

WRITINGS ON
POLITICAL ECONOMY
VOLUME IV
CIRCULATING ANNUITIES
and other
WRITINGS ON NATIONAL DEBT

JEREMY BENTHAM

edited by

MICHAEL QUINN

The Bentham Project 2019

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The Collected Works of Jeremy Bentham

The new critical edition of the works and correspondence of Jeremy Bentham (1748–1832) is being prepared and published under the supervision of the Bentham Committee of University College London. Eight volumes of the new *Collected Works*, five of correspondence, and three of writings on jurisprudence, appeared between 1968 and 1981, published by Athlone Press. Further volumes in the series since then are published by Oxford University Press. In spite of his importance as a jurist, philosopher, and social scientist, and leader of the utilitarian reformers, the only previous edition of his works was a poorly edited and incomplete one brought out within a decade or so of his death. The overall plan and principles of this edition are set out in the General Preface to *The Correspondence of Jeremy Bentham*, vol. 1 (Athlone Press), which was the first volume of the *Collected Works* to be published.

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1. Political Prospects; or, What’s to be done? or, What is to become of us?

2. On the Stock Note Plan

3. Hints, respecting the mode of feeding the *Old Sinking Fund* in *War-time*: proposing, that it be by *Interest*, as in the case of the *new Sinking Fund*: not by *principal*; *that* being a mere fiction, which neither is nor ever can be realized

4. CIRCULATING ANNUITIES: exhibiting a Plan for the creation, circulation and payment, of a proposed new species of Government Paper Currency under the name of *Annuity Notes*: of which the object is—to afford facilities which are not afforded by Stock Annuities, or any other of the existing Government or other Securities, public or private, for the investment of small, temporary or fluctuating sums; whereby Money may be obtained by Government at a reduced rate of interest: The price of Stocks raised, and uniformly supported: the reduction of the rate of interest on the National Debt accelerated at the same time with the redemption of the principal: a neat addition made to the mass of National Capital, the ever-encreasing source of National Income: Frugality promoted among individuals of all ranks and denominations: the means, of providing for futurity upon the securest terms, placed for the first time within the reach of the inferior orders: and their attachment to the established Government (the basis of national security and tranquillity) strengthened by new ties

CHAPTER I. Plan for the Constitution, Eventual Extension, Emission, and Payment, of a
proposed new species of Government Paper, under the name of Annuity Notes

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13. Abstract or Compressed View of a Tract intituled *Circulating Annuities*: exhibiting a Plan for the creation, circulation and payment, of a proposed new species of Government Paper Currency under the name of *Annuity Notes*

INTRODUCTION

CIRCULATING ANNUITIES, &c. CONTENTS

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EDITORIAL INTRODUCTION

All but one of the works presented in this volume were written between September 1798 and August 1801,¹ and all but the first concern Bentham's Annuity Note plan for the issue of an interest-bearing paper currency by government which might become the standard medium for holding government annuities. The first work in the volume and first text file deposited, 'Political Prospects, or, What's to be done? or What is to become of us?', is an aborted pamphlet aimed at allaying popular fears over national bankruptcy, which Bentham began drafting in September 1798. The second, 'On the Stock Note Plan', was written in the summer of 1799, just before Bentham began to draft the centrepiece of the volume, 'Circulating Annuities'. It might be argued that since this was not a work intended for publication, it has no place in the volume, but its role in establishing the task Bentham set himself in developing his plan for Annuity Notes more than justifies its inclusion. The third, 'Hints, respecting the mode of feeding the *Old Sinking Fund in War-time*', was derived from material drafted in the Spring of 1800 for inclusion in 'Circulating Annuities', and appears out of chronological order in the volume, on the grounds that its review of sources of supply to the Sinking Fund helps to establish the background against which that work was written.

Bentham began work on 'Circulating Annuities' in the autumn of 1799, and produced a mass of material which is reproduced in Appendices A and B. In early 1800, having finally settled on the denomination of his 'Standard Note', he began a new draft of the work which he never completed, and which is reproduced in the text file 4. In late July 1800, Bentham decided to précis the work in 'Abstract or Compressed View of a Tract intituled *Circulating Annuities*', and since the only surviving overall plans of its organization and contents are associated with that précis rather than the unabridged work, the organization of especially the latter parts of 'Circulating Annuities' remains uncertain. In May and June 1800, Bentham envisaged including a chapter dealing with the anticipated effects of the measure, although he decided soon after to exclude that chapter from the précis. Text file 5 reproduces Bentham's initial draft of the Table 'Form of a proposed Annuity Note', which, unlike the version of the Table printed in 'Abstract or Compressed View of a Tract intituled *Circulating Annuities*', assumes that interest payments on annuity notes would be made annually.

Text files 6–12 contain seven appendices to 'Circulating Annuities' as follows:

¹ The exception is Appendix G, drafted in April 1818.

Appendix A reproduces Bentham's first sustained efforts to draft 'Circulating Annuities' in October and November 1799. Appendix B contains three further sections for the work drafted in December 1799. Appendices C and D contain drafts of an intended chapter dealing with the effects of the Annuity note plan, respectively composed in January 1800, and in March and May 1800. Appendix E reproduces the text from three brouillons or sketches for a projected work, 'National Prospects in the Field of Political Economy, or a Picture of Futurity', which Bentham was planning to develop in the early summer of 1800 out of his work on the Annuity Note scheme. At this stage, he considered including his discussion of the effects of the Annuity Note Plan in the new work, although that idea did not reappear when he revisited it in October 1800. Appendix F contains Bentham's plan for the prevention of forgery, originally envisaged as a chapter or section in 'Circulating Annuities', but redrafted in April 1801 to form a discrete discussion. Appendix G contains a thematically closely related text, namely an Advertisement drafted in 1818, when public opinion was exercised by the increasing use of capital punishment in cases of forgery of Bank of England notes, and Bentham was considering publishing either 'Abstract or Compressed View of a Tract intituled *Circulating Annuities*', or perhaps the forgery discussion alone, as a contribution to the debate.

Between late July and January 1801 Bentham wrote an almost complete draft of 'Abstract or Compressed View of a Tract intituled *Circulating Annuities*',² which is reproduced in text file 13, and in the final months of 1800 he had the first three chapters and a part of the fourth printed, and sent them to George Rose, Secretary to the Treasury.³ Text files 14 and 15 reproduce the two Tables accompanying 'Abstract or Compressed View of a Tract intituled *Circulating Annuities*', namely 'Table of a Proposed Annuity Note Currency' and 'FORM OF A PROPOSED ANNUITY NOTE, ON THE SEVERAL PLANS OF HALF-YEARLY AND YEARLY INTEREST'. On 20 April 1801, hoping that a change in administration might produce an endorsement of his plan, Bentham sent the partially

² The vast bulk of the draft was written between August and October 1800. No text has been located for Ch. V. Financial Advantages—Period I.

³ On 5 January 1801 Rose reported that Evan Nepean had put the printed proofs into his hands 'some time ago': see Rose to Bentham, *The Correspondence of Jeremy Bentham*, vol. vi., ed. J. Dinwiddie, Oxford, 1984 (CW), p. 374. George Rose (1744–1818), Secretary to the Treasury 1782–3, 1783–1801, Vice-President of the Board of Trade 1804–6, 1807–12, Treasurer of the Navy 1807–18. Sir Evan Nepean (1752–1822), politician and colonial governor, Under-Secretary of State at the Home Office 1782–94, Secretary to the Admiralty 1795–1804, Chief Secretary to the Lord Lieutenant of Ireland 1804, Lord Commissioner of the Admiralty 1804–6, and Governor of Bombay 1812–19.

printed précis to Nicholas Vansittart, Rose's successor at the Treasury,⁴ who asked Sir Frederick Morton Eden to review the proposal.⁵ On 20 July 1801, Eden sent a letter to Vansittart advising strongly against the scheme, and Vansittart forwarded it to Bentham, prompting him to complete in less than three weeks the lengthy point-by-point rebuttal of Eden's criticisms, which he sent to Vansittart on 10 August 1801,⁶ and which is reproduced as the sixteenth and final text file.

The Bentham Committee wishes to thank the Leverhulme Trust whose grant allowing for the appointment of an editor made possible the preparation of this fourth volume of Bentham's writings on political economy. The Bentham Committee is grateful to University College London and to the British Academy for their continuing support. I would like to thank University College London Library and the British Library for permission to reproduce transcripts of manuscripts in their possession. All Bentham volumes are the collective fruit of many hands, and I would like to express my heartfelt thanks and acknowledge a deep debt to colleagues at the Bentham Project for providing assistance and support in multifarious ways. The vast bulk of the research for the annotation for this volume was undertaken by Dr Oliver Harris and Dr Chris Riley, who also assisted by undertaking transcription and checking transcripts. Dr Tim Causer unstintingly lent his expertise in tracking down sources for Bentham's allusions, and Dr Riley prepared the Tables for this volume, and saved the editor from numerous errors by carefully checking the draft texts and notes. I cannot conceive of more helpful and supportive colleagues. The General Editor of the *Collected Works of Jeremy Bentham*, Director of the Bentham Project, and Principal Investigator under the Leverhulme Grant, Professor Philip Schofield, has scrupulously reviewed the form and content of the first five text files.

I gratefully acknowledge the help received in the elucidation of references in the text, and other assistance, from the following scholars: Ms Ellie Paton, Collections Officer at the Bank of England Museum, and Dr Ian Williams. Finally, the unpaid contributions of the volunteers of 'Transcribe Bentham', the award-winning crowdsourcing initiative

⁴ See Bentham to Vansittart, 20 April 1801, *Correspondence* (CW), vi. 387–90. Nicholas Vansittart (1766–1851), later first Baron Bexley, joint secretary to the Treasury 1801–4, 1806–7, Chancellor of the Exchequer 1812–23.

⁵ Sir Frederick Morton Eden (1766–1809), writer on the poor laws and architect of the Globe Insurance Company.

⁶ See BL Add. MS 31,235, fos. 31–2, and Bentham to Vansittart, *Correspondence* (CW), vi. 422–3.

launched by the Bentham Project in 2010, and initially funded by the AHRC, have been integral to the production of the volume. Without the contribution of the volunteers listed below, it would not exist, and I would like to place on record my sincere thanks for their efforts: Brett Barney, Jill Baston, Thomas Bennett, Alice Blair, Clara Bloomer, Allison Callis, Roderick Cave, Susie Compton, Jan Copes, Margueritte Cox, Richard Davis, Rose Dutch, Phil Fawcett, Diane Folan, Jasmine Fong, Mary Foutz, J. Foxe, Petergh, Gill Hague, Oliver Harris, Peter Hollis, Bernard J. Hughes, Penny J, Kate James, Oliver Jones, Diane-Eugenie Jonker, Kate Kaczmarek, David Kaminski, Ethan Kent, Benjamin Lang, Rex Levang, Joy Lloyd, Helen McClure, Rob Magin, Markella Paros, Marilyn H. Pettit, Rabe 1806, Liz Rees, Maria Antonietta Ricagno, Chris Riley, Jane Robins, Soubriquette, Lea Stern, Laura Terry, Keith Thompson, G.L.J. Willis, and Alexander Zavracky. Phil Fawcett's efforts in particular deserve a special thanks.

Michael Quinn

Bentham Project

UCL

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NOTE TO TYPESETTERS: Please begin new recto.

A NOTE ON THE PRESENTATION OF THE TEXT

The manuscripts contain many deletions, additions, and emendations which represent Bentham's later corrections to the text. Original readings have not usually been indicated. Where there is no text corresponding to some part of a marginal contents sheet, the appropriate marginal content is reproduced in an editorial footnote. Square brackets in the text are reserved for editorially inserted words, while Bentham's original is, where appropriate, given in an editorial footnote. Bentham's square brackets are replaced by braces. Round brackets are those supplied by Bentham. Vertical strokes indicate a gap or blank space in the manuscript. With the notable exceptions detailed in the following sentence, Bentham's own footnotes are indicated by superscript letters, with a new sequence for each work or, in the case of 'Circulating Annuities', a new sequence for each chapter of the work,⁷ and editorial notes are indicated by superscript numerals, with a single sequence for each work. In Chs. I & II of 'Circulating Annuities', repeating a device he had used in his writings on preventive police, Bentham presented his text and the notes to that text in discrete sections, and used a series of numerals in square brackets following the text annotated to indicate the position of the note. In the present volume, Bentham's square brackets are replaced with braces, and both braces and numbers presented in bold type in the body of the text. In his drafts of the sections containing 'Notes' for these chapters, Bentham usually underlined the cited passages from the text to which the notes respectively referred, but frequently omitted so to do. In the present volume all such passages are presented in italics. In the same sections, after reproducing the passage to which a particular note related, Bentham usually began the text of the note on a new line, but frequently omitted so to do. In the present volume, the text of each note begins on a new line. Finally, as a further aid to navigation, in the sections containing 'Notes', each note is separated from its predecessor by a space, and the note numbers in braces and the cited passages are presented in text of larger size than the body of the text. Bentham was inconsistent in his numerical presentation of quantities of money, sometimes using a colon, and sometimes a full stop, to separate pounds, shillings, pence, and farthings. In the present volume, to avoid confusion with punctuation, his colons have been silently replaced with full stops, and abbreviations supplied where the meaning could be unclear.

The only part of the volume based on a printed text consists in the first three chapters, and part of the fourth, of 'Abstract or Compressed View of a Tract intituled

⁷ In Ch. VI of 'Circulating Annuities' there is a new sequence for each section of the chapter.

Circulating Annuities’, which are reproduced from the partial printing of the text in 1800.⁸

The presentation in the present volume corresponds as closely as possible with the style and conventions, including spelling, capitalization, punctuation, and the use of italics and other devices, of the printed text. There are some minor variations: double quotation marks are replaced here with single quotation marks (consequently, single quotation marks indicating quotations within quotations are replaced with double quotation marks); and Bentham’s square brackets are replaced with braces. A number of obvious slips have been corrected, and are indicated by editorial footnotes. Instances of footnote markers appearing before punctuation have been silently corrected, as have other minor typographical errors (for instance the omission of a letter necessary to complete a word, of a closing bracket, or of a full stop). In Ch. I of the partial printing, Bentham differentiated between his numbered series of notes on one hand, and his other notes on the other, by using numbers in square brackets in the body of the text to indicate the former, and a wide range of superscript symbols to indicate the latter. He also presented the text of the notes in parallel with and beneath the main text. In the present volume, Bentham’s numbers are presented in braces and in bold type in the body of the text, and Bentham’s other note indicators, in accordance with the usual practice of the edition, are presented as superscript letters. Following the printed text, the notes are presented in parallel with and beneath the main text. In Ch. II of the same work as printed in 1800, which consists in the printed Table and a selection of thirteen of the thirty notes drafted to accompany it, Bentham’s note-markers are presented as superscript numerals. In the present volume, to maintain some consistency with the presentation of the equivalent note-markers in corresponding chapter of ‘*Circulating Annuities*’ and to aid in cross-reference, these note-markers are presented as superscript numerals in braces. In the partial printing of 1800, quantities of money are often presented as follows: ‘£. 12 16 s.’. In the present volume, the full stop after the pound sign and the spaces between the abbreviations and the numerals have been silently removed.

The identifiers of the original manuscripts on which the text is based appear on the left-hand side of the text, except where a folio begins in mid-sentence, when they appear in the body of the text. The numerals [001_118], for instance, refer to box i, folio 118, in the Bentham Papers, UCL Library Special Collections. The dates of the manuscripts, where given, follow the manuscript identifier within a second set of square brackets. In Letter II of ‘*On the Stock Note Plan*’, Ch. XV of ‘*Abstract or Compressed View of a Tract intituled*

⁸ A copy of the partially printed text is held in the British Library, shelf mark C. 194.a. 964.

Circulating Annuities', and 'Observations by Sir Fred. Morton Eden .^.^ with Counter-Observations by the Author of the Plan', the manuscript identifiers refer to British Library Additional Manuscripts, box 31,235, in the Vansittart Papers. In the partially printed text of 'Abstract or Compressed View of a Tract intituled *Circulating Annuities*', page identifiers from [001] to [048] replace the manuscript identifiers.

In recognition of the absence of a more complete Editorial Introduction here, the title of each file is accompanied by an initial 'Editor's Note', indicated by an asterisk, which attempts to orientate the reader in relation to the content of the file and the period of its composition. These notes will not, of course, appear in the published volume. The annotation of the volume remains currently incomplete, and where required the phrase 'Annotation to be finalized' appears in square brackets. As an aid to cross-reference and navigation, where possible, the generic 'p. 000 above/below' has been supplemented where possible by an indication in square brackets of the manuscript reference in question, and of the chapter and work in which it appears.

SYMBOLS AND ABBREVIATIONS

Symbols

^^^	Space left in manuscript.
[to]	Word(s) editorially supplied.
[?]	Reading doubtful.
[.^ .^ .?]	Word(s) proved illegible.
< .^ .^ .>	Torn manuscript.

Abbreviations

Apart from the standard abbreviations the following should be noted:

BL Add. MS	British Library, Additional Manuscripts
Bowring	<i>The Works of Jeremy Bentham</i> , published under the superintendence of .^ .^. John Bowring, 11 vols., Edinburgh, 1843.
UC	Bentham Papers in the Library of University College London. Roman numerals refer to boxes in which the papers are placed, Arabic to the leaves within each box.
CW	The authoritative edition of <i>The Collected Works of Jeremy Bentham</i> .
MS add.	Addition to manuscript text.
MS alt.	Alternative manuscript reading, usually interlinear or marginal.
MS del.	Word(s) deleted in manuscript.
MS orig.	Original manuscript reading.
1800	The first forty-eight pages and two Tables of ‘Abstract or Compressed View of a tract intituled <i>Circulating Annuities</i> ’, as printed by Luke Hansard in 1800. British Library shelf mark C. 194.a. 964.