



ADDRESS ON NATIONAL INDUSTRY, (Concluded.)

We conclude this appeal to the American people by noticing the leading objections which have been urged against the protection of the labor of the country.

We shall first advert to the allegation that it is unconstitutional for Congress to legislate for the protection of American against foreign industry. We are told, that the legislature of the nation have no right materially to control the pursuits and occupations of individuals, and to say that this avocation shall be followed, and that another shall not. Now the friends of a system of protection have never contended that Congress has a right to declare, by statute, that no more farms shall be cultivated, that no more ships shall be built, nor any more cloth manufactured: these are points foreign to the question at issue. The Constitution tells us, that Congress has the power to regulate commerce with foreign nations, and provide for the general welfare of the Union; and it is surely inconsistent to say, that when the importation of foreign manufactures destroys the prosperity and paralyzes the enterprize and industry of the nation, Congress have no right to adopt a remedy. In such a case, we are not controlling our own, but preventing the interference of foreign industry with the interests of the country. Let us take a case that would be no miracle in this fertile age of wonders. Suppose the allied powers of Europe should convene at Vienna, and agree to wage a settled warfare against American manufactures, and thus retard our advancement to national wealth and power; and also agree to exclude our agricultural produce from every market in Europe. Let us suppose that a system of bounties, premiums, and extravagant privileges, is adopted, and in one year, two hundred millions of foreign fabrics are sent to the United States, and sold off by means of the auctions, at a reduced price, & our manufactures crushed, thereby in one hour of ruins—how long would it be the duty of the American Congress to cherish constitutional scruples and coolly behold the desolating operation of such a policy? Where then would be the welfare of the Union? Would not Congress have a right to say to the allied powers of Europe, we will not permit one article of your manufactures to enter the United States? Would they not have the power, in such a case, to protect three hundred millions of capital that might be invested in manufacturing establishments in this country? And does not the greater power include the lesser? We do not call upon Congress to regulate and restrain the pursuits of individuals—we ask them to correct the evils flowing from foreign interference. It is somewhat singular that Congress, for many years past, have granted bounties to promote particular branches of industry, if they have no power to defend the salutary tendency of such bounties, against foreign rivalry and hostility. And it is equally so, that neither John Jay, James Madison, nor Alexander Hamilton, whose comments on the Constitution of the United States will control public opinion for ages, never dreamt of the doubts and apprehensions now under consideration. We refer particularly to Gen. Hamilton. He was one of the greatest constitutional lawyers that ever adorned the American forum: and yet, when he drew his celebrated report in favor of protecting domestic manufactures in the manner now demanded, he saw nothing in the Constitution to debar Congress from pursuing the policy which he laid down and vindicated. If there be any in the ranks of our opposers superior to this illustrious statesman, let him come forth.

We are also informed, that every branch of national industry should be left to regulate itself—and that protection and restraints are impolitic and ruinous. If there was but one nation in the world, this doctrine might be sound; but while there are different nations, possessing the same capacities, there will be separate and conflicting interests, and each nation will watch over its own welfare. Look to England, to France, to Russia, the German states, & to every nation in Europe—open the history of modern policy, and it will be seen that every wise government protects her own industry. Russia, young as she is in the list of civilized nations, has a tariff that prohibits more than two hundred articles of foreign manufactures to protect her own industry. England prohibits almost every article of agriculture and manufacture. France, although England aided her in putting Louis XVIII. on his throne, will not suffer an English commodity of any description to prejudice the prosperity of her own laborers. All Europe presents but one vast system of regulations—restraints—and prohibitions for the protection of domestic industry; and yet when we talk of taking care of our own interests like other nations—leave things to themselves is the cry. If the nations of the eastern continent would abolish their tariffs and commercial regulations, this country would follow the example; but prudence, may self-preservation forbid, that we should

take the lead in so preposterous a course. This doctrine of leaving things to themselves is a new doctrine in this country.—We heard nothing of it under the administrations of Washington, Adams, & Jefferson. Why have we laid heavy duties on the tonnage of foreign vessels, but to protect American tonnage? Why have we excluded foreign bottoms from our coasting trade? Why, for twenty years, have we protected our fisheries, by bounties? Let Mr. Jefferson's report of 1791 answer the question. He will tell you, that this policy of giving bounties originated in a resolution to protect our fisheries against foreign competition. Upon this principle, why has not commerce been left to herself? Why has more than \$8,000,000 been paid into the Mediterranean fund by the consumers of foreign manufactures, but to protect commerce beyond the straits of Gibraltar? Why was war declared, & more than 70,000,000 dollars expended, but to secure protection to this branch of industry? Let the American people reflect on these facts.

We also hear it daily asserted, that the protection of industry will diminish foreign commerce, and thus destroy our nursery of seamen. When England began to open canals, and encourage inland trade, the same apprehension was expressed. The greatest nursery of American seamen has always been found in the fisheries. It was so in the revolution. Mr. Seybert, in his able work on the statistics of the United States, has made the following judicious remarks: "Our fisheries constitute the best nursery for that hardy race of citizen seamen, who feel the love of country, and are, therefore, willing to maintain its rights; and they are also the sources to which commerce must look for its defenders." (p. 340.)—In addition to the fisheries, we must recollect the bold, hardy, and expert seamen which are bred up in the coasting trade. When we look at the extent of the sea coast, from New Orleans to Eastport, and consider the immense trade which will be carried on between these two extremities of the maritime frontier, our apprehensions subside on this subject. Our fisheries, our coasting trade, and the extensive commerce which we shall always have with distant quarters of the globe, will enable us to call forth defenders of the American flag, even if the industry of the nation is duly protected and encouraged.

Another fruitful source of objection to the encouragement of national industry is, the alleged immoral tendency of manufacturing establishments. Whenever this topic is introduced, the condition of England is brought forward. Nothing is said of Holland, Austria, or France. Great Britain is placed before our eyes as the sink of abominations. Yet the example of England has but little bearing on the question in application to this country.—She possesses a small territory, crowded population, and, for generations, has been the great workshop of Europe. Her manufacturing establishments are unparalleled in extent. Her laboring manufacturers are, to a great extent, destitute of early education, and of moral instruction, and have grown up in the neglect of moral habits. During the fluctuations of the commercial world, for a few years past, this immense population has been driven to many desperate acts, by the pressure of public burdens, the loss of employment, and the sufferings of hunger. But what is proposed in the United States? Not that large manufacturing towns shall spring up on every side, to be filled with starving and degraded thousands, whose perpetual apprehension will be the want of bread;—not that our agricultural population shall be transferred from the soil to cities, that we may furnish surplus manufactures to a great portion of the world; but that we may cherish such establishments, at convenient places, where there are great natural advantages, as will be necessary to supply our own wants, and render our aggregate labor more productive. But why is it necessary that manufacturing establishments should be the abodes of vice and profligacy? Is there any thing in the pursuits of an artificer intrinsically vicious? Surely there is not. If early education is attended to; if early moral habits are inculcated and enforced; if strict and wholesome internal regulations are adopted—the excesses of English manufacturing towns may be avoided. There are now many extensive manufactures in the United States, and we look into them in vain for instances of moral debasement, or for atrocious crimes. Nor do we see, why this fact should not remain the same. The mild and wholesome tendency of our civil institutions—the school establishments of the country—the great abundance of the necessaries of life—the numerous incitements to industry and enterprize—induce us to believe that it would.

It has been again and again asserted, that domestic manufactures are now rapidly increasing in the United States, by means of family industry, and require no further protection. We are, indeed, happy to see thousands of families supplying themselves with articles of necessity by means of their own labor. But they cannot be expected to be successfully engaged in manufactures requiring extensive capital and the application of labor-saving machinery. Will they supply the nation

with manufactures of iron, glass, paper, woollen, cotton, and lead? No one can pretend it; and yet these articles are vitally essential to the happiness of the nation, and we are paying tens of millions, annually, to foreign nations, for furnishing us with them. Let the distinction here drawn, be well considered.

By affording further protection to the manufactures of this country, it is thought by many, that smuggling, to an enormous extent, will take place. It is very singular, that this alarming abuse has not been deprecated at an earlier period. On many articles, liable to be smuggled into our ports and harbors, such as, tea, spices, wines, and silks, the duties are already sufficiently high to form the inducement; and for the bare protection of domestic manufactures of iron, glass, lead, woollen and cotton, it is not required that they should be higher than an average of the former articles. The temptation is now stronger to smuggle spices, teas, and many other light and expensive commodities, than it would be to smuggle iron, glass, woollen, cotton, and other manufactures, if adequately protected. On this point, a false alarm has been sounded, and that too, by the very persons who vindicate the auction system, which is even more productive of moral turpitude than any smuggling that can be carried on.—We are inclined to adopt the opinion, that when the manufactures of iron, glass, lead, paper, cotton, and woollen, are prosecuted under the protecting auspices of the general government, with that success which must pertain to our exertions, that these articles will be afforded to the consumer with a cheapness and of a quality that will operate to prevent their illegal introduction into the country from abroad. They will be manufactured in various parts of the country, exchanged for agricultural products, and command the avenues to consumption.

Is there any danger that the merchant of character and respectability, in the U. States, will do what is done in Europe by those alone who are destitute of both.—The relative situation of the United States, and the states of Europe, are so dissimilar, that what the revenue officers, with their hosts of attendants, could not prevent there, might be effected here with ease, and without a dollar additional expense. In the first place, vessels used for conveying goods from Europe and Asia into the United States, are of the first class; of course, they are valuable. In the second place, most of them have goods for from ten to one hundred individuals, and, with the exception of those from India, the owners have, comparatively, but a small interest in the cargo. Is there a shadow of probability, therefore, that the owner of the vessel, and the several owners of the goods, would agree to have her, after crossing the Atlantic, lie off the coast for the purpose of clandestinely introducing her cargo: hazarding their property, and jeopardizing their character? In the third place, those embarked in the India trade, we hope, have too high an estimate of character and moral principle, to descend so low; if they have not, the value of property that must necessarily be risked, is a sufficient guarantee on their part. In the fourth place, if there is an apprehension that goods would be smuggled from the vessel, after she has arrived in port, it must be indulged by those only who are unacquainted with our present revenue laws. With vigilant appraisers and other officers, the thing would be impracticable.

In England and France the case is far otherwise. The proximity of their coasts is such, that from three to six hours sail will carry them from one to the other.—Consequently, small craft, of little value, and men who have no reputation to lose, embark in it. They may make their returns daily, and as their risk of loss is always small at any one time, people of that character are always to be found engaged in it.

Of the alleged loss of revenue, by adopting a new tariff, we have spoken, and also of the error as to high wages in this country. As to the objection, formerly drawn from the extent of vacant lands in the United States, it wears but a repulsive aspect—when it is recollected, that we have neither foreign nor domestic markets for our surplus produce, and the inducements to cultivate the soil are diminished instead of increased.

In regard to the assertion made by the opposers of the proposed tariff that its advocates meditated the abolition of the drawback system, we need only say, that nothing of the kind has been, or is, contemplated; nor can the imputation be accounted for upon any principles of fairness or honor. A new tariff can, in no way, injuriously affect the exportation of goods entitled to a drawback.

With these views, we appeal to the sound and sober sense of the people. They are called upon to exercise their candor and reflection. They are earnestly solicited to survey the present condition of the country—to examine the causes which have produced it—the ruinous consequences which must inevitably result from pursuing our present policy—and the relief that would be realized in rendering the great branches of labor more productive, and in protecting them against foreign competition. The cause can never be abandoned while our representative sys-

tem of government lasts—for it was instituted to answer the calls of the people, to watch over their welfare, and to redress their grievances. It is a cause that is identified with the future strength, independence, and happiness of the nation.

THE NATIONAL FINANCES.

HOUSE OF REPRESENTATIVES, FEB. 6.

Report of the Committee of Ways and Means, upon the subject of the Revenue.

The Committee of Ways and Means, to whom were referred three resolutions of the 3d instant, requiring of the committee to enquire and report, "whether, in their opinion, the permanent revenue is adequate to the expenses of the government;" "whether any measures are necessary to increase the revenue, and if so, to report those measures;" and "to enquire into the expediency of prohibiting, or imposing additional duties on, the importation of foreign spirits, and imposing an excise on domestic distilled spirits." Report:—

That they have had these important subjects under their consideration, & have obtained from the several departments all the information which the officers at their head could furnish; yet, such are the difficulties that present themselves, they enter into the discussion and the statements necessary to elucidate the subject, with great diffidence. They may differ in opinion with gentlemen for whose talents they have the highest respect, and in whose integrity they have unbounded confidence; the subject is one, however, on which the best friends may fairly differ in opinion.

Is the permanent revenue adequate to the expenses of the government?

The revenue is mainly bottomed on the duties arising on the importations of foreign goods; it is, therefore, dependant on fortuitous circumstances, which cannot easily be foreseen, and which may tend to its increase or decrease; there are some, however, which can, in a degree, be appreciated. The tariff of 1816 was expected to operate a loss to the revenue, by giving what was considered at the time sufficient encouragement to the manufactures of the country. A variety of causes arising out of excessive and ruinous importations, and the time required for diverting one channel of commerce or supplies into another, has, until lately, prevented the effect from being materially felt. The operation of that tariff is now beginning to be known, and the effect on the revenue is believed to be considerable—its extent is, however, not completely developed—its operation on a few of the principal articles may afford some idea of the increase of our manufactures, and the consequent decrease of the revenue resulting from the duties on the importation of such articles.

The tariff of 1816, increased the duty on brown sugar about 20 per cent. and gave a protecting duty to that article of three cents per pound. No material decrease has, as yet, resulted to the revenue therefrom. The tariff was enacted during the existence of the excise on domestic distilled spirits, and an additional duty was imposed for the protection of the domestic article. The excise on imported spirits was repealed; the duty was continued, and the duty on foreign spirits exceeds, at this time, the whole value of the domestic, the average duty on the imported being 43 cents per gallon, when the value in the market of the domestic does not exceed 35 cents the gallon. This has tended, it is believed, to decrease, the consumption of foreign spirits, & of course, the amount of the revenue. In 1818, the net revenue from imported spirits, after deducting the debentures, amounted to 2,646,186 dollars, & in 1819, to 1,959,125 dollars.

The tariff of 1816 raised the duties on cotton and woollen cloths from 12 1/2 per cent. the duty imposed prior to the late war, to 25 per cent. and it valued all cotton cloths under a cost of 25 cents the square yard (although some cost as low as six cents) as if they had actually cost 25 cents, and charged the duty thereon accordingly. The result has been, that cotton goods imported from India, under a cost of 25 cents the square yard, pay a duty exceeding 60 per cent. on the average cost of those heretofore imported from that country, and above 40 per cent. on the average cost of similar goods when imported from Europe. The operation has had a salutary effect on our infant manufactures of cotton, which begins to be understood by the manufacturers.—The importations from India of such cottons as are under a cost of 25 cents the square yard, have almost ceased, for consumption, and those from Europe have decreased, it is believed, to a considerable extent. The coarse cottons of our domestic manufactures have entered, it is believed, into the consumption of the nation, nearly equal to the wants of the people. The increase of our woollen manufactures has afforded a considerable quantity of woollen cloths for consumption, but we have no information on which to form a decided opinion as to its extent. Other important articles of domestic manufactures are silently entering into competition with those heretofore imported from foreign nations.

Those circumstances, added to the distresses of the people, and to the price of our exports, being such as, in a great degree, to affect the means of paying for imports, make it extremely difficult to form a correct estimate of the revenue which may arise hereafter from duties on imports, estimated on that which had been received in former years.

With those views which the committee have deemed it proper to submit, they proceed to answer the first resolution.

They are of opinion, "that the revenue which will be received in the present year will be adequate to the expenses of the government;" and should no change take place, the revenue will, in their opinion, during the years 1822, 1823, and 1824, be not only equal to the expenses of the government, but afford such a surplus, applicable to the payment of the loan of the last year, and any that may be authorized for this year, as will, before the first day of January, 1825, fully repay the amount borrowed. The House will remember, that, as the appropriation bills have not passed, the real or true expenses of government cannot be correctly stated.—The committee are compelled, therefore, to bottom their statement on the estimated expenses, as submitted to Congress, which will, it is confidently believed, be reduced at least one and a half millions of dollars.

It is now reduced to a certainty, that the actual receipts from the customs into the treasury, during the year 1820, have been 15,005,328 dollars; which amount, it is humbly conceived, may be safely relied on as the receipts for the present year. The committee are of opinion, that the receipts of 1821 (from that source) will exceed that amount. They form that opinion from the following circumstances, to wit: The bonds for duties in the Treasury amounted, on the 1st day of October, 1820, to nearly the same sum as those in the Treasury on the 1st of October, 1819; that from those of 1819 an extraordinary deduction was made by the more than common amount to debentures issued on the reshipment of goods during the year: that a similar amount of drawbacks, it is believed, will not occur during the present year; & of course, that the revenue from imports will be greater in 1821 than that of 1820, & in this opinion they are confirmed by the following view of the customs for the present year:

Bonds in the Treasury on the 1st of Oct 1820,	\$18,770,000
From which must be deducted—	
Bonds irrecoverable,	\$1,250,000
Bonds in suit, which may not be received during the present year,	750,000
Bonds paid in 4th quarter of 1820,	2,626,815
Debentures actually issued, prior to the 1st Oct. on those bonds,	1,163,000
Debentures which may be issued on the same, estimated at	637,000
	<u>6,426,815</u>

Estimated nett proceeds from those bonds, 12,343,185

Add thereto the amount of the receipts into the Treasury from bonds taken during the last quarter of the year 1820, and taken, or to be taken, during the two succeeding quarters of 1821 which bottomed on the receipts into the Treasury for actual receipts from bonds taken during the fourth quarter in 1819, and the first and second quarters of 1820, are estimated to give, for the present year, the sum of 4,437,265

\$16,780,380

The committee have submitted the preceding view of the customs for 1821, for the consideration of the House, but would not be willing to pledge themselves for the result; the items they believe to be correct; and the present appearance of our commerce, becoming less unfavorable, warrants them in the belief, that the revenue from customs, for 1821, will not be less than sixteen millions of dollars.—They, however, deem it more safe to assume the receipts of the present, on that of the preceding year, and therefore submit the following statement:

Estimated receipts for 1821.

Customs received in the first, second, and third quarters of 1820, see Secretary's report, 12,378,513

Customs received in the fourth quarter, 2,626,815

A statement from the Treasury to your committee, assumed as the receipt for 1821, 15,005,328

Land, agreeably to the report of the Sec'y of the Treasury, 1,500,000

Internal taxes, by same, 100,000

Bank dividend, by same, 350,000

Post office and incidental receipts, may be estimated at 100,000

17,155,328

(Concluded on 4th page.)