

THE FREE TRADE

UNION, THE CONSTITUTION AND THE LAWS—THE GUARDIANS OF OUR LIBERTY.

Vol. XLII.

THURSDAY, MAY 12, 1849.

No. 1123.

Debate in the Senate.

SECOND SPEECH OF

Mr. Clay, of Kentucky,

On the Resolution Passed by him proposing to amend the Constitution, so as to give the President the power to regulate the duties on imports, &c. March 26, 1842.

Concluded.

Here, then, is a perfect coincidence, in principle, between the diplomacies of the two countries. It is the above only of that principle, in practical operation, out of which any possible complaint can justly arise. And it must be admitted that when they spring up. What, then, should be done? Great Britain should be left to stand on her feet, and full indemnity for every injury, intentional or unintentional, that may be inflicted on our commerce. But, seeing that the suppression of the abominable African slave trade is an object of humanity which both countries have at heart, is not some convention agreed upon for a mutual right of search, and for suitable restrictions as to seas, and proper prohibitions as to practice? It will be recollected that it is a subject which, at a former period, engaged the serious attention of the United States. The House of Representatives, by an almost unanimous vote, (I believe with but nine dissenters) recommended it to the attention of President Monroe. In consequence, a negotiation was opened at London by Mr. Rush with Mr. Canning, the British Secretary of Foreign Affairs. Mr. Canning, as I have understood, requested Mr. Rush to draw up, in any terms he pleased, a treaty, and he would sign it. Mr. Rush accordingly prepared a convention, extending a mutual right of search to the African and some of the American seas. The British Government ratified it, and it was laid before the Senate proposed an amendment, striking out the American seas, and ratifying the convention in that amended form, it was returned to Great Britain. Mr. Canning, too much, perhaps, influenced by feelings of dissatisfaction excited by the circumstances of the case, refused the treaty in this altered state, and the negotiation ceased. Both Governments having thus substantially agreed upon a reciprocal right of search, within the limit of the African seas, I do not perceive any insuperable difficulty, in a mutual spirit of amity, and accommodation, of adjusting this matter in a satisfactory manner.

Mr. President, it is not every cause of complaint that should lead to a war. On so grave and solemn a question there ought always to be some just proportion between the magnitude of the wrong or injury and the terrible consequences of war. Nations should remonstrate, and negotiate, and protest earnestly and long, before they resort to actual hostilities. Honest differences of opinion may exist between nations as well as between individuals; and there may be at least a class of injuries, not rising to the importance of justifying an appeal to arms, which should be put aside on a catalogue, to be redressed when the dreadful day of war comes, as sooner or later (the later the better) it must come. With respect to the differences between the two countries, I would make one concluding observation. Whatever complaints there are, menacing the peace of the two nations, they are complaints on our side against Great Britain. She has none against us of a nature threatening a rupture. If war be necessary, and the only remaining alternative, it must be proclaimed by us, not by her. And consequently the time and the circumstances under which it shall be proclaimed are in our own hands. Happily Congress, and Congress only, can make the awful declaration.

But, whilst it affords me pleasure to say that, as far as I have information or any opportunity of judging, I perceive no cause of apprehension of immediate war, I know that one of the most powerful arguments to ensure success in negotiation is, to be fully prepared for all contingencies. And therefore I am for doing now what was too much neglected by the late administration; that is, making, as rapidly as can be done consistently with the financial condition of the country, ample preparations for the defence of the country and the maintenance of its rights. I do not mean a rash, ill-digested, and heedless system of preparation, but one that shall be well-digested, substantial, and gradual. I trust that hereafter, instead of a profuse waste of the public treasure on objects of no permanent utility, without leaving a single valuable monument behind, as was done by the late Administration, the sum of those now in power will be to place the country in an armor and attitude ready to vindicate its rights and honor, and that it will present, tangible, visible, and durable memorials of the wisdom with which public affairs are conducted.

The first in the series of resolutions which I have had the honor to submit is deemed by some gentlemen on the other side, to be altogether unnecessary, because no one can fail to see the propriety of providing for the exorbitant expenses of the year by an arbitrary revenue raised within the year. Mr. Milliers as the truth of

the maxim is, and obligatory as is the duty which it includes, the whole of Mr. Van Buren's administration was passed in one continued isolation of it. It was seen as early as 1837 that the annual expenditure exceeded the annual income. It was known that, by the gradual reduction of duties under the compromise act, the income was to be diminished more and more. Every year of that Administration the income was less than the revenue by about eight millions of dollars. Yet year after year passed away without any regard whatever to the maxim which leading friends of that Administration now pronounce to be a self-evident truth! Why was it neglected or forgotten in 1837, 1838, 1839, and 1840? Why were duties not laid, and a sufficient revenue raised? I made a personal application to some of those gentlemen myself, and told them beforehand that, unless some tariff for income should be provided, an extra session would be inevitable. Obvious and practically wise as the maxim is, it has been one of those fanciful rules of good government which was openly trampled on during every year of Mr. Van Buren's administration. So far from providing within the year the necessary income for the year, the income was left short of the expenditure by about eight millions of dollars during every one of the years of his Administration. I have thought, and do think, that, on this subject, I only need vindicate the Whig party and myself from the charge of not being able to bring down the expenditures below twenty-two millions. I am afraid, with my honorable friend from Maine, that it will scarce be possible to reduce it during the year below twenty-three millions. I hope we shall be able to provide revenue to meet the twenty-two millions. Certainly, instead of proaching us with waste and extravagance, these gentlemen should rather congratulate us that we have been able to effect so great a diminution in so short a time. Especially when in every legislative hall and in every committee room the cry is "Retrench, retrench!" Every where retrenchment is the order of the day.

But it has been said that I intimated that the expenditures of the Government might be reduced to thirteen millions; and the honorable Senator from New Hampshire has referred to a speech of mine, (without reading it,) delivered as far back as 1832. What was my language on that occasion? The Senator thought that I had said the expenditures might be permanently fixed at eighteen millions. I had no such intention. [Here Mr. C. read parts of his speeches made in 1832 and 1840, in relation to the probable and what ought to be the amount of the annual expenditure of the Government, deprecating extravagance, and expressing a wish for the practice of the greatest economy, with the hope and belief that the annual expenditure might be greatly reduced; but specifying no precise sum to which it was practicable to reduce it.] Well; and do I not hold the same language now? I wished then, and I wish now, that the expenditures could be reduced to eighteen millions—to thirteen millions—to nine millions, if it were practicable. It was the mere expression of a wish; but it was not accompanied with any opinion as to the exact sum to which it was not practicable to bring down the annual expenditure. Certainly nothing like a pledge.

I was speaking in just the same terms, and recommending reform with just the same earnestness as I do to-day. I was for travelling the same road as was recommended by the lamented Harrison in his inaugural address. But between the date of that address in 1840 and the present time, an essential difference has occurred in the menacing state of our foreign relations. I wish there was no more cause for apprehending the breaking out of war with Mexico, than I trust there is with England. But from the insolent tyranny recently employed by an upstart tyrant and usurper toward the people of the valley of the Mississippi—people from whom, when returning to his country after a disgraceful defeat, he experienced the most generous hospitality—and who was borne in safety to his own home by a public vessel of the United States, and from other more serious wrongs unredressed, there is some cause of apprehension of war with that power; yet I am not without the hope that even there we shall be able honorably to avoid a state of actual hostility. Still, however, there is a great difference between the state of our foreign relations now and in 1840. Our navy, justly a favorite with all, and which every one seems to vie with his neighbor in outgirding and preserving, is now fallen into a state of comparative dilapidation. All our fortifications, which were neglected and even abandoned by the late administration, have now to be repaired. All these additional expenditures have devolved on our hands.

I now proceed to another topic on which I have something to say, though I am afraid that I shall not have power to go with all the points I wish to touch. I mean that of free trade—a doctrine which was warmly pressed by the learned and distinguished Senators on the other side. I would begin where my friend from Connecticut (Mr. Huntington) took

his start in the able argument submitted by him to the Senate; and ask for a definition of the phrase "free trade." What is free trade? Does it mean a trade between two nations with freedom on the one side and all sorts of restrictions on the other? Is that free trade? Or does it mean a trade with absolute freedom—that is, with no duties at all, or very low duties, and strictly equal duties on both sides? If that is the Senator's meaning, I will not stop to discuss the question. I should be very glad to see universal freedom of trade established over the face of the whole world; but that is a state of things which never has existed and never will exist so long as mankind are divided into different and independent nations, existing in the four quarters of the world; so long as this is the case, each individual interest, regardless, in comparison, of the interests of all the rest of the world.

But let us see what sort of a free trade it is which the Senator from South Carolina gravely proposes to us, especially with Great Britain, who is, and probably will continue to be, the largest consumer of our native products. I hold here a paper exhibiting a few items of duty exacted on American wares, and other commodities in the ports of Great Britain, which I will read:

As an example of the terms upon which we shall trade with foreign nations, the following table of British duties on the articles raised in the Western country is given:

Tobacco, unmanufactured, at 8 cts per lb.	25
Do, manufactured, at 12 do	10
Beef, at 85 cts per barrel,	10
Pork, at 100 do	10
Hams, at 60 cts per cwt.	10
Lard, at 85 do	10
Wool, pig, at 45 do	10
Canlins, tallow, at 115 70 per cwt.	10
Do, tallow, at 100 do	10
Do, tallow, at 85 do	10
Soy, at 85 cts per cwt.	10

Now, the freedom of trade which the Senator from South Carolina and his associates propose, is a trade with a duty of 20 per cent. on one side and 1,000 per cent. on the other! That is the freedom of trade on which the Senator dwells with such enthusiastic delight that he likens it to the divine right of kings; it came, he tells us, from heaven itself—a divine ordinance! Well; let us look a little into the practical effect of this divine doctrine of free trade, where, as the Senator assures us it has, of late years, been making a triumphant progress. What is the reduction of duty which the people of England have been able to achieve on the primary article of human subsistence, the very bread of their life? Forty per cent! Forty per cent, is exacted by a sliding scale until the population shall have been reduced by a famine to a state of actual starvation; and then, when the want and desperation of the people may no longer be safely resisted, then, and then only, the breadstuffs of this country are to be admitted. And this is the divine free trade so eloquently commended to the adoption of an American Congress!

And no wretches look at the practical operation of the protective system as modified by the compromise. And, first, as to the progress of our home manufactures. The duties have been hitherto reasonably protective on most of our fabrics till 31st December last; and if you will now continue that protection to the articles needing it, and admit the rest duty free, there will be no complaint.

What do the Senators from Pennsylvania and from Maryland ask? That the duties on iron may be the same as in December, 1839. Under the practical operation of protective duties our manufactures have all the time been expanding, because they enjoyed moderate protection. What did we tell you on this very point in 1822-'24? And what did the Senators on the other side predict? I feel pride and pleasure in being able to say that there has not been a solitary prediction made on the other side that has not been contradicted by fact and experience; nor a single prediction on our side which has not been completely fulfilled. What were those dreadful warnings? That the revenue would be ruined—that we must resort to direct taxation. Importations would cease, and we should be driven to the necessity of domestic taxes. What further did they tell us? That prices would rise, and that the duties must be paid by the consumers in one quarter of the Union for the benefit of manufacturers in another quarter.

And how did the fact turn out? The revenue proved fully adequate, but there was no excess; (I mean from the duties on customs; for all the excess which did accrue was exclusively from the enormous sales of the public lands.) It is true the

actual amount of imports was lessened, but the augmentation of the duty more than compensated for the diminution, and we received more revenue than when the duties were lower. In these points, then, our predictions were fully verified. And how was it with regard to prices? Did the American consumer pay more for the objects of his consumption? With out entering into detail, (for which there is not time,) I assert, in general, that in every single instance in which sufficient protection was afforded, the price, instead of being augmented, was actually reduced. I do not recollect a single exception. The European monopoly of supply was broken down, and their fabrics had to encounter in our markets the competition arising from the skill and industry of American manufacturers!

Well; but it has been asked, if any increase of duty produces a diminution of price, why do the manufacturers ask for an increase of duties? I will answer the question. The augmented duty is thrown on the foreign producer. By increasing the duty you compel him to submit to a reduction of price equal or nearly equal to the duty; but to such a reduction they cannot submit but from necessity. A diminished importation causes, and a vacuum being thus created in the market, it is filled by the rival fabric of the American manufacturer, who in his turn finds his compensation for the reduced price in his quiet possession of a greater portion of the American market, and in the steadiness of that market.

There is the whole theory of the matter. There is no mystery, no inconsistency; the case is perfectly clear; and facts prove it to be just as we told you in 1824 that it would be.

I know no wiser course for a statesman than to recur to history, and thence to draw his lessons as to future policy. I wish I had time to trace the course of this matter from the days of the Revolution to the present hour; I could show that, in every period of our history when commerce and manufactures have been neglected, or left to the unfriendly operation of foreign legislation and foreign regulations, national distress and embarrassment have uniformly followed—these have ever been a drain of specie and a heavy foreign debt. But I am warned by the lapse of time that this will not now be practicable. Let me call the attention of the Senate only to a few facts, which mark a period remarkably like the present; I refer to that between 1816 and 1819. The country was then flooded with foreign imports; duties were low; and precisely similar general embarrassment was experienced to that which we now feel. Let me call your recollection to some of the facts, as they are well set forth in a memorial presented recently to Congress from Cincinnati:

Your memorialists find in statistical representations made by the cities of Philadelphia and Pittsburgh in 1819, the following facts:

1. That from 1816 to 1819, the number of hands employed in the manufacturing and mechanical branches of business in Philadelphia diminished from 9,672 to 2,137, or less than one fourth. That the number of persons directly and indirectly thrown out of employment in a district of forty miles diameter were twenty thousand.

2. That in Pittsburgh, in the same period, the number of hands employed were reduced from 1,000 to 672, and the manufactured product was reduced in the same proportion.

3. That this reduction extended not merely to the large manufacturing establishments, but to the smallest mechanical employments—the important domestic business of the shoemaker and tailor being reduced in almost the same proportion.

At the same time that the manufacturing establishments were thus laid in ruins, a memorial sent to Congress states that agriculture was equally depressed. Its language was: "We look in vain throughout the world for a market. Agricultural produce has no value but at home, and the drain of gold and silver has shaken the wealthiest Banks in the Union." In many places of the interior agricultural produce was entirely unmarketable. The rate of duties under which this wide-spread disaster was produced was 20 per cent. on iron and glass and 25 per cent. on fine cottons and wools; a higher average than that (viz. 20 per cent.) to which, by existing laws, the entire tariff of duties must, in a few months, be reduced.

By the tariff of 1824 and 1828, the duties were raised to an average of double that amount. The consequences are within the observation of the whole people. Manufacturing industry became a sterile, new branches were developed. The balance of trade became more favorable, and the country for a series of years continued in a state of uninterrupted prosperity.

No portion of the industry or property of the nation was more benefited by the change than that of agriculture. The market value of corn, pork, flour, and every species of Western produce, was, in the Miami country, perceptibly increased nearly threefold. The manufacturing establishments in the North, as well as

many in the West, became increased consumers of surplus products. We give but two examples, as sufficiently illustrating the general effect. New England imports from other States, especially the West, scarcely, if any, less than one million five hundred thousand barrels of flour—probably more. This fact your honorable body may ascertain, by calculating, at the established proportions, the consumption of that article by its inhabitants, and deducting from that quantity the very small amount of grain raised in these States. Two ports alone imported in 1841 the following quantities:

Boston, in 1841,	574,233 barrels.
Providence, in 1841,	85,830

These ports in 1841, total, 660,063

And now I ask, what is the system at which British policy is aiming? At this moment her commerce is gradually being excluded from the ports of the Continent; the loss of that with the Brazils is threatened upon the expiration of the existing treaty between the two countries; and, of all the remains of her former trade, that with the Brazils and with this country is the most profitable to her. Now what does Dr. Alison's invaluable work on population, recently published, develop as to her present line of policy? I recommend gentlemen to examine that book for themselves; it will give them many weighty facts. Alison is strongly in favor of the corn laws, (and so are the present Ministry of Great Britain,) and equally opposed to all treaties of reciprocity. And here let me say, in defence of that system, that when it was adopted in this country it was believed that, if any people on earth could sustain successful competition in navigation, our New England brethren could. Great as their enterprise undoubtedly is, perhaps it has been subjected to too unequal an experiment by those reciprocity treaties. But Great Britain's ultimate aim is to fall back, if compelled to withdraw from the commerce of foreign Powers, on the resources of her own immense empire. She will cherish foreign commerce as long as she can deceive you into notions of free trade; but when she can blind you no longer, (and she begins to see and to feel this,) then her own boundless possessions, scattered as they are through the four quarters of the globe—these, these are to be her ultimate resource for the maintenance of her commerce, her power, and her greatness; and from these she intends and hopes to draw the materials, as well as to find in them consumers for her own vast manufacturing capacities.

For the consummation of a like policy, where is the country which has the same advantages with this Herculean Republic, infant though it be? Mr. President, ours is a glorious country, and, vast as is the power and extent of the British empire, will not suffer by a comparison with it. The British empire is spread over the four quarters of the globe, separated by boundless oceans, detached and dispersed in broken fragments, insular and continental, inhabited by different and discordant races of men, speaking various and unknown tongues, obeying an infinite diversity of laws, originating in every stage of human society, from the highest state of civilization to the lowest depths of barbarism, and worshipping the Christian and Heathen gods. Whenever the charm of her naval power, the cement of these heterogeneous and incongruous elements, shall be broken, the future greatness and glory of old England will vanish forever.

Our immense and young Confederacy, on the contrary, washed by the Pacific and the Atlantic oceans, the Gulf of Mexico, and the great Northern Lakes, exhibits a compact, consolidated, continuous, unbroken Territory, abounding in the most valuable productions of Asia, of Africa, of Europe, and of America, inhabited by one race of men—the descendants of the most renowned and glorious of all the races of the family of mankind—Judeo-pleating their numbers in twenty-five years, speaking the same common language, living under one Constitution and similar laws, enjoying the inestimable blessings of civil liberty, and freely worshipping at the pure altar of the only true God.

How ought our hearts to overflow with dutiful thankfulness and unspeakable gratitude to that God for his gracious bounty to us! And what an awful responsibility do we lie under to Him, to mankind, to posterity, and to our own consciences, for a faithful administration of the great and sacred trust which he has confided to our hands! We have only to eradicate unfounded prejudices, cultivate harmony, cherish feelings of kindness and mutual concession, and be constantly animated by a true and genuine American spirit to fulfil all the obligations of that great trust!

But I return to the Senator from South Carolina and his free trade doctrines. What are we told by him in respect to the condition of his own State? I advert to the subject with no pleasure. I wish the prosperity of his native State was all that he once anticipated it would be when the duties on imports should be reduced—her fields smiling in beauty, her storehouses loaded with abundance, her people

free from embarrassment and enjoying unmixed prosperity. During the recess session, on a former occasion, he assured us that she was prosperous, and as an evidence of it adduced the fact of the sale of a lot of slaves at the average price of \$500 each. But what is her actual condition at this moment? The Senator adverted to the apparent increase in the amount of her exports, and pointed us to this as an index of her wealth and prosperity under a scale of falling duties. But that fact, so triumphantly pressed by the Senator, is easily explained. The products of Georgia and of North Carolina, the two neighboring States to his own, come in to swell the amount exported from Charleston, in consequence of the new facilities afforded by lines of railroad from the interior of both States to that commercial port. What do we learn from the papers? The gentlemen referred to the price of slaves as a measure of Southern prosperity; and if so, what says he to the fact that about five weeks only ago a lot of slaves brought in Charleston but from \$200 to \$300 a piece!—at right hundred slaves were for sale in that city!—or to that other startling fact that at a public sale four entire plantations, including slaves, were sold for less than one of them had cost!

Yet still he clings to his free trade doctrine, though it has proved so ruinous to his own State and to Southern interests as well as Northern; to that free trade which has depressed the price of cotton to a point below what it has ever brought since the close of the last war. In spite of all the teachings of experience, as well in his own as in all other nations, still he defends us with the cry of free trade! free trade! Really the case of the honorable gentleman is without any parallel, that I know or ever heard of—unless it be that which we find in the immortal work of Le Sage. Gil Blas was engaged in medical practice with the far famed Dr. Sangrado, and, after having gone as far as his conscience and his feelings could at all endure, he came at last to the doctor, and said to him, "Sir, your system won't do; I have been bleeding and administering warm water with unflinching resolution, and the consequence is, and I must tell it you frankly, all our patients—nobles, gentlemen, bourgeois, men, women and children—all, all are dying. I propose to change our system. What! said the astonished Sangrado, change our system!—Change our system! Why, sir, do you not know that I have written a book, and that I must preserve my consistency? Yes; and sooner than change my system, or write another book to prove it false, let nobles, gentlemen, bourgeois, men, women and children, all, all go!—(I will not say where.) [A laugh.]

The Senator seems to act on the self same plan. Instead of recommending free trade, and though he sees from year to year that his prescriptions are killing all his patients, he spurns the idea of changing his system, because he must preserve his consistency. [A laugh.] I shall not enter into further details on this subject of free trade. I have been induced to say what I have now said in defence of an opposite system, to which I have long been strongly attached, and for which my conviction of its necessity, in the actual posture of the commercial world, far from being weakened, is but the more confirmed and strengthened by observation and experience, and by all the mature reflection I have been able to bestow upon it.

But I ask again, as I have done once before, that I may not be misunderstood, I am not espousing the cause of any high protective tariff of duties. I am for such a scheme of duties as will preserve all the essential principles of the compromise act, as I understand them. I have lived and shall die in the conviction of the wisdom of the protective policy. I have regretted during life, and shall when I die, the prevalence of those causes—I respectfully believe mistaken causes—which make some of my fellow-citizens unwilling to adhere to it. I believe the day is not far distant when a great majority of the whole nation will call upon this General Government for protection, in the place of that so-called free trade with which there is no sympathy abroad; but, at the same time, I have ever believed that stability, with a moderate amount of protection, better than a very high tariff without it. I hold harmony to be one of the first of our and of all social blessings; and that it is better, if it can be done, to give protection as incidental to the raising of revenue, than to attempt to establish it *ex nominis*. Indeed, independent of all other considerations, the fact of its reconciling all parts of the country, would alone be sufficient to recommend it to the adoption of every enlightened statesman. Even were a high tariff desirable in principle, it would be impossible to get it in the present state of parties in this country; I mean of parties in Congress. I would say to all our friends, let us look to what is practical; look to the state of parties in Congress; and consent to take such a measure as we can get, and as will carry at least a majority. And what is the existing condition of parties in the two Houses of Congress? I hope