WRITINGS ON POLITICAL ECONOMY

VOLUME I

including
DEFENCE OF USURY;
MANUAL OF POLITICAL ECONOMY;
and
A PROTEST AGAINST LAW TAXES

edited by
MICHAEL QUINN

CLARENDON PRESS • OXFORD
CONTENTS

SYMBOLS AND ABBREVIATIONS xiii
EDITORIAL INTRODUCTION xv

PROJET MATIÈRE
TABLE DES MATIÈRES
VII. FINANCE. VIII. ÉCONOMIE

VII. FINANCE 3
§1. Sources 3
§2. Perception 4

VIII. ÉCONOMIE 4
§1. Population 4
§2. Richesse 5

APPENDICES TO PROJET MATIÈRE
TABLE DES MATIÈRES
VII. FINANCE. VIII. ÉCONOMIE

APPENDIX A. FINANCES 17
Finances—Impôts 17
Impôts—Perception 26

APPENDIX B. DE LA POPULATION 31

APPENDIX C. TABLEAU GÉNÉRAL DES FAÇONS D’ACCROÎTRE LA MASSE DES RICHESSES 39

DEFENCE OF USURY; SHEWING THE IMPOLICY OF THE PRESENT LEGAL RESTRAINTS ON THE TERMS OF PECUNIARY BARGAINS. IN A SERIES OF LETTERS TO A FRIEND. TO WHICH IS ADDED, A LETTER TO ADAM SMITH, ESQ. LL.D. ON THE DISCOURAGEMENTS OPPOSED BY THE ABOVE RESTRAINTS TO THE PROGRESS OF INVENTIVE INDUSTRY
CONTENTS

LETTER I. Introduction 45
LETTER II. Reasons for Restraint.—Prevention of Usury 47
LETTER III. Reasons for Restraint.—Prevention of Prodigality 49
LETTER IV. Reasons for Restraint.—Protection of Indigence 53
LETTER V. Reasons for Restraint.—Protection of Simplicity 58
LETTER VI. Mischiefs of the anti-usurious Laws 60
LETTER VII. Efficacy of anti-usurious Laws 62
LETTER VIII. Virtual Usury allowed 68
LETTER IX. Blackstone considered 72
LETTER X. Grounds of the Prejudices against Usury 76
LETTER XI. Compound Interest 80
LETTER XII. Maintenance and Champerty 86
LETTER XIII. To Dr. Smith, on Projects in Arts, &c. 89
LETTERS IN DEFENCE OF USURY, &c. CONTENTS 93

APPENDICES TO DEFENCE OF USURY

APPENDIX D. PREFACE FOR 1790 EDITION OF DEFENCE OF USURY: DRAFT ONE 125

APPENDIX E. PREFACE FOR 1790 EDITION OF DEFENCE OF USURY: DRAFT TWO 127
  §. Colonies 131

APPENDIX F. POSTSCRIPT 133
  §1. Short observations on the injustice and impolicy of forced reductions of the rate of interest 133
  §2. Development of the principle No more trade than Capital, or Capital limits trade 139
  §3. Practical consequences of the principle No more trade than Capital with respect to Colonial government, Economy and Peace 141

APPENDIX G. CAPITAL LIMITATION—CONSEQUENCES 143
  §1. Short observations on the injustice and impolicy of forced reductions of the rate of interest 143
  §2. Development of the principle No more trade than Capital 147
  §3. Practical consequences of the principle No more trade than Capital with respect to Colonial government, Economy and Peace 150

APPENDIX H. COLONIES AND NAVY 155
CONTENTS

MANUAL OF POLITICAL ECONOMY

BOOK I. GENERAL MATTER

§1. Introduction 167
§2. Fundamental principles 170
§3. Modes of operating in the power of government in the pursuit of the ends of political economy 176
§4. Regard due to subsisting interests—or Dangers to be guarded against in a change 178
§5. Ways in which national wealth is capable of receiving an increase: or, Possible Modes of Increase 178
§6. Of Patents or exclusive privileges for inventions, and the expediency of granting them 178
§7. Limits of the subject of Political Economy with: Distributive Law; Penal Law; Military department; Police 184

BOOK II. ENCOURAGEMENT—INELEGIBLE MODES

§1. Loans of Capital 185
§2. Gift of Capital 190
§3. Of Bounties on production 191
§4. Bounties on exportation 196
§5. Drawbacks on exportation 200
§6. Exemptions from taxes and other burthens on production 201
§7. Exemption from, or Forbearance of, taxes on export 202
§8. Prohibition of exportation of the article meant to be favoured in the instance of Gold and Silver 203
§9. Taxes on exportation of the article meant to be favoured 203
§10. Bounties on Import of the article in respect of which wealth is meant to be encreased 203
§11. Exemption from, or forbearance of, taxes on import 203
§12. Bounties on production of raw materials 203
§13. Bounties on import of raw materials 203
§14. Exemption from taxes on production of raw materials 203
§15. Exemption from taxes on importation of raw materials 203
§16. Prohibition of export of raw materials 203
§17. Taxation of export of raw materials 203
§18. Prohibition of rival branches of industry: i.e: of the production of rival manufactures 204
§19. Prohibition of rival imports 205
§20. Prohibition of rival exports 206
§21. Taxation of rival branches of home manufacture 206
§22. Taxation of rival imports 207
§23. Taxation (for discouragement's sake) of rival exportations 207
CONTENTS

§ 24. Non-importation agreements 207
§ 25. Bounties on production of the instruments of manufacture 207
§ 26. Exemption from taxes on the production of instruments of manufacture 207
§ 27. Prohibition of the exportation of materials or instruments of manufacture 208
§ 28. Taxation on the exportation of materials or instruments of manufacture 208
§ 29. Prohibition of the emigration of hands 208
§ 30. Taxation on the emigration of hands 210
§ 31. Premiums for the importation of foreign arts and hands 210
§ 32. Prohibition on the production of hands—Cottage Act 211
§ 33. Prohibition of the migration of hands from employment to employment—Settlement-Laws; Apprentice-ship Laws 211
§ 34. Expulsion of hands—Intolerant Laws; Hawkers Act 211
§ 35. Treaties protecting against discouragements applied to our exports 212
§ 36. Treaties protecting against discouragements applied to our imports 212
§ 37. Treaties obtaining from a foreign nation encouragements in favour of our own exports to that nation 212

APPENDICES TO MANUAL OF POLITICAL ECONOMY

APPENDIX I. 217

BOOK I. GENERAL MATTER
§ 2. Fundamental principles 217

APPENDIX J. 220

BOOK I. GENERAL MATTER
§ 1 | Truths seemingly mysterious accounted for by the principle of the dependence of trade on capital 220

APPENDIX K. PREPARATORY MATERIALS FOR BOOK III. 221
§ 1. Bounties for production of capital. i.e: for frugality 221
§ 2. Bounties for import of capital 221
§ 3. Bounties on export of capital 221
§ 4. Prohibitions on consumption of capital 221
§ 5. Prohibitions on export of wealth and thence of capital 221
§ 6. Taxes on export of capital 222
CONTENTS

§7. Prohibitions of import of capital 222
§8. Taxes on import of capital 222
§9 and 10. Prohibition and Taxation on the giving to capital the most lucrative direction 222

APPENDIX L. TABULAR VIEW 225

APPENDIX M. EXTENDED NOTES FROM BROUILLONS 229
Capital Limitation principle—its novelty—Smith—Sheffield 229
Subsistence 231
Population 236
Paper-Money 238

APPENDIX N. BRIEF NOTES FROM BROUILLONS 242
Axioms of fact 242
Fundamental position relative to the matter of expediency 243
False receipts for encrease of opulence 243
Topics 243
Limit to Capital accounts for the innocence of bad government 245
Causes of Error 246
Causes of the propensity in Statesmen to the meddling or mercantile system 246
Prohibitions—Mischief 247
Grants—Forced economy 247
King of Prussia’s Generosity 247
Advantage or Ballance 250
Ballance 250
Ballance—real £ nominal 251
Labour—price of—how affected by Nat. Debt 251

APPENDIX O. FRAGMENTS ET PENSEÉS: SUITE DU MANUEL D’ÉCONOMIE POLITIQUE 252

A PROTEST AGAINST LAW TAXES, SHEWING THE PECULIAR MISCHIEVOUSNESS OF ALL SUCH IMPOSITIONS AS ADD TO THE EXPENSE OF APPEAL TO JUSTICE 269

NOTES TO THE SECOND EDITION 294

ADDITION BY A LEARNED FRIEND 297
CONTENTS

COLLATIONS
A. Defence of Usury, 1787 301
B. Defence of Usury, 1816 302
C. Defence of Usury, 1818 303
D. 'A Protest against Law Taxes', 1795 304
E. 'A Protest against Law Taxes', 1818 305

INDEX OF SUBJECTS 307

INDEX OF NAMES 364