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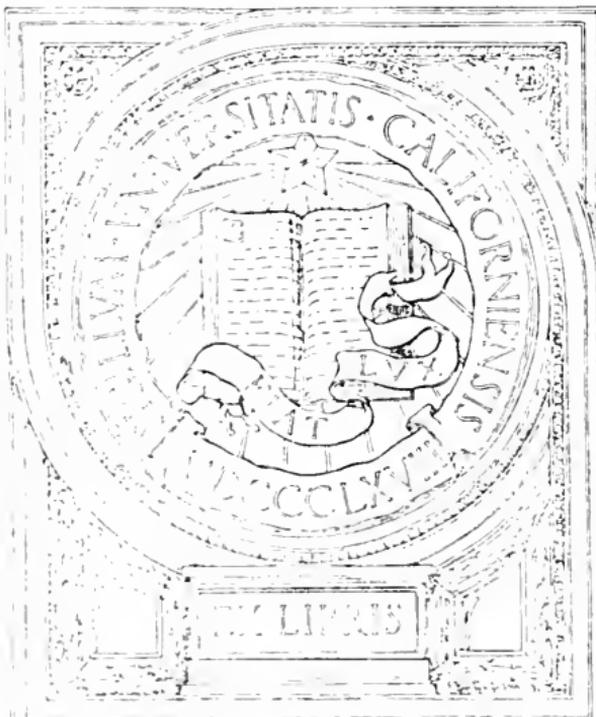
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ON THE CAUSES AND CONSEQUENCES
AND HIGH PRICE OF PROVISIONS



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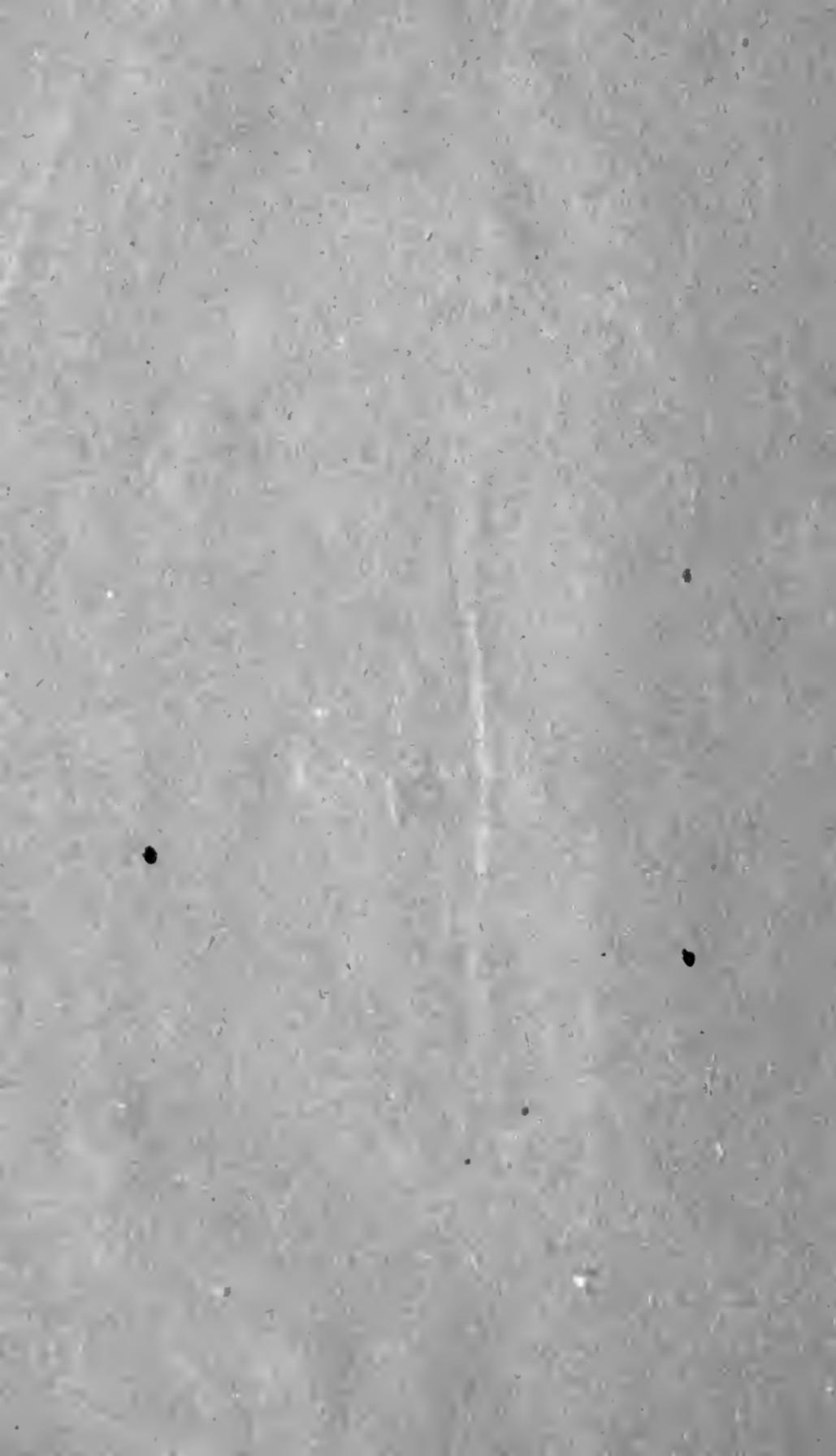


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High Price of
Provisions
1767



THOUGHTS
ON THE
CAUSES AND CONSEQUENCES
OF THE
PRESENT HIGH PRICE
OF
PROVISIONS.

THE SECOND EDITION.

[Price Six-pence.]

James Pennens



THOUGHTS
ON THE
CAUSES and CONSEQUENCES
OF THE
PRESENT HIGH PRICE
OF
PROVISIONS.

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THOUGHTS

ON THE

CAUSES and CONSEQUENCES

OF THE

Present High Price of PROVISIONS.

Harding - 6-20-42 - Econ.

THE high price of provisions, and all the necessaries of life, is an evil so inconvenient to all conditions of men, and so intolerable to some, that it is not surprising that all should suffer it with much discontent, and many be drove by it into despair, or into riots, rapine, and all kinds of disorders. The latter, indeed, we cannot but expect, if we consider, that the enemies of all government and subordination, so numerous in this country, will not fail to avail themselves of this favourable opportunity, to spread

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universal dissatisfaction, and inflame the minds of the people to seek redress by such infamous and dangerous methods. This they endeavour, too successfully, to effect, by daily representing in the public papers, that this calamity arises from the artifices of monopolizers, regraters, forestallers, and engrossers, encouraged, or at least connived at, by ministers desirous of oppressing the people, and parliaments unattentive to their complaints. It is hard to say, whether the ignorance of these writers, or their malevolence, is superior; or, whether the absurdity of their principles, or the mischief of them, is the greatest: but one may venture to affirm, that our people, notwithstanding the present scarcity, are still better fed than taught. This undoubtedly makes it necessary, at this time, that the true causes of this evil should be explained to them; which, if it lessens not their wants, may in some measure abate their ill-founded indignation.

To this end I shall endeavour to shew, as concisely as possible, that the present high price of provisions arises principally from two sources; the increase of our national debts, and the increase of our riches; that is, from the poverty of the public, and the wealth of private individuals. From what causes these have been increased, and what have been the effects of that increase, shall be the subject of the few following pages.

It will surely be unnecessary to inquire into the causes of the late immense increase of our national debt; whoever remembers the many millions annually borrowed, funded, and expended, during the last war, can be under no difficulty to account for its increase. To pay interest for these new funds, new taxes were every year imposed, and additional burthens laid on every comfort, and almost every necessary of life, by former taxes, occasioned by former wars, before sufficiently loaded. These must unavoid-

ably increase the prices of them, and that in a much greater proportion than is usually understood: for a duty laid on any commodity does not only add the value of that duty to the price of that commodity, but the dealer in it must advance the price double or treble times that sum; for he must not only repay himself the original tax, but must have compensation for his losses in trade by bad debts, and loss of interest by his increased capital. Besides this, every new tax does not only affect the price of the commodity on which it is laid, but that of all others, whether taxed or not, and with which, at first sight, it seems to have no manner of connection. Thus, for instance, a tax on candles must raise the price of a coat, or a pair of breeches; because, out of these, all the taxes on the candles of the wool-comber, weaver, and the tailor, must be paid: A duty upon ale must raise the price of shoes; because from them all the taxes upon ale drank by the tanner,

tanner, leather-dresser, and shoemaker, which is not a little, must be refunded. No tax is immediately laid upon corn, but the price of it must necessarily be advanced; because, out of that, all the innumerable taxes paid by the farmer on windows, soap, candles, malt, hops, leather, salt, and a thousand others, must be repaid: so that corn is as effectually taxed, as if a duty by the bushel had been primarily laid upon it; for taxes, like the various streams which form a general inundation, by whatever channels they separately find admission, unite at last, and overwhelm the whole. The man, therefore, who sold sand upon an ass, and raised the price of it during the late war, though abused for an imposition, most certainly acted upon right reasons; for, though there were no new taxes then imposed either on sand or asses, yet he found by experience, that, from the taxes laid on almost all other things, he could neither maintain himself, his wife,

wife, or his afs, as cheap as formerly ; he was therefore under a neceffity of advancing the price of his fand, out of which alone all the taxes which he paid must be refunded. Thus I think it is evident beyond all doubt, that the increase of taxes must increase the price of every thing, whether taxed or not ; and that this is one principal cause of the present extraordinary advance of provifions, and all the neceffaries of life.

The other great fource, from whence this calamity arifes, is certainly our vast increase of riches ; the caufes and confequences of which, I will now briefly confider. That our riches are in fact amazingly increased within a few years, no one, who is in the leaft acquainted with this country, can entertain a doubt : whoever will caft his eyes on our public works, our roads, our bridges, our pavements, and our hospitals, the prodigious extension of our capital, and in fome proportion that of every confiderable town in
Great

Great Britain ; whoever will look into the possessions and expences of individuals, their houses, furniture, tables, equipages, parks, gardens, cloaths, plate, and jewels, will find every where round him sufficient marks to testify to the truth of this proposition. This great increase of private opulence is undoubtedly owing to the very same cause which increased our national debt ; that is, to the enormous expences and unparalleled success of the late war ; and indeed very much arises from that very debt itself. Every million funded is in fact a new creation of so much wealth to individuals, both of principal and interest ; for the principal being easily transferable, operates exactly as so much cash ; and the interest, by enabling so many to consume the commodities on which taxes are laid for the payment of it, in a great measure produces annually an income to discharge itself. Of all the enormous sums then expended, little besides the subsidies granted to German princes, was lost to

the individuals of this country, though the whole was irrecoverably alienated from the public ; all the rest annually returning into the pockets of the merchants, contractors, brokers, and stock-jobbers, enabled them to lend it again to the public on a new mortgage the following year. Every emission of paper-credit by bank-notes, exchequer and navy bills, so long as they circulate, answers all the purposes of so much additional gold and silver, as their value amounts to : If we add to these the immense riches daily flowing in since that period from our commerce, extended over every quarter of the globe, from the new channels of trade opened with America, and the amazing sums imported from the East Indies, it will not sure be difficult to account for the opulence of the present times, which has enabled men to increase their expences, and carry luxury to a pitch unknown to all former ages.

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The effects of this vast and sudden increase of riches are no less evident than their cause: the first, and most obvious effect of the increase of money, is the decrease of its value, like that of all other commodities; for money being but a commodity, its value must be relative, that is, dependant on the quantity of itself, and the quantity of the things to be purchased with it. In every country where there is great plenty of provisions, and but little money, there provisions must be cheap, that is, a great deal of them will be exchanged for a little money: on the contrary, where there are but little provisions in proportion to the number of consumers, and a great plenty of money, or what passes for money, there they will inevitably be dear; that is, a great deal of money must be given to purchase them. These effects must eternally follow their causes in all ages and in all countries; and that they have done so, the history of all countries in all ages sufficiently

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ficiently informs us. The value of money at the time of the Norman conquest was near twenty times greater than at present ; and it has been gradually decreasing from that period, in proportion as our riches have increased : it has decreased not less than one third during the present century ; and I believe one half at least of that third since the commencement of the last war, which I doubt not, could it be exactly computed, would be found to be in due proportion to the increase of its quantity, either in real or fictitious cash ; and that the price of provisions is advanced in the same proportion, during the same period.

The increase of money does not only operate on the price of provisions by the diminution of its own value, but by enabling more people to purchase, and consequently to consume them ; which must unavoidably likewise increase their scarcity, and that must still add more to their price. Twenty rich families will consume

sume ten times as much meat, bread, butter, soap, and candles, as twenty poor families consisting of the same number; and the prices of all these must certainly rise in proportion to the demand. This effect of the increase of wealth in many countries of Europe, is very visible at this day, and in none more than in the northern parts of this island, who having of late acquired riches by the introduction of trade, manufactures, and tillage, can now well afford to eat roast beef, and therefore consume much of those cattle, with which they were formerly glad to supply us; and will not part with the rest, but at prices greatly advanced. The consumption of every thing is also amazingly increased from the increase of wealth in our metropolis, and indeed in every corner of this kingdom; and the manner of living, throughout all ranks and conditions of men, is no less amazingly altered: the merchant who formerly thought himself fortunate, if in a course of thirty

or forty years, by a large trade and strict œconomy, he amassed together as many thousand pounds, now acquires in a quarter of that time double that sum, or breaks for a greater, and vies all the while with the first of our nobility, in his houses, table, furniture, and equipage : the shop-keeper, who used to be well contented with one dish of meat, one fire, and one maid, has now two or three times as many of each ; his wife has her tea, her card-parties, and her dressing-room ; and his prentice has climbed from the kitchen-fire to the front-boxes at the play-house. The lowest manufacturer and meanest mechanic will touch nothing but the very best pieces of meat, and the finest white bread ; and, if he cannot obtain double the wages for being idle, to what he formerly received for working hard, he thinks he has a right to seek for a redress of his grievances, by riot and rebellion. Since then the value of our money is decreased by its quantity, our consumption increased by universal luxury, and the sup-
plies,

plies, which we used to receive from poorer countries, now also grown rich, greatly diminished, the present exorbitant price of all the necessaries of life can be no wonder.

From what has been here offered, I think this may be readily accounted for, without having recourse to forestallers, regraters, engrossers, monopolizers, higglers, badgers, bounties, post-chaises, turnpike-roads, enlarging of farms, and the extension of the metropolis, with all that ridiculous catalogue of causes, which have been assigned by essay-writers to this evil, and frequently adopted by the absurdity of their readers. How far all or any of these have accidentally, collaterally, or locally contributed to augment the price of provisions, I cannot determine, nor do I think it of much importance to inquire; because I am satisfied, whatever may have been their effects, they could have had none at all, had they not been assisted by the first and great cause,

cause, the increase of riches; for no artifices of traders can make their commodities dear in a poor country; that is, sell things for a great deal of money, where there is little to be found. It seems therefore to no purpose, to search out for causes of the present high price of provisions, from facts, whose operations are uncertain, and reasons at best but speculative, when it is sufficiently accounted for from these two great principles, the increase of taxes, and the increase of riches, principles as absolutely indisputable, and as demonstrable as any mathematical problem.

I shall now make some cursory observations and short conclusions on the principles here advanced, which, allowing these to be true, can admit of no doubt. First then, although the price of provisions is at present very high, they cannot with propriety be said to be dear. Nothing is properly dear, except some commodity, which, either from real or fictitious

tious scarcity, bears a higher price than other things in the same country, at the same time. In the reign of Henry II. the value of money was about fifteen times greater than in the present age : a fowl then was sold for a penny, which cannot now be bought under fifteen pence ; but fowls are not for that reason dearer now, than they were at that time ; because one penny was then earned with as much labour, and when earned would fetch as much of every thing at market, as fifteen will in these days : was the value of money now as great, and the price of other things as small, as in these times, and provisions bore the same price as at present, they would then be dear indeed, and the pamphleteers would have good reason to impute their dearness to the frauds of engrossers and monopolizers ; but as the price of every thing besides, of houses, furniture, cloaths, horses, coaches, fees, perquisites, and votes, are all equally advanced ; nay, as
every

every pamphlet, which used to be sold for one shilling, has now inscribed on its title-page, price eighteen pence, their own works are a confutation of their arguments; for nonsense is a commodity in which there are too many dealers ever to suffer it to be monopolized or engrossed. It is certainly therefore improper to say, that provisions are dear, but we should rather affirm, what is the real fact, that money is cheap; and if the complainants would use this expression instead of the other, and at the same time consider, that this arises from the success of our arms, and the extension of our trade, I am persuaded, that if they were not less distressed, they would certainly be less dissatisfied, and would, perhaps, by degrees, comprehend, that, in a country engaged in expensive wars and successful commerce, there must be heavy taxes and great riches; and that where there are taxes and riches, there the prices of provisions, and all other things, must
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be high, in spite of all the efforts of ministers or parliaments, who ought by no means to be blamed, for not effecting impossibilities, and counteracting the nature of things.

Secondly, this cheapness of money in its consequences affects different conditions of men in a very different manner : to some it operates exactly in the same manner as real dearness and scarcity, at the same time that to others it gives considerable advantages. All those who subsist on settled stipends must inevitably be ruined by it : merchants, and traders of all kinds, are greatly benefited ; but the labourer and the land-owner are most grievously oppressed. Those who subsist on settled stipends must be ruined ; because, if their incomes cannot be advanced in proportion to the decrease of the value of money, and the consequent increase of the prices of every thing, the same nominal sum which would afford affluence in one age, will not prevent
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starving in another; of which we have numerous examples in our schools, colleges, alms-houses, and other charitable foundations. Merchants and traders are constantly gainers by it; because they can always raise the prices of whatever they deal in, faster than the value of money decreases: but the labourer, having nothing to subsist on but his daily work, must ever be behind-hand in advancing the price of his labour; because he is not able to wait till it acquires its due proportion of value, and therefore by it he must suffer extremely. The landowner likewise cannot raise his rents in any proportion to the fall of the value of money; because the charges of cultivation, the family-expences of the occupiers, and the maintenance of an increasing poor, all burthens inseparable from his land, must all rise in proportion to that fall; and these must perpetually retard his progress. The price of labour and of land must by degrees advance, as

money decreases in value ; but, as these are the last that will feel its effects, the labourer must, in the mean time, be miserably pinched, and the land-owner dreadfully impoverished by it. This is not speculation, but a fact which is too well verified by experience at this time, through every part of this kingdom, where the labourer, with his utmost industry, cannot now procure a belly-full for himself and his family ; and, notwithstanding all the late improvements in agriculture, the very same estates in land which formerly maintained a large family in splendor and hospitality, can now scarce repair and pay window-tax for a spacious mansion-house, and supply the owner of it with the necessaries of life. When I hear a merchant, contractor, or broker, calling out for war, arguing for new loans and new taxes, I wonder not, because I know that they are enriched by them, and I know also that they have sagacity enough to know it too :

but when I hear a landed gentleman talk the same language, when I see him eager for war, which must involve him in new distresses, encouraging loans, whose interest he must pay, pleading for taxes, which must lie an eternal mortgage upon his estate, exulting in acquisitions of territories and commerce, which must daily increase his expences, and diminish his income, and triumphing in victories which must undo him, I own I am surpris'd, but at the same time rejoice to find, that, in this enlightened age, there is ignorance still left amongst us, sufficient to produce so disinterested a patriot.

Lastly, from the foregoing premises one consequence evidently appears, which seems to have escaped the sagacity of our wisest politicians, which is, that a nation may, nay must inevitably be ruined, who every year increases her debts, notwithstanding her acquisitions by conquest or commerce bring in double or treble the
sums

sums which she is obliged to borrow ; and this by a chain of causes and consequences, which the efforts of no human power or wisdom are able to disunite. New debts require new taxes ; and new taxes must increase the price of provisions : new acquisitions of wealth, by decreasing the value of money, still aggravate this evil, and render them still dearer ; this dearness of provisions must augment the price of labour ; this must advance the price of all manufactures ; and this must destroy trade ; the destruction of trade must starve the poor, expel the manufactures, and introduce universal bankruptcy, riot, and confusion. Artificers of all kinds will, by degrees, migrate into cheaper countries : the number of clergy, whose education must grow more expensive, and incomes less valuable, will be insufficient for parochial duty : the pay of navies and armies must be augmented, or they will no longer defend a country which cannot maintain them ;

them; but rather themselves become her internal and most dangerous enemies.

From what has been here said, I think it plainly appears, that the present exorbitant price of provisions, and all the necessaries of life, chiefly arises from the increase of our taxes, and of our riches; that is, from public poverty and private opulence, the fatal disease which has put a period to all the greatest and most flourishing empires of the world: their destructive effects have been sufficiently known in all ages; but the remedy successfully to be applied to them, is yet a secret. No acquisition of foreign wealth can be effectual for this purpose: was our whole national debt to be at once paid off, by the introduction of all the treasures of the East, it would but accelerate our destruction; for such a vast and sudden influx of riches would so enhance our expences, and decrease the value of money, that we should at once be overwhelmed with luxury and want. The most concise

cise method of cure would be to take superabundant wealth from individuals, and with it discharge the debts of the public; but here justice, liberty, and law, would obstruct our progress with insurmountable difficulties. Whoever therefore would attempt this salutary, but arduous undertaking, must not begin by extirpating engrossers and regraters, nor by destroying rats and sparrows, those great forestallers of the public markets; but by gradually paying off that debt, not only by œconomy, but by the most avaritious parsimony, and as far as possible, by narrowing those channels, through which riches have flowed in such torrents into the pockets of private men: He must be deaf to all mercantile application for opening new inlets of commerce at the public expence: he must boldly resist all propositions for settling new colonies upon parliamentary estimates; and most carefully avoid entering into new wars: in short, he must obstinately refuse to add one hundred

hundred thousand pounds to the national debt, though by that means millions could be introduced through the hands of individuals. How far these measures are practicable, or consistent with the honour, dignity, or even advantage of this country in other respects, I cannot determine; but this I will venture to affirm, that by no others this calamity, so loudly and so justly at this time complained of, can ever be redressed.

By what has been here thrown out, I would by no means be understood to mean to discourage the legislature from inquiring into abuses, of which I doubt not but there are many, and applying to them the most efficacious and speedy remedies; much less to disapprove the salutary measures they have already taken to redress this evil, the wisest, and perhaps the only ones which are practicable for that end. I propose only to lessen the unreasonable expectations many have formed of their success, and the indignation

tion consequent from their disappointment ; and to stem a little those torrents of absurdities, with which one is overwhelmed in all companies, both male and female. Every politician at a coffee-house has a nostrum for this disease, which he pronounces infallible ; and abuses administration for not immediately adopting it. Projectors every day hold forth schemes unintelligible and impracticable ; for not executing which, government is arraigned ; the ignorant support them, the factious make use of them, and oppositions, knowing what it is to be hungry, pathetically bewail the miseries of the poor. The dowager at the quadrille-table inveighs loudly against the cruelty of parliament, for disregarding the voice of the people, and suffering provisions to continue at so exorbitant a price ; calls a king ; and if she happens to be beasted, grows more outrageous against the ministry ; while the silent old general, her unfortunate partner, in three

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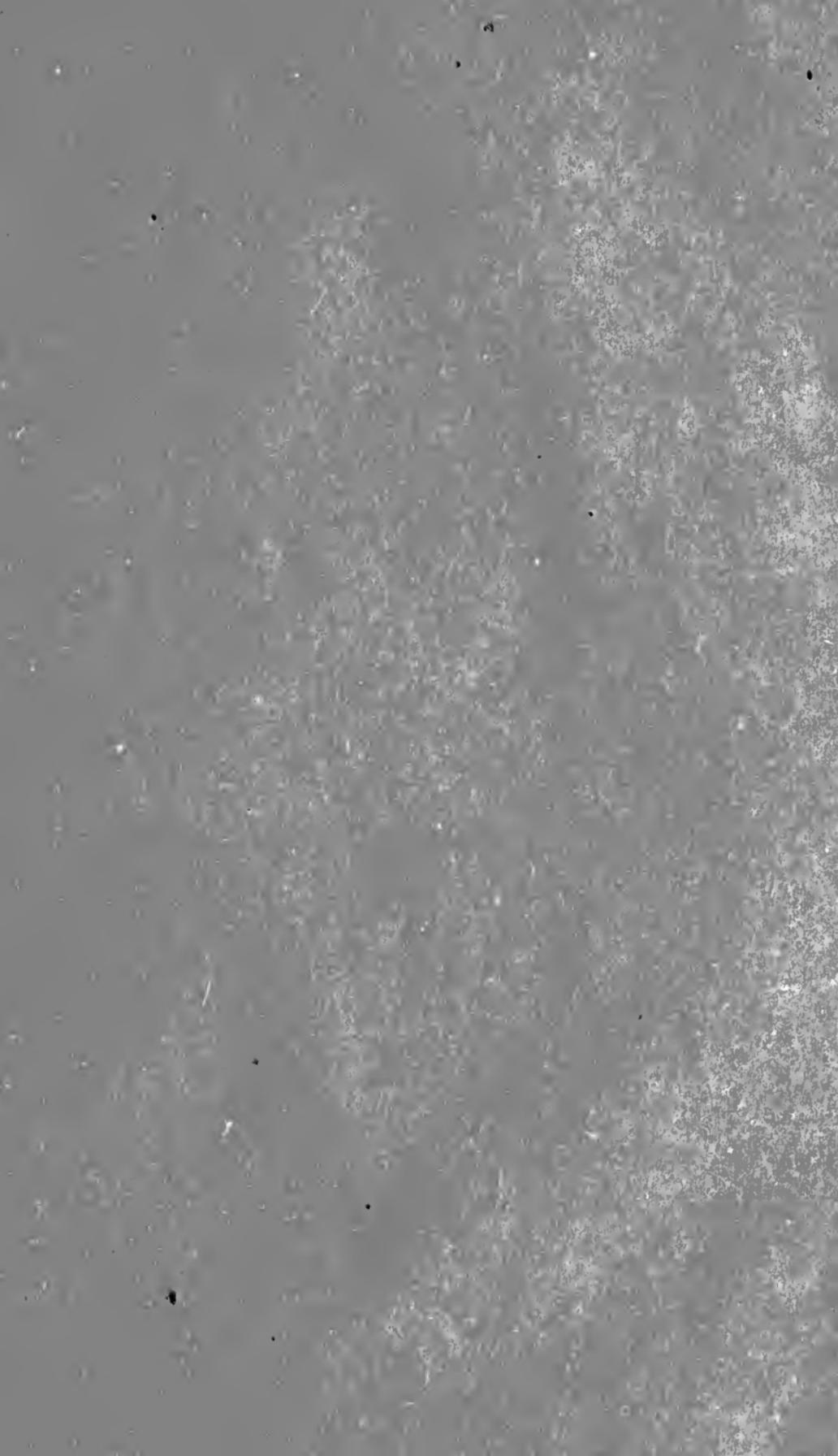
sentences recommends military execution on all butchers, bakers, poulterers, and fishmongers, as the most equitable and most effectual remedy. Were these impertinences productive of no mischief, they would be only ridiculous, and unworthy of a serious confutation; but as

Hæ nugæ seria ducunt

In mala;

as they tend to deceive, to disappoint, and to exasperate the minds of the vulgar, and to leave those of their betters discontented, and dissatisfied with government; whatever shall explain the true and fundamental causes of this calamity to the people, and give some check to the nonsense, which is every where wrote, talked, and propagated on this subject, is an attempt, which may render great and important service both to the social and the political world.

F I N I S.



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