

THE MINERVA.

A. D. Murphy, E.

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CONGRESS.

TUESDAY, March 8.

DEBATE,

On Mr. Gregg's Resolution,
(Continued)

(Mr. Nicholson's Speech concluded.)

Are gentlemen prepared then to hazard these consequences? are they ready to go to war for the protection of this carrying trade, in which the great bulk of the nation have no interest? I venture to assert that nineteen twentieths of the people of this country have no interest whatever in the trade, for which we are now about to contend. One consolation, however, yet remains—let this House receive the measure as favourably as they may, the people will condemn it, when they feel its consequences. We may run head long into war, but we shall not have the trouble of carrying it on. The people will supply our places with other representatives—they will not so readily forgive us, I trust in God they will not.

A gentleman from Massachusetts (Mr. Crowninshield) thinks the measure will not lead to war, but if he believed it would, this would be no objection with him to the resolution—he would still vote for it.—We can convert our vessels, he says, into privateers, and can capture two or three British vessels for one of our own that will be lost. How, I ask, is this to benefit the farmer or the planter? What proportion of these profits are to go into their pockets? The gentleman may vent his capital in privateers, and may make a fortune. Here, sir, he plays the merchant again. Whatever the effect may be on the great body of the people, he is *Shylock* still—the nation may bleed at every pore, but he will have his pound of flesh. This privateering business, however, won't do.—G. Britain has eight hundred ships of war, and it ought to be remembered that she can fit out as many privateers as we can. But, sir, the idea of meeting Great Britain on the ocean is too ludicrous to be repelled by serious argument. My friend from Virginia has given the best answer to it, in his prescription of a strait waistcoat, a dark room, depletion and water gruel. It is just as absurd as to talk of fitting out a privateer to fight a seventy four.

The gentleman from Massachusetts has another measure in reserve to wound Britain. He tells us we must confiscate the public debt.—This is a strange doctrine for men who talk so much of national honour. I have always believed it most honourable to pay our debts, instead of swindling our creditors. My determination, however, has long since been taken on this point. I will never consent to lay my hands upon the public debt, but for the purpose of fairly extinguishing it. Let our conflict with Great Britain proceed to what lengths it may. I will never lend my aid to defraud her subjects of that debt, for the payment of which the national faith is solemnly pledged. The nation may do it; but if it be once done, the violations of the national honour, which are now so loudly complained of, will weigh but an atom in the scale, when compared with the blow, which you yourselves will level at your own honour. You will set yourselves up as a rare and modern example of the *Punica fides*, for you will so effectually blast your credit, that I venture to affirm you will make no more loans. Had I millions to lend, I wouldn't trust you with a dollar.

To justify the measure now proposed, we are referred to the years 1793, and 1794, and because a resolution somewhat similar to the present, was then adopted, and had well nigh passed into a law, we are called upon to sanction that which is now before us. But will gentlemen undertake to say that our situation at this time will justify such measures as were adopted then? Will they pretend that we have now the same grounds for hostility against Britain, or that the two periods can be compared with each other? What was our situation in 1793, and 1794? We had made a treaty in the year 1783, with G. Britain—ten years after, some of its most important stipulations on her part were unfulfilled. She had pledged herself to restore to our citizens an immense amount of property, which had been taken from them.—She had engaged to put us in possession of the Western points. With neither of these engagements had she then complied. Year after year she was active in kindling a destructive war upon our frontier, and had let loose the savage of the wilderness upon our peaceable citizens.—The Algerines too were, at the instigation of Britain, committing depredations on our commerce, and in addition to all this she directed a blow at our trade, more injurious than that which is now complained of. For she ordered her cruisers to capture all vessels laden with provisions going to the French colonies or returning from them with the products of those colonies on board. Then it was that the measure alluded to was adopted by one branch of the legislature, and it is most certain that we had cause enough to go to war. But is our situation at all similar now? Have we any of

those outrages to complain of at this time?—Not one. A part of our trade it is true is affected, but it is that part which is the least interesting to the nation. When I say this, I trust it will not be believed that I am willing to abandon it, or that I mean to palliate the conduct of G. Britain. My only object is to shew that for this carrying trade, we ought not to bring upon ourselves the calamities of war, nor to pursue a line of conduct which though it may affect G. Britain, will operate much more injuriously upon our own country.

It is said, however, that the measure will not lead to war. This I am willing to grant for argument's sake. Let us then take it in the most favourable point of view in which it can be pretended, and enquire into its consequences.

Suppose Britain does not consider it a cause of war, but that nevertheless, instead of relaxing in her system, she should obstinately persist in it. Gentlemen seem to have looked at only one side of the question, and appear to have forgotten that every question has two sides to it. In their anxiety to injure Britain, they have not attended to the effects which their proposition is calculated to produce at home—should she persist, in what manner are we to be affected by the proposed measure? Let us see how it is to operate on the revenue. And here it would be well to remind gentlemen that almost the whole of our revenue is derived from the duty paid on the importation of foreign merchandise, and that this duty annually amounts to

Dollr. 11,850,000	
Our imports from G. Britain amount annually to	27,400,000
From the British East Indies, to	3,500,000
British West Indies, to	4,570,000
New Brunswick, Nova Scotia, and Canada, to	540,000
Making in the whole	36,010,000
It is uncertain how much is exported, but say,	6,010,000
	30,000,000

The revenue on which as appears by the report of the Secretary of the Treasury amounts to, 5,432,000 or very little less than one half of our whole revenue derived from imports.

The gentleman from Pennsylvania (Mr. Gregg) thought he had gained an immense triumph in shewing that I had been guilty of an error in stating the average duty on importations from Britain at 20 per centum, which he says is not more than 14 per cent. It ought to be remembered, that I did not pretend to speak with accuracy; for when I made a few observations prefacing a resolution which I submitted some time since, I had no documents from which a calculation could be made. I supposed that the importations from Britain might amount to 25,000,000 of dollars, and taking the average duty at 20 per cent. said five millions of revenue would be affected. Does however, the detection of the error, change the result? It does not; for it appears by the report of the secretary of the treasury, that the revenue derived from this source is 5,432,000 dollars, which is more than I stated it at. Is all this then to be put to hazard? Are we to cast it upon the ocean of uncertainty without helm or chart? And for what? To protect that trade from which the revenue is derived? No, sir—to protect that trade which carries our own products to market, and brings home in return the articles of our consumption? No, sir—but to protect a trade interesting only to a few merchants, and I repeat it again, totally uninteresting to more than nineteen twentieths of the people of this country. Gentlemen ask, will you not assist the merchant, in recovering his property? I answer, yes, most willingly; but not at this expense—I will not commit to chance nearly one half of the revenue of the nation, which we have already pledged for the fair and honourable discharge of the public debt. Sir, when I said some days ago, that five millions of the revenue would be affected by this measure, I was understood by some to have stated that it would be diminished to the amount of five millions. This, however, was not my statement; for I well knew that it was not in the power of human ingenuity to calculate the extent to which it would be affected. But by prohibiting the importation of goods from the only country that could furnish all of them, you would thereby hazard the whole revenue derived from them, and a part of it would certainly be lost. What amount would be lost, I did not pretend to say—I do not now pretend to say—it is beyond my reach—but that a considerable amount would be lost, seemed to be admitted by every body, except the gentleman from Massachusetts, who said we should not lose a dollar. [Mr. Crowninshield explained, by observing that he had said the measure would not, in his opinion, affect the revenue above a million of dollars, and the gentleman had now reduced it to one dollar.]

Sir, said, Mr. Nicholson, the gentleman declared when he was addressing you on this resolution, that he had before stated, he did not believe the revenue would be diminished one million of dollars, but that he had since thought it would not be diminished a single dollar—he now goes back, however, to his million, and this is the difficulty which constantly presents itself. We can none of us tell how much the revenue will be diminished, though every one acknowledges to a very great extent—my fear is that the loss will be equal at least, to two or three millions. How strange are the arguments offered to us! One gentleman tells you, you ought to protect commerce, because we derive our revenue from it; and yet in the same moment, he advocates a measure which he admits is to destroy a large amount of that very revenue he is so desirous of protecting. Another calls on you to protect the revenue and warns you against direct taxes; whilst his favourite measure, by destroying a considerable amount of revenue, renders direct taxes necessary. I warn those gentlemen, in my turn, against direct taxes. Let them take care that they do not by agreeing to this resolution, compel the nation to resort to those taxes, which they say was the rock upon which the former administration split. Let them remember that the direct tax for two millions of dollars only, which was laid eight years ago, is not yet received in the treasury. Will they, by adopting this measure, and thereby reducing the revenue, drive us into excise duties as a substitute? They ought to recollect that this, too, was once a favourite scheme of raising revenue, though not a very fortunate or a very popular one; as some gentlemen on the other side of the House can testify. I believe, sir, that they, at least, will not be very willing to burn their fingers with it a second time.—They have their experience on this point. But, when gentlemen call upon us to agree with them in a measure, which they admit will considerably diminish the revenue, though they cannot calculate the extent, why don't they tell us what they intend to propose as a substitute—I want to see their *ways and means* for supplying the deficiency—until they show us these, I, for one, will not consent to cut off our present resources—are we to borrow? It won't do, Mr. Chairman, to talk of borrowing and of confiscation in the same breath—we shall find no body to trust us; and if we could, we must still find the ways and means of paying.

Let us, however, pursue this resolution through all its effects, and still continue to consider it in as favourable a point of view as its best friends can wish for—let it be admitted that we can procure from other countries, all those articles which we prohibit the importation of from Britain, and of course that the revenue will not be diminished at all. It may yet be worth while to enquire, whether the necessary consequences that must follow, will not operate most injuriously upon the citizens of the U. States—I say nothing of the great difficulty which the importing merchants must experience in changing their course of trade, from that channel in which it has been accustomed to flow, for 18 or 20 years—appointing new agents, and forming new correspondencies upon the continent of Europe, and the absolute impossibility of obtaining the same credit there, that they enjoy in England—these are minor considerations.—But, sir, let us enquire, whether the merchants and the agriculturists will experience no loss from this change—we export annually to Great Britain, of domestic produce more than thirteen and an half millions of dollars, and to her colonial possessions, more than six millions, making in the whole upwards of twenty millions of dollars—to all the rest of the world we export in domestic produce, only about nineteen and an half millions of dollars—from Great Britain we get her manufactures in exchange for our produce, and it is said that we can procure the same articles from other countries—this is admitted for argument sake—but those other countries will not purchase our domestic produce—they do not want it—it must therefore still go to Britain, and her colonies, if, indeed, they will receive it; and it must there be sold—what then will be the state of the case? We shall annually have in England for produce sold there, and for bills of exchange, drawn by the colonies, more than twenty millions of dollars—this sum must be sent to the continent of Europe, to pay for the goods we purchase there. I now, therefore, ask gentlemen if they have calculated the effects of forcing this large sum out of its natural, or rather out of its habitual channel? Have they calculated the effect to be produced on exchange, by sending annually from England, more than twenty millions of dollars, over and above the customary remittance? Let them look to a late occurrence—a considerable sum of money was lately to be remitted from England, to pay the British troops on the continent, and it was necessarily done by bills of exchange—it was, as ours will be, a transaction out of the ordinary course; and I am well informed, that it had the immediate effect to raise the rate of exchange fifteen per cent.—The rate of Maryland within the last year had three hundred thousand dollars in England,

to be remitted to this country, and even this small amount, the state was obliged to pay one per cent. above par. Am I not, then, warranted in saying, that when the American merchants will annually have in England, more than twenty millions of dollars, to be remitted to the continent, to be forced out of its ordinary course, into new and extraordinary channels—that it will raise the price of exchange, at least from six to ten per cent. and that, therefore, an annual loss will be incurred, from twelve hundred thousand, to two millions of dollars? This loss will not fall upon those who consume your produce in England, nor I believe upon your own merchants who buy it here—for when they are making their purchases here, they will calculate the losses they are to sustain abroad and these will be considered in the prices which they will pay—the necessary consequence therefore is, that the price, of American produce must sink in proportion to this great loss, and that the loss, will of course, fall upon American agriculture.

Again, sir, as to the effect upon the market for American produce—we send to England and her colonies large quantities of our native productions—I will instance cotton alone—in 1805 we exported to England 25,770,000 pounds of cotton, valued at 6,184,979 dollars—in 1806 it would be still more, because in 1804 we exported to Liverpool, 78,253 bales, and in the three first quarters of the year 1805, the export to Liverpool was 93,714 bales—thus, it appears, that England is a great and increasing market for our cotton. We import from England all the cotton goods we use, except the white and stained cottons which come from the East Indies. By diminishing the importation of these fabrics, we of course diminish the demand for our own cotton; for nothing is more clear, than that as soon as we refuse to import her cotton manufactures, she must refuse to buy of us the raw material out of which they are made. The consequence will be a reduction in the price of our cotton, to the amount, probably of fifty or one hundred per cent. With some however, this reduction in the price may not be very objectionable; I mean with those merchants, who are trading to India with large capitals, and who tell you they can furnish us with cotton goods from thence. For these men say as soon as cotton can be bought in this country at twelve and an half or fifteen cents per pound it will become a good export to India as a substitute for money. Now, however agreeable it may be, to these merchants to increase their fortunes, by reducing the price of cotton, I imagine it will not be very favourably considered by the planters of the southern states, who send their cotton to England, and sell it from twenty five to sixty cents. This is one of the effects to be produced on the southern states, and the gentleman from Georgia considers them more interested in this measure, than the others. This may be true, but I mean to shew that the middle states are very much interested in it likewise. I do not intend to notice the tobacco of Maryland, Virginia, and North Carolina, although in this article we export to England, from two and an half, to four and an half millions of dollars annually. We export to the British West Indies, in flour, corn meal, other provisions and lumber, annually about six millions and fifty thousand dollars. We receive in return, rum, sugar and coffee to the amount of four and an half millions of dollars; the remainder, partly in specie, but principally in bills of exchange on England—if we refuse to take these four millions and an half, in the products of these islands, can the West Indian planter purchase our articles at as high a price as he now pays for them? Certainly not, and the inevitable effect will be to reduce the value of all those products which are the growth of the middle states. In fact it may be said generally, that when you prohibit the importation into this country of all articles of the growth, produce, or manufacture of Great Britain, you thereby diminish their ability to purchase the products of our own country, for which Britain furnishes a greater market than all the rest of the world besides. The more extensive the prohibition, the more extensive the injury to ourselves.

I have examined the resolution of the gentleman from Pennsylvania, under three different views. First, that the manner in which it is expressed, together with the language of those who supported it, would be calculated to produce war. Secondly, that by adopting it, we should hazard nearly one half of our revenue, a considerable part of which would be lost; and thirdly, that if neither of these effects were produced, the necessary consequence would be a vast diminution in the value of our own products, which would fall upon the agricultural part of the community alone.

I must now be permitted to recur again to the second point for the purpose of shewing that we cannot be supplied with many important articles from other nations, which we get from Great Britain, and of course, that the whole of the revenue collected from these, will be sunk to the U. States. I am aware, Mr.

(Concluded in last page.)