John Law Trade and Money

Chapter 7

The Proposal with Reasons for it.

To Supply the Nation with Money, it is humbly propos'd, That 40 Commissioners be appointed by Parliament, Answerable to Parliament for their Administration, and the Administration of the Officers under them: The Nomination of these Officers being lest to the Commissioners.

That the Commissioners have Power to Coin Notes: Which Notes to be received inPayments, where offer'd.

That a Committee of Parliament be appointed to inspect the Management, and that none of the Commissioners be Members. That the Commission and Committee meet twice a year at Whitsunday, and Martinmass; their Meetings, to begin 10 days before, and to continue 10 days after each Term.

There are three ways humbly offer'd to the Parliament, for giving out these Notes: they in their Wisdom may determine which will be most safe.

1. To authorize the Commission to lend Notes on Land Security, the Debt not exceeding one half, or two Thirds of the Value: And at the ordinary Interest.

2. To give out the full Price of Land, as it is valued, 20 years purchase more or less, according to what it would have given in Silver-money. The commission entering into Possession of such Lands, by Wadset granted to the Commission or Assigneys; and redeemable betwixt and expiring of a Term of years.

3. To give the full Price of Land, upon Sale made of such Lands, and disponed to the Commission or Assigneys irredeemably.

That any person shall have such Bonds, Wadsets, or Estates assign'd or dispon'd to them, upon paying in the value to the Commission.

That the Commission don't receive other Money than these Notes. That no person who has contracted for these Notes, shall be obliged to receive Silver or Mettal Money.

That the Commission have not power to coin more than 50000 lib. at a time, and that no more be coin'd so long as there is 25000 lib. remianing in the Office.

That for a year and a half the Commission be limited to a certain Sum, after that time to have power to coin what Sums are demanded: unless restricted by ensuing Parliaments.

That these who desire to have Money from the Commission, give in a Note to the Lawyers for the Commission a Month before the Term, of what Sums they want, with the Rights of the Lands they offer in Pledge: and that these who have Notes to pay in to the Commission, give warning 10 days before the Term.

That the State of Commission, the Sum of Notes coin'd, the Debit and Credit, with the highest Number of different Notes, be publish'd every Term.

That any person who shall discover 2 Notes of the same Number, or of a higher Number than these publish'd, shall have a 100 lib. reward.

That the Under-Officers be instructed with the Sum of 20000 lib. to change Noteswith; and that they attend the whole year.

That any Member of Parliament may inspect the State of the Commission.

That no Notes be coin'd, Money lent, or Rights assign'd by the Commission, but atthe Terms of Whitsunday and Martinmass: And in presence of at least 20 Commissioners, and one Third of the Committee.

That the Revenue of the Commission, over what pays the Charges, and what partthe Parliament thinks needful to make good any Losses may happen to the Commission, be applyed by way of Drawback, for encouraging the Export, and Manufacture of the Nation.

That Paper-money do not rise more than 10 per cent above silver money; so thathe who contracts to pay in Paper, may know what he is to pay in case he cannotget Paper-Money.

The Parliament may enter into a Resolve, that the next Sessions of this or the next ensuing Parliament, the State of the Commission be taken into Consideration,preferable to all other Business: And if found hurtful to the Country, the Parliament may discharge any more Notes to be given out, and order what Notes are then out to be called in.

That after 3 months from the Date of the Act, Scots and Forreign Money be reduced to the English Standard. The English Crown to 60 pence, and the other Money in Proportion to its value of Silver. The 40 pence to 38 pence, the new Mark to 13 pence 1/12 the old Mark to its Weight, the Ducatdowns to 68 pence. Dollars to their Weight. Guineas not to pass 22 sh.

That after 4 Months no Scots Money, (except what shall be coin'd after the Act) nor any Forreign Money except the English Money, be received in any payments, or be sold as Bullion but at the Mint.

That for what old Money or Bullion is brought to the Mint, the Mint return to the full value in new Money of 12 pence, 6 pence, and 3 pence Pieces; of eleven Denires fine, the 12 pence of 3 Drops 3 Grains weight, the other Pieces to weigh in proportion: The Expense of Coinage to be payed out of the Funds appropriat to that use.

That for 3 Months, after the Act, the new Money pass for 13 pence, 6 pence halfpenny, and 3 pence 1/4.

That after 3 Months, Bullion and wrought Plate be of eleven Denires fine, and 5 sh. and 2 d. the Ounce of Silver, Gold not to pass 4 lib.

The Paper-money propos'd will be equal in value to Silver, for it will have a value of Land pledg'd, equal to the same Sum of Silver- money, that it is given out for. If any Losses should happen, one 4th of the Revenue of the Commission, will in all appearance be more than sufficient to make them good.

This Paper-money will not fall in value as Silver-money has fallen, or may fall: Goods or Money fall in value, if they increase in Quantity, or if the Demand lessens. But the Commission giving out what Sums are demanded, and taking John Law, Money and Trade Considered 36 back what Sums are offer'd to be return'd; This Paper-money will keep its value, and there will always be als much Money as there is occasion, or imployment for, and no more.

If a Contract for Paper-Money could be satisfied by paying the same Quantity of Silver Money, than that Paper-Money could not rise above the Value of Silver, and would fall with it. But as the Paper Money is a different Species from Silver, so it will not be lyable to any of the changes Silver Money is lyable to.

Tho the Parliament could give Silver Money to the People, in als great Quantity as there were Occasion: the Parliament could not justly know what Sum would serve the Country, for the Demand changes. If the Quantity of Money is less than the Demand, the Landed Man is wrong'd: For a 100 lib. then being more Valuable, will buy a greater Quantity of the Landed Mans Goods. If the Quantity of Money is greater than the Demand, the Money'd Man is wrong'd, for a 100 lib. then is not so Valuable, so will not buy the same Quantity of Goods a 100 lib. bought before.

If the Commission do not give out Money when it is demanded, where good Security is offer'd; 'tis a hardship on the Person who is refus'd, and a Loss to the Country: For few if any borrow Money to keep by them; and if employ'd it brings a Profit to the Nation, tho the Employer loses.

If the Commission did not take back what Sums were offer'd to be return'd, it were a hardship on the Money'd Man, who has a Sum payed him, and does not know how to employ it; and the Quantity being greater than the Demand for it, if wouldfall in Value.

After the Method propos'd, the Quantity being always equal to the Demand for it, it will keep its Value, and buy the same Quantity of Goods 50 years hence, as now: unless the Goods alter in their Value, from any Change in their Quantity, or in the Demand for them.

Suppose this Commission had been establisht 200 years ago, Land then at 14 years Purchase, Money at 10 per cent, victual at 8 shil. and 4 Pence the Chalder, and Paper Money to have been given out upon Land; 8 shil and 4 pence of that Paper Mony, would now have been equal to a Chalder of Victual, and to 8 lib. 6 sh. And 4 pence Silver-money: Because Silver-money having increas'd in Quantity, more than the Demand; and having been alter'd in the Denomination, has fallen to one 20th of the value it had then. Nor would the Landed-man have receiv'd less for his Victual, than now; For that Paper-money would have brought him 20 times the Quantity of Goods, Silver-money will buy. Land has a more certain Value than othe John Law, Money and Trade Considered 37 the Receiver will be certain he can be no loser, tho after a Term of years the use of Money is taken from it. The Land will receive an additional Value, from being used as the Pledge upon which the Money is issued; and that additional Value would be greater than what Silver received: Because, tho Land be used as the Pledge to issue out Money upon, yet none of its other uses would be taken from it:

Silver cannot be us'd as Money and Plate at the same time. But as Land is in greater Quantity than there will be occasion for to give out Money upon; so the additional Value it receives, will not be near so great as that Silver-Money has receiv'd.

Suppose the Additional Value of Land received were one 4th, Land now at 20 years Purchase, would then be at 25 years Purchase. If the Parliament call'd in the Paper Money, he who had Paper Money could be no loser by it, tho the Land lost the Additional Value; For no more of it isgiven out than the Value of the Land abstract from its Use as Money, he who had Silver would loose a half, or 2 Thirds; Silver falling then to its Value as a Mettal. So that this Paper Money propos'd, having a better Value than Silver; and receiving no Addition to its Value, from being used as Money; and not being lyable to any change in its Value, the Quantity and Demand encreasing and decreasing together: It is so far more Qualified to be the measure by which Goods are valued, the Value by which Goods are Exchanged, and in which Contracts are made payable.

The other Qualities necessary in Money, Are,

1. Easy of Delivery.

2. Of the same Value in one place to what it is in another.

3. To be kept without Loss or Expense.

4. To be divided without loss.

5. To be capable of a Stamp.

Paper Money has these Qualities in a greater degree than Silver.

1. It is easier of Delivery: 500 lib. in Paper may be payed in less time, than 5 lib.

in Silver.

2. It is nearer the value in one place to what it is in another, being of easier

carriage.

3. It can be easier kept; taking up less room. And without loss: Because it may be Exchanged at the Office. The Consumption of Paper is not of so much value as the Consumption of Silver: The Consumption of the Paper is a loss to the Office, the Consumption of Silver is a loss to the Owner.

4. It can be divided without loss: Because it may be changed for lesser Notes at the Office.

5. It is capable of a Stamp, and less liable to be Counterfeit. The Practice of most Trading Nations confirms, that Paper is more Qualified for the Use of Money, than Silver; providing it have a Value. In Holland Silver is pledg'd, and Paper is used as Money. That Land pledg'd is a better Value than Silver pledg'd, is evident from what has been said. In England, before the Bank was set up, Goldsmiths Notes were received in Payments preferable to Gold or Silver: Which shows that Paper Money had all the Qualities necessary in Money, so much more than Gold or Silver, as to equal the Danger of a Gold- smiths breaking, or which there were many Examples. Mr. Lock, pag. 7th on Interest of Money, says, that one Gold-smith's Credit (being usually a Note under one of his Servants Hands) went for above Eleven hundred thousand Pounds at a time.

The Notes of the Bank in Scotland went, tho there was no Money in the Bank, and tho their Acceptance was voluntary. The Security for the Paper propos'd will be als Good, the Administration may be more safe and satisfactory than that Bank, or any other privat Bank; because it is more publick, and the Commission has not any share of the profits. Besides it will not be liable to the Hazard Banks are liable to, from the Sale of shares.

And it seems strange that the Administration of such a Commission should be doubted, when the Parliament has the Nomination of the Manadgers; when the Managers are to be accountable to the Parliament; when the Trust is to be so small, for more Notes cannot be Coin'd so long as 25000 lib. is in the Office; a Committee of Parliament is to be appointed to inspect the Manadgement, the Books are to be open to the Inspection of any Member of Parliament, and the State of the Commission is to be published in Print.

Since the Notes of the Bank went upon a voluntary Acceptance, tho there was no Money in Bank; 'tis Reasonable to think the Paper Money propos'd will at least have the same Currency: Being Current by Law does not make it less valuable. He who took Bank Notes, could not be sure the Bank would be in a Condition to give Money for them; and the Person he was to pay Money to, might refuse them: So he was more uncertain, than if they had been current by Law.

The Silver Money being to fall betwixt 8 and 9 per cent in 3 months, it is not to be suppos'd that Silver will be prefer'd to Paper Money; since the Notes of the Bank, which is Paper upon the same Fund, went at the ordinary Interest: And tho the Receiver was not certain of the Money at the time it was promised, or that the person he was Owing to would receive it.

It may be Objected, that Paper went because Silver could be got for ti when Demanded, or at a certain time. That was very reasonable, but would not be so in this case: The Security pledg'd for that Paper Money, was Silver. The Security pledg'd for this Paper Money, is Land. This Money has no Relation to Gold or Silver, more than to other Goods.

And it were more extravagant to say, I won't take a 100 lib. in Silver for the Goods I sell; because I am not sure if 6 Months hence, it will buy me such a Quantity of Wine, for Wine may grow dearer. 4 Crowns won't buy a Guinea, tho they were Coin'd for the same Value; nor won't buy the 10th part of Goods 4 Crowns bought 200 Years ago, yet Silver is receiv'd as a Value, and Contracted for, tho its Value lessens every Year, and tho 'tis not perhaps worth above a Third of what 'tis given or Contracted for, abstract from the Use of Money. This Paper propos'd will not only keep its Value; the encrease of the Quantity decreasing as the Demand decreases: But likewise the Land pledg'd is als valuable as the Paper given out, abstract from its Use as Money, and encreases in Value.

The Objection may be made against Silver Money, and with good Reason; for it falls faster in its Value than other Goods, and may soon be reduced to its Value as a ettal.

The Paper Money Propos'd is equal to its self; but to continue equal to such a quantity of any other Goods, is to have a Quality that no Goods can have: For that depends on the Changes in these other Goods. It has a better and more certain Value than Silver Money, and all the other Qualities necessary in Money in a much greater Degree, with other Qualities that Silver has not, and is more capable of being made Money than any thing yet known. Land is what is most valuable, and what encreases in Value more than other Goods; so the Paper Money issued from it, will in all appearance not only keep equal to other Goods, but rise above them.

Because of the extraordinary scarcity of Silver in Scotland, and the Inclination People have to it, from its having been long used as Money; It may be necessary to restrict its Price to 5 sh. and 2 pence the Ounce: But it will soon fall from that value of Paper, if it come in greater quantity into Europe, than is exported or consum'd.

Suppose and Island belonging to one man, the Number of Tennents a 100, each Tennant 10 in Family, in all a 1000; by these the Island is labour'd, part to the product of Corns, the rest for Pasturage: Besides the Tennents and their Families, there are 300 Poor or Idle, who live by Charity. There is not Money, but Rents are payed in kind, and if one Tennant has more of one Product, and less of another than his Family has occasion for, he Barters with his Neighbour.

The People of this Island know nothing of Manufacture; The Island being plentiful, urnishes enough for their Consumption, and an Overplus which they exchange on the Continent for Cloaths, and what other Goods they want: But as that Overplus is only sufficient to make a Return of such a quanity of Goods as they consume yearly, so they have no Magazines of their own or forreign Goods to serve them in bad years, nor no Magazines of Arms, Ammunition, etc. for their defence.

'Tis propos'd to the Proprietor, that if a Money were establish't to pay the Wages of Labour, the 300 Poor might be imployed in manufacturing such Goods as before were exported in product; And as the 1000 that labour the Ground were idle one half of their time, they might be imployed so as their additional Labour would be equal to that of 500 more, which would lessen their Import by providing them with a part of such Goods as before they brought from the Continent, and raise their Export to 3 or 4 times the value it had: The return of which would furnish them with greater Quantities of Forreign Goods than they wanted for Consumption, which might be laid up in Magazines.

The Money propos'd is after this manner. The Proprietor to coin pieces of Paper figur'd Number 1, Number 2, and so on; Number 4 to be equal to a certain measure of Corn. The Poor and other Labourers would be satisfied to take Number 4 for the Wages of a days labour, provided it be so contriv'd that Number 4 purchase them the measure of Corn; For as that Corn can be barter'd with other Goods, so Number 4 would purchase an equal value of any other Goods.

To make Number 4 equal to that measure of Corn, the Proprietor calls his Tennents together; tells them for the future, he will have his Rent payed in Paper, so renews their Leafes, and where a 100 measures of Corn was payed, they oblidge themselves to pay him Number 400. The other kinds the Proprietor was payed in are valued, according to the Value they had in Barter with Corn; and Leases made for Paper.

The Proprietor coins Paper to the value of a years Rent, imploys such as are willing to work, and gives them Paper-money as the price of their Labour. The Tennent gives Corn or any other Goods he has to the Labourers for Paper-money, and teh Proprietor receives it for his Rent. But as the Consumption of the labouring Man may be suppos'd to be only equal to Number 2; So the Tennents cannot get the whole Sum issued by the Proprietor, and consequently not enough to pay their Rent. If this were not remeeded, the labouring Men being Masters of the remaining part of the Paper, and having no occasion for more Goods from the Tennents, might raise the value of the Paper. To prevent this, the Proprietor coins a greater Quantity, which brings a part of the poor and idle of the Continent to the Island, and occasions a greater Consumption, whereby the Tennents are able to pay their rents in paper as contracted for. The Addition to the people is an advantage to the Island; for it adds to the power of the Island, and their labour is worth double what they consume.

This Money tho it has no value but what the proprietor gives it, by receiving it in payments of his Rent; yet it will be esteem'd equal to the product payed before. If the Proprietor would give it a value in Land, computing after this Manner: An Acre of Land pays Number 100, at 20 years purchase worth Number 2000. And dispone the Property of Land for Paper at that Value; Who would not be satisfied to receive or contract for that Money, since it not only bought the Product, but the Property of Land at a reasonable price.

Money is not the value for which Goods are exchanged, but the Value by which they are Exchanged: The use of Money is to buy Goods, and Silver while Money is of no other use. Tho Silver were our product, yet it is not so proper to be made Money as Land.

Land is what produces every thing, Silver is only the product. Land does not increase or decrease in Quantity, Silver or any other product may. So land is more certain in its value than Silver, or any other Goods. Land is capable of Improvement, and the Demand for it may be greater; so it may be more valuable. Silver cannot be suppos'd, to be applyed to any other Uses, than it is now apply'd to; or that the Demand will encrease more than the Quantity.

Land cannot lose any of its Uses, so will not be less valuable; Silver may lose the Use of Money it is now apply'd to, so be reduc'd to its Value as a Mettal. It may likewise lose a part of its Uses as a Mettal, these Uses being supply'd by other Goods: So loses a part of its Value as a Mettal. But nothing can supply the Uses of Land.

Land may be convey'd by Paper, and thereby has the other Qualities necessary in Money, in a greater degree than Silver. Land has other Qualities fitting it for the Use of Money, that Silver has not.

Land apply'd to the Use of Money, does not lose any of the other Uses it is app y'd to: Silver cannot serve the Use of Money, and any of its other Uses as a Mettal. Trade and Money depend mutually on one another; when Trade decayes, Money lessens; and when Money lessens, Trade decayes. Power and Wealth consists in Numbers of People, and Magazines of Home and Forreign Goods; these depend on Trade, and Trade on Money. So while Trade and Money may be affected directly and consequently; that what is hurtful to either, must be so to both, Power and Wealth will be precarious.

From whence it is evident, that Land is more Qualified for the Use of Money than Silver; and preferable for that Use tho Silver were the Product of Scotland: Being more certain in its Value, and having the Qualities necessary in Money, in a greater degree: With other Qualities that Silver has not. So more capable of being the general Measure by which Goods are valued, the Value by which Goods are Exchanged, and in which Contracts are taken. If 2000 lib. of Paper Money, is equal to the property of Land worth 2000 lib. In Silver; then that 2000 lib. of Paper Money, is equal to 2000 lib. of Silver.

What buys Land, will buy every thing the Land produces; and what buys the Product of Land, will buy all other Goods whether Home or Forreign. If Wine is brought from France, the Merchant designs to lay out his Money on Goods, at Interest, or on Land: The Commission does not receive Silver Money, so he cannot have a Bond from the Commission, unless he give the Value in Paper; and many of the Landed Men won't take Silver for their Goods or Lands, having occasion for Paper to pay the commission. So the Merchant will choose to sell his Wines for Paper Money, because it will purchase him Goods, Bonds or Lands where Silver Money will, being equally valuable: And in cases where Silver Money will not.

And this is supposing Silver were equally Qualified for the Use of Money, as Land is. But as Silver is an uncertain Value, and is given for much more than its Value as a Mettal; and has not all the Qualities necessary in Money, nor in so great a degree as Paper Money: So Paper Money will for these other Reasons be prefer'd to Silver. Some Object that a Paper Money tho upon a good Fund, and Current in the Country; Yet will not be valued Abroad, equal to what it were in Scotland.

The Goods of Scotland will alwayes be valued Abroad, equal to Goods of the same kind and goodness; and that Money tho of Paper, which buys Goods in Scotland, will buy Goods or Money in other places. If a 1000 lib. in Serges, Linen Cloth, etc. be worth Abroad all Charges payed 1300 lib. the Merchant who Exports such Goods, will give a Bill for that Money at the Par, having 1300 lib. for what cost him a 1000.

When a Nation establishes a Money, if the Money they set up, have a Value equal to what it is made Money for, and all the other Qualities necessar in Money; they ought to have no regard what Value it will have in other Countries. On the contrair, as every Country endeavours by Laws to preserve their Money, if that People can contrive a Money that will not be valued Abroad; they will do what other Countries have by Laws endeavour'd in vain.

No Nation keeps to Silver because it is used in other Countries, it is because they can find nothing so safe and convenient. Trade betwixt Nations is carried on by Exchange of Goods, and if one Merchant sends out Goods of a less Value, than he brings Home; he has Money furnish'd him Abroad, by another who brings home for a less Value than he sent out: If there is no Money due Abroad, then the Merchant who designed to Import for a greater Value than he Exported, is restricted; and can only Import equal to his Export, which is all the many Laws to regulate Trade have been endeavouring.

It is Objected that we are under a necessity of having Goods from Countries who will take not of ours. France does not allow Money to be Exported, nor any Ship to Import Goods, unless French Goods are Exported from the same Port, to the Value of the Goods were Imported. By our Law we are forbid to Export Money.

But as I don't think the Example of Nations a good answer, I shall endeavour to give a better. Suppose our Money is not valued Abroad, and we have occasion for Goods from Denmark, who takes none of ours. These Goods being necessary here, will be valued higher than other Goods that are not so necessary; and the Value of Scots Goods Sold in other Countries, will be carried to Denmark, in such Goods as will sell there, or in Forreign Money, and these necessary Goods be brought Home: Because the Trader makes a greater Profit by them, than by such Goods as could have been Imported, from the Country where the Goods Exported were Sold.

But as this Addition to the Money, will employ the People are now Idle, and these now employ'd to more Advantage: So the Product will be encreas'd, and Manufacture advanc'd. If the Consumption of the Nation continue as now, the Export will be greater, and a Ballance due to us: And as the Exchange depends on the allance, so Paper Money here, will be equal to a greater Quantity of Silver Money Abroad.

Suppose the yearly Value of Scotland a Million and a half, the yearly Value of England 40 Millions; the Value of Scotland, is only about one 28th part of the Value of England. Yet the Quantity and Quality of the Lands, and the Numbers of People consider'd; Scotland will be at least as one to 6. And if there was Money to employ the People, we would be as one to 6; for we have Advantages peculiar to us, that do more than equal the Plantation and East-India Trades. England is not improv'd so far as it might be, by a greater Quantity of Money. We may have Money equal to the Demand, by applying our Land to that Use. So our country may be improv'd above the proportion of one to 6. But if the propos'd Addition to our Money, improved the Country only so as to bear a proportion with England of one to 13, our yearly Value would be 3 Millions: And our Consumption not being half what the same Number of People consume in England; if the Consumption continued as now, the Ballance due to Scotland would be greater, than the Ballance due to England.

This Addition to our Yearly value may be thought by some People, a Supposition that's extravagant, but I desire these people will consider what Consequences the plenty of Money has had in other places. As the Money of England has increas'd, the yearly Value has increas'd; and as the Money has decreas'd, the yearly value has decreas'd.

I don't doubt that the Paper-money propos'd being given out equal to the Demand, would bring the yearly value of Scotland to 3 Millions, tho the Fishing and other Branches of forreign Trade (which might be improv'd to great advantage) were neglected. But suppose the yearly value increas'd only half a Million, of which a 4th spent in a greater Consumption of the Product and Manufacture of the Country, a 4th in the greater Consumption of Forreign Goods and Expense abroad, a 4th laid up in Magazines of Forreign Goods, a 4th would still be due of Balance and brought home in Silver.

If the Consumption and Expense increas'd equal to, or beyond the Improvement; as the Paper-money could not be exported, so the people would not be set idle, nor the Manufacture decay: That Money being like an Estate intail'd. We might continue to consume equal to the yearly value, but could not lessen the yearly value, nor be poore if we could.

If a greater value of Goods was imported than was exported, and Credit given for the Ballance; forreigners to pay themselves, would send a lesser value of Goods the year after. But such Restrictions may be put on the Consumption of our own and forreign Goods, as may make a Ballance due.

The Revenue of the Commission will be a great help toward the advancing our Trade in its Infancy: What incourages the Export of Goods, incourages the Manufacture of them; And the Money given as a Draw-back, will not only encourage the Export and Manufacture; but likewise regain the Reputation our Goods have lost, and give them a better Reputation than the Goods of other Nations.

The Draw-back ought not to be given to all Goods, but so such as do not yield a reasonable Profit Abroad; and upon condition they are found sufficient. The Seal of the Office of Draw-back ought to be apply'd to these goods that receive the Draw-bakc; and these intrustd with the Draw- bakc, should give security to pay the price of such Goods, with all charges, if found insufficient. When Manufacture and Trade prospers, the landed Mans Rent is well payed, and increases: When they decay, his Rent is ill pay'd, and decreases, a Drawback is so effectual a way, to encourage and promote Manufacture and Trade; That it were the landed Mens interest to Tax hemselves, rather than a Draw-back should not be given, where it is necessary.

A Draw-back is more necessary here than in other Countries, for we do not manufacture so well as other Nations: We are not able to sell for the same Profit, our Stocks being much smaller; And the Goods of other Nations will be preferr'd to ours, because our Goods are suspected.

Some object that this Proposal is new, and has not been practis'd in any Nation. The Example of another Nation ought not to determine us, to follow the same measures, without examining whether that Nation was the better or the worse by such measures; and whether our Circumstances and theirs don't differ so, as to make that hurful or ineffectual to us, which was of advantage to them. on the other hand, it is no Argument against any thing propos'd for the general good, to say it is new, and what has not been practis'd.

When any thing propos'd has been already practis'd by other Nations, 'tis a Presumption in favours of such a Proposal; and it's a Presumption against it, if it has been refused: But a wise Nation ought not to be determined by Example, to follow or refuse without examining. This Proposal has not been refus'd. The essential part is now practis'd in France, for Paper is current by Law: And tho after a manner that in all appearance ought to have hindred its currency, yet I'm inform'd forreign Bills are bought with Paper money, the same as with Silver or Gold.

The Example of Nations in relation to Money would be a very uncertain Rule. For as has been said page 35, opposite measures have been us'd in some Countries to what have been used in others, and contrary measures have been used in the same countries to what was used immediately before, not because of any difference in their Circumstances, but from the Opinion, that since the Method used had not the effect design'd, a contrary would; And there are good Reasons to think that the Nature of Money is not yet rightly understood.

Any other Objections that I have yet heard against this Proposal, are such as may be fully answered, and so far as I can see into it, with all the Application I have been capable of, I cannot find any Objection but what may be fully answer'd; nor any difficulty in the Execution, but what may be removed: If there is any Fallacy in the Position I lay down, or any wrong Consequences drawn from these Positions, I have not been able to discover them.