

Western Carolinian.

It is even wise to abstain from laws, which however wise and good in themselves, have the semblance of inequality which find no response in the heart of the citizen, and which will be evaded with little remorse.
Dr. Channing.

[BY BURTON CRAIG.]

SALISBURY, ROWAN COUNTY, N. C., MONDAY JULY 16, 1852.

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VERBS.

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SPEECH OF

MR. McDUFFIE, OF S. CAROLINA,
On the bill proposing a reduction of the duties on imports. Delivered in the House of Representatives, May 28, 1852.

(CONTINUED.)

We have, thus far, considered this a question only as it affects the relative interests of the contending parties; let us now examine it in reference to the infinitely more important consideration of their rights. And here the difference between the claims of the southern planters and the northern manufacturers, is too obvious to escape the dullest perception. No one will venture to maintain that the planters claim any to which they have not a natural and indefeasible right. They do not ask government to give them any aid of any kind; they only ask that it will let them alone, while honestly employed in the pursuit of happiness. Have they not, for example, a natural right to produce cotton, tobacco, and rice? Have they not the same natural right to sell it whenever they can do it most advantageously, whether at home or abroad, involving the right of bringing home, without hindrance or restriction, the commodities obtained by that sale? It is self-evident, that, in exercising these natural rights, the planters do not violate the rights of any other class of citizens, however directly they may come in conflict with their interests.

Will any gentleman have the goodness to point out what right of the manufacturer I violate when I carry my cotton to Europe, exchange it for manufactures, and bring them into the United States for the purpose of using them myself, or of selling them to other people? No, sir, it cannot be done. On the other, rights of the planters which you violate when you shake their exchanges with restrictions, and tax them with duties, in order to benefit the manufacturers—you violate their right of property—the right to make the most they can, in a lawful way, by the productions of their industry.

To what a charter, human or divine, can you appeal for the power of taking away the property of one man for the purpose of giving it to another? No Government on the face of the earth ever had, or can have, the right to exercise such a power, either directly or indirectly, open or in disguise. It really appears to me, that in the evil times on which we have fallen, language has lost its meaning, and that the world is governed by a miserable cant of hypocrisy and deception.

You openly and unblushingly perpetrate plunder, and consecrate the outrage by calling it protection! Do gentlemen understand the import of words? Protection! Protection, against what? Is there a hand of foreign mercenaries threatening to plunder and lay waste the manufacturing establishments of the north? If there be any such danger to be apprehended, you have only to call upon the generous spirit of the south, and thousands will rally under your standard, prepared to shed the last drop of their blood in defending your rights and repelling the invaders. But there is no foreign army threatening invasion. And I again ask, against what is it that the manufacturers clamor so loud for protection? But one answer can be truly given to this question: they desire to be protected against a fair and equal competition with the productions of southern industry. Involve it, mystify it, disguise it as you may, to this complexion it must come at last. The real invaders against whom this clamorous uproar for protection is raised, are the planters of cotton, tobacco, and rice. These are the true rivals of the northern manufacturers, and but for them not a single voice would be heard, from one extremity of this confederacy to the other, calling for protecting laws.

In a report recently submitted to the House by the committee on Manufactures the power of this Government to protect manufactures is placed on a ground entirely new and original. The power to tax, sir, is drawn from that part of the constitution which authorizes the imposition of taxes for the purpose of "providing

for the common defence." I give you the very words of the report—"to provide for the common defence. Defence against what? Against whom? Defence against every danger and against every foe; defence against all hostility, and from every evil which may bear upon the general whole community, and menace the general welfare; defence, especially, against all hostility of foreigners, whether in war or in peace; for the hostility of nations to each other is not confined to times of war. The common defence must be provided for as much against commercial rivalry as against warlike invasion; for the spirit of traffic, armed with power, as the experience of mankind has proved, is more insatiate and more grasping than all the Alexanders and Cæsars that ambition has inflicted on the race of man." Now, sir, to say nothing of the solemnism of talking about "hostility in time of peace," a thing which I do not exactly comprehend, I cannot recognize that as a part of the international or moral code of civilized nations, which denounces foreign commerce as a public enemy in time of peace, against which an eternal war of extermination is to be waged, by all the powers conferred upon this government, for "the common defence!"

I must admit, however, that this view of the subject exhibits the true character and genius of the protecting system in a more clear, striking, and undisguised form than I have ever before seen it presented. If I know any thing of the history and objects of the federal constitution, its primary end was the protection and defence of foreign commerce against the injustice and violence of foreign nations, and not the protection of one branch of domestic industry, engaged in producing manufactures, against another branch, engaged in producing the exchanges of foreign commerce. It is as great an outrage upon our vernacular language, as it is upon our federal constitution, to call this protection, I will tell you, sir, what, according to my view of the subject, is the only kind of protection which this or any other Government may lawfully extend to the citizens, who owe it allegiance. In this respect, the duty of government is exceedingly plain and simple. The first great protective duty of government, is to defend the country against the injustice or violence of foreign nations. To this end, it is clothed with the power of maintaining fleets and armies. The second great protective duty is, to defend every citizen or inhabitant within its jurisdiction from the injustice or violence of all other citizens or inhabitants. To this end laws are made, and public tribunals are established. If any foreign Government, by an act of violence, or an act of legislation, commits an outrage upon the person or property of an American citizen, it is the duty of this Government, at any reasonable expense of blood or of treasure, to vindicate the right and avenge the wrong. If any citizen perpetrates an act of violence or injustice against the person or property of another, the Government is bound to furnish a remedy for the outrage, by restoring what has been unlawfully taken, or causing indemnity to be made for it.

When these things are accomplished all the protective functions of Government are fulfilled. The moment it goes beyond this point, under the pretence of giving protection, and prostitutes its power to the unlawful purpose of confiscating the property of one class of citizens to give it to another, however sacred the names under which this outrage may be perpetrated, the Government itself becomes the instrument of inflicting the very injustice to prevent which was the great and cardinal purpose of its creation.

That the committee may perceive more distinctly the real object and bearing of this protecting system upon the two great rival interests upon which it operates, I now call their attention to a statistical fact, which, I am sure, will strike every one as being extraordinary.

I have already stated that it was against domestic and not foreign industry that the manufacturers call for protection. But why is it that they need this very high and extravagant protection? Is it because foreign manufactures are purchased with the productions of the southern States, and because these productions are produced by slave labor, which is four times as cheap in the operations of agriculture as the white labor of the northern States. Yes, sir, at this moment, a white laborer on a cotton plantation in South Carolina, does not earn more than twelve and half cents per day. This is the true and only cause why the manufacturers require the government to interpose its powerful arm to keep down competition. It is, when properly considered, the greatest of all absurdities to suppose that it is against the English manufacturers that this protection is demanded. This is a mere flimsy disguise to cover the fraud, and conceal the outrage, perpetrated against the planters. I would ask the gentleman from Massachusetts what harm the Manchester manufacturer, with his ten cent calico, could possibly do him, with his calico of the same quality, at twenty cents, if there was no domestic production of the United States that could be exchanged in

England for the former? It would be as impossible, Sir, for the man of Manchester to bring his goods into competition with those of the man of Massachusetts, as it would for the latter of English to be brought to bear successfully on the fortress at Old Point Comfort.

If the southern States were sunk by an earthquake, or if cotton, tobacco, and rice were stricken from the list of natural productions by some revolution in the laws of nature, is there any man here so utterly ignorant of the laws of commerce, as to suppose that the twenty cent calico of Massachusetts would require any protection against the ten cent calico of England? They never could be brought into competition. In what manner, and for what purpose would the Birmingham and Manchester manufacturers bring their goods to the markets of the United States, and what would they obtain in exchange for them? Gentlemen will find this a very puzzling inquiry. With a view to execute our national prejudices against the nations of Europe with whom we trade, and particularly against England, the most valuable of all our customers, it is said that our bread-stuffs are excluded by their corn laws, and that, of the vast amount of our annual exports to those countries from which we receive manufactures, the productions of the northern States amount to a mere bagatelle.

Now, Sir, if England, and the other manufacturing nations of Europe, will not receive any of the productions of the northern States, I beseech gentlemen to inform me how the northern States can require protection against the manufactures of these nations? What higher protection can they desire against foreign manufactures than that which arises from the want of the means of paying for them?

Sir, it has often struck me, as one of the most absurd of those delusions that sometimes come over communities of men, that the northern States should attempt to justify the exclusion of English manufactures upon the ground that England will not receive their grain. This is not the foundation of the protecting system. It is not because England excludes American productions, but because she admits them almost free of duty, that the northern manufacturers demand protection. This system is not designed to do so very absurd a thing as to prevent those from purchasing English manufactures who have not the means of paying for them; but it is designed to prevent those from purchasing who lack the means of paying for them, to promote the interest of those who have not.

I am prepared to maintain, before any tribunal of New England farmers that can be organized, that if England would agree to receive the grain of the United States under a moderate revenue duty, it would be impossible for New England to carry on with Old England a commerce consisting of an exchange of the agricultural productions of the former for the manufactures of the latter. When it is known that the price of agricultural labor is much higher in the northern States than it is in any part of the European world, does any one suppose that grain can be produced by such labor, sent abroad under a revenue duty in foreign ports, exchanged for foreign manufactures; and that these can be brought into the United States under another revenue duty, and sold as cheap as domestic manufactures? No, Sir, if England were to abolish her corn laws tomorrow, such a trade could not be carried on. The northern manufacturer could still make goods cheaper than the northern farmer could purchase them abroad. And it is not until the former comes in competition with efficient agricultural labor, operating at 12½ cents a day, and producing one of the most valuable staples of the earth, that he finds it convenient to have his rival put down by act of Congress.

I speak of what I know experimentally, when I say that if the planters of South Carolina were compelled to pay fifty cents a day for the labor they employ on their plantations, they could not afford to produce cotton for less than 25 or 30 cents a pound. If I should attempt to cultivate it at the present prices, by such labor, my whole capital would be exhausted, and I should be utterly insolvent in less than ten years. Then, Sir, it is obvious enough that it is the cheap labor of the southern States, and not the cheap labor of foreign countries, against which this exterminating war of prohibition is waged by the whole confederacy of manufacturing interests.

I will now bring the conduct and the claims of our adversaries to a test by which every christian combatant should be willing to be tried. I will only ask that they do unto others what they would that others should do unto them. A great deal has been said about compromising this question. Now, in order to see where the true middle ground lies, upon which the contending parties should meet, I will first show you what are the two extremes.

The manufacturers contend that high protective duties shall be levied, for their benefit, upon the productions of the southern planters. This is one extreme. I will now state the opposite extreme, which precisely corresponds with it. Suppose, then, that the planters of the south were

to allege that they labored under great disadvantages in exchanging their staples for manufactures; that they had to go into foreign countries, pay heavy expenses in sending their staples abroad, and in bringing back the manufactures obtained for them; from all which expenses the domestic manufacturers were fortunately exempted, having their customers almost at their own doors. And suppose that, to counteract these disadvantages, and to encourage American commerce, they were to invoke the Government to permit them to import foreign manufactures, free of duty, while a protecting excise duty of forty per cent. should be levied for their benefit, upon all the domestic manufactures that came in competition with their imports—this would be demanding precisely the same protection against the manufacturers which the manufacturers now demand and enjoy against them. I defy any one to draw a sound distinction between them. How, then, would the manufacturers stand affected by having the rule which they have so long applied to others, applied to themselves?

All their manufactures that come in competition with imports would have to pay into the Treasury a duty of forty per cent. to encourage and protect the planting and exporting industry of the south. Would this be, in any respect, more unjust than the present protecting system? Would it not be its perfect counterpart? And who would be injured by these protecting excise duties levied upon northern manufactures? The producers of these manufactures? Oh no! We have been a thousand times told—that the producer bears no part of the burthen of a duty levied on his productions, but that the whole burthen falls upon the consumer. If this be true, the manufacturers would sustain no burthen, and have no cause of complaint in consequence of his protecting excise duty. It would fall exclusively on the consumers, and be thus distributed equally all over the Union, as it is alleged of the import duties. If this doctrine is true in one case, it is undoubtedly true in the other. No rule can be true, as I often heard it said when I was studying arithmetic, which will not work both ways. Yet, sir, if we were to apply to the manufacturers the rule which they have applied to the planters: if an excise duty of forty per cent. were levied and collected from their productions, as the import duty now is from the productions of the south, a clamor would be forthwith raised throughout the manufacturing States, like that "universal hubbub" which Milton describes in the infernal regions. A million of voices would cry out, "oppression! dissolution! war! vengeance! you have destroyed our manufactures! you have reduced us to beggary!" And, sir, was not the audacious political economist who should dare to stand up amidst the ruins, and attempt to console the manufacturers by assuring them, as the southern people have been so often assured, that they had no cause whatever to complain as producers, for that the whole burthen of the duty must necessarily fall on the consumers? This, then, having seen the two extremes, it is easy to find the middle ground of compromise which lies between them. It is this: we say to our adversaries, if you will permit our imported manufactures to come in free of duty, we will permit your domestic manufactures to remain equally exempt from taxation; or, to place it on a footing better suited to the wants of the Government, whatever duty you will consent to have levied on your domestic manufactures we will agree to have levied on our imported manufactures. If this were an original question, I solemnly believe—indeed I know, that this would be the true point of equality. It would be as equal as a system of indirect taxation could be rendered. You will perceive, therefore, how liberal is the concession which the bill before you makes to the manufacturing interest, and how far it still is from putting the south upon a footing of equality with the north. One half of the whole scheme will still be a tax upon the productive industry of the south, and a bounty to that of the north.

The moment, Sir, you impose a duty upon the manufactures of the north, you open the eyes of the manufacturers to the absurdity of the doctrine which maintains that the whole burthen of the duty falls upon the consumer. It never was true in any country, or in any condition of trade, that the producers of commodities upon which import or excise duties were levied, could throw the whole burthen of those duties upon the consumers. Even in the state of things most favorable to the result, where the duties are imposed upon the entire quantity of the taxed commodities consumed in the country, the whole burthen cannot be thrown from the producers to the consumers, though the principal part of it undoubtedly would be in most instances. If, for example, on any emergency, an excise duty should be levied upon hats and shoes, do you imagine that the whole burthen of those duties would fall exclusively upon the wearers of hats and shoes? So far from it, the mechanics engaged in producing these manufactures, guided by the warping instinct of self-interest, would be the very first to complain of these duties as partial and unequal.

And if a political economist should rise up and tell them to make themselves easy, for that no part of the burthen fell upon them as makers of hats and shoes, they would indignantly reject his consolations as vain philosophy. But, Sir, if it be true as a general proposition, that all indirect taxes levied upon commodities operate, to some extent, as burthens upon the producers, it is much more obviously the case, and to a much greater extent, where the duties are not equally levied upon the entire quantity of these commodities consumed in the country, but where partial and discriminating duties are levied on the smaller portion only of the national consumption. And such is precisely the condition of things, and the operation of the protecting duties in the U. S.

I will illustrate my view by referring to the actual state of the imports and consumption of the cotton manufactures.

The value of cotton goods produced in the U. S., for sale, at the various manufacturing factories, may be estimated at twenty-four millions of dollars; the value of similar articles imported from abroad, has been, taking an average of several years, about eight millions of dollars; making the whole mass of cotton manufactures sold and consumed in the U. S. amount to thirty-two millions. In this state of our trade, the Government levies a duty, it will be assumed, of fifty per cent., not upon the whole thirty-two millions worth of cotton manufactures consumed in the country, but only upon the eight millions worth which are imported from foreign countries. And in this state of facts, it is contended that the domestic producers of the imported manufactures—the planters of the south, are not subjected to any peculiar burthen by these discriminating duties upon their productions, but that the whole burthen of the duty is thrown exclusively upon the consumers of cotton goods. Let us examine this proposition, and see to what strange conclusions it would lead us. A duty of fifty per cent. upon the eight millions of imported cotton manufactures, yields a revenue of four millions of dollars, which is paid into the Treasury. Now, if the whole burthen of this duty falls upon the consumers of imported cotton goods, it can only be so by the enhancement of the price of these goods fifty per cent. in the market. But they come into a market where there are also domestic goods of the very same kind to the amount of twenty-four millions.

As it is evident that the imported and domestic articles of the same kind and quality cannot maintain different prices in a common market, it follows that, if the price of the imported commodities is enhanced fifty per cent. by the duties, that of the domestic commodities must rise to precisely the same level. The whole mass of cotton manufactures would thus be enhanced, in price, fifty per cent., by a duty of fifty per cent. levied on only one-fourth part of our consumption; and a tax of four millions of dollars collected and paid into the Treasury, would consequently operate as a burthen of sixteen millions upon the people of the U. S. But this is not the only strange consequence that follows: if the Government were to impose a duty of fifty per cent. equally upon the eight millions of cotton goods imported, and the twenty-four millions made in the U. S., it would not be pretended that this could possibly raise the price of cotton goods more than forty per cent. If, then, the duty upon the eight millions only has the same effect, it establishes the monstrous paradox that a revenue of four millions of dollars levied upon eight millions of productions, is precisely as burthenous to the people as a revenue of sixteen millions of dollars levied upon thirty-two millions of productions! I call upon these gentlemen who maintain that the whole burthen of the duty falls upon the consumer to abandon their theory, or admit these to be its legitimate conclusions. I am aware that the advocates of free trade once maintained these opinions, and hence inferred that the manufacturing States were as much oppressed by the protecting system as any other portion of the Union. But the people of those States, feeling, and seeing, and knowing that they were in a state of high prosperity, laughed at these as mere speculative theories.

The truth is, that when a small portion only of a certain description of commodities is selected for taxation, and a discriminating duty is levied upon that portion, it follows, of necessity, that the greater part of the burthen imposed upon these selected and proscribed articles, must fall upon their producers. My own opinion on this subject is founded upon a principle that is perfectly clear; but the precise proportion which the consumers and producers respectively bear of the burthens imposed, must be, in some degree, conjectural. One proposition, however, may be confidently affirmed—the amount of the aggregate burthen imposed upon all the consumers of cotton goods, foreign and domestic, does not exceed the amount of the revenue collected by the Government upon the eight millions which we import from abroad. If these eight millions constituted the whole consumption of the country, it is conceded that, even in that case, it would be difficult to transfer the whole burthen of the duty to the consumers. But

when these eight millions of taxed commodities come into a market where they meet the competition of twenty-four millions of the same sort of goods which pay no duty at all, the difficulty of making the consumers pay the whole amount of the tax levied is obviously increased. But, admitting that they can be made to pay it, how will it be distributed? It must be equally diffused over the whole thirty-two millions of cotton manufactures consumed in the country. Four millions of dollars, therefore, the amount of taxation imposed, will operate as a tax of twelve and a half per cent. on all the consumers of the thirty-two millions of cotton fabrics in the United States. As it is obvious that the consumers of imported cotton manufactures would only bear, in the case stated, a burthen of twelve and a half per cent., it would seem to follow, as a corollary, that the remaining thirty-seven and a half per cent. of the duty paid at the custom house must be paid by the producers; for, it may be laid down as a universal rule, that wherever a duty is levied upon any production, whatever part of that duty cannot be thrown upon the consumers, must, of necessity, fall on the producer.

These views of the subject, which I fear I have very indistinctly presented, bring me to what I regard as a very important topic in this discussion: I allude to the embarrassment and confusion which results from estimating the value of every thing in money, and habitual confounding of the money price with the exchangeable value of all commodities. If the cotton planters, for example, were to carry their cotton to Europe themselves, and exchange it for manufactures without the intervention of commercial agents, and if the Government were to levy the taxes in kind by taking from the planters, I will suppose forty out of every hundred bales of the goods into which they had converted their cotton, no one could fail to perceive that the system of protecting duties would be as unjust, unequal, and oppressive as the wickedness of man could make it. Yet, nothing can be more certain than that the intervention of commercial agents and of money produce no change whatever, either in the extent or the distribution of the burthens of taxation. I will now attempt to make this demonstrably clear, by analyzing the actual operations of the exchanges of our foreign commerce, and by pointing out the influence of our commercial restrictions upon the relative value of specie and of other commodities.

It is a very common remark among the advocates of the restrictive system, that duties upon imports would be equivalent to duties upon the exports given in exchange for them, if it were true that nothing could be obtained abroad for our exports but the imports which are subject to the duties in question. But, it is said, this is not the case, inasmuch as the cotton planter may import specie in exchange for his cotton, which is subject to no duty at all. Now, the error and delusion of this view of the subject, consist in supposing that specie has a fixed and invariable value as compared with other commodities; whereas, in truth, its relative value is quite as subject to the influence of commercial restrictions as that of any other article of commerce. Suppose, for the purpose of illustration, that under a system of perfectly free trade, tea and coffee were imported at precisely the same price, and that, in this state of things, a duty of 50 per cent. should be laid upon tea. In this case, no one would have any difficulty in comprehending the change which would be produced in the relative exchangeable value of these two articles, by subjecting one of them to a duty of 50 per cent., and leaving the other entirely exempted from duty. It is perfectly plain that, whereas one pound of coffee would purchase one pound of tea, it would afterwards require one pound and a half of coffee to accomplish the same object. This remark is as plainly applicable to any other articles, or classes of articles, when the one is subjected to a duty from which the other is exempted. No one will be found to dispute so obvious a principle, so long as it is confined to the ordinary commodities of trade; but the moment you propose to apply it to specie, the understanding seems to be confounded and bewildered, owing, perhaps, to the habitual association by which a fixed and unalterable value is attached to specie as the universal equivalent for all other commodities. Amidst all the fluctuations in the relative prices and exchangeable value of the various articles of commerce, it rarely occurs to any one that a change in the relative value of specie has had any agency in producing these fluctuations; yet, most assuredly, specie is subject to the same laws in this respect as any other. If, for example, one hundred dollars in specie would purchase one hundred yards of cloth under a system of free trade in both commodities, and in this state of things, a duty of 50 per cent. should be levied upon the importation of cloth, no proposition can be less liable to dispute, than that one hundred and fifty instead of one hundred dollars would be required to purchase one hundred yards of cloth, after the duty on cloth had been long enough in operation to produce its natural effect upon the exchangeable value of the two articles. The certain effect, therefore, of attempting to avoid the bur-