

## **Economic Document 1: Andrew Jackson O'Shaughnessy, Historian, 2013.**

“The British leadership was additionally impeded by the absence of a central command system to provide essential coordination between the various departments of government responsible for the war effort...Until 1779, three different departments were responsible for transporting soldiers, ordinance, provisions, camp equipment, hospital stores, horses, and clothing...

The shortcomings of the administrative system were compounded by the logistical problems of fighting a war across the Atlantic Ocean. The voyage took at least two months and sometimes three to four months in either direction. The government initially assumed that the army would become relatively self-sufficient in feeding itself from territory repossessed in America. In reality, the army and navy continued to rely on provisions and supplies from Britain...who daily consumed 37 tons of food and 38 tons of hay and oats. According to one estimate in April 1778, the army required 127,400 pounds of candles to light 4,900 rooms. Accompanying the troops were women and children who were fed respectively half-rations and quarter-rations. The proportion of women to soldiers doubled during the war [and] the government also had to feed and clothe a growing number of loyalist refugees...

The need for economy was a major restraint upon military operations. The government always had to consider the necessity of keeping down the cost of war in order to maintain the support of domestic taxpayers. For much of the eighteenth century, there was a popular fear that the country might be unable to support the burden of the national debt. This was a major issues in British politics and was largely responsible for the fatal decision to tax America. Britain was among the most highly taxed nations in Europe. Between 1700 and 1783, the per capita rate of taxation doubled and the national debt rose fifteen-fold. Furthermore, the growth in the rate of taxation far outpaced the growth in the gross national product. The interest payments on the national debt accounted for about 43 percent of tax revenues in the decade before the American Revolution, and rose from £2,735,925 to £9,406,406 between 1757 and 1783. The payments on interest and on the military accounted for between 75 and 85 percent of government expendeniture.<sup>24,</sup>

### **Source:**

O'Shaughnessy, Andrew Jackson. 2013. *The men who lost America: British leadership, the American Revolution, and the fate of empire*. New Jersey: Yale University Press, 12-13.

### **Excerpts available from:**

<https://books.google.com/books?id=sJ6ZrzmcbSoC&pg=PA13&lpg=PA13&dq=british+national+debt+during+the+american+revolution&source=bl&ots=A9DDPJFGrl&sig=CuOgr6fanuSzi-kHNKb0mQ2QqOQ&hl=en&sa=X&ei=vuurVL6LM4SVyASphYCgAw&ved=0CEQQ6AEwBjge#v=onepage&q=british%20national%20debt%20during%20the%20american%20revolution&f=false>

## **Economic Document 2: Lord North, Prime Minister, 1781 (with brief commentary from Brooke, 1964)**

On the taxation of America North was a disciple of Grenville; and at the Cabinet meeting of 1 May 1769 which considered the repeal of the Townshend duties he had been among the majority who favoured the retention of that on tea. He saw the Boston tea riots of 1773 as an open challenge to British supremacy; and, inadequately informed of the temper and feelings of the Americans, introduced punitive legislation designed to overawe the colonies. Next, faced with a revolutionary situation, North reacted with increased severity and an offer of conciliation: an ambivalent attitude, which marked British policy throughout the war. On 20 Feb. 1775 he brought forward a proposal that any colony which made provision for defense and civil government should be exempt from parliamentary taxation. The maintenance of unanimity at home, rather than the conciliation of America, seemed to be his aim. He wrote to the King on 19 Feb.:

Lord North hopes for great utility (if not in America, at least on this side of the water) to arise to the public from this motion. He is confident it gives up no right, and that it contains precisely the plan which ought to be adopted by Great Britain even if all America were subdued. He has reason to think it would give great satisfaction here, and that it will greatly facilitate the passing the bill now in the House for restraining the trade of New England.<sup>43</sup>

But the American problem could not be solved by majorities in the House of Commons; and the reply of the Continental Congress—‘The colonies of America are entitled to the sole and exclusive privilege of giving and granting their own money’—was an outright rejection of North’s principles of accommodation. As the war progressed North abandoned all hope of the chances of reconciliation. To secure an American renunciation of independence, at whatever sacrifice of principle by this country, became his aim. In his conciliatory proposals of 1778, brought out under the stress of military defeat at Saratoga, he at first proposed ‘to repeal every Act smack smooth, and even amend and explain the Declaratory Law’, until Robinson convinced him it could not be got through Parliament.<sup>44</sup> Still, he was prepared to surrender a great deal hitherto regarded as sacrosanct. He wrote to the King on 29 Jan. 1778:

The direct proposition which might be successful in separating some colonies from the rest is that the colonies or any of them, upon renouncing their claim of independency, should be exempt for the future from parliamentary taxation. To give up the levying of positive taxes here is to give up in effect nothing, as it is pretty certain that none will for the future be ever levied by the British Parliament.<sup>45</sup>

Even this concession, North believed, would have a doubtful reception in Parliament; while America, on the verge of concluding their alliance with France, would have laughed at it... On 25 Mar. 1778 he wrote to the King:

The condition of this country ... is deplorable. It is totally unequal to a war with Spain, France, and America, and will ... be over-matched if the contention is only with the house of Bourbon ... Great Britain will suffer more in the war than her enemies ... by an

enormous expense, which will ruin her, and will not in any degree be repaid by the most brilliant victories.

Defeat at Saratoga, and the expected entry of France into the war, forced the Government to reconsider its plans; and reduced North to a state of indecision and doubt.

**Source:**

**The History of Parliament: British Political, Social, and Local History**

*The History of Parliament: the House of Commons 1754-1790*, ed. L. Namier, J. Brooke., 1964  
Boydell and Brewer.

AVAIL: <http://www.historyofparliamentonline.org/volume/1754-1790/member/north-frederick-1732-92>

### **Economic Document 3: Letter from Lieutenant-General Leslie to General Sir Henry Clinton, December 27<sup>th</sup>, 1781**

Sir, I did myself the honour to write your Excellency by his Majesty's ship *Camel*...

Major Craig is on John's Island and occupies two redoubts at Stono on the main with the remains of Lord Cornwallis' army, about 500 men including General Browne's provincial regiment and 100 cavalry; it is ticklish post...

The people are daily quitting the town and great part of our militia are with the enemy, after getting all they could from us. In short the whole of the country is against us but some helpless militia with a number of officers, women, children, Negroes etc. Add to this the refugees from North Carolina and many from Virginia on parole to feed, clothe and support, many of them formerly in affluent circumstances and now are destitute. I don't suppose Lord North receives more dismal memorials that I do and many of them lamentable. I must get my heart steeled. It is a most unpleasant situation. At the same time I act with great economy but the expenses of the officers of militia and refugees is very great and unavoidable.

My warrants of the several departments amount to large sums and I hope your Excellency will order someone here to inspect the accounts...

Lieut.-Colonel Brown, superintendent of Indians, has sent me his extra expenditures for the year 1780 for only the eastern district. It amounts to near £11,000 over and above the £5,000 they get from the Treasury. Colonel Balfour had given him £8,000 and I have given him £4,000, assuring him I will pay no more for his department until your Excellency's order or direction from England. You will please observe no part of this year is included in the above, and from a letter I find he has Indians in all quarters....

I have cautioned him strongly in regard to his future expenses and refused passing his extra account for 1780, which appears to me a great imposition on the public, and told him the several sums (£12,000) is on account.

#### **Source:**

**Davies, K. G. (ed.). 1972. *Documents of the American Revolution, 1700-1783*. Vol. XX, Transcripts 1781.**