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THE  
**RADICAL CAUSE**  
OF THE PRESENT DISTRESSES OF THE  
**WEST-INDIA PLANTERS**  
*POINTED OUT;*

AND THE  
INEFFICIENCY OF THE MEASURES WHICH HAVE BEEN  
HITHERTO PROPOSED FOR RELIEVING THEM,  
*DEMONSTRATED;*

WITH  
REMARKS ON THE PUBLICATIONS OF  
SIR WILLIAM YOUNG, BART.  
CHARLES BOSANQUET, ESQ. AND JOSEPH LOWE, ESQ. ;  
RELATIVE TO THE VALUE OF THE  
**WEST-INDIA TRADE.**

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BY WILLIAM SPENCE, F.L.S.

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London;

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FOR F. CADELL AND W. DAVIES, IN THE STRAND.

1807.



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THE  
RADICAL CAUSE,

&c.

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**I**T is a remark by no means novel, that the men who most zealously contend for the truth of the principles of a system, are not always those who are most ready to be guided by these principles in their practice;—that the converts who most tenaciously cling to the doctrines of a theory while their own interest is unaffected, are not seldom among the foremost to turn their backs upon it, when they see that a more consistent line of conduct would clash with the attainment of some favourite object.—This remark has not often been verified more glaringly, than by the conduct of those, who profess to assent to the truth of certain fixed principles in the science of Political Economy. So long as this science remained a chaos of absurdities; so long as its principles, if it could be then said to have any principles, were favourable to the interest of those who alone paid any attention to it; it is not to be wondered at, that their practice should closely coincide with the theory which they adopted. It was perfectly natural that men who believed nothing to deserve the name of wealth but gold

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and silver, should regard a balance of trade, by which alone these precious metals could be procured, as the grand object of political sagacity; and that, to effect this end, they should bestow bounties however unjust or impolitic, and enforce restrictions however absurd.

When, however, the mists which had so long hung over this subject had been somewhat dispersed by the reasonings of a Steuart and a Hume, and still more nearly dissipated by the luminous arguments of a Smith;—when these authors had so decidedly shewn, that gold and silver make but the smallest portion of the riches of a nation, and a portion desirable only as an instrument of exchange;—that all the real advantages of commerce may be acquired without a balance of trade;—that monopolies, bounties, and restrictions in every case defeat their own end;—and that the simple secret of increasing the wealth of a nation, is to let things take their own course:—one might have expected that statesmen and merchants would have seen the folly of their predecessors line of action, and would have adopted one more consonant to truth and to reason. Yet, though the truth of these new doctrines is so clearly demonstrated, that any statesman or merchant, who aspires to the character of more than a mere shopkeeper, would be ashamed to deny his hearty assent to them, we see, with a few exceptions, precisely the same rule of conduct pursued by both, as if the very reverse of these principles were still their guide. Thus, the late prime minister, Mr. Pitt, was for ever proclaiming his admiration of Dr. Adam Smith's "Wealth of Nations"—he scarcely made a speech on any subject connected with trade, in which he did not take an opportunity of extolling the grand discoveries for which he was indebted to this author: and yet, Mr. Pitt's commercial measures were

were almost constantly in direct opposition to the doctrines for which he professed such attachment. His master had repeatedly proved the injustice and impolicy of all monopolies granted to one branch of the community at the expense of another, and had expressly pointed out how grossly these terms were applicable to the monopoly which the woollen manufacturer has so long had in this country, at the expense of the farmer and land proprietor:—the pupil, however, without even thinking it necessary to shew how his conduct could be reconciled with consistency, did not hesitate to support these monopolists in obtaining an act of parliament to make their monopoly still more strict and galling.

An example of inconsistency, precisely similar, is presented to us at the present moment. By the operation of certain causes, the West India Planters have fallen into great distress. On every sound principle of mercantile policy, their disease does not admit of being cured by the application of any medicine:—it is one of those cases which must be left to the *vis medicatrix nature*, as the sole agent capable of effecting a radical cure. Yet men, who would be indignant if you were to question their assent to the received doctrines of political economy, are vehemently demanding that measures shall be applied to the relief of the West India Planters, such as, if tried by the touchstone of the principles they profess, are either wholly unjust and impolitic, or plainly nugatory and inefficient. When, indeed, we reflect, that the mere love of popularity could so obscure the perceptive powers of a statesman, endowed with the talents which were unquestionably the share of Mr. Pitt, as to make him blind to the inconsistency of his conduct on the occasion above referred to, it is not to be wondered at, that

the West India Planters, and those in the senate who are connected with them, should be unable or unwilling to see the utter incompatibility of their demands with every established principle of policy. But not only does no suspicion of this sort appear to have ever entered *their* minds;—the public voice, influenced by their affecting statements, has been led to re-echo their demands: every newspaper paints in striking colours the distresses which afflict them, and calls for immediate relief, as claimed equally by individual suffering and national interest. Even the Committee appointed by the House of Commons to inquire into their case, do not so much as hint in their Report at the possibility of its being incurable, but hesitate solely as to the most probable plan of effectual remedy.

Deeply impressed as I am with the conviction, that the modes hitherto pointed out for the relief of the West India Planters are wholly at variance with every rational principle of political economy, and in fact utterly inefficient as remedies for a disease so deeply rooted as that which they are intended to cure, I am induced to lay my sentiments on this subject before the public. In doing this, I have the three following objects principally in view.

I. *To place the subject in a point of view different from any in which I have hitherto seen it considered; and thus to contribute materials towards a more accurate judgment respecting it, by that part of the public not immediately and directly interested in its discussion.*

—The West India Planters, as is very natural in their situation, have endeavoured to make the rest of the community feel the hardship of their case, and their urgent necessity for relief, by publications in every shape, from that of a quarto, to paragraphs in the magazines

gazines and newspapers. All these publications of course take the same side of the question. I have not seen one of them in which the possibility as well as necessity of affording relief to the Planter has not been insisted upon. Now, as the Committee of the House of Commons appointed to take this question into consideration, has made its Report concerning it, and as the Minister has promised that early attention to the subject shall be given in the ensuing session of parliament, arguments tending to a different conclusion from that which seems to have been adopted by all who have hitherto considered the question, will scarcely fail, whatever their validity may prove, eventually to place the measures which may be resolved upon on a more stable foundation, than if one side of the subject only had been previously subjected to discussion.

II. *To impress upon the West India Planters themselves the true cause of their calamities more forcibly than has been done by their own writers; and thus, by pointing out to them the only radical cure which their case is susceptible of, to induce them to adopt at once the strong medicines which it requires, rather than to keep lingering on a wretched existence for years, in the fallacious hope of relief from the temporary stimulus of a few inefficient nostrums.*—Whether from a certain share of dissimulation which the mercantile class, in stating their own case, have not unfrequently been guilty of, or from that optical deception which our self-interest is so apt to occasion, I will not say; but, from one of these causes, it appears to me that all the writers on this subject in the interest of the West India Planters, in stating the *cause* of their distress, have dwelt chiefly on matters of inferior and subordinate consequence, and have kept the radical cause, “the rotten core,”

core," which they could not wholly conceal, greatly too much in the back ground. As I sincerely grieve at the distresses of the West India Planters, and have long lamented the unfortunate state of their affairs, which has now for years kept them constantly in the station of suppliants at the Minister's levee, it will not perhaps be too presuming to conceive, that they may derive more essential benefit from the wholesome though harsh council of an uninterested spectator, than the soothing but fatal consolation of their brethren ;—that their wound will be more speedily healed, if probed to the bottom by the hand of the unrelenting surgeon, than if left to be cured by the salves and plasters of the fond but injudicious mother.

III. *To examine the doctrines which have of late been so much and so largely insisted upon, relative to the value of our West India trade in a national point of view ; and to point out some of the egregious errors, as I deem them, which have on this subject been very confidently maintained.*—The object of the writers who have expatiated on the distresses of the West India Planters, has been to "bring home to the business and bosom" of each of their readers, the imperious necessity of affording relief to misery, which, according to their statement, threatens shortly to involve himself. And to shew how intimately the interest of every individual in the country is connected with that of the West India Planter, these authors have entered into extended statements and calculations, to prove the vast value of the West India colonies to us as a nation, and the immense deficit which our revenue, and consequently our means of defence would experience, if we were deprived of the commerce which they give birth to. In endeavouring to substantiate

these positions, much erroneous reasoning has, according to my ideas, been employed, and many inferences drawn, which, even on the acknowledged premises of the writers themselves, are false. It cannot, therefore, be entirely useless to state the grounds of my opinions on this head, since, if unfounded, they will in the end but more strongly confirm the doctrines they are meant to oppose, and, if correct, they may tend perhaps, in some degree, to dissipate one of those boding clouds with which, in the eyes of most observers, our political horizon is now overcast.

IN endeavouring to accomplish the two first of these objects, it will be necessary, in the *first place*, to point out the real and sole cause of the distresses of the West India Planters;—then, after briefly hinting at the radical relief which alone, to an unprejudiced observer, an evil produced by such a cause would seem to admit of—I shall, *secondly*, consider the remedies of a different description which have been proposed for this end—and, *lastly*, I shall revert to the consideration of the only remedy which the preceding discussion will have shewn is at all calculated to produce an effectual and permanent cure.

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SUGAR is well known to be the most important article of the produce of the West India islands. Prior to the French revolution, most of the principal powers of Europe were possessed of colonies which fully supplied them with all of this article that their own wants required, and with a sufficient surplus also, to sell to the other three countries, Germany, Russia, and Italy, which had no colonial possessions. Although Britain

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furnished to these latter countries a part of this supply, from her surplus of this description of colonial produce, yet it must have been a very small portion of the whole of their demand, since, for a long period prior to the year 1793, she never exported on the average more than 12,000 hogheads annually,\* a quantity which would scarcely be a twentieth part of the whole demand of three such populous territories. So long as this state of things continued, and Britain had not the means of disposing of a quantity of Sugar much greater than her home market required, the profits of the West India Planters were adequate to those of other branches of trade. The consumption of Sugar gradually increased with the extension of our population and of our habits of luxury, and of course its cultivation was from time to time augmented. Yet, though in consequence of the affinity which West India speculations have always had with gambling, there were often great individual losses incurred; these evils were but partial, and did not affect the interest of the great body of Planters, who in general acquired opulence.

But in the year 1792, the French revolution extended its baleful influence from Europe to the West Indies. The mad introduction of "liberty and equality," those watch-words of anarchy and devastation, into the island of St. Domingo, at first diminished, and at length, in a few years, totally annihilated, the supply of 114,615 hogheads of Sugar, which France and Europe had been accustomed to draw from thence. This diminution of the usual supply, greatly raised the price of Sugar throughout Europe; and in Britain the average price of the hundred weight, which, exclusive  
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\* Sir W. Young's West India Common-place Book, page 56.

of duty, in 1791, had been 55s., in 1796, 1797, and 1798, was 62s., 64s., and 66s. Such an increase of profit immediately caused a very great extension of the Sugar plantations in all the British islands possessed of uncultivated soil; particularly in Jamaica, which, in the six years preceding 1799, annually on the average produced 83,000 hogheads only, but in the years 1801 and 1802 exported upwards of 143,000 hogheads; making the vast increase, in these few years, of 60,000 hogheads per annum. This increased quantity was in part also owing to the introduction of a new variety of Sugar Cane, the Bourbon Cane, which is much more productive, especially in some soils, than the old kind; and the adoption of which, by the less fertile and more cultivated Windward Islands; also enabled them in a small degree to add to their export of Sugar. During this period likewise (from 1793 to 1802) the capture of some of the Dutch and French West India islands, and above all of the fertile colonies of the former, Demerara and Surinam, opened a new field of speculation, which was eagerly filled with abundance of capital, by those adventurers who saw in the then high price of Sugar an inexhaustible mine of riches. — In consequence of this increased cultivation of our own islands and of the captured colonies of our enemies, the total import of Sugar into Great Britain from the West Indies, which in the years 1795, 1796, and 1797, had been on the average annually 127,000 hogheads, in the years 1802, 1803, and 1804, was augmented to 274,580 hogheads; of which nearly 250,000 were from the British colonies, and this quantity they “may henceforward be considered as producing.”\* Now, although the  
consumption

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\* Sir W. Young, page 59.



consumption of Sugar in Britain has been progressively increasing, it is evident that she could at no time consume but a small portion of this vast addition to her annual import: accordingly, by far the largest portion of it has been exported to the Continent, for the purpose of supplying the demand occasioned by the loss of the French and Dutch colonies. In fact, this country does not consume more than 150,000 hogsheds of Sugar per annum, and consequently, to dispose of the present produce of our own West India islands alone, "at all times there will be required an export of 100,000 hogsheds," and while we retain the colonies of Surinam and Demerara, "the full export required is 140,000 hogsheds."\*

If the market of the rest of Europe had still continued to require an importation of 140,000 hogsheds of Sugar more than their own colonies were able to furnish them with, the British West India Planters would have sold, during the last five years, the whole of their produce at a profitable price, as they had done in the five years preceding. But, unfortunately for them, this has not been the case. Though the most valuable colonies of the French and Dutch were wrested from them, still the powers of Europe with whom we have been so long at variance, retained possessions in the West Indies of boundless extent and fertility. Though Tobago, Trinidad, Surinam, Demerara, (and at one period Martinique), were in our possession, France still possessed Guadaloupe, and Spain Porto Rico and the vast island of Cuba, which required only cultivation, to enable it alone more than adequately to replace the loss of St. Domingo. The high price of Sugar, which about the year 1798 so greatly stimulated the

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\* Sir W. Young, page 59.

the cultivation of the English colonies, operated exactly in the same way to the increased cultivation of those yet remaining in the hands of our enemies. The premium of high price, rapidly attracted all that they were in want of — capital; — and for several years past, the produce of Cuba, Porto Rico, Guadaloupe, and Martinique (now again in the hands of the French), has amply supplied the demands of the Continent.\*

But although the continental demand for Sugar, which originally so vastly augmented the produce of the British colonies, is now supplied from another source, the latter still continue to grow the same increased quantity. Hence, more Sugar being brought to market than there is a demand for, the natural competition among the sellers has reduced its price to the smallest sum for which the party, that grows it at the least cost, can afford to sell it; and, as the expenses of the Planter of Cuba, &c. are smaller than those of the British Planter, the price is necessarily a losing one to the latter.

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\* The West India Planters attribute the rapid increase in the cultivation of the colonies of our enemies, chiefly to the duty of 7s. per cwt. which Mr. Pitt, when enebriated with his schemes of colonial monopoly, attempted to make the foreign consumer pay on Sugar exported from Britain; and, doubtless, such a premium must have hastened the cultivation of the French and Spanish possessions; yet I am inclined to believe, that the mere high price of Sugar would in the end have produced the same effect, though perhaps somewhat later. However this may be, whether the high price of Sugar in Europe, exclusive of duty, or the additional high price caused by the duty which we wished to levy on the foreign consumer, was the chief stimulus to the increased cultivation of the French and Spanish colonies, the fact is the same, namely, that in consequence of one or other of these causes, or of both combined, they now produce a sufficient supply for the wants of the Continent.

As much of the reasoning employed in the subsequent pages of this work will be founded on the fact above-mentioned, namely, that the produce of Sugar now supplied by the foreign colonies is amply sufficient for the demand of the foreign market, without the need of any supply from Britain, it will be necessary to enter into a more detailed statement, fully to establish its accuracy.

In the *first* place, the truth of this position, if not fully established, is at least circumstantially confirmed, by such facts as have come within our reach.—Since the export of Sugar from Britain, for twenty years prior to the year 1793, never exceeded on the average 12,000 hogheads, a quantity perfectly inconsiderable in the consumption of Europe, we may fairly state that at that time the produce of the foreign colonies was sufficient for the foreign demand; for it must be recollected, that the small quantity which we exported, was forced by us into the foreign market as a surplus above our own wants, rather than called for by it out of the stock necessary for our own consumption. Now to determine whether the loss of the sources from which, prior to 1793, the foreign market was supplied, has been of late repaired, we must make an estimate of these losses and of the subsequent gains which have replaced them.—By the revolution, France entirely lost the supply of 114,000 hogheads which St. Domingo had formerly annually furnished; and by the events of the war, France, Spain and Holland, have been deprived of the colonies of Tobago, Trinidad, St. Lucia, Demerara, Surinam, and some smaller possessions: the produce of all which I believe we shall not underrate at 20,000 \* hogheads more, but to prevent

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\* In 1798 Demerara exported only about 2,000 hogheads, Trinidad 2,000, and Tobago 8,000.

prevent the possibility of a cavil, let us call their annual produce 46,000 hogsheads. 160,000 hogsheads of Sugar, then, is the utmost quantity which we can estimate the continental market to have lost by the revolution and the war.—How has this been replaced?

1. An advocate for the West India Planters informs us,\* that “the island of Cuba, which till of late produced very little Sugar, last year exported between 300,000 and 400,000 chests, the greater part of them clayed, and weighing from 4 to 5 cwt. each, being nearly equal to 100,000 hogsheads of clayed or 150,000 hogsheads of Muscovado Sugar;” if, then, we suppose the quantity of Sugar which Cuba supplied prior to 1793 to have been 10,000 hogsheads only, which is probably beyond the truth, we have an increase of 140,000 hogsheads from this island alone.

2. The same writer tells us that the produce of Sugar from the Brasils is greatly increased. 3. Buonaparte boasted, about two years ago, that the Slave population of Martinique and Guadaloupe had doubled since 1789;† and we may therefore fairly assume, that the produce also of these two islands has doubled. 4. The produce of the extensive island of Porto Rico is stated, by the West India Planters themselves, greatly to have augmented within these ten years; and if, as is most probable, this increase has been at all proportionate to that of Cuba, we cannot take the addition which it has made to the supply at less than several thousand hogsheads. Now without the assistance of any more accurate documents on this subject, and omitting to  
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\* See a letter, signed *Mercator*, in *Yorke's Weekly Political Review* for December 6, 1806, page 848.

† Extract from the *Moniteur*, in the London papers of September 2d and 3d, 1805.

take into account the increased quantity of Sugar grown in the Danish West India islands or in the other French and Spanish possessions, we may, without fear of exaggeration, estimate the increased produce from the above three sources alone, within these eight or ten years, to be at least equal to the half of the augmented produce of Cuba, or 70,000 hogsheds; making, when added to the increased produce of Cuba, 210,000 hogsheds, or 50,000 hogsheds more than the colonies which the continental powers have been deprived of could possibly formerly have produced. They have now, therefore, more than repaired their losses, and are more amply supplied with Sugar from their own colonies, than they were previous to 1793.

In the *second* place, the accuracy of this statement is abundantly confirmed, by reasoning built upon the acknowledged principles of political economy. In this science no position is more certain than that, *where a market is not fully supplied with any article of general demand, such a price may be obtained for the quantity requisite to fill up the deficit as the seller chooses to impose, provided this price be not exorbitant.\** Thus, if the crop of hops in this country were in any year sufficient for half a year's consumption only, and no stock from the former year remained on hand, it is plain that we should readily purchase of any of the neighbouring countries, a quantity of this article necessary to make up the deficiency, at any reasonable price, and at a much greater price even than we had  
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\* If any West India Planter hesitate to admit the truth of this axiom, I beg to refer him to Bryan Edwards, who expressly says, "If the quantity (of any commodity) at market, is not equal to the demand, the seller undoubtedly can and always does fix his own price on his goods." *Hist. of the West Indies*, vol. ii. p. 440.

paid for the quantity bought at home. If, therefore, there were a demand for Sugar in the continental market, at all approaching to the quantity which we annually produce beyond our own consumption, we should certainly have the power of fixing our own price upon this quantity: and though the foreign consumers might purchase 200,000 hogsheads of their demand from the foreign colonies at 30s. per cwt., yet, if their full supply required 140,000 hogsheads more, they would assuredly be glad to purchase this quantity of us at 40s. But instead of this being the case, the fact is, as the statements of the West India Planters themselves fully shew, that we cannot sell a hogshead of our surplus Sugar in the foreign market, unless we are willing to take a less price for it, than that at which the produce of the foreign colonies is offered. Now does not this fact prove beyond the shadow of a doubt, that our Sugar is not wanted in the foreign market, and that it is able to squeeze itself in there only by being unnaturally sold at less than prime cost? Can any one for a moment credit, that if the Continent really were in want of 100,000 or even of 50,000 hogsheads of Sugar more than it is supplied with from the foreign colonies, that it would purchase this quantity of us at a *certain price*, but would not give 2s. per cwt. more than that price;—that it would buy of us 50,000 or 100,000 hogsheads at 32s. but not a single cwt. at 34s.?—The circumstance, that we do export large quantities of Sugar, proves nothing in opposition to the fact I am contending for. An article may be sold in the most overstocked market, if the feller chooses to sacrifice sufficiently in its price: and for proof that the West India Planters are obliged to make such a sacrifice on every hogshead they sell, I need only refer to their own statements.

Thus,

Thus, then, both facts and argument bear me out in asserting, that the foreign colonies are now abundantly able to supply the continental market with all the Sugar it has occasion for.

The foregoing statement fully explains the nature of the distress of the British West India Planters. The cause of the evils of which they complain is simply and solely this:—*They grow annually a greater quantity of Sugar than the actual demand affords a sale for at a profitable price.*

Obviously and clearly as this simple position accounts for the unprofitable nature of the West India Planter's occupation, one might have expected that the authors who have professed to investigate the best mode of remedying this evil, would in the first place have thought it necessary explicitly to state this as its grand cause, before they attempted to point out the means by which it is to be eradicated. But instead of adverting thus openly to the real state of their case, they appear constantly to keep it in the back ground, as though it were a point on which they deemed it hazardous to comment. Their publications, indeed, afford abundant evidence to enable the reader to make this conclusion for himself; but they never, in so many words, have had the manliness to say, "Our distresses are occasioned by our produce of Sugar exceeding the demand for it. This is the given and radical cause of all the evils which oppress us, and for this we must seek a remedy." On the contrary, both their writings, and the Report of the Committee appointed to inquire into their case, which Report is grounded on the evidence of the West India proprietors and merchants, state two other causes as the main source of their distress. These two causes it will be here proper to advert to, in order to show that they are by no means entitled to the weight  
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which has been given to them, but are in fact merely consequences of the radical cause which I have pointed out.

1st. They say, that they alone of all others are so extraordinarily situated, as to be precluded from indemnifying themselves for the increased prime cost of their produce and the duties levied upon it, by an equivalent advance of its price to the consumer:—and as proofs that they, and not the consumer, pay this augmentation of prime cost and duty, they refer you to the prices which they received formerly, which were much higher then, when the duty was only 20s. per cwt., than they are now, when it is 27s. As I shall have occasion hereafter to attend to the latter part of this statement, I will not here advance the arguments which lead me to believe, that, strictly speaking, however low the prices of Sugar may be, the duty is still paid by the consumer; but conceding for a moment that the Planter is so deplorably situated, as that a great proportion of the duty levied on his Sugar is actually paid, not by the consumer, who certainly ought to pay it, but by himself; what, I would ask, is the *cause* of his being placed in this lamentable predicament? Is it not clearly manifest, that the circumstance of his growing more Sugar than there is a demand for, is the cause? When the market is not overstocked with an article, whatever duty is laid upon it is readily paid by the consumer, as well as a reasonable profit to the seller; but if the sellers will force into the market more than the quantity demanded, they must expect not only to sell without profit, but with loss: in which case, in one sense, a part of any duty charged upon their article may be said to be paid by them. But what can be more childish than to say, as the position I am now commenting upon, in reality merely says, that the



low price of the Planter's produce is the cause of his distress? An idiot knows that this is the proximate cause of the evil; but the grand question which alone can be worth attending to, is, what is the cause of this low price? And the answer which I have already given is alone the true one.

2d. The second great cause to which the West India Planters themselves attribute their distress, and that upon which the Committee of the House of Commons lays the greatest weight, is the low rate at which the produce of the colonies of our enemies is conveyed by the ships of neutral nations, and especially of America, to the mother countries; in consequence of which it can be afforded there cheaper than the produce of the British West India Planter, loaded as it is with war freights and insurance, and the double freight which is incurred by bringing it first to Britain, before it can be shipped to the Continent.—But to state this as the main cause of the distresses of the British Planters, is to take a very confined and partial view of the subject. Doubtless, the low rate at which the produce of foreign colonies is conveyed to the Continent, is the immediate reason why we cannot afford to sell on equal terms; but except the market was overstocked, this difference of expense would not prevent our obtaining a profitable price for our produce. If the demand of the Continent was sufficiently great to require our surplus produce as well as the produce of their own islands, the whole of this quantity would be sold for a profit; and the only effect which would result from the difference of expense to each party in bringing its produce to market would be, that *their* profits would be larger than *our's*. The case, however, on the contrary, is, that the Continent does not require a larger supply of Sugar than what its own colonies can afford; and, of course, if we attempt

attempt to enter into competition with them, we must be content to sell at a price which, though it leaves them a profit, is a losing price to us. To change the distresses of the West India Planters, therefore, upon the American carriers, is almost as absurd as it would be for the assassin to lay the blame of murder upon the arsenic which he had purposely placed in the sugar-dish of his friend. If the West India Planters had not continued to raise a surplus of 140,000 hogheads of Sugar, when there was no effective demand for it, the Americans might, if they pleased, have carried the Sugar of our enemies for nothing, without thereby injuring them.

If, then, as I think the foregoing arguments have fully proved, the radical cause of the distresses of the West India Planters is the circumstance of their continuing to grow Sugar for the supply of a demand, which existed ten years ago for a short period, but which now no longer exists; what, I would ask, is the remedy which an unprejudiced judge, at all acquainted with the commonest principles of mercantile policy, would point out for the cure of this evil? What is the medicine which Dr. Adam Smith, if he were now alive, would prescribe for a disease whose remote and essential cause is so incontrovertibly manifest? Would he not, if his opinion were demanded, reply somewhat as follows?—"As the evils of which the West India Planters complain are occasioned by their persisting to grow a quantity of Sugar greater than the quantity for which there is a demand, they must act as all other classes of cultivators or of traders are wont to act in like circumstances;—they must draw from this unprofitable employment that surplus of their capital which is now occupied in producing the superfluity of Sugar which depresses the market. If, before the destruction of the

plantations of St. Domingo, 12,000 hogsheds were as much as the foreign market afforded a profitable demand for, they should cease, now that the produce of that island is more than restored, by the increased cultivation of Cuba, Porto Rico, &c. to grow the additional 120,000 hogsheds which they were induced to raise for the purpose of exporting to supply that diminution of produce. I know of no other mode than this simple one, by which the price of an article, depressed by a production of it greater than the demand, can be effectually and permanently raised."

Such, unquestionably, would have been the remedy which in substance Dr. Smith would have prescribed for the evil we are considering, and such must be the remedy which every unprejudiced observer, in the least acquainted with the principles of political economy, will agree in prescribing.—But before the West India Planter could have listened to the end of such a reply, his impatience would have made him interrupt him who should have delivered it. "This is all very well," he would exclaim, "as a remedy in ordinary cases, but is totally inapplicable in our's. The common trader, the importer of hemp, of fruit, of corn, may without difficulty withdraw his capital from supplying a market which is overstocked; he has but one loss to sustain, and that no great one. But our situation is widely different. We are not traders merely, but cultivators of the soil. Our capitals are sunk in the purchase of land which will grow nothing but Sugar;—in the erection of buildings which are of no value but to the Planter;—and we can in no other way withdraw our capital from the business in which it is engaged, than by abandoning it altogether. But surely you cannot have the inhumanity to recommend such a desperate measure to us. You can never expect that we shall  
calmly

calmly submit to a step which would leave many of us without a farthing. It might be imprudent in us so greatly to extend our cultivation of Sugar, for the supply of a demand which a slight consideration might have shewn us would be temporary; but having done this, and with the encouragement even of Government, as British subjects we have a right to claim the adoption of any practicable measures, suitable to the peculiarity of our situation, which promise to extricate us from the misery in which we are involved."

Every feeling mind must admit the weight of this statement, which I have endeavoured to express as strongly as a West India Planter himself could wish; and I readily concede that it is an answer to the mode of reasoning which I have put into the mouth of Dr. Smith, so strong, that *if* any practicable mode of relieving this numerous and very respectable body of men, consonant also with justice to other classes of society, and the great landmarks of national policy, can be pointed out, the legislature is imperiously called upon to enforce its adoption.

Granting, then, as I sincerely do, the propriety of affording relief to the distressed of the West India Planters, if such relief be practicable, I proceed to the consideration of the measures which have been proposed for this end. But before I enter upon this discussion, I must premise two postulates as the touchstone to which all the plans relative to this subject ought to be referred, as decisive of the justice or injustice, the wisdom or folly, of adopting them. 1<sup>st</sup>. That no measure should be adopted which relieves the West India Planters at the expense of any other class of society: and 2<sup>d</sup>, That no measure should be adopted which does not *promise*, at least, *permanent* relief to their distress. When I have explained that, by the

first of these positions, I do not mean that the West India Planters ought not to have their just *profits* paid by the other classes of society which consume their Sugar, but merely, that no particular class or classes of society should be injured by the measures intended to produce this effect; and that, by the last position, I mean that no temporary plan of relief, which in the end would involve them in deeper misery, should be listened to—I think there are few reasonable West India proprietors who will not assent to their justice.

The plans which have been proposed for the relief of the West India Planters naturally divide themselves into such as refer to the increased consumption of Sugar at home, and into those, the object of which is to cause its increased exportation. The prior of these divisions, as including measures on every account the most desirable, I shall attend to in the first place.

The most important of the modes by which it has been proposed to increase the home consumption of Sugar, and that on which the West India Planters placed the greatest reliance, is,

*The substitution of Sugar for Grain in the Distilleries.*

ON this plan, which at an earlier period would have afforded great room for discussion, it is not now necessary to say much, since its practicability and propriety have been the subject of examination by a Committee of the House of Commons, which, after hearing the fullest evidence on all sides, determined, that its adoption was incompatible alike with the interest of the revenue, and of the British land proprietor. As, however, the propriety of this decision does not seem to have

have been acquiesced in by the West India Planters, it will not be useless to show, that the plan proposed is utterly at variance with the two principles with which we set out in considering this question.

1. As the quantity of Sugar which the Planters themselves allow would be required by the distilleries is not 30,000 hogsheads,\* it must strike any one that this additional consumption would by no means alleviate the state of a market depressed by upwards of 140,000 hogsheads: and, indeed, Mr. Bofanquet himself admitted to the West India Committee, that this new demand in the home consumption would be inadequate to raise the price of Sugar sufficiently.† It is evident, then, that this plan does not fulfil the second of our postulates, in providing an effectual and permanent cure for the existing evil.

2. This plan is inadmissible, even if it could effect an entire relief to the Planter, inasmuch as the benefit conferred on him would be at the expense of two other classes of society, the farmers and land proprietors. So obvious is this objection, that the West India Planters thought it necessary, in the very outset of their proposal for the substitution of Sugar in the distilleries, to show that it is groundless. To effect this purpose they reasoned as follows: " Britain does not grow grain enough for the food of her inhabitants: she imports annually about a million of quarters of wheat. Now as there are 500,000 quarters of Barley used in the distilleries, stop the importation of wheat to this amount, and the farmer and land proprietor need  
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\* " Inquiry into the State of the British West Indies, by Jos. Lowe, Esq." p. 48.

† Evidence before the Committee.

not lose their ordinary profits." Again; "The West India islands," said they, "at present are prohibited from getting more than a trifling supply of food from Britain: the bulk of what they consume is obtained from America. If the farmers lose the distilleries, open to them the exportation of grain to the West Indies. We are willing to be supplied from them, and thus the price of their produce will not be reduced by the proposed measure."

This reasoning is on the face of it plausible, but a slight consideration will show its fallacy. If we were in the habit of importing annually 500,000 quarters of *barley*, and of consuming 500,000 quarters of the same grain in the distilleries, a stoppage of the importation would assuredly prevent the farmer from suffering by the substitution of Sugar in the distilleries. But this is not the case. The grain which we import, is either wheat for the food of man, or oats for our horses. The quantity of barley which we import is always inconsiderable, not more in ordinary years than 40,000 or 50,000 quarters.\* It is plain, then, that by far the largest portion of the barley used in the distilleries is the produce of our own soil. If, now, the farmer could grow wheat where he at present grows barley, he might submit without a murmur to lose the distilleries on having the importation of the former prohibited. But every agriculturist knows, that the farmer would always grow the more profitable crop, wheat, instead of the less profitable crop barley, if his soil and a proper rotation of crops would permit him. On certain soils in general, and on other soils every three or four years, the farmer, if he practise good husbandry,

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\* In 1805 were imported 461,249 quarters of oats, 899,856 quarters of wheat, and 44,567 quarters of barley.

bandry, must grow barley. He cannot therefore substitute wheat for barley; and consequently, if deprived of one of his principal markets, its price would be greatly diminished, notwithstanding the non-importation of wheat.\*—If the West India Planter says, that the farmer might grow oats where he now grows barley, to supply the place of the 400,000 quarters of that grain annually imported; I answer, he could not do this and retain the same profits. As wheat is a more profitable crop than barley, so is barley more profitable than oats; which is proved by the fact, that so much of the latter grain, and so little of the former, is imported. If oats were as profitable as barley, the quantity cultivated of each would be equal, and the deficiency of each would be supplied by an equal importation of both kinds of grain. But we find that our farmers fully supply the home market with the more profitable grain, barley, while there is a deficiency in the produce of the less profitable grain, oats, which is supplied from abroad.

A train of reasoning similar to the foregoing will show also, that an extension of the permission to export grain for the supply of the colonies would by no means compensate to the farmer the loss of the distilleries. If the West India Planters would engage to purchase of the farmers of Great Britain, at the price which they now receive, all the barley which has been hitherto consumed in the distilleries, there would be some probability

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\* A fact which lately came under my notice will confirm the truth of the above reasoning. A farmer from Coupar, Scotland, informed me, that they grow considerable quantities of barley there, for which their almost sole market is the distilleries; and that on the mere report of Sugar being about to be substituted for barley, its price fell 5s. or 6s. a quarter.



bability of keeping up the value of that grain ; but although, in their eagerness to have the distilleries opened to them, these gentlemen have not scrupled to express their willingness to receive their requisite supply of grain from Britain, can we really credit that they would be content to pay the same price for barley or barley-flour, that they now pay to America for good wheat or wheaten-flour, and loaded too with a freight three or four times as great ? Such a sacrifice would render the distilleries indeed a dear bargain. And no other plan could compensate the farmer for the loss of this market for his barley, for it has been already shewn that he could not supply the West Indies with wheat or with oats, and retain his present profit.

It is plain, then, that the proposed plan of relief, by allowing Sugar to be used in the distilleries instead of grain, is inadmissible, setting aside the consideration of the injury it would occasion to the revenue, both as being calculated to effect a partial remedy only, and as being hostile to the interests of other classes of society.—It is unnecessary to advert to the extension of this plan to the breweries, which was at one time proposed, as all the preceding objections would apply with tenfold force to such a regulation.

In concluding what I have to observe respecting this measure, as it is not impossible but its policy may be again agitated, I beg to say a few words in reply to one argument in its favour, which to me appears highly absurd. It has been contended, that it is desirable we should use Sugar instead of grain in the breweries and distilleries, for the purpose of rendering unnecessary our present importation of food, the necessity of which, it is said, might be productive of the most serious evil, on the occurrence of an occasional bad harvest. Now, on the contrary, nothing is to me more obvious, than that

that the very circumstance of our being in the habit of importing a quantity of our food, makes it of great importance to us to retain the use of grain in our breweries and distilleries. What is the reason that we import annually 900,000 quarters of wheat from the Continent and from America? Not that we do not grow *grain* sufficient for our food, for we consume upwards of five millions of quarters of *barley* in our breweries and distilleries: but because our nice palates do not choose to eat bread made of barley, and our produce of *wheat* is not sufficient for us. Now, so long as we continue to demand an annual supply of 900,000 quarters of wheat from abroad, so long will this quantity continue to be produced abroad for us, and we shall obtain it in spite of every obstacle. In a year of occasional scarcity, therefore, we shall still receive our usual supply from abroad, and we have besides the barley which is now consumed in manufacturing ale and spirits to recur to, and appropriate as the food of man, if necessity shall have tamed our pampered appetites. But what, I ask, would be our condition, if all the grain which we raise were used as the food of man; if we usually received no supply of food from abroad; and if, thus situated, we were afflicted with a scanty crop; especially if to this calamity were super-added any obstruction of our trade? Is it not clear that on this supposition we might be obliged to endure all the horrors of famine? From the danger of this most dreadful of all evils, our present custom of raising so much grain which we usually apply to other purposes than the food of man, but which can be diverted from these purposes and so applied, when necessity requires, is our most important security: and so far from its being desirable that we should abrogate this custom, there could be no plan devised which would  
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more effectually secure us from the possibility of famine, than to distil all the spirits which we consume, from our own corn, even though such a measure should oblige us to import twice as much grain as we now do.

THE second mode in point of importance connected with the home consumption of Sugar, which the West India Planters have proposed as calculated to relieve their distress, is,

*A repeal in whole or in part of the additional duty of 7s. per cwt., which, since 1803, has been laid upon Sugar intended for home consumption.*

THE proposers of this plan contend, that "it is adding insult to exaction to tell the West India Planter that he does not pay the whole of 7s. tax per cwt. laid on Sugar since January 1803";\* and they seem to have no doubt but the repeal of this additional tax would greatly alleviate their distresses.

However inconvenient it might be to a government like our's, at its wits end for articles of taxation, to bear the deficit of a tax which produces half a million per annum to the revenue; no liberal mind would deny that such a tax ought to be done away, if it really were the cause of the deep and universal distress which oppresses the West India Planters, or if its cessation would in any considerable degree tend to alleviate such deplorable misfortunes. But I fear the West India Planters have egregiously deceived themselves in embracing

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\* Sir W. Young, page 51.

bracing this hope, which I conceive a few simple considerations will show to be altogether a delusion; and at the same time prove the error of the supposition, that the whole of the duty is not really paid by the consumer.

When the home market is greatly over-stocked with any article for which there is some sale in the foreign market, its price in the former will be regulated by the price which can be obtained for it in the latter. This position the West India Planters explicitly allow. Mr. Lowe says, "When we are overstocked, our prices fall to the low rate at which foreigners can afford to purchase, after which they fall no more."\* Again he says, "In fact our prices are entirely regulated by what the foreigner can afford to give;"† and, once more, "The prices of the whole market have been regulated by the foreigner's standard."‡ Now, if the price of Sugar in the home market be determined by its price abroad, and if its actual sale price to the consumer be equal to the price for which it could be sold in the foreign market, added to the duty levied upon its home consumption; how, I would ask, can it be with justice contended, that the duty is not paid by the consumer? These conditions are clearly exemplified in the present state of the Sugar market. The price which foreigners will give for Sugar to the British Planter is, as Mr. Lowe informs us, from 31s. to 34s. per cwt.§ This fixes the home price, which, exclusive of duty, is precisely the same. The consumer, in addition to this price, pays the duty, which is 27s. per cwt., and thus the Sugar which he consumes costs him 60s. per cwt.

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\* Inquiry, page 69.

† Ibid. page 65.

‡ Inquiry, page 84.

§ Ibid. page 73.

**cwt.** How then can the West India Planter pretend that any part of this duty falls on him? It is not sufficient to say, that he now receives less for his Sugar than he did before the additional duty was levied. This circumstance is occasioned by a cause altogether unconnected with the duty—by his imprudent conduct in overstocking the market. To verify the position, that any part of the additional 7s. per cwt. duty really falls on him, he should be able to prove, either, that the home price of Sugar is less than the regulating foreign price, added to the duty; that, after paying 27 s. per cwt. duty on his Sugar, when the foreign price is 33 s., he cannot sell it to the home consumer for more than 53 s.:—or, that the imposition of this duty has diminished the home consumption, and thus indirectly contributed to lower the price. But certainly facts are directly in opposition to the former supposition; and if we are to trust the accuracy of Sir Wm. Young's tables, the case is the same with the latter, for he states the home consumption of Sugar to have been only 1,483,962 cwt. in 1803, when the sale price was 67 s. including duty, and to have been 2,158,636 cwt. in 1804, when the sale price, including duty, was 80 s.† Again, if the additional 7 s. duty really fell upon the Planter, he would be able to sell his Sugar, when this duty was taken off, for the price he now obtains of the consumer: that is, if the duty were only 20 s. he would still be able to obtain of the consumer 60 s. per cwt. for it. But can any man in his senses believe this? Can any man, at all acquainted with the principles on which the prices of articles depend, and who admits the truth of Mr. Lowe's positions,

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† Sir W. Young, page 48 and 56.

tions, contend that if the duty on Sugar were 20s. instead of 27s., that the price of Sugar to the consumer would continue at its present rate? The Gazette price is the actual market price of Sugar; and provided the demand for this article, both in the foreign market and the home market, *remained the same*, the Planter would not receive more than this price for his Sugar if the whole 27s. duty were taken off, nor would he receive less than this price if the duty were doubled. The only way in which an alteration of the duty on Sugar consumed at home could affect the interest of the Planter, would be by increasing or diminishing it so much, as that the demand for Sugar should be materially lessened or increased: and if the Planters could prevail upon the Minister to take off the whole duty on Sugar, and if this measure would double the home consumption, there would be need of no other regulation to enable them to obtain their just profits. But any one, who is aware of the extended consumption of Sugar in this country, will be unwilling to admit that even a deduction of the whole duty would increase its consumption to any such rate, as to take off the whole of the vast surplus with which the market is now glutted.—It is useless, however, to enter into any further discussion of this point. We are well assured that the interests of the revenue will never allow the experiment to be made on the large scale, and it has been already shewn that no trifling diminution of the duty, such as alone could be hoped for by the Planters, would be of any service to them.

The two foregoing plans are the only ones which, as connected with the home consumption of Sugar, it is requisite to attend to. In addition to these modes of relief, it has been proposed, in behalf of the West  
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India Planters, that the consumption of Rum should be encouraged in the Navy, in preference to that of Brandy; and that Coffee ought to be generally substituted in lieu of the Tea for which we annually pay so much to the Chinese: but it is plain that neither of these subordinate remedies are calculated to cure the main distress of the Planter, arising from a superfluity of his prime staple, Sugar. So far as they go, there can be no great objection to them: though, with respect to the first, the plan of buying Rum of our colonies at a higher price than we can purchase Brandy for of our enemies, is not quite consonant with the true principles of mercantile policy, which direct us to buy at the cheapest market. And with respect to the general use of Coffee instead of Tea, it is absurd to suppose that the overthrow of a national habit, so deeply rooted as the use of the latter, could be accomplished in any reasonable period, so as to be any alleviation of the existing distresses of the Planters.

I proceed to the consideration of the measures which have been proposed for the relief of the Planter, connected with the augmentation of the exportation of Sugar to foreign nations, either directly from the West Indies, or after having been first imported into Britain.

The principal of the measures proposed for increasing the exportation of the surplus of Sugar with which the home market is now glutted, is,

*The allowance of an additional Bounty on all raw Sugar exported.*

ALTHOUGH a drawback of the whole of the duty paid on the importation of Sugar into Britain is allowed

on its exportation; and, although in addition to this, a bounty of 2s. per cwt. is granted when it is below 40s. Gazette price, the supply of the continental consumers from their own colonies is so ample, that they will not buy of us in any considerable quantity, even at the present reduced prices. The West India Planters, therefore, as a further inducement to ensure their purchasing more extensively, wish for a still higher bounty on exportation, which they flatter themselves would at the same time take off the superfluity of Sugar now in the market, and materially increase the price of that retained for home consumption.—I am not certain whether in proposing this plan, the West India Planters imagine that any of this bounty would remain with them; but I can scarcely suppose they entertain so absurd a hope: for they must see that, if a bounty is requisite to induce foreigners to purchase of us at the present low prices, this bounty must go into the pockets of the foreign purchaser, not into their's. If the utmost which the foreign purchaser will give for a small quantity of our Sugar is 32s. per cwt. even with the temptation of a bounty of 2s. per cwt., it is very obvious that he would require the *whole* of any additional bounty which the Government could with prudence allow, to induce him to purchase more extensively at the same price.

If, then, the allowance of an additional bounty would be productive of no *direct* advantage to the West India Planters, we may conclude that the substantial benefit to which they look from this measure, would proceed from the higher price of the Sugar consumed in the home market, which an increased exportation would cause.—But, unless I am greatly mistaken, they deceive themselves in supposing, either, that an extensive exportation would be the result of



an additional bounty, or, that the price of Sugar in the home market would be thereby considerably raised. The following are my reasons for this opinion :

Our Sugar cannot find a sale in the foreign market, unless we offer it at a price less than that at which the Sugar from the foreign colonies is sold. A bounty would enable us to offer at this reduced price ; which at the first would induce the foreign merchant to order largely from us. But as the foreign market is amply supplied with Sugar from other quarters, the intrusion of a quantity of British Sugar into this market at a lower price than usual, would cause a cessation of the ordinary demand for foreign Sugar, and the price of the latter would fall until it was sold at the same rate as British Sugar. When this event had taken place, which would very speedily take place,—when the price of the Sugar, imported from the French and Spanish Colonies, had fallen as low in the foreign market as the price of that imported from Britain,—no more would be imported from the latter country. Our exportation would again cease, unless, for the sake of another temporary stimulus, we chose to repeat the process, and again increase the bounty on exportation. If we were so absurd as to do this, we might once more force the export of a few additional thousand hogsheads of Sugar ; but no other effect would in the end be produced by this measure than the one I have already pointed out. We should depress the price of foreign Sugar, but should stop far short of the point of ridding ourselves of all the superfluity which oppresses the home market.

The bounty would operate also in another way to defeat its own end. Suppose that an additional bounty of 5s. per cwt. was required, to induce a sale of the whole surplus of our Sugar in the foreign market,

ket, at the present price. When the foreign demand had taken 30,000 or 40,000 hogsheds out of the market, the price of Sugar would advance one or two shillings per cwt. But if the deduction of the whole of 5s. per cwt. from the present price, (suppose 32s.) was only sufficient to induce a demand from the foreign market, as soon as ever the price rose to 34s. the foreign demand must cease. Thus, no increase of the price of Sugar in the home market, at all adequate to what the West India Planters say they ought to have, barely to secure them from loss, would be effected by a bounty, even if that bounty were sufficient to ensure a demand from the foreign market for the whole superfluity of our Sugar, at its present price. If the West India Planters were so few in number that they could combine together, and resolve to sell to foreigners at 31s. the whole 140,000 hogsheds of Sugar for which there is no demand at home, for the sake of selling in the home market the remaining 150,000 hogsheds of the import, for the monopoly price of 62s., they would have some chance of deriving benefit from such a foreign demand. But among the members of so numerous a body no combination of this kind is practicable. As soon, therefore, as ever the foreign demand had taken so much of the surplus out of the market as would suffice to raise the remainder a few shillings per cwt., the export would cease: no Planter would choose to sell his Sugar for 31s. to the foreigner, when he could obtain 32s. or 34s. in the home market; which would thus still continue glutted and the benefit derived from the bounty be of the most trifling description.\* Although the  
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\* In considering the measure of a bounty on the exportation of Sugar, I have viewed it in the light in which the Committee of

preceding arguments, showing the inefficacy of a bounty as to effecting any substantial relief for the West

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the House of Commons, and the West India Planters, appear to have regarded it, namely, as intended to *increase* the exportation, by lowering the price to the foreign purchaser: but as Mr. Lowe, in treating this subject, seems to have considered its effect in a different point of view, I think it necessary to advert awhile to his statements. He contends, that the effect of granting a bounty on exported Sugar would be to enable the foreign purchaser to buy of us at a price equal to the present price and the bounty allowed, and thus to raise the price of that portion consumed in the home market to the same height. And it is from the increased price in the home market, brought about in this way, that he conceives the West India Planters would derive benefit from a bounty, the whole of which he contends would go to them and not to the foreign purchaser.—But, in forming this opinion as to the effects of a bounty, two circumstances appear to me to have led Mr. Lowe into error. 1. He all along seems to consider it as an admitted fact, that the foreign demand is sufficient to take off the whole of our surplus of Sugar at its present low price. This idea I have, I think, already shewn to be unfounded, and the evidence presented by Mr. Lowe himself, at page 35 of his work, fully confirms my argument. We are there told, that in January last, both Sugar Refiners and West India Merchants stated, that the sole reason why the warehouses were so loaded with Sugar was, that a sale for it could not be found.—2. Mr. Lowe seems to consider the Sugar which is brought to the foreign market, as having been purchased for sale, at the colonies, by the neutrals who transport it, and that this quantity will not be brought to market if we underfell them. Thus, at page 70, he says, “When your prices are so low, not even the neutrals can stand in competition with you.” Again, at page 81, speaking of the effect of a bounty, he observes, it would enable the foreigner to buy Sugar here “as cheap or cheaper than neutrals can afford it.” Also, at page 85, he says, “The foreign purchaser will buy Sugar, if the price be one or two shillings less than he can buy it for from neutrals.” But this mode of considering the conveyance of Sugar from the foreign colonies to the continental market, is contradicted by  
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West India Planters, are convincing to myself, yet as their drowning situation may make them desirous of trying

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all the statements which have been made on this subject. The very foundation of the arguments employed in "War in disguise," as well as of those made use of by the West India Planters themselves, is, that the Americans and the other neutrals are merely the *carriers* of West India produce from the colonies to the mother countries, on account of the Planters of these colonies either residing there or at home. Now, as this is the case, it follows, that no lowering of our prices, will prevent any the smallest portion of the usual supply from reaching the foreign market. The foreign Planter is in precisely the same predicament with the British Planter. After supplying the American market, which is now as fully supplied as it can ever be, he must send the remainder of his produce to Europe, and there sell it for the best price that he can obtain. The only effect, therefore, which would ensue from the forced introduction of our Sugar into the foreign market would be, that the foreign Planter must sink his price to the rate at which the necessities of the British Planter force him, or the grant of a bounty enables him to sell at. Until this is effected, there is a temporary demand for British Sugar in the foreign market: but as soon as ever the foreign Planter has been obliged to offer his Sugar at as low a price as our's, the demand for British Sugar ceases, until it is again stimulated by a further reduction of price. This statement seems to be fully confirmed by facts. For three years past the price of Sugar has been getting lower every year. In 1804 we could dispose of the whole of our surplus Sugar at 53 s. The next year we were forced to take 49 s. for it. \* In December 1806 the price which foreigners would give for our Sugar was, as Mr. Lowe informs us (page 66) "34 s. At present (he tells us) it is about 31 s.;" and even if there had been no interruption of access to the Continent, it would, I have no doubt, have been still lower the next year. In fact, where a market is constantly overstocked, first one seller must diminish the price of his article, and then the other, until the price is so low that the ruin of one ensues, and he is driven out of the market. And whether the foreign Planter or the British Planter is likely to be the winner

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\* Sir William Young, p. 48.

trying by experiments what help even such a straw may be capable of affording them, I think it necessary, in the second place, to point out the gross impolicy of granting a bounty on the exportation of Sugar, and the injustice with which such a measure would be fraught towards the interests of the rest of the community.

All the arguments which Dr. Smith has urged, with such irresistible force, to combat the policy of bounties in general, apply with tenfold propriety to the case of the West India Planters. Their's is not one of the instances in which he has allowed that a bounty may be sometimes advisable. They do not ask for it to support a manufacture yet in its infancy, which promises, if cherished in its first stage of debility, speedily to arrive at a maturity that will no longer require support. On the contrary, they ask for a bounty to encourage a losing trade, which, most assuredly, will never be otherwise than losing. They wish that an annual tax of £.300,000 or £.400,000 should be laid upon the community, for the purpose of being given to our enemies, to induce them to take off their hands  
a superfluity

in such an unequal game, I leave any reasonable man to judge.— In consequence of these two grand errors, which appear to me to pervade the whole of Mr. Lowe's reasoning on the subject of bounties, I am led to believe that the conclusion which he has drawn, relative to the direct advantage which the Planter would receive from this measure, is altogether unfounded, even though the Government were to be so imprudent as to grant the monstrous bounties of 18s. or 12s. per cwt. which he has proposed. And with respect to the *indirect* advantage which alone the Planters could possibly receive from a bounty, nothing which Mr. Lowe has advanced has at all convinced me of the fallacy of the arguments by which I have above maintained an opposite opinion.

a superfluity of Sugar ; in order that the very community who have paid this tax may be made to pay twice the sum that they now pay for the Sugar which they themselves consume.\* That a trader should wish

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\* Mr. Lowe takes much pains to prove that the grant of a bounty on exported Sugar would not be, "as some imagine, to enable foreigners to use Sugar at 6s. a cwt. less than our own countrymen" (page 66); and that the plan of a bounty "is not for the foreigner's benefit but for our own" (page 73); and I confess, if he can make it appear more clearly than he has yet done, that the foreign purchasers will be contented without receiving any of this bounty, in that case we shall not be taxing ourselves for the purpose of bribing foreigners to take our Sugar at less than prime cost. The injustice of this measure will then be, that the community are taxed on the Sugar which they consume, in order that the West India Planters may receive a profitable price surplus upon a quantity which they have no occasion for. Mr. Lowe says, There would be no hardship in the plan which he proposes, *viz.* "to lay an additional tax on the home consumer, who has so long possessed an undue advantage in the price of Sugar; and from that tax to provide a fund for a bounty on export," (page 73). But, in my mind, never was a plan much more oppressive proposed. Whom has the West India Planter to thank for the "undue advantage in the price of Sugar, which the home consumer has so long possessed?" Himself, by glutting the market. The home consumer cannot object to pay such a price for *his* Sugar as will leave a profit to the West India Planter; but surely he may with justice object to pay a profit to the Planter upon Sugar *for the use of foreigners*. What should we say, if, when the cotton manufacturers have glutted both the home and foreign market with cottons, they were to propose that a tax would be laid upon the home consumption of this article, in order to afford them a profit upon what they were before obliged to export at a loss? Yet exactly a similar proposal is Mr. Lowe's, of laying a tax of 8s. per cwt. on all Sugar consumed at home, in order to give the Planter 16s. per cwt. on all Sugar exported.—I may here observe that Mr. Lowe's calculations, as to the sum which the bounty he proposes

wish to have his just profit is very reasonable ; but what should we think of the modesty of a trader, who should ask his customers to tax themselves, in order that they might be made to pay a double price for the articles which they bought of him? Precisely such a proposal is that of the West India Planters for a bounty. And if its injustice to other branches of the community be so glaring, its impolicy is equally obvious. It is at all times highly impolitic to continue to produce an article which is sold for loss *at home*, but the folly becomes tenfold when it is proposed to supply our *enemies* even with that article at 30 or 40 per cent. less than it costs us to bring it into existence. The West India Planters state, that when they obtain 32*s.* per cwt. for their Sugar, they lose 3*s.* or 4*s.* per cwt. by it. The nation has already agreed to give a bounty of 2*s.* per cwt. on all Sugar exported. *It*, therefore, at present sustains a loss of 5*s.* or 6*s.* a cwt. on all the Sugar which foreigners buy of us. And the West India Planters now propose, that an additional bounty of 5*s.* or 6*s.* per cwt. should be granted ; making the whole loss to the nation, on every cwt. of Sugar exported, 10*s.* or 12*s.*, equal to 40 per cent. ;  
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would cost the revenue, are by no means accurate. He states at page 79, on the authority of the West India Report, that *more* than two-thirds of our whole import are consumed in Britain and Ireland ; whereas at page 18 he states, from the same authority, that our home consumption of the 280,000 hogsheds imported is only 170,000, which wants 16,000 hogsheds of being barely two-thirds of the whole import. So that a tax of 8*s.* per cwt. on the home consumption would be short of furnishing 16*s.* per cwt. on the export by £. 260,000. Again, at page 79, he calculates the export at only 1,000,000 cwt., whereas the least export required is stated to be 110,000 hogsheds, which, at 13 cwt. each, are 1,430,000.

or, in other words, they wish that a bounty should be established for encouraging a trade, by which the nation will lose from £. 30. to £. 40. on every hundred pounds worth of Sugar which it exports! What amazing opacity must dim the eyes of that man who, having taken this view, the only proper view in which the subject can be considered, shall still contend that a bounty on the exportation of Sugar is advisable!

I have thus shewn that on every consideration an increase of the bounty on the exportation of Sugar is inadmissible. Not a farthing of it would *directly* enter the pockets of the West India Planters; and it would completely fail in *indirectly* relieving their distress, by taking off the present surplus, and increasing the price of Sugar materially at home. And if it could produce these effects, its adoption would be utterly inconsistent with a regard to justice towards the rest of the community, and to all the acknowledged principles of mercantile policy,

The next of the measures proposed for the relief of the West India Planters to which I shall attend, and which is, in fact, that upon which they have placed the greatest hope as an efficacious remedy for their embarrassment, is,

*The blockade of the French and Spanish colonies of Martinique, Guadaloupe, Cuba, and Porto Rico.*

THE West India Planters, as I have before observed, averting their face from the real cause of their distress, namely, their continuing to grow Sugar for the supply of a demand which no longer exists, most unjustly lay  
their



their calamities at the door of the foreign Planters and American ship-owners; as though the former had not as much right as themselves to cultivate their property, and the latter equal liberty with us to carry goods for those who will pay them the highest freight. Taking this most prejudiced view of the subject, they have proposed, as a mean of preventing these irregular practices, as they term them, that the principal islands of our enemies should be placed in a state of blockade; which step, by hindering all access of foreign produce to Europe, would again give us the monopoly of the continental market. Outrageously hostile as the christian or the moralist must deem such a procedure to every principle which he is accustomed to reverence, it is not in this point of view that I am about to consider this plan. The laws of war have little to do with either religion or morality, and if the West India Planter can shew that this measure is practicable, and that it will permanently relieve his distress, I should deem it a waste of time to offer any arguments against it. But all that I have seen advanced on this topic has failed to convince me either of its practicability or of the permanency of its effect; and I shall as briefly as possible state my reasons for believing, 1st, that it is impracticable; and 2d, if practicable, that it is not only not at all likely to relieve the distresses of the Planters for any length of time, but, in fact, that after a certain period it would plunge them into ten-fold misery.

In considering the practicability of this plan, we must inquire what meaning the Planters affix to the term "blockade." If they take it in the sense in which other nations contend it should be understood, and mean that we are to surround the French and Spanish colonies with armed vessels, so as effectually to prevent

all communication with them, there is not need of another word to show that such a project is altogether impracticable. For, can any man believe that we can spare ships and failors sufficient to cut off effectually all naval communication with several thousand miles of coast, when such golden temptations will be offered, to run every risk in deceiving the strictest vigilance?

If, on the other hand, the term "blockade" is to receive that convenient meaning which we have sometimes affixed to it;—if it is to be understood, that our mere declaration, that the French and Spanish West India islands are blockaded, is to be sufficient authority to our ships of war to capture every American laden with West Indian produce wherever met with,—then, this measure will certainly claim a greater share of practicability. For such a "blockade" (or more properly system of piracy) would undoubtedly enable us to throw great impediments in the way of the present intercourse of foreign nations with their colonies; and although we could not wholly prevent their receiving supplies from them, we should so much increase the risk of transfer, that the price of Sugar would be greatly enhanced. But a question here naturally presents itself:—though such a "blockade" might be in part effectual, would it be advisable? The annunciation of such a novel definition of the term would most assuredly plunge us at once into war with America; and I submit it to the determination of those West India Planters, who so highly estimate the value of *their* demand for five millions of our produce and manufactures, whether it would be politic, for the sake of retaining a *portion* of this trade, that we should take a step which would deprive us of a customer that annually consumes ten millions of our produce?

But let us consider this measure as to the permanency

nency of the relief which is expected from it. Let us make the supposition, that the blockade of our enemies colonies would effectually exclude their produce from the European market, and thus give us the monopoly of this market; and moreover let us make the incongruous supposition, that the affection of the Americans towards us is so long-suffering, as that a measure which would subject half their ships to detention, and annihilate the most profitable part of their trade, would not lead them to quarrel with us. *Then*, let us inquire whether any permanent relief would result to the West India Planters from this measure. I fear, on the contrary, that we shall find it would be in the end a grievous aggravation of their misfortunes.

Though a blockade of the enemies colonies might prevent their produce from being sent to Europe, yet even the West India Planters themselves will scarcely be so sanguine as to expect that this measure would destroy the means of creating this produce. A blockade of Cuba would not kill all the negroes on the island: it would not overwhelm its sugar works in ruins, or convert its fertile "brickmould soil" into barren sand. Its Planters might be in great distress indeed, but our own experience has told us, that they would not have the power of withdrawing their capital from the business in which it is invested. Having no market for Sugar, they would cease to grow it; they would employ their negroes in raising the food which America had formerly supplied them with, from their now deserted sugar plantations; and they would carefully keep up the buildings necessary for its manufacture, in hopes of better times. As soon as ever, therefore, these better times arrived—as soon as ever the supposed blockade ceased—or, in other words, as soon as peace once more blessed the nations of Europe, the colonies

colonies of France and Spain would be able fully to supply their mother countries with the same amount of produce which they now export. In one year after the conclusion of peace, as much Sugar would be raised from these colonies as they now grow, even though for three or four years before they had not produced an ounce. Where then, I ask, would be the permanency of the relief which the West India Planters would derive from this measure? It might relieve them indeed for a few years, but the moment that event arrived, for which, of all the mercantile class, they are most loudly calling; the moment peace was concluded with France and Spain, the flood of evils which now oppresses them, augmented by being dammed up for a few years, would return upon them with redoubled violence, and in a short period overwhelm them with its fury.

Indeed, not only would the proposed blockading scheme fail of effecting any permanent benefit for the Planters; it would, in the end, vastly aggravate their distresses.

They themselves justly attribute a large portion of their present evils to the encouragement which the high prices of 1798 held out to the extended cultivation of the conquered Dutch colonies of Demerara and Surinam. And are they so ignorant of human nature, have they gained so little knowledge from their woful experience, as to believe that such a repetition of the high prices of 1798, as the monopoly of the European market would confer, would not again produce the same effect? If speculators, notwithstanding the uncertainty of our tenure at that period, lured by the chance of high profits, in a few years invested in the cultivation of these islands the vast sum of eighteen millions, do they flatter themselves that other speculators

lators would not be induced, by the same temptation, eagerly to embrace an opportunity of employing a capital equally large, now that most other commercial avenues are closed? And have they such confidence in the prudence of their own body, as to be sure that monopoly prices would not again, as in 1798, cause an extension of cultivation in our own islands of Jamaica, Tobago, St. Vincent's, Grenada, and Trinidad, all of which we are told by Sir Wm. Young\*, are capable of further cultivation?—If, then, there is every probability that the re-acquisition of the monopoly of the European Sugar market would augment the production of this substance both in the islands which we have conquered and in our own possessions, what can be more plain, than that the restoration of peace, which would destroy this monopoly—which would restore Demerara and Surinam to our enemies with vastly increased means of production, and would find their own colonies Cuba, Martinique, Porto Rico, and Guadaloupe, ready, the moment a market was opened to them, amply to supply that market—what, I say, can be more obvious, than that the benefit of such a monopoly would exist during war only, and that the return of peace would plunge the West India Planters into distresses, compared with which those they now endure are trifling and insignificant.

If, therefore, the West India Planters can persuade the nation, that it will be for its interest to wage universal and eternal war, by all means let them endeavour to procure a monopoly of the European market by the blockade of the enemies colonies. But if, as they profess, they are convinced that peace is imperiously demanded both by their individual and the national

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\* West-India Common-place Book, p. 24.

nional interest, let me entreat them to take warning by their former experience, and stedfastly to set their faces against the adoption of a measure, which will render that blessing to the rest of the world a horrible curse to them.

The last mode of relieving the distresses of the West India Planters, the proposal of which has come within my knowledge, is, to grant them

*Permission to export their Sugar to America and the continent of Europe, without first importing it into Britain.*

By the Navigation Acts, the West India Planters are prohibited from exporting their produce to any other place than Britain, and from employing for its conveyance thither, any other than British ships. These regulations have for some time been slightly relaxed, so far as to permit the sale of a certain quantity of molasses and rums to the Americans, in return for the articles which the colonies receive from them; and, from 1738 to 1771, Sugar was allowed to be exported directly to any part of Europe in British ships. The Planters, with great truth, urge, that their situation at present is more painful than at the period when this permission was granted, and that now, therefore, when the supply of Sugar is so much greater than the home demand, and when its importation and re-exportation so greatly enhances its price, it is but just that a similar relaxation from the usual strictness of our Navigation Laws should take place, and that they should be permitted to export their superfluity of Sugar directly to the best market.

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If, which they do not clearly explain, the West India Planters would be content with being allowed to export their Sugar in *British* ships, I do not see that any objection whatever could be urged against such an indulgence, which could not in the least injure the interest of the ship-owners. But if, on the contrary, as is most probable, they aim at obtaining free permission to sell their produce to the Americans, or any other powers, with leave for the purchasers to transport it in their own vessels, in that case serious obstacles would oppose the acquisition of their desire. Such an additional innovation in the Navigation Acts, already necessarily so much relaxed in time of war, would be zealously opposed by all who regard the strict maintenance of these acts as essential to our national salvation: and the large body of ship-owners would actively set their faces against a measure which would so greatly aggravate the present depressed state of their property. They would contend, that their interest is far more closely bound up with that of the nation, than the interest of the West India Planters; and that the latter, having so long enjoyed a favourable monopoly of the home market, could have no right to be released from the implied conditions on which that monopoly was granted, now that their own imprudence had rendered it unfavourable.—Amidst such a jarring of opposite interests, it is scarcely probable that so extensive a relaxation of the present restrictions would be conceded. Without, however, decidedly expressing my opinion whether such a measure would be consistent with a due regard for national policy and individual interest, I shall state the reasons which weigh with me to believe, that the West India Planters are deceived, in expecting that either one plan or the other, of unrestrained

strained export from the colonies, would afford them essential and permanent relief.

1. With respect to the first plan.—Much need not be said to prove that the mere permission to export Sugar direct to America, or the European continent, in British vessels, would not yield any material relief to the distresses of the Planters. Such a concession would by no means enable them to convey their Sugar at the same cheap rate with neutrals. They would save, indeed, the expense of 5 s. or 6 s. per cwt. incurred by commission, &c. in Britain, and the freight on re-export from thence to the Continent ; but the freight and insurance by British vessels to the continent of Europe would be as much as to Britain, and as they are at this time nearly twice as much as by American vessels, such a small deduction as the above would be far short of enabling the British Planters to enter on competition with those of the foreign colonies.

2. But let us inquire more fully, in the second place, whether free permission to export their produce to *any* place in *any* vessels, would be likely materially and permanently to better the condition of the West India Planters : for, if this question be resolved in the negative, it is unnecessary to discuss the preceding head more largely.

The Planters must expect to derive advantage from this measure either *directly*, by its enabling them to sell the whole of their Sugar for a profitable price ; or *indirectly*, by its taking off the surplus which now gluts the British market at prime cost, or a small loss, and thus enhancing the value of that which is sold at home.—Let us inquire, first, whether there is any prospect that that portion of their Sugar which they would sell to the foreign purchaser could be sold for a profit.



The expence of producing a hundred weight of Sugar in the West India islands is stated to be equal to 20s. 10d. in Jamaica, and to 19s. 6d. in the other islands. As Jamaica produces above one half of all the Sugar returned by the British colonies, we may fairly call the average prime cost of a cwt. of Sugar in the West Indies 20s. 6d. If, therefore, the Planter sells at this price, he sells without profit; if he sells for less, he sells for loss. The price which he would be able to obtain from the foreign purchaser, would be regulated by the price at which the foreign Planter can afford to sell, and must be always something lower than this; for it must be constantly borne in mind, that the foreign colonies nearly, if not entirely, supply the demand of the Continent, and consequently, to procure a sale there for an additional 140,000 hogsh-heads, we must offer at a price lower than their's. What now is the price at which the foreign colonies at present sell their Sugar? To determine this, we must consider that the highest price which the continental market will give us for any considerable portion of our Sugar is about 30s. per cwt. They are supplied therefore at a rate a little higher in their own colonies. Let us call the cost of their own Sugar 32s. Of this we may fairly reckon 10s. as the amount of freight, insurance, commission, &c. on its conveyance to Europe; 22s. per cwt., therefore, is about the price at which, from the data we have to go by, we may estimate that the Sugar of foreign colonies is sold in the colonial market. Now as this is only 1s. 6d. per cwt. above the prime cost of our Sugar, is it not incontrovertible, that if the West India Planters expect to sell in the colonies any considerable portion of their surplus Sugar to continental buyers, they must be content to sell it at prime cost, or at a loss?—Even if

we suppose that the price of Sugar in the foreign colonies is more than 22 s., that it is 26 s. per cwt. for instance, yet the introduction of our surplus Sugar into the continental market, as that market has no demand for such an additional quantity, would by no means enable us to obtain this price: the competition in the overstocked market would, on the contrary, probably lower the price 5 s. or 6 s. per cwt. The foreign Planter would, in consequence, obtain less than formerly for his Sugar, but the British West India Planter would not obtain more: and when we take into account the vastly greater fertility of the foreign colonies than of our's, and the probability that a considerable portion of the price now obtained for their produce is profit, would the foreign Planters, I wish to ask, or the British West India Planters, be best able to bear the result of such a competition, or to drive their competitors out of the market?

It does not appear likely, then, that the most unconstrained freedom of sale and of transport from the British colonies would enable the West India Planters to sell their present superfluity of Sugar in the foreign market for a profit; and as the reasoning on which this supposition is grounded is so very obvious, it is natural to conclude that they expect to derive benefit from this measure, which they value so very highly, chiefly by its offering them a mode of getting more easily rid of the surplus of Sugar which now gluts the British market, and thus of obtaining a higher price for the remaining quantity consumed at home. An application, however, of the reasoning employed relative to the effect of a bounty on the exportation of Sugar to this case, will show, that the West India Planters are deceived in expecting relief from this mode of operation of the measure now under consideration.

If the West India Planters formed a corporate body, whose concerns, like those of the East-India Company, were managed by half a dozen Directors, it would be very practicable for them to resolve to sell their superfluity of 140,000 hogsheads of Sugar for prime cost, or a loss, to foreigners, for the sake of raising adequately the price of the remaining 150,000 hogsheads consumed at home; and their interest might be greatly promoted by such a sacrifice; for it would doubtless be far more profitable to an individual Planter to sell half the produce of his plantation at prime cost, or a small loss, in the foreign market, and the remaining half for ten per cent. profit at home, rather than to sell the whole, as he now does, in the home market, for loss. But, as the West India Planters are not incorporated into a trading company, but form a numerous unconnected body of men, whose interests are often opposite, it is impossible that any combination for the government for the whole can be entered into; each individual must be left to his own judgment, in managing his affairs as he deems it best for his interest. Now it is this isolated condition of the West India Planters which presents an insuperable bar to their attainment of any considerable advantage from permission to sell their Sugar in the islands; for as the foreign price must be a losing one, or one without profit, no Planter will sell for this price if he can obtain a better. But the moment the first supply of the foreign market has prevented the glut which now depresses the home market, the latter will rise so as to be more profitable than the foreign. When this has ensued, however small may be the difference of profit, no more will be sold for the foreign market. Every one will be anxious to send his produce to the profitable home market, which will speedily again be glutte

glutted. Thus the price of Sugar will be continually vacillating, sometimes a little higher in the home market than in the foreign market, and sometimes a little lower; but the price in the former will be evidently governed by that in the latter, and can never rise much higher.—An illustrative example will render this reasoning more clear. Let us suppose that from the 1st of next January permission were granted to the West India Planters to sell any quantity of their Sugar in the islands to foreign purchasers; and that at that time the utmost which the foreign purchaser would give was the prime cost price of 20s. 6d. per cwt.; while at home Sugar was still at the losing price of 35s. We can have no hesitation in deciding to which market the West India Planter would give the preference. He would undoubtedly sell his produce to the foreign purchaser. Soon, however, the abstraction of 50,000 or 60,000 hogsheads of Sugar from the usual supply of the home market would raise the price, and it would be sold at home, probably, for the barely profitable price of 40s. When once this had ensued, can we suppose that any Planter in the West Indies would continue to sacrifice his individual interest for the public good. Would he not eagerly send his Sugar to the home market, which offered him a profit of 2s. or 3s. per cwt., rather than sell it in the foreign market at prime cost? Every one, therefore, would now export his Sugar to Britain. A glut in the home market would follow. Sugar would again fall to its former price; and this vibratory process would be constantly repeated, without ever permitting it to reach that point which the West India Planter has a right to expect, and which he would obtain if the market were not overstocked.

Viewing the proposal, of allowing the free export of Sugar from the colonies, in this light, it seems to have little claim to the title of a panacea for the deep-rooted evils of the West India Planters. But it is possible that the proposers of this measure may have investigated its consequences more narrowly than I have done. They may *perhaps* be able to prove, by documents not within my reach, that a foreign market for the whole of the surplus of their Sugar can be found, sufficiently profitable to ensure an adequate price on the total produce offered for sale.—For the sake, then, of examining the subject in all its bearings, let us for a moment adopt this, to me, I confess, most improbable supposition. Let us take it for granted, that, at the present time, the foreign Sugar market, unlike all other markets, has a yearly demand for 140,000 hogheads of Sugar *at a certain price*, though it has little or no demand for them at a few shillings *above that price*:—that it will buy of us *in the colonies* our surplus of Sugar at 24s. or 25s. per cwt. a price which will leave a profit to the Planter, though it will not take a quarter of this surplus off our hands, at 32s. if brought to Europe:—and having made these concessions, let us inquire, whether, if such were the state of things, there is any prospect that in future we should be able to retain a foreign demand for such a quantity of our produce. For, if not, the West India Planters themselves will scarcely put any high value upon a measure which promises to relieve them for a year or two only, and then threatens to leave them in a state as deplorable as ever.

If there be at present a demand in the foreign market for 140,000 hogheads of our Sugar, it must be in consequence of a deficit to this extent from the foreign colonies. The question then is, whether the foreign colonies are or are not likely before long fully  
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to supply this deficiency at a price lower than we can; for, whenever this is the case, we shall be surely driven from the market. Now when the advantages enjoyed by the Planters of the Spanish colonies alone are contrasted with those of the British West India Planters, it will be evident that in no long period of time the former must amply supply the continental market with all the Sugar it can possibly consume, at a price lower than the latter can afford to sell for.—In the British West India islands, all the land in cultivation has been purchased at the high rates of £.30, £.50, or even £.100 per acre. In the extensive and fertile colonies of Cuba and Porto Rico, on the contrary, the Spaniards, taught a better policy than heretofore, by Buonaparte, pursue the system which they formerly adopted for the cultivation of Trinidad, and grant “cédulas” or allotments of land for little or nothing, to any new settlers who have a sufficient number of slaves to cultivate them.—In the British West Indies, cattle and mules, timber for mill-work and other purposes, which form a large portion of the expenses of a plantation, are purchased at high rates from America: while the partly-unclaimed Spanish islands fully supply themselves with the latter articles, and they have appropriated ground to the breeding of cattle, whence they are furnished at a cheap rate with these useful animals.—In the British West India islands, no more slaves are to be imported; and if we are to believe the representations of the Planters, the existing number cannot be kept up, and, consequently, the abolition of this horrible traffic will make the expenses of cultivating Sugar still greater than at present. Whereas we have no reason to flatter ourselves that the Spaniards will imitate us in sacrificing interest at the altar of humanity; and they will therefore be able to purchase

chase all the slaves they have occasion for, at a price less than ever, now that our competition is withdrawn from the slave market.—Without enumerating, therefore, any minor advantages which unquestionably are enjoyed by the Spanish colonies, the mere statement of these three important ones is sufficient to convince any reasonable man, that if it were the fact, that the foreign demand for Sugar is not at present satisfied from the foreign colonies, these colonies alone, without adverting to the possible increase from the French colonies, would, in the course of a very short period, amply supply the whole of this demand at a cheaper rate than the British West India Planters possibly could.

But it is not the probable increased supply from the Spanish colonies solely that threatens speedily to drive the British West India Planters out of the continental market, if indeed they have any footing in that market;—it must be remembered, that the vast and exuberant island of St. DOMINGO, which for many years has not exported any produce, will, before any long period has elapsed, either under the dominion of a black chief, or once more of France, again raise a large quantity of Sugar, and offer it to European purchasers at a rate perhaps lower than any other West India colony. Formerly, this island supplied Europe with 114,000 hogsheads of Sugar: what reason is there to suppose that, in the course of a few years, it will not again raise an equal if not a greater quantity? The negroes, after a term of anarchy and confusion, seem to be reduced under the subjection of a despotic chief; perhaps the only form of government that in their present situation they are fit for. They will soon return to the occupation of cultivating the soil; and the newspapers inform us, that large quantities

quantities of coffee have already been purchased of them.—If it be urged, that the want of capital will prevent the negroes from underfelling the British Planter; I answer, that the natural advantages of the island will more than compensate for this deficiency: which indeed will not be considerable, since the cultivation of land in St. Domingo does not require the greater part of the capital essential to a British Planter, namely, that expended in the purchase of land and of slaves.—On the best authority, we learn, that while the average produce of the Sugar plantations in Jamaica is but half a hoghead per acre, in St. Domingo, so superior is its fertility, the average produce per acre, when in possession of the French, was one and a half hoghead per acre.\* Now, can it be supposed that the Sugar of St. Domingo, produced by free labourers, upon land which has cost little or nothing, and which, with the same labour, will yield three times as much as the largest of our islands, could not be afforded for a less price than that of the British colonies? It seems absurd to have a doubt upon the subject.

If it be conjectured that on the return of peace the French government will succeed in regaining possession of St. Domingo; precisely similar effects will ensue, though probably to a greater extent. If under a negro government this island is likely to supply a considerable quantity of Sugar to the European market, it is very evident that it would supply as much, if not more, when re-occupied by the French, who would strain every nerve to regain the advantages which they once derived from a colony in itself more valuable than any other in the West Indies. And if, owing to the superior fertility of St. Domingo, they were  
formerly

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\* Brougham on Colonial Policy, vol. i. page 520.



formerly able to bring their Sugar to market at a price so much lower than the British Planters,\* the re-acquisition of this island would very shortly confer upon them their former superiority in this respect.

Thus, on whatever side we survey the subject, there seems small reason to estimate at any high rate the value of the permission, which the West India Planters so anxiously demand, of exporting their surplus Sugar directly to the American or European continental markets. The mere licence to make use of British vessels for this end, which some of them seem to consider as calculated to "relieve and re-establish their distressed fortunes," † has been shewn to be wholly nugatory. And even though our national jealousy of further relaxation of the Navigation Laws, and the decided and weighty opposition of the shipping interest, should not prohibit the employment of foreign vessels in conveying the surplus of Sugar to the foreign market, this enlarged licence, it has been proved, would be insufficient as a permanent and radical relief for their distresses.

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I HAVE NOW examined, singly, each of the principal measures which has been brought forward as a remedy for the depressed state of the Sugar market. In entering upon this examination, I admitted, that if any measure should be found, calculated permanently to answer the end expected from it, without unjustly affecting the interest of other classes of society, such a measure ought undoubtedly to be adopted.

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\* Brougham on Colonial Policy, vol. i. page 520.

† Sir William Young, page 83.

But no such measure has been as yet proposed. An investigation of the whole of them has confirmed the deduction of theoretical principle—*that the only radical remedy for the distress of the West India Planters, is for them to retrace the steps by which their present embarrassments have been occasioned.* Eight or nine years ago they began to increase the production of Sugar, for the supply of a demand then first created. This demand no longer exists. They must, therefore, if they wish to regain their pristine prosperity, reduce the produce of Sugar to nearly its former rate. For 20 years prior to 1798, the average annual export of Sugar from the British West India colonies to Britain did not exceed the home consumption 12,000 hogsheds. Whereas at present, and henceforward, their produce may be estimated at 100,000 hogsheds annually above the home consumption; and so long as we retain the conquered colonies the total surplus produce is 140,000 hogsheds. As we have shewn that no means exists of profitably disposing of this excess, the only alternative which remains to the West India Planters is to decrease their cultivation of Sugar, so as to bring to market at least 100,000 hogsheds less than they now do.

But the West India Planters will inquire,—“How is this to be effected?” I answer, in three several ways: on each of which I shall make a few observations.

1. If the *esprit de corps* were as powerful in inducing men to sacrifice their self-interest for the general good as in leading them to combine for the purpose of obtaining advantages for their particular body, at the expense of their fellow-citizens, a measure might be found which would at once relieve the distresses of the whole body of Planters.—As the cause of their evils

evils is simply the growth of 140,000 hogsheds of Sugar more than there is a demand for, if each Planter would engage, in proportion to the extent of his estate, to reduce his cultivation of this article, until no more than 150,000 hogsheds were produced, the situation of the whole would be at once relieved, without the ruin of one individual. But utopian, indeed, must be his opinion of human nature, who can believe for an instant the practicability of such a scheme. Though the West India Planters as a body are in distress, yet the degrees in which different individuals suffer, are very various; and some, indeed, are even now able to cultivate their estates with profit. While the generality of plantations are cultivated at an average expense of 20s. 6d. per cwt., some are so favourably circumstanced as not to exceed 14s. 2d. : \* and from the jealousy with which the old established Planters of the British West India islands seem to regard the speculators in Demerara and Surinam, † we may conclude that the latter bring their Sugar to market at less expense than the former, and are consequently not suffering positive loss, even at the existing low prices. It can never, therefore, be expected, that those Planters who even now are not sustaining loss, and who have a well-founded prospect of greater gains, when the hard gripe of necessity shall have diminished the produce of Sugar, should voluntarily relinquish any portion of their actual benefits for the good of their suffering brethren. They willingly join these unfortunate members of their community in demanding relief for the whole, but it is in vain to ask of them, for this end, any sacrifice of their own profits.

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\* Evidence of Mr. Wedderburne before the West India Committee.

† Sir William Young, page 58.

2. It would be absurd, therefore, to expect that the requisite decrease in the cultivation of Sugar can be brought about by any convention amongst the Planters.—This curative measure may be effected also by leaving things to take their own course, and such an inactive mode of cure will be in the end infallible. In the human frame, diseases occur which alike baffle the art of medicine, and the *vis medicatrix nature*; but in commerce, no disorder is so powerful as not finally to be eradicated by its inherent sanative principle. Now that the cultivation of Sugar is become so generally a losing concern, a diminution in the quantity produced will gradually take place. If such of the West India Planters as are most unfavourably circumstanced—those, whose estates produce the lowest priced produce, or are cultivated at the greatest expence—will not be content to withdraw, from undertakings so ruinous, that part of their capital which is convertible into money; abandoning their fixed capital, but persist in abiding the result; a few years continuation of their present losses will throw them into the hands of their creditors: and all those, it is plain, whose speculations have been undertaken with a borrowed capital, must speedily undergo the same hard fate. Thus, no other plantations will long continue to be cultivated, except those which at present are most favourably circumstanced with respect to fertility of soil, &c.; and such as remain in the hands of proprietors sufficiently rich to bear the losses which must be sustained in waiting for better times. When so many plantations have been abandoned, as that those which are most unfavourably situated begin to afford a profit, no further sacrifices will be required, and the evil will be remedied.

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Certain, however, as it is, that the present diseased state of the West India trade will eventually work its own cure, it must not be concealed that the progress of this cure will be exceedingly slow, if the Planters listen to the pleasing but delusive statements of those who maintain that any other specific can be of service to them than the one I have pointed out. If they deceive themselves with the hope that any arrangements of Government, or that the attainment of peace, promise to afford a remedy for their calamities, buoyed up with these delusions, each individual will procrastinate his acquiescence in the harsh measures which prudence enjoins, until necessity has forced him to adopt them. The Sugar market will still continue to be glutted—for ten years to come, probably, the greater part of what is sold, will be sold for loss; and the final re-establishment of a profitable trade will be effected only by the successive bankruptcy of those who in turn become unable to sustain further sacrifices.—The aggravated evils arising from this false estimate of things has been duly appreciated by a West India Planter\* himself, who in his evidence before the Committee made the following just observations: “ Unfortunately, the holders of such estates as have become unprofitable, and which ought in prudence to have been early abandoned, have lingered on in hopes of better times, and from the extreme reluctance of making the sacrifice which inevitably attends an abandonment, ’till their credit as well as property is gone, and the abandonment, instead of being voluntary, is enforced by creditors.”

3. The mode in which the cultivation of Sugar can be diminished in the requisite proportion, with the smallest

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\* John Blackburn, Esq.

smallest loss to those who *must* eventually be the sufferers, and with the speediest restoration of the prosperity of the whole, is that, of which the preceding observations of Mr. Blackburn show him to be aware, and which it is one of the principal objects of this publication to point out: namely, *the abandonment, forthwith, of all those plantations which are most unprofitable, by those Planters who are possessed of the smallest capital.*

Harsh as this prescription may appear, its propriety will not be disputed by those who admit the truth of the facts on which its necessity is founded. I have shewn that no radical cure for the distresses of the Planters exists, except the diminution of the quantity of Sugar at present brought to market. If such as cultivate the most unprofitable estates with the smallest capital, do not voluntarily abandon them, their successive and speedy bankruptcy will inevitably ensue. They have, therefore, to choose between this fate, at the end of no very long period of painful suffering, and the abandonment of a portion of their capital at present, with the preservation of a part of it. Can they hesitate as to their choice? Surely the proprietor of a plantation must see that it is the part of a wise man at once to abandon half of the capital which is invested in it, retaining the other half, rather than to subject himself to a series of losses, which in the end must wrest the whole from him.

Although in entering upon the consideration of the measures proposed for the relief of the Planters, in order that I might concede as much as possible in their favour, I admitted as accurate the statement which they have repeatedly made, namely, that the whole of their capital is so fixed in the West Indies, that no portion of it can be withdrawn for other purposes;  
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yet, it is clear, that this admission ought strictly to be made with considerable reservation. Though in these times of depression, the land and the buildings on a plantation cannot be disposed of, and, consequently, the capital sunk in their purchase and erection must be wholly lost, if the estate be abandoned; yet, the moveable property, the slaves and the cattle, can undoubtedly be sold. Now the latter form the most valuable portion of the capital vested in a Sugar plantation. By the evidence of Mr. Wedderburne before the Committee of the House of Commons, it appears that the value of the slaves and cattle on an estate in which a capital of £.40,000 is employed, is £.23,000; while the value of the land and buildings is not more than £.17,000. The Planter, therefore, who abandons such an estate, it is evident need not lose his whole capital. He will lose the value of his land and of the buildings upon it, but he may certainly sell his slaves and his cattle. The latter being an article of constant supply, must be always wanted by more profitable estates. And the former, if the representations of the Planters as to the necessity of an annual fresh supply, be well founded, must have their value greatly enhanced by the late abolition of the traffic by which they were procured. Even if there be not a demand in our own islands for all the slaves which a general abandonment of unprofitable estates might bring to market, they will sell, as formerly, to other nations; and though this trade is at present wisely prohibited, yet a temporary permission to sell our surplus stock to foreigners might doubtless be obtained.

I shall be told, perhaps, that this preservation of part of the capital vested in their plantations is not practicable to a large proportion of the West India Planters, who have bought their land and erected their

their buildings with money borrowed on mortgage; and, consequently, that whatever they may obtain for their moveable property, will revert to their creditors, and their own ruin be complete. I am fully aware that many of the West India Planters are in this deplorable situation, and I confess that my advice does not strictly apply to them. Their situation cannot be worse than it is; for if they are already ruined, any further loss which may attend their persisting to cultivate their estates, will fall only upon their creditors. Yet every honest man will admit that it is the imperious duty of such persons, now that no longer any hope of extrication from their difficulties remains, without delay to surrender their property as little as possible impaired, to those who have a legal claim upon it.

In short, by whatever means it is accomplished,—whether *now* by the energetic sacrifices which prudence demands, or, *in future*, after a tedious course of suffering, prolonged by the temporary nostrums which the West India Planters are blindly demanding, there exists no effectual, no permanent cure for their distresses, but the reduction of their cultivation of Sugar to that quantity which is requisite for the supply of the home market,—then, and not until then, whether they obtain bounties or blockades in their favour, will their profits reach that amount, and be placed upon that staple foundation which they have a right to look for: and whether they choose to hasten this period by painful sacrifices now, or procrastinate it in the hope of present relief, must be left to their own discretion. In whatever way they act, I venture to predict, that eventually they will be sensible of the truth of the doctrine delivered some years ago before the House of Commons, by the enlightened Inspector

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of Imports and Exports, Mr. Irving, which, indeed, bitter experience, notwithstanding its apparent absurdity in the eyes of Mr. Edwards, is now verifying; namely, "that the extension of the cultivation of the West India islands beyond that degree which is requisite for supplying Great Britain, and her immediate dependencies, with the principal articles of their produce, is by no means likely to promote the interests of the empire." \*

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IN concluding this part of my subject, I beg to make a few remarks for the information of such of my readers as are not particularly conversant with mercantile affairs.

Such persons may conceive, from the preceding detail, that the distresses of the West India Planters are of an unusual and anomalous description; and that, in consequence of the rarity of their occurrence, and the extent of their pressure, if no indirect mean of relieving them can be found, at any rate a direct compensation to the sufferers, from the funds of Government, may be expedient. But such premises, and such a conclusion, would be equally erroneous. The distresses of the West India Planters, though more extensive than usual, are only such as are inseparable from a state of society where commerce is made a primary object, and has elevated to a higher pitch than ordinary the speculative or gambling disposition so inherent in man. Of similar misery, occasioned by this cause, we have had ample and frequent experience on a large scale; and of individual victims to the same spirit,

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\* Edwards's History of the West Indies, vol. ii. p. 456.

spirit, our Gazettes afford us weekly a long enumeration. Many a man has at this moment cause to lament the folly of his ancestors in embarking an ample fortune in the ruinous South-Sea bubble: and many a man will in future have to rue the mad speculations of his relatives to Buenos Ayres. Does a scanty harvest raise the price of grain, and make importation profitable to those who have first engaged in it—immediately numbers eagerly follow their example: the market is overstocked—the price greatly falls, and hundreds of merchants are ruined.—Does a rise in the price of cottons make their manufacture more profitable than ordinary—at once spinning mills and manufactories spring up on all sides—more is manufactured than can be sold—the price falls below prime cost, and many of the speculators lose every farthing of their property. Instances of distress, such as these, occasioned by causes precisely similar to those which have brought about the misery of the West India Planters, are occurring every year in this commercial country. And if their frequency be such, it is evident that the Government can never with propriety interfere, except to grant temporary relief, such as the remission of heavy duties for a time, upon imported articles, when no sale can be made; or, the advance of loans for a while, on the security of property which is sure eventually to find a market. For if the Government were once to begin to make up the losses of unfortunate speculators, there would be no end to demands upon it; and as it would be impossible to draw any line of distinction between different cases of this sort, encouragement would be given to a most pernicious excess of gambling. If the most frequent experience, of the extended misery which a spirit of speculation is every now and then causing in this

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country, is insufficient to warn other adventurers from similar extravagance, what sort of speculations might we not expect, when it was once understood that the Government is to make good the loss of such as prove unfortunate? If the losses of the West India Planters are to be made good, by the same rule should the losses of the wild adventurers to Buenos Ayres; and if the latter, why may not every bankrupt corn-dealer and ruined cotton-spinner, as well as every unlucky lottery adventurer, claim a restoration of their property?

Nor ought those, who are unacquainted with the subject, to conceive, that the West India Planters, prior to the events which have occasioned their immediate distress, were in a state of general prosperity; and that the sacrifices which a large proportion of their body will be now obliged to make are unprecedented. This is by no means the case. The cultivation of Sugar has always been a gambling speculation; and, in consequence, at all times multitudes of those who have engaged in it have been ruined.\* So long ago as 1780, when almost the whole of the produce grown in the West Indies was consumed at home, and when, therefore, if ever, we might have expected the body of Planters to have been in prosperity—even then it appeared, from statements laid  
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\* For a vivid picture of the fatal consequences which have at all times attended a great proportion of West India speculations, caused by "the fluctuating nature of their returns," and also of the rapacity with which many of those concerned in this trade first lead the unwary adventurer into embarrassment, and then, like "Cornish peasants," hasten to plunge him into utter ruin that they may participate in the spoil, I refer the reader to the evidence of Bryan Edwards.—Hist. of the West Indies, vol. ii. p. 263.

by the council of Jamaica before the privy-council, that the average profits of the whole capital embarked in that island was only *four* per cent., and this not a regular ordinary profit, for while some were gaining 15 or 20 per cent., others were losing as much. At the same time it appeared, that in 20 years, from 1760 to 1780, there had been no less than *eighty thousand* executions in the sheriff's court, amounting to the immense sum of £.22,500,000 sterling. And, in the same period, nearly one half of all the Sugar estates in Jamaica were thrown up as not worth cultivating, or were in the hands of creditors or mortgagees, or were sold for their benefit. It is clearly evident, therefore, that the present misery of the West India Planters, far from being an unheard-of occurrence amongst them, is only more extensive just now than perhaps it ever was before. And can we in strict justice even greatly commiserate the fate of men, who, with the foregoing facts staring them in the face, chose to embark their property in so hazardous a concern. If a speculator will invest his capital in a lottery, where even in its most favourable state the chances are against him, he cannot complain if he draws a blank; nor is it reasonable that he should call upon the rest of the community, who had no chance of sharing in any prize he might obtain, to make good his loss.

To sum up in brief the positions which the preceding investigation has been intended to establish:—The radical and sole cause of the distresses of the West India Planters is, their continuing to grow a surplus of Sugar above the home consumption, for which there is not a profitable demand in the foreign market. If any just, politic, and permanent remedy for the evils from this cause which oppresses the Planters could be discovered, humanity to our countrymen would demand its adop-

tion. But, on examination, all the measures which have been proposed for this end have been found to be either impracticable in themselves, unjust to other branches of the community, or hostile to established principles of policy; and all, in fact, merely temporary. Investigation, therefore, obliges us to revert to the remedy which theory had predicted to be alone efficient, and it has been shewn that the distresses of the Planters can be effectually and permanently relieved only by retracing their steps, and ceasing to grow more Sugar than our own consumption requires. Lastly, it has been shewn, that the mode in which this can be effected with the least eventual suffering to individuals, and the most speedy relief to the whole body of Planters, is, the immediate abandonment of the estates which are most unprofitable.

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I NOW proceed to a consideration of the statements made by the advocates of the cause of the West India Planters, relative to

*The value of the West India trade, in a national point of view.*

The writers who have laid the case of the West India Planters before the public, and whose object it has been to point out the necessity and the mode of relieving their distresses, have been aware, that of late the value of colonial possessions has not ranked so high in the public opinion as in former times. They know that the enlightened landed interest of the present day are much less inclined to believe that the best way of promoting their own good is to grant all the requests of the mercantile body, than their simple grandfathers

grandfathers were. These gentlemen have, therefore, very rationally taken much pains in endeavouring to show that the West India trade contributes more largely than any other branch of commerce to the revenue, to the wealth of the community, and to the sources of our naval power; and, consequently, that the interest of every individual of society is concerned in promoting, as much as possible, the interest of the West India Planters. If this statement were accurate in all its parts, the consequence which has been deduced from it would naturally follow: but to me much of it appears inaccurate, and many of the inferences which are drawn, by no means legitimately to flow from the premises which are made to support them. These authors seem to me to confound two things essentially different, when they make no distinction between the necessity of retaining such a portion of the West India trade as is requisite for our own supply of West India produce, and the propriety of retaining such an extent of this trade as we now possess. On their own premises, therefore, they by no means make out the necessity, in a national point of view, of relieving at all events the distresses of the Planters. But besides this, in my judgment, they greatly overrate the value of the West India trade in general. I shall advert to these two points in order. —In the first place, I shall endeavour to show, that, allowing the utmost value to the West India trade as a source of wealth, of revenue, and of naval power, it is not necessary, in order to retain these benefits, that any remedy should be applied by Government to the distresses of the Planters.

Of those who have given their sentiments to the world on the subject of the West India trade, Mr. Lowe is the author who has most decidedly insisted,

that the interests of the nation require immediate relief of some sort to be given to its present depression. The works of Sir William Young\* and of Mr. Bosanquet† are intended to point out the importance of our West India trade by authentic documents, and reasoning founded upon them; and, for the most part, they leave their reader to form his own conclusions, as to the propriety of upholding the prosperity of those concerned in so valuable a branch of commerce. To the opinions of these gentlemen I shall have occasion to advert in the sequel. But the "Inquiry"‡ of Mr. Lowe, goes a step further; and I shall therefore here chiefly attend to his assertions on this point. Founding his arguments upon the facts displayed by his predecessors, he deduces from them, in the very outset of his work, this conclusion:—"The question therefore is reduced to this—the country must either essentially amend the condition of the persons engaged in the West India trade, or renounce that trade for ever," (page 15.) Then, after attempting to show that the West India colonies pay directly and indirectly ten millions to the public revenue, he concludes this part of his Inquiry with exclaiming—"What would be the feelings of the country, if we knew that a calamity impended over us which, if not effectually guarded against, would add two hundred millions to the amount of our national debt, and oblige us to submit to an accumulation of new burthens equal to half the permanent taxes imposed for the last 15 years? Yet

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\* "The West-India Common-place Book."

† "Thoughts on the Value to Great Britain of Commerce in general, and on the Value and Importance of the Colonial Trade in particular."

‡ "An Inquiry into the State of the British West Indies."

Yet such is the alternative for which we must be prepared, if we do not speedily and effectually succour the West India Planters," (page 14.) Again, towards the close of his chapter on the "consequences of the ruin of the British West Indies," which ruin he asserts will ensue from inattention to the state of the Planters, he asks—"Who will replace to the manufacturers an annual blank of six millions in the amount of their exports? Can the skill of our financiers make good a sudden deficiency of five millions in direct and five millions of indirect revenue? What will become of 1,000 sail of shipping and 25,000 seamen?" (page 43.)

Now a very slight consideration will show that this is all mere declamation, and, to say the best of it, very idle declamation.—In order to prove that all these horrible consequences will result from inattention to the distresses of the West India Planters, Mr. Lowe should have shewn that such inattention will induce the *total loss* of our West India trade. But he has never attempted to prove this; and who, indeed, does not see, that he was wise in not making an attempt which must have failed? Does Mr. Lowe mean us to understand, that if the West India Planters are not enabled to grow a *larger* quantity of Sugar than our home consumption requires, that they will cease to grow even the quantity required for the home demand:—that if they cannot find a profitable sale for 280,000 hogheads of Sugar, they will, with one accord, cease to grow even the 150,000 hogheads which our home consumption requires? If he does not mean this, it is difficult to guess what he means; for it will be afterwards shewn, that all the public, all the private wealth derived from the West India trade, arise from that portion of it only, which supplies the home demand.

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But who can believe, that because the West India Planters are in distress, they will, with one mind, agree to abandon the cultivation of our colonies? Was there ever an instance of all the growers of an article, with which the market happened to be overstocked, determining one and all to cease the growth of it altogether? When the high price of hops for a year or two has caused such an increase of hop-grounds that the market becomes glutted, and the price does not pay for the duty and expense of cultivation, do *all* the hop-planters immediately resolve to grub up their hop-bines? What should we think, if, in such an overstocked state of the hop-market, a writer were to address the public in behalf of the hop-planters, and say—“The growers of hops are losing by their business. If speedy measures be not taken for their relief, the hop-trade must be renounced for ever: and how will the government make up a deficit of £.200,000 which it derives from this source?” Should we not answer an appeal such as this, by observing—“This is all very absurd. If the hop-planters are in distress because they have overstocked the market, the evil will soon remedy itself. Some of them will convert their hop-grounds to other purposes; or, if this be not practicable, their losses must speedily ruin so many of them, that the quantity grown will be adapted to the demand. Then their distress will cease; and you cannot make us believe, that they will diminish the culture of this article below the demand, or that the Government will cease to derive the usual revenue upon this quantity, which is all it has reason to expect.” Precisely in the same manner will the present distresses of the West India Planters operate. They will, if left to work their own cure, reduce the cultivation of Sugar to the quantity which can be profitably disposed of.

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This quantity is the amount of the home consumption; and this quantity will always continue to be produced. So long as the produce so greatly exceeds the home demand, bankruptcies and abandonments will take place; but some individuals must hold out longer than others; and when the supply is no more than the demand, this *corps de reserve* will immediately emerge from distress into prosperity.

If then the supposition that Mr. Lowe meant to assert, that the delay of relief to the West India Planters would cause the total abandonment of our colonies, be so very preposterous, we must have recourse to another explanation of his meaning; and one only, as far as I can see, remains. Mr. Lowe must mean, that if the cultivation of the colonies is not kept up to its present height—if we do not enable the Planters to grow 140,000 hogheads of Sugar more than our own consumption requires, but suffer their distresses to force them to reduce their produce to 150,000 hogheads only—that then, such a diminution of our West India trade, will cause “a blank of six millions in the amount of our exports, a deficiency of five millions in direct, and five millions of indirect revenue, a loss of 1,000 sail of shipping and 25,000 seamen.”

But an examination of such a supposition will show it to be nearly as unfounded as the foregoing.—To estimate what loss we shall sustain by decreasing our West India trade to the supply of the home market only, we must calculate the amount of public revenue, of private wealth, and of naval power, which we derive from the surplus West India produce which we are now obliged to export, and which portion alone of our West India trade, inattention to the distresses of the Planters will deprive us of. In the first place then,  
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what advantage does the revenue derive from the 140,000 hogheads of Sugar which we now annually import above our own wants and re-export? Not one fixpence. On the contrary, at the prices which Sugar has borne for many months, the revenue has sustained a dead loss of 2s. upon every cwt. of raw Sugar exported; a bounty of that sum being granted when the Gazette price of Sugar is 40s. or below. Every farthing of the three millions which the revenue derives from Sugar, is paid by that portion which is consumed at home. And since I have shewn that we shall always continue to produce the quantity required for the home market, it is clear the revenue will not be in the slightest degree injured, though the distresses of the Planters should oblige them to cease entirely their growth of Sugar for exportation.—2. What is the private wealth which the Planters gain by this portion of their produce? By their own statements, none at all: on the contrary, they lose considerably by this as by all the rest of their Sugar.—3. What is the profit gained by the manufacturers of the articles which the growth of this surplus makes it necessary to export? As the value of our whole export to the West Indies is about six millions, we may fairly estimate this diminution of our exports at about one-third, or two millions. Now to know what loss the nation would sustain by being deprived of a market for exports to this amount, we must inquire what *profit* the artisans and manufacturers may be reasonably supposed to gain upon this export: and if we estimate the profits of all concerned at 20 per cent., it will, in these times of competition, be amply sufficient. In this point of view, then, we might lose the profits on an export of two millions, which are £. 400,000, if we ceased to grow the Sugar which requires this export.—Lastly, we must inquire what loss  
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the ship-owner would suffer, if the demand for shipping now required by the 140,000 hogsheds of Sugar, which we import above our home consumption, were done away; and also the injury which would be sustained by our naval power, from such a diminution of the existing nursery for seamen. The freight of 140,000 hogsheds of Sugar; at 9s. a cwt., is £.819,000. All this however is far from being profit; and if we estimate 20 per cent,\* or a fifth of it, as the loss which our ship-owners would sustain, by having such a source of employment for their ships taken from them, we shall probably exceed the truth. However, to include the outward freight, let us call the profit, which the ship-owners would lose if the import of Sugar were 140,000 hogsheds less than now, £.200,000. In estimating the injury which our naval interest would suffer by a diminution of our usual import of Sugar, we have to determine to what extent we should thereby lose employment for our seamen. As the number of seamen which the West India trade employs is 17,700, we cannot suppose that more than one-third or 6000 would be thrown out of employ, if we were to import 140,000 hogsheds of Sugar less than at present. But this will be esteemed no serious evil, when we consider that just now our Navy would gladly receive

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\* The writers on the West India trade have a knack at dealing in gross sums. They seem to wish to have it considered by the ship-owners, that the whole amount of the freight which they receive from this trade is clear gain to them; but this is plainly contrary to the fact. The ship-owner justly complains, that his heavy wages, high insurance, and increased expenses, leave them but little profit; and the gross amount of his freight is no proof that he is getting rich by the trade. He would prefer a freight of £.500 from the Baltic, to one of £.1000 from the West Indies.

ceive even a greater number of hands, and that, in time of peace, new branches of trade, or at any rate the wise measure which Mr. Lowe recommends, of keeping a peace establishment of 60,000 seamen, would readily absorb them.\*

Thus, then, the utmost loss which the nation would suffer by reducing the growth of Sugar to our own supply, even if the surplus quantity were sold abroad at prime cost, is the loss of the profits of the manufacturers and the ship-owners, which together amount to £.600,000. But we must not forget, that the West India Planters lose by all the Sugar which they sell: in order, therefore, to determine accurately the national profit by that branch of this trade now under consideration, we must set the individual losses on one side, against the individual profits on the other; and see which side preponderates. Now Mr. Lowe tells us, that on all the inferior Sugar, which constitutes the bulk of what is brought to market, and consequently of what is exported, the Planter loses 8s. 6d. per cwt.† If, then, 140,000 hogsheads, of 13 cwt. each, be annually exported, the Planters lose by this quantity £.773,500. So that, so far from the nation gaining by that quantity of Sugar which is brought to market above our own supply, it in fact loses considerably by it.

From the preceding considerations it follows, that admitting the utmost value to the West India trade as a source

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\* I purposely omit estimating the commission of the West India Merchant, and the profit of the Underwriter; upon our surplus import of Sugar; for no one will be so absurd as to maintain, that we ought to continue a losing trade for the sake of favouring the interest of these descriptions of persons.

† Inquiry, page 39.

a source of revenue, of private wealth, and of naval power, none of these advantages would be lessened by our suffering the existing distresses of the Planters to take their own course, and to effect the natural and only consequence which can result from inattention to them, namely, a reduction of our produce of Sugar to the measure of our own wants. Thus, on the very premises with which Mr. Lowe sets out, he has completely failed in the object of his work. He has neither shewn that, "if the country does not essentially amend the condition of the persons engaged in the West India trade, it must renounce that trade for ever;"—nor that, if we persist in this neglect, we shall have to replace a blank of six millions in the export of our manufactures, to provide for a loss of 10 millions in direct and indirect revenue, and of employ for 1000 ships and 25,000 seamen.

Among the consequences of inattention to the difficulties of the West India Planters, which, in Mr. Lowe's opinion, we shall have to lament, he particularly dwells upon the loss which we shall sustain by the emigration of our Planters "to seek a better fortune in the colonies of our enemies." On this subject he says, "The Planter, whose property has been sold by public auction, can transport only himself; but his skill and activity are not only lost to his country, but gained to her enemies. The removal of negroes will be a no less serious calamity. He who still possesses, in a British colony, a mixed property of land and negroes, will sell his land, or if, as is likely under present circumstances, there is no one to buy it, he will abandon it; but his negroes he will retain and carry into banishment along with him."\*—But to deplore the  
loss

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\* Inquiry, page 42.

loss of men, of whose services the nation has no need, is to take a romantic rather than a solid view of the subject. It is doubtless desirable for a country to retain as many labourers in any branch of industry as are required for supplying its wants: but, when their number has so greatly increased as to force them to undersell each other, and the whole body is in misery, it is childish to regret the loss of the surplus members. As the growth of more Sugar than our home consumption requires, is not consistent with the interest of the West India Planters, the nation cannot in justice reprove that so many of them as contribute to overstock the market should betake themselves to regions where there is still an opening for the profitable employment of their industry. And as we have evidently more negroes than the cultivation of our own supply of Sugar requires, it is desirable, rather than the contrary, that the surplus number should accompany their emigrating master. We shall always retain both planters and negroes sufficient for that extent of cultivation in our colonies which we have any reason to keep up, that is, so much as is necessary for the ample supply of our home consumption.

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IN the *second* place, I proceed to state the reasons which lead me to think that Sir William Young and Mr. Bosanquet, as well as Mr. Lowe, have greatly overrated the importance of that part of our West India trade which *does* contribute largely to the public revenue; and that the wealth of the nation is by no means so greatly increased by it, as they would have us imagine. In examining this question, the limits of a pamphlet will prevent my taking that  
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extended view of it, which, to set it in a proper light, it would require. If, therefore, my train of reasoning should any where appear to want continuity, I must refer my reader for a more detailed elucidation of my opinions to a work in which I have treated on the value of commerce in general.\*

The authors above named, in order to impress upon their countrymen the importance of the West India trade, first estimate the gross value of all the produce annually imported from thence; which they rightly calculate at 16 or 17 millions. Of this they show that five millions are absorbed by the revenue—four or five millions paid to the manufacturer in return for machinery, clothing, &c. exported—three millions more paid to the owners of ships for freight, the underwriters for insurance, &c.—and the remaining three or four millions left with the West India Planter for the interest of his capital and profit of his estate.† Having made this enumeration, they then infer that the sums thus gained by the revenue, the manufacturer, the ship-owner, the underwriter, and the planter, are all brought into existence by the West India trade—that in proportion to the annual aggregate amount of these several gains, is the wealth of the nation annually augmented—and, consequently, that a cessation of the trade from which they spring, would cause a deficit to this amount in the national income.—Allowing the accuracy of these premises, I deny the  
truth

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\* “ Britain independent of Commerce; or, Proofs, deduced from an Investigation into the true Causes of the Wealth of Nations, that our Riches, Prosperity, and Power are derived from Resources inherent in ourselves, and would not be affected even though our Commerce were annihilated.” 3s. Cadell and Davies, 1807.

† Sir William Young, page 87.—Mr. Bofanquet, page 64.



truth of the inferences drawn from them; and contend, as I shall now endeavour to show, that however great may be the value in Britain of our West India produce, that but a very small portion of this value is any addition to our national wealth; and that the nation would be just as rich as it is now, if nine-tenths of this trade were annihilated.

In estimating the addition which is made to the national wealth, by the profits of any branch of trade, we ought certainly to inquire from *whence* these profits are derived. For, however large they are, if they be merely transferred from one branch to another, of the same community, it is incorrect to say that the wealth of that community is increased by such profits; since, in proportion as the one branch is richer, the other is poorer, and the gross riches of both united remain the same. Reversing, then, the vulgar mode of considering every acquisition of private riches as an increase of public wealth, in order to determine how far we are indebted to the West India trade, let us inquire from what source the several advantages which are said to arise from it spring.

*First*, then—Whence come the five millions which are paid to the revenue by West India produce? Is this sum eventually paid from the funds of the Planters? Certainly not. They themselves will allow that it is not paid by them when they are in a state of prosperity; and it is to this state, not to their present depressed condition, that my observations now refer. They advance it in the first instance, but they are reimbursed for their advance.—Is any part of it paid by foreigners? At the utmost about £.17,000, or  $\frac{1}{100}$  part of the whole. Formerly, indeed, for a few years, we forced our foreign customers to pay us a much larger proportion of this sum, or nearly  $\frac{1}{10}$  of its amount;

amount; but they have long since ceased to submit to this imposition, and they will not now give us even prime cost for what they once, in addition to a profitable price, paid a duty of 7s. per cwt. upon.— From whom, then, is the revenue from West India produce derived? Undoubtedly from the consumers of that produce in this country; who annually pay in taxes, upon the Sugar which they use, nearly £.3,000,000; upon the Rum which they drink, upwards of £.1,500,000; and upon other articles, nearly £.500,000 more.

If, then, the whole of the immense sum which the revenue derives from West India produce be paid by the British consumers of that produce, it must strike any reasonable mind, that it is to these consumers, not to the West India trade, we are to give the credit of bearing so large a share of the public burthens. Will any one be so absurd as to say, that the consumers of Rum, Sugar, and Coffee, would not have the power of contributing as largely to the revenue as they do at present, if they were to give up the use of these luxuries? On the contrary, nothing can be more clear than that as these articles are no way necessary to comfortable existence, the consumers of them might, if they chose to cease consuming them, considerably augment their contribution to the revenue. If my family annually consumes a hoghead of Sugar, for which I pay £.40, the duty on this quantity is about £.18, and so much I contribute yearly to the revenue by my consumption of Sugar. But, surely, my power of contributing £.18 yearly to the revenue, does not depend upon my using £.40 worth of Sugar. If I can afford to pay £.18 to the revenue, when charged as a tax upon Sugar, I could afford to pay the same sum, although I used none of this article. Indeed, if

I wholly gave over its use, I could then without injury contribute more largely to the wants of the state; for as Sugar is no necessary of life, I should, in that case, be able to spare the whole of the £.40 which I had been accustomed to spend in this luxury.—It will be said, perhaps, that there would be great difficulty in raising, by any other mode, the sum which the revenue now derives from West India produce; and this I readily admit. If the use of such tempting luxuries as Rum and Sugar were given up, it would not be easy to force their former consumers to pay the same taxes on articles not so attractive to the sense of taste. But this consideration does not alter the position which I maintain, namely, that the revenue is indebted for the five millions which it annually derives from the West India trade, not to that trade which is merely the medium through which it is paid, but to the British consumers of West India produce, from whose pockets this sum is taken.

\* In the *second* place.—Who finally pays for the four millions of manufactured articles, necessary in the cultivation of Sugar, such as mill-machinery, clothing for the negroes, &c. which are annually exported from Britain to the West Indies? Does the West India Planter? No; he advances the cost of these articles in the first instance, but their value is refunded to him in the price of his Sugar, his Rum, &c.; in calculating the expense of producing which, he always includes

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\* In this, and the two succeeding inquiries, I leave out of consideration the profit on the manufactured articles which our present importation of a surplus of Sugar above our own wants requires to be exported, as well as the freight, &c. which is paid on this quantity, because I have already shewn that a national *loss* is sustained by this branch of our West India trade.

cludes the cost of these manufactures. By whom then is the value of these articles eventually paid? Clearly by the British consumers of West India produce; and it is to them that the British manufacturer is indebted for the profits retained in the sale of so large a quantity of his manufactures. The British consumers of West India produce, in the price of this produce refund the whole sum which has been advanced for these exported manufactures by the West India Planters: and may be regarded as commissioning the latter to transmute for them into Sugar, by the process of exportation to the West Indies, a quantity of cottons, iron, &c. which are more than they need. Every consumer of £.10 worth of Sugar is, in fact, paying about £.2 of this sum towards the value of the exports to the West Indies; and he is thus as essentially contributing to the prosperity of the manufacturers of these exports, as if he had directly purchased an equal amount of their articles at home.—But, it may be asked, “Could the manufacturers of four millions of goods, exported to the West Indies, obtain *directly* from the home consumers the same demand for the produce of their industry, as they now receive indirectly by the intervention of the West Indies?” I believe so. If there were no home demand for Sugar or for Rum, there would not be manufactured so many of those particular articles which are required for the West India market as at present. But a greater consumption of other articles would take place, and as much encouragement be given to our manufacturers. If the consumers of Rum and Sugar in this island were to cease the use of these luxuries, which now cost them annually 8 or 10 millions, they certainly would have the inclination as well as the power to spend the sums thus saved in other gratifications, which the British manufacturer would present to them.

*Thirdly*—From whence springs the three millions which the ship-owners and the underwriters derive from the West India trade? Precisely the same answer must be given as before—From the British consumers of West India produce.

And, *lastly*—From what source arise the two or three millions which, when their affairs are in prosperity, the West India Planter, the mortgagee, and the annuitant, gain by this trade? Once more I give the same reply, From the British consumers of West India produce.

If, then, it be the fact, that the wealth which accrues from the West India trade to the public revenue, to the manufacturer of exports, to the ship-owner and underwriter, and to the planters, is (with a very slight exception which I shall afterwards point out) wholly derived from the British consumers of West India produce, With what propriety can it be said that any *national* wealth, any real addition to the annual revenue of the society, is brought into existence by this trade? It is true that it enriches some classes of society, but precisely in proportion to their gains are the losses of other classes of society. It is true that the revenue, the manufacturer, the ship-owner, the underwriter, and the planter, all derive a great annual accession of wealth from this trade; but as all this wealth comes from the pockets of the British consumers of West India produce, their gains do not, in the slightest degree, augment the capital, or the annual revenue of the country.—The truth of this deduction will be still more apparent, if we attend to the actual state of the West India trade. The Planters tell us, that just now the whole of their Sugar which is consumed in Britain is sold for 35s. per cwt. less than what it ought to be sold for, to afford them the reasonable profit of 10 per cent. on their capital: consequently,

frequently, as the annual British consumption of Sugar is 150,000 hogsheds, of 13 cwt. each, the West India Planters are now actually receiving the vast sum of £.3,412,500 *less* than they ought to receive, if Sugar were sold at a fair price. Now, if the statement of the West India Planters, as to the wealth which the nation derives from their trade, were accurate, if it were true that their profits are national profits—the nation would this year be £.3,412,500 poorer than if Sugar were at 97 s. which they justly say is only a fair price. But will the consumers of Sugar admit that the nation is impoverished, because they now pay annually less for their Sugar, by three millions and a half, than the West India Planters say they ought to pay? Will a man, whose family consumes yearly a hogshed of Sugar, for which he now pays £.40, admit that the gross revenue of the nation is £.20 less than if he paid £.60 for it? Surely not. Every unprejudiced judge must clearly see, that the wealth of the nation is in no wise influenced by the gains of the Planters. If they get three and a half millions less for their Sugar than they ought to have, then the consumers of Sugar are three and half millions richer than if they paid its proper price. And if, by diminishing the production of Sugar to the home demand, its price were raised to 97 s. instead of 60s., and the Planters received, as undoubtedly they ought to receive, three and a half millions for it more than at present; in that case the consumers of Sugar would be so much poorer than they now are: but the gross wealth of the nation would in either case remain just the same.\*

Hence,

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\* After having made these remarks, I accidentally stumbled upon the following confirmation of them, which, as coming from a West India Planter, will deserve the greater weight:

Hence, too, we see the incorrectness of the reasoning by which the advocates of the West India Planters endeavour to persuade us, that great injury will ensue to the revenue, to a large body of manufacturers, and to the community in general, on account of the diminished expenditure of the Planters, now that the low price of Sugar deprives them of any income. Lamentable as is their case, and unjust as it would be, if this effect had not been brought about by their own imprudence, that they should not receive prime cost for the Sugar, in raising which they employ their capital and their time, yet it is clear their misfortunes do not affect the interest of society at large. Though their expenditure is thereby greatly lessened, yet the expenditure of the consumers of Sugar is increased by the very same cause. If a poor man now buys a pound of Sugar for 6 *d.* for which, if the West India Planters received their just profits, he ought to pay 9 *d.*, then, he now expends in some other article the 3 *d.*, of which the Planters ought to have the spending; but the effect on the prosperity of the nation is just the same, whether this sum is expended by one description of persons or another.

Were the importance, which the authors whose opinions I am combating attach to the West India trade as a source of national riches, well founded, then it would follow, that if the whole body of those who consume West India produce had imbibed the notions of a few enthusiastic individuals, who some years back

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“ In the actual consumption of the commodity (Sugar) within the kingdom, the money which it costs is only transferred from the hand of one inhabitant into that of another: hence, be the price high or low, the nation at large is not one shilling the richer or the poorer on that account.”—Edwards’s Hist. of the West Indies, vol. ii. page 431.

fancied every lump of Sugar and drop of Rum were tinged with human gore, and had followed their example in totally giving up the use of these polluted luxuries, we must by such a procedure have sustained a national loss of many millions. But, in fact, no such consequence would have followed. The only result which would have ensued from such a non-consumption resolution would have been, that the consumers of Rum and Sugar would have kept in their pockets the ten millions which they now expend in the gratification of their palates. The revenue, indeed, would have sustained a loss for a time, until a new mode of raising the same sum, which is now levied on these articles, could have been adopted. Many of the body of ship-owners would have been thrown into great distress—and the West India Planters would have been completely ruined. But still all these calamitous consequences would not have diminished the real national wealth, or the revenue of the society.

Even if it be admitted, therefore, that it is proper the distresses of the West India Planters should be relieved, it is clear that those who have insisted on this propriety have occupied ground which is wholly untenable, when they have aimed to interest the community in the attainment of their object, by insisting that the national wealth is greatly augmented by the West India trade. To have been accurate, instead of addressing themselves to the pockets of their readers, they ought to have appealed to their palates. As Mr. Lowe insists that, if something be not done for the Planters, “the West India trade must be renounced for ever,” he might on this ground with consistency have asked the consumers of Sugar—“How will you relish your morning and evening beverage when its harsh astringency is unqualified with the delicious  
substance



substance with which we now supply you? How will you ever be able to endure the grating sensation which your teeth will experience, when the acidity of your fruits is no longer modified by the juice of our canes?" And, to the consumers of Rum he might have said—"Think what will be the dreadful consequence to your health, and how many years of your existence will be shortened, if you are forced, by our ruin, to drink the fiery brandies of France instead of the 'Rum mellowed by its long passage, and the most wholesome of spirits' with which we now supply you?"—But to be serious on a subject, where nothing but the anxiety of the West India Planters to have the consumers of their produce believe that they are enriched by spending money in Sugar and Rum, and that they would be still more enriched by paying twice as much for these luxuries as they now pay, could have made me otherwise, I proceed to the consideration of an objection which will be made, and to which an answer is requisite, in order to give complete stability to the preceding arguments.

It may be said: "Admitting that the money which the revenue, the ship-owner, the planter, &c. gain by the West India trade, is merely transferred from the pockets of the consumers of West India produce, yet, since these consumers receive a value for their money;—since, for every £.10 that they spend in Sugar or Rum, they receive £.10 worth of Sugar or Rum, they cannot strictly be said to be poorer in proportion to the gain of the Planters, &c.: nor can the wealth of the nation be said to remain the same, since £.10 worth of Sugar is brought into it from its West India colonies which did not before exist."—In answer to this supposed objection—I admit that the consumers of West India produce receive a value for their money, and I  
admit

admit also, that if this value were of a permanent and durable description, they might still be as rich as before the exchange. But the reason why I maintain an opposite opinion with respect to West India produce, is, because the great bulk of that produce is of so *transient* or *fugitive* a nature, that in a very short period no trace of its existence remains; and consequently the consumers of this produce only retain possession of a value in return for their money for an instant. Thus, if, instead of the Rum and Sugar for which the consumers of West India produce now pay ten millions annually, they were accustomed to expend the same sum in articles as durable as the mahogany which is imported from Jamaica, I should certainly allow that such a traffic did not impoverish them, in proportion to the gains of those who supplied them with such permanent commodities. For, after having spent ten millions in articles of this description, the purchasers would retain them for years, perhaps for half a century, and would be able, in any part of this period, to obtain by selling them at least a portion of their original cost. But what have the consumers of Rum and Sugar to show for the hundreds of millions of pounds which they have spent in these articles for the last fifty years; or what have they to show for the ten millions of these luxuries which they consumed last year? Nothing. Not the slightest vestige of the value which they received for their money now remains; and consequently, as the wealth which the West India Planters received for their Rum and Sugar has been merely transferred from the pockets of the consumers of these articles, who have not in existence a particle of what they received in exchange for their wealth, the gross national riches cannot have been increased by this branch of the West India trade.

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To make these inferences still more clear, let us attend a moment to the illustration which a parallel case will afford. A nobleman, who spends £.500 a year in the cultivation of pine-apples, accurately represents Britain with respect to her consumption of Sugar and Rum. As the British consumers of these luxuries transfer, in return for them, a portion of their wealth to the revenue, the manufacturer, the ship-owner, and the planter, so, in like manner, the nobleman, in return for his pine-apples, transfers a portion of his riches to the coal-dealer, who supplies him with fuel for his stove; to the tanner for his refuse bark; and to his gardener for his skill and labour: and *he*, also, may be said to receive a value for his money. But would any one pretend that the national wealth is increased by such a transfer of money for pine-apples; and that the interest of the community is involved in the existence of all the pineries which are to be found in Britain? Surely not. The nobleman transfers £.500 yearly to the coal-merchant, to the tanner, and to the gardener, in return for a momentary gratification of his appetite. They are consequently richer than before; he poorer, than if his avarice had induced him to deny himself such a luxury. And as no trace remains with the eater of pine-apples of the value which he receives for his money, the national wealth is not in the slightest degree increased by this process: which precisely applies to the home consumption of the staple produce of the West India trade\*.

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\* It is truly astonishing, that while so many important discoveries have within these fifty years been correctly laid down in the chart of political economy, no attention should have been paid to the essential distinction which exists between durable and transitory wealth. All now agree that gold and silver are  
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Another objection may be made. Since, as the West India Planters have, with justice, contended their trade is a home trade, and by no means to be considered in the same view with foreign commerce;—since the cultivation of Sugar is as certainly a branch of national agriculture as the cultivation of wheat;—it may be asked, “Where is the difference between the wealth which all allow is brought into existence by the growth of corn, and that which is brought into existence by the growth of Sugar? Food is as little entitled to be regarded as permanent wealth as Sugar;

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but one sort of wealth, and that a very unimportant one—that a nation is rich in proportion to the extent of its cultivated land, the number of its houses, its machines, its ships, its roads, its canals, and the multiplicity of conveniences which civilized life requires; and that, in proportion as its stock of these is greater, will be its accumulation of real wealth. Yet we continue, just as formerly, to believe, that if we can export one description of wealth, no matter how permanent, and import in exchange for it another description, no matter how fugitive, which will sell at home for more money, we shall have increased the wealth of the nation just as much as if we had exported perishable articles, and imported in return durable commodities. But how preposterous is this mode of thinking! Can any man in his senses contend, that if England supplied France with steam-engines in return for wine, that such a trade would be as profitable to her as to France, or that, in fact, she would make any addition to her national wealth by the exchange? When we see an individual spending his income in the luxuries of eating and drinking, we say at once he can never save a fortune; yet we contend that Britain gets rich by spending annually ten millions in Sugar and Rum, five millions in Tea, and five millions in Wine, Brandy, Tobacco, &c.! She may increase her enjoyments by this traffic, and as she creates from her soil an annual revenue of 120 millions, and can thus very well afford to indulge her appetites, it may be very proper that she should do so; but to say that she thereby increases her wealth, is surely a most egregious perversion of language.

Sugar; why not then admit, that the Sugar-planter contributes to the national wealth, as well as the farmer?"—Many words will not be required to do away the apparent force of this objection. The simple reason why the production of Sugar or Rum has not the same title to be regarded as an increase of national wealth with that of wheat or potatoes, is, that the latter serve as the food of man, and that by performing this valuable service they may be transmuted into the most permanent wealth; whereas the former merely serve as a temporary gratification of the palate, and leave no trace of their existence when consumed. Thus the wheat and the beef which the farmer annually produces, by serving for the food of labourers and artificers, may be converted into a palace, a canal, a bridge, or a fleet of ships; and, without the aid of this food, none of these permanent descriptions of wealth could ever exist. But what return of this kind do we get for the Rum and Sugar which we annually consume? If it were the custom for people to live wholly or in part upon Sugar, as doubtless they might do, if we had realized Dr. Darwin's speculation, and chemically learnt to fabricate it from its principles; or if it could be shewn that those who consume Sugar, consume on that account a less quantity of other kinds of food, I should then readily admit that our national wealth was augmented by its production. But neither of these provisos can be realized.—The apparent weight of the objection I am now considering, arises from the prevalent but erroneous idea, promulgated by the French economists, that the national wealth receives a permanent augmentation by *every thing* which is raised from the soil, when, in fact, no addition to the capital or stock of the nation is made by a very large proportion of the products of agriculture.

ture. Thus the nation is not at all enriched by the oats which are yearly raised for the food of horses merely kept for pleasure, nor by the barley which is distilled into alcohol. The growers of these productions are enriched by their sale, but it is at the expense of the consumers of them. Whereas, at the same time that the grower of the barley or the wheat, which is consumed by those who are employed in building a palace or making a canal, is enriched by the sale of this food, the consumers of it, or he who advanced it to the consumers, has received in return for it a palace or a canal, which may continue a portion of national wealth for ages.

Let it not be supposed that in combating the positions maintained by the advocates of the West India Planters, relative to the vast national wealth derived from their trade, it is my object to shew that we should be wise in abandoning this trade; or that it is desirable we should diminish our consumption of Sugar and Rum, and the other produce of West India agriculture. In a nation, as well as in an individual, I should deem it the height of folly to make the acquisition of wealth, rather than of happiness, its ultimate object. And since we fancy that our happiness is increased by the use of Rum and Sugar, by all means let us still continue to indulge in these luxuries. All that I contend for is, that things should be called by their proper names:—that the West India Planters have no reason for elevating a branch of agriculture, which is merely a source of convenience and of luxurious gratification, into an inexhaustible mine of riches;—and that the British consumers of West India produce, from whom springs all the wealth acquired by those who are concerned in the West India trade, should not be told  
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that the fate of themselves and of their country depends upon the prosperity of this branch of commerce.

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THOUGH I have thus endeavoured to prove that the national wealth has never been increased by the West India trade to any such extent as Sir Wm. Young, Mr. Bofanquet, and Mr. Lowe have contended, yet I do not deny that *some* national wealth, as well as some advantages, do spring from this source: and as it is my wish to form a correct estimate of the value of our colonial possessions, not to depreciate them unjustly, I proceed to enumerate these favourable items of the account.

1. I admit that the national wealth has been augmented by the profits which have been gained on our re-export of West India produce; and if there were any prospect that we should in future continue to carry on this branch of commerce profitably, I should grant that to this extent the West India trade would still be a source of riches. When the demand for West India produce was such on the Continent that it was purchased of us at a profitable price, we doubtless gained an addition to our national stock of riches by the sale; for since, in that case, the profit of the manufacturer, the ship-owner, and the West India Planter, were all paid by *foreigners*, the profits of these individuals were national profits. But though we *have* gained wealth from this source, we neither *now* gain, nor shall we in future gain wealth from it. I have already shewn, that for the time to come we have no reason to expect that we shall have any profitable foreign demand for the main staple of the West Indies

Indies—Sugar ; and the statement which I have given in the preceding part of this discussion abundantly proves that we do not *at present* gain any national wealth by what we export of this article. It is on this last account that, in examining the positions of Sir Wm. Young and Mr. Bofanquet, I adverted solely to the home consumption of West India produce, from which alone any increase of national wealth could possibly be derived. Besides Sugar, we also annually export a large quantity of Coffee : and if the West India Planters gain a profit upon the sale of this article, then, certainly, to this extent are the national riches augmented by this branch of the West India trade. But I greatly fear that we have little reason to estimate the value of this source of riches at any high rate. The whole amount of our export of Coffee does not much exceed £. 1,000,000 in value ; and we are told that its price at present is much too low to afford a reasonable profit to the Planter. Indeed how should it be otherwise, if it be true, as has been asserted, that the Americans supply the Continent with Coffee at from 20s. to 30s. per cwt. less than we can with propriety sell at.

2. From one of the minor articles imported from the West Indies our national riches certainly gain a slight addition. I allude to Cotton, which we annually import from thence to the value of £. 1,000,000. Now, as a considerable proportion of this is manufactured and afterwards exported, and as the foreign purchaser eventually pays the freight, duty, and profit of the Planters charged upon the raw material, I admit that an addition to the national wealth is made by a portion of the profits upon this article. But we should egregiously deceive ourselves if we were to follow some of the West India Planters in estimating the national



gain from Cotton at the gross amount of the articles manufactured from it. It must be considered, that we are not dependent on our West India colonies for a supply of the raw Cotton required in our extensive manufactures. We could always get supplied with what we want from other quarters. The national gain, therefore, from our West India Cotton is merely the amount of the profits of the ship-owner, the underwriter, and the planter, on that portion of our import which serves for the basis of our exported Cotton manufactures. We may also negatively gain by the Cotton which we manufacture for own use. If Cotton of equal quality cost 2s. a pound, when imported from the Brazils, Georgia, &c. and only 1s. 10d. to the West India Planter, then, though he may sell it at home for 2s. a pound, yet the nation saves 2d. a pound by its sale; because this difference is paid to our own subjects, not to the natives of Portugal or Georgia.—These considerations prove that the utmost which the nation can gain by the growth of Cotton in the West Indies is £.300,000, or £.400,000, annually, and to this amount, it is possible, she does gain.

3. A similar train of reasoning to that just used will show that, to a certain extent possibly, the national riches are negatively increased by the Sugar with which the West India colonies furnish us. As there is no cause for supposing that we should not consume this luxury, though we had no colonies of our own, we should in that case purchase it of other nations. Now, if we paid for it the same price as we do at present, the profits which the British West India Planters now derive from its sale would be received by the Planters of France or of Spain. On such a supposition these profits would go out of the country, whereas at present they

they remain in it, and the nation may be therefore said to be negatively richer by having colonies of her own, inasmuch as she would be positively poorer if she were forced to buy her Sugar of foreigners. This admission, however, entirely depends upon the fact, whether we do or do not buy as cheap of our own colonies as we could of foreign ones ; for if we could buy of the latter for a price less than what we now pay by the amount of the British West India Planter's profit, in that case, the national wealth, on either supposition, would remain the same. Thus, if it cost the British Planter 20s. 6d. to raise a cwt. of Sugar in the British colonies, it costs the nation so much, and the nation would be just as rich as now, if it were to buy all the Sugar it consumes, *at that price*, of the French or Spanish colonies. But, as the cultivators of Sugar must, in the long run, in every quarter, gain a profit on their produce, it is certainly more for our interest to buy of the British West India colonies at 25s., than of the foreign colonies at the same price ; because, if bought of the former, the 4s. 6d. per cwt. profit is retained in the mass of national riches—it is merely transferred from the consumers of Sugar to the West India Planters ; whereas, if bought of the latter, it is entirely lost to Britain, and goes to increase the wealth of the Planters of France or Spain. On this head, therefore, we cannot come to a precise determination, without a knowledge of facts which are not within our reach. If the price which the West India Planters ought to receive for their Sugar, in order to leave them a reasonable profit, be not higher than that which we should have to pay the foreign Planter, if we possessed no colonies of our own ; then, the whole of these profits are so much negative gain to the nation, on the principle that “ a penny saved is a penny got ;”

got;" and, consequently, the possession of our West India colonies is of great advantage to us. But if, on the contrary, we might buy our Sugar of foreigners at a less price than that which we pay the West India Planter, then the national gain by our colonies is only the difference between that price and the prime cost of our produce from thence: and if we could buy of foreigners at as low a price as it now costs us to produce our Sugar, no addition to the national wealth, either positively or negatively, is made by this product of our colonial possessions, and we should, in this respect, be just as well without them.

4. It is by no means my intention to deny that some important national advantages are derived from our West India trade. Of these by much the most valuable is the nursery which it affords for our seamen: and as defence is doubtless of far more moment than riches, I allow that it is true policy to procure our Sugars at a higher price from our own colonies, whence we can transport them in our own ships, manned by British sailors, rather than to buy them of any foreign colonies, if obliged at the same time to receive them in foreign vessels. But though I admit the value of the West India trade as an auxiliary to naval power, I cannot follow the Planters in deducing from this consideration the inference, that we are, at all events, and whatever may be the cost, to keep up this nursery to the extent which it has now unnaturally and forcibly reached. I allow that our Navy derives great benefit from the West India trade, and, to ensure a continuance of this advantage, the sacrifice of a few shillings per cwt. in the price of our own consumption of Sugar cannot be objected to; but where would be the wisdom of continuing to grow a surplus of Sugar for the foreign market, where it must be sold at 40 per cent. loss to  
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the nation, merely for the sake of retaining the employment of 5,000 or 6,000 seamen? For, if the West India trade were contracted to its proper limits to-morrow, the Navy would gladly receive, during the remainder of the war, all the seamen that could possibly be thereby thrown out of employment; and if, on the recurrence of peace, our existing branches of commerce are not sufficiently extensive to absorb all the disbanded sailors, we had better employ them in conveying sea-sand from John-a-Groat's house to the Land's End, and back again, than in bringing Sugar for the supply of the Continent, to be sold at less than prime cost.

HAVING thus enumerated the modes in which, according to my opinion, we can alone gain any accession of national wealth from the West India trade, and also the most important of the benefits which we confessedly derive from it, it will be necessary to sum up the result of our investigation,—to place the D<sup>r</sup> and C<sup>r</sup> sides of the account in opposition, and to strike the balance of real and solid advantage for which we are indebted to this source.

We have shewn, then, on the one hand, that no increase of national wealth or revenue is derived from the home consumption of Sugar and Rum, which articles form nine-tenths of the produce of the West Indies:—the cost of the manufactures exported for the purpose of raising these products,—the duties levied upon them at the custom-house, and excise-office,—the profits of the ship-owners, and of the West India Planters, being all eventually paid by the British consumers of these articles, who are exactly poorer in proportion to the gains of those concerned in bringing them to market. We have shewn, also, that though  
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national profit has been and might be gained by the sale of our superfluous produce of Sugar to foreigners, yet that, in consequence of the favourable circumstances of the foreign colonies, we do not at present, nor have we any rational prospect that we shall in future, gain any accession of wealth from this branch of our West India trade. -- On the other hand, we have allowed that *if* the West India Planters gain any thing by the £. 1,000,000 of Coffee which they are in the habit of exporting, such gain is national gain ; that an increase of national wealth to the amount of £. 300,000 or £. 400,000 is probably derived from the Cotton which is imported from the West Indies ; and that, *provided* the price paid for the Sugar and Rum of our own colonies is not more than what we should be obliged to pay to foreign colonies, in that case we save the amount of the profits of the West India Planters. The importance of our West India colonies, as a nursery for seamen, has been also admitted.

Thus, then, instead of being a source of national wealth annually to the amount of sixteen or seventeen millions, the West India trade, when rigidly scrutinized, is found to add *directly* to the riches of the state, not more, at the very utmost, than a million per annum, but probably not more than half this sum ; and it *may* also annually save to the nation one or two millions more. Call the national gains from this source, positive and negative, three millions. This sum is in itself considerable, and, to many of the petty states of Europe, whose whole revenue does not amount to so much, the loss of such a trade as that from which it is derived might be fatal. In their system it might be a main artery, whose rupture would be followed with the most terrible consequences. But of how small importance is such a trade to a nation which

which every year derives an absolute creation of wealth from its soil to the amount of *one hundred and twenty millions*,—which annually pays in taxes to the government upwards of *fifty millions*! In the system of Britain, the West India Trade is but one of the finer veins, which may be punctured without fear of any fatal result. So long as we can, without enormous expence, retain possession of our Colonies, there is no reason to abandon them; but if, by a superior power, they were wrested from us to-morrow, or by a convulsion of nature sunk into the ocean, we should still continue rich, still powerful, and independent of the world!\*

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\* WHEN two-thirds of this work were printed, a pamphlet was published, entitled, “A permanent and effectual Remedy for the Evils under which the British West Indies now labour;” —in which, I am happy to find, the accuracy of the reasoning made use of in the first part of this work, strongly confirmed by a West-India Merchant; whose remedy is in substance, the same as that on which I have here insisted.

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FINIS.

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*Lately published,*

BY THE SAME AUTHOR,

BRITAIN

INDEPENDENT OF COMMERCE;

OR,

PROOFS deduced from an Investigation into the true Causes of the Wealth of Nations, that our Riches, Prosperity, and Power are derived from Resources inherent in ourselves; and would not be affected even though our Commerce were annihilated.











