera and species to the above, is the whole of his budget of difficulties with respect to the Income Tax; and we take our leave of him with the firm persuasion on our minds, that he has now damaged his reputation as a sound and just financier\* as effectually, as formerly, in his lucubrations on Ireland, he forfeited the character of a man of common sense.

\* We give the reader the following specimen of sound reasoning, correct style, and delicate phraseology. "If the former criterion be adopted, (namely, a declaration on oath,) everything is made to depend on the honour of the parties, so that the tax will then fall with its full weight upon men of integrity, while the *millionaire* of "easy virtue" may well nigh escape it altogether. Hence it may be truly said to be a tax on honesty, and a bounty on perjury and fraud."—p. 126. (The italics and double inverted commas are in the original.) We leave the "tax on honesty, and the bounty on perjury and fraud," to speak for itself: but we feel bound, in justice, to add, that notwithstanding the unhappy ambiguity of the language, we cannot suppose the author to mean that the *no-millionaires* are men of integrity, and the *millionaires* such as a first reading might lead us to think them. The eminent banker in Lothbury may yet take comfort. Of the "Commercial Dictionary," we are happy to add, that it is a very valuable collection of commercial facts: but truth compels us to say with respect to the "Principles of Taxation," that it is a 'congeries disjectorum membrorum,' whose fit receptacle would be "the tomb of all the Capulets."

His opinions on absenteeism are said to have changed; and we trust he may live to retract all that he has written on the subject of direct taxation.

God knows the distinctions between poverty and riches are sufficiently trying in themselves, without being artificially increased by unjust legislation; and in no country in the world are these distinctions so palpable and marked as in our "own, our native land:" considering the quantity of labour exacted from them, our poor are (not absolutely perhaps, but relatively) poorer than in any other country of civilised Europe,—while our rich are the richest on the face of the earth, to whom the rich of other lands must one and all give way. But, on the one hand—to see the "poor man going forth to his work and to his labour until the evening," while the rich man disposes of his day—of his days his weeks his years—as he will; and to see the poor man, with sweating brow and toiling his weary way, bringing home to his wife and children in the evening, as the produce of the hardly-earned wages of the day, his heavily-taxed bread, and his heavily-taxed beer,—while, according to the economist, the hoarded accumulations of the rich man's treasures are to be passed by altogether untaxed, as if labelled "Touch not, taste not, handle not;"—as if too sacred to be disturbed by the profane hand of man—too holy to be gazed on or inquired into by the eye or the search of mortality;—is not this, we ask, to rivet yet more painfully the bonds of the poor man's servitude—to bend almost to breaking the already stooping back—to break the bruised reed—to quench the smoking flax? But wages, it is said, accommodate themselves to this condition of things by a corresponding rise; and therefore it is no tax. This might be an alleviation of the burden, if it were true; but we shall afterwards shew, in a very few words, that it is not true: and we deny, in the meantime, both the premises and the conclusion.

But even if this were true,—Are the indirect taxes, we ask, confined in their visits to the regions of wages? Are those who receive wages the only poor? Are there not, in addition to them, hundreds and thousands of persons, with painfully

large families and miserably small incomes having no relation to wages—widows of clergymen, widows of officers of the army and navy, widows of clerks in public offices and merchants' counting-houses, widows of authors, families of orphans,—are there not thousands of these scattered over the surface of the country, hiding their faces from the place that once knew them—faces, once happy and bright in the days when they were not widows, and the children were not fatherless,—are there not, we say, thousands of such with incomes of fifty and sixty pounds per annum,—who, in character very different from the steward, may in a very different spirit exclaim, "We cannot dig, to beg we are ashamed;" and who are ground down to the very small dust of the earth by the millstone of indirect taxation? It is even so?

We proceed at once to shew how unequally indirect taxation operates,—shew that the principle on which it is levied is, *per se*, but inevitably, most hard,—shew that it is a tax of equal amount on incomes most unequal,—shew, by dividing the price of the taxed article into two parts, entirely distinct, and on no account to be confounded—the one the commercial price, the other the Government tax,—shew that while the commercial price is and should properly be the same to all alike, rich or poor, the Government tax should be levied entirely and solely *ad valorem*; but *ad valorem*—not as regards the *quality of the article*, which has nothing to do with the tax, but—as regards *the ability of the purchaser*,—which is the only criterion of value to be at all times had in view by the Government tax. If we accomplish the proof of these things, then it will be admitted at once :—

First, That an indirect tax, in the form in which it is levied (the only form in which it can be levied) presses heavily in proportion to the poverty, and lightly in proportion to the property.

Secondly, That this inequality on poverty can only be compensated by a corresponding direct tax on property.

Thirdly, That, therefore, the articles subjected to indirect taxation should be very few indeed, and such, that no portion

of the things taxed should escape, but the whole should pay the tax;—that the things selected for taxation should be only the poor man's luxuries (cocoa ; coffee and tea ; sugar and molasses ; wine and spirits ; tobacco : these, alone, we in another chapter propose for indirect taxation) ;—that in no case whatever should the tax be so heavy as, by the mere magnitude of the tax on an article in itself cheap, to put that article beyond the poor man's reach ; and, lastly, that the poor man's necessities of life—his bread, first and foremost, and by far the chiefest ; his meat, his beer and ale, his clothing, his house and household goods—should be, one and all, collectively and severally, untaxed and untaxable.

#### *Indirect Taxation.*

We begin with the taxes on necessities, and pass at once to the subject of Corn Laws. Before, however, entering on the main argument, we shall mention a few objections against them, which occur to every one the moment the subject is named. We put protective duties and fixed duties, and sliding scales, out of consideration at present.

1. Corn is like air—an element of life : it is the Englishman's element, as rice is the Hindoo's.

2. Common humanity declares, that the first means of life should be made as accessible as possible to every one ; and common sense declares, that in proportion to the facility of obtaining them will be the absence of poverty,—in proportion to the difficulty of obtaining them will be the presence and extent of poverty. It follows, therefore, that a State must have some very imperious ground, to justify itself to the law of God, for imposing any tax on the first necessary of life ; since in proportion to the magnitude of the tax must be the extent of the poverty.

3. If it be said that wages accommodate themselves to the price of this first necessary, we reply, that this is only the case in a very limited and unequal degree (the limits of this accommodation we shall afterwards assign) : and we add, that the



principle enunciated in (2) is entirely antecedent to the case of wages. Wages are a subject not for State interference and regulation, but for determination between man and man privately: and the consideration of wages can therefore be no justification for the State imposing a tax on the prime necessary of life. The principle for the guidance of the State is,—let the first element of life be made as free and accessible as possible to all; and let the scale of wages (a matter for private consideration, not for State legislation) follow as a secondary, not enter as an antecedent to that accessibility.

4. Corn laws are advocated as a means of rendering us independent of foreigners for supplies of grain in the event of war. We reply, that this is to treat war as the business of life,—to treat war as the rule, and peace as the exception; and in this view we have been acting on war principles during a peace of thirty years' continuance.

5. If it be said that agriculture must be protected because other interests are so, we reply, that this is just; but we add that, if protection be simultaneously removed from other interests, agriculture ought not to rest on the protective, for the first and second reasons. Also for this relative reason,—agriculture, by producing supplies for the stomach, is more connected with the seat of life than manufactures. These accommodate their prices more readily to the means of the poor man; and the peasant, clad in serge and jerkin, is as warm and comfortable as the gentleman in superfine cloth. But food is different; that food is the most nutritious and wholesome in quality which is also the dearest in price. Every means, therefore, should be used by the State to make the most nutritious food that of our people at large; and the most nutritious being the most expensive, the price ought not to be raised to the poor man by the imposition of a Government tax. But—

6. There are interests connected with indirect taxation generally, and Corn Laws particularly, of yet higher importance than those which involve the supplies to the body. There are the interests of man's soul as a moral and accountable being—

the interests of the nation in its moral and religious aspect and bearing. We have before said, that poverty is inevitably connected as an effect with a high price of the necessities of life as a cause. But poverty is invariably associated with pauperism, want, idleness, misery and crime; and while poverty exists with these necessary associates, the voice of the magistrate and the exhortations of the minister of religion fall on the ear alike as unheeded as the sound of the wind that "bloweth where it listeth." The gaol itself is courted as a place of refuge from want, and the house of God is forsaken for the dens of misery, and vice, and blasphemy. The terrors of the law are madly braved by frantic desperadoes, while they who talk of hungering and thirsting after righteousness, are derided and even hated for the utterance, by those who have not wherewithal to lull the gnawings of a famished appetite. In this view we are to regard the Minister of State who lowers the prices of the prime necessities of life,—so as to render them more accessible to the main body of the people,—as becoming in that one act the greatest of the Moral Regenerators of his country. Commerce, before torpid and lethargic,—and industry, before cramped and frozen,—start into a new life, and the voice of complaining and execration is no longer heard in the streets; the laws, before dared to the utmost, become willingly and cordially obeyed; and religion's softening and soothing voice then reaches the heart in tones which affect it with thoughts of peace, joy, hope, and kindly charity to all. We have truly gratifying official proof presented to us of the truth of these reasonings, and of the moral influences of the Tariff of 1842, in the official tables for 1844, prepared by Mr. Redgrave of the Home Office. In the seven years preceding 1842, an almost unbroken increase of the numbers of offenders had added no less than 50 per cent. to the numbers annually committed; and in the last year alone (1842) of that period, the increase was nearly 13 per cent. But in 1842—when the effects of the Tariff of 1842 began to be felt—not an increase, but a diminution in the number of committals appeared, amounting to 5·5 per cent, while the additional diminution for 1844 was 10·3 per cent.—making, in two years, a reduction of crime in England and

Wales to the extent of 15·8 per cent. ; the circumstance of a diminution for two consecutive years being altogether unexampled in the criminal returns for England and Wales for upwards of the preceding twenty years. That this diminution will go on progressively as the prices of the necessities of life are lowered,—and, as a consequence, employment to the population is increased,—every observer of human nature, as it is, will readily and joyfully admit. And this we shall immediately see is equivalent to saying, that when taxation is equitably apportioned between property and poverty—when the poor are no longer ground down, as they have been, by an utterly preponderating load of indirect taxation, they will then exhibit their gratitude to the nation and the nation's benefactor, by cheerful "submission to every ordinance of man for the Lord's sake." Of the truth and vast importance of these conditions to the moral and religious regeneration of our country, we have long entertained a deep and most solemn conviction, and with a corresponding gratitude we hailed the coming of the healing and purifying measures of 1842.

7. If it be said,—as an apology for Corn Laws,—that vast numbers of acres would be thrown out of cultivation by the free admission of foreign grain, we rejoin, that we propose to pass gradually and considerately to the commercially free era, and to arrive at it in the year 1861, when, according to the law of population (developed in Chapter II.) about six millions of souls will gradually have been added to the present population of the kingdom : that, by the end of this century, twenty-eight millions will have been added ; and in a century from the present time, the population will exceed a hundred millions of souls : that by the end of the century, London will be a huge land leviathan, containing four millions of human beings, and extending over twice the area of ground on which it at present lies : that Edinburgh, Dublin, Manchester, Glasgow, Belfast, Liverpool, Bristol, and other towns will be similarly circumstanced : that new towns and villages will have sprung into existence, which have now neither "a local habitation nor a name :—" that the whole land, turn which way we will, will be doubly instinct with life—

life both of human beings and of quadrupeds—a double number of the former requiring double supplies of the latter—and of houses, ships, and commerce: that, while our species go on doubling, doubling the double, doubling the quadruple, the land and the water of our country—(wonderful and mysterious is the contrast!)—continue the same in size; our acres are not quadrupled, or doubled, or multiplied, and our rivers—the great ducts of commerce—are neither larger nor more numerous: that a house and a ship will continue of the same value, because other houses and ships will be built in rivalry to meet the increasing demand; but the broad acres of our country—‘O! fortunati nimium agricolæ!’—have no rivalry from neighbourhood; for our ships which plough the main, neither convert it into ‘terra firma,’ nor bring other acres from afar and set them down beside those which our agricolæ now possess: that Old Time—whose cankering tooth eats into our houses and ships—but adds to the value of the acres of agricola, if he till them with due care and skill: that not one acre will be out of cultivation which erst has borne a single stalk of corn, but instead of that, two blades of grass will be growing where one grew before. Acres out of cultivation!—where are they to be found, for we see them not? Our glass is upon Old England, dear, good, kind Old England—but Young England we will call her at the end of the nineteenth century,—and if our glass be not a tell-tale we see, in addition to all we have at present, a vast expanse of country—now bleak moors, mosses and bogs—then radiant with flocks and herds of various kinds and breeds, with cosy homesteads and crowded farm-yards; for the whole country is gradually becoming a friable garden soil like that which now surrounds her lordly capital: her children, vastly multiplied, look younger, less careworn, happier, better fed, better housed, better dressed, more intelligent, more free, with step more elastic, and cheeks glowing with ruder and ruddier health. But we forget the present in the bright future: England is not yet Young England; and our chapter is and must continue to be of dry and hard taxation. We proceed at once to our task in connection with—

*Corn Laws.*

Supposing a tax imposed on corn, we propose to shew its incidence—first, as it should be ; secondly, as it is : and let not the reader be startled by the mere novelty of our views and positions : they are far from being visionary or baseless, and will bear the most rigid test that can in any case be applied—the test of justice and truth.

First, As it should be. To simplify the case, we suppose that, like Joseph in the time of Pharaoh's years of fulness and dearth, the Government first of all buy up all the corn, and then sell it to the people ; acting for a time the twofold part of corn merchants and corn taxers, as a means of more easily levying the tax. Also, in order to estimate the exact incidence of this tax, we must of necessity suppose that all other taxes are put aside ; in other words, that no other tax is levied, and this exists alone. Further, as Jacob was obliged to send to Egypt to buy corn, so our people must come and purchase of the Government : corn is their means of life ; they cannot get it elsewhere ; they cannot therefore escape the tax in the same way as the man of property may escape the tax on carriage horses and servants : all eat alike of bread, and if there be a difference, the labouring classes eat more of it than the rich. We employ numbers to make the subject plainer. Let the Government selling price (the commercial or market price) be 40*s.* a quarter without the tax ; let that portion of the tax which we have before shewn should be levied on each individual equally for the protection of life, be 2*s.* a quarter ( $l = 2s.$ ), then every one would pay first of all  $(40 + 2 =) 42s.$  Let purchasers come forward : let A, B, C, D, four labourers, be purchasers, whose wages are as 1, 2, 3, 4 : let W, X, Y, Z, four men of property, whose incomes are as 10, 20, 30, 40, be purchasers also. Let A (1) pay an additional shilling per quarter on account of the protection to his property : then on the same grounds, B, C, D would pay additions of 2*s.*, 3*s.*, 4*s.* respectively, and W, X, Y, Z would pay additions of 10*s.*, 20*s.*, 30*s.*, 40*s.* respectively. Then the whole price paid by each per quarter would be as follows :—

|        |           |                  |
|--------|-----------|------------------|
| A (1)  | would pay | $(42 + 1) = 43$  |
| B (2)  | „         | $(42 + 2) = 44$  |
| C (3)  | „         | $(42 + 3) = 45$  |
| D (4)  | „         | $(42 + 4) = 46$  |
| W (10) | „         | $(42 + 10) = 52$ |
| X (20) | „         | $(42 + 20) = 62$ |
| Y (30) | „         | $(42 + 30) = 72$ |
| Z (40) | „         | $(42 + 40) = 82$ |

Such would be the mode of levying and paying the tax, if levied and paid on principles of justice:—the market price 40 is common to all; and of the tax, the part 2*s.* for protection of life is also common and equal; and the remaining part is variable from 1*s.* to 4*s.* and from 10*s.* to 40*s.*, varying according to property. That we may not be misunderstood, and be thought to bear unfairly on property, we add, that the servants of men of property are supposed by us to be on board wages, (they would then pay tax in the class A, B, &c.,) and reductions of tax for families (wife and children) would have to be made to married persons in both classes A (1), &c., W (10), &c.):—moreover, we are not advocating a practice, but illustrating a principle; and the theory is perfectly sound and just, coinciding in every respect with that which we introduced in the beginning of the chapter, with the letters *l* & *p*. In the former case A, B, C, D paid in taxes  $l + p$ ,  $l + 2p$ ,  $l + 3p$ ,  $l + 4p$ ; and in the present case they pay  $2 + 1$ ,  $2 + 2$ ,  $2 + 3$ ,  $2 + 4 = 3, 4, 5, 6$ ; while W, X, Y, Z, here introduced, pay  $2 + 10$ ,  $2 + 20$ ,  $2 + 30$ ,  $2 + 40 = 12, 22, 32, 42$ .

The circumstances in both examples are exactly the same; and we add, that this is the case of the incidence, as the incidence should be. We pass, secondly, to the incidence as it is; where the tax, paid indirectly (and in this indirectness lie the deception, the injustice and the evil) is tied up with the commercial price, and made, like it, equal to all, whatever be the wages or the incomes. Let the common tax be 10*s.* a quarter. Then of course A (1) pays  $(40 + 10 =) 50*s.*$  a quarter; and so do B, C, D, with wages as 2, 3, 4; so also do W, X, Y, Z, with incomes as 10, 20, 30, 40 respectively.

There is no difference made in the tax between poverty and property,—the tax on the very poor man is the same as the tax on the moderately poor man; the same as the tax on the moderately rich man; the same as the tax on the very rich man,—the tax on the poorest is the same as the tax on the richest. The equal and fixed tax is hardest of all on A (1); on him it falls more hardly than on B (2); still more hardly than on C (3); still more hardly than on D (4);—vastly more hardly than on W (10), X (20), &c.; the ratio of comparative hardness continually increasing in magnitude with the increasing magnitude of income. Or again coming down, the common equal tax is lightest of all on Z (40): on him it falls more lightly than on Y (30); still more lightly than on X (20); still more lightly than on W (10);—vastly more lightly than on D (4); than on C (3); than on B (2); than on A (1): the ratio of comparative lightness regularly increasing in magnitude with the increasing diminution of income. Between the weight of the pressure on the lowest A (1), and the lightness of the pressure on the highest Z (40), the difference is so great, when we take the cases, as they exist in our own country, of super-abundant wealth and fearfully depressed poverty, that the estimate is beyond our power; but we have proved, beyond dispute, the general principle which we asserted, in the opening, on indirect taxation—that the equal indirect tax presses heavily in proportion to the poverty, and lightly in proportion to the property.

We have also seen that the tax should be *ad valorem* as regards the ability of the purchaser; and we proceed to shew, that it should not be *ad valorem* as regards the quality or commercial price of the article. We allow that the attempt to levy such an *ad valorem* tax is to a certain extent creditable;—it is indicative of a desire to press lightly on poverty, and it is undoubtedly a concession, though indirect, of the innate justice of our own theory; but the *ad valorem* system, based on *quality*, is notwithstanding indefensible in principle, and it leads to a pernicious system of finance;—it is also injurious in its operation, for it interferes improperly with the freedom of commerce.

Suppose Government to have two, three, or four different qualities of corn, and of course corresponding differences in the commercial or market prices;—these varieties in quality and cost should in nowise affect the magnitude of the tax paid by the purchasers. Suppose the qualities and prices to be as 36*s.*, 40*s.*, and 44*s.*; each individual being left to select at his discretion;—if A (1), though poor, choose, for reasons known to himself, the highest quality, 44*s.*, the tax levied on him for protection to his property should continue unaffected by his choice;—if Z (40), very rich, choose the lowest quality, 36*s.*, the tax paid by him for protection to his property should still be the same as before: it would be improper on the part of Government to tax A more heavily, or Z more lightly, on account of their respective selections; for the magnitude of the tax should be determined by the amount of property—an amount ascertained not by their selections, but by a proper tribunal of inquiry. It is evident, therefore, that *ad valorem* duties based on quality, are entirely indefensible in principle, and interfere with the freedom of commerce. They should also be abandoned, as leading to a pernicious finance:—we shall hereafter illustrate this perniciousness by the case of wine; at present, our object is to prove sound principles in the abstract, and to disprove those which are unsound. For, since the *ad valorem* as regards the ability of the purchaser is correct in theory, but cannot be carried into practice, and the *ad valorem* based on quality, though to a certain extent reducible to practice, is entirely erroneous in principle, and restrictive on commerce,—it follows that a uniform equal tax should be imposed of a very low magnitude, to suit the condition of the humblest purchaser, at least so that the tax shall not, *per se*, interfere to prevent him from making the purchase.

It is further evident, that in proportion as the number of articles of general consumption subjected to the equal indirect tax multiplies, in exactly the same degree does the amount of the inequality in pressure multiply between the sides of poverty and of property—the amount of weight relatively increasing on the side of poverty as it descends, the degree of



lightness relatively increasing on the side of property as it ascends,—and that the only possible way to prevent the aggregate of pressure from crushing the incomes, and thereby the persons of the poor—the very poor—is by making the number of the articles indirectly taxed very few, and the magnitude of the indirect tax on each very small. Thus we have established another of our positions.

We pass to the case of wages, with a view to shew that the law of their increase or diminution does not correspond in character with a rise or fall in indirect taxation. Whenever wages rise or fall, the rise or the fall is invariably by per centages—that is, by proportional parts, not by equal magnitudes. Thus in the case of A (1), &c. for every shilling per week or per month that the wages of A (1) would rise or fall, in the same time those of B (2) would rise or fall 2s., those of C (3) would rise or fall 3s., of D (4) 4s., and so on. This is in entire consonance with the laws of commercial intercourse; and the position is indisputable,—for the principle is in constant operation, as regards both individuals and classes of operatives. The relative magnitudes of wages are in the first instance determined by the relative values of the work, in respect of quantity and quality, of supply and demand; and it is the fluctuations in the magnitudes of these four elements which produce those fluctuations in the magnitudes of wages—of which we have stated the law. By those who view commerce in her natural and proper grandeur,—as not merely uniting the provinces of the same kingdom, but establishing relations of intercourse with the various kingdoms of the earth, and ultimately binding the dispersed families of Adam into one unbroken whole, in both their physical and their moral circumstances,—it will be at once admitted, that the law as enunciated above, is the true, the proper, the natural, the legitimate, the actual, the existent law of wages—the law, both as regards their original relative magnitudes, and as regards their temporary relative fluctuations. It could not in fact be otherwise with a nation and a people, unless they were surrounded by Berkeley's wall of brass, and stood aloof and

alone in their position on the earth. And such being the case, nothing can be more evident, than that when the scale of the prices of the necessities of life in a kingdom is kept by the mere influence of indirect taxation at a very high point, the mass of the people enter into competition with the world at large, under circumstances most disadvantageous and depressing, that their progress is checked in a most astonishing degree, and that the difficulties and disadvantages originating in the high range of the prices of the necessities of life, can only be overcome by a taxation of the physical and moral energies, that ultimately drains dry the current of life, depresses their national condition, and poisons their private happiness. It follows as a legitimate deduction from what we have now advanced, that the connection between the magnitude of wages and the magnitude of indirect taxation is very slight, and very distant; and that a rise or a fall in indirect taxation is followed very slowly, and in a very limited degree, by a rise or a fall in the magnitude of wages. We have also seen that wages when they do rise or fall, fluctuate by a scale of proportional parts, not by equal magnitudes. Let us now suppose, in illustration, that the Government, requiring an additional revenue from indirect taxation, raise the duty on corn from 10s. to 15s. per quarter, and let us see the result, supposing the rise in wages actually to follow. The addition to the tax being by a common equal magnitude, and the rise in wages being by proportional parts, it follows that A (1), the lowest in our scale of remunerative labour, is immediately taxed additionally in proportion to his poverty, the additional tax on him being the heaviest of all; that it is less heavy on B (2), still less on C. (3), &c.; for the wages of A (1) are increased by one part, while those of B (2) are increased by two parts, those of C (3) by three parts, &c.; whereas, to be relatively as well off as before, the wages of all ought to have been increased by a common equal magnitude, whether 1 or 2, or 3 or 4, &c. But on the other hand, let us contemplate the infinitely more cheering opposite, when Government, desirous of relieving the people, lower the scale of indirect taxation—say

of corn from 10*s.* to 6*s.*, and so of other things,—and let us assume that wages descend as a result. The relief in taxation being by a common equal magnitude, and the wages of A (1) falling 1, those of B (2) 2, of C (3) 3, and so on, it follows that the relief given to poverty, is in proportion to its depth and extent. And thus we see how the lowering by Government of indirect taxation, proves so vast a blessing to the very poor: it is not the well-paid journeymen mechanics who feel it so much: it is the poor, the poorer, the poorest: it is these, as we go downwards, whose pittance is continually diminishing, yet who feel most beneficially and gratefully the equal sums deducted by Government from a tax. Poverty raises up its head out of the deep mire, and even puts on a smile. It is from the solitary cottage on the hill side, and the bedside, wherever it may be, of sickness, suffering sorrow and privation, that the hallelujahs of praise ascend most devoutly and gratefully, when a merciful Government interposes by lowering the indirect taxation.

In summing up, we add, that we have not merely treated of, but made good, every one of our original positions. We repeat the case. Indirect taxation bears heavily in proportion to poverty, lightly in proportion to property. It subtracts equal quantities from incomes most unequal: the poorest are always the most afflicted by its increase, the most relieved by its reduction. Indirect taxation being so unequal and so heavy on the poor, the number of articles indirectly taxed should be very few, and the magnitude of each tax should be accommodated to the lowest income; for an equal tax is alone practicable, and the tax should be *ad valorem* as regards not the quality of the article taxed, but the ability of the purchaser with small income. The scale of wages, their rise or fall, are almost independent of indirect taxation. The prime necessities of life should not be taxed, pauperism and vice being the result. The luxuries only of the poor should be taxed—tea, sugar, wine, spirits, tobacco. The difference of revenue is properly supplied by direct taxation of property, which is affected very unequally and slightly, in comparison with poverty, by indirect taxation.

We proceed to notice the unfairly attacked, grossly abused, SLIDING SCALE; and shall dispose of the case in a very few words. We have not to treat either of it or of a fixed duty as a means of permanent revenue, being advocates of a gradual abolition; nor have we to argue the case of gambling speculations in the corn markets, which are said by its enemies to originate with it;—our case is with the poor only; and we have simply to state, as a corollary to what we have argued before, that when the market price of grain is low, common sense tells us that the poor man can afford to pay a higher tax to the State; and when the market price is high, common humanity dictates that it is the duty of Government, at such a season, to lower the scale to the poor, on whom a fixed duty would then fall with an aggravated force. In a season of scarcity, the case of a fixed duty breaks down entirely, and its strongest advocates are then obliged to let it fall to the ground. The question of a maximum is entirely distinct (we afterwards propose a maximum for 1846 of 15s., to descend by 3s. every third year); but while a tax on grain continues, we trust that, in consideration for the poor, the principle of a sliding scale will be firmly adhered to.

*Protective Duties: or System of Mutual Taxation.*

The case which now opens on us, is one of singular difficulty and delicacy: so many precious interests are involved, the public mind is so divided, and public feeling so sensitive and quick, that he who proposes to mediate on the ‘vexata et vexans quæstio,’ whether he be the Prime Minister of England, or our humble selves, has but a very poor chance of being heard by either party with favour, or even ordinary patience. And for ourselves, we very much fear, that after our poor endeavours have been exerted, and our ingenuity, such as it is, taxed to the uttermost, to treat the question fairly as regards its merits, considerately in behalf of the public, and with justice to all, we shall be obliged to exclaim with Palæmon—

‘Non nostrum est tantas inter vos componere lites.’

Undismayed however by the difficulties of our task, we shall

only further add, 'quid tentare nocebit?' And admiring the impersonal, we begin with a case in the abstract.

A, S,\* M, represent the agriculturists, manufacturers, and manualists. Now, while they buy and sell among themselves without competition from abroad, they would of course charge each other the regular market price; the natural, as opposed to the artificial, balance of trade would then exist at home; and C, the Chancellor of the Exchequer, would call on each and all to contribute a fair portion of their property or income for State purposes,—the respective payments being estimated by the annual produce or sales; that is, an income or property tax would then be the natural resource of C. Next *a, s, m*, being three foreigners of the same generic orders as A, S, M. First, *a* enters the harbour with agricultural produce, and offers to sell it to S, M, at a rate rather lower than A. A, alarmed, perhaps somewhat unskilful and lazy, and behind the age, (having only studied the agriculture of Virgil and Hesiod, and being naturally fond of old ways and the olden time,) remonstrates against the invasion of *a*—declares that he cannot produce, and therefore cannot sell so cheaply as *a*—protests that he shall be a ruined man, and threatens to return the acres, which he had at so much expense and toil reclaimed from the wilderness merely for the sake of S, M, to their native wilds and wastes. S, M, ungrateful, still desire to purchase from *a*; but A, powerful and lusty, threatens C, that if he submit to their ingratitude, and to the unchecked invasion of A, he will deprive him altogether of the seals of office, the "delightful task" of taxing. C, desirous to please, compromises—that is, C removes the tax altogether from A's teams and flour, (A's Income Tax,) and fastens it on *a*'s, who, thus taxed, is permitted to sell what he can to S, M. The remitted tax "fructifies in the pocket of A;" S and M continue to pay old prices, which the tax on *a* keeps at their former high level;

\* S, the initial of "smoke, steam, and stuff," as W is of "wind, water, and war"—the S's might fitly be termed steamists (not steamers) from the high-pressure engines which they employ in politics as well as in mechanics. The alliteration would then be perfect and beautiful: "Agriculturista, steamists, manualists;"—a 'trio nobile fratrum.'

and C, instead of the large and swelling income previously received from A, is obliged to content himself with the miserable pittance obtained from *a*'s small imports; that is, C once had A's, he now has *a*'s, when he might have had (should have had) A's + *a*'s; but he is consoled by reflecting that A's tax is fructifying in A's pocket. Second, Next comes forward *s*, with bales of cottons, linens, silks, woollens (alphabetically arranged and displayed), and offers to sell to A, M, at a rate much lower than S. A casts a longing lingering look at the tempting finery of *s*; but S, utterly indignant at this, tells A that he had prevented him buying cheaply from *a*,—and by the 'lex talionis,' insists that C shall remove the tax altogether from his (S's) bales, and fasten it on *s*'s, just as C had done with the corn of A and *a*. C, kind soul, (the C's in those days were 'raræ aves'—fine animals,) yields to S, (who, between ourselves, a first rate steamist, threatened to employ smoke, steam, and stuff, wind, water, and war, against C.) C therefore yields; the tax removed from the bales of S, is placed on those of *s*, and fructifies in the pockets of S. A similar fight between M and C terminates in a similar result to M and *m*. And the result of the whole we shall endeavour to sum up, like good financiers, balancing the accounts. C, 'sicut nummos contemplatur in Arcâ,' finds—that he once had A's + S's + M's,

that he now has *a*'s + *s*'s + *m*'s,

and that he would, should (but not might, could) have had A's + *a*'s + S's + *s*'s + M's + *m*'s. He is comforted with knowing that the taxes he remitted are fructifying in the pockets of A, S, M. But money C must have,—honestly if he can,—but by all means money. A tax, therefore; C's kingdom for a tax. After balancing the pro's and con's, C lays it on thick and heavy (but more considerately than the Roman Emperor) on windows, (C is afraid A, S, M will be blinded by the sun; their skies, unlike the Italian, have too much light, and he has himself a cataract on the right eye); on sugar, (C is afraid, A, S, M, will be surfeited with treacle, and their children made sick with lollypop); on tea, (he is afraid they will be very nervous, and no longer fight the

enemy); on wine, (he is afraid the young A, S, M's will be drowned in butts of Malmsey, and the old ones, the real A, S, M's be Philip drunk and drowsy, when they should be Philip sober and awake); on spirits, (he is afraid they will be drunk and pugnacious, and he has a mortal aversion to fairs, brickbats, and shillelahs); on tobacco, (he can't endure the smell of Raleigh's filthy weed—'vilior algâ'); on 'multis aliis simillimis';—C's tariff, like auctioneers' catalogues, having, as saving clauses, "a variety of articles too numerous to mention."

A, the end of the year, the ledgers of A, S, M are submitted to a Parliamentary Committee, and run thus:—

*A's Ledger.*

*A in account with S, M.*

| <i>A Cr.</i>   |                 | <i>A Dr.</i>       |                 |
|--|-----------------|--------------------|-----------------|
| Tax received from S  | = 7.5 millions. | Tax paid to S      | = 7.5 millions. |
| M  | = 7.5 "         | M                  | = 7.5 "         |
| Total rec <sup>d</sup> . from S, M                           | = 15 millions.  | Total paid to S, M | = 15 millions.  |
| Balance of gain and loss = total received, minus total paid. |                 |                    |                 |
| = 15 millions, minus 15 millions.                            |                 |                    |                 |
| = N millions, minus N millions.                              |                 |                    |                 |
| = O, minus O = O.  |                 |                    |                 |

*A in account with C.*

| <i>A Cr.</i>   |                 | <i>A Dr.</i>  |                 |
|--|-----------------|---|-----------------|
| To direct Income Tax remitted, received, retained, and fructifying             | = 7.5 millions. | To indirect tax on "articles too numerous to mention," imposed, paid, gone, non-fructifying | = 7.5 millions. |
| Balance of gain and loss = direct taxes remitted, minus indirect taxes imposed |                 |   |                 |
| = 7.5 millions, minus 7.5 millions.  |                 |   |                 |
| = N millions, minus N millions.  |                 |   |                 |
| = O, minus O = O.  |                 |   |                 |

The examination of the ledgers of S and M produces the same remarkable results, O, minus O = O. The select Committee report that the state of the accounts of A, S, M is most satisfactory; for that, contrary to what happens when three gentlemen play at hazard and rouge et noir, A, S M, are, one and all, winners annually to a very large amount in scrip and stock, called nominal, by C's untold, because incalculable, remittances fructifying in each of their pockets. It is sub-

sequently carried, *nem. con.*, in a Committee of the whole House, that the system called "Protection" be followed up, as decidedly advantageous: and a vote of thanks is passed with cheers to C for his generous remissions of direct taxation to A, S, M, and especially for his enlightened regard for their morals, so ably exhibited in his indirect taxes (which he is strongly recommended to continue at the same rate) on articles that are invariably found, when taken to excess, to produce, like Pandora's box, blindness, nausea, nervousness, intoxication, vomiting, stupor, quarrelling, expectoration, consumption, disease, and death.

But in the end it did not go so well with C—'transit gloria mundi!'—and C's kingdom cannot last for ever. Not to dwell long on a painful and embarrassing topic, C is removed from place, not by a plethora of the constitution, but by a complaint in the chest. His "beloved Area," which he fondly contemplates and sits on, is daily becoming emptier and more empty: his "nummi" are slipping through his fingers day by day—through no fault of his; and at last, a gentle Parliamentary hint—no longer the whisper of a faction—'detur digniori,' relieves him of the care of his ill-fated Area, and consigns him for life to the contemplation—not of Ithaca or Elba, that were too bad, but—of

"The woods and wilds, whose melancholy gloom  
Reminds him of his soul's sadness;"

where—

'Dulces moriens remittiscitur Areas.'

In short, dropping the impersonal, but still without meaning offence, we say to the Ex-Chancellor of the Exchequer—

'Mutato nomine, de te  
Fabula narratur.'

His Area, then happily alluded to, became empty: and trying to replenish it by adding to the indirect taxation—adding to the burdens of the already over-taxed people—he was rewarded for his pains with the tithe on hope: in lieu of £1,895,000 that he fondly built on, (Hope told a flattering tale!) he received £206,000: in the words of Sir Robert Peel,



"little more than one-half per cent. realised, in the attempt to impose 5 per cent. additional duty." The conduct of the party in 1816 condemned an income tax, and consistency to principle required them in 1840 to persevere in the errors of old: their additions to the assessed taxes were indeed rewarded even beyond hope, (Hope was not here flattering enough,) but as to the indirect taxation, the attempts on it were rewarded justly, if not according to Hope or to Cocker. It was a case of 'Mercurio obolum;' and, notwithstanding their own contrary opinion, the party, as financiers, are held by the nation in the same estimation, as Mercury was in the Pantheon.—'Mais a présent on a changé tout cela.' The pressure from without, or the pressure from within—which was it? We know that the organ of destructiveness is equally active in both cases, though the forces act in opposite directions; the resultant of pressure pointing with its sagitta, in the one case, from out to in,—in the other from in to out:—thus  $\rightarrow \boxed{\leftarrow}$ . Often have we seen a late lamented Professor split the ears of his hearers, and make the welkin ring, by means of his air-pumps of exhaustion and condensation; pumping out in the one case to illustrate pressure from without, and in the other pumping in to illustrate pressure from within—but crash in both cases went the doomed retort. We have seen him also put a distended bladder of air under the pump of exhaustion, and it shrunk at once to the size of an empty purse, but that was a case of "squeezable," the materials being so natural: we have seen him take the same bladder, when you thought it as empty as the said purse, and hold it for a little before the fire, and it was a beautiful illustration of moral inflation and the vanities of humanity; it would gradually swell out to a 'monstrum horrendum ingens informe,' then burst, like the frog in the meadow imitating his neighbour the bull.

" Oft has it been our lot to mark  
A proud, conceited, talking spark,  
With eyes that hardly served at most  
To guard their master 'gainst a post;  
Yet round the world the blade has been  
To see whatever could be seen.

Returning from his finished tour,  
Grown ten times pertier than before,  
Whatever word you chance to drop,  
The travelled fool your mouth will stop—  
'Sir, if my judgment you'll allow ;  
I've seen, and sure I ought to know.'

We have seen 'le medecin malgré lui' use phlebotomy, cold water, and hygeian pills ; and the speedy result, malaise, exhaustion, atrophy, inanition, starvation, galloping consumption, death, burial, and churchyard—"the flowers o' the forest a' wed away!" We have seen also "ministering spirits, sent forth to minister for them who shall be heirs of salvation"—the gentle helpmate of the Pastor's fireside, with her little medicine chest and carefully prepared cordials of broth, jellies, arrow root, and "a little wine!" passing unnoticed and unknown from house to house of her sweet Auburn, entering into the cottages of those who, but for her and such like, might have perished from the earth, like weeds cast out from the garden of the Lord ; we have seen her pass with soft and measured tread into the sick room, with the well-known salutation—"Peace be to this house, and to all that dwell in it !" then, after many kindly inquiries and many encouraging hopes, kneel and ask a blessing from "Him from whom all good things do come," on the little store brought with her ; in short, keeping Christmas weekly with her beloved poor : while, in return, their blessings and their prayers—the former uncourted, but not disesteemed ; the latter earnestly entreated—followed her wherever she moved. We have seen also, in our days, a Minister of State called to the post of mingled honour and danger in an hour of great financial difficulty and national distress ; and we have heard him open his scheme of national restoration as follows:—"Shall I then, if I must resort to taxation, levy that taxation upon the articles of consumption—upon those articles which may appear to some superfluities, but which are known to constitute almost the necessities of life? I cannot consent to any proposal for increasing taxation on the great articles of consumption by the labouring classes of society. I say, moreover, I can give you conclusive proof that you have arrived at the limits of taxation on articles of

consumption. \* \* \* I say, again, notwithstanding all the taunts to which I have been exposed during the last month, in consequence of my proposal in respect to the Corn Laws, that no man can feel a more intimate conviction than I do, that whatever be your financial difficulties, you must so adapt and adjust your measures, as not to bear on the comforts of the labouring classes of society. My conviction further is, that it would not be expedient, with reference to the narrow interests of property, that that should be done." Where, we ask—where could language be spoken, and language be heard, more worthy of a British statesman to speak—more worthy of a British patriot to hear? It is language, however strange to our ears to hear, worthy of being written in characters of gold on the page of historic deed—worthy to be printed on the living tablet of the nation's great heart by the finger of living truth and finest sensibility. Worthy, did we say? aye, and sure to be printed!—for, we fear not passing clouds which rise from the low-lying morasses of party. If the nation's heart were not sensible to the touch of such wisdom and such feeling, we should say it were callous and rotten to the core; and if history were silent on the subject of the appeal, we should say that *Astræa*, offended with our ways, had forsaken our land, and that henceforth, in punishment for our national backslidings, no mortal name of Britain should be inscribed on the immortal lettered page. But we are sure of the result as regards the Minister himself; and, as regards his predecessors again desirous of being his successors, we beg leave to tell them, that whether they think of themselves as a Ministry and a party, or think of the nation as a living whole, whose affairs they try to govern, they should ever bear in mind this most mighty truth, and most awful and solemn warning—that "the image, whose upper parts were gold and silver, and which gradually passed downwards through brass and iron to the feet of clay,—that this great image whose brightness was excellent, had also the form thereof terrible, and that it was smote in pieces by a stone cut out without hands; that the iron, the clay, the brass, the silver, and the gold, were broken in pieces

together, and became like the chaff of the summer threshing floors; and the wind carried them away, that no place was found for them; and the stone that smote the image, became a great mountain, and filled the whole earth."

With respect to the Minister, what has he done? Let us briefly consider. The balance of taxation, for twenty-five years most oppressively unequal between rich and poor—(these things we have now proved)—restored by the direct tax on property, and the lightening of the load on poverty's bent back;—the vast improvement of the physical and moral condition of the nation at home, introduced by the lowered scale of prices, in which all, but especially the poor participate; by the opening of the closed pores of commerce; by destroying Agitation in Ireland, Chartism in England, Rebeccaism in Wales, which were all rife and rampant on his accession to power;—an exchequer, for many a long year in a condition of humiliating and unrelieved insolvency, suddenly made to overflow, as if Providence, to reward him for his mercies to the poor, had graciously permitted Cornucopia to drop into it;—the settlement of many ominous questions of foreign and colonial policy, which had a most threatening aspect at the time, and from which the nation is now permanently relieved,—to understand which we have but to allude to China, to Afghanistan, to the Maine Boundary Question, to the Right of Search question. We should insult the gratitude of the nation were we to detail them at length: we should lower ourselves below the very lowest of our species, were we actuated in our description by the hope of notice from power; but we should despise ourselves beyond every name that is given among men, if the mere dread of the easily preferred charge of panegyrisin should deter us from the expression of an honest and a free opinion at a national crisis of unusual and even painful interest. These things they who retired from office in 1841 left to him as heavy burdens, mortgages, and charges on the estate which he came to; these, one and all, he settled in a very brief period of time, in a manner entirely agreeable to the Foreign Power, and adding greatly to the honour of the British name and the security of

the British throne ;—and these, though far from all—these are among his jewels ; these laurels are his ! and who shall rob him of them ?

The course which we had originally chalked out for ourselves (we had begun to write long before the appearance of the Edinburgh letter) was, as far as possible, to steer clear of party, by treating financial and commercial questions historically in the past, and abstractly in the present : we have been driven from that course by events of grave,—possibly, though we do not think, probably,—of lasting importance ; but we are nearly done with party. The population of the kingdom is continually changing in numbers and in condition ; it increases, at present, at the rate of one thousand a day ; and it is, as regards the mass, vastly below the level of the age—that level which the mass must have attained to, but for the injustice perpetrated against them by law, a quarter of a century previous, and uncanceled from the financial statute book till the accession of the present administration. If, in such a condition of things, the agriculturists imagine that the regulations of commerce and finance are to be fixed, unchanged, unmodified, unaccommodated to the circumstances of the times, they expect for a human regulation the character and the impress of a divine law ; they ask for the former a privilege, which the law divine alone knows and acknowledges—the privilege of being untouched by the hand of man and unaltered in action by the law of man. The law divine soars by itself alone in a region of immutability ; and to elevate, or attempt to elevate, a human regulation, whose only value consists in its immediate and temporary fitness, to the region of a law divine, by conferring on it, as did the Medes and Persians of old, a character “that altereth not,” would be the height of extravagance and arrogance—a want of lowly submission to the legible ways of Providence on the earth. Anger, clamour, evil speaking, are unworthy of their high position ; they injure their own cause, and lower their own character, without weakening that of the Minister. When he appeared in power in 1835, though his tenure was short, his language was decided ; and if there be anything in the whole

of that course more clearly indicated than another, it is this—that he will hold power, if his Sovereign call on him to hold it, not to please or to favour a party, but to benefit the nation as a whole;—he has higher views than those which party dictates: and we, too, in our humble task, have to add for ourselves, ‘*De partibus actum est.*’

We resume the subject of *protective* taxes, with a statement of principles, true, catholic, fixed, immutable.

Man is not made to be alone: it is not good for man that he should be alone: he is not intended to be selfish and exclusive.

He enters the world as the member of a small republic; a happy home and a united family, bound together by a common chain softer than silk, yet stronger than adamant: his family is part of a nation—in the case of a Briton, “a great and mighty nation, in number as the stars of the firmament, and the sand which is on the sea-shore, innumerable.” When the child becomes a man, he puts away childish things; and without ever for a moment forgetting the home of his childhood, and the loved relatives of his youth—(“thy father and thy father’s house forget not”)—without for an instant ceasing to remember that the sun, which riseth on the evil and on the good, “riseth on his own, his native isle of the ocean,” he is taught by instinct, by interest, by the Word of Truth, that his living nation is a living family of the living earth; and himself, while a patriot, yet a citizen of the world. The family of the first Adam, broken by the fall and dispersed by the confusion of tongues, is again being assembled by the second Adam, attracted by the gift of tongues, united by the living bond of a common Christian faith. The fine and delicate cement of charity is cementing the parts of the coarse and mortal, yet fine and immortal clay: and Hope, with labours unwearied, and eye full of lustrous light, is urging on the work of a holy and living unity and communion. In the Scripture, God spake these words and said, “In thee shall all the families of the earth be blessed:” the inspired but doomed prophet said, “God is not a man that He should lie; neither the Son of Man that He should repent. Hath He said, and shall He not do it? or

hath He spoken, and shall He not make it good? Behold, I have received commandment to bless: and He hath blessed; and I cannot reverse it." Again, "*the prophet*," 'Ο Περφρητης,\* hath spoken—"And it shall come to pass in the last days, that the mountain of the Lord's house shall be established in the top of the mountains, and shall be exalted above the hills; and all nations shall flow unto it. And many people shall go and say, Come ye and let us go up to the mountain of the Lord, to the house of the God of Jacob: and He will teach us of His ways, and we will walk in His paths. For out of Zion shall go forth the Law, and the Word of the Lord from Jerusalem. And He shall judge among the nations, and shall rebuke many people. And they shall beat their swords into ploughshares, and their spears into pruning-hooks; nation shall not lift up sword against nation, neither shall they learn war any more. O house of Jacob, come ye and let us walk in the light of the Lord."

In obedience to these living truths, man continuing a patriot, becomes a philanthropist, and an instrument for the propagation of divine truth, both at home and abroad: the ruggedness of his nature becomes broken down, softened, and melted, till he sees in man, wherever he may be, a friend and a brother: and the most earnest longing of his soul is to see his brother man—as he himself was while yet a babe in swaddling bands, and lying in a cradle—grafted as a branch into the living olive tree, introduced as a lively and precious stone into the living temple of the Christian's joy on earth. "For there is no difference between the Jew and the Greek; for the same Lord over all is rich unto all that call upon Him: for whosoever shall call upon the name of the Lord shall be saved. How beautiful upon the mountains are the feet of them that preach the gospel of peace, and bring glad tidings of good things!"

Commerce is of no party: she rises above it: her spirit is catholic: she breathes peace and plenty; charity and goodwill to the whole brotherhood of man: she cements the bonds

\* "Art thou that prophet?" should have been rendered "Art thou *THE* Prophet,"—viz., "Esaias." Our version makes a tautology.

of charity, and multiplies her means of doing good: she points the scope of benevolence, enlarges the fields of sympathy, finds out fit objects of beneficence, promotes the happiness of our race: she rewards industry, prompts genius, ennobles science, elevates humanity, claims kindred with religion: she walks abroad on the earth, fearless and confiding—her thoughts are of peace, her speech is of peace, her embassy is one of universal peace; when she comes back, she lodges her treasures in the palaces of kings and queens, and scatters them profusely in the cottages of the peasants: and wherever she moves,—so closely does she walk by the side of faith, hope, and charity, so unassuming is her attitude, so becoming is her step, so natural her manner, so benevolent her aspect, so engaging her speech—so lively and cheerful her spirit, and so industrious and unwearied her action, that you would call her at once their willing and loving handmaiden, and their loved and adopted sister.

And acting in this humble office as the handmaid of religion, not only is her character elevated in turn, but her hands are strengthened and purified by the sacred attachment. To elevate the moral and religious condition of a people, is the sure way to make commerce prosperous. When a nation is faithful to her engagements and duties, the nations of the earth cultivate her acquaintance, and commerce is the humble and first instrument of their introduction to an acquaintance, that ultimately ripens, having a deeper and firmer root, into the purer and loftier sentiment of regard and friendship. In proportion as they are sober, industrious, righteous, and godly, their numbers multiply at home and spread abroad,—their worldly goods increase, their condition rises, their union is promoted, their strength is increased, their power is acknowledged, their greatness is respected; and peace, regularity, order, contentment, freedom from elevation, freedom from depression, the absence of excitement, the absence of panic—all of which follow in the train of the virtues we have named—are the most solid basis on which commerce can rest, the most powerful agents for raising an imperial structure. When, moreover, these



attributes of sobriety, industry, honesty, integrity, and godliness, are accompanied with energy, enterprise, and skill in worldly vocations—which last to a certain extent flow from the first as an effect from a cause—commerce will establish an empire among them that no man can unsettle. The possession of these moralities on the part of a nation is of infinitely higher importance and influence than the possession of the mines of Golconda and Peru; and it is the degree and the extent to which we Britons are now justified in asserting our present possession of these irresistible attributes, which will enable us to declare to what extent, and at what time, we shall be justified in proclaiming to the world, that commerce is henceforth to have in Britain a free, an unmolested, and a welcome home.

A nation is a living whole, intended by Providence to be united, consisting of many parts formed into one. The parts are sympathetic with each other and with the whole; the whole and the several parts, act and re-act on each other, by a sympathy at once physical and spiritual. The whole consists of all its parts, and the interest of the whole of the combined interests of the parts. These interests are mutual and identical. The whole interest does not exist for the interest of the part, but the interest of the part for the interest of the whole. The interest of the whole must not yield to the interest of the part; but the interest of the part must be accommodated, by legislative interposition, into an accommodation with, and submission to, the interest of the whole; and, notwithstanding diversities of opinion and diversities of administrations, it will invariably be found to be a fixed and established truth, that, as the same superhuman influences are continually at work, that which is the true interest of the whole is also the true interest of the part. On the one hand, the whole must not bear unequally on the part; on the other hand, the part must not take undue nourishment and support from the whole. Both the whole and the parts are injured in condition by irregular action and unequal pressure: the removal of that irregularity and inequality will be found to be the true course for a Ministry to follow who are entrusted

with the care of the national condition. This cause of national disease being removed, the nation may be left to its own application, industry, and forethought, to supply itself with the 'pabulum vitæ.' The first means to the physical and spiritual improvement of the condition of a nation is cheapness of the necessities of life, and regular and remunerative employment. These are promoted and attained to by activity of commerce; and activity of commerce by freedom from restraints. In proportion as this freedom of commerce increases, so does its activity; so does employment; so does cheapness; so does physical and moral improvement: and in proportion as the restraints of commerce are increased, its activity is impeded and languishes, employment diminishes, dearness follows, and the physical and moral condition degenerates. Activity of commerce, and prosperity of commerce, are terms almost synonymous, convertible, and identical. The value of a property depends on its magnitude, natural riches, and position, taken in combination with the number of occupiers and their physical condition. A wilderness, however fertile and extended, is almost valueless to the proprietor, from the absence of population; and it is still almost valueless as a commercial possession, if the occupiers, however numerous, be a horde of paupers. An acre of ground in London, and an acre of ground in Tipperary, illustrate the force and truth of these conditions of value. The magnitude of the revenue is, 'cæteris paribus,' as regards taxation, determined by the number and the condition of the contributors. Condition we have seen to be ultimately determined by freedom of commerce. An increase of the numbers, and an improvement of their condition, in other words greater freedom to commerce, will certainly be followed by a greater amount of revenue.

The above commercial maxims are applicable alike to agriculture, manufactures, and trade. Some of them may on a first view have the appearance of postulates, rather than of recognised and established truths; but we feel persuaded that a moderate degree of attention on the part of the reader will save us and him the tedium of a long discussion of the various positions, and convince him of the truth and consistency of each

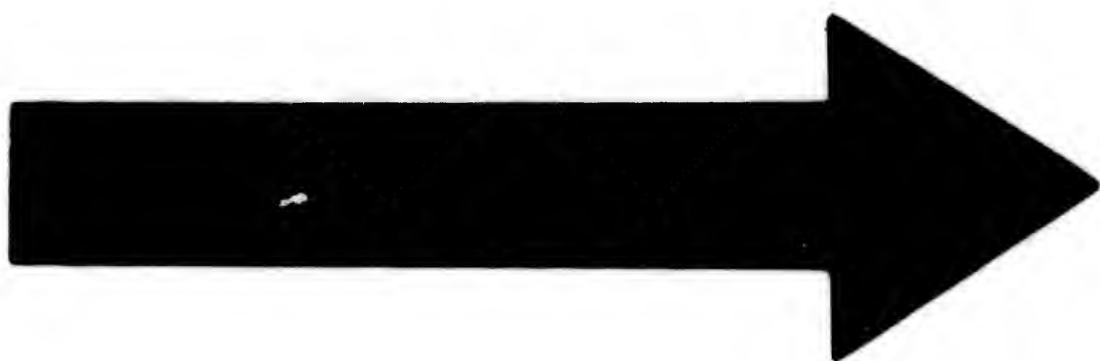
and all the parts, and of the gradation and connection of the whole. If practical proof of a most gratifying character were asked for of the soundness of the principles thus briefly set forth, they would be found in the quarterly financial statements of the period that has elapsed since the memorable budget of 1845, up to the present time.

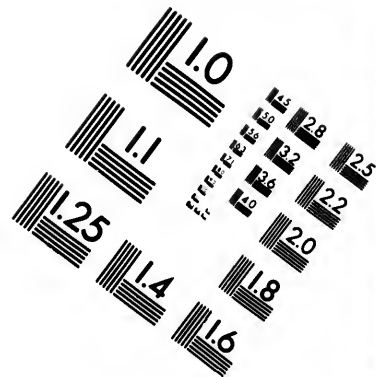
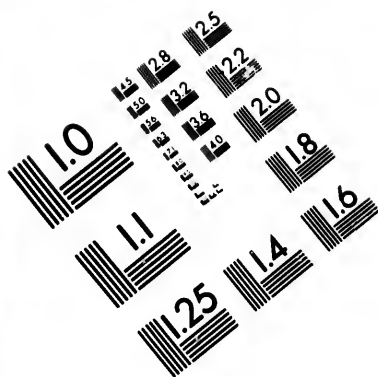
The restraints of commerce originate, as far as home is concerned, in heavy and partial taxation: the heaviness and the partiality springing from the *protective* taxes generally, and the Corn Laws especially.

Of prohibition and monopoly we say gladly '*stant nominis umbræ*:' and sorry should we be to disturb their now cold ashes. Prohibition is the natural parent of indolence, want of improvement, smuggling, and corruption of morals: but monopoly does not, like protection, involve the double effect of a very heavy tax on the country and a very small contribution to the exchequer. Under the monopoly of the East India Company, every pound of tea imported paid duty, and the whole duty went to the exchequer, being exactly proportional to the amount of the consumption, which in that case signified the same as the amount of importation—tea not being an article of domestic growth. But in the case of corn, we have this great, vexatious, and absurd anomaly to contend against: a small quantity imported pays a heavy duty, and the exchequer receives that and that only from the tax: a vast quantity produced at home yields no revenue to the Government,—and yet the tax is actually paid by the country; and to whom?—to the corn grower; whose produce is kept at a high price in the market, proportional to the tax levied on the foreign. If the home produce paid an excise duty of the same amount as the foreign importation pays in customs' duty, the country would have less reason to complain; because, on the one hand, the general price would not be raised to the consumer by the excise tax, and on the other, Government, requiring only a certain amount of revenue corresponding to the expenditure of the year, would be able to grant reductions of an equal amount on other articles of general consumption, to the general relief of the community.

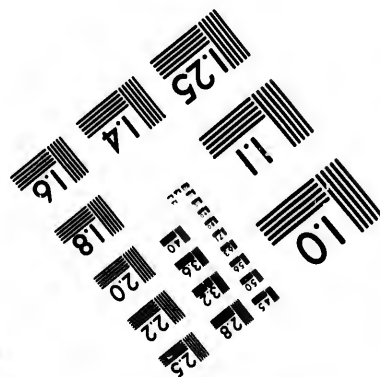
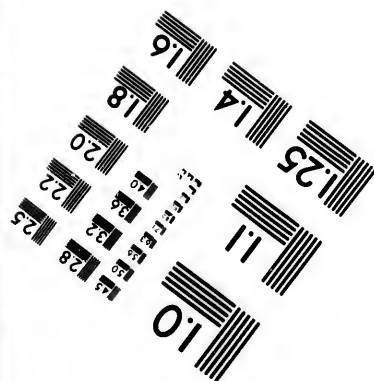
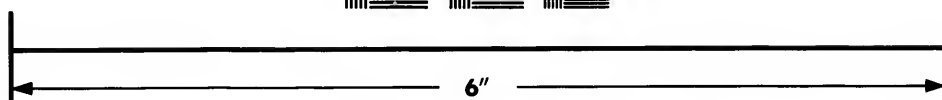
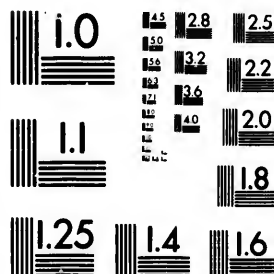
But as it is, a mountain of taxation resting on the country produces a mouse of revenue to the exchequer: and as we have shewn in a former part, that the amount of pressure on the poor of the equal indirect tax is exactly proportional to the poverty, and that the tax on the prime element of life is particularly severe and objectionable, it follows, taking these three points in conjunction, that the case is so decided and so powerful against the Corn Laws, that every well-wisher to his country must pray, that they may not be allowed to rest on the backs of the poor one hour longer than the caution required in so great a financial revolution may seem to dictate.

But justice is the cardinal virtue of national polity: 'fiat justitia, ruat cælum' is the maxim which each lisping babe is taught to repeat and treasure up from the cradle; and happy for our people is it, that the love of "fair play" is so indigenous to their good hearts. Every protected interest must throw protection overboard at one and the same instant; otherwise that unequal pressure from indirect taxation which we have exhibited as falling on the poor in comparison with the rich, would be added to agriculture also, to the unfair advantage of manufactures and trade. That A should be allowed to tax S and M, and in return S and M to tax A, is sufficiently absurd; but the absurdity would be converted into a cruel oppression, if A were to be compelled by law to cease taxing S and M: while S and M were still permitted by law to tax A, in any form whatever. A would languish under the unequal weight, and the consequence would then be, that S and M would in return suffer from the suffering of A; agreeably to that beautiful law of sympathetic action and reaction in the system of every living creature, whose parts united form a necessary union, as an undivided and indivisible whole. Protection ought never to have taken place; for the State alone has the right to tax, and the right to the whole and undivided produce of the tax. And, however impartially laid upon the parts—whose reciprocal action then requires *balancing* also, if there is to be protection at all—protection acts as a heavy dead weight on the general energies of the national system, curbing its elasticity and the free action and natural





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scope and direction of the parts. But as in a system of irregular eating and drinking, and excess of clothing, a return to sound practices must be carried out under a well-regulated regimen—so must our abandonment of vicious protection be effected with much tenderness to existing interests. A gradual relaxation of protection carried out simultaneously over the three related parts, will prove a useful tonic and stimulant to them all, and to the national system generally; emulation and competition being the spirit of commerce, as essential to its health, energy, and progress, as the winds of heaven are to the earth and its productions. We ask this, and no more, in order that the three departments chiefly interested may have time, by study, science, and the adoption of every known means of improvement, to meet the coming day of commercial freedom, and hail her approach with a right hearty English welcome. We must not allow our native producers to be regularly under-sold; for the workhouse will then be filled with the victims of an innovation too suddenly introduced on the old ways of our fathers. But give time, a little time, and we rely with fearless confidence on the result as regards our native workmen. The energy and the determination that never failed the British soldier in the hottest hour of battle, beyond which he ever looked with unwinking eye and unswerving fortitude to the sure and final hour of victory, will not be wanting to those who are employed in commercial avocations; and they will march forth to the peaceful, but not inglorious fields of commerce—not to meet the stranger as a foe, but to welcome him, free of all charges, into their own domestic markets. And, assuredly, the people who will be sufficiently brave to do this at home, will find as their reward that they have no rival abroad: at least on all neutral ground they will have victory, without a contest, walking over the course. It may be,—we deny it not, that in a country raised like this, to so high a pitch of refinement and civilization, some of the more elegant foreign preparations, particularly the costume of ladies, in which France is so eminent, may for a while receive a preference; but if we are cautious in opening our doors by slow degrees, time will be afforded to our native artists in each



department to copy, to imitate, and to equal; while in all the qualities of cheapness and intrinsic excellence, which depend not so immediately on taste as on capital and productive energy, and which are most looked to by the world at large, we shall meet the foreigner in our own market with more than our accustomed relative advantage, by the union of taste, excellence, and cheapness; and finally see him retire, leaving us undisputed masters of our own fields. And the battle, whether of war or of commerce, being always hottest and fiercest at one's own doors, if we give battle and prevail there, we shall have victory on all neutral ground abroad, without the necessity of even striking a blow.

And we would here remark, that were we unfriendly in spirit to Germany, which is trying to rival us in manufactures, there is nothing at which we should rejoice more sincerely, than the successive raising of her tariff duties, to which she is having recourse. It is, in the first place, an undoubted testimony to the steady increase of England's productive power, and to her own diminishing ability to cope with England in the essential element of cheapness. But it is more than that as regards the future—it is a certain death-blow to her power of competing with us hereafter, in any other market than her own. The price at which she produces at home, must regulate her price for abroad;—the former, we have seen, is kept unnaturally high by protective taxes; and her periodical additions to the duties on English manufactures, prove incontestably our increasing, and her relatively decreasing power of cheap production. Her policy is suicidal as regards both the comfort of her people at home, and their power of competing with us on neutral ground abroad; while to us it holds out the strongest encouragement to persevere in the course so happily begun, of lowering gradually and considerably the scale of our protective taxes, till the whole disappear as an evanescent quantity. Germany, will then, when too late, discover the fatal character of her course; by the wall of her own erection against us, she will be by us excluded from participating in the commerce of the rest of the world, wherever the tariff is common to both: while the commercial flag of England, courting rivalry first of all at

Rome, will be flying almost alone in every region of the world, where that of Germany, but for her narrow and suicidal policy, might have been unfurled in honourable rivalry. If, indeed, our people were a languid and nerveless race, we might hesitate as to the prudence and fairness of proceeding gradually onwards through reduction to abolition, while the tariffs of all surrounding countries have a concurrent tendency to ascend against us. We regret their proceedings as injurious to us, though still more enfeebling to themselves; but on no account should the tariff of Britain take its tone or its standard from any foreign country. An army cooped up in barracks, likes only to fight from behind the battlements of the fortress; and the commerce of Britain will then be most flourishing when she has levelled her ramparts even with the ground. Let us go on our own course, rejoicing in every step of our progress to abolition, resting assured that prohibition is slavery; protection is weakness; abolition is riches, freedom, and power. The walls of the Zollverein will not fall down at our bidding, as the walls of Jericho fell at the command of Israel's leader: the commercial barricades of Paris may refuse to open their gates to the tempting treasures which our inviting commerce would submit for their approval: the former may be built higher, and the latter be more jealously locked; and we cannot scale them with the ladders, nor unlock them with the keys of commerce, which loves peace and openness in all her ways. We may, however, set them a good example, which they are more likely to imitate and to profit by, if they see that we do it entirely unconditionally. The Athenian who was anxious to be invited to his friend's feast, was advised by Socrates to invite the friend first of all to his own; and similar would be our suggestion to the great and experienced statesmen who now preside over the destinies of England's commercial policy. Should our friends in Europe, accepting our invitation, yet decline to reciprocate in kind, let us not turn away in anger, and punish ourselves by closing our doors against the produce of their vineyards and silk looms; let us remember that they are injuring—us, indeed in part, but far more—themselves; there is room in the wide world for both us and

them : the world contains a thousand millions of inhabitants, while the two are but fifty ; and, acting as they do, they are shutting themselves out more and more from the commerce of the world, and leaving England finally to range over it, without competition or companionship. Commercial retaliation is among the worst, if not the worst of all retaliations ; it leads to envy, hatred, and war ; and the misery that follows is wide-spread and deep, and nearly equal to both the victors and the vanquished. Time was when retaliatory measures were looked on as the only sure basis of a sound commercial system, and a balance of trade. Experience, the best of all instructors, has proved on the contrary, that commerce herself holds the balance even, independently of all legislative enactments ; and that these, when they hold out what is presumed to be a helping hand, disturb the equilibrium, render her uneasy and unsettled, and weaken her and let her down ; and that she is never so free and so flourishing as when left to her own private energy and enterprise, her inventive genius, and her voyages of discovery.

If the world, as a whole, would pursue with respect to commerce the enlarged policy which England is now engaged in carrying onward to perfection,—commerce, with her smooth and peaceful forehead, would be seen in every land, diffusing among the people wherever she went the fruits as she gathered them from the grateful earth : the face of nature, as now seen in her fields, so stern and wild, would gradually assume an appearance more worthy of better times to come : the thorn and the thistle would be gradually rooted out : the seeds of a living faith, put into her hands as her most precious and sacred charge, would be scattered by her in all lands as she moved quietly and gently along : the myrtle and the fig tree would begin to spring up, the wilderness and the solitary place to be made glad, and the desert to rejoice and blossom as the rose : the wolf would be seen preparing to dwell with the lamb, the leopard to lie down with the kid ; the calf, the young lion, and the fatling together, with a little child leading them : the cow and the bear preparing to feed, their young ones to lie down together, the lion to eat straw like the ox, the sucking child about to play on the

hole of the asp, and the weaned child to put his hand on the cockatrice den. Of the day in which they shall not hurt nor destroy in all His holy mountain, we might then say that it was coming ; we might say that even nature, forgiven in the primeval curse, was robing herself fitly and gratefully for the glorious and beautiful day when the earth shall be full of the knowledge of the Lord as the waters cover the sea ; that day—when the earth shall be restored, even physically, to something of the condition of an earthly paradise ; and man, its inhabitant, the fallen descendant of the first Adam, and the ransomed co-heir and adopted friend and brother of the second Adam, be employed in tilling it as in the day when the Lord God placed Adam in Eden.

Having, in the preceding paragraph, discussed the subject of our commerce with France and Germany, we may here fitly allude to the article WINE, as we, in page 63, intimated our purpose of doing. It is not merely that we consider the higher classes of society should be allowed to have wine as reasonably as on the continent,—wine being, for their daily consumption, what beer and ale are for the labourers,—but it is peculiarly desirable that it should be placed as a luxury within the reach of the poor. At present, from the operation of the heavy tax, they are entirely debarred from it : yet who that knows anything of the interior economy of the poor man's cottage is not perfectly aware, that in cases of recovery from fever, debilitating ague, and other ailments, the cordial of a little wine would often revive and restore them when other things fail, and that they are obliged to go without it, or stoop to solicit it as a charity from their rich neighbour—a boon too often given grudgingly, and never in such quantity as would be necessary for refreshing the fainting heart, bracing up the relaxed nerve, and reanimating and restoring the enfeebled frame. “A little wine for thy stomach's sake and thine often infirmities !” is the affecting language of the kind physician to the poor ; and the invariable reply is, “We cannot afford it, Sir :” and then, as a matter of course, the Minister of the Gospel—(the curate pass-

ing rich with eighty pounds a year—actually doubled since the days of Goldsmith: who knows what he may not be thought worthy of by and bye?)—he has to supply it out of his superfluous stores. We begrudge not drawbacks to the defender of his country, who braves death for her on the battlements of England's wooden walls; of whom, in the words of the beautiful "Lewie Gordon," we might say, "You'd take him for the god o' war!"—but the passing rich curate of the parish, for the cordial which he constantly supplies out of his superfluous stores, and not grudgingly or of necessity, to the sick and the dying—his beloved poor, the lambs which he is commanded to feed, his left hand knowing not all the time what his right hand doeth,—he gets no drawback! My brethen, these things ought not so to be! We do hope, therefore, that a benevolent Government, desirous to improve the condition of the poor, will considerably put a "little wine for their stomach's sake and their often infirmities," within their reach. The market price of an article may often interfere with the purchase of it: but we cannot consider it otherwise than a want of duty to both the Creator and the creature, for the State to make the tax on a commercially very cheap article so high as to place it, by the mere amount of the tax, beyond the reach of the humblest of the people. "Wine that maketh glad the heart of man," is the language of Scripture;" but in this country, the language is altogether inapplicable to the poor, to whom it is made a forbidden fruit. In fact, in the case of wine, the experiment has never yet been fairly made of the effect of a very low duty; and the consequence is, that while on the continent generally, the humblest peasant can on occasions of ordinary occurrence place a bottle of wine on his table, wine becomes in this country a ground of invidious distinction between the higher and the lower classes; and the more that there are of those distinctions which mere taxation introduces to the disadvantage of the poor, (for we have proved, in page 62, that an equal indirect tax presses heavily in proportion to the poverty,) the greater will be the disaffection and alienation of the lower classes. Wine might be made as cheap and as common as in France, the

magnitude of the tax alone interfering to prevent this; and were such an arrangement to be made, we feel assured that the taste for ardent spirits would be greatly checked. The making of wine reasonable, by the imposition of a very moderate tax, would, we are persuaded, prove a most valuable auxiliary to temperance, good order, and good health, in the community at large. Let us look again at the higher classes. Among the inducements for families of moderate independence to live abroad, is the comparative cheapness of provisions generally, but of wine especially. By an alteration, therefore, in the duty that would equalise our prices for wine with those of the continent—by lowering the tax 1*s.* per gallon annually or biennially, from 5*s.* 6*d.* to 1*s.* 4*d.* per gallon, (less than equality would not suffice—and 1*s.* 4*d.* would produce equality, but a higher duty than 1*s.* 4*d.* would fail to do so,) one of the greatest of the many inducements now so strongly urging to expatriation from home and colonization of Europe would be at once and permanently removed; vast numbers would be recalled home, (especially also if we raised the Income Tax,) and the large sums now spent by our selfish and unfeeling expatriots in France, Belgium, and Germany, would be spent in their own fatherland, and contribute to increase our general wealth, to improve the condition of society as a whole, to increase the revenue and lighten the load of taxation. And for all this we get nothing whatever in return from abroad.

The foreigner comes to England only from what he deems a dire necessity. A foreigner live in England from choice! Who that knows anything of his keen feelings on the subject would imagine so vain a thing? “Everything in your country is so very dear!” is his one invariable remark, with a shrug of his shoulders and a countenance indicating the torture of the inner man. Wine, to which he has been accustomed, as part of his daily sustenance from his youth up, becomes to him in England almost a sealed bottle: and he feels an utter loathing at the taste, which, nevertheless, a regard to the balance between his revenue and the expenditure of his scanty supplies, (for we do him the justice of saying, that he is in general a faithful

keeper of the privy purse,) compels him to acquire of our thick, heavy, black draught porter. In fact, till the expenses of what is called "living" in England be reduced, by a general reduction of the scale of indirect taxation, to an equality with those of continental countries, these will continue to carry on a heavy trade in absenteeism entirely against us, and entirely in their own favour: and not only so, but the balance against us will yearly become heavier and heavier, as facilities of locomotion are increased by the multiplication of railroads. The only way to divert back to our own shores the outward current of settled and independent property, is by a considerably increased direct, and a greatly reduced indirect, taxation.

And are there not political considerations of vast importance, both of a permanent character and of immediate most pressing urgency, that point to an instant commencement of reduction of the duties on the wines and brandies of France? Such a reduction would, in our view, be only a measure of reparation for the invidious distinctions of the Methuen treaty, long standing, but now happily abolished. Had these and others of a kindred character not existed, those '*irritamenta bellorum*' \*

\* February 5th, 1787.—"Mr. Pitt submitted his commercial treaty with France to the consideration of the House. Mr. Fox spoke in strong terms against it. He said it was a novel system, and a dangerous departure from the established doctrine of our forefathers, and from the principles upon which our commerce had hitherto been conducted: 'that France and England were natural and unalterable enemies: that it was essential to the safety and independence of England to regard France with jealousy and distrust; and that to maintain friendly intercourse with that kingdom, was equally vain and contrary to sound policy.' Mr. Pitt, in reply, would not admit that there was anything in the situation or character of France and England which made them necessarily hostile to each other: his mind revolted from the idea that any nation could be unalterably the enemy of another: it had no foundation in experience or history; it was a libel on the constitution of political societies, and supposed the existence of diabolical malignity in the original frame of mankind: that the quarrels between France and England had not only too long continued to harass those two great and respectable nations themselves, but had frequently embroiled the peace of Europe, and had even disturbed the tranquillity of the most distant parts of the world: that they had by their past conduct acted as if they were intended for the destruction of each other: but he hoped the time was now come, when they would justify the order of the universe, and by a wise attention to their own real interests, shew that they are better calculated for the more amiable purposes of friendly and useful connection," &c. &c.—*Life of Pitt*.

which have such an unhappy influence on the temperaments of our susceptible but generous and chivalrous neighbours, would have been in a great measure avoided. The political question, however, will receive further consideration in the second part of our subject. But we again express an ardent desire to see the experiment of a reduction in the tax on wine, to the extent we have named: and if the duties on foreign spirits were to be gradually reduced, in the present year to 20s. a gallon, and to fall 2s. a gallon for five successive years, till the duty arrived at 10s. per gallon, smuggling would gradually disappear, and the revenue not suffer as regards spirits. The revenue from wine would probably fall gradually to a million per annum, as the minimum, and from that point gradually ascend, though we confess slowly, as must be the case under a low duty.

#### *Bank Charters.*

We mean not to write an essay on banking: though on no branch of our national system have our opinions for many years been more strong, more deeply rooted, and more fixed. The time will come when the nation, looking back on the past, will gaze with amazement and horror on a system, as it once existed, so utterly alien to sound commercial principles—so impregnated with every element of evil—so loaded to bursting with the materials of irremediable destruction;—a system that conceded to particular bodies of men the privilege of trading in the life blood of commerce for their own private profit and personal ends; that gave to their bills, however many in number, and however spurious in character, the stamp of a semi-national currency and credit; that left them, as they might consider most profitable or most pleasant, the free and fatal power of alternately opening and closing the sensitive pores and veins of the commercial body; that allowed them to add and to subtract, at their own good will and pleasure; to exhaust and to replenish; to make drunk to-day with a false prosperity; to make faint and low to-morrow by an unnatural depletion and most wretched exhaustion;—a system, that made



the dreadful artillery, so foreign to commerce, strike terribly on the senses, when "crash, crash, crash," commencing with the banks, broke fearfully on the ear, from a thousand salient points of the commercial system, and irretrievable ruin, degradation, and death, was the heart-rending response from thousands and tens of thousands of deluded and undone victims. Of these unhappy victims of the crimes of others, some even now survive to tell their tale of woe unutterable; and the melancholy history of the past may be read in any of the usual treatises on banking. Of all the reforms of the present Government, there are none to which we responded more fervently in the affirmative, than those connected with the banks of issue of the three divisions of the empire;—we hail them, moreover, as the precursors of an approaching settlement that shall be final and most beneficial.

There is nothing in the world so indispensable to the successful operations of commerce as a serene and unclouded political sky, and a steadily regulated amount of monetary circulation. The latter cannot by possibility exist in perfection with a paper circulation, which, however it be controlled in the total amount, may contract and expand within stated limits for the private advantage of the issuing bankers. The limitations in the new charters have vastly checked the evil, since beyond a certain amount the issues are entirely metallic; still, as the commercial fabric will never be sound, but be liable to panics, while a fictitious paper exists,—we most earnestly hope that the termination of the charters in the course of the next ten years, will be the termination for ever of the privilege of issue. The banking interests are no doubt powerful, chiefly through their connection with the agricultural body; still the part, however powerful, is but a part, and must be taught to give way to the whole, and to submit its interest to the interests of the whole. And such a concession as we now speak of will be found to be more and more necessary in proportion as commerce progresses to freedom. When the circulation shall be, as we hope it is to be, wholly metallic, or, which is the same thing, and as we shall presently see,—when the paper circulating shall have a metallic

basis (deposited in the Mint) exactly equal in amount to the paper circulation,—then every addition to the amount of the circulation, being wholly metallic, (or based on an equal amount of metallic,) will be a certain index (far, we readily admit, from being the only index) of an increase of real, as distinguished from fictitious property. As few, however, have a clear understanding of what is meant by “issues,” their fictitious character, and the advantages they bring to the issuers, we shall illustrate the case by one so simple, that every one will understand it as he reads.

A, a gentleman, owes B, his tradesman, a sum of money for goods supplied; and being unable to pay it when B presents his account, compromises with B by means of a promissory note payable at the end of six or twelve months. B, first putting his own name on the back of the note, (endorsing it,) to signify that he too is liable for the amount, circulates it as temporary cash among his commercial connection; and thus it passes, or may pass, successively through twenty or thirty different hands, each party endorsing in turn before he gives it away to the next. At the end of six or twelve months, the note of hand is brought for payment to A. If A takes up his bill by paying in money, the whole commercial transaction is ended; but if he do not, he has to meet the consequences in another way, on which we need not dwell. The above is a case of continual occurrence. We, however, introduced on the part of A the condition of *temporary inability* to pay B; and we will now change temporary inability to permanent ability, known and acknowledged, and follow up the process of circulation as before.

A, a gentleman of known and acknowledged property, owes B, his tradesman, a sum of money for goods supplied. A, when his account is presented by B, instead of paying B in money, gives him his bill for six or twelve months, acting as if he were really unable to pay, (*‘non solvendo:’*) B, knowing A to be a gentleman of undoubted means and high respectability, accepts A's bill with almost the same readiness as he would have received A's money; and his mercantile connection are so satisfied that A is, in commercial language, “a good man,” that neither B nor

any subsequent possessor of the bill practises endorsement. But this is not all: the bill, as long as it circulates with credit, being as good to the possessor as money, is not presented at the end of the six or twelve months; in fact, is not presented till A's death. We suppose the most favourable circumstances in each case, namely, that no one suffers, but that the bill is paid when presented. But what has been the consequence as regards A? On the strength of his credit, he has introduced his bill into the market; his bill passes as money; while the real money, with which he should have paid B at the beginning, he has been enabled to employ in some profitable investment of his own: the money has been fructifying, not in his pocket, which is a quaint idea, but in some of the many fields of a fruitful commerce. Nay further, his bill having passed in all respects as money, he has not even been obliged, during the many years we suppose it to circulate before its final presentation and redemption, to pay anything in the shape of annual interest. We may go further, and suppose A to have forgotten all about his bill; so that when the bill is finally presented, though he discharges it in full, he becomes very angry, because he finds his imagined wealth diminished by the actual amount of the bill then presented and paid. Or again, suppose that A was actuated by mercenary motives from the beginning, and that B, at the end of a certain period of time, say from one to ten years, (the bill having been returned to B, as the original indorser,) presents it to A, and insists peremptorily on the redemption of the bill by money in the sterling coin of the realm, we can readily imagine that A, when compelled to compliance by a law yet more powerful than that of his arm and his purse, becomes enraged with B to an extent exactly proportioned to the amount of B's account, that is, of his own liabilities; that he no longer gives B his custom; orders him to Coventry, where perhaps B declines to go; and tries to injure him in public estimation. Reader, we should at once say to you, 'ex pede Herculem,' were it not that we should be guilty of the impropriety of applying complimentary language to a hollow and most unsound system; we will, therefore, content ourselves with the old and

hackneyed, but ever appropriate, 'ex uno disce omnes.' You must have seen all along that the case individual, as it proceeded to its conclusion, (the case, being favourable, was not made one of catastrophe,) bore minutely and pointedly on the case general,—that is, on the banks of issue, one and all, in the kingdom. We took the most favourable case possible, by supposing A to be a man of real substance, and ultimately able to take up his bill. We will also take the case most favourable for banks of issue—that of the vaunted Scotch banks. That they have been conducted with creditable caution and singular success is true; but the paper itself, though guaranteed by landed and other property, is as utterly fictitious as the bill or the bills of A: the source of the profit from the bills of A is the source of the profit from the issues of banks: the diminution of the real property of A, by removing his fictitious bills, is the same as the diminution, *in futuro*, of the real property of the banks, by the future redemption of their fictitious notes; and the anger of A against B for insisting that A should take up his promissory notes and pay him in sovereigns, is a specimen of the swollen torrent of virtuous indignation descending and to descend on the "land of the Rose," from the "land of the Mountain and the Flood:"—the virtuous, the sublime torrent that has burst forth, bursts forth, and will burst forth, whenever a Prime Minister or an Administration, preferring the interest of the whole to the interest of the part, has resolved, resolves, or shall resolve, on a full, final, and complete redemption of fictitious issues, by payments made in the sterling coin of the United Kingdom, current in all lands.

"The withdrawal of the issues," "the contraction of the circulation," "the injury to commerce," "the injustice to credit," "the destruction of property," "the ruin of individuals," "the ruin of hundreds," "the ruin of thousands," "the ruin of millions," "the ruin of the banks," "the ruin of Scotland," "the ruin of England," "the ruin of the empire," "the ruin of the world," "the foulness of the deed," "the infamy of the act," "the ignorance of the Government," "the weakness of the Administration," "the treachery of the Premier," "the

heartlessness of the Prime Minister,"—are phrases most of them (we say say not "all;" having introduced one or two of our own as a means to an end, to make a perfect climax; the last step being, of course, in an ascending climax, the highest)—are phrases most of them venerable with time, and sanctioned, if not sanctified, by the most approved usage of our modern Attica. Their exact value and merit are best ascertained by comparing the case of the banks with the supposed case of A.

Nothing daunted, we proceed with our own case. Though the circulating medium consists of parts partly hard, partly soft, but both lifeless, yet the moving power is living man—the fingers, the judgment, the sentiments, the heart, the soul, the nerves, the sensibilities, the wants, the hopes, the fears, all of them, of living man. In proportion as commerce becomes free, these living attributes will become not only active in the same degree, but sensitive and quick in proportion to the absence of protection; the circulation in consequence will be rapid in the same degree, or figuratively, active, sensitive, and quick: the importance is therefore proportionably great, that all undue and extraneous action on the system, like that produced by the various banks of issue in the kingdom, should ultimately cease; and only if this shall be done, will commerce appear before the world at large in her native dress and natural character, with face free from care, and neither flushed nor pale.

We shall now sum up our passage on "Banks of Issue," with the following suggestions. We premise, first, that by the arrangements of a provident Government, their charters will expire in the years '54 and '55; and secondly, that in our system we, for reasons to be developed in Part II., assume 1861 as "the plane of Time," on which the various divergent and opposing forces, or clashing and balancing interests of commerce, are made to *concur* at a *certain point*, (August 6th,) with a view to their being then and there amicably and permanently adjusted and established; and how?—by *resolving* these forces or interests into two parts, the one good, and to be made permanent; the other evil, and to be *cancelled*: that in commerce, revenue, and banks, the good parts consist of "free trade,"

“revenue taxes,” and “banks of deposit and discount,” which are to continue permanent; the evil parts, of “protected or restricted trade,” “protective taxes,” and “mercantile banks of issue,” which are then to be cancelled. We suggest, then, as follows:—

First, That the Bank of England be allowed from '54 to '61 (seven years) to withdraw her notes by equal quarterly subtractions, giving an equivalent value in bullion (of gold, silver and copper) to the State, or, which is the same, by cancelling an equivalent portion of the debt (ten millions) now due to her by the State.

Secondly, That the other banks of issue in England, Scotland, and Ireland be allowed from '55 to '61 (six years) to withdraw their notes, and make similar equivalent payments to the State in bullion.

Thirdly, That as the chartered banks withdraw their issues, the National or State Bank,—which we presume to rise up under the sanction of Parliament, and under the management of a rigidly controlled Parliamentary Commission,—shall supply the vacuum in the circulation by “national notes,” of exactly the same aggregate and individual values; that the bullion paid over be deposited, as it is received, in the National Mint of London; and that, as a preliminary step, the gold now in circulation be gradually withdrawn and deposited, for convenience and in suitable amounts, in the various garrison towns of England (where we presume that the National Bank shall have her branches of *issue*, without any bank, either in whole or in part, of *deposit* and *discount*, which last would be a Government mercantile agency); that the vacuum in the circulation produced by the withdrawal of the sovereigns, be supplied by £1 national notes; and that the national notes be “a legal tender,” with this provisional limitation, that they be payable on demand, in gold bars of the proper standard, and of a weight not less than sixty ounces for any single payment.

This last condition, which was temporarily adopted in “Mr. Peel's Currency Bill” of 1819, (having been suggested by the late Mr. Ricardo,) would prevent in a great degree the loss

now sustained by the nation from the wear and tear of gold, and check any run for gold, should a panic arise. But in fact, under such a condition of things, the bullion in deposit being equal to the notes in circulation, panic is hardly conceivable; while commerce, "great and free, would flourish, the pride and envy of the world."

Lastly, that instead of coining being gratuitous, as it is now with us,—by which gratuitousness foreigners now export our coin, instead of our bullion, and then melt it down,—a seignorage, or tax to defray the expense of coining, (in France it is 8 per cent.,) shall be imposed and exacted, when payment of the national notes is required to be made in coin instead of in bullion.

Even if we suppose the bullion in deposit less than the value of the notes in circulation, still, the excess in notes being merely introduced for national convenience and not for private profit, and being moreover a *fixed* and *invariable* quantity, instead of, as now, within limits, a *fluctuating* quantity, expanding and contracting on grounds of purely private speculation,—it would follow that property could not by any means suffer, as it has done formerly to a vast extent, and as it still does, in a limited degree, by those capricious alternations of expansion and contraction with which real property and legitimate commerce are very indirectly mixed up.

But as some evidence of the vast importance and value which we attach to the existence of banks of deposit and discount, as distinct from banks of issue, (the latter becoming the former,) we will, at this stage of our subject, introduce, in connection with them, our paragraph (for such only we intend it to be) containing a plan for the gradual redemption and liquidation of

#### *The National Debt,*

—a theme of wonder and interest, proportionate to the colossal dimensions of the subject. But we treat redemption, not like Mr. MacCulloch and others, as a thing hopeless and impracticable, but as easy and practicable, and capable of accomplishment within fixed and definite periods. The plan is not brought forward without a careful pre-examination and analysis of all

other schemes that have been suggested; and for the proof of its practicability, we refer to the connection developed and established in Chapter II. between the laws of population, property, and revenue. Owing to that state of transition from protection to freedom, in which we suppose commerce to be from '46 to '61, when "the transit of the commercial system over the nation" will be finally perfected, we assume that little in the way of redemption will be undertaken of a fixed, decided, and permanent character till after the latter era; at which time, however, the national ability to redeem (on the hypothesis of peace, whose mode of preservation we consider in Part II.) will, as seen in the table of Chapter II., have very greatly increased and continue steadily increasing. The mode we propose for the redemption of the debt is a species of converse or reverse of the mode of its creation. We suggest that the Government should effect the redemption by means of an orderly, systematised, and scientific course of "Life Insurances;" the Government selecting lives for insurance, and the offices of insurance being, first, the most trustworthy and able of the insurance companies now existing, or which may afterwards spring up; and secondly, and chiefly, the most powerful of the banks of deposit in the three parts of the kingdom. Suppose, then, that Government, intending, at the commencement of 1861 (or any other year) to insure twenty millions of the National Debt, should select for insurance four thousand lives (those of females would be preferable) between the ages of fifteen and thirty, as they might conveniently be found with reference to the insurance offices in different parts of the kingdom, the Government insuring £5000 on each of their lives. According to the tables of Mr. Finlaison, the Government Actuary, the sum paid by Government at the beginning of the year to the insurance companies would vary, according to the ages, from .3 to .4 millions: and, according to the same tables, at least forty of these lives would, by the end of the year, have obeyed that fixed law of the duration of life which Scripture, pointing its affecting moral, declares to be "three score years and ten, while some live till they be four score years." Suppose that Government, at the



beginning of the year, pay  $\cdot 4$  millions, and by the deaths of forty receive back  $\cdot 2$  millions ( $= 40 \times 5000 = 200,000 = \cdot 2$  millions), and with this  $\cdot 2$  millions paid back, cancel that amount of national debt. The sum ( $\cdot 4$  millions) paid first of all by Government would be the maximum payment: the sum received back by Government at the end of the year ( $\cdot 2$  millions) would be the minimum receipt. By the deaths of forty, and the cancelling of  $\cdot 2$  millions of debt at the end of the first year, Government would begin the second year with a diminution of the insurance premium to the extent of ( $\frac{1}{100}$ th part of  $\cdot 4$  millions  $=$ ) £4000; and a saving of interest of debt in the three per cents.  $=$  £6000: that is, by a reduction of £10,000 in the current expenditure of the following year. The fluctuation would proceed thus: the premium paid by Government at the beginning of each year would gradually fall from  $\cdot 4$  millions (the maximum) to zero (0); while the repayments at the end of the year would gradually increase from  $\cdot 2$  millions (the minimum) to a sum not exceeding  $\cdot 35$  millions as a maximum: and by systematically cancelling a sum of public debt with the repayments as they came in, the twenty millions would be redeemed in about sixty years hence; the whole transaction being then final and complete. We have, with a view to simplicity in reasoning, traced out the general course of the redemption of the twenty millions, from the beginning to the end: this, however, is evidently but a small part of the scheme, if we expect it to be carried on, with the view of redeeming the national debt. This, of course, we do: and we therefore suppose the second year to commence with a precisely similar plan for the redemption of other twenty millions; in like manner the third, in like manner the fourth, and so on during thirty-five or forty years. At the end of this time (the end of this century) the national debt would be virtually redeemed; though the payments and repayments would continue for other sixty years, passing through various conditions of maximum and minimum. But at the end of that period, namely, in about 1960, the national debt would have entirely disappeared. The advantages of the scheme thus presented in

the general (for an attempt at detail would be absurd) are, the obligation that would be entailed on the Government, independently of political changes, to continue to pay, by its contract with the companies; the equalisation of the payments; and the certainty, even as to time, of the final redemption: the disadvantages are, the intricacies in detail, connected with the lives of the insured. The former are manifest at a glance: the latter we believe capable of easy management, if the Government be represented by skilful actuaries. The great evils of terminable annuities are these,—that the party accepting them, not insuring in his turn by way of compensation, at the end of his time loses his capital altogether. The objections to a sinking fund are these—that there is no necessary obligation to continue the fund, and that it may even be employed at a vast national loss to meet the exigencies of a war: for the stock of the sinking fund, purchased in peace at a high rate, would be sold in war at a lower rate. The companies entering into contract with the Government would employ the *surplus* funds, which they would at first receive, in those commercial investments which they always resort to for the improvement of their stock. The Government of this country cannot engage in commercial transactions: it would be contrary to practice, and even to the spirit of the national system, that they should attempt to do so, while the attempt itself would, not improbably, in so free a commerce as ours, end in failure. But for this, our Government, like that of France, with respect to the railways, might have constructed every one of the leading lines, and have derived such a revenue, as would have enabled them to reduce the amount of the national debt by very large annual redemptions, and ultimately to cancel it. We suspect, however, that the provisional clauses in railway bills reserving to Government the right of purchasing under certain conditions, will remain a dead letter on the railway statute books. That however which the Government cannot do directly and literally, may be done indirectly, mediately, and with the same result, though at a somewhat higher rate, by means of the insurance companies that we have brought forward in contract with them,

investing in the lines. But independently of the redemption of the debt, there is this consolation in prospect, that if its amount remain fixed, the individual pressure is becoming a constantly decreasing quantity: that the tax per head for paying the interest, which at one time was nearly £2, and is now about £1, will, by the end of the century, from the increase of population, and the falling in of the present terminable annuities, amount to a sum of only 8s.

### *Stamps.*

A smile lightened our labours—our labours of love; for we write not for money, nor fame, but for love—a smile, as we thought of our ingenious deceit, in writing STAMPS, in large letters in the centre of the line, knowing all the time we should for once, only once, impose on the reader. We are not going to write a learned essay, worthy of Dr. Dryasdust, on the origin, rise, progress, present condition, &c. &c., of the great Stamp Department of the State, which yields so monstrous a revenue to the exchequer. Our better being was moved at the instant of writing “Stamps,” by a letter that arrived from a very dear circle of friends;—a letter lighter than a half-ounce, yet loaded heavy with love; a letter speeding its course, of five hundred miles, without halting in its flight, till it lay in our hands, and poured its cherished treasures into our innermost heart. The letter,—the letter from home! the hope of a letter from home this morning:—the hope deferred—the heart made sick—the disappointment of an hour—the uneasiness of a day—the distress of a week—the agony of a month! What can it be? My father, my mother, my sister, my brother! which of them may it be, that is unwell—that is dangerously ill—that is dying, and no one letting me know? Can it be the silence of Death? We will not go on; for we might get very foolish. Time was—but neither will we proceed in this path: a better spirit has come over the age.

‘*Jam redit et Virgo.*’

The sweet image of our Queen now enters, every hour of the

day, into every the humblest cottage of the land, cheers the solitude and sadness of the chamber of sickness, gives the speed of the winds to the messengers of love, stamps sacredness on the charge, yet presents it to her people almost a free gift. Yes! if Britannia rules the waves of the sea, Victoria rules the hearts of her people. A tax on the bread of the poor is bad; a tax on the knowledge of the poor is very hard: but a tax, amounting to a prohibition, on the affections of the poor, is withering those affections at the centre of their life. We enrolled ourselves from the first as among the most strenuous advocates of the repeal of the postage duties; and every day we live convinces us more and more that we were right. The penny postage was an act worthy of a great nation; it was an act of both justice and mercy. "God tempers the wind to the shorn lamb;" and it is the duty of man, who cannot make the back to the burden, to make the burden to the back. In that spirit we have written all along; and now that the chapter is soon to close, we trust that we shall not depart from it. In the name of our beloved poor, we express unfeigned gratitude for a noble, a righteous, and a merciful boon. Our own back has been by far, and all along our earthly pilgrimage, too lightly loaded; we trust that it may be more heavily visited in future: we shall rejoice in the visitation, knowing that our little loss will be their great gain.

We have called the penny postage an act of justice—a righteous boon; and we hope to prove it so. We have before proved that every indirect tax should be equal in amount to all, and of a magnitude that would render it accessible to the poor; and it would indeed be strange, if so just and catholic a principle should fail in this individual instance. Mr. MacCulloch, who has written very angrily against the low and equal tax, has entirely failed to comprehend the conditions of the problem, and has in consequence arrived at an erroneous conclusion. The case is this. The Government, in the particular instance of the Post Office, act in two distinct characters; first, as letter carriers; secondly, as letter taxers. The latter is the only proper department of Government: the former is

commercial, and, properly speaking, no more belongs to Government as a right, than does the carriage of sugar from the East or West Indies. The carriage department being commercial, must be tried by the rules of commerce; and we therefore suppose a case as follows, with respect to the carriage. Two thousand letters are sorted in London, whether for Liverpool or for Edinburgh at the same expense; they are also delivered in Liverpool and in Edinburgh at the same expense: thus far there is equality. If the carriage to Liverpool and to Edinburgh be 5*s.*, and 10*s.* respectively, the difference, 5*s.*, is the charge for the additional distance to Edinburgh; and 5*s.*, or two hundred and forty farthings, divided equally among two thousand letters, gives less than the eighth part of a farthing, for the additional charge of carriage between Liverpool and Edinburgh. It is only by viewing the question on a large scale, that we can obtain correct views. If the Government should first of all insist on carrying the sugars from the East and West Indies, and then lay a double duty on the sugar of the former, in consequence of the double distance that it was carried, there would, in our humble opinion, be as much propriety in the proceeding, as in charging a double postage for a double distance. A very low and uniform duty is that which is proper in indirect taxation for the sake of the poor; and in the case of the poor and the Post Office, the case is now admirably settled.

And yet we should like to try our hand at a bit of reform in a small way here. We propose that in London, and other large towns, during the last hour that the letter box is open, an additional half price should be charged on every letter that is prepaid in coin, instead of in stamps. This would prevent the crowding at the Post Office, now so grievous, at the time when the box is about to close. The practice is an abuse of a great privilege, and should be knocked on the head.

*Income or Property Tax. Subgraduated Scale.*

In the beginning of the present chapter we shewed the danger, the injustice, and the absurdity of a graduated ratio, in a case of taxation *purely direct*: in a subsequent part, on *indirect* taxation, we shewed, in the case of four persons of property, W, X, Y, Z, that though they were one and all very lightly taxed in comparison with the four labourers, A, B, C, D, yet that, comparing them among themselves, the pressure was least on Z, and greatest on W. Now a direct tax has been shewn to be indispensable to the ends of justice between the four labourers, A, &c., and the four men of property, Z, &c. This is no less just than it is evident. But it is equally evident that a direct tax on Z, &c., if the ratio be uniform and equal, would (looking at taxation as a whole—as *mixed*, as partly direct and partly indirect, would) leave the result of the whole system unequal as regards Z, Y, &c.; for that then, relatively, Z would be too lightly taxed, and W too heavily. Lord Brougham, in 1842, spoke eloquently against a graduated ratio, and Mr. MacCulloch writes vehemently against it. Their opinions are conclusive, on the hypothesis of a taxation *purely direct*; but erroneous, if applied to the case of *mixed* taxation—that is, to our own case, to which we believe that both of them, without direct mention, intended their opinions to be applied. The misapprehension has been increased, if not created, by the use of the word *graduation*, instead of the correct term which we have introduced, *subgraduation*. In other words, they put the eye at the narrow end of the telescope, and took in an unlimited field of view, instead of putting it at the wide end, whose field of view dwindles ultimately to a point. For example: take the four terms,  $\frac{1}{2} \frac{1}{4} 0$ ,  $\frac{1}{3} \frac{1}{4} 0$ ,  $\frac{1}{4} \frac{1}{4} 0$ ,  $\frac{1}{5} \frac{1}{4} 0$ : if we read from 12, and carry on past 9, the series terminates in  $\frac{1}{4} 0$ , that is in 0;—if again we read from 9, and pass 12, the series terminates in  $\frac{2}{4} 0$ , that is, in 1; since the ratio could not absorb more than the whole property. They would appear to have read the series in the latter order, when, in the case of *mixed* taxation, they should have read downwards, from  $\frac{1}{2} \frac{1}{4} 0$ . Indirect taxation pressing lightly

in proportion as property ascends, we necessarily arrive at a point in the ascent where the inequality will cease to be felt : *from that point, all above should have a common equal ratio* ; but, descending from that point, the inequality becomes greater and greater, and ultimately so great, that the direct tax is altogether abandoned. The argument becomes, therefore, irresistible, for a *subgraduated* scale of a *few terms*, as we approach the point of origin of the direct tax. In the actual plan of our suggestion, the above four terms  $\frac{1}{4}\%$ , &c. form the subgraduated series ; and we shall at once go on explaining as follows. At and above £250 per annum, the ratio to be  $\frac{1}{4}\%$  (5 per cent., 1s. in the pound) ; thence for every £50 of descent, the ratio to diminish by 1d. ( $\frac{1}{4}\%$ ) ; and on incomes below £100, direct taxation to cease altogether. Also the taxable income to be estimated as the *excess above* £50, as follows :—Incomes of £100 per annum, to pay tax on (100 — 50) £50 ; of £150, on (150 — 50) £100 ; of £200, on (200 — 50) £150 ; of £250 and upwards, to pay on (250 — 50) £200. The £50 which we here subtract, is that which we assume as the income of the labouring man, out of which the indirect taxation is levied, —and as this is common to men of property, they should be allowed the deduction ;—because, if they were not, they might justly be said, with respect to that £50, to pay both direct and indirect taxes. We believe that a tax so levied, and extended to Ireland, (whose proprietors swell greatly the throng of absentees on the continent,) would produce at first 8·5 millions, and permit the abolition of the assessed taxes by way of compensation. Our object, however, we beg once for all to add, has been throughout to prove the general principle, not to presume on practical detail, where we must necessarily be imperfect.

Again, in regard to the *Corn Laws* and the *Protective Duties*, we have more than once mentioned, that, for reasons to be given in Part II., we fix on 1861 as *the* year when protection, after gradually and equally descending to that year, should finally terminate its life by a natural death ; the process of dissolution

being, that a fifth part of the amount of that protection which may be agreed on for 1846, shall be removed every third year. Thus, for Corn Laws, 50*s.* being the hinging point, or pivot, as at present; for *wheat* we propose—

In 1846, Maximum duty to be 15*s.*, and duty to fall 1*s.* for each 1*s.* of rise in market;

In 1849, Maximum duty to be 12*s.*, and duty to fall 1*s.* for each 1*s.* of rise;

In 1852, Maximum duty to be 9*s.*, and duty to fall (not 1*s.* but) 9*d.* for each 1*s.* of rise;

In 1855, Maximum duty to be 6*s.*, duty falling 6*d.* for each 1*s.* of rise;

In 1858, Maximum duty to be 3*s.*, duty falling 3*d.* for each 1*s.* of rise;

In 1861, Duty free.

It is evident, that in the first three years of the above series corn would be duty free, at and above 65*s.*; and afterwards, at and above 62*s.*

A similar proceeding with *oats*, into which we need not enter: but as regards *barley*, we should prefer a *fixed duty*, commencing with 7*s.* 6*d.*, to fall 1*s.* 6*d.* a quarter every third year.

*Malt*.—Duty for 1846, to be 15*s.* and to fall 3*s.* every third year: and the excise on *hops* to be removed at once.

*Spirits*.—The highest point compatible with the absence of smuggling is of course that which a regard to morality would suggest as the duty to be levied on spirits. We have taken considerable pains to ascertain by inquiry, how the duty on spirits should rise, as that on barley and malt fell, so as to retain the price of spirits at the same level as at present. We believe the following would be consistent with accuracy. The duty on spirits for 1846, to be 4*s.* 8*d.* per gallon, for both Scotland and Ireland,\* and to rise 8*d.* every third year, till it reached 6*s.* 8*d.*

\* We allow to Father Matthew the fullest credit for good intentions, but we do not like his system of interference. We were taught from childhood those



a gallon, after which to remain constant; and at the same time the duties to be equalised for the three parts of the kingdom. At present, the duties are different in every one of the three parts, than which nothing can be more anomalous and absurd. *Butter* and *cheese*, we merely name as requiring attention, and shall not ourselves attempt to make the detail.

The above we call "the Agricultural Charter," granted for fifteen years.

In the second place,—having first of all set aside these eight articles, "cocoa, coffee, tea, sugar, molasses, wine, spirits, tobacco," as our future and only subjects for indirect taxation and purposes of revenue,—we proceed to suggest such a recasting of the "tariff tables of 1845," as that the aggregate duty of 1846, might be divisible by 5. Happily, the greater part is so already; namely, where per-centages are charged of 5, 10, 15, 20, 25, 30. In the other parts we would suggest an addition or subtraction, according to the merits of the case of *1d.*, *2d.*, or *3d.* (beyond 3, the alteration need not in any case, be greater). Thus, for example, men's gloves, now charged *3s. 6d.* per dozen pairs, suppose reduced to *3s. 4d.*, or raised to *3s. 9d.*: that is, the duty changed to *40d.*, or *45d.*, each of which is divisible by 5. The following précis will explain,

"holy Scriptures which alone make wise to salvation, through faith which is in Christ Jesus." "What God hath cleaused, that call not thou common." "Meat commendeth us not to God: for neither if we eat are we the better, neither if we eat not are we the worse." And that which is true of "four-footed beasts and fowls of the air," we hold to be true—equally true—of whiskey also. 'Abusus nihil contra usus,' "Whatsoever is not of faith is sin:" and "total abstinence"—which our most pure but also most merciful "faith" nowhere commands, recommends, or commends, (is the modern Father Matthew wiser, or better than the ancient Father Paul?)—with the dangerous stumbling-block of pledges, and the mock solemnity of pledge-taking,—in our view, all have the character of "sin," and add to the same dangers and evils as the enforced celibacy on his peculiar order. Opium has been sold to the poor in vastly increased quantities since Father Matthew began his work. At one time, his Church enjoined total abstinence from the Bible (they still refuse the people the cup in the holy communion); and it is of necessity, rather than of choice, that they have begun to submit to the crumbs of extracts in the national system of education now given to Ireland's hungry and starved children. The pledge-taking and pledge-breaking are branches of the "auricular confession and indulgences;" and tend, we fear, to "exalt" the priest and unchristianise the people. 'Corruptio optimi pessima.'

better than words, our proposition for the construction of the tables.

|   | 1858.        |               | 1855.       |    | 1852.       |                | 1849.       |    | 1846.       |                |
|---|--------------|---------------|-------------|----|-------------|----------------|-------------|----|-------------|----------------|
|   | *F. C. B. P. |               | F. C. B. P. |    | F. C. B. P. |                | F. C. B. P. |    | F. C. B. P. |                |
|   | d.           | d.            | d.          | d. | d.          | d.             | d.          | d. | d.          | d.             |
| Raisins per cwt.  | 36           | 18            | 72          | 36 | 108         | 54             | 144         | 72 | 180         | 90             |
| Percussion Caps, per 1000 lbs.                          | 1            | 1             | 2           | 2  | 3           | 3              | 4           | 4  | 5           | 5              |
| Matts and Matting, per cent.                            | 1            | $\frac{1}{2}$ | 2           | 1  | 3           | $1\frac{1}{2}$ | 4           | 2  | 5           | $2\frac{1}{2}$ |
| Mattresses „  | 2            | 2             | 4           | 4  | 6           | 6              | 8           | 8  | 10          | 10             |
| Musical Instruments „                                   | 3            | 3             | 6           | 6  | 9           | 9              | 12          | 12 | 15          | 15             |
| Pomatum „   | 4            | 4             | 8           | 8  | 12          | 12             | 16          | 16 | 20          | 20             |
| Flowers, (Artificial, not<br>made of Silk), per cent. } | 5            | 5             | 10          | 10 | 15          | 15             | 20          | 20 | 25          | 25             |
| &c. &c. &c.   | ..           | ..            | ..          | .. | ..          | ..             | ..          | .. | ..          | ..             |

It will probably be found, that during the first six years of reduction of the *protective* taxes that fall under the category of “agriculture, manufactures, and trade,” the revenue derived from them will improve rather than otherwise, and afterwards gradually decline. The exchequer, however, will suffer very little by the total removal; even at present, the sum it obtains from them is less than three millions; while it is not too much to say, that the taxation which the three together impose on the country is understated at thirty millions. We have examined the subject with great care, with a view to establish our position on a firm basis.

#### *Revenue and Expenditure.*

It is at this, the closing stage of our discussion on taxation and finance, that we bring forward into practical application the table of population and revenue in Chapter II. On it we

\* F. C., Foreign Countries; B. P., British Possessions. The eras are arranged from the margin inwards, because books in constant use are soiled and injured soonest towards the edges.

rest with perfect confidence, convinced that the principle of connection there established between these, will bear the most rigid investigation, and that the results, as regards increase of revenue, are understated. Having assumed as the basis, a revenue of fifty millions for January 5th, 1845; that for 1846 became, by the law of increase ( $\frac{1}{80}$ ) 50·625 millions; while, by a curious coincidence of digits, that for '61 became 61 millions. It follows, that the increase from '46 to '61 being 10·375 millions, we may assume that taxes may be taken off in the next fifteen years, to the extent of 10·375 millions. Also in 1854, a saving of expenditure will be effected by a reduction of the  $3\frac{1}{4}$  per cents., amounting to ·625 millions: also in 1854, when the East India Company's charter shall be renewed, we propose, in PART II., that the *whole* expense of the British troops belonging to the Queen and serving in India, shall, while so serving, be defrayed by the Company, by which at least ·6 millions annually will be saved to the country. Again, in 1860 the long annuities (the miserable relics, the tattered rags of the most wretched finance that ever was perpetrated to the injury of a bleeding country!) will expire, amounting in round numbers to 1·293 millions. Also, when the *protective* system expires, and the *excise* duties (which we shall presently bring forward) are, with the exception of the duty on spirits, entirely abolished, we propose that those towns which shall be *licenser*' to import the articles which we have set apart to be taxed for revenue, shall bear the whole local burden of the Customs' establishment; the burden to be defrayed by a local tax, while the Government retain the sole power of the appointments. It is evident that this is only fair to the country at large, by equalising the taxation (or rather the prices) between the interior and the towns of import. When this system should be fully developed, we reckon that a saving in the departments of Customs and Excise would be effected, amounting to 15 millions per annum. The case would then stand thus:—

|   | Millions. |
|---|-----------|
| From '46 to '61, taxes repealed . . . . .               | 10·375    |
| In '54, saving from $3\frac{1}{2}$ per cents. . . . .   | ·625      |
| In '54, saving from East India Company . . . . .        | ·6        |
| In '60, long annuities terminating . . . . .            | 1·293     |
| From '46 to '61, saving in Customs and Excise . . . . . | 1·5       |

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In '61, total reduction . . . . . 14·393

From these and other reductions which may be reckoned on, but which it is not necessary to allude to, we may estimate the national ability to reduce taxation at the extent of fifteen millions in fifteen years—that is, of one million annually, or of three millions every three years (the calculations are based on the hypothesis of a system of peace, and a peace establishment). Thus much for the ability to reduce taxation.

Next, for the articles on which taxation should, according to our system, be abolished. We here labour under the disadvantage of not having documents giving the revenues for the last three years; we therefore assume a medium of the preceding three years. Taking for granted then that the revenue derived from the following articles is in millions—butter, ·2; cheese, ·1; currants, ·375; corn, ·5; \* silks, ·245; hides, ·05; paper, ·6; soap, ·9; candles, ·2; bricks ·4; post horses, ·2; timber, 1; malt, 5; hops, ·27; miscellaneous of customs and excise, 1·4; we obtain as the aggregate of the whole, 11·44 millions. Now the whole estimated revenue for '46 having been 50·625 millions, and for '61, having been 61 millions, the difference 10·375 millions may, in round numbers, be called  $\frac{1}{3}$  of the revenue of '46. That is, the whole revenue may be supposed possessed of a power of increase, equal to  $\frac{1}{3}$  in the next fifteen years. Conceding the same power to the part above, namely, 11·44 millions; this sum, by an addition of  $\frac{1}{3}$ , would in '61 be 13·728 millions, which would therefore be the amount of those taxes which we suppose to be gradually abolished. But we have previously shewn that the ability of reduction might be reckoned at 15 millions. And hence it would follow, that as regards the abolition of those taxes, if

\* If the average of twelve years be taken, the revenue from corn does not exceed ·5 millions.

abolition by reduction were limited to them, the revenue would be relatively in a more flourishing condition than before.

We have next to consider the articles which we set apart as subjects of permanent taxation for revenue—namely, cocoa, coffee, tea, sugar and molasses, wine and spirits, tobacco. And we commence with one remark, which we deem of great importance to the comfort of the poorer classes—whose interests, we are justified in assuming, will now be the first subject of consideration in regulating the magnitude of the individual tax. It is this: attention should be paid to the exact quantity which the poor are in the habit of purchasing at one time;—the tax should first be laid on it, and then calculated for the larger quantity. For example; they generally purchase tea in one or more ounces, never in pounds;—hence the tax on tea should be laid on the ounce, and afterwards calculated for the pound. For example; a tax of 1*d.* per oz. is equal to a tax of 1*s.* 4*d.* per lb.;—a tax of 1½*d.* per oz. is a tax of 2*s.* per lb. We were led into this train of thought from a previous examination of the duty of 2*s.* 1*d.* per lb. on tea, which came into operation in '36. It is the odd penny which is to us the puzzle: if the tax had been 2*s.*, or 1*s.* 8*d.*, or 2*s.* 4*d.*, or 2*s.* 8*d.*, we could at once have seen the ground on which the impost was determined. Hence, when tea is retailed in ounces, the 1*d.* being indivisible by 16, the retailer calculates the duty at (2*s.* 4*d.* per lb.) 1¾*d.* per oz. to the poor customer; on whom, in consequence, the irregularity is visited. And we feel perfectly satisfied that the taking off of this single penny would be a reduction of ¼*d.* per oz. to the poor (4*d.* per lb.); and that a reduction of duty to 1*s.* 8*d.* per lb., by the removal of 5*d.* per lb., would cause a reduction of duty to the poor of ½*d.* per oz. (8*d.* per lb.) We rejoice to see that this considerate plan, of fixing the duty on the cwt. of sugar from a duty on the lb., has been carefully attended to in the recent sugar duties' bill. Our opinion has been expressed fully with respect to wine, and sufficiently with respect to spirits. In regard to foreign spirits and tobacco, that point of duty which will at once terminate smuggling and its demoralizing in-

fluences, and at the same time produce the maximum of revenue to the State, is the general law ; and it would be presumptuous, on our part, to attempt, especially at present, to enter on details.

With regard to the department of Stamps, it would be foreign alike to our purpose and to our ability to discuss them at length. There are evidently several things which greatly require reform,—especially in the application of the Legacy Tax to real property : and we may add, with respect to the Land Tax, that a greater facility of redemption, afforded by lowering the number of years' purchase, would be of great benefit to the landowner ; while it would enable the Government to cancel a large sum of the capital of the national debt.

With respect to the indirect taxation which we have proposed permanently to retain for revenue, many considerable reductions will doubtless be made in the course of the succeeding decennial period ; and, applying to some branches (as the Stamps and Post Office) the principle of adding one-fifth to the present revenue, and to others, on which reductions might intermediately be effected, a smaller ratio of increase, we might reasonably calculate on the following as a sort of balance sheet of revenue in 1861.

|   | Millions. |
|---|-----------|
| Cocoa, Coffee, Tea . . . . .                        | 5½        |
| Sugar . . . . .                                     | 5         |
| Spirits . . . . .                                   | 9         |
| Wine . . . . .                                      | 1½        |
| Tobacco . . . . .                                   | 4         |
|   | <hr/> 25  |
| Excise Licences . . . . .                           | 1½        |
| Stamps and Post Office . . . . .                    | 10        |
| Crown Lands and Land Tax . . . . .                  | 1½        |
| Income Tax (gradually rising from 8·5 to) . . . . . | 10        |
|   | <hr/>     |
| Total Revenue in 1861 . . . . .                     | 48        |

But since the reductions of expenditure which we brought forward—arising from the 3¼ per cents., long annuities, customs, excise, and East India Company—amount to four millions ; it would follow, that the *surplus* revenue (on the hypothesis of a peace establishment) would be greater in 1861 than it is at

present by about two millions; so that after all the mighty changes now under consideration, and which we have endeavoured to treat of, should have been fully accomplished, a surplus to the extent of five millions of revenue above expenditure, might fairly be looked to as a source of real rejoicing to the Minister who, in the discharge of a public duty to his country, may endeavour to establish that freedom to commerce which she naturally longs for—establishing it, not *per saltum*, but by slow and measured alterations, consentaneous in spirit and in effect to those laws of population, property, commerce and revenue, which we developed in the Second Chapter. These laws formed the basis of all our subsequent reasonings on the complex subject of Commerce and Finance: and with the same convictions which we entertained at the opening of the Second Chapter—but convictions steadily strengthening as the course of our reasoning went forward to its conclusion,—do we now venture to add, with reference to the development we have effected, and the scheme we have tabulated as the result of that development, that while the expense which it involves dwindles into nothing, in comparison with that required for our present system, (vastly as it has recently been simplified and regulated,) it appears to us to be peculiarly easy of execution—to possess a striking unity and simplicity of character; but especially to have for its foundation, and its chief corner-stone, the unerring and immutable principles of truth, justice, and humanity.

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## PART II.—COLONIES.

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### CHAPTER IV.

#### INTRODUCTION.

ON the evening of the fourth of April, eighteen hundred and forty-five, the Prime Minister and the Foreign Secretary addressed the two Houses of Parliament in language that will scarcely be forgotten in our days. "It was a night to be much remembered;" for party that night threw aside its 'divisum imperium'—its crotchet—its crutch—and its curse,—and stood forth in Nature's noblest attitude, with the bearing of the free-born and invincible Briton! The country—so long torn and bleeding—was touched to the quick, as a very sentient being, and gave back the response as a whole and as ONE! It was not the fierce outburst of contending elements, but the murmured susurrus of a spirit, unwontedly and affectingly moved—deeply and devotedly loyal—and grandly and sublimely, because entirely and undividedly, in unity with itself! The chords of a holy and intense affection, struck by the hand of power, were put in vibration; and our own heart throbbed, and thrilled, and bounded, as it had never done before. We had not known till then how deep in human nature is the love of country: we had never felt, in all its fulness, till then, the sense of a country's duties—the sense of a country's rights,—and the sense of a country's wrongs. We felt for the present; and we felt but the more while we thought of the past. We were carried back, in vision, to the noblest scenes of old: our courage was fortified by the contemplation of ancient Rome besieged: the Gauls at the gates demanding admittance: the

Temple of Janus open : the Patres Romani assembled and SILENT : Brennus in the Temple demanding the ransom of their wives and little ones ; and casting his sword insultingly into the scale, to make the weight of the ransom more difficult to pay ! OUR Janus is the Temple of Christ, named after Christianity's first martyr ;—the Temple, where the Patres Britannici are met together,—in peace, to form laws on the foundation of Christian faith ; and in war, or threatened war, to determine the ransom, if ransom there is to be ; and to pay it in full, let the price be what it may !

And the Gauls are even now at our gates ! The lives of our children are even now threatened ! possession is even now being made ! the sword has already been cast insultingly into the scale, as if—but only as if—to make the ransom weightier and more difficult to pay ! But the Gauls of ancient Rome are not the Gauls that we have to treat with : between us and the modern Gauls the treaty now is not for blood and treasure, but for a Zollverein, and an 'Entente Cordiale !' and all that has of late passed between the two mighty Sovereigns and the two magnanimous Nations, presents the best grounds for the most pleasing hopes, that the Zollverein and 'Entente Cordiale' will immediately take place. Where then is Brennus ? and where are his soldiers ?

Reader ! cast your eye on the far far West, on a little nook of land—Oregon ! There you behold Brennus and his legions, rushing to take possession, in the persons of Polk and the American settlers ! Yes ! Polk, chief of the Repudiators, is at this moment trying to pick out the eyes of one of our children—it may be a small and a poor one, but still it is our Child !—is threatening even now to pick out of Britannia's crown, one of her many costly jewels—a small one it may be, and to her of little value in itself, but still a costly jewel,—and a jewel SET in Britannia's crown ! But we have sworn to vindicate the preciousness of the jewel and defend the sacredness of its place, with our treasures and with our lives,—for all the people, when they heard it, said, "Amen ! God defend the right !" Rome, in ancient days, had her Janus, her Patres, and her Camillus ;

and England, thank God, has, in these days, her St. Stephen's, her Patres, and her Camillus; and all that has of late passed on the subject of Oregon, has proved that these days of Britain are not degenerate days!—that our Janus, Patres, and Camillus are in every respect equal to the occasion, and worthy of the Ancient City! History relates, that when one of the insolent intruders dared only to touch the beard of a noble and silent Father, he was instantly prostrated to the earth by the victim of the foul and unmanly outrage! The Roman preferred death to disgrace—the instant death to the ineffaceable stain of dishonour! And the language of the Ministers of the Crown—simultaneously, fervently, and determinedly seconded by all then assembled, without one exception, with a solemn “Amen!”—made known to the President and people of the States that the ransom would be paid—if ransom there must be!—that the ransom would be paid in full, be the cost what it may: but paid now, as of old, and as ever—not with gold, but with iron! for that whoso dared to lay a finger on Oregon dared to lay his hand on Victoria's crown and head! And the language of the great heart of her dutiful and loving people to her was, “Amen! God save our Queen!”

But shall we then have a war? Assuredly not. Polk has the insolence of Brennus; but Brennus was a brave man and a tolerable general: and Polk—the Cameleon of the day—

“The creature's neither one nor t'other,—  
I saw the animal last night!”

Polk will not fight—no, not he. General Polk, if he be not a good general, is too good a general to fight:—

“He'll march ten thousand up the hill,—  
Then march them down again.”

He had merely set off on a summer's excursion, to dance the Polka with the squatters on the prairies of Oregon. Virginia, the daughter of one of our Patres, having been insulted; and Virginius, the father, being prompt with instant vengeance, to fell the aggressor to the earth,—the gentleman begs to assure him that it was quite a mistake; entreats him to believe that he

was very sorry ; protests on his honour that he had no intention ; calls Heaven to witness how desirous he was they should be friends ; and prays from his inmost heart that they may be so in future ! The Inaugural Address of Polk in February ! Annual Message of the President, just imported !! Once on a time we remember hearing a song sung—whose moral appeared somewhat peculiar—of him, “who goes to bed sober”—namely, that he—

“ Falls as the leaves falls  
And dies in October.”

Polk was sober last spring, and the consequence is, that he has died in his October. Perhaps, however, it may have been our noted “October good ale” that has been the occasion of the sudden death of poor Polk ! The evidence on this point will of course appear at the inquest ; but one thing is certain, that however the doctors may disagree as to the cause, none of them but will allow that Polk is dead. And Polk being dead,—alas ! poor Polk !—there will be no war ! The President lives : but Polk lives not ; ergo, there will be peace.

We hope, therefore, that the gentle and courteous reader, “freed from war’s alarms,” may find time to consider our “Thoughts on Colonies,”—which imply and involve our “Thoughts of Peace.”

## CHAPTER V.

### COLONIES: GENERAL PRINCIPLES STATED AND APPLIED.

THERE can be no question whatever, that to a parent State of some standing among the nations, the possession of one or two colonies is a matter of very considerable convenience and comfort ; as enabling her to settle quietly on their shores those of her own offspring, in whom—either from the experience of misfortune at home, or from the fire of enterprise naturally and properly incident to youth—the desire may exist of breaking ground in a foreign soil. The Law of God, with reference to population, has two distinct branches : it is not merely “ multiply,” which is the first ; but “ multiply and replenish the earth,” which make the two parts in natural order and necessary connection. There are some—fools, we call them, for otherwise we should stigmatize them as monsters—who rejoice in checks to population, even by human legislation !—Nature revolts at the thought :—and without supporting the dogma of the middle-age philosophy, that “ Nature abhors a vacuum,” we may say truly, that Nature is more powerful than the laws of restriction attempted to be imposed on her by man. These restrictions, in whatever form they may exist,—for marriage is a divine, not a human institution : “ Those whom God (that is, whom God, not man) hath joined together, let not man put asunder ; ”—these restrictions, one and all, form but a cloak for spurious legislation and the maintenance of a pernicious system. The true and only proper course for every nation to pursue, is to render the people as comfortable as possible at home, by increasing facilities of obtaining the means of life, which is best done by relaxing the fetters of commerce ;—but religiously to abstain from any interference with the two branches of the Divine

Law, which imply *increase* and *emigration*. Interference with either is productive of dreadful evils to a State; and which of the two interferences is the cause of greater evil it might be difficult to say;—the result being necessarily the same in both cases—a positive deterioration of the physical and moral condition of man.

Even in a very early age of the world, Abraham *emigrated* from Haran by a direct command from God. “The Lord said unto Abram, get thee out of thy country, and from thy kindred, and from thy father’s house, unto a land that I will shew thee. And I will make of thee a great nation; and I will bless thee and make thy name great; and THOU SHALT BE A BLESSING: and I will bless them that bless thee, and curse him that curseth thee; and IN THEE SHALL ALL FAMILIES OF THE EARTH BE BLESSED. So Abram departed as the Lord had spoken unto him; and Lot went with him. And Abram was seventy-and-five years old when he departed out of Haran. And Abram took Sarai his wife, and Lot his brother’s son, and all their substance that they had gathered, and the souls that they had gotten in Haran, and they went forth to go into the land of Canaan; and into the land of Canaan they came.” Here was an instance, the most marked and momentous on record, of a direct and visible call from the Creator to the creature to obey the second branch of his law, “Multiply and replenish the earth;”—an instance only equalled in its sublime mysteriousness by the forcible expatriation of his descendants from the same land which the Lord had given to him and his seed after him. The gift of possession to Abraham was as divine as that of Eden to Adam, and the expatriation of the Jews from Canaan was as divine as was the expulsion of Adam from Eden: the latter on account of the original transgression; the former, on account of a transgression kindred in character—“because they killed the Lord of life and glory.” Still more wonderful was it, that by His death they at the same time fulfilled the Scriptures—for thus it was to be; since by no other means could the *restoration* of Adam and his descendants to the heavenly garden of the Lord, to the heavenly Canaan, to

the New Jerusalem, to the Jerusalem which is above, which is free, which is the mother of us all ;—by no other means, and in no other way, could these things be accomplished ! The emigration of Abraham was indeed in the visible handwriting of God ; but not less Providential, though they are rendered invisible to the eye of flesh, are those inward movements of the spirit of man, which, prompt him in every age to “get him out of his country and from his kindred and from his father’s house into another land”—a land which, when he “striveth not with the Spirit, God sheweth him.”

We have spoken of the convenience and comfort accruing to a parent State from the possession of one or two colonies ; and this is true. But it is equally true, that there is a point at which this advantage to the parent State ceases, and beyond which the possession becomes to her both costly and dangerous : and further, that a continued extension in the possession of the same dangerous property would almost lead to a general breaking up of the framework she had constructed,—perhaps cause her own head to sink beneath the waters. It is exactly the same with a parent country and her colonies, as with our own dear mothers and their offspring. The having one or two children to nurse, is, perhaps, a source of health even to the mother’s physical frame, as it is undoubtedly associated with infinitely greater happiness to her spirit of love ; the pain of the birth being soon forgotten by the devoted mother, “for joy that a man is born into the world.” “Unto us a child is born ; unto us a son is given,” is the language of devout joy and gratitude of every father and every mother ; but the joy is known to be especially the mother’s : Scripture, as quoted above, expressly says so, and our Church most fitly consecrates the occasion of her rejoicing and her gratitude, by the mother’s “churching.” But if she be so constituted, as to go on increasing her family to a very great extent, the possession, by engrossing so much of her thoughts and care, produces anxiety more than love, and exhaustion to the frame instead of strength : and even that love for her children, which a mother only knows, becomes chastened and tried by those sufferings and privations, many, and various

in character, which are necessarily incident to the condition of a too large family. Still, there is no labour which she would think too great to be undergone in providing for their sustenance and happiness: the same principle, which at first made her forget her pain in her joy, continues through life to make her "remember not" herself, lest she should forget them; and all this exactly in proportion to their feebleness and their consequent dependence,—in proportion as their prospect is little of ever being able, on their parts, to requite—if to requite were by a child possible—her care and her love. Her delicate sense of duty and honour—the sensitively tender, but also the strong point, not of mothers only, but of nations also, and those the strongest and most honourable nations—would be hurt at the idea of her love for her children being in any way let down by the tinge or shade of a particle of this earth: and hence it is that the most sickly, the least fair, and the least promising of her children, are often, very often, those on whom the mother's heart fastens most fondly, roots its affections most firmly, and pours forth most lavishly the inexhaustible fountains of the mother's love. It is a mysterious principle this, in the human constitution! As regards a parent nation, it never received a more striking and noble illustration than last Session, in the two Houses of Parliament, in the case of Oregon,—the most distant of our colonial possessions; with respect to which, even the existence could be to us of no importance for thousands of years to come. The occasion, however, was deliberately taken by Her Majesty's Ministers, of making known to America, in language not to be misunderstood—and still less to be disregarded—that on that little and remote nook of earth, the British empire was prepared to concentrate the whole of her well-known prowess—the possession being of no value to her, but the right of possession being hers, and hers alone. The point of honour as regarded herself, of duty as regarded her daughter Oregon, and of right, and justice, and truth between nation and nation, as between man and man, were principles which, however America herself may affect to disregard them, concurred one and all in the case of Britain,—whose name for honour is a watchword among the



nations, and her tower of strength,—concurred to bring forth, in its fullest bearing and significancy, that memorable declaration of which we have spoken. The Depositaries and Guardians of the Nation's interest and honour had no sooner uttered the determination of the Government, than it was nobly—most nobly—cheered by every mouth and tongue, for not one was mute, on both sides of the two Houses; and the Nation from that night became bound to the solemn pledge which was then given in her name to Oregon,—that should the dire necessity arise of proving words by deeds, “she was prepared to march forward to the rescue of her feeble and distant child,” to plant the standard of England in the heart of the little Oregon; and around it, while scattering dismay and death among the ranks of the aggressor, to spend, if need be, the last farthing of her money, and shed the last drop of her blood!

Thus it has been; and thus it will be. If Oregon were not, we should have no war or fear of war; but because Oregon is ours, and is threatened, we are compelled to go to all the inconvenience and expense of preparation for war, though in the end there may be, there most probably will be, no war at all. The bully, who finds that threats of mighty deeds produce in the rival a proper preparation, but no fear of consequences, invariably makes off from the prepared field with a bow and a scrape: and Mr. President Polk, seeing our Government firm and determined, will retire from the attempt with the best face that he can put on; while Britain, magnanimous and forgiving, will hang up her mail on the wall, put her men-of-war in harbour, and return to her commerce. We are “a nation of shopkeepers,” but we are not Repudiators. If, however, America should declare that “her voice is still for war,” we have the means in our power, which it would be folly to pass by, of giving liberty to the captive, by landing in her Southern States, and fighting her with her helot population.

We must remember that this is not the first time nor the second, within even the last few years, that the upstart and boastful descendant has flown in the face of her quondam parent, with a view to ascertain how far the latter would bear

and forbear, would retire and knock under; and that the consequences of our colonial relationship become every year more serious, whether we look at her, our colonies, or ourselves. If, at any time, America should find us, unhappily, involved in a European war, (*quod Deus avertat!*) our knowledge of her actual policy in particular, and of the aggressive tendencies inherent in republicanism in the general, justifies our asserting that she would at once rush into the war against us, in the hope of attaching to her the British provinces that adjoin the States. Again, as regards these provinces, it cannot be denied that they are daily rising in importance and strength; and that the natural accompaniment of the consciousness of strength, whether we look at the unit man or the masses of men that compose a political society, is the desire of independence, and of the freedom of self-government. No man, nor body of men, can resist these impulses of their natural constitution; and it would be as absurd on our part, as it would be disastrous to all, to attempt the maintenance of our supremacy among them, a single hour after the voice of independence, rushing across the Atlantic, has been conveyed to the foot of the throne, in strong and unequivocal accents. The connection, even now, is more profitable to them than to us: and the conviction is strong in the nation, that the establishment of their independence, alike of us and of America, would be a relief to the mother country—a gain to the colonies themselves—and the final step to that actual condition which they will one day ask and acquire: and we have only to add, that the question of the best mode of effecting this consummation, in a manner honourable and beneficial to the two related parts, is that which we have all along proposed to ourselves as the subject of the present inquiry. A question more important could not at any time be submitted to the attention of a nation like Britain, “great, glorious, and free;” the present time is, moreover, almost Providentially opportune; and the proposition which we are about to bring forward—the result of a long-continued attention to the question of colonial dependencies—contains a plan for the erection of the British provinces of North

America into an independent monarchy, after a manner which, we are firmly persuaded, no power of the American States, either now or hereafter, will be able to prevent, to destroy, or to disturb.

We mention, first of all, as the general conditions of our plan—first, that the independence which we recommend is not immediate, but prospective: we propose it to be at once proclaimed and made known to the colonies and to the world, as an event *in futuro*,—but to be arrived at, *de facto*, by progression, by preparation, by education:—and secondly, that the independence which we recommend, contains a condition that shall exist along with independence, of paternal and filial relationship;—a condition analogous to that which exists between a father and a son; when the latter, by arriving at man's estate, has set up an establishment of his own, independent, in one sense, of his father's, but more closely bound to it than to any other in the world, by the ties of blood and long-standing obligations. We remark, in the third place, that the system which may be proper for a set of adjacent colonies, when we desire to keep them apart from each other, with a view to their more complete dependence on ourselves, is the worst that could possibly be followed, if independence is to be properly superinduced in succession to dependence. The government of adjacent colonies by means of a set of separate independent Governors keeps then, in a state similar to that of the broken bone of the living limb; when the parts, though free from inflammatory tendencies, have not yet had time to throw out their feelers, and to form a union by a suture and overlapping of the parts. Hence, in the event of the union of many colonial parts into one independent whole, (according to our scheme, now advancing to development,) the first step indispensable to a successful union into one, would be the abolition of all the Governorships of the adjacent, but now separate, provinces, whose leanings are naturally to separate and distinct courses, and to the annihilation of sympathies in the general system. The second would, of course, be the creation, as an *intermediate* state, of a *Viceroyalty* over the whole; and the appointment of *Residents* in lieu of the present *Governors*,

(Residents, similar in rank and function to those of the East India Company,) having a *status* entirely subordinated to that of the Viceroy. It is further evident, that every possible means should be employed to attract the parts towards each other by a general fusion of interests, which should be at once amalgamated in one common Parliament, consisting of two Houses, and of Members selected from the respective provinces. We next suppose the Viceroyalty to last for fifteen years from the present time, that is, till 1861; and to be succeeded, on August 6th, 1861, by a Regency of three years' continuance; their future King then dwelling among them, but still as a Minor (a Regent being present as the Mentor of the young Telemachus). Lastly, he whom we, with the utmost deference, name as the future Sovereign of this very promising empire—this future king, the Pollio of our theory, as the reader will by this time have imagined, Her Majesty's second son, the Prince Alfred (born August 6th, 1844)—should Providence be graciously pleased to raise this nameson of the illustrious Alfred to the kingdom we have sketched out for him. A special training for so high a destiny would of course be carefully followed out in the Prince's 'status pupillaris.' The sentiment of love and loyalty might be immediately implanted among his future people, by an occasional visit to them as he approached the years of manhood: while his residence among them, of three years as a Minor, would enable him to acquire that knowledge of the country and the people, and that practical acquaintance with the details of government, which would be necessary to render his reign worthy to be spoken of in connection with that of his Royal House of Britain, and his name worthy to be associated with that of his noble type, "Alfred the Great." Such would be the first great step in our plan of introducing the *monarchical* principle among our colonies of North America.

The second step is one of almost equal importance to the first: and we proceed to explain it synthetically. It is almost unnecessary to mention, that our powerful neighbour, France, had, herself, once on a time, possessions on that continent which she has not now—possessions which she abandoned with deep

regret, because she left behind a colony of her children fixed on the soil, of a peculiarly amiable, gentle, and graceful character—(but simple-minded, and in that simplicity affording a wide field for pettyfogging demagogues to work on)—children, whom she still loves to think of with a parent's tenderness, while they themselves think of her in turn, with a filial devotion, which our possession has done little to weaken—a devotion which has been greatly kept alive by the somewhat unusual privilege accorded to them of speaking in Parliament and in the Courts of Law in their aboriginal tongue. And, again, this last affecting relic of the noble tree from which they sprung, has prevented almost all sympathy between them and the colonists from our own native forests; for no union between them, more than nominal and purely artificial, has hitherto taken place; and, in the sublime language of the prophet of Aram, beholding from the tops of the rocks the Israelites encamped on the plains of Moab below, "The People dwell alone, and are not reckoned among the Nations!" This is a truly remarkable and interesting feature in the case, and a highly important step in the argument we are pursuing; but it is far from the most important step or the most interesting feature. It is a subject of striking and deeply affecting interest, that of late years between the Royal Houses of England and of France a very strong and decided attachment has sprung up, entirely private, personal, and individual in its character; unconnected with, and independent of, the accidents of politics, and therefore the more likely to be disinterested, lasting, and depended on. The attachment had probably its first origin in the marriage of the King of Belgium with the daughter of the King of the French, and several intermarriages that have followed between the Houses of France and Saxe Coburg; but there can be no doubt that its development and strength and fulness have been not only powerfully affected, but chiefly brought about by those visits of lovely courtesy between the Sovereigns themselves—meetings between all that was beautiful and pure and promising in youth, and all that was venerable and tried and virtuous in age—visits gradually changing from formal, stately, and appointed inter-

views, to friendly unceremonious and unannounced calls—and visits certain to be continued in the same holy and sympathising strain, and to terminate in the accomplishment of that most mighty end which both of them have so greatly at heart, and desire by their visits to promote—the extirpation of the root of all bitterness between the two great and adjacent nations, the establishment of peace between them and thereby of peace in all the kingdoms of the earth (its establishment against all accidents and all machinations), and the permanent advancement and elevation of man in his character of a rational, an accountable, and an immortal being. If we were disposed at this moment to the poetical, and had time to illustrate the image, we should say that

Atlas, giant of the Eastern Star,  
Looking from throne of power o'er half the world," \*

and bearing on his shoulders the destinies of man, is visited by and visits his fair daughter, (France gave England a King,) the elder-born and the brightest of the Atlantides, (the Queens of England, Portugal, and Spain,)—her whose home is the true 'Insulæ Atlanticæ,' which the poets of old delighted to sing of. The two potentates come down to the shores of their respective empires to behold each other

"O'er the glad waters of the dark blue sea,"

from Osborne House and the Château d'Eu. The proposition which we now bring forward as the sequel to our synthesis is this, (we trust the merits of the proposition will not be tested by the mere unimportance of the proposer:)—to submit to the consideration of the two Sovereigns of England and France the question of affiance between the Prince Alfred and one of the granddaughters of the King of the French,—an affiance based on the presupposed creation of the North American Kingdom; to the throne of which the Prince and Princess should on their marriage be raised, The assent of the Sovereigns would be a settlement of the question. It is delightful to believe, that the circumstance of our Queen having been engaged to the Prince

\* See Campbell's "*Pleasures of Hope*."

Albert from her youth, will lead her the more readily to assent to a prospective engagement of the character we advocate : and it is highly gratifying to read, in every speech of the King of the French, the evidence of the deep attachment felt by him for his children and his children's children, and to believe, in consequence, that any question, calculated to promote the happiness of one of the latter will be entertained by him with an earnestness kindred to the fervour of youth.

We may not, indeed, presume to exclaim, "Come up hither, and I will shew thee things which must be hereafter." But may we not, speaking submissively to the ways of Providence, presume to attempt to cast the horoscopes of England and France and their united (even now united) children in North America? May we not with humility and reverence draw near to touch the veil of futurity; since that futurity, under the supposed conditions, appears to our eye so transcendently bright? May we not at least, with the shoes off our feet, go up in spirit to holy ground, and meditate on things which we pray may be hereafter? We may; we repeat, we may; for there can be little of evil, when the one end sought and prayed for is the good of our kind. Rapt then in visions of the future, we behold—dignified overtures from the Court of St. James's to the Court of the Tuilleries, for an 'Entente Cordiale' between the Royal Houses and the two mighty Nations on the basis we have laid down—overtures of peace, friendship, and love, accompanied also with an enlarged and liberal Zollverein; in order that commerce may not be forgotten in the treaties, of which her future action will be a most valuable cement:

The overtures—'ut æterna in fœdera mittant;' and let us add, on our parts, 'Nec Trojam Ausonios gremio excepiß: pigebit'—the overtures cordially accepted, the two Houses, already united in heart, united prospectively by intermarriage,—and the nations, after burying the recollection of the past in oblivion, shaking hands cordially on the common ground of the future:

A scene in the far West,—a new kingdom rising up, composed of many parts, long distinct and disjointed, now

kindly blending into one grand living whole ; --the name "New England and France;" "Montreal," changed to "New London,"—"Quebec" to "New Paris,"—names that would be soon as familiar and easy to be pronounced as New York—and there is much in names;—the children of France and England, that have been long settled in that region, now about to join hearts and hands: for the august parents, linked arm and arm, have landed on their shores; their first act, to speak kindly to their pleased offspring; their second, to hold up a common warning finger to the Republic, to beware! —the Republic glutted, yet greedy as if famished, retiring disappointed, like a she-wolf from the sheepfold, whose lambs she has long eyed as prey for her cubs, but cannot reach. France and England, returned home, encouraging their over-crowded population, who may desire to migrate, to settle in their now united kingdom; and O glorious, and transporting sight! France, like England with Afghanistan, abandoning the point of honour with respect to Africa's arid and bloodthirsty sands, where she has spilt the blood of thousands and tens of thousands of her bravest and her best; France making peace with Africa, as an offering and dowry to her gentle and peace-loving daughter!

A young Prince and Princess walking affectionately by the side of each other, brought up in the same Reformed faith, in a state of education for their grand united destiny of reigning.

A scene of some fifteen years hence: the young Prince proceeding to his future kingdom as a minor, accompanied by a Regent, who shall instruct him in the art of governing; the Regent, a statesman of long experience in the government, invited by his Sovereign and the country to crown his labours at home by teaching the young Prince how to govern in his new empire.

*'Tu regere imperio populos, ALFREDE, memento;  
Hæ tibi erunt artes, pacisque imponere morem;  
Parcere subjectis et debellare superbos.'*

The Prince, as the termination of his minority approaches, coming back to claim the hand of his bride; returning with her



to their future kingdom, attended by a mighty cortege of the highest in Church and State ; the solemn coronation of the two at New London ; the return of the Regent to his native country, where he receives from grateful parents and relatives—from a grateful Queen and a grateful country, a Civil crown, in the light of whose effulgent brightness the laurels of the greatest of warriors, necessarily tinged with the crimson hues of war, will look pale and dull and dead !

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OUR chief object in writing on Colonies was, to submit the proposition now brought forward, of erecting our North American Provinces into an independent monarchy.

In regard to the West India Islands, it will be readily allowed that they are quite unsuited for colonists ; and that if Britain were free from the possession of them, justice being rendered to the proprietors, she would be rid of a disagreeable burden. Concerning our other Colonies, we refrain from suggestions.

The possessions of the East India Company are not colonies. They were obtained incidentally, in prosecuting commerce. We have stated, in the concluding part of the Chapter on Taxation, that the Company might be charged with the *whole* support of the Queen's contingent of troops in India. This appears only fair ;—and the relief would be great to the finances of Britain. Beyond this we presume not to suggest.

CONCLUSION.—Looking at the course of Providence as it presents itself to our view, we should consider the purpose to be that England, as she floats off one set of colonies into a condition of independence, should take up another, for a system of similiar preparation. It will be her manifest duty not to refuse the charge, but to accept it ; to receive it, not with selfish purposes, but with a lowly spirit ; and to study to fulfil it, not for conquest, triumph, subjugation—but for commerce, civilisation, happiness ; to accept it, and to fulfil it in the same spirit, and for the same end, and with the same deep sense of responsibility to God, as a father and mother accept and fulfil the

charge of the child whom God has given them. And as the parents--when they have fulfilled their part, according to their ability, by educating their child, not only for the things which are seen and temporal, but also for the things which are not seen, and are eternal,—subsequently send him into the world with the responsibilities of self-government and conduct thrown on himself; such is the analogous duty devolving on a nation like Britain, fearing God and loving righteousness, that consents to be invested with the responsibilities of colonies;—and ever to bear in mind that She is an “Ambassador of Reconciliation” among the nations, exactly as a parish priest is a missionary among the flock over which the Holy Ghost has made him overseer.

Society is continually changing, not merely its phases, but its condition. And this change of condition is not confined to a locality, or to a nation: the whole world is turning, without intermission, on an axis of revolution, whose poles are in the heaven of heavens; and the direction of whose movement is steadily towards that Kingdom of Righteousness which is to occupy the whole earth in the “last days.” His moral revision must indeed be heedlessly or incurably dark, who does not almost without the finger of Revelation, “discern” this in “the signs of the times;” and who is unable, “amid all the changes and chances of this mortal life,” to say with the same assured confidence of our days, as the fathers of old did of theirs—“The Lord reigneth: let the earth rejoice: let the multitude of the isles be glad. Lord, thou hast been our dwelling-place in all generations.”

## APPENDIX.

### A.

#### *Extracts from Debates on Property Tax.*

*March 18th, 1816.*—Mr. Rose, (Treasurer of the Navy,) amid loud cries of “Question,” proceeded to defend the character of his departed friend, Mr. Pitt, from the attack that had just been made upon it by the honourable gentleman who had just sat down (Mr. W. Smith). That honourable gentleman had denied Mr. Pitt’s financial abilities, and, describing a test by which talents were to be tried, denied that by that test his honourable friend could be considered a great financier. (Here an evident impatience was testified by the House, and cries of “Question” were redoubled.) Mr. Rose continued — “Shall an attack be permitted on the character of an individual, and shall it not be permitted to his friends to offer any defence? He was willing to adopt the test of the honourable gentleman, and he was persuaded that Mr. Pitt’s character would be established by the application of it, beyond the reach of question or dispute. The honourable gentleman had said, that great abilities were proved by the accomplishment of great undertakings, through great difficulties with small means. Let the House look at the first period of Mr. Pitt’s Administration, and considering the circumstances in which it commenced, compare it with the state of the country after two years of his cautious services, and there could not remain a shadow of doubt as to the greatness of his financial character. When he entered into office at the end of the American War, he found public credit exceedingly depressed; the national resources in a state of great exhaustion; and the revenue of the country insufficient to defray the peace establishment, with the interest of the debt contracted in a long, extensive, and unfortunate struggle. He found it necessary to impose £950,000 of new taxes; but by this addition, by economy, and by an improved collection of the revenue, he not only brought the annual income of the nation to meet the annual expenditure, but provided a million for the Sinking Fund, which he established in 1786. Before he came into office, the war expenditure

exceeded the war revenue by three millions a year. In 1797, the funds had fallen, under the pressure of repeated loans, to 47 and a fraction. It was then that Mr. Pitt resorted to the Property Tax to relieve them, and in January, 1798, it was proposed. Its effects had answered his expectations, and the funds had recovered. What the honourable gentleman had stated concerning Mr. Pitt's opinion of the Property Tax, was founded in error, or at least was without authority. He (Mr. Pitt) had never called it a war tax, or declared that it could not be continued in peace. So much was his conduct opposed to such a supposition, that he had mortgaged it for fifty-six millions. Had the interest of this great sum not been provided for from another source by Mr. Addington, who succeeded Mr. Pitt in 1802, it was calculated that the Property Tax could not have been disengaged or removed for nine years of peace.

LORD CASTLEREAGH.—If they (the people of England) shrink from the present effort, they would unquestionably renounce that profound and salutary policy to which alone they were indebted for the means of so gloriously continuing the late struggle to its final and memorable issue. His late honourable friend, now no more, (Mr. Pitt) had actually mortgaged the Property Tax during a time of peace for nine years. To argue the question (of renewal) as a positive breach of faith on the part of the Legislature, was an attempt at delusion unexampled in the history of the country. \* \* \* He was prepared to affirm, that it was the deliberate finance plan of Lord Henry Petty (in 1806) to mortgage the tax in time of peace \* \* \* He did most solemnly entreat and conjure the House, that before they resolved to give relief to the country they would recollect the great principles of finance upon which the greatness and prosperity of the empire rested; and that they would not press the adoption of a system which, however specious and delusive at the moment, was one for which the country itself, he was sure, would not thank them hereafter. It was upon that ground that he felt himself called upon, by every sense of duty which he owed to himself, to Parliament, and to the nation, to press the present measure, not merely as expedient, but as absolutely necessary for the safety and well-being of the State. \* \* \* He would put to the good sense of the country, to the truly British spirit which animated the people, whether they would now shrink from the exertion which was necessary for their own preservation; whether they would, in fact, be so infatuated as to turn their backs on themselves?—(Hear, hear.) He trusted their ultimate decision would be favourable to those great principles of financial calculation to which he had adverted; and though an impression might prevail, at the moment, unfavourable

to the Government, he had no doubt the nation would finally do justice to a line of policy dictated by a sound sense of duty; and that they would co-operate in the promotion of a measure necessary to secure the stability, the safety, and the lasting prosperity of the whole empire.

MR. BROUGHAM rose; (after allusion to something personal) he proceeded—"With respect to the appeal attempted by the noble lord to direct the attention of the Independent part of the House, those who were unconnected with any party, it would fail, as it deserved; for neither he nor those independent men cared what pledges Mr. Pitt, Lord Grenville, or Lord Henry Petty might have given and forfeited; they looked at the pledge recorded in the Journals of the House. Instead of having recourse to the constant recrimination of parties, he should apply to those records, and terminate his appeal by reading the pledge which they contained, in the 247th section of that Act." He then read from the Journals of the House the following clause in the Property Tax Act:—"Be it enacted, that this Act shall commence and take effect from the 5th of April, 1806; and that the said Act, and the duties thereof, shall continue in force during the present war, and until the 6th of April next, after the definitive signature of a treaty of peace, and no longer." (Shouts of "Hear, 'hear, hear!" and repeated cries of "Question!"')

MR. WILBERFORCE briefly against it.

The House then divided—

|   |     |
|---|-----|
| For the continuance of the Property Tax . . .                     | 201 |
| Against it . . . . .  | 238 |
| <hr/>   |     |
| Majority against the continuance of<br>the Property Tax . . . . . | 37  |

As soon as the numbers were announced in the House a loud cheering took place, which continued for several minutes. Similar exultation was manifested by the crowd of the strangers in the lobby and the avenues of the House.

*March 20th, 1816.*—LORD CASTLEREAGH—"But when the Members of the House thought proper to relieve themselves, (he did not use the expression in an invidious sense, but because the tax was one which justified these words, as affecting the upper classes of society most heavily,) then Ministers found it necessary to make some changes in their measures for the relief of the people. He protested before the House and the country, that he thought, under the

present circumstances of the country, that the division of Parliament as to this tax had been unwise.—("Hear, hear!") For if Parliament had granted it under the modifications proposed, his firm conviction was, that the distresses of the country would have been more effectually relieved, and the finances of the country would have been established on the firmest basis."

Mr. Coke, alluding to Lord Castlereagh's expression—"an ignorant impatience of taxation," used during the discussion of the Income Tax, Lord Castlereagh, "with reference to the construction put upon his words, (as if applied to the people,) begged now to state especially that the expression which had been so often repeated, had been applied by him only to the gentlemen opposite, and not to anything out of doors."

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B.

THE investigations of Dr. Arnott, Dr. Kay Shuttleworth, and Dr. Southwood Smith, in 1838, into the physical causes of sickness and mortality in the metropolis, shewed how extensively these evils might be diminished by sanitary regulations. The reports of these gentlemen to the Poor Law Commissioners were noticed in the "Companion" for 1840. Few persons were prepared for the appalling and sickening details of that mass of vice, misery, and disease, which it was shown existed within a stone's throw of the most opulent parts of this great city. In 1839, in pursuance of an Address of the House of Lords, the Poor Law Commissioners were called upon to institute an inquiry throughout England and Wales, similar to that which had previously been made in the metropolis. In January 1840, Scotland was directed to be included. Through the medium of the Assistant Poor Law Commissioners, the medical officers of unions, the medical profession generally, and others, a large body of information has been collected as to the causes of epidemic, endemic, and contagious diseases, and embracing matters generally affecting the social well-being as well as the sanitary condition of the population, particularly of the labouring classes. The materials thus obtained have been arranged and digested by Mr. Chadwick, the Secretary to the Poor Law Commission. They are of a more startling character even than the facts which were obtained in the course of the metropolitan inquiry. In the villages and small towns the physical causes of disease and mortality are, in many cases, as fearfully rife as in the most wretched parts of London itself. This is a state of things which

few were prepared for; and it is inevitably accompanied by evils which are rapidly deteriorating the character of large bodies of the population, and rendering them isolated and debased. The sanitary inquiry has unveiled dark pictures of our social state, but there is still sufficient to encourage hope; and yet the remedies require an absence of selfishness, and an amount of energy, intelligence, and public spirit, which only a strong sense of approaching danger, and even an appeal to selfishness itself, can bring into combination. In the meantime, and until legislative remedies be enforced—which cannot surely be long delayed—individual exertion may do something towards checking the evil. This Report of Mr. Chadwick's should be placed, at the public expense, in the hands of all magistrates, clergymen, and other ministers of religion, medical men, and all persons engaged in public administrative functions, of whatever kind, throughout Great Britain, that thus, the intelligent part of the public being informed of the evil, may be prepared to assist in carrying into operation the means (probably strong ones, according to our present conceptions,) which are necessary for its mitigation.—*Sanitary Condition of the Labouring Population of Great Britain*, "*Companion to British Almanac*," 1843, p. 21.

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C.

\* \* \* "I HAVE proposed, with the full weight and authority of the Government, that which I believe to be conducive to the public welfare. I now devolve upon you the duty which properly belongs to you, of maturely considering, and finally deciding on, the adoption or rejection of the measures I propose. We live in an important era of human affairs. There may be a natural tendency to overrate the magnitude of the crisis in which we live, or those particular events with which we are ourselves conversant; but I think it is impossible to deny that the period in which our lot, and the lot of our fathers, has been cast,—the period which has elapsed since the first outbreak of the first French Revolution, has been one of the most memorable periods that the history of the world will afford. The course which England has pursued during that period, will attract for ages to come the contemplation, and I trust the admiration, of posterity. That period may be divided into two parts of almost equal duration;—a period of twenty-five years of continued conflict, the most momentous which ever engaged the energies of a nation; and twenty-five years, in which most of us have lived, of profound European peace, produced

by the sacrifices made during the years of war. There will be a time when those countless millions that are sprung from our loins, occupying many parts of the globe, living under institutions derived from ours, speaking the same language in which we convey our thoughts and feelings—for such will be the ultimate results of our wide-spread colonization,—the time will come, when those countless millions will view with pride and admiration the example of constancy and fortitude which our fathers set during the momentous period of war. They will view, with admiration, our previous achievements by land and sea;—our determination to uphold the public credit, and all those qualities by the exhibition of which we were enabled ultimately, by the example we set to foreign nations, to ensure the deliverance of Europe. In the review of the period, the conduct of our fathers during the years of war will be brought into close contrast with the conduct of those of us who have lived only during the years of peace. I am now addressing you after the duration of peace for twenty-five years. I am now exhibiting to you the financial difficulties and embarrassments in which you are placed, —and my confident hope and belief is, that following the example of those who preceded you, you will look these difficulties in the face, and not refuse to make similar sacrifices to those which your fathers made for the purpose of upholding the public credit. You will bear in mind, that this is no casual and occasional difficulty. You will bear in mind that there are indications amongst all the upper classes of society of increased comfort and enjoyment,—of increased prosperity and wealth; and that concurrently with these indications, there exists a mighty evil, which has been growing up for the last seven years, and which you are now called upon to meet. If you have, as I believe you to have, the fortitude and the constancy of which you have been set the example, you will not consent with folded arms, to view the annual growth of this mighty evil; you will not reconcile it to your consciences to hope for relief from diminished taxation; you will not adopt the miserable expedient of adding during peace, and in the midst of these indications of wealth and of increasing prosperity, to the burdens which posterity will be called upon to bear; you will not permit this evil to gain such gigantic growth, as ultimately to place it far beyond your power to check or control it. If you do permit this evil to continue, you must expect the severe but just judgment of a reflecting and retrospective posterity. Your conduct will be contrasted with the conduct of your fathers, under difficulties infinitely less pressing than theirs. Your conduct will be contrasted with that of your fathers, who, with a mutiny at the North, a rebellion in Ireland, and disaster abroad, yet submitted with buoyant vigour



and universal applause, (with the funds as low as 52,) to a Property Tax of 10 per cent. I believe that you will not subject yourselves to an injurious or an unworthy contrast. It is my firm belief, that you will feel the necessity of preserving inviolate the public credit,—that you will not throw away the means of maintaining the public credit, by reducing in the most legitimate manner the burden of the public debt. My confident hope and belief is, that now, when I devolve the responsibility upon you, you will prove yourselves worthy of your mission—of your mission as the representatives of a mighty people; and that you will not tarnish the fame which it is your duty to cherish as your most glorious inheritance,—that you will not impair the character for fortitude, for good faith, which, in proportion as the empire of opinion supersedes and predominates over the empire of physical force, constitutes for every people, but above all, for the people of England—I speak of reputation and character—the main instrument by which a powerful people can repel hostile aggression, and maintain extended empire.”—*Extract from Speech of Sir Robert Peel, on Financial Question, March 11th, 1842.—Hansard.*

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