

The GrEco Project

Grenville's Economics

Lord William Wyndham Grenville

Notes on M^r. Courtenay's "A Letter to
Lord Grenville on the Sinking Fund"
[1828]

Transcription: Christophe Depoortère

[f. 1r] Notes on M^r. Courtenay's Letter¹

[f. 2r]

Notes on M^r. Courtenay's Letter

p. 7. This fundamental principle.

Ans. 1. If future and distant, why not permanent?

2. But what is the difference between a permanent change on the ² Estate of Posterity and a permanent alienation of it? The latter is (p. 11) the strongest of all binding of posterity: my objection to this binding is to its possibility, not to its justice, in the case to which I apply it.

p. 8. The applications which he cites are facti[f. 2v]tious, and often very questionable laws; -his principle, if good for any thing, is antecedent to social law, and governs it.

p. 13. According to this principle, the duration of the mortgage is limited. What then is "in principle" the limit of its duration?

p. 14. Price's Annuity Plan Answer to it by Ricardo and others.

The true answer is that it distinguishes between the State and the Country.

C. shews that it is the same thing with [f. 3r] a sinking fund. It is so; -and that is the decisive reason against it.

p. 17. The anticipation of which he speaks, is not of the resources of the next two years, but all such measures under the name of borrowed sinking funds – see the chart to shew how numerous these have been: but they were all *occasional*.

p. 25. The motive which he ascribe to Walpole [f. 3v] is perfectly consistent with my supposition that he saw the contradiction of this system.

¹ MS in British Library Add. MS. 59433, ff. 1-4.

² "Establishment" is deleted.

His former support of that system is no evidence against that belief. The passage cited by C., so far from proving his assertion, implies the direct contrary. It shews that Walpole was sensible of the objection to “paying off old debts” only by incurring new.”

p. 30. *Indefinite* accumulation has not been in principle our system, but ever since 1802 when M^r. Pitt’s limit expired, the opposite system to it has practically been [f. 4r] followed. There has been no practical limit to accumulation, until the machine stopped at once by the excess of its own effects, and all the evils of indefinite accumulation had in the interval been left.

p. 33. If the same law which directed that these sums should be issued by the Exchequer, as interest, had directed that they should be issued as what they truly are –sinking fund, would they have been less paid as matter of course at the Exchequer. The fixed allowance is so issued with [f. 4v] no greater intervention than the other from Parliament ³ or the Treasury. That the fiction has nevertheless worked some delusion, I believe, and it is therefore that I objected to it.

p. 34. M^r. C here abandons the machinery of the system.

³ “and” is deleted.