

Landesbibliothek Oldenburg

Digitalisierung von Drucken

Sketches Of The History Of Man

In Two Volumes

Home, Henry

Edinburgh, 1774

Section I. General consideration on taxes

urn:nbn:de:gbv:45:1-945

FINANCES.

THis subject consists of many parts, not a little intricate. A proper distribution will tend to perspicuity; and I think it may be fitly divided into the following sections. 1st, General considerations on taxes. 2d, Power of imposing taxes. 3d, Different sorts of taxes, with their advantages and disadvantages. 4th, Manner of levying taxes. 5th, Rules to be observed in taxing. 6th, Examination of British taxes. 7th, Regulations for advancing industry and commerce.

SECTION I.

GENERAL CONSIDERATIONS ON TAXES.

AS opulence is not friendly to study and knowledge, the men best qualified for being generals, admirals, judges, or ministers of state, are seldom opulent; and to make such men serve without pay, would be in effect to ease the rich at the expence of the poor. With respect to the military branch in particular, the bulk of those who compose an army, if withdrawn from daily labour, must starve, unless the public, which they serve, afford them maintenance. A republican government, during peace, may indeed be supported at a very small charge among a temperate and patriotic people.

people. In a monarchy, a public fund is indispensable, even during peace: and in war it is indispensable, whatever be the government. The Spartans carried all before them in Greece, but were forc'd to quit their hold, having no fund for a standing army; and the other Greek states were obliged to confederate with the Athenians, who after the Persian war became masters at sea. A defect so obvious in the Spartan government, did assuredly not escape Lycurgus, the most profound of all legislators. Foreseeing that conquest would be destructive to his countrymen, his sole purpose was to guard them from being conquered; which in Sparta required no public fund, as all the citizens were equal, and equally bound to defend themselves and their country. A state, it is true, without a public fund, is ill qualified to oppose a standing army, regularly disciplined, and regularly paid. But in political matters, experience is our only sure guide; and the history of nations, at that early period, was too barren to afford instruction. Lycurgus may well be excused, considering how little progress political knowledge had made in a much later period. Charles VII. of France was the first in modern times who established a fund for a standing army. Against that dangerous innovation, the crown-vassals had no resource but to imitate their sovereign; and yet, without even dreaming of a resource, they suffered themselves to be undermined, and at last overturned, by the King their superior. Thus, on the one hand, a nation, however warlike, that has not a public fund, is no match for a standing army enured to war. Extensive commerce, on the other hand, enables a nation to support a standing army; but, by introducing luxury, it eradicates manhood, and renders that army an unfit match for any poor and warlike invader. Hard may seem the fate of nations, laid thus open to destruction from every quarter. All that can be said is, that the Deity never intended to stamp immortality upon any production of man.



The stability of land fits it, above all other subjects, for a public patrimony. But as crown-lands lie open to the rapacity of favourites, it becomes necessary, when these are dissipated, to introduce taxes; which have the following properties; that they unite in one common interest the sovereign and his subjects, and that they can be augmented or diminished according to exigencies.

The art of levying money by taxes was so little understood in the sixteenth century, that after the famous battle of Pavia, in which the French King was made prisoner, Charles V. was obliged to disband his victorious army, tho' consisting but of 24,000 men, because he had not the art to levy, in his extensive dominions, the sum that was necessary to keep it on foot. So little knowledge was there in England of political arithmetic in the days of Edward III. that L. 1 : 2 : 4 on each parish was computed to be sufficient for raising a subsidy of L. 50,000. It being found, that there were but 8700 parishes, exclusive of Wales, the parliament, in order to raise the said subsidy, assessed on each parish L. 5, 16 s.

In imposing taxes, ought not the expence of living to be deducted, leaving the remainder of a man's stock as the only taxable subject? This method was adopted in the state of Athens. A rent of 500 measures of corn, burdened the landlord with the yearly contribution of a talent: a rent of 300, burdened him with half a talent: a rent of 200, burdened him with the sixth part of a talent; and land under that rent paid no tax. Here the tax was not in proportion to the estate, but to what could be spared out of it; or, in other words, in proportion to the ability of the proprietor. At the same time, ability must not be estimated by what a man actually saves, which would exempt the profuse and profligate from paying taxes, but by what a man can pay who lives with economy according to his rank. This rule is founded on the very nature of government: to tax a man's food, or the subject that af-

fords

fords him bare necessaries, is worse than the denying him protection: it starves him. Hence the following proposition may be laid down as the corner-stone of taxation-building, "That every man ought to contribute to the public revenue, not in proportion to his substance, but to his ability." I am sorry to observe, that this rule is little regarded in British taxes; tho' nothing would contribute more to sweeten the minds of the people, and to make them fond of their government, than a regulation fraught with so much equity.

Taxes were long in use before it was discovered, that they could be made subservient to other purposes, beside that of supporting government. In the fifteenth century, the states of Burgundy rejected with indignation a demand made by the Duke of a duty on salt, tho' they found no other objection, but that it would oppress the poor people, who lived mostly on salt meat and salt fish. It did not occur to them, that such a tax might hurt their manufactures, by raising the price of labour. A tax of two shillings on every hearth, known by the name of *hearth-money*, was granted to Charles II. his heirs and successors, for ever. It was abrogated by an act of William and Mary, ann. 1688, on the following preamble, "That it is not only a great oppression upon the poorer sort, but a badge of slavery upon the whole people, exposing every man's house to be entered into and searched at pleasure by persons unknown to him." Had the harm done by such a tax to our manufactures been at that time understood, it would have been urged as the capital reason against the tax. Our late improvements in commercial politics have unfolded an important doctrine, That taxes are seldom indifferent to the public good; that frequently they are more oppressive to the people, than beneficial to the sovereign; and, on the other hand, that they may be so contrived, as to rival bounties in promoting industry, ma-

