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A D V I C E
TO THE
PRIVILEGED ORDERS
IN THE
SEVERAL STATES OF EUROPE,
RESULTING FROM THE
NECESSITY AND PROPRIETY
OF
A GENERAL REVOLUTION IN THE PRINCIPLE OF GOVERNMENT.

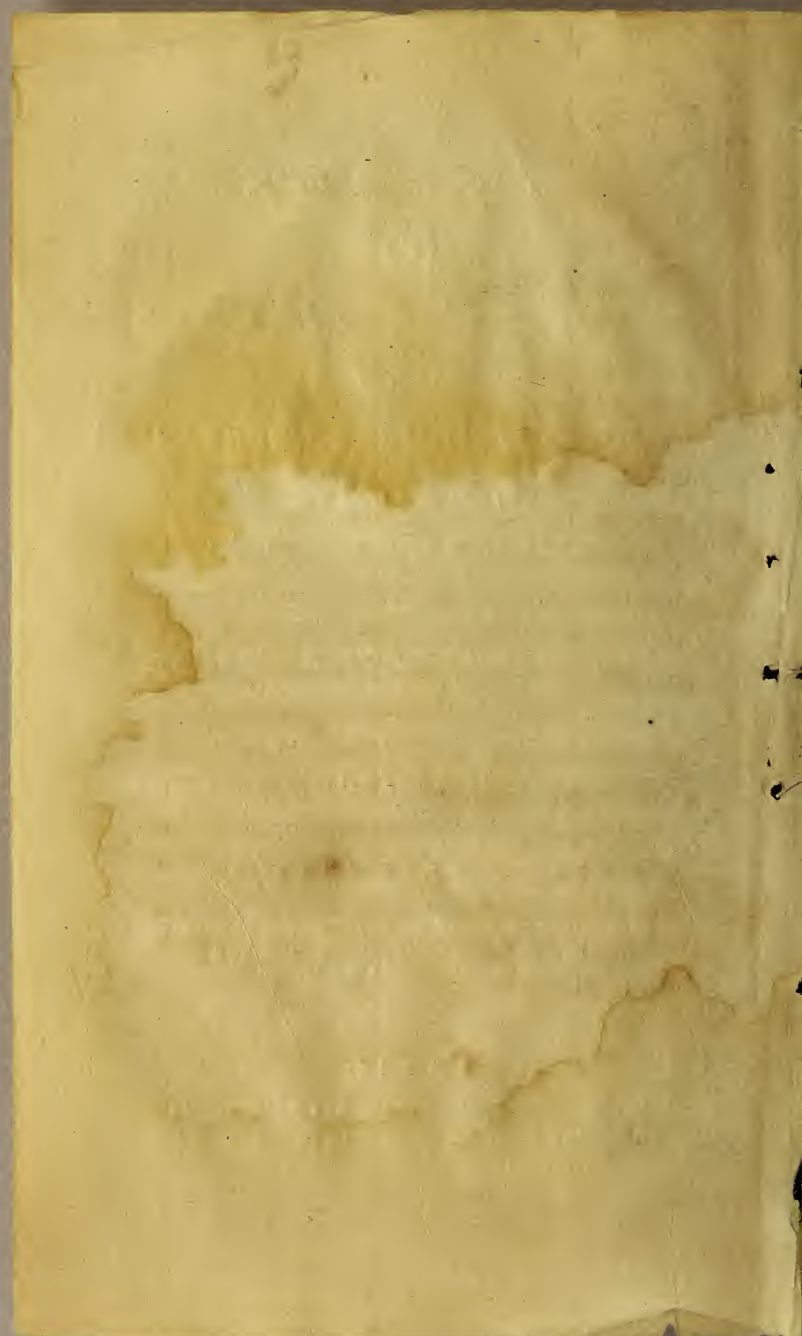
P A R T II.

By JOEL BARLOW,

AUTHOR OF THE VISION OF COLUMBUS, A LETTER TO
THE NATIONAL CONVENTION, AND THE
CONSPIRACY OF KINGS.

P A R I S:

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ADVERTISEMENT.

SOON after the publication of the *First Part* of this work, in February 1792, my attention was called to other objects, and it became impossible for me to finish the *Second Part* so soon as I intended. I left England in November last; and, not having then completed the three last chapters proposed in the Introduction, I left this chapter on *Revenue and Expenditure* in the hands of the bookseller, desiring him to publish it by itself. But the violent attacks on the Liberty of the Press in that country, which took place about that time, induced him to suppress the publication of this, and to discontinue the sale of the other. He has lately sent me the Manuscript; which I now offer, without any alteration, to the English Press in Paris.

JOEL BARLOW.

Paris 27 Sept. 1793.

CHAP. V.

Revenue and Expenditure.

A Nation is surely in a wretched condition, when the principal object of its government is the increase of its public revenue. Such a state of things is in reality a perpetual warfare between the few individuals who govern, and the great body of the people who labour. Or, to call things by their proper names, and use the only language which the moral nature of the case will justify, the real occupation of the governors is either to plunder or to steal, as will best answer their purpose ; while the business of the people is to secrete their property by fraud, or to give it peaceably up, in proportion as

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the other party demands it ; and then, as a consequence of being driven to this necessity, they slacken their industry, and become miserable through idleness ; in order to avoid the mortification of labouring for those they hate.

The art of constructing governments has usually been to organize the State in such a manner, as that this operation could be carried on to the best advantage for the administrators ; and the art of administering those governments has been, so to vary the means of seizing upon private property, as to bring the greatest possible quantity into the public coffers, without exciting insurrections. Those governments which are called despotic, deal more in open plunder ; those that call themselves free, and act under the cloak of what they teach the people to reverence as a constitution, are driven to the arts of stealing. These have succeeded better by theft than the others have by plunder ;
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and this is the principal difference by which they can be distinguished. Under these *constitutional* governments the people are more industrious, and create property faster ; because they are not sensible in what manner and in what quantities it is taken from them. The administration, in this case, operates by a compound movement ; one is to induce the people to work, and the other to take from them their earnings.

In this view of government, it is no wonder that it should be considered as a curious and complicated machine, too mysterious for vulgar contemplation, capable of being moved by none but experienced hands, and subject to fall in pieces by the slightest attempt at innovation or improvement. It is no wonder that a church and an army should be deemed necessary for its support ; and that the double guilt of impiety and rebellion should follow the man who offers

to enter its dark sanctuary with the profane light of reason. It is not surprising that kings and priests should be supposed to have derived their authority from God, since it is evidently not given them by men ; that they should trace to a supernatural source claims which nature never has recognized, and which are at war with every principle of society.

I constantly bear in mind, that there is a respectable class of men in every country in Europe, who, whether immediately interested in the administration of the governments or not, are conscientiously attached to the old established forms. I know not how much pain it may give them to see exposed to public view the various combinations of iniquity which appear to me to compose the system. But I should pay a real compliment to their sensibility, in supposing that their anguish can be as great on viewing the picture, as mine has been
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in attempting to draw it; or, that they can shudder as much at the prospect of a change, as I have done in contemplating society under the distortions of its present organization. I see the noble nature of man so cruelly debased,—I see the horse and the dog in so many instances raised to a rank far superior to beings whom I must acknowledge as my fellow-creatures, and whom my heart cannot but embrace with a fraternal affection which must increase with the insults I see them suffer,—I see the pride of power and of rank mounted to so ungovernable a height in those whom accident has called to direct the affairs of nations,—I see the faculty of reason so completely dormant in both these classes, and morality, the indispensable bond of union among men, so effectually banished by the unnatural combinations, which in Europe are called Society, — that I have been almost determined to relinquish the disagreeable task which I had prescribed to myself

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in the first part of this work, and, returning to my country, endeavour in the new world to forget the miseries of the old.

But I reflect that the contemplation of these miseries has already left an impression on my mind too deep to be easily effaced.—I am likewise convinced that all the moral evils under which we labour, may be traced without difficulty to their proper source,—that the spirit of investigation, which the French révolution has awakened in many parts of Europe, is stimulating the people to pursue the enquiry, and will consequently lead them to apply the remedy. Under this prospect, every person who but thinks he can throw the least light upon the subject, is called upon for his assistance ; and this duty to his fellow-creatures becomes more imperious, as it is increased by the probability of success.

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In considering the subject of *Revenue and Expenditure*, as in other articles that I have treated, I shall confine myself chiefly to the great outlines of the system; only noticing its effect on the moral habits of men; habits which must be considered as the vital principles of society, and which ought always to be kept in view as the first object of government, both in its original constitution and in every part of its administration. I was indeed sensible that this subject would require more details; and that it might be useful to form an estimate of the quantity of contributions necessary for any given portion of mankind united in a national interest; as we might thus be convinced how small a revenue would be sufficient for all the purposes of a rational government. But I find myself happily relieved from this part of my task, by the appearance of the second part of the *Rights of Man*, in which this branch of the subject is treated in that perspicuous manner
which

which might be expected from its author ; a man whom I consider as a luminary of the age, and one of the greatest benefactors of mankind. Neither my work, nor any other that shall be written for ages to come, will surely find a reader, who will not have read the *Rights of Man*.

Men are gregarious in their nature ; they form together in society, not merely from necessity, to avoid the evils of solitude, but from inclination and mutual attachment. They find a positive pleasure in yielding assistance to each other, in communicating their thoughts and improving their faculties. This disposition in man is the source of morals ; they have their foundation in nature, and receive their nourishment from society. The different portions of this society, that call themselves nations, have generally established the principle of securing to the individuals who compose a nation, the
exclusive

exclusive enjoyment of the fruits of their own labour ; reserving however to the governing power the right to reclaim from time to time so much of the property and labour of individuals as shall be deemed necessary for the public service. This is the general basis on which *property*, public and private, has hitherto been founded. Nations have proceeded no farther. Perhaps in a more improved state of society, the time will come, when a different system may be introduced ; when it shall be found more congenial to the social nature of man to exclude the idea of separate property, and with that the numerous evils which seem to be entailed upon it. But it is not my intention in this work to enter upon that enquiry.

When the feudal system, with all its ferocities, was in full operation, the superior lord, who represented the power of the state, granted the lands to his immediate

mediate vassals, on condition of military service. They engaged to serve in the wars of the lord paramount a certain number of days in the year, at their own expence. Thus they stipulated as to the *quantity* of service; but gave up the right of private judgment, as to the *object of the war*. This is the origin of the revenue system of modern Europe; and it began by debasing the minds of the whole community; as it hurried them into actions, of which they were not to enquire into the justice or propriety. Then came the *socage tenures*; which were lands granted to another class of vassals, on condition of ploughing the lords fields and performing his husbandry. This was a more rational kind of service; though, by a shocking perversion of terms, it was called less honourable.

In proportion as war became less productive, and its profits more precarious, than those of husbandry, the tenures
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upon knight-service were converted into socage-tenures ; and finally it was found convenient in most cases, especially in England, to make a commutation of the whole into money, in certain fixed sums ; and this, by its subsequent modifications and extensions, has obtained the name of a land-tax. These feudal revenues of the crown, though they were supposed to be sufficient for the ordinary purposes of government, were capable of being increased on any extraordinary occasion ; and such extraordinary occasions were sure to happen, as often as the government chose to draw more money from the people. It began this operation under the name of *aids to the king*, *subsidia regis* ; and, in England (before it was found necessary to work the engine by regular parliaments) various expedients were used to raise from different classes of the community these extraordinary aids. In many cases the authority of the pope was brought in to the assistance of the king,

king, to enable him to levy money for the court. The pope, as head of the church, received a revenue from the people of England through the English clergy; and the king, on certain occasions, agreed with him that he should double his demand; on condition that the additional sum to be raised, should be divided between themselves.*

A perpetual pretext for these additional impositions was always to be found in foreign wars. Edward the First must subdue the Welch; a long succession of kings made the glory of the British nation to consist in the reduction of Ireland; others, in conquering the tomb of Christ; and others, the crown of France. But in common occurrences, where the call for money could not be predicated on any national object sufficiently glaring to excite the enthusiasm or rouse the fears of the

* Cunningham's History of Taxes, page 6.

the people, it was the policy of the king to detach some particular classes of the community from the common interest, and to extort money from them, as from a common enemy. Thus all strangers were heavily taxed on coming into the realm; thus Jews, with all the wealth they possessed, were declared to be the absolute property of the king;* thus, after the religion of the government was changed, the papists and non-jurors were taxed double to the professors of the national religion; and thus the king could take a savage advantage of the misfortunes of individuals, and seize their property, under the title of *wrecks, waifs, treasure-trove, strays, amercements and forfeitures*.

These,

* In one of the laws of Edward the Confessor (which was repeatedly enforced long after the conquest, and perhaps is not repealed to this day) the clause respecting the Jews is in these words: *Judæi et omnia sua sunt regis; quod in quispiam detinuerit eos, vel pecuniam eorum, perquirat rex, si vult, tanquam suum proprium.*

These, and a vast variety of other inventions, have been practised by the English government, to legalize partial robberies, and take possession of the people's money, without the trouble of asking for it. But all these means were insufficient to supply the unlimited expences of a government founded on Orders, Privileges, Rank and Ignorance. The most effectual way to carry on the great business of revenue was found to be through the intervention of a parliament ; and for this purpose the farce of representation has been acted over in this country, to much better effect than any species of fraud or violence has been in any other.

It would be an insult to the understanding of any reader at this day, to describe to him a thing so well known, as the manner in which this game is played between the different branches of the government. The secret is out ; and the friends of the system, who used to be

be occupied in concealing its operation, are now engaged in defending it. The drift of their defence is to change the mode of the deception ; and persuade the people by *argument*, to suffer to pass before their eyes in open day-light, scenes which have hitherto been acted only in the dark. The curtain has fallen from their hands ; and they now declare that the play can go on without it. This for England, forms a new era in cabinet politics. While the system remains the same, the scheme for carrying it on is totally new-modelled ; and, like other novelties in the course of human improvement, it becomes a proper subject of our investigation.

I have known a juggler, who, after having for a long time excited wonder and drawn money from the multitude, by tricks which were supposed to be the effect of magic, would come forward with an engaging frankness, and declare
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that there was really nothing supernatural in the art ; that it was only the effect of a little experience and attention to physical causes, not beyond the capacity of any one in the company ; that, though he had deceived them thus far, he was now ready to undeceive them ; and, for another fee, he would go through the same course again, with the explanations. This ingenuous confession redoubled their curiosity ; the spectators continued their attention, and renewed their contributions.

The government of Great Britain, under King, Lords and Boroughs, is now defended, both in and out of parliament, by arguments unknown to former politicians. As nearly as any words, except the right ones, can express the full force of these arguments, they are stated by their authors in the following language :
 “ No people ever has been or ever can be capable of knowing what is for their
 own

own good, of making their own laws, or of pretending to understand them after they are made: as the people of England, during the time of the commonwealth, imbibed a different opinion, it has been thought best, especially since the last revolution, to cherish them in their error, in order to come more easily at their money. We therefore told them that they were free; that they, as Englishmen, ought to be free, because their ancestors were so; that English liberty was the envy and admiration of the world; that the French were their natural enemies, because they were slaves; and it was necessary to make a war once in seven years, to keep up this idea; that we were sorry for the increasing burthen of their taxes; but that was a circumstance not to be regarded by a free people, as they had the privilege of taxing themselves, and their taxes were the price of their freedom in church and state; that, we intended to lessen their

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burthens as soon as the enemies to our religion and to our happy constitution were destroyed. But now, gentlemen, we see you have discovered, and we are willing to acknowledge, that this was all a deception : as to liberty it is but a name ; man gives it up on entering into society, in order to enjoy the benefits of being governed ; it never was nor ever will be, realized by any nation under heaven ; witness the horrors of pretended liberty in France, the daily assassinations and perpetual robberies which you see in Mr. Burke's book from beginning to end ; witness the late infatuation of the Americans ; who, already recovering their senses, and sick of their boasted independence,* are now wishing to return to the protection of their mother-country, where they could purchase their laws ready

* This is a serious argument, used by several writers as well as parliamentary and coffee-house orators, to prove that liberty cannot exist in any country. See *Dr. Tatbum* and others.

ready made by us, who understand the business; as to the church, we are convinced it is no matter on what sort of religion it is founded, provided it be well connected with the state. We shall say nothing in future of the *burthen of taxes*, as it has been falsely called, the phrase itself has no longer any meaning; it is now clearly known that public taxes are, in themselves, a public benefit; every well-wisher to his country must wish them to increase; and for that purpose he will do all in his power to multiply the occasions for creating them; for it is acknowledged by all good subjects, that a national debt is national prosperity, and that we grow rich in proportion to the money we pay out. We are as frank to confess, as any caveller is to assert, that the House of Commons is not a representation of the people; it has no connection with them, and it is no longer to our purpose to suppose that it has; for the people have nothing to do

with the government, except to be governed ; but the House of Commons is retained in the state, for the same reason that the other branches of the legislature, and that courts and armies are retained, for the sake of increasing the wealth and happiness of the people in the augmentation of the revenue."

'Let any person look over the whole chaos of writings and speeches that have been published within the last year against innovations in the government, and I believe he will scarcely find an argument more or less than what are here comprized. Now this is clearly a different ground from what has heretofore been taken in this country for the support of the old system. It used to be thought necessary to flatter and deceive ; but here every thing is open and candid. Mr. Burke, in a frenzy of passion, has drawn away the veil ; and aristocracy, like a decayed prostitute, whom painting and patching

patching will no longer embellish, throws off her covering, to get a livelihood by displaying her ugliness.

It is hard to pronounce with certainty on the success of a project so new; but it appears to me extremely improbable that the naked deformities of despotism can long be pleasing to a nation so enlightened as the one to which these arguments are addressed. I cannot but think they are ill addressed, and that their authors have missed their policy in suffering the people to open their eyes to their true situation. It is certain that the Cardinal de Richelieu has given them different advice. He, like most other great men, is less known by his writings than his actions; but he left a posthumous work, called a *Political Testament*, which has been remarkably neglected by those for whose good it was intended; and by none more than by the present friends of aristocracy in England. That profound

found politician observes, “ That subjects
 “ with knowledge, sense or reason, are
 “ as monstrous as a beast with an hun-
 “ dred eyes, and that such a beast would
 “ never bear its burthen peaceably. The
 “ people must be hood-winked, or rather
 “ blinded, if you would have them tame
 “ and patient drudges. In short, you
 “ must treat them every way like pack-
 “ horses or mules, not excepting the
 “ bells about their necks; which by
 “ their perpetual jingling, may be of
 “ use to drown their cares.”

It must be observed, however, that
 in the business of taxation, which is
 nearly all the business of a public na-
 ture that is done by the government
 in England; a policy not very differ-
 ent from that of Richelieu has been prac-
 tised with great success. The aggregate
 quantity of the revenue raised upon the
 people has indeed been somewhat known;
 but the portion paid by each individual,
 and

and the time, manner and reason of his paying it, are circumstances enveloped in total darkness. To keep the subject ignorant of these things is the great secret in the modern science of finance. The money he pays to government being incorporated with every thing on which he lives, all that he can know of the matter is, that whether he eats, drinks or sleeps, walks or rides, sees the light or breathes the air,—whatever he does, drains from him a tax; and this tax is to support the luxury of those who tell him they are born to govern. But on which of these functions the tax falls the heaviest,—whether the greatest proportion lies upon his bread or his beer, his shoes or his hat, his labours or his pleasures, his virtues or his vices, it is impossible for any man to know. As therefore he cannot dispense with the whole of his animal functions, without ceasing to exist, and as this expedient is not often so eligible as submitting to the imposition,

sition, there is no danger but the tax will be collected.

It is difficult to describe, perhaps impossible to conceive, the quantity of evils wrought in society from this mode of collecting revenue by deception; or laying the duty in such a manner, that the people shall not be sensible when or how it is paid. This is extremely unlike that manly principle of mutual confidence on which men unite in society. It is the reverse of that conduct, which, arising from the open integrity of our own hearts, is the guarantee of integrity in others. It is a policy that must have originated from two contending interests in the nation, from a jealousy of their own power in the legislative body, from a knowledge that something was wrong in themselves or in the system, and from a consciousness that one or the other, or both, were unworthy of the confidence of the people by whom they were supported.

I am aware that in the doctrine which I shall labour to establish on this subject, I shall have to encounter the whole weight of opinion of modern times. Men of all parties, and of all descriptions, both the friends, and the enemies of equal liberty, seem to be agreed in one point relative to public contributions : *That the tax should be so far disguised, as to render the payment imperceptible at the time of paying it.* This is almost the only point in which the old and new systems agree, in those countries where a change of principle has taken place ; it is one of those rare positions, on which theorists themselves have formed but one opinion. It is therefore not without much reflection, and as great a degree of caution as a serious advocate for truth ought ever to observe, that I shall proceed to examine a position, which, resting on the accumulated experience of mankind, has not yet been shaken by enquiry.

I will

I will begin by acknowledging the force of two observations, which go to the support of the present system, as it applies to most of the existing governments and to the present state of society in Europe: 1. As long as public revenues must remain as great as they now are, and as disproportioned to the abilities of the people, it is absolutely necessary to disguise the taxes on which they depend; otherwise they cannot be collected. 2. As long as these revenues are applied to the purposes to which they now are, it is impossible to collect them but by fraud or violence; and violence has been found by repeated trials, especially in England, not to answer the purpose so well as fraud. While society remains divided into two parties, which are constitutionally opposed to each other, it is impossible but that they must regard each other as enemies, and their conduct must be the dictate of mutual aversion. When the people see that paying money to their
governors,

governors, is paying it to their enemies, they certainly never can give it with a good will ; and when they know that this money serves only to strengthen the hands of their oppressors in forging new weapons of oppression against themselves, they must feel an obligation lying upon them to withhold it, rather than to pay it. In this case, defrauding the revenue is considered not only as justice to themselves, but as a duty to their children. A tax under these circumstances is more naturally objectionable than the *Dane-gelt*, which was formerly paid in England : that contribution was made by the people, to hire a foreign enemy to leave them in peace ; and it always had a temporary good effect. But a contribution paid to the people's enemies at home, who being few in number, must soon, if unsupported, fall of themselves, cannot promise even a temporary benefit ; the hand of the enemy that receives it, does not so much as lay down its weapon while
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it grasps the money. As long therefore as society continues in its present disordered condition, any arguments drawn from moral propriety must be overpowered by the strong voice of necessity; for reasons of nature generally fall in a conflict with reasons of state.

But as a new order of things begins to make its appearance, and principle is no longer to be borrowed from precedent, we will endeavour to discover the ground of the received doctrine relative to taxation; and enquire how far that doctrine is, in itself, an object of reform. Out of the seventeen millions sterling which are annually paid into the exchequer in England, but about two millions and a half are levied in direct taxes; that is, in taxes laid in such a manner as to be paid directly to the fiscal officers by the persons on whom the burthen falls. These are chiefly comprehended in the taxes on lands and houses.

houses. In France, before the revolution, the proportion of direct taxes was much greater. According to the statement of M. Necker, it was near eight millions sterling, out of about twenty-four millions and a half, of which the public revenue consisted. This is something less than a third; while the proportion in England is little more than a seventh. These proportions are supposed by some of the most approved reasoners on the subject, in each country, particularly M. Necker and Sir John Sinclair, to be as high as it would be prudent to go with direct taxation. The remaining portion of the immense revenues in these two kingdoms, about sixteen millions and a half for France, and fourteen and a half for England, was raised in the former, and is still raised in the latter, by indirect taxation; by customs, excise, and inland duties of various kinds, called *taxes on consumption*. The art of imposing these, so as to insure their collection, is to incorporate

corporate the sum to be raised for government with the price of every thing for which men pay their money in the course of life. It is the hook within the bait of all our pleasures, of all our conveniences, and of all our necessities. The hook cannot be separated from the bait, nor the bait from our existence. With regard to individuals, the question is not, shall we pay the tax ? but, shall we exist ? The continuance of life is a continuance of the tax ; and the language of the system is, pay the debt to government, or pay the debt to nature.

It is said in Ethics, on the subject of *necessity*, that, supposing there is no choice of action, there can be no moral agency, and no virtue. We will not enquire into the propriety of the supposition or of the consequences drawn from it, as it respects our relation to the Deity, and our subjection to the great laws of nature ; but there can be no doubt

doubt that the reasoning is just, when applied to the laws of society. Perhaps it is true, that, where I am prompted by the invisible destiny of nature, to do an action for the good of my fellow-creatures, this action is virtuous ; but when the necessity for this action arises directly from the positive laws of society, in whose favour it is to be performed, — when the argument derives its force from the ax held over my neck, no idea of virtue can be annexed to the action ; it is merely mechanical. On this ground we may establish a position, which I believe will not be controverted : that the exercise of *private judgment* is the foundation of *moral virtue* ; and consequently, that all operations of government carry destruction to the latter, in proportion as they deprive us of the former. An arbitrary order imposed by a master, whether it be upon a nation or a simple domestic servant, tends to debase the mind, and crush that native dignity which

which is absolutely necessary to the existence of merit, or of self-approbation. And the effect that such an order produces on the mind is nearly the same, whether the action enforced be right or wrong.

The true object of the social compact is to improve our moral faculties, as well as to supply our physical wants; and where it fails in the first of these, it certainly will fail in the last. But where the moral purpose is attained, there can be no fear but that the physical one will be the inseparable consequence; place society on this footing, and there will be no aid or duty that the general interest can require from individuals, but what every individual will understand. His duties, when first proposed, will all be voluntary, and being clearly understood to be founded on the good of the whole community, he will find a greater personal interest in the performance than
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he would in the violation. There is no position more undeniable in my apprehension, than that this would always be the case with a great majority of any people; and if we suppose a small portion of refractory persons, who, from want of original consent, or from a subsequent change of opinion, should refuse to perform their duties; in this case, the opinions of the great majority assume the shape of government, and procure a compliance by compulsion and restraint. This is the only sure foundation on which we can ever build the real dignity of society or the corresponding energy of government. It is establishing the moral relations of men on the moral sense of men; and it is this union alone that can cherish our esteem or command our respect.

On this plan, it is of the utmost importance that the wants of the state should never be disguised, and that the duty of the individual, in supplying those wants,

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should never be performed by deception. If the state be properly organized, such disguise and deception will be unnecessary; and if we wish to preserve it from degeneration, they will be extremely dangerous; as, by attacking the moral sense of the people, they sap the foundation of the state.

When a company of merchants, or other private men, engage in an enterprise that requires contributions in money, we hear of no difficulties in raising the stipulated sums among the different partners in the company. Every partner makes it his business to understand the nature of the concern; he expects an advantage from the enterprise, and pays his money with the same willingness, as he would pay it in his private business. He would feel himself insulted, if any disguise were thrown upon the subject, to cheat him into his duty. Indeed, when the enterprise has come to an end, or
when

when there is an apprehension of loss, or a suspicion of mismanagement in the agents, it is natural to expect a reluctance in payment, which is only to be overcome by the arts of deception or the compulsion of law. But this is not the case while the company is in a prosperous condition, and while its members are united by mutual confidence in pursuit of a common interest. A nation, whose government should be habitually in the hands of the whole community, would always be a company in this prosperous condition; its concerns would be a perpetual and promising enterprise, in which every individual would find his interest and repose his confidence. Personal protection and public happiness would be the objects aimed at in the administration; and these would be infallibly attained, because no human accidents could prevent it. There could be no suspicion of mismanagement in the agents, they being perpetually under the

controul of the whole people. Every reason, therefore, which could induce individuals to withhold their pecuniary contributions, would be entirely removed; and the same motives which influence a man to give his attention and pay his money in his own personal concerns, would engage him to do the same things in the concerns of the public.

If these positions are not true, then have I misconceived the character of the human heart, and the real effects to be wrought on society by a rational system of government; but if they are acknowledged to be true, it ought to be an indispensable maxim to abolish and avoid every vestige of indirect taxation. It must appear evident, that to raise money from the people by any other method, than by openly assigning to every one his portion, and then demanding that portion as a direct contribution, is unnecessary to the object of revenue, and destructive

destructive to the first principles of society. It has long been complained of in England (so long that the complaint has almost ceased to make any impression even on the minds of those who repeat it) that *the Excise is an odious tax*. The reason on which the complaint is founded is what the principle of government, and of the opposition to the government, would naturally suggest; but it is not the reason which I should assign. The tax is said to be odious, chiefly because it throws a vexatious power into the hands of the revenue officers, to search the houses and inspect the affairs of individuals. As long as the government and the people are two opposite parties in the state, at continual enmity with each other, it is natural that each party should wish to conceal its operations, the better to succeed in their mutual hostility and defence; for secrecy is one of the weapons of war. But if the state consisted of nothing more than one great society

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composed of all the people, if the government was their will, and its object their happiness, the reasons for secrecy would cease, the intestine war would cease, the parties would cease.

The business of the state and the business of individuals might be safely exposed to all the world. An open generosity of conduct, the reciprocal sign and guarantee of integrity, would mark the character of every member of society, whether acting as a public agent, or as a private citizen.

But the great objection which ought to be made against the Excise, is the same as will apply to Customs, Duties, and all other tricks of a similar kind, by which the money is drained from the people without their knowledge or consent. The whole system of indirect taxation, so universal in Europe, so much extolled by the ablest financiers, as necessary in composing
their

their enormous masses of extorted revenue, is wrong from its foundation, and must be vicious in its practice. It is built on the great aristocratical principle, that men must be governed by fraud ; and it can be only necessary to that system of management which divides the nation into two permanent parties, the party that receives and the party that pays.

The wretched resource that governments have found in Lotteries, * Ton-
tines, and Annuities upon separate lives,
merits

* It was my intention in this place to have noticed, somewhat more at large, the pernicious tendency of Public Lotteries. But the late crisis in the government of France, when the people found it necessary to revise their Constitution, offered an occasion for making some remarks which I thought might be useful to them on the business then lying before them. I therefore published a short Treatise on the Defects of their Constitution in "*A Letter to the National Convention*," in which are particularly treated the subject of Lotteries, that of public Salaries, and several other matters, which otherwise would have come into this Essay on Revenue.

merits the severest censure, and ought to be held up to the execration of mankind, the moment we are ready to resort to the real principles of our nature, in managing the affairs of nations. A tontine partakes at once of the nature of lotteries and of simple life-annuities, and involves in itself the principal vices of both. Like a lottery it is founded in the spirit of gambling; and like a life-annuity, it detaches a man from the feelings and interests of his friends, of society and of all mankind, except those of the particular class of the tontine to which he belongs; and to them he is rendered, in a literal sense, a mortal enemy.

Borrowing Money upon *life-annuities*, as an operation of government, has been much more practised in France than in England. The reason of this is well explained by Adam Smith.* It was owing to the superior influence, in that

* *Wealth of Nations*, Book V. Chap. III.

country,

country, of those unnatural distinctions among families, which prevent them from associating with each other on the principles of mutual attachment ; principles congenial to the human heart, and no less necessary to individual happiness, than to the good order of society and the prosperity of the state. The pride of birth and the jealousy of rank operate on society like congelation and concussion on a body of water : they freeze up the whole mass, and break it into a thousand pieces ; which refuse to unite among themselves, or to answer the purposes which nature has assigned to the element. The genius of aristocracy, by the distinctions of birth, had established in France almost as many ranks as there were families. These were perpetually repelling and repelled, tormented by jealousies, and kept asunder by artificial aversions, which silenced the voice of nature, and counteracted every object of society. A man in this frozen, isolated

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and repulsive state of things, becomes a proper object for the government to seduce into a selfish hostility against the generous duties of life, by the temptation of life-annuities. An elegant French author describes the annuitant as having subdued every sentiment most dear to the human heart: "He amasses his whole capital upon his own head, makes the king his universal legatee, sells his own posterity at the rate of ten per cent, disinherits his brothers, nephews, friends, and sometimes his own children. He never marries; he vegetates, till the return of the quarter day, and enquires with eagerness in the morning, whether he is still alive; his whole exercise of body and mind consists in going once in three months to the notary at the corner of the street, to sign his receipt, and obtain a certificate, that he is not yet dead." The officers of government know very well the advantages derived from long humid winters and epidemical diseases;

eases; and they must delight in the winnings of the game thus played by the public treasury in partnership with death.*

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* For a more lively and affecting picture than I should be able to give, of the evils arising from this system, the reader is referred to the original of the short sketch, drawn by the above author, Mr. Mercier, in his *Tableau de Paris*, ch. 76. The following is a part of it,

“ Mais comment un gouvernement sage a-t-il pu ouvrir la porte aux nombreux & incroyables désordres qui naissent des rentes viagères? Les liens de la parenté rompus, l’oisiveté pensionnée, le célibat autorisé, l’égoïsme triomphant, la dureté réduite en système & en pratique; voilà les moindres inconvéniens qui en résultent. N’est ce point cet appât, donné trop facilement à l’amour de soi-même & aux jouissances personnelles & exclusives, qui fait qu’il n’y a plus de parens, plus d’amis, plus de citoyens? Tout à fonds-perdu,—amitié, amour, parenté, tendresse, vous êtes aussi à fonds-perdu! Neuf, dix pour cent; & après moi le déluge. Voilà l’axiome meurtrier & triomphant!

La nombre des filles qui ont passé l’âge de se marier est innombrable à Paris: elles ont signé des contrats
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I am sensible that all these maxims, which go to a change of system in the collection of revenue, are destined to rest merely in speculation, in all countries still afflicted with unnatural plans of government ; for so they must rest, till a total change of principle shall have taken place. But let it not be said that, on this account, the hints here given, are useless. If they are founded in truth and reason, the French Republic will soon be able to adopt them. By the time that its government shall be permanently settled, its public debt will doubtless be very considerably reduced. Its necessary revenue will then be so small, compared with what it hitherto has been, the people will be so far ele-

de rente viagère, ce qui les empêche de signer un contrat de mariage ; car la première réflexion que l'on fait, roule sur l'inévitable misère des enfans qui seront issus d'un tel nœud.

Un contrat viager isole toujours un particulier, & l'empêche de remplir les devoirs de citoyen."

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vated to the dignity of freemen, and accustomed to the duties of citizens, that they will find a sensible pleasure, rather than a servile task, in paying their contributions to the state. This reasoning may likewise be thought worthy of consideration in the United States of America; where perhaps it may be followed by the same effects. With respect to other countries, we must wait. A reformation of so deep a nature must be preceded by a perfect regeneration of society; such as can only be expected from a radical change of principle in the government.

I am sensible that men, whose experience in the management of public affairs has taught them to judge with severity on the various perversities of human nature, will find many obvious objections to a theory so different from that on which their practice has been founded. If I do not anticipate all their

their arguments in form, I certainly mean to do it in substance; for I am not unapprised of their weight. Where the revenue is to be raised only for *honest* purposes, and where it is to be kept within a moderate compass, so that the taxes are to be no more than what a well-organized community would be willing to lay upon itself, all arguments against raising the whole by direct taxation are reducible to these two points: the *improvident* temper of one class of men, and the unreasonable *selfishness* of others, have always rendered it difficult to obtain from them their contributions by direct and open means. The first of these classes comprehends many of the poor labouring people in the great towns. These people are in the habit of spending all they can earn, if not for the necessities of life, at least for superfluous or vicious gratifications. They never provide for a future want, even their own;

own ; much less would they think of providing for the wants of the state. As it is vain to ask for money where it does not exist, no tax can be collected by applying directly to that class of men. It is therefore thought best to mingle the tax with their meat and drink ; and, since they will spend all their money for these, let a part of it go to the state.

To this argument several answers may be offered : *first*, it is in a great measure owing to the inherent defects of the government, that such a class of improvident men is found in any society. That men of good intellects and sound constitutions should be inattentive to the means of procuring happiness, is certainly contrary to the analogy of nature. Indeed we overlook the cause when we go back to nature for it ; there is no doubt but it is always to be found in their relative situation in the social state. It is the want of early instruction, or the want of proper objects of emulation to stimulate the mind to a sense of its own dignity, as relative to

the society in which it has to act. When the man is taught to know and feel that he never can rise above the condition of a beast of burthen, he acts at least a consistent part, perhaps even a wise part, in blunting his feelings, and beating down his mind to the level of his destination. But it is not necessary to suppose that persons in general, who are found in the class above described, have to go through the same process of reasoning, and then of killing their reason, in order to arrive at this condition. Such indeed must have been the origin of the business in the first instance; but afterwards, the greater part are *born* in this element of apathy; they are surrounded all their lives by no other examples but beings of this sort; and they never have a thought or a wish beyond their present situation. Their only object is to banish all thought and stifle every wish; and whether they perish under the walls of an ale-house, or in a king's ship, or on the king's gallows, is to them a matter of perfect indifference. Such

Such is the deplorable condition of a numerous class of beings whom monarchs and ministers must recognize as their fellow-creatures ; and if they are called more *vitious* than their rulers, it is because we have perverted the meaning of the word. But I am not finding fault with *men* of any particular description whatever. In this drama of human misery, in which so many distorted characters are acted, our moral faculties are warped and fitted to the part assigned us ; and we perform it without scruple or enquiry. The judge upon the bench is scarcely more to blame, than the stupid felon he condemns. The oppressors and the oppressed, of every denomination, are, in general, just as wicked and just as absurd as the system of government requires. In mercy to them all, let the system be changed, let society be restored, and human nature retrieved.

Those who compose the middle classes of mankind, the classes in which the semblance of nature most resides, are called

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upon to perform this task. It is true that, as reason is slow in returning to the mind from which it has been so fatally banished, it will require some time to bring the men, who now fill the two extremes in the wretched scale of rank, to a proper view of their new station of citizens. Minds that have long been crushed under the weight of privilege and pride, or of misery and despair, are equally distant from all rational ideas of the dignity of man. But even these classes may be brought back by degrees to be useful members of the state; and there would soon be no individual, but would find himself happier for the change. Place government on the wisdom of the whole people, and they will always have wisdom enough to conduct it.

Second, under this natural organization of the state, should there remain a small number of improvident men, unable to perform the duties of active citizens, there

there would be many reasons for excusing them from any part of the public burthen. It is probable that very few instances would be found, where the inability did not arise from mental or bodily defects; in which case, their claim on society for a support, would take place of any claim that society could have upon them for the payment of a tax. In addition to these, we may suppose a few others, who, from accidental losses, or other misfortunes to which separate property is liable, might be unable to answer the demand of the collector; these the government would naturally excuse. If, after these, there should remain another class, who, wantonly regardless of their own happiness and of their social duties, should be found without the means of payment, (which is a supposition I admit only for the sake of argument) the loss to the state would be very trifling in omitting to collect from them. It would bear no comparison to the infinite mischiefs that

proceed from the system of disguise.

As to the other point of objection, arising from the unreasonable *selfishness* of some sorts of people, which makes it difficult to come at their money by any direct application to their persons, it deserves a farther consideration. But to give it a full discussion would lead to a new range of speculation into human nature, extending to a length which I fear would be disproportionate to the limits assigned to this chapter. I cannot be satisfied with the common opinions we have entertained in regard to the effect that *property* would naturally have upon the human mind. I say *naturally*, not in contradistinction to the *social* state, but in contradistinction to the *unnatural* state, in which government, founded on conquest or accident, has hitherto placed mankind. A natural state of society, or a nation organized as human reason would dictate, for the purpose of supplying the
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greatest quantity of our physical wants, with the corresponding improvement of our moral faculties, has never yet been thoroughly tried. It must be confessed therefore that the opinions we have formed of the human heart stand a chance of being erroneous ; as they have been formed under the disguise of impressions which do not belong to its nature. The picture of man could not have been fairly drawn while he sat with a veil upon his face. These facts being premised, if we wish to come at his genuine character, the history of his actions must be received with particular caution ; as but little reliance can be had upon their testimony. The labyrinths of error in which he has been forced to wander, the delusive tapers with which he has been conducted, and the load of abuses under which he has had to struggle, must have dimmed his understanding and debased his moral powers, to a degree that cannot yet be accurately known. He
rises

rises into light, astonished at what he is, ashamed of what he has been, and unable to conjecture at what he may arrive.

Some general traits, however, may be discovered in his character, and recognized as the genuine stamp of nature. Among these may be reckoned a certain desire in every individual of obtaining the good opinion of his fellow-creatures. Some degree of distinction, at least so far as to acquire an individuality of character among his equals, and merit their respect and confidence, is doubtless natural to man; and whatever, in a true sense, is natural, is, in the same sense, laudable. A man, without the artificial aid that society gives him, has but two resources on which he can rely for obtaining this respect; these are his *physical* and his *moral powers*. By the cultivation of one or both of these, he renders himself useful, and merits the distinction that he wishes. Property, which is called, perhaps with sufficient accuracy, the creature of society, is secured to individuals,

only for their private benefit ; or at most as a pledge of their attachment to the community, by which it is guaranteed. It is not expected, on the true principles of society, that an individual should dispose of any part of his own property to the benefit of the public. So much of it as the public requires in contributions, is demanded as a right ; it belongs to the state by the nature of the social contract, in return for the guarantee of the rest. It cannot be intended therefore that this should be the way in which a man should use his property, to procure to himself respect ; neither is it so in fact. The reliance he has upon it, for the purpose of respect, is founded on a different principle. Except such proportion as is necessary in supplying his personal wants, the possessor makes use of his property as a sign, or as a substitute, of personal merit. Indeed so far as his property is the fruit of his own exertions, it is not an unnatural indication of abilities ; and
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even where it has descended to him from his ancestors, it is not a more unreasonable ground of pretension, than hereditary titles of any other description.

On this principle, it is easy to trace the beginnings of a deviation from a rational estimate of things, in our attachment to property. A government which had been founded in violence, and was to be carried on for the exclusive benefit of a small proportion of the community, must have been under the necessity, at all times, of supporting itself by imposition. This circumstance goes at once to the discouragement and disuse of the *moral powers* of individuals; as they must cease to be cultivated, the moment they cease to be respected. As the nation, at the same time, grew more numerous, and the success of war and other great operations were found to depend less on *bodily strength*, this too began to lose its estimation, and could no longer be relied on,

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as a title to respect. A natural resource therefore, by which to escape from these unnatural restrictions, was found in a veneration for external and fallacious signs of merit, appropriated to individuals. This was the origin of all hereditary titles of honour; and it must likewise have been the origin, at least in a great measure, of our excessive attachment to property.

There is another point of view in which this theory may be placed, that will show it to be still more probable. In the same proportion as this veneration for property offered a resource to individuals, on their giving up the natural right of cultivating their personal talents, it also became a necessary engine in the hands of the government. It is easy to perceive, that, in a system where every thing depends on hereditary rank, the person placed at the head ought always to be entitled to the greatest share of respect.

respect. And where should a king seek for this, but in exterior pomp? Neither wisdom nor strength can be made hereditary, but titles and property may. It was absolutely requisite that those qualities, in which the king might be rivalled or surpassed by his subjects, should be brought into disrepute; and that all mankind should fix their admiration on those in which he could excel. Governments of this kind are sure to be administered in such a manner, that the king shall always be the richest man in the nation; and they generally go farther, and make other men rich in proportion to their servility to him. It is thus that the order of nature is inverted, and names are substituted for things. The simple uses of *property* are converted into the splendid magnificence of *wealth*. This becomes the great and almost universal object of human ambition; it excites the gaze and veneration of all classes of men. Individuals are really not to be blamed,
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nor their judgment to be called in question, for this manner of estimating things. Exterior pomp is, in fact, more useful to them, than personal qualifications. It indeed often takes place of all the solid enjoyments of life ; and it never can be strange that it should do so, as long as it procures that respect, the desire of which is doubtless among the strongest passions of our nature. We never hear of a man committing suicide for the want of a loaf of bread, but it is often done for the want of a coach.

Such is the passion, and such, I believe, is the *origin* of the inordinate passion for property, in the present state of manners. The greater part of rational men agree that these things are wrong ; they agree that the general taste and sentiments of mankind, on this subject, are erroneous ; and they wish they could be changed. The only point in which I differ from these men in opinion is,

is, that I have no doubt but these things *will* be changed. I think we discern the radical cause of the evil ; I think that cause will soon be removed ; and the remedy will inevitably follow ; because it is nothing more than a simple operation of nature, recovering herself from restraint. I am not preaching a moral lecture on the use of riches, or the duty of charity ; I am endeavouring to point out the means by which the necessity for such lectures may be superceded. A duty that runs contrary to habit, is hard to be enforced, either by persuasion or by law. Rectify our habits, and our duties will rarely be omitted.

Good men in all civilized nations, have taken unwearied pains, and given themselves real grief of heart, in censuring the vices and recommending the duties of mankind, relative to the use and abuse of property. Their labours have doubtless done some good ; for we may readily
conceive

conceive that the quantity of misery in the world is not so great as it might have been without them. But these men have not penetrated to the root of the evil ; or rather, they have overlooked it ; and the remedies they have proposed have always been partial, unpromising, and without success. They lay the blame to the natural propensities of the human heart, and call upon individuals for reformation. Whereas, the fault lies not so deep, nor is the cure to be looked for from individuals, even with respect to themselves. Habit is the ape of nature ; it assumes her appearance, and palms its vices upon her. And as the universal habit with respect to the subject now in question has arisen out of unnatural and degrading systems of government, a reformation can be expected, only from referring back to nature for a change of those systems ; and there is no doubt but this remedy will be effectual.

Establish

Establish government universally on the individual wishes and collected wisdom of the people, and it will give a spring to the moral faculties of every human creature; because every human creature must find an interest in its welfare. It must afford an ample subject for contemplation and exertion; which cannot fail to give a perpetual improvement to the mind, and elevate the man to a more exalted view of himself, as an active member of that social state, where virtue has a scope for expansion, and merit is sure to be rewarded. Being thus restored to nature, every thing is easy and progressive; the individual looks to himself for his title to respect, the moment he becomes habituated to believe and know that this is the only title that will answer his purpose. The idea of relying on the glare of exterior pomp, whether it be of wealth or hereditary rank, must be regarded as what it really is in fact, the effort of a weak mind

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to cover its own weakness. Such efforts being resented by the people, as attempts to impose upon their understanding, they must fall into disrepute and be laid aside. They cannot be useful, they cannot be kept in countenance, in a society founded on the basis of human reason.

It is difficult to conceive to what an extent this circumstance would operate on the character of the human mind, with respect to its attachment to property. If the present systems of government are unnatural, I am convinced that this part of the human character is unnatural; and a change in the former must produce a change in the latter. One of the uses of property, that of procuring respect, would be entirely cut off. And it must be considered that this is the use that has generally had the most powerful effect upon the mind; because it is immoderate and unbounded. It is well known that rivals in the display of wealth

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are among the most jealous rivals in the world ; and that there is usually no limit to the desires of a man on this subject, when they once pass the limit of his real or expected wants.

One simple fact, with respect to the French nation, is almost sufficient of itself to support the opinion I here advance. But I thought it necessary, before adducing that fact, to recur to theoretical principles ; in order to shew that both the fact and the opinion are founded in nature, and therefore may be trusted, so far as they go, as the foundation of a practical system. It is well known that the national character of that people within four years has undergone almost a total change, with regard to the estimation of exterior marks of distinction, of every kind. What is called Rank, arising from hereditary titles, had formerly as great an influence in the country, as at court ; it was held

as sacred in the most sequestered walks of life, where actions obey the impulses of the heart, as in the most brilliant assembly, where they are regulated by a Master of Ceremonies. It is impossible for wealth itself in any nation to be more respected than titles were in France among all classes and descriptions of people. Their veneration for King was proverbial through the world; and this was only a sample of their universal respect for every thing that bore the name of hereditary tokens of rank. Their adoration for these distinctions could scarcely be considered as the effect of habit; it had so far wound itself into the native character and soul of a Frenchman, that it could not be distinguished from an element of his nature. But the change of government, like a chymical analysis, has separated the dross of habit from the gold of nature; it has melted off the courtier and shewed us the man.

This is not all. *The brilliance of wealth* has likewise in that country lost its former value ; it being no longer considered, either by the proprietors or by others, as capable of commanding respect. I know it will be said, in answer to this, That it is owing to a temporary circumstance ; that the great body of the people, who have taken the government into their own hands, are envious towards the rich, and are aiming to reduce all men to a level in regard to property. The plainest reply to this assertion which has often been repeated is, what candour itself would make, *that it is not true.* No people ever shewed a more sacred regard to private property than the French have uniformly done, during the whole revolution. And, as if to put calumny to the blush, and baffle all theories of sophistry against a popular reclamation of rights, this regard to private property has been in proportion to the irregularity

larity of their movements, and the opportunity for pillage. It is to be wished that governments themselves would learn a lesson of honour from these examples of anarchy, instead of employing venal writers to abuse them.

It cannot be denied, that in all other parts of Europe there are two distinct purposes to which property is applied;—a resource against physical wants, and a resource for personal respect. It cannot be denied, that in France it has already ceased, in a great measure, to answer the last of these purposes. The cause of this is perfectly natural, and I have no doubt that it must be permanent. The same effect will be produced in other countries, by placing the government on the solid basis of reason, instead of propping it up on the tottering foot-stool of imposition.

I am aware that my argument is still

exposed to one objection, from those readers who are acquainted with the present state of society in *America*. It will be said, that the people of the United States manifest a great attachment to property, considered as *wealth*, and merely for the purpose of parade ; that, though their government is American, their manners are European. To this I reply, in the first place, that the charge is true only in a limited sense. The influence of riches in that country, even on the minds of those who possess them, is by no means so great as it is in Europe. But this answer will not be completely satisfactory to the objector, neither is it so to me. We must acknowledge the fact to exist, at least in a considerable degree, and endeavour to search out the cause. The people of that country have been always accustomed to borrow their maxims, as well as their manners, from the various nations of Europe, from which they emigrated : in
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the trading towns, many of the present inhabitants are really Europeans, having been in the country but a short time ; and emigration is perpetually supplying all parts of the States with new adventures : fashions, and a taste for expensive modes of living, are imported with other merchandise. In the article of Public Salaries, the governments themselves have been too much guided by European ideas ; which suppose it necessary that public officers should envelope themselves in pomp and splendor, in order to inspire a veneration for the laws. For though salaries in general were fixed at the revolution on a scale so low as to bear little proportion to what was common in Europe, and though in some instances they have been since reduced, yet they are still so high as to bear little proportion to what they ought to be. These things have a great effect on the general maxims of life in that country. But these things can never apply to Europe ; and, on a
change

change of government and manners in the old world, they will cease to apply to the new.

The Americans cannot be said as yet to have formed a national character. The political part of their revolution, aside from the military, was not of that violent and convulsive nature that shakes the whole fabric of human opinions, and enables men to decide which are to be retained as congenial to their situation, and which should be rejected as the offspring of unnatural connections. Happily, the weight of oppression there had never been so great, nor of so long a duration, as to have distorted in any extravagant degree the moral features of man. He recognized himself as the same being, under the new system as the old; for the change of form had not been so perceptible as to require a great change of principle. Under these circumstances, the people continued most of their an-
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cient maxims, though they were a mixture of foreign and domestic ; and, as habit is a coin current in all countries, it is not surprising that whatever had received the stamp of authority in the polished nations of Europe, should be adopted without scruple by the offspring of those nations in America.

The circumstance of their not being invested with what is called national character, though hitherto a subject of regret, will in future be much in their favour. The public mind being open to receive impressions from abroad, they will be able to profit by the practical lessons which will now be afforded them from the change of system in this quarter of the world. It will be found there, as it is now found in France, that the display of wealth will cease to be challenged as an emblem or substitute for personal talents ; and it will be coveted every where, in a less degree than at present ;

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as it will fail to gratify the passion for respect. It may be farther remarked, that this is not the only circumstance in which the state of society in America will be essentially benefited by a change of manners in Europe.

But it must be confessed, after all, that this is a theory to which it is hard to gain profelytes; especially among that class of men, whose knowledge of the world has taught them a caution which shuns the allurements of audacious speculation. And, since it must be referred to experience, to that I trust the argument. I profess nothing more in this work, than to contemplate the *effects* that a general revolution will produce on the affairs of nations. But in contemplating these, it is essential that we should be apprised of the corresponding change that will necessarily be wrought on the character of man; in order that, being prepared for the event, he may think

think of such arrangements as shall be likely to prevent his relapsing into the errors which have cost him so much misery,

A chapter which treats on the system of abuses so generally adopted in *raising* a revenue, can scarcely be closed with satisfaction to the reader, without some reflections on the corresponding abuses which are found in the *application*. I shall say nothing of high salaries, civil list, peace establishment, and the other enormities on which privileged orders and senseless places depend. These will so soon fall, with the wretched plans of government they support, that it really seems like an ungenerous triumph, to wish to hasten their fate. When the business of government shall be conducted, like other business, on the principles of common sense, it will be paid for, like other business, in proportion to the service performed. And unless this proportion be strictly observed in the payment, these principles will not long be observed

observed in the service. But our observations in this place, on the application of revenue, will chiefly be confined to the subject of Public Debts. This subject becomes more important at this time, not merely on account of the present magnitude of those debts in most of the states of Europe, but as relative to the principle on which they are contracted and supported. Should this principle be found to be dangerous to liberty, and suitable only to a vicious form of government, it will furnish matter of deep reflection to a nation that wishes to establish its affairs on the basis of reason and nature.

Here we must take a review of that mode of anticipation, which is common to most of the modern governments of Europe, and known by the name of the *funding system*. This invention (for so the art of funding is sometimes called) has received from the hands of different writers,

writers, a considerable degree of censure, as well as much unqualified and injudicious praise. Indeed, when considered with reference to its wide sweep of attending circumstances, it presents itself to the mind under a variety of aspects, and forms altogether a stupendous object of meditation ; having produced effects that have far surpassed the limits of previous calculation or belief. In politics and war, it has changed the face of Europe. With regard to other concerns, both of nations and individuals, its effects have been various, contradictory, delusive, and incapable of accurate estimation. It has astonishingly multiplied the force and activity of trade ; but it has increased in an equal degree the quantity of useless and destructive speculation. It has converted commerce into a weapon of war ; and it has made of that tremendous calamity an alluring instrument of commerce. It has brought these two occupations, so extremely opposite in their nature,

nature, to a cordial coalition and mutual support; and thus by the aid of both, it facilitates every project of ambition in the government; till it familiarises the public mind to a serious acquiescence in a paradox, which must have excited the ridicule of any age accustomed only to common calculation, That the more a nation is debilitated and exhausted, the more splendid and powerful it grows. Indeed the system is replete with so much apparent good, attended with its solid weight of evils, that we may be thought to incur the guilt of partiality or inattention, should we fail to qualify our censure with some degree of approbation.

But the question, Whether the system of funding ought to be admitted in all its latitude, can be decided only by striking the balance of good and evil in the effects that it must from its nature produce. And I think, on considering the
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subject as relative to a free republic, the balance will be found much more on the side of the evil, than it is when applied to the old plans of government.

The benefits, to be derived from the system, are of two kinds:—*commercial*, as it facilitates the business of individuals, and *political*, as it aids the government in the great operations of war. It is well known, or at least it is universally believed, that the public debt in England, being funded on the basis of mortgaging the national revenue for its interest, has created a prodigious mass of capital in the hands of trade. By furnishing men with a kind of stock, which they are sure of turning into money at any moment they choose, it enables them to vary their operations with such facility, as to seize many advantages in domestic and foreign markets, which must otherwise pass without effect. It is in a great measure to this circumstance,

circumstance, that many persons (perhaps without a due consideration of causes) have attributed the flourishing state of commerce in this kingdom. Indeed, since it is found that commerce has increased with the augmentation of taxes, the argument in favour of unlimited funding has become so seducing, that the paradox has arisen almost to a solecism; it is said that public insolvency is public wealth, and the national debt is itself a national benefit.

The advantages of a *political* nature, which are derived from the principle of funding, consist in establishing such an unquestionable credit, that the government can at all times borrow, without the means or the intention, or even the promise of payment. This credit answers all the purpose of an inexhaustible treasury, on which the government may draw at any moment, and to any amount. It is easy to conceive

ceive the immense facility thus given to the measures of administration. It enables them to begin, on the shortest notice and with the greatest secrecy, the most expensive operations, and then to pursue them to any extent; and this without consulting the wishes of the nation. It precludes the necessity of accumulating a national treasure by previous taxation and œconomy; a measure which must always be attended with the disadvantage of losing the use of the money, from the time it is hoarded, until it is expended. It likewise avoids the necessity of another operation no less to be dreaded by officers of government in general; I mean a sudden augmentation of taxes, by which the people should be called upon to support the expences of the year, within the year. A measure which, if not sometimes impossible, would often be hazardous to the reputation of ministers, and to the success of extraordinary enterprises.

Such

Such is the general fummary of the advantages derived from the Funding System ; and this opens to our view the train of evils with which they are contrasted. These I fear will be too numerous to be particularly noticed, and too great to be readily conceived. In the hands of an administration, I will not say *corrupt*, but an administration whose interest is in any measure different from that of the nation at large, this system is the most dangerous instrument that can be imagined ; as it is an instrument of incalculable force, and may be always wielded without opposition. This from the nature of the subject must be the case ; because the expences of any projected enterprise being charged on posterity, the party most interested in making the opposition, is not in being at the time, and cannot be heard in its remonstrance. Thus, in the business of war, which is the principal object in the Funding System, it enables governments to hire

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men to slaughter each other with more than their own swords. They wring out of the hard earnings of future generations the means of destroying the present. Here is a double violence which the generation, that goes to war by the aid of funding, commits on the age that is to follow. It precludes the existence of one part of society, by destroying those who should have been their progenitors ; and it charges the portion of posterity, that escapes into existence, with the expences of killing the fellows of their ancestors. And these expences they must pay under the cruel disadvantage of being deprived of half their natural resources, by a diminution of their natural numbers.

As military operations are now conducted, every man killed or destroyed in war, costs to the nation upwards of a thousand pounds sterling. This calculation is taken from a view of the

last war in which England was engaged. The nation expended in that war, as stated by Sir John Sinclair,* something more than 139 millions. No financier has calculated with any accuracy *the number of lives* that it cost on the part of Great Britain, in battles, hospitals, and prisons; probably it did not exceed 139 thousand. So that the people of this country are now consoling themselves for the loss of their friends and relations, by paying for their execution at the rate of a thousand pounds a head. Other jobs performed in such a wholesale manner are generally charged at a cheaper rate; but this is more expensive than the business of a like nature, which is done in the formality of detail, at the Old Bailey and Newgate.

It requires but a slight observation on

* Hist. of the Revenue, Part. III. page 95.

the character of the times in different ages, to show that the object of war, and the spirit with which it is conducted, have been altogether different, within the present century, from what they were in more remote periods of modern history. In the maritime nations of Europe, the object of war has changed from religion to commerce ; from a point of honour among kings, to a point of profit among merchants, ministers and generals. These subjects have nothing in their nature sufficiently animating to rouse the enthusiasm of a whole nation to such a degree, as to render it safe for the projector of a war to apply to the people for their immediate support. Therefore, to find the means of carrying it on, they resort to a principle congenial to the object of the war ; and it becomes supported, as it is projected, in the spirit of commerce. But, as all offensive wars, in every possible circumstance, can only be maintained by deceiving

the people, the government in this case recurs to a commerical deception, and induces them to undertake the burthen, on condition that the weight of it be shifted off to a future period. Such is the origin of funding; and it has evidently risen out of the necessity that governments were under, of changing the principle of deception, in order to conform to the spirit of the times.

As an engine of state, the funding system has completely taken place of religious enthusiasm; and mankind have been hurried on to their own destruction by the former, within the two last ages, with as little prudence and as much delusion, as they were by the latter, in the twelfth century. Indeed, I see no reason why a genuine crusade could not have been undertaken, even by the government of Great Britain within the last fifty years, and carried on to any extent, by the aid of the funding system.

For

For the principle of the system is such as to prevent men from enquiring into the object of the war ; as every inducement to such enquiry is almost completely taken away, with respect to every class of society. One class, by the previous operation of the same system in the increase of taxes, are rendered so wretched in their domestic condition, that they are glad to engage as soldiers in any cause, for the sake of the pay, so pitifully small as the pay of a soldier is ; another class, and one that has great influence on the public opinion, is composed of generals, contractors, ministers and secretaries, with all their dependants, who are sure to make a profitable jobb of any war, however it be conducted, and whatever be its object ; another class consists of idle speculators in the funds, whose chance of gain increases with the jostling of public affairs, and especially with the augmentation of the debt ; while the rest of the community, who
cannot

cannot be rendered active by the allurements of private profit, are rendered passive by deferring the payment of the loss.

From the time when the predatory spirit, which led the northern Barbarians to ravage the south of Europe, had subsided, and given place to its natural offspring, in the establishment of feudal monarchy, the history of this quarter of the world begins to assume a consistent shape ; and it offers itself to our contemplation, as relative to the spirit of nations, under three successive aspects. These are the spirit of Hierarchy, the spirit of Chivalry, and the spirit of Commerce. Out of these different materials the genius of the government has forged instruments of oppression almost equally destructive. It has never failed to cloud the minds of the nation with some kind of superstition, conformable to the temper of the times. In one age it is the superstition
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of religion, in another the superstition of honour, in another the superstition of public credit.

The deplorable use that has been made of the last of these, during the present century in England, and for a much longer period in some other governments, has induced many persons to regret that the spirit of commerce has ever become predominant over that of chivalry and that of the church. They see a contracted meanness in the one, which ill compares with the open enthusiasm of the other two. But, before we find fault with what seems to be the order of nature in these events, we ought to consider the effects that it has and will produce, in the progress of society and morals. Chivalry and hierarchy taught us to believe that all men who did not pay homage to the same monarch, or use the same mode of worship with ourselves, were our natural enemies, and
ought

ought to be extirpated. The spirit of commerce has brought us acquainted with those people ; we find them to be like other men, and that they are really useful to us in supplying our wants. As their existence and their prosperity are found to be advantageous to us in a commercial point of view, we cease to regard them as enemies ; and refuse to go and kill them, unless we are hired to do it. But as commerce may deal in human slaughter as well as in other things, when ever the government will offer us more money for destroying our neighbours than we can get by other business, we are ready to make enemies of our best friends, and go to war, as we go to market, on a calculation of profit.

This is the true spirit of commerce, as relative to war. But as this spirit has made us better acquainted with all foreign nations, and with ourselves, it has excited a disposition for enquiry into the moral relations

relations of men, with a view to political happiness. The result of this enquiry is now beginning to appear. It has already convinced us that there can be no possible case in which one nation can be the *natural* enemy of another; and this leads us to discover the cause why they have been *factitious* enemies. The whole is found to have been a fatal deception perpetually imposed upon each nation by its own government, for the private benefit of its administrators. The same spirit of enquiry is now leading the people to change the form of their governments, that society may be restored to its proper foundation, the general happiness of the great community of men.

On examining the succession of principles which mark the character of the times through these different periods, it appears that, when the spirit of commerce had become predominant, the only engine of state, which could be relied upon to
excite

excite the people to war, was the establishment of a national credit by funding the national debts. And we should not be wide from the truth in asserting, that to the funding system alone the principal commerical nations of Europe are to attribute the wars of the present century, as well as the enormous debts under which they have learned to struggle.

Such have been the effects of funding, under the old forms of government; and having ascertained the principles on which it has operated in producing these effects, we shall be better able to determine whether it be admissible in the policy of a free republic. In this great crisis of human affairs, it behoves mankind to probe the wounds of nature to the bottom, and remove every excrescence which might prevent a perfect cure.

Men of contemplative minds, as well as those of practical knowledge, have
now

now become so generally agreed in the necessity of the funding system, that, though they discern the evils to which it must expose a nation, I fear it is one of the last of their established maxims that they will be willing to subject to the severity of discussion. The universal opinion is that a state cannot exist without a national credit; unless it put itself to the disadvantage of hoarding up money, and keeping a treasure in reserve. And this latter measure, besides the inconvenience above-mentioned, of losing the use of the capital while it lies inactive, would throw into the hands of the executive government, the same dangerous power which is entrusted to them by the means of credit. In this respect their reasoning is just; and perhaps a full treasury would be the greatest evil of the two.

But after all, what is the advantage of a national credit? I mean, in the
sense

sense in which it is generally understood, the facility of raising a capital on long annuities, by a mortgage of revenue. Shall we not find on an investigation of this very simple question, that the advantage derived from such a credit (even supposing it never to be abused) can only be applicable to the old systems of government? Will it not appear that it is an advantage totally unnecessary to a rational and manly administration, conducted by the wishes of a free and enlightened people? I am supposing, and it is but fair to suppose, that such a people will always understand their own interest. Or, at least, if they make a mistake, it will be the mistake of the nation, not of the ministers; they will never suffer an enterprise to be undertaken, but what is agreeable to the majority of the active citizens. This people will never engage in any offensive war. Indeed, as soon as the surrounding

nations

nations adopt the same change of government, the business of war will be forgotten ; but in the interval, previous to this event, a real republic cannot stand in need of funds, as a preparative for war, unless it be invaded. It is even safer without funds ; because they might be a temptation to the officers of government to counteract the spirit of the republic. In case such a people be really attacked by an enemy, then it is that the force of society may be seen and calculated. But the calculation does not turn on the cabinet-rules of royal arithmetic ; the power of the republic for the purpose of defence does not depend on a national credit, in the sense above-mentioned, or the facility of borrowing money ; the government, in making up its estimate of resistance, never asks, how many soldiers have we in pay ? And how many recruits can we enlist or impress ?—But of how many men does
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the nation consist ? Armies start into being by a spontaneous impulse ; every citizen feels the cause to be his own, and presents his person, or his provisions and his arms, not as an offering to a tyrannical master, of whose intentions he would be suspicious, but as a defence of his own family and property. The enemy being repulsed, whatever inequalities may be found to have arisen in this emulous contribution, are liquidated and settled on a general scale of justice.

Even supposing the war to be of long continuance, and to require sums of money beyond the voluntary contributions, and beyond the power of prudent taxation for the time ; (which indeed, in a wealthy and well-regulated republic, would be an extraordinary thing, and I believe never would occur) in such a case, the justice of the cause, and the natural magnanimity which habitual freedom

dom inspires, would be a sufficient guarantee for loans, at home or abroad. It is true in nature, and the truth must prove itself beyond contradiction to the world, as soon as it shall have opportunity to judge, that a great people accustomed to exercise their rights, would never violate their duties.

Injustice may be expected from governments founded in usurpation ; it is their natural character, the tenure on which they hold their authority. They never can be just, unless they deviate from their principle. What is called their *penal justice*, as well as their *pecuniary justice*, is only the fruit of their fears ; and ought to be regarded only as an evidence of their constitutional weakness. As every thing they do, must be done by the force of money, it is necessary that they should establish a character for mercantile punctuality, to serve as a substitute for the quality
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of justice, which qualify the nature of their existence denies them. The reverse of this is the case with governments founded in reason and nature, where all the people have an active interest. Justice there is the first article in the social compact; and as neither policy nor principle can ever admit of a deviation from this, the event is not to be expected.

This is the kind of national credit that is proper for a free republic. It is involved in the nature of their system, and spurns those extraneous aids which artificial credits have required. I should consider it as a circumstance dangerous to the progress of society, if the new republics, which are to rise out of the ruins of these antiquated masses of error, should retain the two great principles of finance, on which much of that error has been supported. To raise the revenue by *disguising the taxes*, and to force a public

public credit by *dint of funding*, have been equally necessary to the ancient system ; and it appears to me that they would be equally destructive to the new.

How the national debts that now exist in several countries, are to be disposed of, under a change of government, is indeed a question of serious magnitude. Probably that of France will be nearly extinguished by the sale of the national domains. That of Spain, and those of most other Catholic countries, may be balanced in the same way. In some Protestant nations, where the debts and the domains have lost their relative proportion, the case will be widely different. But, whatever may be the fate of the debts, I am as clear that they ought not, as I am that they will not, impede the progress of liberty.

END OF PART II.

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