

2. Adam Smith Criticizes Empire (1776)

Like Dean Tucker and British officialdom, Adam Smith was concerned about the expense of mercantilism. When serious friction developed with America, he advocated colonial membership in Parliament, with representation based on taxes paid. If the American tax revenues should ultimately exceed those of England, as was not unlikely, the capital of the empire might be moved from London to the New World. Such views were not popular in the mother country. Smith here examines the alternatives in the concluding passage of his Wealth of Nations. Did he regard the colonies as a burden or an asset?

The expense of the peace establishment of the colonies . . . , though very great, is insignificant in comparison with what the defense of the colonies has cost us in time of war. The last war [Seven Years' War], which was undertaken altogether on account of the colonies, cost Great Britain, it has already been observed, upwards of ninety millions [of pounds]. The Spanish war of 1739 [War of Jenkins' Ear] was principally undertaken on their account; in which, and in the French war [King George's] that was the consequence of it, Great Britain spent upwards of forty millions, a great part of which ought justly to be charged to the colonies.

In those two wars the colonies cost Great Britain much more than double the sum which the national debt amounted to before the commencement of the first of them. Had it not been for those wars, that debt might, and probably would, by this time, have been completely paid. And had it not been for the colonies, the former of those wars might not, and the latter certainly would not, have been undertaken. It was because the colonies were supposed to be provinces of the British empire that this expense was laid out upon them.

But the countries which contribute neither revenue nor military force towards the support of the empire cannot be considered as provinces. They may perhaps be considered as appendages, as a sort of splendid and showy equipage of the empire.

But if the empire can no longer support the expense of keeping up this equipage, it ought certainly to lay it down. And if it cannot raise its revenue in proportion to its expense, it ought, at least, to accommodate its expense to its revenue. If the colonies notwithstanding their refusal to submit to British taxes, are still to be considered as provinces of the British empire, their defense in some future war may cost Great Britain as great an expense as it ever has done in any former war.

The rulers of Great Britain have, for more than a century past, amused the people with the imagination that they possessed a great empire on the west side of the Atlantic. This empire, however, has hitherto existed in imagination only. It has hitherto been, not an empire, but the project of an empire; not a gold mine, but the project of a gold mine—a project which has cost, which continues to cost, and which, if pursued in the same way as it has been hitherto, is likely to cost, immense expense, without being likely to bring any profit. For the effects of the monopoly of the colony trade, it has been shown, are, to the great body of the people, mere loss instead of profit.

It is surely now time that our rulers should realize this golden dream, in which they have been indulging themselves, perhaps, as well as the people; or that they should awake from it themselves, and endeavor to awaken the people. If the project cannot be completed, it ought to be given up. If any of the provinces of the British empire cannot be made to contribute toward the support of the whole empire, it is surely time that Great Britain should free herself from the expense of defending those provinces in time of war, and of supporting any part of their civil or military establishments in time of peace, and endeavor to accommodate her future views and designs to the real mediocrity [moderateness] of her circumstances.