

country. As to the ways and means of coming at the *grounds of agreement*, and the nature of that revenue and compact, an explanation never will be withheld, if ever again events shall render them practical. The colonies did always raise a revenue in support of that establishment of internal government, which the mother country had set over them; I do not say that I approve the manner in which they applied it. As to their raising, while *under a state of minority*, farther taxes, *except port duties*, for the *external purposes of the empire at large*, I will give no opinion, but submit it to your judgment, who have thoroughly considered the different fructuation of surplus produce expended in revenue, or vested in circulating capital, for further improvements, which further extend the British market in America, to decide, which of the two were, in that state, most beneficial to the mother country. I reason here in the line in which you consider the subject, the line of political œconomy, not of administration of government.

Your objections to the monopoly endeavour to prove, that, in *the invidious and malignant project* (as you file it) of excluding as much as possible all other nations from any share in the trade of our colonies, Great Britain sacrifices, in a great degree, an absolute advantage, to enjoy in a lesser degree a relative one: that if the trade had been free and open, the industry of the colonies would not only have been less cramped, but the source of all the advantages deriving to Europe, from the settlement of Europeans in America, would have been more abundant and more productive of advantage: and that, although Great Britain had sacrificed a relative advantage which she derived from the exclusive trade, she would yet have had a greater absolute advantage; as an explanatory proof you instance in the monopoly of the article of tobacco. The market opened for this article would, you think, *probably* have lowered the profits of a tobacco-plantation nearer to the level of a corn-farm; the price of the commodity would *probably* have been lowered, and an *equal quantity* of the commodities, either of England or of any other country, might have *purchased a greater quantity* of tobacco than it can at present. I will suppose with you, that by this new arrangement, and the consequential *new ratio in the scale* of prices betwixt Europe and America, that Great Britain as well as other countries would have derived a great absolute advantage: yet as these other countries would have derived the same advantage from our colonies, this fancied absolute advantage could be but merely *nominal*; for although England thus got more tobacco for a less quantity of British commodities, yet as other countries also got the same on the same terms directly from Maryland or Virginia, what Great Britain thus got would not only be less in value, but would run the risque of being a drug upon her hands. In giving up therefore the relative advantage which she enjoyed by her exclusive trade, *while she gained a nominal*, she would lose every *real* advantage. Besides, there is surely some management to be observed in the culture of an article of produce, whose consumption