

The GrEco Project

Grenville's Economics

Lord William Wyndham Grenville

Letter to Lord Liverpool with a rough
draft of a paper on the Sinking Fund
[1823]

Transcription: Christophe Depoortère

Lord Grenville to Lord Liverpool¹

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My Dear Lord

I trouble you with a hasty paper which I have drawn upon this morning, in consequence of my having yesterday read with some uneasiness M^r. Courtenay's pamphlet on the present state of affairs. If I had given myself more time I could have made it more perspicuous, & it would still more easily have been expanded into a much larger form. But this would have been to frustrate the sole object which I have in now committing to paper the sketch of [f. 2v] notions on this subject which have much occupied my mind.

My purpose in doing so is not to persuade you, even if I could hope to do so, to the immediate adoption of suggestions so adverse to long conceived opinions, entertained by myself quite as strongly as by others. But impressed as I am by the conviction of the fallacy of these opinions I should have much pleasure if I should at all succeed in preventing any permanent & irrevocable pledge [f. 3r] being given in favour of a course² which I think so inexpedient both for the Government, & for the Country.

My own conviction of past error on this subject strongly impress me with the necessity of full and ample consideration being given to it previous to the adoption of any measure so extensive in its bearing, and so important in its consequences as either the abandonment or suspension of this system, or on the other hand any irrevocable pledge for its maintenance [f. 3v] under our present altered circumstances.

I made no apology for the liberty I take, for I am sure you know I can have but one motive for it, & that motive is its sufficient excuse.

Ever my dear Lord
most truly &c.
signed Grenville

The Lord Liverpool
&c &c &c.

¹ MS in British Library Add. MS. 69126 ff. 2-3.

² "course" replaces "cause".

[Draft of a paper on the sinking fund]³

[f. 4r] There are three different courses which present themselves for decision in the present moment respecting the sinking fund viz:

1. To discontinue entirely any application of public Revenue to that object;

2. To suspend such application during the present circumstances, and for some limited period;

3. To maintain the sinking fund at its present nominal amount of £ 5.000^m but at a real amount of £3.200^m., to which the measure of last year reduced it –and this either with, or without, the additional application of the interests of the sum reduced, as they successively fall in.

The object of this paper is to exhibit the grounds of the writers opinion (very [f. 4v] different certainly from that which he formerly hold) that the first of these courses would be theoretically, the most beneficial to the public interest.

But he well knows that in questions of this magnitude as Government ought seldom to act on grounds of pure and abstract theory. And he does not hesitate to say that the second proposal is that which he should himself prefer for practical adoption under the pressure of the present circumstances.

The third course he firmly believes to be wholly inexpedient both in theory, and in practice.

That the present circumstances of the Country require as large a remission of taxation as can be made consistent with its other essential interests he will [f. 5r] not waste time in proving. The conduct of the Government shews them to be deeply, tho' perhaps he doubts whether they are sufficiently impressed with this truth.

The question resolves itself therefore into a balance of advantages on either side. It is not sufficient to shew that some benefit may in some cases arise from reducing public debt [f. 7r] by the application of public revenue raised for that purpose⁴. The proposition to be proved by the advocates of the present system is, that in this country, & in this state of

³ MS in British Library Add. MS. 69126 ff. 4-15.

⁴ “, but whether” is deleted.

things, more benefit will arise from so raising & applying a [?] £3.000^m. of taxes, than ⁵ from their repeal.

But as the writer of this paper is fully convinced⁶ [f. 7v] that in no state of any country ⁷ the public interest can be at all⁸ [advanced ?] by any such application of revenue, *raised for that purpose*⁹, his own view of the subject will be most clearly shewn by entering at once into the ground of this opinion¹⁰.

This negative proposition¹¹ can be established only by the ¹² examination of all¹³ the different modes in which a sinking fund is supposed to operate to the public advantage.

These are, it is believed, all included under the following heads;

1st. The increase of the wealth of the nation by the discharge of its debts, and the increased ability¹⁴ [f. 8r] thence resulting for ¹⁵ bearing present burthens, or making future exertions;

2^{dly}¹⁶ 17th The effect of such a fund (especially when applied by weekly purchases,) ¹⁸ ¹⁹ in raising the stocks, & thereby both increasing general wealth, & ²⁰ facilitating the operations of Government in the further reduction of interest; and

3^{dly}²¹ The general²² command which such a fund is supposed to [give ?] to Government over the money market.

⁵ “by [?] them” is deleted.

⁶ “But as the writer of this paper is fully convinced” replaces “To justify therefore a decision in favour of this [f. 7v] last measure it is by no means necessary to prove | to it for| the full extent of that proposition, which nevertheless the writer [?] to [believe?] to be true viz:” is deleted.

⁷ “can” is deleted.

⁸ “can be at all” replaces “be”

⁹ “. But” is deleted.

¹⁰ “to the full extent to which he holds it” is deleted

¹¹ “This negative proposition” replaces “ A negative proposition like this”.

¹² [?] is deleted.

¹³ “all” is inserted.

¹⁴ “and the increased ability” replaces “2nd the increased ability”.

¹⁵ “the” is deleted.

¹⁶ “2^{dly}” replaces “3”.

¹⁷ “The command which such a fund is supposed” is deleted.

¹⁸ (especially when applied by weekly purchases,) is inserted.

¹⁹ “for” is deleted.

²⁰ “specially” is deleted.

²¹ “3^{dly}” replaces “4”.

²² “general” is inserted.

Of these, without undervaluing the others, the first is certainly by far the most important. It is that by which the measure was originally recommended & which ²³ is still the most powerful inducement with most men²⁴ for its support.

²⁵

It seems to rest on an analogy drawn from some of the most familiar [f. 8v] transactions of private life; and as the first step towards relieving an individual from pecuniary difficulties is to put him in a way of paying off his debts, it is very naturally & justly concluded, that a similar course must²⁶²⁷ in like manner operate to the relief of a community labouring under similar difficulties.

Far from rejecting the²⁸ analogy drawn from private to public transactions²⁹, the writer of this paper believes³⁰ that there are few, if any, questions in political economy, which are not but solved by resorting to it.³¹

We put³² the case therefore of an individual possessed³³ of a thousand pounds but owing five hundred, -receiving interest at the current rate, say 5 or 4 p^r Cent,³⁴ for the first sum, but paying the like³⁵ interest for ³⁶ the second. His gross income is then say £ 40” p^r ann his net income £20.³⁷ [f. 9r]

Now if a law passes to oblige him to surrender up to his creditor £500 of the £1000 which he has, & thereby to pay off the £500 which

²³ “still” is deleted.

²⁴ “with most men” is inserted.

²⁵ “It certainly seems at first sight a paradox to maintain that the wealth of a country” is deleted.

²⁶ ”must” replaces “would”

²⁷ “it is naturally & justly concluded, that a similar course must” replaces “it is naturally enough, & very truly concluded, that a similar operation is also the proper care”.

²⁸ “the” replaces “this”.

²⁹ “of ?” is deleted.

³⁰ “believes” replaces “is convinced”

³¹ “and it is precisely on this ground that he rests the [prcpes?]” is deleted.

³² “We put” replaces “He puts”.

³³ “we will suppose” is deleted.

³⁴ “at the current rate, say 5 or 4 p^r Cent,” replaces “at 5 per Cent”

³⁵ “the like” is inserted.

³⁶ “for” replaces “at the same rate”.

³⁷ “or if you [call?] these sums £ 40 & 20 it obviously makes no difference in the argument)” is deleted.

he owes³⁸, his net income remains exactly what it was before, & he is neither richer nor poorer than he was.

If indeed, by any reduction of his expenditure, he could annually³⁹ lay up a portion of his income without [hunching?] on his capital⁴⁰, ⁴¹ no doubt he will thereby grow richer. ⁴² But this will equally be the case whether he applies his accumulations to reduce his debt⁴³, or puts them out to equal profit in any other mode. ⁴⁴ It is from the saving, not from the particular mode of applying it that his increased wealth arises. And if he be a man engaged in any lucrative⁴⁵ course of business he would⁴⁶ almost always find ⁴⁷ the increase of his trading capital a more profitable application of his annual savings, than the paying off a debt⁴⁸ bearing the current⁴⁹ rate of interest⁵⁰.

Apply this ⁵¹ to the case of the [f. 9v] whole community, charged with a debt ⁵² which bears 30 millions of interest, but having a capital whose annual return produces many times that sum.

If it would raise sinking fund, or in other words if a diminution of the debt would be annually effected without any diminution of the capital or income on which it is charged, we doubt the nation remaining⁵³ possessed of the same wealth, & owing less debt, would be richer than before.

But if every farthing of this sinking fund be first taken out of our⁵⁴ pockets, ⁵⁵ by taxation⁵⁶, & then applied ⁵⁷ in discharge of our debts, it is

³⁸ “the £500 which he owes” replaces “his debt”.

³⁹ “annually” is inserted.

⁴⁰ “without [hunching?] on his capital ” is inserted.

⁴¹ “it is obvious –that say” is deleted.

⁴² “and if he a” is deleted.

⁴³ “his debt” replaces “the debts he owes”.

⁴⁴ “But” is deleted.

⁴⁵ “lucrative” replaces “profitable”.

⁴⁶ “would” replaces “will”.

⁴⁷ “it more profitable to increase” is deleted.

⁴⁸ “a debt” replaces “his debt at”.

⁴⁹ “current” replaces “annual”.

⁵⁰ “the increase of his trading capital a more profitable application of his annual savings, than the paying off a debt bearing the current rate of interest”. Replaces “find it more profitable to increase”.

⁵¹ “analogy” is deleted.

⁵² “of” is deleted.

⁵³ “remaining” replaces “which remained”.

⁵⁴ “our” replaces “the”

⁵⁵ “of the [?]” is deleted.

plain that one side of the account exactly balances⁵⁸ the other & that like the individual above described we remain⁵⁹ thus far neither richer nor poorer than before – neither more nor less able to bear our [f. 10r] other burthens, or to make any⁶⁰ future exertions.

This argument might easily be much⁶¹ dilated, & if publication were the object of this paper, many more⁶² explanations & illustrations of it⁶³ might be necessary⁶⁴ in order to impress⁶⁵ it on the minds of those to whom such reasoning are not familiar.⁶⁶ For the present purpose this is [thought?] needless⁶⁷. Our⁶⁸ proposition simply is, that to take from the national wealth £3,000^m in the shape of increased⁶⁹ taxes, in order to pour 3,000^{m70} back again in the shape of redeemed debt, is an operation which pro tanto must leave the sum of our wealth exactly what it was before.

And thus far the measure appears⁷¹ innocent. If it makes us as richer, at least it makes us no poorer.⁷²

But there is more than one ground⁷³ for thinking it highly injurious.

st 1. The whole expense of collecting [f. 10v] and administering this sum, whatever that expense may be, is in this view of the subject⁷⁴, absolute waste, a total loss incurred without any hope of return⁷⁵.

⁵⁶ “expressly laid on or continued for that very purpose” is deleted.

⁵⁷ “to” is deleted.

⁵⁸ “exactly balances” replaces “is exactly balanced by”.

⁵⁹ “in this” is deleted.

⁶⁰ “any” is inserted.

⁶¹ “might easily be much” replaces “which bear to [?]”

⁶² “many more” replaces “farther”.

⁶³ “many more explanations & illustrations of it” replaces “it”.

⁶⁴ “to present these notions in different shapes” replace “to put the reasoning in different shapes” and is deleted.

⁶⁵ “them on minds to which” is deleted.

⁶⁶ “But enough has probably been here said for the purpose of explaining the [?] effe” is deleted.

⁶⁷ “needless” replaces “unnecessary”.

⁶⁸ “Our” replaces “The”.

⁶⁹ “increased” is inserted.

⁷⁰ “3,000^m” replaces “it”.

⁷¹ “at least” is deleted.

⁷² “at least it makes us no poorer” replaces “it seems to makes us no poorer”.

⁷³ “on which it appears” is deleted.

⁷⁴ “in this view of the subject” replaces “total loss”.

⁷⁵ “without any hope of return” replaces “without the hope of any return”.

2.^{dly} This loss is not⁷⁶ confined to these⁷⁷ expense of collecting this particular sum of £3,000^{m.78}. The collection of an additional amount of taxation generally⁷⁹ increases the expense,⁸⁰ & always increases the difficulty & pressure of⁸¹ the former revenue.

3.^{dly}. Additional taxation often augments the restraints & discouragements of trade manufacture and agriculture far beyond the proportion of⁸² the actual augmentation of Revenue.⁸³

4.^{thly.} ⁸⁴ If such taxation be *direct*,⁸⁵ & even in some degree when it is indirect, it⁸⁶ creates public discontent, & diffuses it widely—the benefit of its application, even were it real, is little felt, & not at all acknowledged—the inconvenience of its payment⁸⁷ is the theme of every tongue. To multiply this⁸⁸ inconvenience for the sake of⁸⁹ a result which has been shewn to be at best⁹⁰ neutral would always⁹¹ [f. 11r] be impolitic & is peculiarly so at this time, & in this country.

⁹² Lastly, a sum of £3 000^m annually left in the hands of the people of any community, [?] applied productively or unproductively according to⁹³ their own discretion “instead of being forcibly directed by their Government to the purchase and redemption of public securities, would⁹⁴ [?] in almost any state of society, but would certainly in such a

⁷⁶ “is not” replaces “must not be”.

⁷⁷ “mere” is deleted.

⁷⁸ “This loss is not⁷⁸ confined to these⁷⁸ expense of collecting this particular sum of £3,000^{m.}” is inserted.

⁷⁹ “generally” replaces “frequently”.

⁸⁰ “of collecting these what had” is deleted.

⁸¹ “& pressure of” replaces “of collecting”.

⁸² “of” replaces “to”.

⁸³ This sentence replaces “The additional restraint & discouragement thus augmented are often increased by such a measure” which replaced “The additional restraint & discouragement which it [opposes ?] to the free [?] of trade are very often such as to exceed the proportion of this increase in which the revenue is augmented”.

⁸⁴ “In so far at least as direct taxation is concerned” is deleted.

⁸⁵ “the” is deleted and “its imposition & collection” is deleted.

⁸⁶ “& even in some degree when it is indirect, it” is inserted.

⁸⁷ “of its payment” replaces “resulting from it”.

⁸⁸ “multiply this” replaces “[?]”.

⁸⁹ “the sake of” is inserted.

⁹⁰ “which has been shewn to be at best” replaces “merely”.

⁹¹ “would always” replaces “is the [?] of”.

⁹² “There is every reason to believe that” is deleted.

⁹³ “productively or unproductively according to” replaces “at”.

⁹⁴ “instead of being forcibly directed by their Government to the purchase and redemption of public securities,” replaces “n [?]”.

state as [ours ?], conduce much more, both to their⁹⁵ general happiness (which is the ultimate⁹⁶ object of all⁹⁷ Government,) & even to those particular means⁹⁸ of happiness which consist⁹⁹ in the increase of their wealth & strength¹⁰⁰. This assertion rests on¹⁰¹ the same principles, but much more forcibly operations, on which it has already been shewn that the reduction of a debt at interest is often the least profitable mode in which an individual can apply his saving¹⁰². [f. 11v]

If then it is true that natural wealth can never in any case¹⁰³ be increased, but¹⁰⁴ must, in our own case, be¹⁰⁵ considerably diminished by¹⁰⁶ a sinking fund so applied, its two other supposed advantages would hardly recommend it to our adoption.

They appear however, to be each of them, as visionary as that which we have hitherto examined.¹⁰⁷

¹⁰⁸The second supposed benefit of a sinking fund consists in its alleged tendency to keep up the price of the stocks.

If the fact were so, it might well be doubted whether any principle of Government could justify the collection of a large sum by general taxation to be applied¹⁰⁹ for the purpose of raising the value of one particular description of property.

If we applied this principle to¹¹⁰ any other case, that of land, or of corn, or of woollen goods, the injustice of compelling people to pay¹¹¹ their money for the sole purpose [f. 12r] of raising upon themselves, or others, the price of any commodity of extensive demand, would appear

⁹⁵ “conduce much more, both to their” replaces “be on the whole more conducive not merely to their”.

⁹⁶ “ultimate » replaces “true”.

⁹⁷ “all” replaces “a”.

⁹⁸ “& even to those particular means” replaces “but actually to that particular mode”.

⁹⁹ “consist” replaces “consists”.

¹⁰⁰ “than if applied by their Government to the purchase & redemption of its public securities” is deleted.

¹⁰¹ “This assertion rests on” replaces “The case rests on”.

¹⁰² “to profit” is deleted.

¹⁰³ “in any case” is inserted.

¹⁰⁴ “much” is deleted.

¹⁰⁵ [?] is deleted.

¹⁰⁶ “such” is deleted.

¹⁰⁷ This sentence replaces “They are however both as visionary as the first”.

¹⁰⁸ “With respect to the second of the three the” is deleted.

¹⁰⁹ “to be applied” is inserted.

¹¹⁰ “the” is deleted.

¹¹¹ “for” is deleted.

self evident. If such a measure benefitted the seller, it would¹¹² to say the least¹¹³, in the same proportion injure the buyer. The only safe, because the only *just* rule is to leave all prices but most especially those of public securities,¹¹⁴ to find their level by competition¹¹⁵.

But the sinking fund will probably be found¹¹⁶ on a careful examination of the question, to have¹¹⁷ in fact no such tendency as is alledged in its behalf¹¹⁸. The argument is the same here as in the former case. The sinking fund is not an adventitious aid, drawn from foreign sources¹¹⁹. It is taken by taxation from the mass of the national¹²⁰ wealth, & consequently [f. 12v] leaves so much less of it disposeable for the various channels of employment in which it naturally runs¹²¹¹²².

¹²³ If all other purchases of stock remained the same, while £3,200^m more¹²⁴ were annually forced into the market by Government, it might certainly¹²⁵ be expected that which this increase of demand, (small as its proportion¹²⁶ is to the whole¹²⁷ amount of such transactions,) ¹²⁸ the price would¹²⁹ also experience some increase¹³⁰.

But this assumes the fact on which the whole question¹³¹ turns. A part of these three millions¹³² might not improbably have been employed

¹¹² “exa[ctly]” is deleted.

¹¹³ “to say the least” replaces “, at least”

¹¹⁴ “but most especially those of public securities,” is inserted.

¹¹⁵ “, & if this be true of all other things how much more evidently is it true of public securities?” is deleted.

¹¹⁶ “to have” is deleted.

¹¹⁷ “will probably be found on a careful examination of the question, to have” replaces “seems”.

¹¹⁸ “as is alledged in its behalf” is inserted.

¹¹⁹ ”not otherwise applicable to the increase of national wealth”.

¹²⁰ “the national” replaces “that”.

¹²¹ “runs” replaces “fill”.

¹²² “channels of employment in which it naturally runs” replaces “to which property is destined in this country” which replaced “employments to which that wealth supplies”.

¹²³ “Certainly” is deleted.

¹²⁴ “more” is deleted and reestablished.

¹²⁵ “certainly” is inserted.

¹²⁶ “proportion” is inserted.

¹²⁷ “annual” is deleted.

¹²⁸ “such transactions” replaces “[?] of stocks”

¹²⁹ “[in to some?]” is deleted.

¹³⁰ “increase” replaces “rise”.

¹³¹ “question” is inserted.

¹³² “these three millions” replaces “this very sum” which replaces “those”.

¹³³ in the purchase of stock by the very persons from whom it is now drawn by taxation. This indeed¹³⁴ might be a small proportion ¹³⁵ of the whole. But who will say¹³⁶ how much larger is the proportion which [f. 13r] if left in the hands of its owners, would have replaced in other modes of employment the sums which to supply the void, have been withheld from the stock¹³⁷ or even sold out from them?

If we cannot answer this question¹³⁸ by any mode¹³⁹ of calculation, we may at least consider what circumstances regulate the employment of money in public securities¹⁴⁰. Their price¹⁴¹ like that of all other securities for money lent at interest,¹⁴²¹⁴³ essentially depends on the current rate of profits in the country. It is by a comparison of the different modes in which money can be employed, that men are decided in their preference¹⁴⁴. The price of one stock¹⁴⁵ will seldom be the same with that of private securities, because they offer very different advantages and disadvantages¹⁴⁶.¹⁴⁷ The relative value of these two modes of employing money seems principally to depend¹⁴⁸ on the greater or less safety, or

¹³³ “by the very persons which have now paid it in to” is deleted.

¹³⁴ “indeed” replaces “however”.

¹³⁵ “[?] but of not so employ” is deleted.

¹³⁶ “who will say” is inserted.

¹³⁷ “the sums which to supply the void, have been withheld from the stock” replaces “the sums which to meet those very purposes demands have been from the stocks” which replaced “sums which for those very purposes had been withheld from the funds”.

¹³⁸ “If we cannot answer this question” replaces “To answer this question” which replaced “To reduce this”.

¹³⁹ “mode” replaces “form”.

¹⁴⁰ This sentence replaces “Such a calculation we see at once it is impossible to make. But we may supply the want of it by a general consideration of the circumstances which must regulate the price of all public securities”.

¹⁴¹ “price” is inserted.

¹⁴² “lent at interest” replaces “at interest”.

¹⁴³ “like that of all other securities for money lent at interest,” is inserted.

¹⁴⁴ This sentence is inserted.

¹⁴⁵ “The price of one stock” replaces “It”.

¹⁴⁶ “because they offer very different advantages and disadvantages” replaces “because advantages and disadvantages of both differ widely” which replaced “because their advantages and disadvantages are not the same”.

¹⁴⁷ “Their relative values will” replaces “Their relative proportions will” and is deleted.

¹⁴⁸ “The relative value of these two modes of employing money seems principally to depend” is inserted.

opinion of safety, of the capital, on its more or less easy transfer, & on the expectation of rise or fall in its value. ¹⁴⁹ [f. 13v]

But there will always¹⁵⁰ be between them some ordinary¹⁵¹ rate of proportion, governed by these & other similar consideration¹⁵²¹⁵³. And this again will ¹⁵⁴ regulate by a necessary tho' imperceptible¹⁵⁵ operation the respective quantities annually allotted to each,¹⁵⁶ of that wealth which seeks employment of this description.

Any attempt to alter this proportion by foreign interference, naturally defeats itself. ¹⁵⁷ If we ¹⁵⁸ could artificially raise the price of the funds by forcibly directing revenue to their purchase, the only effect produced would be to make the employment of private¹⁵⁹ money in this mode ¹⁶⁰ so much the less profitable, & consequently to divert ¹⁶¹ it into other channels of profit, until the natural balance be again restored. [f. 14r]

If [?] such an application of a sinking fund has no real tendency to raise the price of the Stock, it can obviously contribute to nothing toward ¹⁶² accelerating the reduction of their interest.

It might no doubt under some suppositions give a facility in the practical details of such an operation; but this is much too light a consideration to be relied on in opposition to the benefits of the present repeal or suspension of £3,200^m of taxation. ¹⁶³¹⁶⁴

¹⁴⁹ “In a very small amount of public debt, or even in a particular fund constituting a very small part of a very large debt,” is deleted.

¹⁵⁰ “always” is inserted.

¹⁵¹ “some ordinary” replaces “a general”.

¹⁵² “, and if we att” is deleted.

¹⁵³ “and [?] by a natural & necessary operation the amount of floating or disposeable wealth seeking employment which” is deleted.

¹⁵⁴ “gr” is deleted.

¹⁵⁵ “imperceptible” replaces “insensible”.

¹⁵⁶ “respective quantities annually allotted to each,” replaces “quantity which each of these respectively all absorbs” which replaced “proportion which will be allotted to each”

¹⁵⁷ “We may not be able to ascertain, but we cannot change it.” is deleted.

¹⁵⁸ “arti” is deleted.

¹⁵⁹ “private” is inserted.

¹⁶⁰ “funds [?] to that extend less”

¹⁶¹ “the purchases [?]” replaces “purchases” and is deleted.

¹⁶² “facilitating or” is deleted.

¹⁶³ This paragraph replaces “It may it is true afford some facility in the practical operation of this last measure; but this is certainly much too light a consideration to be relied on in opposition to the advantage of the present repeal of £3,200^m of taxation”.

On the third¹⁶⁵ of the points above stated there seems little occasion to dwell¹⁶⁶.

If it were true that the possession of a sinking¹⁶⁷ fund could¹⁶⁸ practically enable the Commissioners to “rectify any mischievous or fraudulent dealing in the public securities”, it follows by inevitable concurrence that it could also practically enable them to aid & to protect¹⁶⁹ such dealings.

But no point was perhaps more laboured by the authors of the sinking fund of 1786 than that of making it impossible & of¹⁷⁰ shewing that they had made it impossible that their institution should at any time be so applied. It is not easy [f. 14v] to specify what the real benefit would be of [] to the Government of this country¹⁷¹ any such controul or influence over its¹⁷² money market¹⁷³.

Nothing has been here said of the effect of such a fund considered¹⁷⁴ as a surplus¹⁷⁵ for supplying casual deficiencies, much less as a disposeable¹⁷⁶ income for state emergencies.

The arguments against these suggestions would be the same as those¹⁷⁷ which are commonly allowed to be conclusive against¹⁷⁸ public accumulation of treasure under which description they are indeed¹⁷⁹. expressly¹⁸⁰ characterised in the passages here alluded to¹⁸¹.

¹⁶⁴ The two last paragraphs are inserted.

¹⁶⁵ “On the third of the points” replaces “With respect to the third point of the advantages of a sinking fund”

¹⁶⁶ “there seems little occasion to dwell” replaces “the writer of this paper cannot refrain from expressing some [?] & concern, as the terms in which he has lately seen it urged.” is deleted.

¹⁶⁷ “a sinking” replaces “this”

¹⁶⁸ “give ministers any [?] a consideration on the Stock exchange, that would surely be any thing but a recommendation of such a measure. But much more if it could”.

¹⁶⁹ “to aid & to protect” replaces “to protect & to”.

¹⁷⁰ “of” is inserted.

¹⁷¹ “of this country” is inserted.

¹⁷² “its” replaces “the”.

¹⁷³ This paragraph replaces “The writer’s memory does not very much deceive him, there was no point which the author of the sinking fund of 1756 so much laboured, as to make it impossible, & to prove that they had made it impossible for it to have any such effect”.

¹⁷⁴ “considered” is inserted.

¹⁷⁵ “[?] giving weight or controul in the money market” is deleted.

¹⁷⁶ “much less as a disposeable” replaces “or much less as disposeable”.

¹⁷⁷ “generally admitted by” is deleted.

¹⁷⁸ “the” is deleted.

¹⁷⁹ “indeed” is inserted.

¹⁸²“No such purpose could be answered by the present sinking fund, without its being widely diverted from the reduction of debt, the object for which alone it exists,¹⁸³ & the utility of which is the professed¹⁸⁴ subject of this enquiry¹⁸⁵”.

It seems only necessary to add that if the above considerations are of any [f. 15r] weight in reference to the question of wholly discontinuing the system of the sinking fund, they must¹⁸⁶ necessarily be much more forcible when applied to the question of suspending it, for the purpose of alleviating¹⁸⁷ present distress, & giving to¹⁸⁸ agriculture the relief of which it is so much in need, until the level between that & the other great interests of the Country be, as it undoubtedly will be, once more reestablished.

¹⁸⁰ “described as falling” is deleted.

¹⁸¹ “under which description they are indeed expressly characterised in the passages here alluded to” is inserted.

¹⁸² “But no such purpose could be applied to” is deleted.

¹⁸³ “the reduction of debt, the object for which alone it exists,” replaces “that object”.

¹⁸⁴ “the professed” replaces “alone the only”.

¹⁸⁵ “the reduction of Debt” is deleted.

¹⁸⁶ “of c” is deleted.

¹⁸⁷ “alleviating” replaces “relieving”.

¹⁸⁸ “the” is deleted.