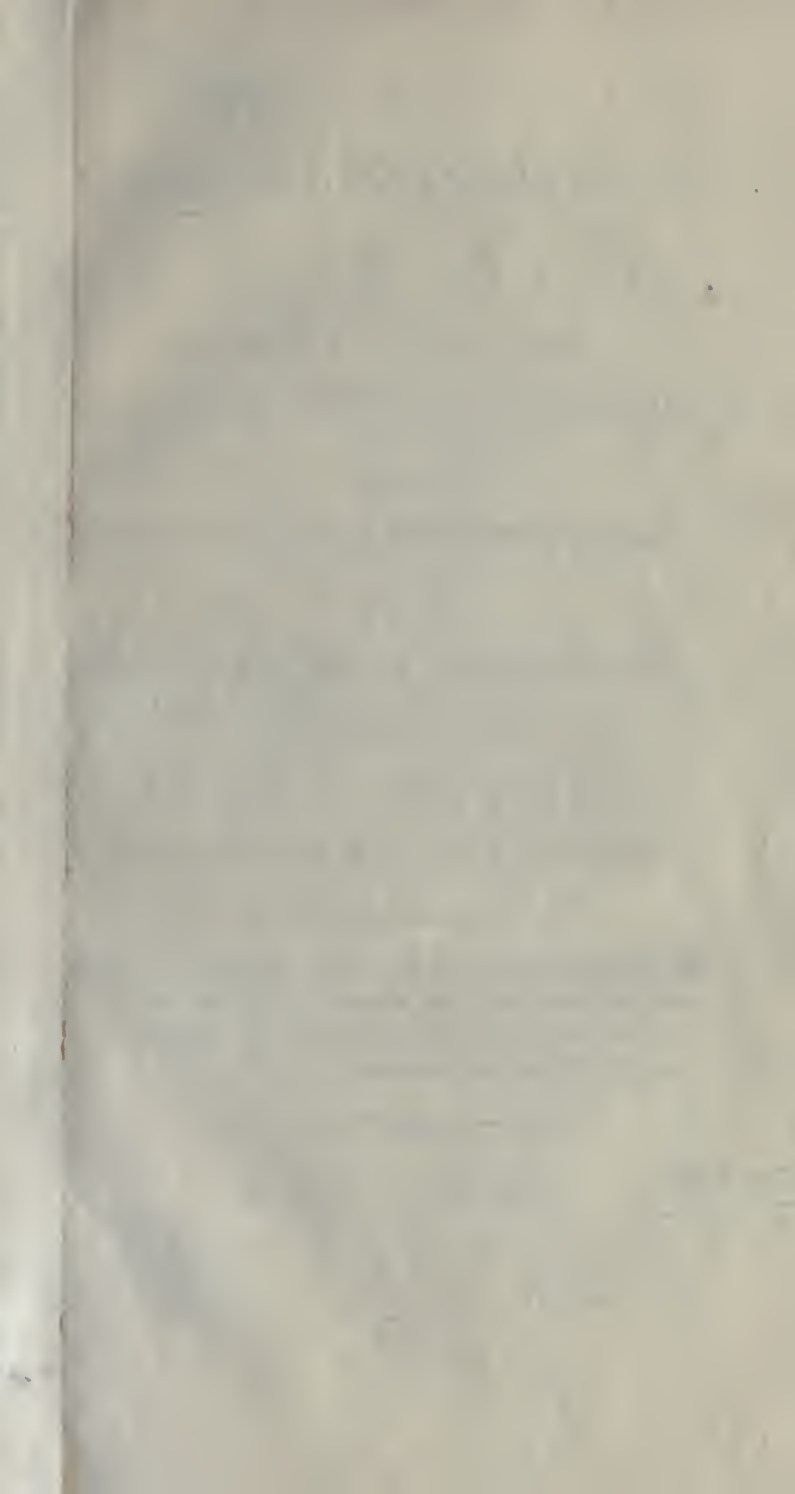


EcC  
C7348

A commercio-political essay, on  
the nature of the balance of  
foreign trade...





Digitized by the Internet Archive  
in 2007 with funding from  
Microsoft Corporation

ECC  
C 7348

A

COMMERCIO-POLITICAL

E S S A Y,

ON THE NATURE OF THE

BALANCE OF FOREIGN TRADE,

AS IT RESPECTS A

COMMERCIAL INTERCOURSE

BETWEEN

GREAT-BRITAIN AND FRANCE,

AND BETWEEN

G R E A T - B R I T A I N  
A N D O T H E R N A T I O N S.

---

Enfin il est certain, et les peuples s'en convaincront de plus en plus, que le monde politique, aussi bien que le physique, se règle par poids, nombre, et mesure.

*Fontonelle eloge de M. Montfort.*

---

L O N D O N :

PRINTED FOR JOHN STOCKDALE,

OPPOSITE BURLINGTON-HOUSE, PICCADILLY.

[ Price 1s. 6d. ]

4100

18.2

1875  
31  
216

RECEIVED

of the

of the

of the

of the



of the

of the

of the

of the

of the

of the

of the

## COMMERCIO-POLITICAL

## E S S A Y, &amp;c.

---

**T**HE subject of the Commercial Treaty with France, is of so great a magnitude and importance, as to demand the attention of every one, who is at all interested in the prosperity of Great-Britain. It has indeed attracted a very general notice, and much has been spoken and written concerning it. By many it has been approved, and by many it has been censured; but most of the approvers and censurers have appeared to me to have chiefly supported or condemned the treaty by arguing upon it in detail, by defending or blaming one part or one clause of it after another, and to have founded their different judgments upon such a defence or blame. The principle of the treaty has by

most of those who have written upon it, been very slightly touched upon; I therefore in the following pages, propose to make that the chief object of discussion; and if in its principle the treaty be found not to be injurious to Great-Britain, we may conclude, that on the whole it will be beneficial, whatever aspect some particular clauses of it may have.

If the increase of foreign commerce is a thing desirable, it appears to me that the Commercial Treaty has a tendency to occasion such an increase. I hope we are not so selfish as to desire all the advantages of it to be on our side; and I cannot presume to think the French ministry so unwise, as not to have the interest of France in view, in framing the different articles of the treaty, as well as the English ministry had the interest of Great-Britain. How! Can the treaty be both beneficial to us, and to the French? And why not? even on the supposition of the annual balance of trade between the two nations, being perfectly equal, the commercial intercourse between them may nevertheless be greatly beneficial to both.

The English are not the only people fond of things brought from a distance; and as foreign superfluities cannot be purchased with-  
out



out some superfluities of our own in exchange, the very appetite for possessing a foreign superfluity, excites industry to provide the price of that superfluity, without which price it cannot possess it; for no dealer will part with his wares for nothing. Were that appetite to be annihilated, commerce would not only stagnate between nation and nation, but between county and county, nay, even between parish and parish. But would individuals be thereby richer, or greater possessors? Far from it. The individual having no view of purchasing a superfluity, will not be excited to procure what would have purchased that superfluity, consequently he loses both the superfluity and the price of it; that is, he becomes poorer. Thus, by limiting commerce, for fear of becoming poor, one actually becomes poorer; and as it is between individuals, so is it between nations; they may cramp and stunt their own opulence by a too great reserve of exchanging it for foreign opulence, while, by a free communication, opulence may be augmented on both sides. How does the poor highlander get possession of West-India rum? it was not given to him for nothing. He has actually purchased it by some kind of industry; and, by more industry, he might purchase more rum, or French brandy, if he pleased; and  
by

by such purchase, both the Frenchman and the Highlander would at the end of the year, (without running a farthing in each other's debt) be greater enjoyers than if they had not trafficked together.

But it is apprehended, this treaty may render the balance of trade unfavourable to us. The balance of trade! It is a phrase which has tormented Great-Britain for above an hundred years past, which has but too frequently poisoned our public councils, and so perverted our judgments, that we have absurdly aimed at acquiring this *summum bonum*, this supreme good, not by superior industry, honesty, and frugality, but by commercial wars; I mean wars, which the mercantile spirit of engrossing commercial gains has plunged us into, without the smallest necessity. And what has been the consequence of those wars? They have sent more money out of the nation in fifty years time, than an unfavourable balance with France would probably rob us of in twice that number of years; and besides, by an augmentation of taxes, they have raised the general national expences above thirty millions annually, which counteracts the very extension of commerce, the object so much desired, as it serves as an annual premium of a great amount bestowed upon

upon foreigners in favour of their products and manufactures in all markets, even *in our own*, as well as in foreign. Nay more, this narrow and tormenting anxiety about the balance of trade, and the mercantile spirit of acquiring it, has actually swept away from us every ounce of gold and silver, that our ancestors had been accumulating for a thousand years back; for I will venture to say, there is not a guinea, nor a single shilling now in this kingdom, that does not belong to foreigners; and that if we were to reimburse to foreigners all the money we at present owe them, we should be reduced to the situation in which Julius Cæsar found us, with iron money. It was also to the false notions about the balance of trade, that we adopted such a spirit of legislation, as actually diminished that balance in our own favour, and augmented it in favour of foreigners. A fellow subject resident in Ireland, could not, by our commercial law (for a political law it certainly was not), pursue that branch of trade, which not only suited himself best, but suited his situation best. By this anti-political, but truly mercantile expedient of narrowing industry in Ireland, we flattered ourselves we should augment it in Great-Britain; but instead of that, we chiefly augmented it among foreigners, and have thereby, since the commencement of that system,

system, in fact, deprived ourselves of more gold and silver, than would discharge all the debt we now owe to foreigners.

These are some of the sweet consequences of adopting in national councils ideas of the balance of trade, according to the standard of a shopkeeper, who never thinks of *producing any thing*, but reckons his gains according to the difference of value between what he buys, and what he sells. A nation, on the other hand, especially a nation possessing such a territory as Great-Britain, ought chiefly to attend to what it is able to produce; and according as it multiplies its products, it will establish its wealth and power upon the most solid undecaying foundation. The multiplication of gold and silver, though it ought to engross the attention of the merchant, is not by twenty degrees, so much worthy of the attention of the legislature as the multiplication of the products of the soil. In a national view, the most profitable of all commerce is that which is carried on with our mother earth. To the inhabitants of Great-Britain, she yields annually what is worth above 50 millions; and would we but bestow a proper attention to that branch of commerce, she might easily be made to yield annually 30 millions worth more than she now yields. What are the petty concerns of  
of

the balance of foreign commerce in comparison of this; but most of our commercial writers, our Joshua Gees, our Woods, and other misleaders of the nation, have, like narrow-minded shopkeepers, filled their pages with nothing but ideas about buying and selling; and those ideas, alas, have taken possession of the minds of our rulers and legislators, who thought they were considering trade nationally when they were regulating it by the false systems of those writers on trade.

Whoever possesses things, possesses the price of things, and much more surely than if he possessed gold and silver; for an ox, or a bushel of wheat, is of the same value now that it was five hundred years ago; but an ounce of gold is of twenty times less value now, than at the former period. Agriculture ought certainly to be considered not only as a manufacture, but as the most profitable of all manufactures; for the products of agriculture are the result of the labour of man, as much as the products of the loom or of the forge, with this great advantage in favour of the former, that labour forms a smaller part of the aggregate of their value; therefore the net profit is the greater. From this consideration, I think it would be very advantageous to this kingdom if one half of

our idle shopkeepers would turn cultivators, that is, would become manufacturers; and that, instead of throwing ourselves into feverish heats about the uncomputable balance of foreign trade, we should give our chief attention to cultivate that branch of commerce, where the annual balance is sure to be in our favour, to the amount of many millions.

From this consideration also I should most heartily have approved of the permission to export wool upon certain conditions; for if the exportation of corn be beneficial, the exportation of wool ought also to be beneficial. To the objection that wool may be formed into cloth, I answer, that corn may be also formed into cloth; for of the value of every piece of cloth made in France, corn makes above one half. As the liberty of the exportation of corn has made us produce more corn, so the liberty of the exportation of wool, would make us produce more wool; for in both these articles nature says, she could yield us many millions more, annually, out of our own soil, were we but to labour for it with half the assiduity that we labour for foreign balances. That the liberty of the exportation of wool may raise its price, is to be accounted an advantage, and not a loss; for why should not the cultivator

tivator be amply rewarded for his toil, as well as the manufacturer? And when the wool-grower finds a good profit on the sale of his commodity, he returns with greater alacrity and assiduity to prosecute that commerce which, of all others, yields the greatest net profit. Since the price of the wool is supposed to make but one fourth of the price of the cloth, a rise, therefore, of twenty *per cent.* in the price of the former, ought not to make a rise of above five *per cent.* in the price of the latter; and this rise of price will affect foreign cloth made of English wool in a greater degree than English cloth; because, to the foreign manufacturer, English wool must come dearer, as being a foreign material.

Great Britain affects to be a commercial nation as well as Holland; why, then, should she torment herself with what does not give Holland the smallest disquietude? The Dutch buy every where, and sell every where. They have no national prejudices nor predilections. As buyers, their only predilection is for the cheap market; and they make this market to themselves, by shutting themselves out from none; by discouraging idle shopkeeping, by contenting themselves with small gains, and by giving every encouragement to industry, the product

duct of which industry they are certain will find its value somewhere, either at home or abroad. With France they deal very largely, not only as carriers for others, but as great consumers themselves. What article of French product or manufacture may not one meet with in Holland; or what article of English product and manufacture may not one also find there, and at reasonable prices? If the Dutch had experienced the French trade to be impoverishing, they would, no doubt, have left it off long ago; and to say that we may not make so good a use of it as they have done, is saying that we are not so prudent or so clear-sighted as they are; which I should be very backward to allow, were the true principles of commerce generally understood among us, and our external and internal traffic conducted according to those principles. I have seen, at Marseilles, a cargo of Dutch cheeses that would have nearly purchased a cargo of French wine, the pound of cheese being nearly an equivalent for a bottle of wine; and I own I was sorry that England had precluded herself from making the same exchange. How many places are there in France where a pound of the best English cheese would purchase two bottles of good burgundy; and should the possessors of those two different

com-



commodities with an interchange, is there much policy in obstructing them?

Such a kind of commerce, it may be said, nobody would object to; but would any body advise carrying on a trade with France, where what is called the annual balance would be greatly against us? not I, certainly; for I would rather wish the turn of the scale to be a little on our side; though were it to be a little on the other, the harm would not be great.

I shall here, in a few words, explain the nature of this balance of trade, which has been the *Grand Lama* of our commercial writers, the idol of their idolatry, nine tenths of whose writings, on that subject, deserve to share the fate of Don Quixot's library, as they have perverted the minds of thousands, and tended to diminish the opulence of Great Britain. Let us suppose a cistern, containing thirty millions of pints of water, to be injured by some accident, and thereby to leak annually one million of pints, it is plain, that on the supposition of no fresh supplies, and no evaporation, this cistern would, in thirty years, become dry. But if the owner of the cistern, by his great ingenuity, should discover, in its neighbourhood, a perennial source, which yielded  
annually

annually three millions of pints, or more if required, he might disregard the annual leakage of a million, and have his cistern always full, with some overplus millions of pints of water besides, for watering his garden, or for other uses.

This is precisely the case of a nation inhabiting a fertile territory, having thirty millions of pounds in circulation, with a balance of trade against it of a million annually. To supply the annual leakage of a million, a territorial nation will have recourse to the perennial source of agriculture, and also of aquæ-culture, if it has rich seas; and by keeping those sources always flowing, its opulence will continually increase notwithstanding the continual leakage. This explains how nations and countries having the balance of trade against them, for a long series of years, have nevertheless made progressive advances in riches and opulence, and may continue to make such advances for ages to come.

I say countries as well as nations, in respect to each other. Some, though perpetual givers, are becoming rich; and others, though perpetual receivers, do not greatly overflow. For not to go out of Great Britain, whoever will examine the course of bills between London and the different counties,

counties, will see that the balance of trade with London is continually against the counties; and so it is with the capital of every nation in Europe in relation to its provinces. Lincolnshire, for example, sends up one thousand pounds-worth of cattle to London, and receives payment for them. But how is it paid? The rents and taxes yielded by Lincolnshire pay for the cattle sent from Lincolnshire; so that Lincolnshire yields both the cattle and the payment of them; but still drawing more from the earth than it sends away, its opulence does not diminish but increases.

This example exactly applies, in all circumstances, to Scotland, which has the balance of trade continually against it with England; yet the opulence of Scotland is visibly increasing annually. The example also applies, in every respect, to Ireland, which pays an annual balance to Great Britain; yet, notwithstanding past unjust and impolitic restraints from England, the opulence of Ireland has been increasing for many years back; and its prosperity has made such rapid strides, that it can at present boast of a greater degree of improvement than what any other nation of Europe can boast of, in the same number of years, namely, that within little more than a century, it has nearly doubled the  
number

number of its inhabitants. The superficial politician, Dean Swift, had eyes to perceive the annual leakage; but the perennial source, which more than supplied that leakage, was as much hidden to him as the *Georgium Sidus* is to common eyes; and this ignorance, added to his natural malignity, made him misrepresent the state of Ireland, and formally calculate, that in a short period of years, Ireland would not have a brass farthing of coin remaining in it. His Draper's letters, and other political writings, shew, at present, only a waste of wit and little judgment; and he himself, during the term of his residence in Ireland, must, if not wilfully blind, have perceived an increase of its opulence. This opulence is, since his death, still further increased, owing not so much to any enlargement of its foreign commerce, as to the superior attention lately given by the people of Ireland to the internal perennial source of agriculture.

The late English colonies in North America were, in point of the balance of trade with Great Britain, in the same predicament with Ireland, or with the English counties in respect to London. The British merchants who traded to those colonies, selling more than they bought, received from them yearly a large balance in return. This commercial

cial balance, which for a considerable period back amounted to above a million, was, about twenty years ago, artfully held out to the public, by one who ranks much higher in the class of malefactors than of philosophers, as though the balance of obligation had been due to the colonies on the part of Great Britain. In his false statement, which I had occasion, to refute, not a word was said of the perennial source, that much more than supplied that annual balance; nor the least grateful remark made, that the perennial source was the gift and boon of Great Britain to the colonies. By the gift of this perennial source, Great Britain gave annually to the colonies much more than the colonies gave to Great Britain; and the consequence was, that notwithstanding this annual commercial balance, which, to the eyes of the mere commercial writer, was a consuming drain, the American colonies astonished the civilized world by the rapid progress they made in opulence and population. In their infant state they consented to accept of lands and legislation from Great Britain; but, by their late revolt, they have, from copyholders of Great Britain, made themselves freeholders, with what equity and honesty need not be mentioned. This revolution will occasion but little difference or alteration in their commercial balance

D

with

with Great Britain, or with other foreign states ; but should the spirit of misrule, that prevails among them, not suffer their perennial source to flow with the same abundance as when they formed a part of the British empire, they will, in that case, soon perceive their prosperity to languish. Nay, on this last supposition, their future prosperity would fall short of their former prosperity, were the balance of foreign trade even to be in their favour.

Since, then, territorial nations may prosper exceedingly, even with the balance of trade against them, why should a mere apprehension of such a balance against Great Britain, in a trade with France, occasion a clamorous opposition to such a trade? The opposers will perhaps say, that they judge from past experience ; for formerly, when trade was open between France and England, the annual balance was greatly against England ; a thing not to be desired ; and, therefore, one may well conclude, that the same thing will happen in any new treaty. The consequence, in my opinion, does not follow. The two nations may now meet each other with much less odds. In nothing, almost, has France made any progress since the last century, excepting in the cotton manufacture, in West-India productions,  
and

and the fishery, which two last articles our supineness threw into their hands, and our blind predilection for North America, a predilection nursed by ignorant commercial writers, and some traitors from the colonies. Great Britain and Ireland, since the last century, are exceedingly improved, both in agriculture and in manufactures. We had then no rum, in comparison of what is at present consumed; no linen, no paper, no hats, no hard-ware, no cotton manufactures, no silk manufactures, no home distillery, which in Scotland, of late years, is so greatly improved, and so much in vogue, I believe, from an opinion of its superior wholesomeness, as almost to have banished the use of brandy; and therefore ought not to be too severely pared by financial laws. The celebrity of Lewis the XIVth's reign, gave, among neighbouring nations, a temporary ton to French manufactures, which were encouraged by Colbert by every attention. But what say the best modern French writers? That Colbert erred exceedingly, *tout Colbert qu'il etoit*; and that he has done more hurt to France, by his prohibition of exporting corn, and, consequently, of producing it, than he has done good, by promoting manufactures.

When the situation of two contracting parties differs, can any thing be more natural, than to expect that the consequences of the contract should be different. Great-Britain and Ireland seem now not only to have more to give to France than formerly, but to be in a situation of demanding less from her; consequently, their commercial intercourse, though beneficial to both, may not have a balance greatly in favour of either.

Had we no commercial intercourse with France at all, and were by this treaty to open a prejudicial one, no well-wisher to Great-Britain would, I presume, say a word in its favour. But as there has been, for a long time past, an immense fraudulent intercourse carried on between Great-Britain and France, much to the prejudice of the public revenue, and much to the prejudice of the fair trader, is it at all impolitic to open a lawful channel of commerce, with a view, not only of stopping that unlawful channel, but of giving a greater extension to our foreign trade in general. When we prohibited all commercial intercourse with France, we flattered ourselves that we had stopped a wide out-let of our national treasure; but it has been much doubted, by very shrewd inquirers, whether we did not thereby open other out-lets, that left the general  
balance



balance much in the same state as before. What was England benefitted, says Sir Matthew Decker, in our paying the Dutch fifteen pence for a French manufacture, which we might have purchased in France for a shilling. And if the Germans, the Dutch, the Italians, the Portuguese, and other nations, sold us their commodities dearer, because we had precluded ourselves from one great market, the national profit, from the alteration of system, might be far from being very considerable, and cannot at all be measured by the difference of the balance of trade between the two nations, which followed upon that change of system.

Though so much has lately been spoken and written about an apprehended unfavourable balance with France, not one syllable, to my great astonishment, has been uttered about the unfavourable balance that Great-Britain and Ireland actually pay to that nation, and have annually paid for these fifty years past, though it is a balance probably not less than five hundred thousand pounds a year. This balance the merchant and manufacturer may be said to have nothing at all to do with; but it ought not to escape the notice of the politician. The nation has just as much to do with it as if it were a commercial balance; for it is no less detrimental to Great-Britain and Ireland to pay  
five

five hundred thousand pounds a year, for the consumption of French products and manufactures in France, than to pay five hundred thousand pounds a year for such a consumption in our own islands. The British travellers, in France, cost Great-Britain, annually, as much as an army of twenty thousand men would cost, allowing twenty-five pounds for each soldier, which is a pretty ample allowance; and how many of those travellers may be termed unnecessary *gadders*, to the prejudice of their mother country, on more considerations than one. That men of genius, and young men of rank, well educated, and of staid characters, or with staid and intelligent conductors, may, from travelling in France, draw much profit both to themselves and their country, will be most readily allowed. Men of that description would not, either by their numbers or their expencés, occasion a great temporary drain to their native country. But by the half-educated crowding over thither to act such follies as make the angels weep; by the squanderers, who go to make a long residence with a view of retrieving, as though good management at home were a matter of reproach, and cheap hiding-places were not to be found in this island or in Ireland, by the valetudinarians, who, unacquainted with the mildness of the atmosphere of the southern

thern shores of this island, go and face the Bife and Miftraile, which Madame de Sevigny execrated, as perdition to all complaints of the breast, by all this numerous train, Great Britain suffers annually, and unnecessarily, a very great loss; and, in many cases, a dishonour. This commercio-political evil, even in the time of the Spectator, attracted the notice of the late Lord Hardwicke; who, in a letter, signed "Philip Homebred," exposed the folly and absurdity of it. Since his time, this evil is risen to a a great excess, and one gentleman alone, might be mentioned, who, by a long residence abroad, has drawn from Great-Britain above 100,000*l.* but were the English education better regulated, were the genteel exercises more early and more generally to make a part of it; and were all those who quit their estates, to go and spend the income of them abroad, to pay a double land-tax, this unfavourable balance might in time be greatly lessened, and the people of Great-Britain be gainers, not only in their money, but, in many cases, in their morals, and in their health likewise.

Can the real politician, when treating of the balance of trade, omit taking notice of another unfavourable balance of a great amount, which is, indeed, a commercial  
balance

balance arising from the use of a foreign luxury far exceeding that of any other importation? We supinely acquiesce in draining ourselves of a million sterling, annually, to go ten thousand miles off in search of dry herbs, that our artificers wives, our fish-women, and servant maids may enjoy a luxury as suited to their station, as Burgundy wine would be to their meals. With what consistency can any one, who silently acquiesces in this unfavourable balance, clamour against an apprehended unfavourable balance with France, which last the actual situation of Great-Britain seems not to justify? Were we to distinguish ourselves by our consideration, as much as we have by our inconsideration, we should pride ourselves not in the great number of ships we send to China, but in the small number. The population of China is to that of Great-Britain and Ireland, as twenty to one; therefore were the Chinese to be as impolitically fond of our rosemary, as we are of their tea, they ought to send hither every year (in proportion to the shipping we send to them) two hundred great ships to purchase that commodity from us, chiefly with gold and silver. Were this traffic to take place, we should not judge very favourably of the wisdom of the Chinese; but, *de nobis fabula narratur*, we ought to apply the case to ourselves. The  
annual

annual consumption of tea, in France, is supposed not to exceed one million of pounds weight ; while with us, it is computed to amount to twenty millions ; therefore, comparing our population with that of France, our consumption of tea is nearly fifty times greater than theirs ; yet nobody will deny, but that the French, if they thought it an enjoyment worth the possessing, could provide themselves with tea in great abundance, with the same medium of commerce that we purchase it. Shall we conclude, that they are, in this respect, fifty times wiser than we ? I leave the consideration of the physical effects of tea-drinking to others ; it is the commercial bad effects I wish to be attended to ; yet, when the non-tea-drinkers are compared, in point of health and in point of spirits, with the tea-drinkers, the plain conclusion will follow, that tea is far from being a necessary of life, however it may be so deemed by those, who are enslaved to the use of it. Though the luxury began with the great, it is very singular, that now it is much on the wane with them ; but has spread very widely among the inferior classes of life, even to the very mendicants ; and what is sold to those inferior classes, has often no more relation to tea of a good merchandable quality, than grains have to malt, nay often not so much ; for, upon the au-

E

thority

thority of a tea-dealer, we are told, that no less than twenty tons of artificial tea, annually manufactured in England, found purchasers among the poor; and who can venture to say, that the quantity of adulterated stuff that has been vamped upon the public, has not been fifty times as much? It has lately appeared, that two merchants, of Amsterdam, had disposed to our East-India company seven millions of pounds of tea; great part of which, if not the whole, was found unfaleable; yet probably was meant for the English market, through the intervention of smugglers, to drain off the cash of Great-Britain. It is the use of sugar that has bewitched the poor into the use of such a tea as this, some of whom, though tea-drinkers, may nevertheless never have tasted tea in their lives. But without depriving them of sugar, which is a salutary aliment, might not either coffee or chocolate form the other ingredient; as they do in France; Spain, Italy, &c.? If the policy of Rome, which has no West-India plantations, will admit the inferior ranks of people in that city to breakfast upon chocolate, surely, it might be an easy matter for the policy of Great-Britain to give a vogue and currency to its own West-India products in the British dominions. The difference of this change of commerce, from east to west, would aug-  
ment

ment our shipping, would benefit our West-India planters, (that is, our own subjects) above a million annually, and would make likewise, in favour of Great-Britain, a million difference, in the direct annual balance. This short representation will, I hope, lead to a further discussion; and, could but the palates of our people be pleased, every well-wisher to Great-Britain would be pleased with a revolution that would turn a drain of a million into an income of a million, which, in point of favourable balance to Britain, would be equal to two millions.

Having bestowed these few reflections upon the immense unfavourable balance which Great-Britain annually incurs by her commerce with China, and pointed to a proper remedy for such a drain, I return to consider, more particularly, the grounds upon which the objectors to a commercial intercourse with France found their belief, and their arguments, that such intercourse will be detrimental and exhausting to Great-Britain. The author of *A view of the treaty of commerce with France*, in his first and second pages, thinks he has discovered an insuperable reason, why there should be no commercial connection between that kingdom and this. “ Let us see, says he, if

“ between France and England a commer-  
 “ cial connection, of reciprocal benefit, is  
 “ possible, or practicable. France has for a  
 “ staple, the manufactures of wine, brandy,  
 “ vinegar, oil, &c. These are blessings  
 “ peculiar to her, which form a physical  
 “ superiority to the prejudice of England,  
 “ who does not possess any manufactures,  
 “ as peculiar to herself, and inaccessible to  
 “ France, as the French staple is confessedly  
 “ so to Great-Britain.” The same author,  
 in his Preface, says, “ The obscurities of  
 “ the science of commerce, like many  
 “ meaner, and many nobler sciences, con-  
 “ sist more in the barbarous jargon, the  
 “ technical ambiguity, and pitiful craft of  
 “ its professors, than any absolute mystery  
 “ in the science itself.” How pompous, how  
 unmeaning is this! The obscurities of the  
 science of commerce, and particularly of the  
 reasoning about this commercial treaty, ori-  
 ginate in causes widely different from those  
 specified by this writer. Every science must  
 for ever remain obscure, while it is illus-  
 trated upon false principles; and this au-  
 thor’s performance gives a most convinc-  
 ing proof of the justness of this remark;  
 for he having, in his first page, laid down a  
 false principle, this original error corrupts  
 the whole of his following discourse; though  
 it



it is but justice to acknowledge, that he seems neither unintelligent nor uninformed.

This author lays it down as a principle, that the staple manufactures of wine, brandy, vinegar, oil, &c. give France a physical superiority to the prejudice of England; and, never doubting of the justness of his principle, is thereby led into numberless errors throughout his performance. As much stress has been laid upon this principle, though a false one, and as it is apt, when ignorantly adopted, to fill the minds of well-meaning people with apprehensions, a more particular examination of it may therefore not be unprofitable. The example I have before given, of a pound of cheese having a marketable value equal to two bottles of wine, at once shews the futility of it; but the more narrowly it is viewed, the more unsound it will appear. If we reckon what will best feed and maintain man, (and that will be the ultimate standard of all commercial balances) an acre of wheat, or an acre of potatoes, will be of more value than an acre of oranges, or olives, or sugar. The late war afforded an instance of an acre of onions from New-York, selling in the West-Indies for what would purchase two acres of sugar. In how many places of England, may not an acre of dairy yield as much, in  
butter

butter, as an acre of olive trees would yield in oil? In many parts of England one may see, in the months of December, January, and February, young lambs feeding in the meadows with their dams, while one half of the neighbouring continent of Europe is buried under snow; and, in the months of June, July, and August, our cattle still find food in the fields, while the southern climates of Europe are, from excess of heat, yielding almost as little sustenance for cattle, as if they were covered with water. It may, therefore, justly be presumed, that the benefits arising from our mild winters, and perpetual pasturage, \* when contrasted with those which the hot summers confer upon France, give the physical superiority to the side of Great-Britain. For example, let us suppose two equal armies, one British and the other French, encamped near each other, with hostile views, to have distressed each other, in point of provisions, so as to occasion a famine in each others' camp; and, in this situation, the English army should receive a supply of 20,000*l.* worth of beef and mutton, and the French army a supply of  
20,000*l.*

\* What Virgil beautifully applies to his native Mantua, for the long days only, may be equally applied to England, taking winter and summer together:

Et quantum longis carpent armenta diebus,  
Exigua tantum gelidus ros nocte reponet.

20,000l. worth of wine, and that three or four days after, they were to try their strength in a pitched battle; can it be doubted which army would have the physical superiority? Or if, instead of fighting, they were to become friends, and enter into a commercial intercourse with each other, how gladly would the French soldiers exchange two or three bottles of wine for one pound of beef.

So much for the physical superiority. Let us now consider a little the mercantile superiority, which has been so ignorantly confounded with the other. About the middle of the last century, the Dutch sold tea at Paris at thirty shillings a pound, which they had bought in China for eight pence a pound. At present, perhaps, they would not get above five shillings, for tea of the same quality, which might cost them a shilling in China. Here then, though the physical value of the tea is not altered in the smallest degree, its mercantile value is nevertheless diminished seven eighths; or, fallen from 4,000 *per cent.* to 500 *per cent.* This example shews how arbitrary and unlimited the mercantile value of a commodity may be, and how widely different from its physical value. When a school-boy deals with a Smous, he is almost sure to be duped; and to pay a mercantile value far beyond the  
 physical

physical value of what he buys; and so it may be with nations, in what they purchase from foreigners, if they will not take the pains to look out for a cheap market; but, believing the marketable value of a commodity the same with the physical value, acquiesce in the price which interested merchants can raise it to.

That those two values differ very widely; and that if we were actuated by the true spirit of commerce, they might be made to approach each other much nearer than they have done, will appear still further by another example. Suppose an acre of vineyard, in the neighbourhood of Bourdeaux, yields, one year with another, wine to the value of thirty pounds, that price is plainly a mercantile value, because it may be made to vary; and, were we to practise commerce upon true principles, might soon be made to sink one half. There are hundreds of other places on the globe, besides France, which might supply good wine not only to Great-Britain and Ireland, but to half the wine-drinkers in Europe and in America. Are there no islands in the Atlantic Ocean that produce good wine besides the island of Madeira? Are the Azores, the Canaries, and the Cape de Verde islands, sunk in the sea; or would their sovereigns with their subjects,

inhab-

inhabitants of those islands, to live in beggary, rather than enjoy the conveniency of British manufactures, which they might purchase with wine of their own growth? How quickly would the mercantile value of the Bourdeaux wine sink down, were the Russians to raise wine in the Ukraine, if not for exportation, for their own consumption; if the new American states were to do the same in their territories; and if we were to look out for Greek wine in the Archipelago in exchange for British manufactures. Our merchants find it for their benefit to look for oil at Gallipoli; and by that market in the Levant, they certainly keep down the price of Spanish, French and Italian oils. And, by the same parity of reason, the extension of the markets for wine, would keep down the price of Spanish, French, and Italian wines. The Greek wines were always highly esteemed, even by the Romans, who had plenty of good wine in Italy; and the modern Greeks are not forbid, by their religion, from cultivating the same vineyards which their ancestors cultivated two thousand years ago. Even the Turks, though prohibited the use of wine, are not hindered, by their religion, from cultivating vineyards; and, were they encouraged by our consuls in the Levant, they might, in a few years, furnish abundance of good wine in exchange for English manufactures. Cyprus

wine and Chios wine are deemed excellent; and, would our commercial people but widen their views and enlarge their system of traffic, those Greek wines might, perhaps, cost Britain less than Lisbon or Cherry. The distance of carriage, it may be said, is three times as great. Allowing it to be so, the expence incurred by that, may be more than compensated by the lowness of the first price of the commodity. From the discovery of the compass, and the improvements in navigation and ship-building, a voyage from the Levant to Britain is not now so great, nor, perhaps, so tedious an enterprize, as a voyage from Bourdeaux to Britain was, five hundred years ago. The expence of bringing wine from the Levant to England, can surely not be an objection with those, who reflect, that wine is frequently carried from France, and from Madeira, to the East-Indies.

Our commerce with the East-Indies is a most convincing proof, that the cheapness of the first price, more than counterbalances the expence of a long voyage. Were we then to widen the market for wine, in the manner above specified, the mercantile price of French wine would proportionably diminish; and the produce of the acre, which now sells for thirty pounds, might be reduced to ten pounds. A commercial treaty  
between

between us and the sovereign of the Levant, might be attended with as many advantages to Britain, as a treaty with any other sovereign in Europe; and, by that treaty, British subjects might perhaps obtain permission to become proprietors of vineyards in the Turkish dominions, as has been practised in France.\* Both the Turks and the Greeks are said to be fond of gain; were, therefore, new and profitable channels of commerce pointed out to them, they would probably not be averse to improve them.

My reasoning, in regard to the physical and mercantile value of wine, is equally applicable to brandy, oil, vinegar, silk, cotton, &c. It is by widening the market, that the mercantile value of those commodities is brought to approach to the physical; and when Britain, by extending her navigations, makes such an approximation, the real physical value of her products needs not make her apprehensive of a commercial intercourse with France, or any other European nation.

The physical value of the products of a country, is the greatest and most substantial source of its opulence; consequently, in

F 2

com-

\* The vineyard near Bourdeaux, that produced the best wine, belonged to a British subject, Mr. Ainslie, father of our present minister at Constantinople.

comparing two nations together, the nation where natural (not pecuniary) opulence most abounds, may well be presumed to have the superiority. Now, making this the rule of judging between Great Britain and France, the preceding reasoning seems strongly confirmed, not only by historical evidence of the state of the two countries, several centuries ago, but by the testimony of judicious observers in modern times. Above three hundred years ago, the ancestor of my much esteemed, and much respected friend, Lord Fortescue, in his excellent treatise, *de laudibus legum Angliæ*,\* contrasts, in very emphatic terms, the general misery of the lower classes of people in France, with the ease and happiness of those classes in England; and Voltaire, in modern times, tells us, that the people beyond the Loire, *croupissent dans leur misere*, are bent under their wretchedness; while, on the other hand, the Duke de Nivernois, speaking of England, says, *je ne puis cesser d'admirer la richesse du pays, & la disette de pauvres*, I cannot help continually admiring the richness of the country, and the absolute dearth of poor people.

I readily acknowledge, that chancellor Fortescue attributes the superiority of England over France, in point of opulence in his

\* Chap. xxxv. and xxxvi.



his time, to the superior excellence of the English constitution of government and system of laws; but I quote him as to the matter of fact, as an eye-witness, when probably there were few restraints in either kingdom upon a commercial intercourse with the other; and when England, instead of shewing any marks of opulence, might have been expected to have presented a scene of desolation and misery, in consequence of a long succession of civil wars. That those cruel civil wars had not brought a face of poverty upon England, so as to prejudice her in a comparison with France, cannot but be looked upon as a proof of the natural richness of her territory, as well as of her happy constitution; for territorial richness where nature has bestowed it, cannot be wholly kept down even under the worst form of government, witness Asia Minor, which, notwithstanding Turkish oppression, is still a rich country; and, where nature has denied it, all the art of man, under the best government, will not produce it in great exuberance.

Having, I persuade myself, completely done away the objection against a commercial intercourse with France, arising from her imagined physical superiority over this kingdom, I shall, in a few words, take notice of another objection as ill-founded as the

the preceding, but altogether base and unchristian. Shall we, it has been said, form any commercial connection with the natural enemy of this country? But why should Great-Britain, more than Holland or Germany, or Spain or Italy, reckon France her natural enemy? The sword, it is true, has been but too often drawn between Great-Britain and France; but, in these dissensions, Britain may perhaps be found to have been the aggressor oftener than France. For above two hundred years, France, in her hostilities with Britain, was only repelling an invader, who kept continual pretensions upon her weak dismembered crown; and, to this moment, has not dropt the absurd pretension. Is France our natural enemy, because we have taken up the resolution of being her enemy; and has not she as much right to controul our inordinate ambition, as we have to controul hers? Both countries have had some sharp trials of skill on this argument; but, when more humane principles prevail, why should not they be cultivated?

While the principle of extension of dominion is disavowed or suspended, two neighbouring nations may just as well be natural friends, as natural enemies. An example of this, we see existing between France and Spain, between France and Germany, between  
 tween

tween France and Italy, and between France and Holland, and why not, therefore, between France and Great-Britain, unless Great-Britain be actuated by a dastardly timidity, and mean diffidence of her own power of repelling an injury, to a greater degree than those other nations feel themselves, actuated. In reprobating the term natural enemy, I am far from blaming a proper jealousy of the power of a great state, that may, in the course of events, happen to become a rival; but may not excess of jealousy, on some occasions, have the same effect, in disturbing the public tranquillity, as excess of ambition? More than once, I am afraid, this weak jealousy has plunged Great-Britain into war, which, by manly prudence, she might have avoided; and, by such a war, she has lost more in one year, than she would, by an unfavourable commercial balance, lose in six. How much, then, does policy, as well as religion, condemn that barbarism of considering Neighbour and Enemy as synonymous terms; and, if it was reprobated by a heathen, how much more ought it to be so by a christian? Happily, Great-Britain and France are now in such relative situations, that a war between them can probably tend only to hurt them both; but, by a free commercial intercourse, both may be gainers. The enlargement of our commerce no more implies our neglecting the

the

the proper cautions for our defence, than the additional wealth of a merchant would infer his leaving his house without a guard.

Another great objection to the commercial treaty with France is, an apprehension of its giving offence to the kingdom of Portugal; but where no offence is intended to be given, why should an offence be taken? If the Portuguese think the Methuen treaty advantageous to them, why may they not still continue it? If they think it disadvantageous, they will, doubtless, rejoice at the cessation of it. The reasoning of some of our orators and writers, who have objected to the commercial treaty on this ground, is most curious, and most extraordinary. After enumerating, with all the painful accuracy of haberdashers or shopkeepers, the balances of trade for a long course of years, between Portugal and England, they conclude, from a comparison of the debtor and creditor columns, that it has been most gainful to England; and, at the same time, that the Portuguese will be highly offended if any alteration is made in it!

The author, who has published a view, and, in my opinion, a very erroneous view, of the commercial treaty with France, says, in p. 72, "When Mr. Methuen prevailed  
" on

“ on the Portuguese to sign the treaty with  
 “ England, the effects of it were immediate  
 “ demolition to their whole woollen manu-  
 “ facture, and the yielding near a million a  
 “ year upon balance to this country.” If  
 such were the effects of the Methuen treaty,  
 and such only, have we any reason to boast  
 of that treaty; was it fair dealing in us,  
 thus to outwit our friends and allies, to oc-  
 casion the downfall of their manufactures,  
 and to draw a million in gold and silver  
 from them annually by the trick and artifice  
 of a treaty. Might not an inhabitant of  
 Portugal who had as narrow ideas of trade  
 as this writer, adopt his pompous declama-  
 tory words in p. 92, applied by him to our  
 commercial treaty with France. “ But if  
 “ this treaty comprehends the seeds of in-  
 “ evitable destruction to the woollen manu-  
 “ factures of Portugal, who is the man ob-  
 “ tuse or hardened enough,—who is the  
 “ prostitute so corrupt and abandoned, that  
 “ shall tell us such a treaty is fit to be esta-  
 “ blished and ratified by our monarch.”  
 Take your own tale home, Mr. Viewer,

But if the Portuguese gave us their penny,  
 had not they their pennyworth in return.  
 The merchant will be ready to say it was quite  
 so. But the politician, who, when he considers  
 the loss and gain of a nation, ought to consider

it in a different manner from a merchant, will be apt to conclude, that in some cases the Portuguese had rather more than their pennyworth for their penny. I have a better opinion of the sense and judgment of the Portuguese, than to believe them so obtuse, as to be duped in their commercial treaty with England to bind themselves to an annual loss. May we not suppose that they reasoned somewhat in the following manner. Since the English are so fond of manufactures, we consent to exchange our produce for their manufactures; because, in many cases, there is more net gain to a nation in produce than in manufactures, and we thereby breed up our labourers in the healthy and robust exercises of the field, while the English confine theirs to a sedentary profession, which makes them so effeminate as to look like women. Besides, in cultivating our soil, we procure a permanent advantage to Portugal; but there is no answering for the permanency of manufacture in any country. Should our produce not suffice to balance accounts with the English, our mines in Brazil will make up the difference, and there one hundred miners will draw from the earth, what will suffice to pay for the labour of five hundred English weavers, which is another net profit in favour of Portugal  
of

of 400 men, upon every 500 clothiers fed and maintained by England.

A merchant who exports one thousand pounds worth of manufactures, and one thousand pounds worth of produce, sees no material difference between the two cargoes. If he gets twenty or thirty *per cent.* profit upon each, they are to him the same; but when the statesman judiciously scrutinizes them, they may be found widely different in point of national advantage. Should the cost of producing one thousand pounds worth of produce be only two hundred and fifty pounds, and of producing as much in manufactures be seven hundred and fifty pounds, the former will yield much more net profit in the national account than the latter; much in the same manner, (though not altogether so) as one merchant would be a greater gainer in receiving one hundred pounds, which cost him only thirty pounds, than another merchant would be, who receives two hundred pounds, which cost him one hundred and fifty pounds. In this example the receipt of the latter merchant appears greater than that of the former; but the former would sooner get rich than the latter, were he to be equally careful of his balance of trade.

It is thus, in a great degree, between nations that exchange produce for manufacture. Their respective gains can no more be measured by Custom-house books, than the degrees of heat and cold by a barometer. With what triumph have some commercial writers mentioned, that one acre of flax manufactured into the finest Flanders lace, is equal in value to sixteen thousand acres of corn; and the consequence they would draw is, that there is a possibility of making manufactures sixteen thousand times more profitable than produce, than which nothing can be more fallacious. For in this very example, when the expence of labour is deducted, neither the lace woman nor the nation will be found to have gained so much, as if she had been employed in cultivating potatoes; and in fact, lace-working is deemed, from experience, rather a beggaring, than an enriching occupation, exclusive of its being very unhealthy. Let us suppose a thousand lace-workers in England to quit that business, and to cultivate corn, with which they purchased Flanders lace; it will, I believe, be found no exaggeration to say, their produce would nearly purchase the labour of two thousand Flanders lace-workers.

From the preceding considerations, I think there is reason to conclude, that if the Portuguese



tuguese trade is beneficial to Great Britain, the British trade is likewise beneficial to Portugal; and it is not by Custom-House balances that it can be discovered on which side the political balance of profit leans. To avoid metaphor, their mutual trade may be so conducted as to be, at the same time, beneficial to both; and I hope it is so; for I would not have Great Britain rich, by making other nations poor; but by sharing in the riches of every other rich nation. If there be no stipulation in the Methuen treaty, prohibiting either party from extending its commercial connections, what just cause of complaint can Portugal have against our new commercial treaty with France? Should we even traffic less with them, or they less with us, no breach of the Methuen treaty ensues; for the treaty only stipulates a certain mode of relative traffic. Were we to get wine from Nice, from Minorca, or from the Greek islands; or were they to encourage the woollen manufactures to a greater degree among themselves, no person would alledge that the Methuen treaty was violated. How then is it violated upon the supposition of our getting wine from France? Were the Portuguese, on this occasion, to be as unwise as our declaimers would have them to be, and absolutely prohibit the importation of British commodities into their country, the same

same thing would probably happen to them as happened to us upon our prohibition of all commercial intercourse with France. The Dutch, the French, the Spaniards, and even the States on the continent of America, would fetch them English goods, and charge them fifteen pence for what they might buy in England for a shilling. When the Portuguese reflect on the profit that accrues to them from furnishing their produce to the British market, which no other market would so readily accept of in payment, we may, I think, trust to their good sense as a security against any such revolution.

Having, in the preceding pages, made it appear, that nations may increase in opulence, with what is called the balance of trade continually against them, and, consequently, that the Custom-House balance of profit, and the political balance of profit, are two very different things, I shall now conclude my Essay with a few short hints, by the adoption of which, Great-Britain may, for many years, infallibly secure both those balances to herself. On too many occasions, she has been only attentive to the former of those balances, by which she has erred almost as much as if she had consented, when a pound weight of gold was due to her, to accept of a pound weight of silver.

silver. Nothing has so much obstructed the prosperity of Great Britain, as the anti-commercial ideas and anti-commercial practices that have prevailed amongst us. While we thought we were conducting ourselves systematically, we were erring unsystematically; and our mistaking the mercantile balance of profit for the political balance of profit, has hurried us into political errors of conduct, by which we have been great losers. In time to come, I hope, the distinction of those two balances, which I have made, will be a marked distinction; and that, though the commercial balance will not be neglected, the political balance will always draw our chief regard and attention.

The commercial balance has for its object the increase of gold and silver; but the political balance has for its object the increase of real physical wealth, and, consequently, the increase of general prosperity, and of national power. To obtain both these objects, commercial treaties are not so necessary as internal regulations; and, among such regulations, the principal, without all dispute, is, a proper regulation of the poor, and of the children of the poor. In supporting, improving, and establishing Mr. Gilbert's plan, or Mr. Ackland's plan; or any other good plan, for rendering the poor  
less

less burthenfome, and more useful, the legislature are promoting, in the highest degree, the advancement of trade, and the prosperity of the nation. The regulation of the poor, fo far from deferving to be flurred over, as an object of little moment, is almost the moft important of all objects that can come before the legislature.

Let us next give the greateft encouragement to all fuch as confent to trade upon fmall profits; for prices unnecelfarily raifed in the home market, narrow the fphere of induftry, and are actually fo many contributions raifed upon the public, that a few may become opulent too quickly, or have it in their power to amafs immense fortunes. What an example of this abufe had we not a few years ago, when, in the fingle article of tea, the retailers of that commodity impofed an annual over-charge upon their customers, of about two millions, which tribute they are now gradually re-impofing. But twenty examples of this abufe, an abufe much more prevalent in England than in France, might be produced, which contribute to render England a dear country, and, confequently, to diminifh the number of her foreign customers. Is it publicly beneficial, that a trader, in confequence of a patent for a new invention, fhould, in a few years,

amafs

amass a fortune of 200,000 pounds; or that another should acquire 10,000 pounds a year? What an alarm does it not generally occasion, when journeymen combine to raise their wages, which, when wantonly done, is certainly a political evil of great magnitude. But master manufacturers, taking too great a profit, is as much a grievance, as journeymen manufacturers taking too high wages; and, in its own degree, renders the price of the commodity dear to the consumer.

Would Great-Britain consult the prosperity of trade, she ought to frustrate and counteract, by every expedient, all internal monopolies, of which kind of abuse, Sunderland and Shields, at present, afford a most extraordinary example. From Newcastle, the newspapers give us the following intelligence of February 24. “ We hear, from  
 “ Sunderland and Shields, that the ship-  
 “ owners there, on account of the slow de-  
 “ mand at the different markets for coals,  
 “ at a meeting on Tuesday last, have come  
 “ to a resolution of laying by their ships,  
 “ for three weeks, as they arrive, before  
 “ they take any coals on board; and so  
 “ continue this plan every voyage, till there  
 “ may be a quicker sale at the markets.”

Here the complaint is not that of a loss upon

H their

their trade, but that the gains are small; and, therefore, in order to make the market dear again, the ship-owners, at Shields, are resolved to be idle, and keep their crews and the keelmen idle. The remedy for this evil, I think, is pretty apparent. Let some rich traders, in London, immediately associate to bring coals to the London market from the Humber; which could afford a sufficient supply, and we should soon have those idle ship-owners again following their industry, and, from competition, contenting themselves with small profits. The competition arising from the sale of French manufactures in Britain, it may be presumed, will work some benefit to us in the improvement and cheapness of our own. Above twenty years ago, the parliament of Ireland, to encourage the manufacture of paper in that country, imposed a very high duty upon foreign paper, and granted a bounty upon their own; but having thus established an internal monopoly, the increasing badness and dearness of their own fabric, obliged them, in a few years, to repeal the law. May not something similar exist in Great-Britain, in more instances than one?

Let a small portion be deducted weekly from the wages of every journeyman, one half less from married men; and, after the  
age

age of fifty, let them, from the fund raised by these weekly payments, receive, for life, an annual pension; which should also go to their wives and children for a term of years. In case of their dying unmarried, before fifty, or going into a foreign country, their contributions to go to enrich the fund. The keelmen, at Newcastle, many years ago, from some tax of this kind, quickly raised such a fund, that they were obliged to have a second act of parliament to lower the rate.

Let every encouragement be given to manufacturers who sell their own goods; and, ~~in~~ the imposition of taxes, let a distinction be made between them and the retailing shopkeepers, with whom the nation is overrun, who live by selling what they do not make, and enhance the price of the commodity by additional profits. Let every foreigner, who marries a British subject, thereby become naturalized. Let no master-manufacturer employ a journeyman without his bringing a character from his last employer; and let Saint Monday be suppressed. He that works only five days in the week, instead of six, does all in his power to raise the price of manufactures 16 *per cent.* Let no public alehouses be suffered to be open, on any account, after eleven o'clock at night; and let no public billiard tables, bowling-

greens, or skittle-grounds, be opened till after six in the evening. Let us improve our waste lands by colonies of veteran soldiers in imitation of the prudent example of the Russians who, upon the authority of Prince Galitskin, have, by this means, brought many of their deserts into great cultivation. Let us continue to divide and improve our commons while any remain; and let the sea-ports be open for the importations of foreign provisions, at a low rate, provided they be brought in British ships. To conclude, if we would learn to value and improve the favours of Providence, in regard to our soil, climate, and constitution, we might, in point of commercial intercourse with every nation, justly say, a FREE TRADE and NO FAVOUR.

TABLE

F I N I S.







Ecc  
C7348

410013

A commercio-political essay, on the  
nature of the balance of foreign trade...

University of Toronto  
Library

---

DO NOT  
REMOVE  
THE  
CARD  
FROM  
THIS  
POCKET

---



