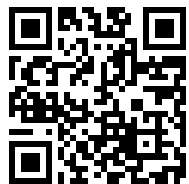

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REMARKS
OF
JOSEPH BLUNT, ESQ.,
OF NEW-YORK,

At a Public Meeting, held at Albany, September 2d, 1841.

FELLOW CITIZENS,—

THE subject of your deliberations this evening is one of general importance, and has been forcibly brought to my observation in passing along the lake frontier of this state the present season. In a late excursion on Lake Ontario, I observed many indications of a change in the direction of that commerce which has so materially contributed to the wealth of this flourishing city, and to the revenues of the canals, which are so justly the boast of our state. Grain and provisions from the shores of Lake Erie, which have heretofore made part of the receipts from the canal at the Hudson, were taking their way through the Welland Canal, and down the St. Lawrence to England. The tonnage of Oswego, instead of being employed in the business of that town, was engaged in carrying produce from the upper lakes to Kingston; and this trade is now so flourishing, that vessels built for the Welland Canal business are sure to command a good price and a ready sale. I am not able to furnish an exact statement of the extent of this trade; but I have been credibly informed, that one firm in Kingston has received this season from the northwestern states more grain than the whole receipts at Buffalo, and that 150,000 barrels of flour have been in store at one time. Whatever may be the amount, it is certain that a large portion of the trade which would find its natural outlet at this place, has been diverted by the revenue laws of England through her colonies; thus depriving the millers of Black Rock and of Oswego, the forwarders of Albany and Troy, and the merchants of New-York, of employment, and the Erie canals of tolls, for the purpose of securing them for the canals and inhabitants of Canada.

Had this happened through the superior cheapness or any other natural advantages of that route, no complaint could have been made. If England or any other power can navigate the seas with greater economy than the United States, we wish them success; but in this instance we are prevented, by the hostile and jealous legislation of England, from entering into competition with her in transporting our own productions from the United States to the consumers in her dominions.

From her colonies flour is received, paying a duty of five shillings per barrel; while the duty, when imported from the United States, is a shifting duty, increasing in amount as wheat falls in price, and being at the last quotations about \$2 50 per barrel. As the duty on wheat imported into Canada is merely nominal, the difference of duty operates as a bounty in



favour of the colonial shipper to the amount of nearly \$1 50 ; and it is not to be wondered at, that with that duty the trade is diverted from the New-York route to that of Canada. The corn laws of England form a part of that system of exclusion and monopoly, which was so successfully applied by the celebrated navigation act to the encouragement of her commercial marine. They grow out of the principle pervading the legislation of England, of securing a preference in all instances to British capital and British industry. In the navigation act, it secured to her shipping constant employment, by prohibiting foreign vessels from bringing anything to British ports, except the productions of their respective countries. In the manufacturing arts, it provides a home market by a system of duties, which, in the more important branches, amount in fact to a prohibition. Her agriculturalists are secured in the domestic market by duties, which permit the importation of grain only when it is necessary to prevent a scarcity.

Under this system, the commerce of England has increased until she has become the first maritime power of the globe. Her vessels crowd every port, and her commercial possessions and military strong-holds are extended to every corner of the earth. Her manufacturing industry produces annually a greater amount of actual property than the labour of the whole human race at the time of the discovery of this continent ; and the high state of cultivation in every part of the kingdom, and the value of the real estate, bear witness to the success of that policy as applied to the landed interest.

That policy has made her rich and powerful ; and the world views with admiration, mingled with astonishment, the power and wealth concentrated in a kingdom scarcely as large as this state, by means of a policy which has looked with a steady aim to her commercial aggrandizement. It is, however, not to be denied, that this policy, which has been so successful, is in a high degree selfish and exclusive,—injurious to other nations having commercial relations with England, and oppressive to her colonial dependencies.

It formed one of the chief causes which led to the declaration of independence on the part of the United States ; and as soon as the circumstances of the country would permit after the achievement of independence, the sagacious men who then directed our public affairs established a policy, intended to counteract the exclusive commercial policy of other countries, and especially that of England.

Among the first measures adopted upon the establishment of the Federal Government, was a system of revenue laws having special reference to that object. This system was adopted, after consultation among the leading members of Congress, in full accordance with the views of Washington, Hamilton, and Jefferson ; and Madison, then a member of Congress, took charge of the subject in the House. With that view, discriminating tonnage duties were imposed upon foreign shipping ; and when duties were laid on imports for revenue, a discrimination was made, and heavier duties were laid on articles manufactured in the United States, in order to encourage domestic manufactures.

Under the operation of this wise policy, which was one of equality and reciprocity, this country has increased in prosperity and wealth with unexampled rapidity. Her tonnage has become second only to that of England. The mechanic and manufacturing interests have been fostered, and have grown up under a system of judicious protection, until their productions form a large item in the annual exportations of the country.

The success of this policy has been complete, and it bears strong testimony in behalf of the sagacity and wisdom of the distinguished men who established it.

It gave a check to the grasping and exclusive policy of England, and proclaimed to our late parent country that we were no longer dependencies, and that our commercial intercourse for the future must be upon a footing of equality and reciprocity. To this intimation, that government was not prepared readily to accede.

Its first measures, after the recognition of our independence, had been to restrict and embarrass the trade between the United States and the West Indies,—portions of the earth peculiarly well calculated, from their contiguity and the productions respectively raised in them, for carrying on an extensive commerce mutually advantageous. Here the object was to monopolize the carrying trade in British bottoms.

About the same time a change was made in the corn laws, as an additional measure of hostility against the United States, and to exclude their chief productions from the British market.

Previous to 1791, the duty on wheat was only 6*d.* per quarter, when the price in the home market was above 48*s.* per quarter. Under that law the importation of wheat into England was considerable, and served to adjust the balance created by the consumption of her manufactures in the United States.

In 1791, a new principle was applied. Whether it was foreseen that the new republic would increase too rapidly were the British market open to the republic of its fertile soil; or that the landed interest was resolved on a monopoly of the home market, it is unnecessary to inquire. In that year a law was passed with the following scale of duties on importations. When the price was under 50*s.* per quarter, the duty was 24*s.* 3*d.*; between 50*s.* and 54*s.*, the duty was 2*s.* 6*d.*, and above 54*s.* a duty of 6*d.* per quarter.

It however so happened that a succession of short harvests for several years, prevented any practical results from this law. For the greater part of the time from 1791 to 1803, the average price of wheat was so high that importations took place at the low rate of duty. Indeed, in some of the years, a bounty, sometimes amounting to 20*s.* per quarter, was given, to encourage the importation of wheat.

In 1804, the scarcity was at an end. A large amount of new land had been brought into cultivation, and in that year the nominal duty was altered so as to apply only when wheat was above 66*s.* per quarter, while the high duty of 24*s.* 3*d.* was applied when wheat was under 63*s.* per quarter.

In 1815, when peace was made with the United States, a further alteration was made, so as to prohibit importation until wheat rose to 80*s.* per quarter, except from the colonies, from which it was admitted when the price reached 67*s.* per quarter. This prohibition proved too great an encouragement, and its results proved injurious to the agricultural interest; and in 1828, the principle of a shifting duty was adopted, which has continued to this time. By this law, wheat at 50*s.* per quarter pays a duty of 36*s.* 8*d.*, and the duty falls a shilling for every shilling of increase in the price, until it is at 73*s.* per quarter, when a nominal duty of 1*s.* is imposed.

The same principle is applied to other grains, and it has had the effect of shutting the ports, to a great degree, against grain from the United States. It is only in seasons of great scarcity that they are opened; and, of course, the market is not calculated upon, and no grain is raised in this country with

the view of supplying England. At the same time a duty of 5s. per barrel is imposed on flour from the colonies, and a nominal duty on wheat imported from the United States into Canada, no doubt with a view of encouraging the trade through the colonial route. If we could still doubt as to the real object of the British Government in establishing that policy, let us look at the great sums expended in constructing the Rideau Canal, the canals around the rapids of the St. Lawrence, and the Welland Canal. They all aim at the encouragement of a trade through the Canadas between the Western States and England, in which the mills and canals of Canada, and British vessels, are to find full employment, to the exclusion of those of the United States.

The same policy was adopted with reference to the trade between the United States and the West Indies.

First claiming it as an established principle, that the colonies, though all controlled by one government, and belonging to one empire, are to be considered as distinct dependencies, and to be governed commercially upon different principles, the English cabinet, in all its negotiations with the United States, has always sought so to regulate the intercourse as to secure the carrying trade in British vessels.

These pretensions, until lately, have been steadily resisted by our government. After offering various terms upon which the trade could be carried on upon an equal footing, which were all rejected, it came to the determination to put an end to a commerce, in which our vessels were not permitted to participate; and in 1818 an act was passed, prohibiting all intercourse with the colonial ports, which were closed against American vessels. To counteract this, the British Government the same year opened Halifax and St. Johns to foreign vessels, with articles for the West India market—thus intending to make them depots, and to secure the long voyage in this indirect trade to their vessels.

This attempt was met by our government, by laws excluding the produce of the British islands from the American market, and prohibiting British vessels from trading between the United States and the British colonies. These decisive measures on the part of the United States compelled the British Government to deviate from her system of monopoly, and the islands were opened to our vessels upon terms which, though not entirely equal, were sufficiently so to allow a trade, in which American vessels engrossed the greatest share.

After much discussion as to the best mode of counteracting the British system of exclusion and monopoly in the direct trade with her European dominions, it was deemed expedient by Congress to adopt that of extending protection to domestic manufactures. The British system has the effect of excluding from her market all that she can produce at home, or of burdening it by a heavy tribute in the shape of an import duty paid towards the expenses of her government. By imposing a similar duty upon articles usually imported from England, the doctrine of reciprocity is applied to the direct trade between the two countries.

This was done in the tariff laws of 1824 and 1828, and it has given an impulse to the manufacturing interests of the United States, which has established many important branches in the country. The effect of this policy has been striking in developing the resources of the country. The cotton, woollen and iron manufactures have been firmly established since the passage of those

acts, and the exportation of domestic manufactures from the United States greatly increased. For instance, before 1826, manufactured cottons scarcely obtained a place among the exports from the United States; and in 1825, the exportation of domestic manufactures of all sorts amounted to but \$5,730,000. The next year only to \$6,100,000. The same years the importations of manufactured cottons were as follows—i. e. :

In 1825, White Cottons,	\$3,326,000
Printed do.	7,710,000
In 1826, White do.	2,260,000
Printed do.	5,057,000

In 1838, the manufacturing ability of the United States was so much increased, that only \$980,000 worth of white cottons, and \$4,218,000 of printed cottons, were imported into the United States, and the exportations of domestic manufactures amounted to \$9,463,000, of which \$3,759,000 consisted of cotton goods.

The trade, too, between the two countries, was carried on almost entirely—at least three-fourths, in American vessels.

In the trade with the West Indies, the disproportion was still more in our favour; it being for vessels entering the United States from the West Indies, in 1826, 97,231 tons of American vessels, and 7,738 tons of British; and from the other British colonies 75,000 tons of American do.; and 8,400 do. of British, or nine tenths of it carried on in American vessels.

In this flourishing state of our trade, both at home and abroad, a change is made in the public policy, both as it related to the intercourse with the British colonies, and to the protection of our manufactures.

An informal arrangement was made relative to the colonial trade, by which the American Government was entirely overreached. In the haste to complete what in their want of knowledge was deemed a triumph in diplomacy, those entrusted with the conduct of affairs hastened to put an end to all counteractive measures—repealing, instead of suspending, the laws of 1818, 1820, and 1823, and committed the regulation of the whole subject to the discretion of the British Government. As might have been expected, this indiscreet confidence was rewarded by a system of colonial regulations, that, by putting heavy duties on the direct voyage, and light duties on produce imported into the northern colonies, secured nearly all the trade to British shipping, which alone were permitted to trade between those colonies and the West Indies. In 1839, the amount of American tonnage entering from the British West Indies, was 43,145 tons—foreign do. 23,614 tons; amount of American tonnage entering from the British Colonies, 384,121 tons—foreign do. 332,097 tons, the trade being now nearly divided between the navigation of the two countries.

The era of the abandonment of this policy, which had been so steadily persisted in under every preceding administration of the government, was also distinguished by the appearance of a new sect of politicians, who found in the principles of political economy a justification for surrendering to a foreign government the power to regulate, by her legislation, the commercial intercourse between the United States and herself; and in the inspirations of liberty a call to nullify the laws of the Union, unless they are modified to conform to the interests or square to the notions of this new school of American statesmen.

They looked at the state of intercourse between the United States and

England, and finding that the large importation from that country was chiefly paid for in southern productions;—(a result brought about by the exclusion of northern productions from the British market,) they assumed that this was the natural state of commerce, and then protested against any augmentation of duty as tending to diminish importations into the United States, and of course to diminish the exportation of cotton to that country. It was against the doctrine of free trade; and being against freedom of any kind, it was of course unconstitutional! Such were the assumptions and reasonings of the nullifying school of political economists; and, strange to say, they were so far listened to, that they obtained the support of a large party, which, aided by sectional feeling, threatened the very existence of the protective system, and induced a portion of its friends to yield their assent to the compromise act of 1833.

It ought, however, to be added, that the inducement of many, in assenting to this measure, was a desire to save their fellow countrymen from the consequences of an unlawful opposition to the laws of the Union, into which they had been led by too ardent a temperament. The act which at that period was stated to be merely an expedient to give time to the country to test the advantages of protection, and to reconcile the South to the policy, is now about to put an end to the protection afforded to domestic manufactures, and to expose them to the disadvantages of a fixed rate of duty, imposed on all importations alike, and having no reference to the industry of the country, or its ability to supply itself with the foreign article.

European labour, under this law, is to be brought into competition, under a fixed and permanent duty, with American labour. All counteractive and retaliatory legislation is to be abandoned, and the encouragement and protection of American labour and American capital is to be committed to the legislation of foreign governments, some of whom have never shown themselves unwilling to repress our enterprise and check our prosperity, whenever they interfered with their schemes of commercial monopoly.

I do not mean to go into an elaborate examination of the disputed question of protection; but I may be permitted to ask, to what employments will you direct all who are now engaged in factories, in iron works, in paper mills, and in the making of hats, shoes and ready-made clothing, when the labour of the underfed and overworked laborer of Europe is brought in competition with the industry of this country. Shall they leave their workshops and cultivate the earth? This will certainly provide them with food; but how are their clothing and articles of foreign growth to be paid for? If all the inhabitants of the United States become agriculturists, the cotton market will be overstocked, until it will scarcely pay the price of production; and grain, excluded from the European market, will be almost valueless as a means for paying for our importations.

I have put the case strongly to illustrate the advantage of providing a variety of employments for the population of a great country; and it is obvious that in the United States the manufacturing arts, in which labour is required, cannot be carried on in competition with European manufactures, unless the price of labour be brought down in this country, or a home market be provided by a protective tariff.

The political economists of South Carolina boldly meet the question by replying, that the price of labour must then come down. This may do very well for those who live upon the labour of others; but will it answer as well

for those who, from the small returns of their own industry, are barely enabled to maintain themselves and families? Will they be content with the 15 and 20 cents, which the peasants of Ireland and of continental Europe obtain for daily wages? It is easy to foresee they will not; and being the numerical part of the community, it will prove rather difficult in a government controlled by the majority, to perpetuate a policy that shall produce such results.

For my part I am not willing to place my own countrymen upon the same footing with the labouring classes in other countries. Our institutions are expressly framed for the benefit of the greatest number; and so far as it is practicable, even if it did increase the price of goods, generally imported from other countries, I would favour a revenue system that augmented the wages of labour, by promoting a variety of employments in the United States.

But passing by, at present, this topic—what if FREE TRADE is to be our motto? let it bear the addition of FAIR TRADE. Let it be free in its scope, but fair in its terms. Our interest, and, what is more, our honour, require that our commerce with foreign nations should be upon fair terms—upon terms of equality and reciprocity; that it should not be controlled and regulated by foreign legislation. This was the commercial freedom aimed at by the actors in the Revolution, and their sons are bound by that glorious example, not to be satisfied with less.

This equality and reciprocity can be attained by adopting the determination to look upon Great Britain and her possessions in various parts of the globe as one empire, between which and all the states and territories governed at Washington, commercial intercourse is to be regulated upon rules applicable to each country, as a whole; to have commerce with all these possessions under each government upon the same terms, or to put an end to it altogether. Discarding entirely the colonial system, and its absurd and unequal regulations, by which the intercourse between two adjoining countries intended by nature for trading together, is controlled by a government in another hemisphere; and a commerce mutually advantageous would grow up between the United States and the British Empire, which would bind the descendants of a common ancestry together by lasting bonds of interest and good will. If, however, this country is not yet ready for assuming such a position; it is ready and willing to impose duties upon goods usually imported from England, similar to the duties imposed in England upon the natural productions of the United States; and it is the more inclined to adopt this course, because it will protect our own manufactures, secure a variety of employments to our own citizens, and naturalize the arts and manufactures of Europe in this new country. Such a policy, too, will check the excessive importations which have within a few years impoverished the United States, drained them of specie, and plunged them so deeply in debt to Europe.

Higher duties will induce economy in the use of foreign productions, and make us rely more upon our own resources, and native productions and industry. It will also secure to the navigation of the United States a fair chance in its competition for the carrying trade, and maintain that proud place among maritime powers which has been gained by this young Republic in the first half century of her existence; provide full employment for those gallant sailors, who, by their hardy valour, have contributed so largely to the glory of the nation; and by the preference given to American navigation, create and support, during peace, an arm of national defence,

which, in the hour of need, may be justly regarded as the best support and cheapest defence of the country.

In a local point of view, too, this policy deserves our support. As New-Yorkers, deeply interested in our magnificent line of canals, we ought to give our earnest support to measures which tend to counteract the designs of Great Britain to divert our trade to the Canada route, and to build up Kingston and Quebec at the expense of Albany and New-York. As citizens of a state deeply interested in the carrying trade, and not less so in manufactures and agriculture, containing a population nearly equal to that of the whole Union in 1776, and that consisting of free persons, depending upon their own industry and labour for support and advancement in life,—we are called upon by every local consideration, as well as by those of a general character, to urge upon the Federal Government to abandon this *do nothing* policy—apply itself to the discharge of its high duties, and by a policy which shall vindicate the interests of the United States against the injurious and hostile legislation of other nations, and afford proper encouragement to home manufactures—develop the resources of the country, and aid it in its onward march to prosperity and greatness.

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